# COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

# IN THE MATTER OF THE ADJUSTMENT OF ELECTRIC RATES OF DUKE ENERGY KENTUCKY, INC.

CASE NO. 2024-00354

FILING REQUIREMENTS

**VOLUME 1** 

# Duke Energy Kentucky, Inc. Case No. 2024-00354 Forecasted Test Period Filing Requirements Table of Contents

Vol. #	Tab #	Filing Requirement	Description	Sponsoring Witness
1	1	KRS 278.180	30 days' notice of rates to PSC.	Amy B. Spiller
1	2	807 KAR 5:001	The original and 10 copies of application plus	Amy B. Spiller
1	3	Section 7(1) 807 KAR 5:001 Section 12(2)	<ul> <li>copy for anyone named as interested party.</li> <li>(a) Amount and kinds of stock authorized.</li> <li>(b) Amount and kinds of stock issued and outstanding.</li> <li>(c) Terms of preference of preferred stock whether cumulative or participating, or on dividends or assets or otherwise.</li> <li>(d) Brief description of each mortgage on property of applicant, giving date of execution, name of mortgagor, name of mortgagee, or trustee, amount of indebtedness authorized to be secured thereby, and the amount of indebtedness actually secured, together with any sinking fund provisions.</li> <li>(e) Amount of bonds authorized, and amount issued, giving the name of the public utility which issued the same, describing each class separately, and giving date of issue, face value, rate of interest, date of maturity and how secured, together with amount of interest paid thereon during the last fiscal year.</li> <li>(f) Each note outstanding, giving date of issue, amount, date of maturity, rate of interest, in whose favor, together with amount of interest paid thereon during the last fiscal year.</li> <li>(g) Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year.</li> <li>(h) Rate and amount of dividends paid during the five (5) previous fiscal years, and the amount of capital stock on which dividends were paid each year.</li> <li>(i) Detailed income statement and balance</li> </ul>	Thomas J. Heath, Jr. Danielle L. Weatherston
1	4	807 KAR 5:001	sheet. Full name, mailing address, and electronic mail	Amy B. Spiller
- 1 (*****		Section 14(1)	address of applicant and reference to the particular provision of law requiring PSC approval.	· · · · · · · · · · · · · · · · · · ·
l	5	807 KAR 5:001 Section 14(2)	If a corporation, the applicant shall identify in the application the state in which it is incorporated and the date of its incorporation, attest that it is currently in good standing in the state in which it is incorporated, and, if it is not a Kentucky corporation, state if it is authorized to transact business in Kentucky.	Amy B. Spiller

1	6.	807 KAR 5:001	If a limited liability company, the applicant shall	Amy B. Spiller
		Section 14(3)	identify in the application the state in which it is	
			organized and the date on which it was organized,	
			attest that it is in good standing in the state in	
			which it is organized, and, if it is not a Kentucky	
1			limited liability company, state if it is authorized	
			to transact business in Kentucky.	
1	7	807 KAR 5:001	If the applicant is a limited partnership, a certified	Amy B. Spiller
		Section 14(4)	copy of its limited partnership agreement and all	
			amendments, if any, shall be annexed to the	
			application, or a written statement attesting that its	
			partnership agreement and all amendments have	
			been filed with the commission in a prior	
			proceeding and referencing the case number of the	
	L		prior proceeding.	
1	8	807 KAR 5:001	Reason adjustment is required.	Amy B. Spiller
		Section 16		Sarah E. Lawler
		(1)(b)(1)		
1	9	807 KAR 5:001	Certified copy of certificate of assumed name	Amy B. Spiller
		Section 16	required by KRS 365.015 or statement that	
	<u> </u>	(1)(b)(2)	certificate not necessary.	
1	10	807 KAR 5:001	New or revised tariff sheets, if applicable in a	Bruce L. Sailers
1		Section 16	format that complies with 807 KAR 5:011 with an	
		(1)(b)(3)	effective date not less than thirty (30) days from	
			the date the application is filed	
1	11	807 KAR 5:001	Proposed tariff changes shown by present and	Bruce L. Sailers
		Section 16	proposed tariffs in comparative form or by	
		(1)(b)(4)	indicating additions in italics or by underscoring	
			and striking over deletions in current tariff.	
1	12	807 KAR 5:001	A statement that notice has been given in	Amy B. Spiller
	Į	Section 16	compliance with Section 17 of this administrative	-
		(1)(b)(5)	regulation with a copy of the notice.	
1	13	807 KAR 5:001	If gross annual revenues exceed \$5,000,000,	Amy B. Spiller
		Section 16(2)	written notice of intent filed at least 30 days, but	
			not more than 60 days prior to application. Notice	
			shall state whether application will be supported	
			by historical or fully forecasted test period.	
1	14	807 KAR 5:001	Notice given pursuant to Section 17 of this	Amy B. Spiller
		Section 16(3)	administrative regulation shall satisfy the	
			requirements of 807 KAR 5:051, Section 2.	
1	15	807 KAR 5:001	The financial data for the forecasted period shall	Grady "Tripp" S. Carpenter
		Section 16(6)(a)	be presented in the form of pro forma adjustments	
		50 °C 7	to the base period.	
1	16	807 KAR 5:001	Forecasted adjustments shall be limited to the	Lisa D. Steinkuhl
		Section 16(6)(b)	twelve (12) months immediately following the	Grady "Tripp" S. Carpenter
			suspension period.	Sharif S. Mitchell
				Jacob S. Colley
1	17	807 KAR 5:001	Capitalization and net investment rate base shall	Lisa D. Steinkuhl
		Section $16(6)(c)$	be based on a thirteen (13) month average for the	
			forecasted period.	
1	18	807 KAR 5:001	After an application based on a forecasted test	Grady "Tripp" S. Carpenter
		Section 16(6)(d)	period is filed, there shall be no revisions to the	
		1 5 - 5 - X	forecast, except for the correction of mathematical	
	l		errors, unless the revisions reflect statutory or	
			regulatory enactments that could not, with	
			reasonable diligence, have been included in the	
			forecast on the date it was filed. There shall be no	
	1	ļ	revisions filed within thirty (30) days of a	

]	19	807 KAR 5:001	The commission may require the utility to prepare	Grady "Tripp" S. Carpenter
		Section 16(6)(e)	an alternative forecast based on a reasonable	
			number of changes in the variables, assumptions,	
			and other factors used as the basis for the utility's	
			forecast.	
1	20	807 KAR 5:001	The utility shall provide a reconciliation of the rate	Lisa D. Steinkuhl
		Section 16(6)(f)	base and capital used to determine its revenue	
			requirements.	
1	21	807 KAR 5:001	Prepared testimony of each witness supporting its	All Witnesses
		Section $16(7)(a)$	application including testimony from chief officer	
			in charge of Kentucky operations on the existing	
			programs to achieve improvements in efficiency	
			and productivity, including an explanation of the	
			purpose of the program.	
1	22	807 KAR 5:001	Most recent capital construction budget containing	Grady "Tripp" S. Carpenter
		Section 16(7)(b)	at minimum 3 year forecast of construction	William C. Luke
			expenditures.	Marc W. Arnold
1	23	807 KAR 5:001	Complete description, which may be in prefiled	Grady "Tripp" S. Carpenter
		Section 16(7)(c)	testimony form, of all factors used to prepare	
			forecast period. All econometric models,	
			variables, assumptions, escalation factors,	
			contingency provisions, and changes in activity	
			levels shall be quantified, explained, and properly	
			supported.	
1	24	807 KAR 5:001	Annual and monthly budget for the 12 months	Grady "Tripp" S. Carpenter
		Section 16(7)(d)	preceding filing date, base period and forecasted	
			period.	
1	25	807 KAR 5:001	Attestation signed by utility's chief officer in	Amy B. Spiller
		Section 16(7)(e)	charge of Kentucky operations providing:	
			1. That forecast is reasonable, reliable, made in	
			good faith and that all basic assumptions used	
			have been identified and justified; and	
			2. That forecast contains same assumptions and	
			methodologies used in forecast prepared for use	
			by management, or an identification and	
			explanation for any differences; and	
			3. That productivity and efficiency gains are	
			included in the forecast.	
1	26	807 KAR 5:001	For each major construction project constituting	Grady "Tripp" S. Carpenter
		Section 16(7)(f)	5% or more of annual construction budget within 3	William C. Luke
			year forecast, following information shall be filed:	Marc W. Arnold
			1. Date project began or estimated starting date;	
			2. Estimated completion date;	
			3. Total estimated cost of construction by year	
			exclusive and inclusive of Allowance for Funds	
			Used During construction ("AFUDC") or	
			Interest During construction Credit; and	7-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0-0
			4. Most recent available total costs incurred	
			exclusive and inclusive of AFUDC or Interest	
	<u>  _</u>	005 1/1 1 5 5 5 5 5	During Construction Credit.	
1	27	807 KAR 5:001	For all construction projects constituting less than	Grady "Tripp" S. Carpenter
		Section 16(7)(g)	5% of annual construction budget within 3 year	William C. Luke
			forecast, file aggregate of information requested in	Marc W. Arnold
	ſ	1	paragraph (f) 3 and 4 of this subsection.	1

1	28	807 KAR 5:001	Financial forecast for each of 3 forecasted years	Grady "Tripp" S. Carpenter
	20	Section $16(7)(h)$	included in capital construction budget supported	John D. Swez
			by underlying assumptions made in projecting	Ibrar A. Khera
			results of operations and including the following	
			information:	
			1. Operating income statement (exclusive of	
			dividends per share or earnings per share);	
			2. Balance sheet;	
			3. Statement of cash flows;	
			4. Revenue requirements necessary to support the	
			forecasted rate of return;	
			5. Load forecast including energy and demand	
			<ul><li>(electric);</li><li>6. Access line forecast (telephone);</li></ul>	
			7. Mix of generation (electric);	
			8. Mix of gas supply (gas);	
			9. Employee level;	
			10.Labor cost changes;	
			11.Capital structure requirements;	
			12.Rate base;	
			13.Gallons of water projected to be sold (water);	
			14.Customer forecast (gas, water);	
			15.MCF sales forecasts (gas);	
			16. Toll and access forecast of number of calls and	
			number of minutes (telephone); and	
			17.A detailed explanation of any other information provided.	
1	-29	807 KAR 5:001	Most recent FERC or FCC audit reports.	Danielle L. Weatherston
1	27	Section 16(7)(i)		Dumene E. Weatherstein
1	30	807 KAR 5:001	Prospectuses of most recent stock or bond	Thomas J. Heath, Jr.
		Section 16(7)(j)	offerings.	and the second se
1	31	807 KAR 5:001	Most recent FERC Form 1 (electric), FERC Form	Danielle L. Weatherston
		Section 16(7)(k)	2 (gas), or PSC Form T (telephone).	
2	32	807 KAR 5:001	Annual report to shareholders or members and	Thomas J. Heath, Jr.
		Section 16(7)(1)	statistical supplements for the most recent 2 years prior to application filing date.	
3	33	807 KAR 5:001	Current chart of accounts if more detailed than	Danielle L. Weatherston
و.	5.5	Section 16(7)(m)	Uniform System of Accounts there detailed that	
3	34	807 KAR 5:001	Latest 12 months of the monthly managerial	Danielle L. Weatherston
5	1 7	Section 16(7)(n)	reports providing financial results of operations in	
			comparison to forecast.	
3	35	807 KAR 5:001	Complete monthly budget variance reports, with	Danielle L. Weatherston
		Section 16(7)(0)	narrative explanations, for the 12 months prior to	Grady "Tripp" S. Carpenter
			base period, each month of base period, and	
			subsequent months, as available.	
3-9	36	807 KAR 5:001	SEC's annual report for most recent 2 years, Form	Danielle L. Weatherston
		Section 16(7)(p)	10-Ks and any Form 8-Ks issued during prior 2	
			years and any Form 10-Qs issued during past 6	
9	37	807 KAR 5:001	quarters. Independent auditor's annual opinion report, with	Danielle L. Weatherston
9	1 21	Section $16(7)(q)$	any written communication which indicates the	Damene D. Weatherston
			existence of a material weakness in internal	
			controls.	
9	38	807 KAR 5:001	Quarterly reports to the stockholders for the most	Thomas J. Heath, Jr.
		Section 16(7)(r)	recent 5 quarters.	

9	39	807 KAR 5:001	Summary of latest depreciation study with	John J. Spanos
		Section 16(7)(s)	schedules itemized by major plant accounts, except that telecommunications utilities adopting PSC's average depreciation rates shall identify current and base period depreciation rates used by major plant accounts. If information has been filed in another PSC case, refer to that case's number and style.	
9	40	807 KAR 5:001 Section 16(7)(t)	List all commercial or in-house computer software, programs, and models used to develop schedules and work papers associated with application. Include each software, program, or model; its use; identify the supplier of each; briefly describe software, program, or model; specifications for computer hardware and operating system required to run program	Lisa D. Steinkuhl
9	41	807 KAR 5:001 Section 16(7)(u)	<ul> <li>If utility had any amounts charged or allocated to it by affiliate or general or home office or paid any monies to affiliate or general or home office during the base period or during previous 3 calendar years, file:</li> <li>1. Detailed description of method of calculation and amounts allocated or charged to utility by affiliate or general or home office for each allocation or payment;</li> <li>2. method and amounts allocated during base period and method and estimated amounts to be allocated during forecasted test period;</li> <li>3. Explain how allocator for both base and forecasted test period was determined; and</li> <li>4. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during base period is reasonable.</li> </ul>	Rebekah E. Buck
10	42	807 KAR 5:001 Section 16(7)(v)	If gas, electric or water utility with annual gross revenues greater than \$5,000,000, cost of service study based on methodology generally accepted in industry and based on current and reliable data from single time period.	James E. Ziolkowski
10	43	807 KAR 5:001 Section 16(7)(w)	<ul> <li>Local exchange carriers with fewer than 50,000 access lines need not file cost of service studies, except as specifically directed by PSC. Local exchange carriers with more than 50,000 access lines shall file:</li> <li>1. Jurisdictional separations study consistent with Part 36 of the FCC's rules and regulations; and</li> <li>2. Service specific cost studies supporting pricing of services generating annual revenue greater than \$1,000,000 except local exchange access:</li> <li>a. Based on current and reliable data from single time period; and</li> <li>b. Using generally recognized fully allocated, embedded, or incremental cost</li> </ul>	N/A
10	44	807 KAR 5:001 Section 16(8)(a)	principles. Jurisdictional financial summary for both base and forecasted periods detailing how utility derived amount of requested revenue increase.	Lisa D. Steinkuhl

10	45	807 KAR 5:001	Jurisdictional rate base summary for both base and	Lisa D. Steinkuhl
ŢŲ	4J	Section 16(8)(b)	forecasted periods with supporting schedules which include detailed analyses of each component of the rate base.	Sharif S. Mitchell Grady "Tripp" S. Carpenter John R. Panizza James E. Ziolkowski
10	46	807 KAR 5:001 Section 16(8)(c)	Jurisdictional operating income summary for both base and forecasted periods with supporting schedules which provide breakdowns by major	Danielle L. Weatherston Lisa D. Steinkuhl
			account group and by individual account.	
10	47	807 KAR 5:001 Section 16(8)(d)	Summary of jurisdictional adjustments to operating income by major account with supporting schedules for individual adjustments and jurisdictional factors.	Lisa D. Steinkuhl Sharif S. Mitchell Grady "Tripp" S. Carpenter Jacob S. Colley James E. Ziolkowski
10	48	807 KAR 5:001 Section 16(8)(e)	Jurisdictional federal and state income tax summary for both base and forecasted periods with all supporting schedules of the various components of jurisdictional income taxes.	John R. Panizza
10	49	807 KAR 5:001 Section 16(8)(f)	Summary schedules for both base and forecasted periods (utility may also provide summary segregating items it proposes to recover in rates) of organization membership dues; initiation fees; expenditures for country club; charitable contributions; marketing, sales, and advertising; professional services; civic and political activities; employee parties and outings; employee gifts; and rate cases.	Lisa D. Steinkuhl
10	50	807 KAR 5:001 Section 16(8)(g)	Analyses of payroll costs including schedules for wages and salaries, employee benefits, payroll taxes, straight time and overtime hours, and executive compensation by title.	Lisa D. Steinkuhl Shannon A. Caldwell
10	51	807 KAR 5:001 Section 16(8)(h)	Computation of gross revenue conversion factor for forecasted period.	Lisa D. Steinkuhl
10	52	807 KAR 5:001 Section 16(8)(i)	Comparative income statements (exclusive of dividends per share or earnings per share), revenue statistics and sales statistics for 5 calendar years prior to application filing date, base period, forecasted period, and 2 calendar years beyond forecast period.	Danielle L. Weatherston Grady "Tripp" S. Carpenter
10	53	807 KAR 5:001 Section 16(8)(j)	Cost of capital summary for both base and forecasted periods with supporting schedules providing details on each component of the capital structure.	Thomas J. Heath, Jr.
10	54	807 KAR 5:001 Section 16(8)(k)	Comparative financial data and earnings measures for the 10 most recent calendar years, base period, and forecast period.	Sharif S. Mitchell Grady "Tripp" S. Carpenter Thomas J. Heath, Jr. Danielle L. Weatherston
10	55	807 KAR 5:001 Section 16(8)(1)	Narrative description and explanation of all proposed tariff changes.	Bruce L. Sailers
10	56	807 KAR 5:001 Section 16(8)(m)	Revenue summary for both base and forecasted periods with supporting schedules which provide detailed billing analyses for all customer classes.	Bruce L. Sailers
10	57	807 KAR 5:001 Section 16(8)(n)	Typical bill comparison under present and proposed rates for all customer classes.	Bruce L. Sailers
10	58	807 KAR 5:001 Section 16(9)	The commission shall notify the applicant of any deficiencies in the application within thirty (30) days of the application's submission. An application shall not be accepted for filing until the utility has cured all noted deficiencies.	Sarah E. Lawler

10	59	807 KAR 5:001 Section 16(10)	Request for waivers from the requirements of this section shall include the specific reasons for the request. The commission shall grant the request upon good cause shown by the utility.	Legal
10	60	807 KAR 5:001 Section (17)(1)	<ul> <li>(1) Public postings.</li> <li>(a) A utility shall post at its place of business a copy of the notice no later than the date the application is submitted to the commission.</li> <li>(b) A utility that maintains a Web site shall, within five (5) business days of the date the application is submitted to the commission, post on its Web sites: <ol> <li>A copy of the public notice; and</li> <li>A hyperlink to the location on the commission's Web site where the case documents are available.</li> <li>(c) The information required in paragraphs (a) and (b) of this subsection shall not be removed until the commission issues a final decision on the application.</li> </ol> </li> </ul>	Amy B. Spiller
10	61	807 KAR 5:001 Section 17(2)	<ul> <li>(2) Customer Notice.</li> <li>(a) If a utility has twenty (20) or fewer</li> <li>customers, the utility shall mail a written notice to</li> <li>each customer no later than the date on which the</li> <li>application is submitted to the commission.</li> <li>(b) If a utility has more than twenty (20)</li> <li>customers, it shall provide notice by: <ol> <li>Including notice with customer bills mailed</li> <li>no later than the date the application is submitted</li> <li>to the commission;</li> <li>Mailing a written notice to each customer no</li> </ol> </li> <li>later than the date the application is submitted to the commission;</li> <li>Mailing a written notice to each customer no</li> <li>later than the date the application is submitted to the commission;</li> <li>Publishing notice once a week for three (3)</li> <li>consecutive weeks in a prominent manner in a newspaper of general circulation in the utility's service area, the first publication to be made no later than the date the application is submitted to the commission; or</li> <li>Publishing notice in a trade publication or newsletter delivered to all customers no later than the date the application is submitted to the commission.</li> <li>A utility that provides service in more than one (1) county may use a combination of the notice methods listed in paragraph (b) of this subsection.</li> </ul>	Amy B. Spiller

10	10	007 KAD 5.001	(2) D <sub>1</sub> = 6 = 63 f = t <sup>2</sup> = - A = t <sup>2</sup> f = -1 = 11 = 0 = -121 = 1	
10	62	807 KAR 5:001	(3) Proof of Notice. A utility shall file with the	Amy B. Spiller
		Section 17(3)	commission no later than forty-five (45) days from	
			the date the application was initially submitted to	
			the commission:	
			(a) If notice is mailed to its customers, an	1
			affidavit from an authorized representative of the	
	1		utility verifying the contents of the notice, that	
			notice was mailed to all customers, and the date of	
			the mailing;	
			(b) If notice is published in a newspaper of	
			general circulation in the utility's service area, an	
			affidavit from the publisher verifying the contents	
			of the notice, that the notice was published, and	
	ļ		the dates of the notice's publication; or	
			(c) If notice is published in a trade publication	
			or newsletter delivered to all customers, an	
			affidavit from an authorized representative of the	
			utility verifying the contents of the notice, the	
			mailing of the trade publication or newsletter, that	
			notice was included in the publication or	
			newsletter, and the date of mailing.	

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10	63	807 KAR 5:001 Section 17(4)	<ul> <li>(4) Notice Content. Each notice issued in accordance with this section shall contain: <ul> <li>(a) The proposed effective date and the date the proposed rates are expected to be filed with the commission;</li> <li>(b) The present rates and proposed rates for each customer classification to which the proposed rates will apply;</li> <li>(c) The amount of the change requested in both dollar amounts and percentage change for each customer classification to which the proposed rates will apply;</li> <li>(d) The amount of the average usage and the effect upon the average bill for each customer classification to which the proposed rates will apply;</li> <li>(d) The amount of the average usage and the effect upon the average bill for each customer classification to which the proposed rates will apply, except for local exchange companies, which shall include the effect upon the average bill for each customer classification for the proposed rate change in basic local service;</li> <li>(e) A statement that a person may examine this application at the offices of (utility name) located at (utility address);</li> <li>(f) A statement that a person may examine this application at the commission's offices located at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 a.m. to 4:30 p.m., or through the commission's Web site at http://psc.ky.gov;</li> <li>(g) A statement that comments regarding the application may be submitted to the Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602;</li> <li>(h) A statement that the rates contained in this notice are the rates proposed by (utility name) but that the Public Service Commission may order fates to be differed from the areas and the public Service Commission from the the differed from the areas and the states to be adversed to the differed from the areas and the states to be adversed to the differed from the areas and the states to be adversed to the differed from the areas and the adversed at the differed from the areas and the advers</li></ul></li></ul>	Bruce L. Sailers
			Commission through its Web site or by mail to Public Service Commission, Post Office Box 615, Frankfort, Kentucky 40602; (h) A statement that the rates contained in this notice are the rates proposed by (utility name) but that the Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice; (i) A statement that a person may submit a timely written request for intervention to the Public Service Commission, Post Office Box 615, Frankfort,	
			Kentucky 40602, establishing the grounds for the request including the status and interest of the party; and (j) A statement that if the commission does not receive a written request for intervention within thirty (30) days of initial publication or mailing of the notice, the commission may take final action on the application.	
10	64	807 KAR 5:001 Section 17(5)	(5) Abbreviated form of notice. Upon written request, the commission may grant a utility permission to use an abbreviated form of published notice of the proposed rates, provided the notice includes a coupon that may be used to obtain all the required information.	N/A

11	N <b>N</b> .	807 KAR 5:001 Section 16(8)(a) through (k)	Schedule Book (Schedules A-K)	Various
12	-	807 KAR 5:001 Section 16(8)(1) through (n)	Schedule Book (Schedules L-N)	Bruce L. Sailers
13	-	-	Work Papers	Various
14		807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 1 of 4)	Various
15	-	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 2 of 4)	Various
16	and .	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 3 of 4)	Various
17	-	807 KAR 5:001 Section 16(7)(a)	Testimony (Volume 4 of 4)	Various
18-19	-	KRS 278.2205(6)	Cost Allocation Manual	Legal

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR KRS 278.180

#### KRS 278.180

#### **Description of Filing Requirement:**

Provide thirty (30) days' notice of rate change to Kentucky Public Service Commission.

#### **Response:**

See attached.

#### **Sponsoring Witness:**



VIA ELECTRONIC MAIL: PSCED@ky.gov

November 1, 2024

Ms. Linda Bridwell Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, Kentucky 40602-0615 Amy B. Spiller President Duke Energy Kentucky

139 E. 4th Street Room 1409-M Cincinnati, OH 45202

513.287.4359 amy.spiller@duke-energy.com

# RECEIVED

NOV 01 2024

PUBLIC SERVICE COMMISSION

RE: Case No. 2024-00354

The Electronic Application of Duke Energy Kentucky, Inc., for: 1) An Adjustment of the Electric Rates; 2) Approval of New Tariffs; 3) Approval of Accounting Practices to Establish Regulatory Assets and Liabilities; and 4) All Other Required Approvals and Relief.

Dear Ms. Bridwell:

Duke Energy Kentucky, Inc. (Duke Energy Kentucky or the Company) notifies the Commission that it will file a general electric rate case in thirty days or reasonably soon thereafter.<sup>1</sup> Duke Energy Kentucky will use a forward-looking test period for this case.

Duke Energy Kentucky is contemporaneously filing a Notice of Election of use of Electronic Filing Procedures for this proceeding. Please assign this matter a case number and style and advise us of same so that it can be incorporated in the application and supporting testimony before filing with the Commission.

Duke Energy Kentucky is providing a copy of this notice to the Attorney General's Utility Intervention and Rate Division. We will work diligently with the Commission and our other stakeholders to seek a constructive resolution. Thank you for your consideration.

Sincerely,

Amy B. Spiller

cc: Hon. John G. Horne, II (via email: rateintervention@ag.ky.gov)

<sup>&</sup>lt;sup>1</sup> Duke Energy Kentucky provides this notice pursuant to Commission regulation 807 KAR 5:001 Section 16(2).

KyPSC Case No. 2024-00354 FR KRS 278.180 Attachment Page 2 of 3



Mailing Address 139 East Fourth Street 1303-Main Cincinnati, Ohio 45202

> o 513-287-4320 f 513-370-5720

Rocco.D'Ascenzo@duke-energy.com Rocco O, D'Ascenzo Deputy General Counsel

#### VIA ELECTRONIC MAIL: PSCED@ky.gov

November 1, 2024

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

RE: Case No. 2024-00354

The Electronic Application of Duke Energy Kentucky, Inc., for: 1) An Adjustment of the Electric Rates; 2) Approval of New Tariffs; 3) Approval of Accounting Practices to Establish Regulatory Assets and Liabilities; and 4) All Other Required Approvals and Relief.

Dear Ms. Bridwell:

Duke Energy Kentucky, Inc. (Duke Energy Kentucky or the Company), pursuant to 807 KAR 5:001, Section 8, is requesting to use the electronic filing procedures set forth in that regulation. Duke Energy Kentucky intends to file on or after December 2, 2024, an Application for Authority to Adjust Electric Rates, Approval of New Tariffs, Approval of Accounting Practices to Establish Regulatory Assets and Liabilities, and for All Other Required Approvals and Relief. The Company would like to utilize the electronic filing procedures when filing documents in this case. As such, I have enclosed a completed *Notice of Election of Use of Electronic Filing Procedures* as required by the Commission.

Should you have any questions regarding the enclosed, please do not hesitate to contact me.

Sincerely,

/s/Rocco D'Ascenzo Rocco O. D'Ascenzo, Esq. Deputy General Counsel

#### KyPSC Case No. 2024-00354 FR KRS 278.180 Attachment Page 3 of 3

Case No. 2024-00354

Notice of Election to Use Electronic Filling Procedures Revised June 2014

#### NOTICE OF ELECTION OF USE OF ELECTRONIC FILING PROCEDURES

(Complete All Shaded Areas and Check Applicable Boxes)

In accordance with 807 KAR5:001, Section 8, <u>Duke Energy Kentucky, Inc.</u> gives notice of its intent to file an application for <u>an adjustment of the Electric Rates, etc...</u> with the Public Service Commission no later than <u>December 2, 2024</u> and to use the electronic filing procedures set forth in that regulation.

Duke Energy Kentucky, Inc. further states that:

		Yes	No
1.	It requests that the Public Service Commission assign a case number to the intended application and advise it of that number as soon as possible;	X	
2.	It or its authorized representatives have registered with the Public Service Commission and are authorized to make electronic filings with the Public Service Commission;	X	
3.	Neither it nor its authorized representatives have registered with the Public Service Commission for authorization to make electronic filings but will do so no later than seven days before the date of its filing of its application for rate adjustment;		X
4.	It or its authorized agents possess the facilities to receive electronic transmissions;	X	
c	The following persons are authorized to make filings on its hehelf and to making all stranging		

 The following persons are authorized to make filings on its behalf and to receive electronic service of Public Service Commission orders and any pleadings filed by any party or the Public Service Commission Staff:

Name	Electronic Mail Address
Rôcco D'Ascenzo	rocco.d'ascenzo@duke-energy.com
Larisa M. Vaysman	larisa.vaysman@duke-energy.com
Elizabeth Brama	EBrama@taftlaw.com
Minna Sunderman	minna, sunderman@duke-energy.com
Debbie Gates	debbie.gates@duke-energy.com

6. It and its authorized representatives listed above have read and understand the procedures for electronic filing set forth in 807 KAR 5:001 and will fully comply with those procedures unless the Public Service Commission directs otherwise.

Signed /s/	Rocco D'Ascenzo
Name:	Rocco O. D'Ascenzo
Title:	Deputy General Counsel
Address:	139 East Fourth Street, 1303-Main
	Cincinnati, Ohio 45202
Telephor	ne Number: 513-287-4320

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 7(1)

#### 807 KAR 5:001, SECTION 7(1)

#### **Description of Filing Requirement:**

Unless the Commission orders otherwise or the electronic filing procedures established in Section 8 of this administrative regulation are used, if a paper is filed with the commission, an original unbound and ten (10) additional copies in paper medium shall be filed.

#### Response:

Duke Energy Kentucky elected, and was approved for, the use of electronic filing procedures in this matter. As such, in accordance with 807 KAR 5:001, Section 8(3) and the permanent deviation granted in Case No. 2020-00085,<sup>1</sup> the Company will retain the original filing in paper medium.

#### Witness Responsible:

<sup>&</sup>lt;sup>1</sup> In the Matter of Electronic Emergency Docket Related to the Novel Coronavirus COVID-19, Order, Case No. 2020-00085 (Ky. P.S.C. July 22, 2021).

#### DUKE ENERGY KENTÜCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 12(2)(a) through (i)

#### 807 KAR 5:001, SECTIONS 12(2)(a) through 12(2)(i)

#### **Description of Filing Requirements:**

Section 12(2)(a)

• Amount and kinds of stock authorized.

#### Section 12(2)(b)

• Amount and kinds of stock issued and outstanding.

Section 12(2)(c)

• Terms of preference of preferred stock, cumulative or participating, or on dividends or assets or otherwise.

Section 12(2)(d)

• A brief description of each mortgage on property of applicant, giving date of execution, name of mortgagor, name of mortgagee or trustee, amount of indebtedness authorized to be secured, and the amount of indebtedness actually secured, together with sinking fund provisions, if applicable.

Section 12(2)(e)

• The amount of bonds authorized and amount issued, giving the name of the public utility that issued the same, describing each class separately and giving the date of issue, face value, rate of interest, date of maturity, and how secured, together with amount of interest paid during the last fiscal year.

Section 12(2)(f)

• Each note outstanding, giving date of issue, amount, date of maturity, rate of interest, in whose favor, together with amount of interest paid during the last fiscal year.

Section 12(2)(g)

• Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of a portion of the indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid during the last fiscal year.

Section 12(2)(h)

• The rate and amount of dividends paid during the five (5) previous fiscal years, and the amount of capital stock on which dividends were paid each year.

Section 12(2)(i)

• A detailed Income Statement and Balance Sheet

#### Response:

See attached.

#### Sponsoring Witness:

Thomas J. Heath, Jr. – Sections 12(2)(a)-(h) Danielle L. Weatherston – Section 12(2)(i)

KyPSC Case No. 2024-00354 FR 12(2)(a)-(i) Attachment Page 1 of 5

#### FINANCIAL EXHIBIT

#### (1) <u>Section 12(2)(a) Amount and kinds of stock authorized.</u>

1,000,000 shares of Capital Stock \$15 par value amounting to \$15,000,000 par value.

#### (2) Section 12(2)(b) Amount and kinds of stock issued and outstanding.

585,333 shares of Capital Stock \$15 par value amounting to \$8,779,995 total par value. Total Capital Stock and Additional Paid-in Capital as of September 30, 2024:

Capital Stock and Additional Paid-in Capital As of September 30, 2024 (\$ per 1,000)

Capital Stock	\$8,780
Premiums thereon	18,839
Total Capital Contributions from Parent (since 2006)	353,150
Contribution from Parent Company for Purchase of Generation Assets	140,061

Total Capital Stock and Additional Paid-in-Capital\$520,830

# (3) <u>Section 12(2)(c) Terms of preference or preferred stock, cumulative or participating, or on dividends or assets or otherwise.</u>

There is no preferred stock authorized, issued or outstanding.

(4) Section 12(2)(d) Brief description of each mortgage on property of applicant, giving date of execution, name of mortgagor, name or mortgagee, or trustee, amount of indebtedness authorized to be secured, and the amount of indebtedness actually secured, together with any sinking fund provision.

Duke Energy Kentucky does not have any liabilities secured by a mortgage.

# (5) Section 12(2)(e) Amount of bonds authorized, and amount issued, giving the name of the public utility which issued the same, describing each class separately, and giving the date of issue, face value, rate of interest, date of maturity and how secured, together with the amount of interest paid thereon during the last fiscal year.

The Company has 16 outstanding issues of unsecured senior debentures issued under an Indenture dated December 1, 2004, between itself and Deutsche Bank Trust Company Americas, as Trustee, as supplemented by eight Supplemental Indentures. The Indenture allows the Company to issue debt securities in an unlimited amount from time to time. The Debentures issued and outstanding under the Indenture are the following:

		Principal Amount	Principal			Interest
Supplemental	Date of	Authorized	Amount	Rate of	Date of	Paid
Indenture	Issue	and Issued	Outstanding	Interest	Maturity	Year 2023
1 <sup>st</sup> Supplemental	3/7/2006	65,000,000	65,000,000	6.200%	3/10/2036	4,030,000
3 <sup>rd</sup> Supplemental	1/5/2016	45,000,000	45,000,000	3.420%	1/15/2026	1,539,000
3 <sup>rd</sup> Supplemental	1/5/2026	50,000,000	50,000,000	4.450%	1/15/2046	2,225,000
4 <sup>th</sup> Supplemental	9/7/2027	30,000,000	30,000,000	3.350%	9/15/2029	1,005,000
4 <sup>th</sup> Supplemental	9/7/2017	30,000,000	30,000,000	4.110%	9/15/2047	1,233,000
4 <sup>th</sup> Supplemental	9/7/2017	30,000,000	30,000,000	4.260%	9/15/2057	1,278,000
5 <sup>th</sup> Supplemental	10/3/2018	40,000,000	40,000,000	4.180%	10/15/2028	1,672,000
5 <sup>th</sup> Supplemental	12/12/2018	35,000,000	35,000,000	4.620%	12/15/2048	1,617,000
6 <sup>di</sup> Supplemental	7/17/2019	40,000,000	40,000,000	4.320%	7/15/2049	1,728,000
7 <sup>th</sup> Supplemental	9/26/2019	95,000,000	95,000,000	3.230%	10/01/2025	3,068,500
7 <sup>th</sup> Supplemental	9/26/2019	75,000,000	75,000,000	3.560%	10/01/2029	2,670,000
8 <sup>th</sup> Supplemental	9/15/2020	35,000,000	35,000,000	2.650%	9/15/2030	927,500
8 <sup>th</sup> Supplemental	9/15/2020	35,000,000	35,000,000	3.660%	9/15/2050	1,281,000
9 <sup>th</sup> Supplemental	6/28/2024	80,000,000	80,000,000	5.900%	7/15/2034	-
9 <sup>th</sup> Supplemental	6/28/2024	95,000,000	95,000,000	6.000%	7/15/2034	-
9 <sup>th</sup> Supplemental	6/28/2024	50,000,000	50,000,000	6.170%	7/15/2039	-
			830,000,000	•		24,274,000

#### (6) <u>Section 12(2)(f) Each note outstanding, giving date of issue, amount, date of</u> <u>maturity, rate of interest, in whose favor, together with amount of interest paid</u> <u>thereon during the last fiscal year.</u>

Not applicable.

#### (7) Section 12(2)(g) Other indebtedness, giving same by classes and describing security, if any, with a brief statement of the devolution or assumption of any portion of such indebtedness upon or by person or corporation if the original liability has been transferred, together with amount of interest paid thereon during the last fiscal year.

The Company has two series of Pollution Control Revenue Refunding Bonds issued under a Trust Indenture dated as of August 1, 2006 and a Trust Indenture dated as of December 1, 2008, between the County of Boone, Kentucky and Deutsche Bank National Trust Company as Trustee. The Company's obligation to make payments equal to debt service on the Bonds is evidenced by a Loan Agreement dated as of August 1, 2006 and December 1, 2008 between the County of Boone, Kentucky and Duke Energy Kentucky. The Bonds issued under the Indentures are below. On November 1, 2021, the Company bought in the Series 2008A bond, and remarketed the bond in June 2022.

		Principal				
		Amount	Principal			Interest
	Date of	Authorized	Amount	Rate of	Date of	Paid
Indenture	Issue	and Issued	Outstanding	Interest	Maturity	Year 2023
Series 2010	2/1/2012	26,720,000	26,720,000	3.86% <sup>(1)</sup>	8/1/2027	1,031,392
Series 2008A	6/27/2022	50,000,000	50,000,000	3.70%	8/1/2027	1,850,000
			76,720,000			2,881,392

<sup>(1)</sup> The bonds were issued at a variable-rate and were swapped to a fixed rate of 3.86% for the life of the debt. The average floating-rate of interest on the bonds for 2023 was 3.41%.

The Company has no outstanding financing leases as of September 30, 2024.

The Company also has \$25,000,000 of money pool borrowings outstanding as of September 30, 2024, \$25,000,000 of which is classified as Long-Term Debt payable to affiliated companies. This obligation, which is short-term by nature, is classified as long-term due to Duke Energy Kentucky's intent and ability to utilize such borrowings as long-term financing.

#### (8) <u>Section 12(2)(h) Rate and amount of dividends paid during the last five (5)</u> previous fiscal years, and the amount of capital stock on which dividends were paid each year.

#### **DIVIDENDS PER SHARE**

	Per				Par Value of
Year Ending	Share	Total	N	o. of Shares	Stock
December 31, 2019	0		0	585,333	8,779,995
December 31, 2020	0		0	585,333	8,779,995
December 31, 2021	0		0	585,333	8,779,995
December 31, 2022	0		0	585,333	8,779,995
December 31, 2023	0		0	585,333	8,779,995

#### (9) Section 12(2)(i) A detailed Income Statement and Balance Sheet

#### FINANCIAL STATEMENTS

DUKE ENERGY KENTUCKY, INC. Condensed Statements of Operations (Unaudited)

	Nine Months Ended September 30,				
(in thousands)		2024		2023	
Operating Revenues					
Electric	\$	389,189	\$	331,201	
Natural gas		90,927		91,359	
Total operating revenues		480,116		422,560	
Operating Expenses					
Fuel used in electric generation and purchased power		125,987		117,767	
Cost of natural gas		30,816		32,659	
Operation, maintenance and other		118,757		109,948	
Depreciation and amortization		81,906		77,825	
Property and other taxes		14,418		9,993	
Impairment of assets and other charges		-		55	
Total operating expenses		371,884		348,247	
Gains on Sales of Other Assets and Other, net		322		459	
Operating Income		108,554		74,772	
Other Income and Expenses, net		7,992		6,588	
Interest Expense		25,328		25,969	
Income Before Income Taxes		91,218		55,391	
Income Tax Expense		17,640		10,577	
Net Income	5	73,578	\$	44,814	

thousands, except share amounts)		September 30, 2024		December 31, 2023	
ASSETS					
Current Assets					
Cash and cash equivalents	\$	933	\$	3,067	
Receivables (net of allowance for doubtful accounts of \$3,450 at 2024 and \$746 at 2023)		75,941		18,423	
Receivables from affiliated companies		27		88,411	
Notes receivable from affiliated companies		36,716		-	
inventory		54,344		67,144	
Regulatory assets		16,283		21,018	
Other		11,439	_	40,926	
Total current assets		195,683		238,989	
Property, Plant and Equipment					
Cost		3,538,462		3,393,659	
Accumulated depreciation and amortization		(1,176,829)		(1,138,125)	
Net property, plant and equipment		2,361,633		2,255,534	
Other Noncurrent Assets					
Regulatory assets		106,411		109,530	
Operating lease right-of-use assets, net		4,242		7,430	
Other		23,148		20,579	
Total other noncurrent assets		133,801		137,539	
Total Assets	\$	2,691,117	\$	2,632,062	
LIABILITIES AND EQUITY					
Current Liabilities					
Accounts payable	\$	41,288	\$	62,341	
Accounts payable to affiliated companies		24,365		16,752	
Notes payable to affiliated companies		-		92,903	
Taxes accrued		22,937		28,814	
Interest accrued		10,293		7,678	
Asset retirement obligations		7,331		6,363	
Regulatory liabilities		13,389		14,554	
Other		14,780		16,230	
Total current liabilities		134,383		245,635	
Long-Term Debt		903,882		679,562	
Long-Term Debt Payable to Affiliated Companies		25,000		25,000	
Other Noncurrent Liabilities					
Deferred income taxes		312,357		308,905	
Asset retirement obligations		80,167		81,655	
Regulatory liabilities		99,041		103,577	
Operating lease liabilities		4,261		7,491	
Accrued pension and other post-retirement benefit costs		28,919		26,906	
Other		23,468		22,984	
Total other noncurrent liabilities		548,213		551,518	
Commitments and Contingencies		,			
Equity					
Common stock, \$15.00 par value, 1,000,000 shares authorized and 585,333 shares outstanding		8,780		8,780	
Additional paid-in capital		493,211		477,494	
Retained earnings		577,648		644,073	
Total equity		1,079,639		1,130,347	
Total Liabilities and Equity	\$	2,691,117	\$	2,632,062	

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 14(1)

#### 807 KAR 5:001, SECTION 14(1)

#### **Description of Filing Requirement:**

Each application shall state the full name, mailing address, and electronic mail address of the applicant, and shall contain fully the facts on which the application is based, with a request for the order, authorization, permission, or certificate desired and a reference to the particular law requiring or providing for the information.

#### **Response:**

See application submitted in this proceeding.

#### Sponsoring Witness:

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 14(2)

#### 807 KAR 5:001, SECTION 14(2)

#### **Description of Filing Requirement:**

If a corporation, the applicant shall identify in the application the state in which it is incorporated and the date of its incorporation, attest that it is currently in good standing in the state in which it is incorporated, and, if it is not a Kentucky corporation, state if it is authorized to transact business in Kentucky.

#### Response:

See attached.

#### **Sponsoring Witness:**

KyPSC Case No. 2024-00354 FR 14(2) Attachment Page 1 of 1

## Commonwealth of Kentucky Michael G. Adams, Secretary of State

Michael G. Adams Secretary of State P. O. Box 718 Frankfort, KY 40602-0718 (502) 564-3490 http://www.sos.ky.gov

**Certificate of Existence** 

Authentication number: 323596 Visit https://web.sos.ky.gov/ftshow/certvalidate.aspx to authenticate this certificate.

I, Michael G. Adams, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

# DUKE ENERGY KENTUCKY, INC.

DUKE ENERGY KENTUCKY, INC. is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 271B, whose date of incorporation is March 20, 1901 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that Articles of Dissolution have not been filed; and that the most recent annual report required by KRS 14A.6-010 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 26<sup>th</sup> day of November, 2024, in the 233<sup>rd</sup> year of the Commonwealth.



Michael & adams

Michael G. Adams Secretary of State Commonwealth of Kentucky 323596/0052929

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 14(3)

#### 807 KAR 5:001, SECTION 14(3)

#### **Description of Filing Requirement:**

If a limited liability company, the applicant shall identify in the application the state in which it is organized and the date on which it was organized, attest that it is in good standing in the state in which it is organized, and, if it is not a Kentucky limited liability company, state if it is authorized to transact business in Kentucky.

#### Response:

Duke Energy Kentucky is a corporation; therefore, this requirement does not apply.

#### **Sponsoring Witness:**

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 14(4)

#### 807 KAR 5:001, SECTION 14(4)

#### **Description of Filing Requirement:**

If the applicant is a limited partnership, a certified copy of its limited partnership agreement and all amendments, if any, shall be annexed to the application, or a written statement attesting that its partnership agreement and all amendments have been filed with the commission in a prior proceeding and referencing the case number of the prior proceeding.

#### Response:

Duke Energy Kentucky is a corporation; therefore, this requirement does not apply.

#### **Sponsoring Witness:**

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(1)(b)(1)

#### 807 KAR 5:001, SECTION 16(1)(b)(1)

#### **Description of Filing Requirement:**

Statement of the reason the adjustment is required.

#### Response:

- Duke Energy Kentucky's current base rates reflect its cost of service as prepared in 2022. At current rates, the Company's calculated rate of return on rate base for the test period is 3.886% which is not sufficient to enable the Company to furnish safe, efficient and reliable service and to have the opportunity to earn a fair rate of return on its investments.
- Duke Energy Kentucky needs to adjust its current costs of service to reflect its capital investments and operations and maintenance of its electric operations that have changed since its 2022 case.
  - a. The thirteen-month average of gross plant in the forecasted test period for this case is \$2.430 billion, as compared to approximately \$2.180 billion approved in the 2022 rate case. The depreciation, property taxes, and return on this increased investment are the primary drivers of the need for new rates.
- 3) Other drivers include:
  - a. The alignment of depreciation rates with the estimated useful life of the East Bend generating station;

- b. The inclusion of terminal net salvage in depreciation expense for East Bend and Woodsdale generating stations;
- c. The need to commence recovery of authorized deferrals (e.g., Planned Outage O&M, and Forced Outage Purchased Power); and
- d. Increases in Network Integration Transmission Service costs.

Please refer to the direct testimony of Duke Energy Kentucky witnesses Amy B. Spiller and Sarah. E. Lawler.

#### Sponsoring Witness:

Amy B. Spiller Sarah E. Lawler

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(1)(b)(2)

#### 807 KAR 5:001, SECTION 16(1)(b)(2)

#### **Description of Filing Requirement:**

A certified copy of a certificate of assumed name as required by KRS 365.015 or a statement that a certificate is not necessary.

#### Response:

Duke Energy Kentucky transacts business using the following assumed name: Duke Energy.

A certified copy of the Company's certificate of assumed name is attached.

#### Sponsoring Witness:



# Michael G. Adams Secretary of State

#### Certificate

I, Michael G. Adams, Secretary of State for the Commonwealth of Kentucky, do hereby certify that the foregoing writing has been carefully compared by me with the original thereof, now in my official custody as Secretary of State and remaining on file in my office, and found to be a true and correct copy of

RENEWAL OF CERTIFICATE OF ASSUMED NAME OF DUKE ENERGY FOR DUKE ENERGY KENTUCKY, INC. FILED FEBRUARY 10, 2021.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 2nd day of December, 2024.



Michael & adams

Michael G. Adams Secretary of State Commonwealth of Kentucky kdcoleman/0052929 - Certificate ID: 323712

#### KyPSC Case No. 2024-00354 FR 16(1)(b)(2) Attachment Page 2 of 2

C227

Commonwealth of Kentucky
Michael G. Adams, Secretary of Sta

0052929.04 Michael G. Adams KY Secretary of State Received and Filed 2/10/2021 2:15:11 PM Fee receipt: \$20.00

Michael G. Adams Secretary of State P. O. Box 718 Frankfort, KY 40602-0718 (502) 564-3490 http://www.sos.ky.gov

## Renewal Certificate of Assumed Name

REN

This certifies that the assumed name of

**DUKE ENERGY** 

is hereby renewed by

#### DUKE ENERGY KENTUCKY, INC.

a business entity organized and existing in the state of Kentucky.

Signatures

Signature Title Date

Kenna C. Jordan Assistant Corporate Secretary 2/10/2021 2:15:11 PM

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(1)(b)(3)

#### 807 KAR 5:001, SECTION 16(1)(b)(3)

#### **Description of Filing Requirement:**

New or revised tariff sheets, if applicable in a format that complies with 807 KAR 5:011 with an

effective date not less than thirty (30) days from the date the application is filed.

#### **Response:**

The proposed tariffs are at Schedule L-1.

#### **Sponsoring Witness:**

Bruce L. Sailers

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(1)(b)(4)

#### 807 KAR 5:001, SECTION 16(1)(b)(4)

#### **Description of Filing Requirement:**

New or revised tariff sheets, if applicable, identified in compliance with 807 KAR 5:011, shown either by providing:

- a. The present and proposed tariffs in comparative form on the same sheet side by side or on facing sheets side by side; or
- b. A copy of the present tariff indicating proposed additions by italicized inserts or underscoring and striking over proposed deletions.

#### Response:

See Schedules L-2.1 and L-2.2.

#### Sponsoring Witness:

Bruce L. Sailers

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(1)(b)(5)

#### 807 KAR 5:001, SECTION 16(1)(b)(5)

#### **Description of Filing Requirement:**

A statement that notice has been given in compliance with Section 17 of this administrative regulation with a copy of the notice.

#### **Response:**

See attached.

#### **Sponsoring Witness:**

#### COMMONWEALTH OF KENTUCKY

#### **BEFORE THE PUBLIC SERVICE COMMISSION**

In the Matter of:

THE ELECTRONIC APPLICATION OF DUKE ) ENERGY KENTUCKY, INC., FOR: 1) AN ) ADJUSTMENT OF THE ELECTRIC RATES; 2) ) CASE NO. APPROVAL OF NEW TARIFFS; 3) APPROVAL ) 2024-00354 OF ACCOUNTING PRACTICES TO ESTABLISH ) REGULATORY ASSETS AND LIABILITIES; ) AND 4) ALL OTHER REQUIRED APPROVALS ) AND RELIEF.

#### CERTIFICATE OF NOTICE

Pursuant to the Kentucky Public Service Commission's Regulation 807 KAR 5:001, Section 16(1)(b)(5), I hereby certify that I am Amy B. Spiller, President of Duke Energy Kentucky, Inc. (Duke Energy Kentucky or Company), a utility furnishing retail electric and gas service within the Commonwealth of Kentucky, which, on the 2<sup>nd</sup> day of December 2024, filed an application with the Kentucky Public Service Commission for the approval of an adjustment of the electric rates, terms, conditions, and tariffs of Duke Energy Kentucky and that notice to the public of the issuing of the same is being given in all respects as required by 807 KAR 5:001, Section 17 and 807 KAR 5:001, Section 8(2), as follows:

On the 2<sup>nd</sup> day of December 2024, the notice to the public was delivered for exhibition and public inspection at 1262 Cox Road, Erlanger, Kentucky 41018 and the same will be kept open to public inspection at said office in conformity with the requirements of 807 KAR 5:001, Section 17(1)(a) and 807 KAR 5:011, Section 8(1).

I further certify that more than twenty (20) customers will be affected by said change by way of an increase in their rates or charges and that on the 13<sup>th</sup> day of November 2024, there was

delivered to the Kentucky Press Association, an agency that acts on behalf of newspapers of general circulation throughout the Commonwealth of Kentucky in which customers affected reside, for publication therein once a week for three consecutive weeks beginning on or before December 2, 2024, a notice of the filing of Duke Energy Kentucky's application, including its proposed rates, a copy of said notice being attached hereto as Exhibit A, and a list of newspapers of general circulation throughout the Commonwealth of Kentucky in which customers affected reside, a copy of said list being attached hereto as Exhibit B. A certificate of publication of said notice will be furnished to the Kentucky Public Service Commission upon completion of same pursuant to 807 KAR 5:001, Section 17(3)(b).

Also beginning on December 2, 2024, Duke Energy Kentucky posted on its website a complete copy of the Company's notice and a hyperlink to the location on the Kentucky Public Service Commission's website where the case documents and tariff filings are available.

Given under my hand this  $2^{nd}$  day of December 2024.

Amy B. Spiller President, Duke Energy Kentucky, Inc. 139 E. 4<sup>th</sup> Street Cincinnati, Ohio 45202

Subscribed and sworn to before me, a Notary Public, in and before said County and State, this 2<sup>nd</sup> day of December 2024.

otary Public

My Commission expires: July 8, 2027



EMILIE SUNDERMAN Notary Public State of Ohio My Comm. Expires July 8, 2027

#### NOTICE

Duke Energy Kentucky, Inc. ("Duke Energy Kentucky" or "Company") hereby gives notice that, in an application to be filed no sooner than December 2, 2024, Duke Energy Kentucky will be seeking approval by the Public Service Commission, Frankfort, Kentucky of an adjustment of electric rates and charges proposed to become effective on and after January 2, 2025. The Commission has docketed this proceeding as Case No. 2024-00354.

The proposed electric rates are applicable to the following communities:

Alexandria	Elsinere
Bellevue	Erlanger
Boone County	Fairview
Bromley	Florence
Campbell County	Fort Mitchell
Cold Spring	Fort Thomas
Covington	Fort Wright
Crescent Park	Grant County
Crescent Springs	Highland Heights
Crestview	Independence
Crestview Hills	Kenton County
Crittenden	Kenton Vale
Dayton	Lakeside Park
Dry Ridge	Latonia Lakes
Edgewood	

Ludlow Melbourne Newport Park Hills Pendleton County Ryland Heights Silver Grove Southgate Taylor Mill Union Villa Hills Walton Wilder Woodlawn

#### DUKE ENERGY KENTUCKY CURRENT AND PROPOSED ELECTRIC RATES & SIGNIFICANT TEXT CHANGES

#### Residential Service - Rate RS (Electric Tariff Sheet No. 30)

	<u>Current Rate</u>	<b>Proposed Rate</b>
Customer Charge per month	\$13.00	\$16.00
Energy Charge per kWh		
All kWh	11.1639¢	13.0111¢

#### Service at Secondary Distribution Voltage-Rate DS (Electric Tariff Sheet No. 40)

	Current Rate	Proposed Rate
Customer Charge per month		
Single Phase Service	\$15.00	\$15.00
Three Phase Service	\$30.00	\$30.00
Demand Charge per kW		
First 15 kW	\$0.00	\$0.00
Additional kilowatts	\$10.68	\$12.36
Energy Charge per kWh		
First 6,000 kWh	11.4788¢	13.2874¢
Next 300 kWh/kW	7.4619¢	8.6376¢
Additional kWh	6,3056¢	7.2989¢
Non-Church Cap Rate per kWh	30.7297¢	35.5714¢
Church Cap Rate per kWh	18.8652¢	21.8386¢

#### <u>Time-of-Day Rate for Service at Distribution Voltage-Rate DT</u> (Electric Tariff Sheet No. 41)

	Current Rate		Propose	d Rate
	Summer	Winter	Summer	Winter
Customer Charge per month				
Single Phase Service	\$63.50	\$63.50	\$64.00	\$64.00
Three Phase Service	\$127.00	\$127.00	\$128.00	\$128.00
Primary Voltage Service	\$138.00	\$138.00	\$160.00	\$160.00
Demand Charge per kW				
On Peak kW	\$14.71	\$13.92	\$16,73	\$15.83
Off Peak kW	\$1.32	\$1.32	\$1.50	\$1.50
Distribution kW	\$6.07	\$6.07	\$7.77	\$7.77
Energy Charge per kWh				
On Peak kWh	5.6747¢	5,4640¢	6.4528¢	6.2133¢
Off Peak kWh	4.8348¢	4.8348¢	5.4976¢	5,4976¢
Metering per kW				
First 1,000 kW On Peak	(\$0.75)	(\$0.75)	(\$0.85)	(\$0,85)
Additional kW On Peak	(\$0.58)	(\$0.58)	(\$0.66)	(\$0.66)

#### Current Demand:

The Distribution billing demand shall be the kilowatts derived from the Company's demand meter for the fifteen minute period of greatest use in the rating period adjusted for power factor as provided herein.

#### Proposed Demand:

The Distribution billing demand shall be the kilowatts derived from the Company's demand meter for the fifteen minute period of greatest use in the rating period adjusted for power factor as provided herein. Onpeak, Off-peak, and distribution demand values are subject to applicable minimum requirements as established in a service agreement between the Customer and the Company as described below under Terms and Conditions.

#### Proposed Addition to Terms and Conditions:

Customers seeking service of 20 MW or greater at one or more aggregated premises, or whose demand is reasonably expected to grow to this level, and require significant production and/or transmission investments by the Company for the provision of service may be required to provide the Company appropriate financial and/or performance and credit assurance. A minimum demand provision equal to 75% of the customer specified load requirement and credit requirements will be specified in a required service agreement between the Customer and the Company. The service agreement is subject to Commission approval.

#### Optional Rate for Electric Space Heating-Rate EH (Electric Tariff Sheet No. 42)

	Current Rate	<b>Proposed Rate</b>
Winter Period		
Customer Charge per month		
Single Phase Service	\$15.00	\$15.00
Three Phase Service	\$30.00	\$30.00
Primary Voltage Service	\$117.00	\$120.00
Energy Charge per kWh		
All kWh	9.0636¢	10.4834¢

#### Seasonal Sports Service-Rate SP (Electric Tariff Sheet No. 43)

	<u>Current</u>	Proposed Rate
	Rate	
Customer Charge per month	\$15.00	\$15.00
Energy Charge per kWh	14.4519¢	16.7645¢

#### Optional Unmetered General Service Rate For Small Fixed Loads – Rate GS-FL (Electric Tariff Sheet No. 44)

	Current Rate	Proposed Rate
For loads based on a range of 540 to 720 hours use per month of the rated capacity of the connected equipment (per kWh)	11.5594¢	13.3002¢
For loads of less than 540 hours use per month of the rated capacity of the connected	13.1566¢	15.1636¢
equipment (per kWh) Minimum per month	\$3.79	\$4.37

#### Service at Primary Distribution Voltage Applicability-Rate DP (Electric Tariff Sheet No. 45)

	Current Rate	Proposed Rate
Customer Charge per month Primary Voltage Service	\$117.00	\$120.00
Demand Charge per kW	<b>WITHOU</b>	<i>ψ</i> , <i>μ</i>
All kW	\$9.50	\$10.13
Energy Charge per kWh First 300 kWh/kW	7.1562¢	7.6294¢
Additional kWh	6.2068¢	6.6112¢
Maximum monthly rate per kWh (excluding customer charge and all applicable riders)	28.9184¢	<u>30.8166¢</u>

#### <u>Time-of-Day Rate for Service at Transmission Voltage-Rate TT</u> (Electric Tariff Sheet No. 51)

	Current Rate		Proposed	l Rate	
	Summer	Winter	Summer	Winter	
Customer Charge per month	\$500.00	\$500.00	\$500.00	\$500.00	
Demand Charge per kW					
On Peak kW	\$9.41	\$7.72	\$10.23	\$8.39	
Off Peak kW	\$1.43	\$1.43	\$1.55	\$1.55	
Energy Charge per kWh					
On Peak kWh	6,7652¢	6.5057¢	7.3558¢	7.0 <b>7</b> 36¢	
Off Peak kWh	5.7296¢	5.7296¢	6.2297¢	6.2297¢	

#### Current Demand:

In no case shall the Off Peak billing demand be less than zero.

#### Proposed Demand:

In no case shall the Off Peak billing demand be less than zero. On-peak and Off-peak demand values are subject to applicable minimum requirements as established in a service agreement between the Customer and the Company as described below under Terms and Conditions.

#### **Proposed Addition to Terms and Conditions:**

2.

Customers seeking service of 20 MW or greater at one or more aggregated premises, or whose demand is reasonably expected to grow to this level, and require significant production and/or transmission investments by the Company for the provision of service may be required to provide the Company appropriate financial and/or performance and credit assurance. A minimum demand provision equal to 75% of the customer specified load requirement and credit requirements will be specified in a required service agreement between the Customer and the Company. The service agreement is subject to Commission approval.

#### Rider GSS – Generation Support Service (Electric Tariff Sheet No. 58)

	Current Rate	<u>Proposed Rate</u>
Administrative Charge per month		
(plus the appropriate Customer	\$50.00	\$50.00
Charge)		
Monthly Transmission and Distribut	ion Reservation Cha	arge (per kW)
Rate DS Secondary Distribution	\$6.209222	\$10.036170
Rate DT Distribution Service	\$7.855088	\$13.808205
Rate DP Primary Distribution	\$8:173019	\$7.042203
Rate TT Transmission Service	\$3.267552	\$5.243274

#### Street Lighting Service-Rate SL (Electric Tariff Sheet No. 60)

	Lamp		Annual	Current	Proposed
<b>Overhead Distribution Area</b>	Watts 1997	<u>kW/Unit</u>	<u>kWh</u>	<u>Rate/Unit</u>	<u>Rate/Unit</u>
Standard Fixture (Cobra Head)					
Mercury Vapor					
7,000 lumen	175	0.193	803	\$11.49	\$13.13
7,000 lumen (Open Refractor)	175	0.205	853	\$9.77	\$11.16
10,000 lumen	250	0.275	1,144	\$13.47	\$15.39
21,000 lumen	400	0.430	1,789	\$18.27	\$20.88
Metal Halide					
14,000 lumen	175	0,193	803	\$11.49	\$13.13
20,500 lumen	250	0.275	I,I <b>4</b> 4	\$13,47	\$15,39
36,000 lunien	400	0.430	1,789	\$18.27	\$20.88
Sodium Vapor					
9,500 lumen	100	0.117	487	\$12.34	\$14.10
9,500 lumen (Open Refractor)	100	0.117	487	\$9.38	\$10.72
16,000 lumen	150	0.171	711	\$13.64	\$15.59
22,000 lumen	200	0.228	948	\$17.70	\$20.22
27,500 lumen	250	0.275	948	\$17.70	\$20.22
50,000 lumen	400	0.471	1,959	\$24.43	\$27.91
Decorative Fixtures					
Sodium Vapor					
9,500 lumen (Rectilinear)	100	0.117	487	\$15.24	\$17.41
22,000 lumen (Rectilinear)	200	0.246	1,023	\$19:22	\$21.96

50,000 lumen (Rectilinear)	400	0.471	1,959	\$26.01	\$29.72
50,000 lumen (Setback)	400	0.471	1,959	\$37.80	\$43.19
Spans of Secondary Wiring (per month secondary wiring beyond the first 150 f			feet of	\$0.76	\$0.87

Underground Distribution Area	Lamp <u>Watts</u>	<u>kW/Unit</u>	Annual <u>kWh</u>	Current <u>Rate/Unit</u>	Proposed <u>Rate/Unit</u>
Standard Fixture (Cobra Head)		<u>menzenn</u>	<u> </u>	<u>Ittild onit</u>	Inite Office
Mercury Vapor					
7,000 lumen	175	0.210	874	\$11.74	\$13.41
7,000 lumen (Open Refractor)	175	0.205	853	\$9.77	\$11.16
10,000 lumen	250	0.292	1.215	\$13.76	\$15.72
21,000 lumen	400	0.460	1,914	\$18,80	\$21.48
Metal Halide				A	4-x119
14.000 lumen	175	0.210	874	\$11.74	\$13,41
20,500 lumen	250	0.292	1,215	\$13.76	\$15.72
36,000 lumen	400	0.460	1,914	\$18.80	\$21.48
Sodium Vapor	•				
9,500 lumen	100	0.117	487	\$12.34	\$14.10
9,500 lumen (Open Refractor)	100	0.117	487	\$9.51	\$10.87
16,000 lumen	150	0.171	711	\$13.60	\$15.54
22,000 lumen	200	0.228	948	\$17.70	\$20.22
27,500 lumen	250	0.318	1.323	\$18.04	\$20.61
50,000 lumen	400	0.471	1,959	\$24.43	\$27.91
Decorative Fixtures					
Mercury Vapor					
7,000 lumen (Town & Country)	175	0.205	853	\$12.11	\$13.84
7,000 lumen (Holphane)	175	0.210	874	\$15.01	\$17.15
7,000 lumen (Gas Replica)	175	0.210	874	\$33.30	\$38.05
7,000 lumen (Granville)	175	0.205	853	\$12.23	\$13.97
7,000 lumen (Aspen)	175	0.210	874	\$21.39	\$24.44
Metal Halide					
14,000 lumen (Traditionaire)	175	0.205	853	\$12.09	\$13.81
14,000 lumen (Granville Acom)	175	0.210	874	\$21.39	\$24.44
14,000 lumen (Gas Replica)	175	0.210	874	\$33.42	\$38.19
14,500 lumen (Gas Replica)	175	0.207	861	\$33.41	\$38.17
Sodium Vapor					
9,500 lumen (Town & Country)	100	0.117	487	\$16.97	\$19.39
9,500 lumen (Holophane)	100	0.128	532	\$18.39	\$21.01
9,500 lumen (Rectiliinear)	100	0.117	487	\$13.96	\$15.95
9,500 Iunen (Gas Replica)	100	0.128	532	\$35.23	\$40.25
9,500 lumen (Aspen)	100	0.128	532	\$21.34	\$24.38
9,500 lumen (Traditionaire)	100	0.117	487	\$16.97	\$19.39
9,500 lumen (Granville Acorn)	100	0.128	532	\$21.34	\$24.38
22,000 lumen (Rectilinear)	200	0,246	1,023	\$19.32	\$22.08
50,000 lumen (Rectilinear)	400	0.471	1,959	\$26.10	\$29.82
50,000 lumen (Setback)	400	0.471	1,959	\$37.80	\$43.19
			Curren	t <u>Propo</u>	osed

Pole Charges	Pole Type	Current Rate/Pole	Proposed Rate/Pole
Wood	<u>tore type</u>	<u>Itutori oto</u>	<u>Idino/1 610</u>
17 foot (Wood laminated)	W17	\$6.25	\$7.14
30 foot	W30	\$6.17	\$7.05
35 foot	W35	\$6.25	\$7.14
40 foot	W40	\$7.48	\$8.55
Aluminum			
12 foot (decorative)	A12	\$16.98	\$19.40

28 foot	A28	\$9.84	\$11.24
28 foot (heavy duty)	A28H	\$9,95	\$11.37
30 foot (anchor base)	A30	\$19.66	\$22,46
Fiberglass			
17 foot	F17	\$6.25	\$7.14
12 foot (decorative)	F12	\$18.26	\$20.86
30 foot (bronze)	F30	\$11.88	\$13.57
35 foot (bronze)	F35	\$12.21	\$13.95
Steel			
27 foot (11 gauge)	S27	\$16.05	\$18.34
27 foot (3 gauge)	S27H	\$23,69	\$27.07
Spans of Secondary Wiring (per month for	each increment		
of 25 feet of secondary wiring beyond the		\$1.10	\$1.26
the pole			

#### Traffic Lighting Service -Rate TL (Electric Tariff Sheet No. 61)

Where the Company supplies energy only (per kWh)

#### Current Rate Proposed Rate 6.7222¢ 7.6809¢

#### Unmetered Outdoor Lighting Electric Service-Rate UOLS (Electric Tariff Sheet No. 62)

	Current Rate	<b>Proposed Rate</b>
Energy Charge per kWh		
All kWh	6.6467¢	7.5946¢

#### **Proposed Addition to Applicability:**

This rate schedule is no longer available after June 30, 2025 to new participation of Company-owned equipment under Rate OL-E. Existing Company-owned systems under Rate OL-E currently being provided service under this tariff schedule may continue being provided service under this tariff schedule until the Company-owned system under Rate OL-E is no longer provided under Rate OL-E.

#### <u>Outdoor Lighting Equipment Installation – Rate OL-E</u> (Electric Tariff Sheet No. 63)

#### Proposed Addition to Applicability:

This rate schedule is no longer available after June 30, 2025. Customers currently being provided service under this rate schedule can continue being provided service under this rate schedule for the remaining useful life of the facilities, or when this rate schedule terminates, whichever occurs first. This rate schedule will terminate on June 30, 2045.

#### Current Contract for Scrvice:

The monthly Maintenance Charge does not cover replacement of the fixture upon failure.

#### Proposed Contract for Service:

See General Conditions below.

#### **Proposed Addition of General Conditions:**

When a Company owned street lighting unit and/or pole reaches the end of life or becomes obsolete and parts cannot be reasonably obtained, the Company shall replace lighting unit and/or pole with an available similar LED lighting unit and/or pole and the Customer shall commence being billed on Rate LED for the available similar lighting unit and/or pole rate and will enter into a new lighting agreement within 90 days.

The terms of service of Rate LED shall commence upon lighting unit and/or pole installation. If within 90 days of replacement the Customer does not enter into a new agreement, the service may be terminated.

(Electric Tarini Slicer No. 04)							
	Curren	nt Rate	Prope	sed Rate			
Energy Charge per kWh			_				
All kWh	6.92	17¢	7.	9088¢			
Rates (Per Unit Per Month) Eixtures	Initial	Lamp	Monthly	Current	Charrio	Proposed	Charge
Description	Lumens	Waitage	kWh	<u>Fixture</u>	Maint,	Fixture	Maint.
50W Neighborhood	5,000	50	17	\$4.15	\$2.90	\$4.74	\$3.31
50W Neighborhood with Lens	5,000	50	17	\$4.20	\$2.90	\$4.80	\$3.31
50W Standard LED-BLACK	4,521	50	17	\$3,84	\$2.90	\$4.39	\$3.31
70W Standard LED-BLACK	6,261	70	24	\$4.22	\$2.90	\$4.82	\$3.31
110W Standard LED-BLACK	9,336	110	3.8	\$4.77	\$2.90	\$5.45	\$3.31
150W Standard LED-BLACK	12,642	150	52	\$4.83	\$2.90	\$5.52	\$3.31
220W Standard LED-BLACK	18,642	220	76	\$6.31	\$3.54	\$7.21	\$4.04
280W Standard LED-BLACK	24,191	280	97	\$6.36	\$3.54	\$7.27	\$4.04
50W Acom LED-BLACK	5,147	50	17	\$11.71	\$2.90	\$13.38	\$3.31
50W Deluxe Acom LED-BLACK	5,147	50	17	\$13.05	\$2.90	\$14.91	\$3.31
70W LED Open Deluxe Acorn	6,500	70	24	\$13.44	\$2.90	\$15.36	\$3.31
50W Traditional LED-BLACK	3,303	50	17	\$6.31	\$2.90	\$7.21	\$3.31
50W Open Traditional LED-BLACK	3,230	50	17	\$6.56	\$2.90	\$7.50	\$3.31
50W Mini Bell LED-BLACK	4,500	50	17	\$12.01	\$2.90	\$13.72	\$3.31
50W Enterprise LED-BLACK	3,880	50	17	\$11.53	\$2.90	\$13.17	\$3.31
70W Sanibel LED-BLACK	5,508	70	24	\$14.66	\$2.90	\$16.75	\$3.31
150W Sanibel	12,500	150	52	\$15.28	\$2,90	\$17.46	\$3.31
150W LED Teardrop	12,500	150	52	\$18.36	\$2.90	\$20,98	\$3.31
50W LED Teardrop Pedestrian	4,500	50	17	\$15.01	\$2.90	\$17.15	\$3.31
220W LED Shoebox	18,500	220	76	\$11.39	\$3.54	\$13.01	\$4.04
420W LED Shoebox	39,078	420	146	\$16.92	\$3.54	\$19.33	\$4.04
530W LED Shoebox	57,000	530	184	\$19.49	\$3.54	\$22.27	\$4.04
150W Clermont LED	12,500	150	52	\$20.04	\$2.90	\$22.90	\$3.31
130W Flood LED	14,715	130	45	\$7.20	\$2.90	\$8.23	\$3.31
260W Flood LED	32,779	260	90	\$11.24	\$3.54	\$12,84	\$4.04
50W Monticello LED	4,157	50	17	\$13.49	\$2.90	\$15.41	\$3.31
50W Mitchell Finial	5,678	50	17	\$12.85	\$2.90	\$14.68	\$3.31
50W Mitchell Ribs, Bands, and Medallions LED	5,678	50	17	\$14.04	\$2.90	\$16.04	\$3.31
50W Mitchell Top Hat LED	5,678	50	17	\$12.85	\$2.90	\$14.68	\$3.31
50W Mitchell Top Hat with Ribs, Bands, & Medallions LED		50	17	\$14.04	\$2.90	\$16.04	\$3.31
50W Open Monticello LED	4,157	50	17	\$13.44	\$2.90	\$15.36	\$3.31
150W LED Shoebox	19,000	150	52	\$10.48	\$2.90	\$11.97	\$3.31
50W Sanibel LED	6,000	50 40	17	\$13.90	\$2.90	\$15.88	\$3.31
40W Acom No Finial LED	5,000	40 50	14	\$11.20	\$2.90	\$12.80	\$3.31
50W Ocala Acorn LED	6,582	50	17	\$6.71	\$2.90	\$7.67	\$3.31
50W Deluxe Traditional LED	5,057	50	17	\$12.82	\$2.90	\$14.65	\$3.31 \$3.31
30W Town & Country LED	3,000	30	10	\$5.35	\$2.90	\$6.11 \$5.82	\$3.31
30W Open Town & Country LED	3,000	30	10 52	\$5.09 \$11.45	\$2.90	\$3.82 \$13.08	\$3.31 \$3.31
150W Enterprise LED	16,500	150	52 76	\$11.45 \$11.78	\$2,90 \$3.54	\$13.46	\$3.31 \$4.04
220W Enterprise LED	24,000	220 50	76 17	\$11.78	\$3.54 \$2.90	\$21,34	\$4.04 \$3.31
50W Clermont LED	6,300 2,107	30 30	10	\$18.08	\$2.90	\$24.34	\$3,31
30W Gaslight Replica LED	3,107	50 50	17	\$21.30 \$4.17	\$2.90 \$2.90	\$4.76	\$3.31
50W Cobra LED	5,500 8,600	50 70	17 24	\$4.17 \$4.33	\$2.90	\$4.95	\$3.31
70W Cobra LED	,	70 30	24 10	34.55 N/A	\$2.90 N/A	\$11.75	\$3.31 \$3.31
30W Granville Acorn LED	4,100	20	10	IN/A	14/71	411.12	ψJ,J I

#### LED Outdoor Lighting Electric Service- Rate LED (Electric Tariff Sheet No. 64)

KyPSC Case No. 2024-00354 FR 16(1)(b)(5) Attachment - Exhibit A Page 8 of 17

30W Style B Bollard LED	2,390	30	10	N/A	N/A	\$15.31	\$3.31	
30W Style C Bollard LED	2,146	30	10	N/A	N/A	\$15.31	\$3.31	
30W Style D Bollard LED	2,390	30	10	N/A	N/A	\$15.31	\$3.31	
30W Style E Bollard LED	1,200	30	10	N/A	N/A	\$15,31	\$3.31	
40W Colonial Bollard LED	1,107	40	14	N/A	N/A	\$19.48	\$3.31	
40W Washington Bollard LED	1,107	40	14	N/A	N/A	\$19.48	\$3.31	
26W Holiday Riser Receptacle LED	NA	26	9	N/A	N/A	\$4.21	\$3.31	
26W Holiday Bracket Top Receptacle LED	NA	26	9	N/A	N/A	\$4.96	\$3.31	
26W Holiday Festoon Receptacle LED	NA	26	9	N/A	N/À	\$5.85	\$3.31	
26W Holiday Post Top Receptacle LED	NA	26	-9	N/A	N/A	\$5.32	\$3.31	
26W Holiday Post Top with Adapter Receptacle LED	NA	26	9	N/A	N/A	\$5.91	\$3.31	
26W Dual Post Top Receptacle LED	NA	26	9	N/A	N/A	\$6.94	\$3.31	
26W Dual Post Top with Adapter Receptacle LED	NA	26	9	N/A	N/A	\$7.53	\$3.31	
26W Dual Bracket Top Receptacle LED	NA	26	9	N/A	N/Á	\$6,94	\$3.31	
50W Senoia LED	4,525	50	17	N/A	N/A	\$15.68	\$3.31	
50W Halo LED	4,809	50	17	N/A	N/A	\$17.64	\$3.31	
30W Standard LED	3,720	30	10	N/A	N/A	\$3.17	\$3.31	
40W Standard LED	4,506	40	14	N/A	N/A	\$3,18	\$3.31	
30W Gray Open Bottom LED	4,510	30	10	N/A	N/A	\$3.06	\$3:31	

#### Poles

I UILS	Described	Cumont Change	Proposed Charge
Study A 10 De Londe	Description Anchor Base Top Tenon Aluminum	Current Charge \$9,34	\$10.67
	Direct Buried Top Tenon Aluminum	\$8.69	\$9.93
	Anchor Base Top Tenon Aluminum	\$10.83	\$12.37
	Direct Buried Top Tenon Aluminum	\$8,90	\$10.17
	· · ·	r	
· · · ·	Anchor Base Top Tenon Aluminum	\$11.55	\$13.20
	Direct Burled Top Tenon Aluminum	\$11.75	\$13.43
5	Anchor Base Top Tenon Aluminum	\$14.57	\$16.65
	Direct Burjed Top Tenon Aluminum	\$13.35	\$15.25
	Anchor Base Top Tengh Aluminum	\$19.48	\$22.26
2 1 1 1 1	Direct Buried Top Tenon Aluminum	\$15.49	\$17.70
	Anchor Base Top Tenon Aluminum	\$19.99	\$22.84
	Direct Buried Top Tenon Aluminum	\$18.98	\$21.69
Style B. 12 Ft Long	Anchor Base Post Top Aluminum	\$10.61	\$12.12
Style C 12 Ft Long	Anchor Base Post Top Aluminum	\$12.91	\$14.75
Style C 12 Ft Long	Anchor Base Davit Steel	\$15.64	\$17.87
Style C 14 Ft Long	Anchor Base Top Tenon Steel	\$14.75	\$16.85
Style C 21 Ft Long	Anchor Base Davit Steel	\$32.96	\$37.66
Style C 23 Ft Long	Anchor Base Boston Harbor Steel	\$38.27	\$43.73
Style D 12 Ft Long	Anchor Base Breakaway Aluminum	\$12.32	\$14.08
Style E 12 Ft Long	Anchor Base Post Top Aluminum	\$12.91	\$14.75
Style F 12 Ft Long	Anchor Base Post Top Aluminum	\$15.74	\$17,98
Legacy Style 39 Ft	Direct Buried Single or Twin Side Mount Alum Satin Finish	\$20.92	\$23.90
Legacy Style 27 Ft.	Long Anchor Base Side Mnt Alum Satin Finish Breakaway	\$20.45	\$23.37
Legncy Style 33 Ft	Long Anchor Base Side Mnt Alum Satin Finish Breakaway	\$21.38	\$24.43
Legacy Style 37 Ft	Long Anchor Base Side Mount Aluminum Pole Satin Finish	\$23.61	\$26.98
30' Class 7 Wood P	•	\$6.48	\$7.40
35' Class 5 Wood P	ole	\$7.24	\$8.27
40' Class 4 Wood P	ole	\$8.21	\$9.38
45' Class 4 Wood P	ole	\$8.55	\$9.77
18 Phyla A . Elutad	- för Shroud - Aluminum Direct Buried Pole	\$10.05	\$11.48
	- for Shroud - Aluminum Direct Buried Pole	\$10.54	\$12.04
	h - for Shroud - Aluminum Direct Buried Pole	\$8.69	\$9.93
	h - for Shroud - Aluminum Direct Burled Pole	\$10.26	\$11.72
20' Style A - Smool 21' Style A - Fluted	- Direct Buried	\$14.37	\$16.42
	omer Base - Anchor Base	\$21.78	\$24.89
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35' Style A - Transformer Base - Anchor Base	\$24.53	\$28.03
19' Style A - Breakaway - Direct Buried	\$19.55	\$22.34
24' Style A - Breakaway - Direct Buried	\$20.69	\$23.64
27 Style A - Breakaway - Direct Buried	\$19.79	\$22.61
32' Style A - Breakaway - Direct Buried	\$20.26	\$23.15
37 Style A - Breakaway - Direct Buried	\$21.56	\$24.63
42' Style A - Breakaway - Direct Buried	\$22.29	\$25.47
17' Style B - Anchor Base	\$15.04	\$17.18
17 Style C - Post Top - Anchor Base	\$16.22	\$18.53
17 Style C - Davit - Anchor Base	\$25.65	\$29.31
17 Style C - Boston Harbor - Anchor Base	\$25.02	\$28,59
25' Style D - Boston Harbor - Anchor Base	\$29.17	\$33.33
50' Wood - Direct Buried	\$10.64	\$12.16
55' Wood - Direct Buried	\$11.21	\$12.81
18' Style C - Breakaway - Direct Buried	\$22.18	\$25.34
17' Wood Laminated	\$6.25	\$7.14
12' Alumínum (decorative)	\$16.98	\$19.40
28° Altaninum	\$9.84	\$11.24
28° Aluminum (heavy duty)	\$9.95	\$11.37
30° Aluminum (anchor base)	\$19.66	\$22.46
17' Fiberglass	\$6.25	\$7.14
12° Fiberglass (decorative)	\$18.26	\$20.86
30° Fiberglass (bronze)	\$11.88	\$13.57
35' Fiberglass (bronze)	\$12.21	\$13.95
27' Steel (11 gauge)	\$16.05	\$18.34
27' Steel (3 gauge)	\$23.69	\$27.07
Shroud - Standard Style for anchor base poles	\$2.71	\$3.10
Shroud - Style B Pole for smooth and fluted poles	\$6.44	\$7.36
Shroud - Style C Pole for smooth and fluted poles	\$8.05	\$9,20
Shroud - Style D Pole for smooth and fluted poles	\$9.93	\$11.35
Shroud - Style B - Assembly	\$8,42	\$9.62
Shroud - Style C - Assembly	\$9.89	\$11.30
Shroud - Style D - Assembly	\$12.06	\$13.78
Shroud - Style Standard - Assembly 6"/15"	\$4.71	\$5.38
Shroud - Style Standard - Assembly 6"/18"	\$5.12	\$5.85

#### Pole Foundation

Pole Foundation
Description
Flush - Pre-fabricated - Style A Pole
Flush - Pre-fabricated - Style B Pole
Flush - Pre-fabricated - Style C Pole
Flush - Pre-fabricated - Style D Pole
Flush - Pre-fabricated - Style E Pole
Flush - Pre-fabricated - Style F Pole
Reveal - Pre-fabricated - Style A Pole
Reveal - Pre-fabricated - Style B Pole
Reveal - Pre-fabricated - Style C Pole
Reveal - Pre-fabricated - Style D Pole
Reveal - Pre-fabricated - Style E Pole
Reveal - Pre-fabricated - Style F Pole
Screw-in Foundation

Current Charge	Proposed Charge
\$13.30	\$15.20
\$12.28	\$14.03
\$13.17	\$15.05
\$12.28	\$14.03
\$12.28	\$14.03
\$12.28	\$14,03
\$18.73	\$21.40
\$14.90	\$17.02
\$15.46	\$17,66
\$15.46	\$17.66
\$15.46	\$17.66
\$15.46	\$17.66
\$7.96	\$9.10

Brackets		
Description	Current Charge	Proposed Charge
14 inch bracket - wood pole - side mount	\$1.93	\$2.21
4 foot bracket - wood pole - side mount	\$2.16	\$2.47
6 foot bracket - wood pole - side mount	\$2.13	\$2.43

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8 foot bracket - wood pole - side mount	\$2.89	\$3.30
10 foot bracket - wood pole - side mount	\$4.77	\$5.45
12 foot bracket - wood pole - side mount	\$4.34	\$4.96
15 foot bracket - wood pole - side mount	\$5.07	\$5.79
4 foot bracket - metal pole - side mount	\$5,14	\$5.87
6 foot bracket - metal pole - side mount	\$5.21	\$5.95
8 foot bracket - metal pole - side mount	\$6.47	\$7.39
10 foot bracket - metal pole - side mount	\$6.82	\$7.79
12 foot bracket - metal pole - side mount	\$6.23	\$7.12
15 foot bracket - metal pole - side mount	\$7.44	\$8,50
18 inch bracket - metal pole - double Flood Mount - top mount	\$2.07	\$2.37
14 inch bracket - metal pole - single mount - top tenon	\$2.19	\$2.50
14 inch bracket - metal pole - double mount - top tenon	\$2.37	\$2,71
14 inch bracket - metal pole - triple mount - top tenon	\$2,52	\$2.88
14 inch bracket - metal pole - quad mount - top tenon	\$2.63	\$3.01
6 foot - metal pole - single - top tenon	\$4.87	\$5.56
6 foot - metal pole - double - top tenon	\$6.17	\$7.05
4 foot - Boston Harbor - top tenon	\$7.06	\$8.07
6 foot - Boston Harbor - top tenon	\$7.43	\$8,49
12 foot - Boston Harbor Style C pole double mount - top tenon	\$12.71	\$14.52
4 foot - Davit arm - top tenon	\$6.44	\$7.36
18 inch - Cobrahead fixture for wood pole	\$1.82	\$2.08
18 inch - Flood light for wood pole	\$2.01	\$2.30
18" Metal - Flood - Bullhorn - Top Tenon	\$2.48	\$2.83
4' Transmission - Top Tenon	\$9,12	\$10.42
10' Transmission - Top Tenon	\$10.51	\$12.01
15' Transmission - Top Tenon	\$11.56	\$13,21
18" Transmission - Flood - Top Tenon	\$4.86	\$5.55
3' Shepherds Crook - Single - Top Tenou	\$4.61	\$5.27
3' Shepherds Crook w/ Scroll - Single - Top Tenon	\$5.11	\$5.84
3' Shepherds Crook - Donble - Top Tenon	\$6.52	\$7.45
3' Shepherds Crook w/ Scroll - Double - Top Tenon	\$7.33	\$8.38
3' Shepherds Crook w/ Scroll & Festoon - Single - Top Tenon	\$5.35	\$6.11
3' Shepherds Crook w/ Scroll - Wood - Top Tenon	\$6.38	\$7.29
17" Masterpiece - Top Tenon - Double Post Mount - Top Tenon	\$5.09	\$5.82
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#### Wiring Equipment

Description	Current Charge	<b>Proposed Charge</b>
Secondary Pedestal (cost per unit)	\$2.47	\$2.82
Handhole (cost per unit)	\$3.54	\$4.04
Pullbox	\$8.98	\$10.26
6AL DUPLEX and Trench (cost per foot)	\$1.12	\$1.28
6AL DUPLEX and Trench with conduit (cost per foot)	\$1.30	\$1.49
6AL DUPLEX with existing conduit (cost per foot)	\$0.82	\$0.94
6AL DUPLEX and Bore with conduit (cost per foot)	\$2,79	\$3.19
6AL DUPLEX OH wire (cost per foot)	\$2.62	\$2.99

#### Sheilds

<u>Description</u>	<u>Current Charge</u>	Proposed Charge
Standard	N/A	\$1.83
Decorative	N/A	\$1.71
Additional Facilities Charge	0.8292%	0.8642%

Current Wiring Equipment Description: 6AL DUPLEX and Trench (cost per foot) 6AL DUPLEX and Trench with conduit (cost per foot)

6AL DUPLEX with existing conduit (cost per foot) 6AL DUPLEX and Bore with conduit (cost per foot) 6AL DUPLEX OH wire (cost per foot)

#### Proposed Wiring Equipment Description:

6AL DUPLEX and Trench (cost per 10 feet)
6AL DUPLEX and Trench with conduit (cost per 10 feet)
6AL DUPLEX with existing conduit (cost per 10 feet)
6AL DUPLEX and Bore with conduit (cost per 10 feet)
6AL DUPLEX OH wire (cost per 10 feet)

#### Current Terms of Service:

13. For available LEDs, the customer may opt to make an initial, one-time payment of 50% of the installed cost of fixtures rated greater than 200 Watts and poles other than standard wood poles, to reduce the Company's installed cost, therefore reducing their monthly rental rates for such fixtures and poles. If a customer chooses this option, the monthly fixture and/or pole charge shall be computed as the reduced installed cost times the corresponding monthly percentage in 2.1.(a) and/or 2.11 above.

#### Proposed Terms of Service:

13. The customer may opt to make an initial, upfront one-time payment of 50% of the installed cost of the equipment in the lighting system to reduce the Company's installed cost, therefore reducing the Customer's ongoing monthly equipment charge by 50% of the current tariff price over the fixed term for the life of the equipment.

#### 14. Outage credits do not apply to Rate LED.

15. When a Company owned street lighting unit reaches the end of life or becomes obsolete and parts cannot be reasonably obtained, the Company shall replace lighting unit with an available similar lighting unit on Rate LED and the Customer shall commence being billed for the available similar lighting unit and will enter into a new lighting agreement within 90 days. The terms of service of Rate LED shall commence upon lighting unit installation. If within 90 days of replacement the Customer does not enter into a new agreement, the service may be terminated.

#### Street Lighting Service for Non-Standard Units -Rate NSU (Electric Tariff Sheet No. 66)

Company Owned	<u>Lamp</u> Watts	<u>kW/</u> Unit	Annual kW/unit	Current <u>Rate/Unit</u>	Proposed Rate/Unit
Boulevard units served underground					
a. 2,500 lumen Incandescent - Series	148	0.148	616	\$14.51	\$16.58
b. 2,500 lumen Incandescent - Multiple	189	0.189	786	\$11.56	\$13.21
Holphane Decorative Fixture on 17 foot fiberglass					
pole served underground with direct buried cable					
a. 10,000 lumen Mercury Vapor	250	0.292	1,215	\$26.51	\$30.29
Each increment of 25 feet of secondary wiring beyo pole base (added to Rate/unit charge)	nd the fir	st 25 fee	et from the	\$1.10	\$1.26
Street light units served overhead distribution					
a. 2,500 lumen Incandescent	189	0.189	786	\$11.46	\$13.09
b. 2,500 lumen Mercury Vapor	100	0.109	453	\$10.58	\$12.09
c. 21,000 lumen Mercury Vapor	400	0.460	1,914	\$17.87	\$20.42
<u>Customer Owned</u> Steel boulevard units served underground with limited maintenance by Company					
a. 2,500 lumen Incandescent – Series	148	0.148	616	\$8.79	\$10.04
b. 2,500 lumen Incandescent – Multiple	189	0.189	786	\$11.18	\$12.77

(Electric Family Bleet No. 05)					
Base Rate	Lamp		Annual	Current	Proposed
Fixture Description	Watts		<u>kWh</u>	Rate/Unit	Rate/Unit
Standard Fixture (Cobra Head)					
Mercury Vapor					
7,000 lumen	175	0.193	.803	\$6.80	\$7.77
10,000 lumen	250	0.275	1,144	\$8,80	\$10.05
21,000 lumen	400	0.430	1,789	\$12.41	\$14.18
Metal Halide					
14,000 lumen	175	0.193	803	\$6.80	\$7.77
20,500 lumen	250	0.275	1,144	\$8.80	\$10.05
36,000 lumen	400	0.430	1,789	\$12.41	\$14.18
Sodium Vapor					
9,500 lumen	100	0.117	487	\$7.67	\$8.76
16,000 lumen	150	0,171	711	\$8.73	\$9.97
22,000 lumen	200	0.228	948	\$9.77	\$11.16
27,500 lumen	250	0.228	948	\$9.77	\$11.16
50,000 lumen	400	0.471	1,959	\$13.96	\$15.95
Decorative Fixture					
Mercury Vapor					
7,000 lumen (Holophane)	175	0.210	874	\$8.49	\$9.70
7,000 lumen (Town & Country)	175	0.205	853	\$8,40	\$9.60
7,000 lumen (Gas Replica)	175	0.210	874	\$8.49	\$9.70
7,000 lumen (Aspen)	175	0.210	874	\$8.49	\$9.70
Metal Halide					
14,000 lumen (Traditionaire)	175	0,205	853	\$8.40	\$9.60
14,000 lumen (Granville Acom)	175	0.210	874	\$8,56	\$9.78
14,000 lumen (Gas Replica)	175	0.210	874	\$8.56	\$9.78
Sodium Vapor					
9,500 lumen (Town & Country)	100	0.117	487	\$7.56	\$8.64
9,500 lumen (Traditionaire)	100	0.117	487	\$7.56	\$8.64
9,500 lumen (Granville Acorn)	100	0.128	532	\$7.91	\$9.04
9,500 lumen (Rectilinear)	100	0.117	487	\$7.56	\$8.64
9,500 lumen (Aspen)	100	0.128	532	\$7.91	\$9.04
9,500 lumen (Holophane)	100	0.128	532	\$7.91	\$9.04
9,500 lumen (Gas Replica)	100	0.128	532	\$7.91	\$9.04
22,000 lumen (Rectilinear)	200	0.246	1,023	\$10.36	\$11.84
50,000 lumen (Rectilinear)	400	0.471	1,959	\$14.38	\$16.43
* 7 (C					
Pole Description	Pole Type	Current Rate/Po	le I	Proposed Rat	<u>e/Pole</u>
Wood					
30 foot	W30	\$6.17		\$7.05	
35 foot	W35	\$.6.25		\$7.14	
40 foot	W40	\$ 7.48		\$8.55	

#### Street Lighting Service-Customer Owned - Rate SC (Electric Tariff Sheet No. 68)

Customer Owned and Maintained Units

The monthly kilowatt-hour usage will be mutually agreed upon between the Company and the customer. Where the average monthly usage is less than 150 kWh per point of delivery, the customer shall pay the Company, in addition to the monthly charge, the cost of providing electric service on the basis of time and material plus overhead charges. An estimate of the cost will be submitted for approval before work is carried out.

6.6038∉ 7.5456¢

Proposed

<u>per kWh</u>

Current

<u>per kWh</u>

#### <u>Street-lighting Service-Overhead Equivalent-Rate SE</u> (Electric Tariff Sheet No. 69)

Pintur Dan dution	Lamp	1.317/05/1-14	Annual	Current	Proposed
Fixture Description	Watt	<u>kW/Unit</u>	<u>kWh</u>	<u>Rate/Unit</u>	<u>Rate/Unit</u>
Decorative Fixtures					
Mercury Vapor					
7,000 lumen (Town & Country)	175	0.205	853	\$11.78	\$13.46
7,000 lumen (Holophane)	175	0.210	.874	\$11.83	\$13.52
7,000 lumen (Gas Replica)	175	0.210	874	\$11 <b>.8</b> 3	\$13.52
7,000 lumen (Aspen)	175	0.210	874	\$11.83	\$13.52
Metal Halide					
14,000 lumen (Traditionaire)	175	0.205	853	\$11.78	\$13,46
14,000 lumen (Granville Acorn)	175	0,210	874	\$11.83	\$13.52
14,000 lumen (Gas Replica)	175	0.210	874	\$11.83	\$13.52
Sodium Vapor					
9,500 lumen (Town & Country)	100	0,117	487	\$12.41	\$14.18
9,500 lumen (Holophane)	100	0.128	532	\$12.63	\$14.43
9,500 lumen (Rectilinear)	100	0.117	487	\$12.41	\$14.18
9,500 lumen (Gas Replica)	100	0.128	532	\$12,62	\$14.42
9,500 lumen (Aspen)	100	0.128	532	\$12.62	\$14.42
9,500 lumen (Traditionaire)	100	0.117	487	\$12.41	\$14.18
9,500 lumen (Granville Acorn)	100	0.128	532	\$12.62	\$14.42
22,000 lumen (Rectilinear)	200	0.246	1,023	\$18.14	\$20.73
50,000 lumen (Rectilinear)	400	0.471	1,959	\$24,58	\$28.09
50,000 lumen (Setback)	400	0.471	1,959	\$24.58	\$28.09

#### Demand Side Management Cost Recovery Rider (Electric Tariff Sheet No. 75)

#### Current Applicability:

Applicable to service rendered under the provisions of Rates RS and RS-TOU-CPP (residential class), DS, DP, DT, EH, GS-FL, SP, and TT (non-residential class).

#### **Proposed Applicability:**

Applicable to service rendered under the provisions of Rate RS (residential class), DS, DP, DT, EH, GS-FL, SP, and TT (non-residential class).

#### Fuel Adjustment Clause Rider (Electric Tariff Sheet No. 80)

#### Current Availability of Service Item (e):

(e) The native portion of fuel-related costs charged to the Company by PJM Interconnection LLC includes those costs identified in the following Billing Line Items, as may be amended from time to time by PJM Interconnection LLC: Billing Line Items 1210, 2210, 1215, 1218, 2217, 2218, 1230, 1250, 1260, 2260, 1370, 2370, 1375, 2375, 1400, 1410, 1420, 1430, 1478, 1340, 2340, 1460, 1350, 2350, 1360, 2360, 1470, 1377, 2377, 1480, 1378, 2378, 1490, 1500, 2420, 2220, 1200, 1205, 1220, 1225, 2500, 2510, 1930, 2211, 2215, 2415 and 2930.

The Company proposes to revise the list of PJM Interconnection LLC Billing Line Items as follows. <u>Proposed Availability of Service Item (e)</u>: (e) The native portion of fuel-related costs charged to the Company by PIM Interconnection LLC includes those costs identified in the following Billing Line Items, as may be amended from time to time by PIM Interconnection LLC: Billing Line Items 1210, 1215, 1216, 1218, 2217, 2218, 1230, 1250, 1260, 2260, 1370, 2370, 1375, 2375, 1400, 1410, 1420, 1430, 1478, 1340, 2340, 1460, 1350, 2350, 1360, 2360, 2366, 1470, 1377, 2377, 1480, 1378, 2378, 1490, 1500, 2420, 2220, 1200, 1205, 1220, 1225, 2500, 2510, 1930, 2211, 2215, 2415, 2930, 1980, 2980 and 1999.

#### Profit Sharing Mechanism Rider (Electric Tariff Sheet No. 82)

#### Current Profit Sharing Rider Factors:

On a quarterly basis, the applicable energy charges for electric service shall be increased or decreased to the nearest \$0.000001 per kWh to reflect the sharing of net proceeds as outlined in the formula below.

Rider PSM Factor =  $(((OSS + NF + CAP + REC) \times 0.90) + R)/S$ 

where;

OSS= Net proceeds from off-system power sales.

Includes the non-native portion of fuel-related costs charged to the Company by PJM Interconnection LLC including but not limited to those costs identified in the following Billing Line Items, as may be amended from time to time by PJM Interconnection LLC: Billing Line Items 1210, 2210, 1215, 1218, 2217, 2218, 1230, 1250, 1260, 2260, 1370, 2370, 1375, 2375, 1400, 1410, 1420, 1430, 1478, 1340, 2340, 1460, 1350, 2350, 1360, 2360, 1470, 1377, 2377, 1480, 1378, 2378, 1490, 1500, 2420, 2220, 1200, 1205, 1220, 1225, 2500, 2510, 1930, 2211, 2215, 2415 and 2930.

NF = Net proceeds from non-fuel related Regional Transmission Organization charges and credits not recovered via other mechanisms.

Includes non-fuel related costs charged to the Company by PJM Interconnection LLC including but not limited to those costs identified in the following Billing Line Items, as may amended from time to time by PJM Interconnection LLC: Billing Line Items 1240, 2240, 1241, 2241, 1242, 1243, 1245, 2245, 1330, 2330, 1362, 2362, 1472, 1365, 2365, 1475, 1371, 2371, 1376, 2376, 1380 and 2380.

- CAP= Net proceeds from: PJM charges and credits as provided for in the Commission's Order in Case No. 2014-00201, dated December 4, 2014; capacity sales; capacity purchases; capacity performance credits; and capacity performance assessments.
- REC= Net proceeds from the sales of renewable energy credits.
- R = Reconciliation of prior period Rider PSM actual revenue to amount calculated for the period.
- S = Current period sales in kWh as used in the Rider FAC calculation.

The Company proposes to revise the list of PJM Interconnection LLC Billing Line Items and the formula to calculate the Rider PSM Factor.

Proposed Profit Sharing Rider Factors:

On a quarterly basis, the applicable energy charges for electric service shall be increased or decreased to the nearest \$0.000001 per kWh to reflect the sharing of net proceeds as outlined in the formula below.

Rider PSM Factor =  $(((OSS + NF + CAP + CPI + GS + REC) \times 0.90) + R) / S$ where: OSS= Net proceeds from off-system power sales.

Includes the non-native portion of fuel-related costs charged to the Company by PJM Interconnection LLC including but not limited to those costs identified in the following Billing Line Items, as may be amended from time to time by PJM Interconnection LLC: Billing Line Items 1210, 1215, 1216, 1218, 2217, 2218, 1230, 1250, 1260, 2260, 1370, 2370, 1375, 2375, 1400, 1410, 1420, 1430, 1478, 1340, 2340, 1460, 1350, 2350, 1360, 2360, 2366, 1470, 1377, 2377, 1480, 1378, 2378, 1490, 1500, 2420, 2220, 1200, 1205, 1220, 1225, 2500, 2510, 1930, 2211, 2215, 2415, 2930, 1980, 2980 and 1999.

NF= Net proceeds from non-fuel related Regional Transmission Organization charges and credits not recovered via other mechanisms.

Includes non-fuel related costs charged to the Company by PJM Interconnection LLC including but not limited to those costs identified in the following Billing Line Items, as may amended from time to time by PJM Interconnection LLC: Billing Line Items 2240, 2241, 1242, 1243, 1245, 2245, 1246, 2246, 1330, 2330, 1361, 2361, 2367, 1471, 1362, 2362, 2368, 1472, 1475, 1371, 2371, 1376, 2376, 1380, 2380, 1390, 2390, 1980, 2980, and 1999.

CAP= Net proceeds from: PJM charges and credits as provided for in the Commission's Order in Case No. 2017-00321, dated April 13, 2018, capacity sales; capacity purchases; capacity performance credits; and capacity performance assessments.

Includes FRR capacity costs charged to the Company by PJM Interconnection LLC including but not limited to those costs identified in the following Billing Line Items, as may amended from time to time by PJM Interconnection LLC: Billing Line Items 1600, 2600, 1666, 2666, 1667, 2667, 1669, 2669, 1670, 2670, 1681, 2681, 1980, 2980, 1985, and 1999,

- CPI= Net proceeds of capacity performance insurance.
- GS= Net proceeds from the sale of surplus gas on the pipelines.
- REC= Net proceeds from the sales of renewable energy credits.
- R= Reconciliation of prior period Rider PSM actual revenue to amount calculated for the period.
- S= Current period sales in kWh as used in the Rider FAC calculation.

#### Charge for Reconnection of Service (Electric Tariff Sheet No. 91)

	<u>Current Rate</u>	Proposed Rate
Reconnections that can be accomplished remotely	\$5.60	\$6.50
Reconnections that cannot be accomplished remotely	\$8.25	\$5.80
Reconnections where service was disconnected at pole	\$18.00	\$16.50
After hours reconnection charge	\$40.00	N/A

#### Distribution Pole Attachments - Rate DPA (Electric Tariff Sheet No. 92)

	Current Rate	Proposed Rate
Two-user pole annual rental per foot	\$8.59	\$7.50
Three-user pole annual rental per foot	\$7.26	\$7.50
Conduit fee per linear foot	\$0.27	\$0.67

#### <u>Real Time Pricing Program- Rate RTP</u> (Electric Tariff Sheet No. 99)

Energy Delivery Charge (Credit) per kWh from Customer	<u>Cnrrent Rate</u> Base Load	Proposed Rate
Secondary Service	2,0034¢	3.3518¢
Primary Service	1.6479¢	2.8504¢
Transmission Service	0.6915¢	1.0568¢
Program Charge per billing period	\$183.00	\$183.00

The foregoing rates reflect a proposed increase in electric revenues of approximately \$70,008,476 or 14.69% over current total electric revenues to Duke Energy Kentucky. The estimated amount of increase per customer class is as follows:

	Total	Total
	Increase	Increase
	(\$)	(%)
Rate RS – Residential Service:	\$33,271,203	16.2%
Rate DS – Service at Distribution Voltage	\$19,167,181	14.1%
Rate DT – Time-of-Day Rate for Service at Distribution Voltage	\$15,314,005	14.1%
Rate EH – Optional Rate for Electric Space Heating	\$272,039	13.9%
Rate SP – Seasonal Sports Service	\$7,566	14.2%
Rate GS-FL – General Service Rate for Small Fixed Loads	\$119,011	14.2%
Rate DP – Service at Primary Distribution Voltage	\$53,265	5.9%
Rate TT - Time-of-Day Rate for Service at Transmission Voltage	\$1,240,683	8.0%
Rate SL Street Lighting Service	\$198,711	13.8%
Rate TL – Traffic Lighting Service	\$13,791	13.1%
Rate UOLS - Unmetered Outdoor Lighting Electric Service	\$81,072	13.1%
Rate NSU – Street Lighting Service for Non-Standard Units	\$13,460	13.8%
Rate SC – Street Lighting Service – Customer Owned	\$861	13.1%
Rate SE – Street Lighting Service – Overhead Equivalent	\$35,981	13.8%
Rate LED – Street Lighting Service – LED Outdoor Lighting	\$2,807	14.0%
Rate RTP – Experimental Real Time Pricing Program	\$60,394	9.8%
Interdepartmental	\$4,994	14.9%
Special Contracts	\$135,535	13.7%
Reconnection Charges	\$8,323	15.1%
Rate DPA – Pole and Line Attachments	\$7,594	1.1%

The average monthly bill for each customer class to which the proposed rates will apply will increase approximately as follows:

	Average	Monthly	Percent
	kWh/Bill	Increase	Increase
		(\$)	(%)
Rate RS Residential Service:	904	\$21.47	16.1%
Rate DS - Service at Distribution Voltage	7,079	\$168,98	14.2%
Rate DT – Time-of-Day Rate for Service at Distribution Voltage	611,498	\$6,030.34	13.9%
Rate EH – Optional Rate for Electric Space Heating	19.031	\$133.46	13.7%
Rate SP - Seasonal Sports Service	1,971	\$35.66	15.0%
Rate GS-FL General Service Rate for Small Fixed Loads	537	\$10.92	15.3%
Rate DP - Service at Primary Distribution Voltage	64,391	\$1,597.25	6.0%
Rate TT - Time-of-Day Rate for Service at Transmission Voltage	1,188,866	\$8,442.80	8.1%
Rate SL - Street Lighting Service *	66	\$1.92	13.7%
Rate TL - Traffic Lighting Service	921	\$8.84	13.1%
Rate UOLS – Unmetered Outdoor Lighting Electric Service	279	\$2.64	13.0%
Rate NSU Street Lighting Service for Non-Standard Units*	49	\$1.67	13.9%
Rate SC - Street Lighting Service – Customer Owned *	44	\$0.41	12.8%
Rate SE - Street Lighting Service – Overhead Equivalent *	59	\$1.75	13.8%
Rate LED - Street Lighting Service - Led Outdoor Lighting *	18	\$1.23	14.0%
Rate RTP – Experimental Real Time Pricing Program	275.766	\$1,233.48	15.9%
Interdepartmental	N/A	\$416.17	14.9%
Reconnection Charge (per remote reconnection)	N/A	\$0.90	16.1%
Reconnection Charge (at meter per reconnection)	N/A	(\$2.45)	-29.7%
Reconnection Charge (at pole per reconnection)	N/A	(\$1.50)	-8.3%
Rate DPA - Pole and Line Attachments (2-user attachment per foot)	N/A	(\$1.09)	-12.7%
Rate DPA – Pole and Line Attachments (3-user attachment per foot)	N/A	\$0.24	3.3%
Rate DPA – Conduit Fee	N/A	\$0.40	148.1%
* The share finite (set all educing the set of second encoder and s	1 ( 13/)	<b>c</b> .	

\*For these lighting schedules, values represent average monthly kWh usage per fixture.

The rates contained in this notice are the rates proposed by Duke Energy Kentucky; however, the Kentucky Public Service Commission may order rates to be charged that differ from the proposed rates contained in this notice. Such action may result in rates for consumers other than the rates in this notice.

Any corporation, association, body politic or person with a substantial interest in the matter may, by written request within thirty (30) days after publication of this notice of the proposed rate changes, request leave to intervene; intervention may be granted beyond the thirty (30) day period for good cause shown. Such motion shall be submitted to the Kentucky Public Service Commission, P. O. Box 615, 211 Sower Boulevard, Frankfort, Kentucky 40602-0615, and shall set forth the grounds for the request including the status and interest of the party. If the Commission does not receive a written request for intervention within thirty (30) days of the initial publication the Commission may take final action on the application.

Intervenors may obtain copies of the application and other filings made by the Company by requesting same through email at <u>DEKInquiries@duke-energy.com</u> or by telephone at (513) 287-4366. A copy of the application and other filings made by the Company is available for public inspection through the Commission's website at <u>http://psc.ky.gov</u>, at the Commission's office at 211 Sower Boulevard, Frankfort, Kentucky, Monday through Friday, 8:00 am. To 4:30 p.m., and at the following Company offices: 1262 Cox Road, Erlanger, Kentucky 41018. Comments regarding the application may be submitted to the Public Service Commission through its website, or by mail at the following Commission address.

For further information contact:

PUBLIC SERVICE COMMISSION COMMONWEALTH OF KENTUCKY P. O. BOX 615 211 SOWER BOULEVARD FRANKFORT, KENTUCKY 40602-0615 (502) 564-3940 DUKE ENERGY KENTUCKY 1262 COX ROAD ERLANGER, KENTUCKY 41018 (513) 287-4366 List of Newspapers in Duke Energy Kentucky Territory

Falmouth Outlook Kentucky Enquirer Gallatin County News Grant County News Link NKY

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(2)

#### 807 KAR 5:001, SECTION 16(2)

#### Description of Filing Requirement:

Notice of intent. A utility with gross annual revenues greater than \$5,000,000 shall notify the commission in writing of its intent to file a rate application at least thirty (30) days, but not more than sixty (60) days, prior to filing its application.

(a) The notice of intent shall state if the rate application will be supported by a historical test period or a fully forecasted test period.

(b) Upon filing the notice of intent, an application may be made to the commission for permission to use an abbreviated form of newspaper notice of proposed rate increases provided the notice includes a coupon that may be used to obtain a copy from the applicant of the full schedule of increases or rate changes.

(c) Upon filing the notice of intent with the commission, the applicant shall mail to the Attorney General's Office of Rate Intervention a copy of the notice of intent or send by electronic mail in a portable document format, to rate intervention@ag.ky.gov.

#### Response:

See Duke Energy Kentucky's response to Filing Requirement KRS 278.180 [Tab 1].

#### **Sponsoring Witness:**

Amy B. Spiller

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(3)

#### 807 KAR 5:001, SECTION 16(3)

#### **Description of Filing Requirement:**

Notice given pursuant to Section 17 of this administrative regulation shall satisfy the requirements of 807 KAR 5:051, Section 2.

#### Response:

Notice given pursuant to 807 KAR 5:001, Section 17 satisfies the requirements of 807 KAR 5:051, Section 2. A copy of the customer notice is attached in response to Filing Requirement, 807 KAR 5:001, Section 16(1)(b)(5) [Tab 12].

#### Sponsoring Witness:

Amy B. Spiller

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(6)(a)

#### 807 KAR 5:001, SECTION 16(6)(a)

#### **Description of Filing Requirement:**

The financial data for the forecasted period shall be presented in the form of pro forma adjustments

to the base period.

#### Response:

See Schedules D-2.1 through D-2.15 located in Schedule Book.

#### Witness Responsible:

Grady "Tripp" S. Carpenter

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(6)(b)

#### 807 KAR 5:001, SECTION 16(6)(b)

#### **Description of Filing Requirement:**

Forecasted adjustments shall be limited to the twelve (12) months immediately following the

suspension period.

#### **Response:**

See Schedules D-2.16 through D-2.30 for adjustments to the forecasted period located in Schedule

Book. These adjustments are limited to the twelve (12) months immediately following the suspension period.

#### Witness Responsible:

Grady "Tripp" S. Carpenter – Schedule D-2.16 Lisa D. Steinkuhl – Schedules D-2.17 thru D-2.23, D-2.25, D-2.27 thru D-2.30 Sharif S. Mitchell – Schedule D-2.24 Jacob S. Colley – Schedule D-2.26

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(6)(c)

### 807 KAR 5:001, SECTION 16(6)(c)

#### **Description of Filing Requirement:**

Capitalization and net investment rate base shall be based on a thirteen (13) month average for the

forecasted period.

#### Response:

Capitalization and Net Investment Rate Base for the Forecasted Period are based on a thirteenmonth average.

#### Witness Responsible:

Lisa D. Steinkuhl

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(6)(d)

#### 807 KAR 5:001, SECTION 16(6)(d)

#### **Description of Filing Requirement:**

After an application based on a forecasted test period is filed, there shall be no revisions to the forecast, except for the correction of mathematical errors, unless the revisions reflect statutory or regulatory enactments that could not, with reasonable diligence, have been included in the forecast on the date it was filed. There shall be no revisions filed within thirty (30) days of a scheduled hearing on the rate application.

#### Response:

The Company will comply with this requirement.

#### Witness Responsible:

Grady "Tripp" S. Carpenter

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(6)(e)

#### 807 KAR 5:001, SECTION 16(6)(e)

#### **Description of Filing Requirement:**

The commission may require the utility to prepare an alternative forecast based on a reasonable number of changes in the variables, assumptions, and other factors used as the basis for the utility's forecast.

#### Response:

The Company will prepare an alternative forecast if requested by the Commission.

#### Witness Responsible:

Grady "Tripp" S. Carpenter

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(6)(f)

### 807 KAR 5:001, SECTION 16(6)(f)

#### **Description of Filing Requirement:**

The utility shall provide a reconciliation of the rate base and capital use to determine its revenue

requirements.

#### Response:

See attached.

#### Witness Responsible:

Lisa D. Steinkuhl

#### DUKE ENERGY KENTUCKY, INC. CASE NO. 2024-00354 RECONCILIATION OF CAPITALIZATION AND RATE BASE THIRTEEN MONTH AVERAGE BALANCE ENDING JUNE 30, 2026

FR 16(6)(f) Forecast Period PAGE 1 OF 3 WITNESS RESPONSIBLE: L. D. STEINKUHL

Line			
<u>No.</u>	Description	Source	Amount
1	Capitalization Allocated to Electric Operations	Page 2 of 3	1,453,712,477
2	Adjustments to Plant in Service	Sch. B-2.2 & B-3.1	(114,909,302)
з	Assets per Books not included in Rate Base:		
4	Other Property and Investments	Schedule B-8	(12,751,684)
5	CWIP	Sch. B-4	(135,182,296)
6	Cash	Schedule B-8	(9,509,031)
7	Other Current Assets	Schedule B-8	(71,189,682)
8	Other Regulatory Assets	Schedule B-8	(57,346,623)
9	Other Deferred Debits	Schedule B-8	37,107,187
10	Subtotal		(248,872,129)
11	Liabilities per Books not included in Rate Base:		
12	Other Current liabilities	Schedule B-8	92,127,737
13	Other Non-current liabilities	Schedule B-8	24,058,156
14	ARO Liabilities	Schedule B-8	56,149,620
15	Deferred Credits	Schedule B-8	14,125,051
16	Subtotal		186,460,563
17	Items included in Rate Base:		
18	Cash Working Capital Formula	Sch.B-5	4,507,797
19	Depreciation adjustment not included in capitalization	Sch. D-2.24	6,398,497
20	Capitalization / Rate Base Differences		(13,506,364)
21	Subtotal		(2,600,070)
22	Total Variance		(179,920,938)
23	Electric Rate Base	Schedule B-1	1,273,791,539

#### DUKE ENERGY KENTUCKY, INC. CASE NO. 2024-00354 RECONCILIATION OF CAPITALIZATION AND RATE BASE THIRTEEN MONTH AVERAGE BALANCE ENDING JUNE 30, 2026

FR 16(6)(f) Forecast Period PAGE 2 OF 3 WITNESS RESPONSIBLE: L. D. STEINKUHL

Line			Capitaliz	ation
<u>No.</u>	Description	_	Total	Electric
1 2	Total Forecasted Period Capitalization	(1)	2,191,207,945	
3	Less: Gas Non-jurisdictional Rate Base	(2)	165,651	
4	Electric Non-jurisdictional Rate Base	(2)	(4,593,952)	
5	Non-jurisdictional Rate Base	(2)	(31,881,050)	
6				
7	Jurisdictional Capitalization		2,227,517,296	
8				
9	Electric Jurisdictional Rate Base Allocation %	(2)	65.031%	1,448,576,773
10				
11	Plus: Jurisdictional Electric ITC	(3)		5,135,704
12				
13	Total Allocated Capitalization			<u>1,453,712,477</u>

Notes: (1) Schedule J-1, page 2 of 2. (2) Page 3 of 3. (3) Schedule B-6, page 1.

## DUKE ENERGY KENTUCKY, INC. CASE NO. 2024-00364 RECONCILIATION OF CAPITALIZATION AND RATE BASE THIRTEEN MONTH AVERAGE BALANCE ENDING JUNE 30, 2026

FR 16(6)(f) Forecast Period PAGE 3 OF 3 WITNESS RESPONSIBLE: L. D. STEINKUHL

Line No	Description	Schedule Reference	Total Company	Gas Jurisdictional	Gas Non-Juris.	Electric Jurisdictional	Electric Non-Juris	Non- Jurisdictional
1	Total Utility Plant in Service (Accts 101 & 106) (B)	Sch B-2, (C)	3,542,498,430	1,112,325,492	0	2,430,172,938	0	0
2	read a start of the provide start of the sta							
3	Additions.							
4	Construction Work in Progress (Account 107)	Sch B-4, (C)	161,833,406	26,651,110		135, 182, 296	0	0
5								
6	Fuel Inventory	Sch B-5	15,445,163	0	0	15,445,163	0	0
7								
8	Materials & Supplies -							
9	Propane Inventory (Account 151) (B)	WPB-5 1b	0	0	0	0	0	0
10	Other Material and Supplies (Accts. 154 & 163) (B)	WPB-5.1c	20,851,933	755,257	0	20,095,676	0	0
11	Total Materials & Supplies		20,851,933	755,257	0	20,096,676	0	0
12								
13	Gas Stored Underground (Account 164) (B)	WPB-5.1f	2,565,012	2,585,012	0	0	D	0
14								
15	Prepayments (Account 165) (B)	WPB-5.1e	2,895,819	69,100	165,651	2,119,316	541,752	0
18	C			2		0		0
17	Emission Allowances (Account 158)	WPB-5.1i	0	0	0	0	0	U
18								
19	Cash Working Capital Allowance	WPB-5.1a	4,507,797	٥	0	4,507,797	0	0
20	Other Rate Base Items	WPB-1.1a	13,100,679	0	0	13,100,679	0	0
21	Total Additions	WPB-1.1a -	221,199,809	30,040,479	165.651	190,451,927	541,752	0
22 23	Total Additions		221,199,009	30,040,473	100,001	130,401,027	041,792	
24	Deductions							
25	Reserve for Accumulated Depreciation (Acct 108) (B)	Sch B-3.2, (C)	1,197,104,628	249.566.575	o	947,538,053	(A) 0	0
26	Reserve for Accompliance Depreciation (Accorney) (a)	00110-0.2, (0)	1,107,104,020	240,000,010	0	011,000,000		
27	Accum Deferred Income Taxes (Accts 190, 282, & 283) (B)	Sch B-6, WPB-6a	349,762,380	104,682,743	0	213, 198, 587	0	31,881,050
28								
29	Customer Advances for Construction (Account 252)	WPB-6a	(2,528,681)	(2,528,681)	0	0	0	0
30								
31	Total Regulatory Liability - Excess Deferred Taxes	Sch B-6	74,062,025	29,546,132	0	44,515,893	0	0
32								
33	Investment Tax Credits	Sch B-6	5,135,704	0	0	0	5,135,704	0
34	Total Deductions		1,623,536,056	381,266,769	0	1,205,252,533	5,135,704	31,881,050
35								
36	Net Original Cost Rate Base		2,140,162,183	761,099,202	165.651	1,415,372,332	(4,593,952)	(31,881,050
37								
38	Jurisdictional Rate Base Ratio		100.000%	35.563%	0.008%	66.134%	-0.215%	-1.4909
39								
40	Jurisdictional Rate Base Ratio - Excluding Non-Jurisdictional		100.000%	34.969%		65.031%		

Notes: (A) Does not include depreciation annualization adjustment per Commission precedent. (B) Adjusted for non-jurisdictional gas plant. (C) Company records

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(7)(a)

#### 807 KAR 5:001, SECTION 16(7)(a)

#### **Description of Filing Requirement:**

The written testimony of each witness the utility proposes to use to support its application, which shall include testimony from the utility's chief officer in charge of Kentucky operations on the existing programs to achieve improvements in efficiency and productivity, including an explanation of the purpose of the program.

#### Response:

All testimony is provided under separate cover. Also, please see the Direct Testimony of Amy B. Spiller, Duke Energy Kentucky's chief officer in charge of operations, for an overview discussion of efficiency and productivity improvements.

#### **Sponsoring Witness:**

All witnesses

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(7)(b)

#### 807 KAR 5:001, SECTION 16(7)(b)

#### **Description of Filing Requirement:**

The utility's most recent capital construction budget containing at minimum a three (3) year

forecast of construction expenditures.

#### Response:

See attached.

#### **Sponsoring Witnesses:**

Grady "Tripp" S. Carpenter Marc W. Arnold William C. Luke

#### Duke Energy Kentucky, Inc. Case No. 2024-00354 Capital Expenditure Budget Years 2024-2026

			includes AFUDC Projected Expenditures			
Line		CWIP Balance				
No.	Project ID/Description	@ 12/31/23	2024	2025	2026	
1	NORMAL RECURRING CONSTRUCTION	52,659,220	122,294,047	137,349,719	111,089,118	
∠ 3	WD401206 - Woodsdale CT Unit 4 Major Inspection	0	13,993,908	0	0	
4	WD501205 - Woodsdale CT Unit 5 Major Inspection	0	0	15,906,201	0	
5	WD201206 - Woodsdale CT Unit 2 Major Inspection	0	0	514,812	15,388,144	
6	East Bend Limestone Conversion	0	5,500,000	34,000,000	66,000,000	
7	Woodsdale Solar Generation	0	0	1,756,708	14,308,931	
8 9	TOTAL	52,659,220	141,787,955	189,527,439	206,786,193	

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(7)(c)

#### 807 KAR 5:001, SECTION 16(7)(c)

#### **Description of Filing Requirement:**

A complete description, which may be filed in written testimony form, of all factors used in preparing the utility's forecast period. All econometric models, variables, assumptions, escalation factors, contingency provisions, and changes in activity levels shall be quantified, explained, and properly supported.

#### **Response**:

Attached is a copy of the Confidential Budget Guidelines for 2024 and a summary of the assumptions that were used in developing the projected data in the base and forecasted test periods. Descriptions of the factors used in preparing the forecasted test period are also incorporated in each witness' pre-filed testimony.

All confidential information is being provided under seal pursuant to a Petition for Confidential Treatment that is being filed simultaneously with this Application.

#### **Sponsoring Witness:**

Grady "Tripp" S. Carpenter

# CONFIDENTIAL PROPRIETARY TRADE SECRET FR 16(7)(c) CONFIDENTIAL ATTACHMENT

**BEING FILED UNDER SEAL** 

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(7)(d)

#### 807 KAR 5:001, SECTION 16(7)(d)

#### Description of Filing Requirement:

The utility's annual and monthly budget for the twelve (12) months preceding the Filing Date, the Base Period, and Forecasted Period.

#### Response:

See the attached for the Company's official 2023, 2024 and 2025 operating budgets which include the 12 months preceding the Filing Date (December 2023 - November 2024) and the Base Period (March 2024 - February 2025). The requested annual budget for the 12 months of the Forecasted Test Period is provided in Schedule C-1. The monthly revenue and monthly O&M amounts are shown in Work Papers WPC-2d and WPC-2.1a, respectively. This data is comprised of Duke Energy Kentucky's 2024 annual budget and extended through June 2026 as described in the testimony of Mr. Carpenter.

Sponsoring Witness: Grady "Tripp" S. Carpenter

#### DE Kentucky Electric

Dynamic Income Statement for Budget

					o primiria in	Periodic	ouger						
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Dec
	2025	2025	2025	2025	2025	2025	2025	2025	2025	2025	2025	2025	2025
	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget
	Periodic	Periodic	Periodic	Periodic	Periodic	Periodic	Periodic	Periodic	Periodic	Periodic	Periodic	Periodic	YTD
Operating Revenue	a survey of												
Regulated Electric	43,477,284	40.270,290	36,536,038	32, 152, 473	35,728,845	43,669,496	46,938,572	46,781,570	41,170,069	33,623,156	40.353,073	46,797,747	487,498,6
Non-Regulated Electric	70,833	70,833	70,833	70,833	70,833	70,833	70,833	70,833	70,833	70,833	70,833	70,833	850,0
Total Operating Revenue	43.548,117	40,341,124	38,806,871	32,223,306	35,799,678	43,740,329	47,009,405	46,852,403	41,240,903	33,693,990	40,423,905	46,858,580	488,348,6
Operating Expenses													
Fuel used in Electric Generation and Purchased Power	18,129,781	13,355,010	11,951,608	9,865,137	11,624,312	14,239,154	16,655,806	15,522,122	12,743,172	10,631,636	15,324,813	18,182,705	168,225,25
Operations, Maintenance and Other	12,840,672	12,646,177	12,244,626	10,775,283	10,098,086	10,516,132	11,025,042	11,350,596	12,360,461	12.052,175	10,432,155	14,614,342	140,955,74
Depreciation and Amortization	7,081,726	7,078,735	7,077,992	7,088,561	7,087,721	7,090,251	7,128,209	7,125,769	7,123,514	7,161,672	7,196,820	7,260,622	85,501,5
Property and Other Taxes	1,460,201	1,460,201	1,460,201	1,460,201	1,460,201	1,460,201	1,460,201	1,460,201	1,460,201	1,460,201	1,460,201	1,460,201	17,522,4
Total Operating Expenses	39,512,379	34,540,122	32,734,427	29,189,182	30,270,321	33,305,736	36,269,258	35,458,688	33,687,348	31,305,685	34,413,990	41,517,869	412,205,00
Gain/(Loss) on Sales of Other Assets and Other, net	0	Ð	0	0	0	0	Ð	0	0	0	0	0	
Operating Income	4,035,738	5,801,001	3,872,444	3,034,124	5,529,357	10,434,591	10,740,147	11,393,715	7,553,555	2,388,305	6,009,917	5,350,711	76,143,60
Dther Income and Expenses													
Employee Benefits: Non-service Costs - (Exp) / Inc	69,363	69,363	69.363	69 363	69.363	69.363	69,363	69,363	69,363	69.363	69.363	69,363	632,3
AFUDC and Other Deferred Returns	183,521	208,386	230,690	263,441	265.665	235,269	246,788	287,002	357,952	377,295	328,218	172,739	3,156,9
Interest and Dividends	3,708	3,708	3.708	3,708	3.708	3,708	3.292	3,292	3.292	3,292	3,292	3,292	42.0
I/C Interest Income (Moneypool AC 0419429)	1.584	10,935	11.224	2.527	2,862	3,084	2,969	3,295	103,466	103.673	4.037	4.212	253,8
Other Income and Expenses	258,176	292,392	314,985	339,040	341,598	311,425	322,411	362,952	534,072	553,622	404,909	249,606	4,285,1
Earnings Before Interest Expense and Taxes	4,293,914	6,093,393	4,187,429	3,373,164	5,870,956	10,746,016	11,062,558	11,756,568	8,087,627	2,941,927	6,414,826	5,600,317	80,428,75
Interest Expense	2,629,547	2,596,651	2,588,766	2,624,263	2,579,145	2,592,126	2.615,855	2,573,548	2,992,378	2,994,183	3,007,041	3.033,543	32,827,04
Earnings From Continuing Operations Before Income Taxes	1,664,367	3,496,743	1,598,663	748,901	3,291,811	8,153,890	8,446,703	9,183,120	5.095,249	(52,257)	3,407,785	2,556,774	47,601,74
carnings From Continuing Operations Defore income raxes	1,004,307	3,430,143	1,350,003	740,001	0,201,011	0,155,656	0,000,100	3,103,120	0,035,245	102,2011	5,491,785	2,300,774	47,001,7
Income Tax Expense (Benefit) From Continuing Operations	37,440	486,785	9,380	(210,012)	421,600	1,637,865	1,707,795	1,880,870	846,991	(437,483)	434,881	264,458	7,080,56
ncome from Continuing Operations Attributable to Duke Energy Corp	1,626,927	3,009,957	1,589,283	958,913	2,870,211	6,516,025	6,738,909	7,302,250	4,248,258	385,227	2,972,905	2,302,318	40,521,18
ncome (Loss) From Continuing Operations	1,626,927	3,009,957	1,589,283	958,913	2,870,211	6,516,025	6,738,909	7,302,250	4,248,258	385,227	2,972,905	2,302,316	40,521,18
Net Inc Bfr Ext and Chg in Acct. Prin.	1,626,927	3,009,957	1,589,283	958,913	2,870,211	6,516,025	6,738,909	7,302,250	4,248,258	385,227	2,972,905	2,302,316	40,521,1
Consolidated Net Income	1,626,927	3,009,957	1,589,283	958,913	2,870,211	6,516,025	6,738,909	7,302,250	4,248,258	385,227	2,972,905	2.302.316	40,521,11
Less: Net (Loss) Income Altributable to Noncontrolling Interests	0	0	0	0	0	0	0	0	0	0	0	0	
let Income Attributable to Company	1,626,927	3,009,957	1,589,283	958,913	2,870,211	8,516,025	6,738,909	7,302,250	4,248,258	365,227	2,972,905	2,302,316	40,521,10
Less: Preferred Dividends	0	0	0	0	0	0	0	0	0	0	0	0	-
Net Income Attributable to Controlling Interest	1,626,927	3,009,957	1,589,283	958,913	2,870,211	6,516,025	6,738,909	7,302,250	4,248,258	385,227	2,972,905	2,302,316	40,521,11

#### DE Kentucky Electric

<b>Dynamic income Statement for Budget</b>	
Derindia	

						Periodic							
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Dec
	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024	2024
	Budget												
	Periodic	YTD											
Operating Revenue													
Regulated Electric	49,940,973	46,495,838	38,946,375	35,895,692	34,804,655	40,637,856	48,712,490	45,270,139	40,234,105	34,955,605	39,173,922	44,242,051	499,310,702
Non-Regulated Electric	70,833	70,833	70,833	70,833	70.833	70,833	70,833	70.833	70,833	70.833	70,833	70,833	850,000
Total Operating Revenue	50,011,806	46,566,671	39,017,209	35,967,525	34,875,488	40,708,690	48,763,323	45,340,973	40,304,939	35,026,439	39,244,756	44,312,884	500,160,702
Operating Expenses													
Fuel used in Electric Generation and Purchased Power	20,551.052	16,611,402	13,905,581	11,772,886	11,350,911	13,592,443	19,302,515	15,488,047	13,482,856	11.432,740	14,142,558	16,642,013	178,275,003
Operations, Maintenance and Other	11,762,542	12,003,620	11,778,773	8,328,402	9,577,048	9,441,940	10,024,652	9,330,810	10,190,945	9,888,580	10,735,839	11,559,239	124,622,389
Depreciation and Amortization	6,803,760	6,799,928	6,797,551	6,799,887	6,798,768	6,806,107	6,897,772	6,921,408	6,943,845	6,968,968	6,995,418	7,024,003	82,557,413
Property and Other Taxes	1,445,825	1,446,203	1,448,687	1,450,615	1,480,976	1,451,920	1,450,695	1,450,005	1,450,650	1,451,708	1,481,235	1,449,527	17,458,046
Total Operating Expenses	40,563,179	36,861,152	33,930,591	28,351,790	29,207,702	31,292,409	37,675,634	33,190,270	32,068,296	29,741,996	33,355,050	36,674,782	402,912,852
Gain/(Loss) on Sales of Other Assets and Other, nel	0				0	0	0	D	٥	0	0	0	
Operating Income	9,448,627	9,705,518	5,086,618	7,615,735	5,667,786	9,416,280	11,107,689	12,150,703	8,236,643	5,284,443	5,889,706	7,638,102	97,247,851
Other Income and Expenses													
Employee Bengfits: Non-service Costs - (Exp) / Inc	101,009	101,009	101,009	101,009	101,009	101,009	101,009	101.009	101,009	101.009	101.009	101,009	1,212,106
AFUDC and Other Deferred Returns	74.874	144.586	178.591	239,788	245,723	319.314	273,632	259,416	239,527	220.578	208,619	186,258	2,590,907
Interest and Dividends	6.849	4,250	4,250	4250	4250	4.250	3671	3,958	3,958	3.958	3.958	3.958	51,562
I/C Interest Income (Moneypool AC 0419429)	238	677	439	0	0	193,726	514,906	541,586	335,288	110,560	106.922	51,338	1,855,680
Other Income and Expenses	182,971	250,522	284,289	345,047	350,982	618,299	893,218	905,969	679,783	436,105	420,508	342,564	5,710,255
Earnings Before Interest Expense and Taxes	9,631,598	9,956,040	5,370,906	7,960,783	6,018,768	10,034,579	12,000,907	13,056,672	8,916,425	5,720,548	6,310,214	7,980,666	102,958,105
Interest Expense	2,026,808	1,981,003	1,907,444	1,901,509	1,845,731	2,402,437	2,611,351	2,578,597	2,595,285	2,625,154	2,591,862	2,610,565	27,677,748
Earnings From Continuing Operations Before Income Taxes	7,604,790	7,975,037	3,463,463	6,059,274	4,173,037	7,632,142	9,389,556	10,478,075	6,321,140	3,095,394	3,718,351	5,370,101	75,280,358
Income Tax Expense (Benefit) From Continuing Operations	1629276	1,700,309	486,562	1,199,948	711,935	1,646,575	1,935,513	2,209,652	872,334	383,980	541,819	1,245.248	14,563,152
Income from Continuing Operations Attributable to Duke Energy Corp	5,975,513	6,274,729	2,976,900	4,859,326	3,461,101	5,985,568	7,454,042	8,268,422	5,448,806	2,711,414	3,176,532	4,124,852	60,717,206
Income (Loss) From Continuing Operations	5,975,513	6,274,729	2,976,900	4,859,326	3,461,101	5,985,568	7,454,042	8,268,422	5,448,806	2,711,414	3,176,532	4,124,852	60,717,206
Net Inc Bfr Ext and Chg in Acct, Prin,	5,975,513	6,274,729	2,976,900	4,859,326	3,461,101	5,985,568	7,454,042	8,268,422	5,448,806	2,711,414	3,176,532	4,124,852	60,717,206
Consolidated Net Income	5,975,513	6,274,729	2,976,900	4,859,326	3,461,101	5,985,568	7,454,042	8,268,422	5,448,806	2,711,414	3,176,532	4,124,852	60,717,206
Less: Net (Loss) Income Attributable to Noncontrolling Interests	0	0	0	0	0	0	0	0	0	0	0	o	0
Net Income Attributable to Company	5,975,513	6,274,729	2,976,900	4,859,326	3,461,101	5,985,568	7,454,042	8,268,422	5,448,805	2,711,414	3,176,532	4,124,852	60,717,206
Less: Preferred Dividends	0	0	0	0	0	0	0	0	0	0	D	0	0
Net Income Attributable to Controlling Interest	5,975,513	6,274,729	2,975,900	4,859,326	3,451,101	5,985,568	7,454,042	8.258,422	5,448,806	2,711,414	3,176,532	4,124,852	60,717,206

#### Duke Energy Segment Reporting

DE Kentucky Electric Dynamic Income Statement for Budget Periodic

	Pall	i zh	Nar	Apr	May	242	3ml 2023	Aug 2023	164p 2023	Oct 2023	Nes. 2023	Dec 2823	2023
	2023	2023	2013 Bindget	2023 Budget	2023 Dudge:	2023 Badget	Budget	Bailget	Budest	Budget	Budget	Budget	Budget
	Budget	Budget	Periodic	Periodic	Periodic	Periodic	Pryindle	Periodic	Periodic	Periodic	Periodie	Perioda	YTH
-													
Regulated Electric	J2,866,064	33,353,157	31,489,271	28,402,990	24,491,646	36,571,678	40,137,160	39,602,567	14,127,239	30,x10,991	12,350,578	\$2,841,213	402,544.5
otal Operating Revenues	32,868,694	31,183,197	31,489,271	28,442,946	29,993,640	36,571,078	40,137,160	39,602,567	34,127,239	30,810,941	32,350,578	32,841,213	442,546,5
parating Expenses													
Fue) used in Electric Generation and Purchased Power	9.381,250	9,897,815	10.554,046	8,330,364	8.529,177	12,425,103	13,548,167	13,277,838	11,205,705	9.563,942	10,538,01%	10,745,479	127,943,6
Operations, Muintenance and Other	13,407,305	11,406,378	11.524,343	10,378,411	9,663,620	4,181,709	4.Meau, 31X	10.592,036	9,8%6,2%5	9,760,07x	10,490,232	11.126.674	126.360,9
Depreciation and Amortization	5.948.285	5,946,127	5,966,051	5,002.925	5,909,640	5.911.177	5,975,460	1.931.955	5,971,240	n.009,721	6.0UNI,ONCI	4,015,465	71.658.
Property and Other Taxes	1.741,293	1.741,293	1,741,293	1,741,293	1,741,290	1,741,243	1,741,293	1,741,293	1,741,293	1,741,293	1,741.293	1,741,293	20,005,5
of al Operating Expenses	31,028,034	27,512,314	29.785.754	26,435,913	15,844,030	29.155.281	31,215,238	31,543,122	28,04,532	27,975,934	28.778.604	29,428.309	346,916,
				-									
perating Income	1,438,571	5,846,843	1,703.517	6,967,977	4,149,859	7,315,797	8,911,922	\$,059,446	5,322,704	3,735,957	3.571,975	3,212,303	55,629,7
they Income and Expenses													
71XX_OTHER_INCOME - Other Income	190,94	24,04L	74,0NL	79,093	74,093	74 041	74,091	79.1793	79,043	79.041	99,091	74,091	949.09
7311 AFUDC OTH DF RT - AFUINC and Other Deferred Return	111,4%4	973,216	115,×P0	119,571	126.964	110,334	107,346	108.095	107.322	111,754	127,240	344,804	1,442,4
7312 DEF RETURN -Deferred Returns													a
7330 INTERCO INT - Intercompany Interest Income	101,540	111,429	Tue, and	74,323	66,784	34,642	63,280	70,120	WL245	104,356	96,836	209,938	1,062,4
her Income and Expenses	292.225	.164,359	303,865	272,985	272.762	278.067	249,937	257,306	276,697	291.30s	287,173	201.6.0	3,374,8
roings Before Interest Expense and Taxes	2,5 80,746	6,147,201	2,007,765	2240,061	4,422,401	7,585.864	9,161,459	R.316.752	5.544,494	4,027,163	3,859,147	1.506,137	59,003,7
lerest Expense	1,700,129	1,575,829	1.717,552	1,700,305	1.661.481	1,728.610	E,7834,876	1,668.46L	1,955,542	1.954,757	1,890,422	Fagricit	21,120.9
arnings From Continuing Operations Before Income Taxes	410,070	4,471,313	289,823	539,757	2,760,940	5,857,248	7.456,582	6,5-48,291	3,643,852	2.063,407	1,968,726	1.547,223	37,682.8
Income Tax Expense (Benefit) From Continuing Operations	(178,345)	8.31.498.3	(207.639)	(146,500+)	403,746	1,876,036	1,575,815	1,374.550	627,745	234,894	208.654	ID6, MS	0,014,80
come From Continuing Operations Attributable to Duke Energy Corp	402.021	1,639,329	497,463	686,265	2.357,194	4,641,212	5,680,767	5.273.741	3.016.113	1,233,513	1,760,072	1,440,350	31.668.8
cont Press Commany operations reported at the second second													
ncome (Loss) Fram Continuing Operations	602,021	1,439,329	497,463	636,265	2,357,194	4,681,212	5,880,767	5,273,743	3,016,113	1.033,513	1,769,972	1,440,358	31,668,8
et fac Bfr Ext and Che is Acct. Prin.	462.621	1,639,324	497,461	686,265	2,357,194	4,681,212	5,880,767	5,273,741	3,016,113	1,033,513	1,760,072	1,440,358	\$1.663
A lay bit car and ting as seen 1110													
nsolidated Net Income	602,021	3,699,329	277,463	846,265	2,357,194	4,681,212	5,840,767	5,273,341	3,016,113	1,833,513	1,740,072	1,440,358	H set
Less; Net (Loss) Income Attributable to Noncontrolling Interests	v	6	2	U	D		8	U	U	0	α	U	u
t Income Attributable to Company	642.021	3,639,329	477.401	640.265	2,357,194	4,681.212	5.MID,707	\$,273,741	3,0[6,1]1	1.833,513	1.760,072	1,440,358	31.663.
Less: Preferred Dividends	o	v	U	a	o	D	U	u	a	٥	U	6	u
et Income Attributable to Controlling Interest	602,021	3,639,329	497.463	686,265	2,357,194	4,681,212	5,880,767	5,273,741	3,016,113	1.833,513	1.760.072	1,440,358	31,668.0

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#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(7)(e)

#### 807 KAR 5:001, SECTION 16(7)(e)

#### **Description of Filing Requirement:**

A statement of attestation signed by the utility's chief officer in charge of Kentucky operations

which shall provide:

- (1) that the forecast is reasonable, reliable, made in good faith and that all basic assumptions used in the forecast have been identified and justified;
- (2) that the forecast contains the same assumptions and methodologies as used in the forecast prepared for use by management, or an identification and explanation for any differences that exist; and
- (3) that productivity and efficiency gains are included in the forecast.

#### Response:

See attached.

#### **Sponsoring Witness:**

Amy B. Spiller

#### AFFIDAVIT OF AMY B. SPILLER

STATE OF OHIO ) ) COUNTY OF HAMILTON )

Now comes Amy B. Spiller, President of Duke Energy Kentucky, Inc., and as required by 807 KAR 5:001, Section 16(7)(e), hereby attests as follows:

- 1. The forecast used in this rate application is reasonable, reliable, made in good faith, and that all basic assumptions used in the forecast have been identified and justified;
- The forecast contains the same assumptions and methodologies as used in the forecast prepared for use by management, or an identification and explanation for any differences that exist, if applicable; and
- 3. Productivity and efficiency gains are included in the forecast.

Further affiant sayeth naught.

my brile

Sworn and subscribed before me by Amy B. Spiller on this 27th day of November 2024.

tary Public

My Commission Expires: July 8,2027



EMILIE SUNDERMAN Notary Public State of Ohio My Comm. Expires July 8, 2027

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(7)(f)(1) through (4)

#### 807 KAR 5:001, SECTION 16(7)(f)(1) through (4)

#### **Description of Filing Requirement:**

For each major construction project which constitutes five (5) percent or more of the annual

construction budget within the three (3) year forecast the following information shall be filed:

- (1) The date the project was started or estimated starting date;
- (2) The estimated completion date;
- (3) The total estimated cost of construction by year exclusive and inclusive of allowance for funds used during construction ("AFUDC") or interest during construction credit; and,
- (4) The most recent available total costs incurred exclusive and inclusive of AFUDC or interest during construction credit.

#### Response:

See attached.

#### Sponsoring Witness:

Grady "Tripp" S. Carpenter Marc W. Arnold William C. Luke

. . . . .

#### Duke Energy Kentucky, Inc. Case No. 2024-00354 Major Construction Projects Constituting 5% or More of Annual Budget

		Actual or	Projected							Actual Costs	Actual Costs
Line		Projected	Completion	Estimat	ed Costs Including	AFUDC	Estimated	i Cosis Excludin	AFUDG	To Date	To Date.
No.	Project ID/Description	Start Date	Date	2024	2025	2028	2024	2025	2026	inci AFUDC	excl AFUDC
1	WD401206 - Woodsdale CT Unit 4 Major Inspection	6/1/2024	11/30/2024	13,993,008		*	13,520,684	-	-	0	0
2	WD501205 - Woodsdale CT Unit 5 Major Inspection	1/1/2025	10/31/2025	۴	15,906,201		-	15,821,335		0	0
3	WD201206 - Woodsdale CT Unit 2 Major inspection	5/1/2025	5/31/2026	-	514,812	15,388,144		498,203	15,166,855	σ	Ō
4	East Bend Limestone Conversion	7/1/2024	10/31/2026	5,500,000	34,000,000	66,000,000	5,500,000	34,000,000	63,700,000	D	ũ
5	Woodsdale Solar Generation	1/1/2025	12/01/2028	-	1,756,700	14,308,931	-	1,700,000	13,900,000	0	0

### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(7)(g)

## 807 KAR 5:001, SECTION 16(7)(g)

#### **Description of Filing Requirement:**

For all construction projects which constitute less than five (5) percent of the annual construction budget within the three (3) year forecast, the utility shall file an aggregate of the information requested in paragraph (f) 3 and 4 of this subsection.

#### Response:

See attached.

#### Sponsoring Witness:

Grady "Tripp" S. Carpenter Marc W. Arnold William C. Luke

#### Duke Energy Kentucky, Inc. Case No. 2024-00354 Major Construction Projects Constituting Less than 5% of Annual Budget

Line		Actuation Projected	Projected Completion	Estima	ited Costs Including	AFUDC	Estimat	ed Costs Excluding /	AFUDC	Actual Costs To Date	Actual Costs To Date
No.	Project 10/Description	Start Date	Date	2024	2025	2026	2024	2025	2026		excl AFUDC
1	Sum of all projects not included on 7(f)	Various	Various	122,294,047	137,349,719	111,089,118	119,171,747	133,032,673	109,829,582	52,659,220	50,858,120

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(7)(h)

#### 807 KAR 5:001, SECTION 16(7)(h)

#### **Description of Filing Requirement:**

A financial forecast corresponding to each of the three (3) forecasted years included in the capital construction budget. The financial forecast shall be supported by the underlying assumptions made in projecting the results of operations and shall include the following information:

- Operating income statement (exclusive of dividends per share or earnings per share);
- (2) Balance sheet;
- (3) Statement of cash flows;
- (4) Revenue requirements necessary to support the forecasted rate of return;
- (5) Load forecast including energy and demand (electric);
- (6) Access line forecast (telephone);
- (7) Mix of generation (electric);
- (8) Mix of gas supply (gas);
- (9) Employee level;
- (10) Labor cost changes;
- (11) Capital structure requirements;
- (12) Rate base;
- (13) Gallons of water projected to be sold (water);
- (14) Customer forecast (gas, water);

- (15) MCF sales forecasts (gas);
- (16) Toll and access forecast of number of calls and number of minutes (telephone); and
- (17) A detailed explanation of any other information provided, if applicable.

#### Response:

Items 6, 13, 16, and 17 are not applicable. For all other items, see attached.

#### **Sponsoring Witnesses:**

Grady "Tripp" S. Carpenter – Items 1, 2, 3, 4, 8, 9, 10, 11, 12 Ibrar A. Khera – Item 5, 14, 15 John D. Swez – Item 7

KyPSC Case No. 2024-00354 FR 16(7)(h) Attachment Page 1 of 13

FR 16(7)(h)(1)

## Duke Energy Kentucky, Inc. Case No. 2024-00354

Projected Income Statement 2024-2026

Line		 	_			
No.	Description	2024		2025		2026
1	Operating Revenue					
2	Electric Revenue	\$ 505,407,339	\$	509,498,613	\$	529,961,19
3	Gas Revenue	148,366,399		165,773,308		193,214,678
4	Other Revenue	424,853		850,000		850,00
5	Total Operating Revenue	\$ 654,198,591	\$	676,121,921	\$	724,025,87
6	Operating Expenses					
7	Fuel & Purchased Power	171,191,013		168,225,256		163,457,50
8	Gas Purchased	60,841,088		70,873,208		72,687,78
9	Operation & Maintenance	151,271,367		163,540,912		167,186,83
10	Depreciation & Amortization	108,176,967		109,897,877		113,631,00
11	Taxes Other Than Income	24,449,939		23,407,416	£	27,513,25
12	Operating Expenses before Income Tax	\$ 515,930,374	\$	535,944,668	\$	544,476,37
13	Pre-Tax Operating Income	\$ 138,268,217	\$	140,177,253	\$	179,549,49
14	Other Income	9,063,307		5,884,684		4,648,36
15	Interest Expense	36,048,109		45,111,635		56,081,06
16	State Income Taxes	5,127,307		4,734,546		6,105,07
17	Federal Income Taxes	16,897,840		14,721,455		23,436,75
18	Total Income Taxes	\$ 22,025,147	\$	19,456,001	\$	29,541,83
19	Income Available for Common Dividends	\$ 89,258,268	\$	81,494,302	\$	98,574,95
20	Average Common Equity	\$ 1,286,110,527	\$	1,294,343,723	\$	1,369,378,35
21	Earned Return	6.94%		6.30%		7.20

KyPSC Case No. 2024-00354 FR 16(7)(h) Attachment Page 2 of 13

FR 16(7)(h)(2)

#### Duke Energy Kentucky, Inc. Case No. 2024-00354 Projected Balance Sheet 2024-2026

No.	Description		2024	2025		2026
1	Assets					
2	Utility plant in service	\$	3,544,278,889	\$ 3,770,190,288	\$	4,043,730,155
3	Construction work in progress		55,725,095	83,229,154		57,883,452
4	Total Utility Plant	\$	3,600,003,984	\$ 3,853,419,442	\$	4,101,613,607
5	Non-regulated property, plant, and equipment		29,330	29,330		29,330
6	Accumulated depreciation		1,206,471,782	1,275,835,927		1,350,535,319
7	Net Property, Plant, and Equipment	\$	2,393,561,533	\$ 2,577,612,845	\$	2,751,107,618
8	Current Assets		216,720,939	203,982,254		225,707,167
9	Other Assets	_	299,489,962	 292,275,163	_	284,607,386
10	Total Assets	\$	2,909,772,434	\$ 3,073,870,262	\$	3,261,422,172
	Liabilities					
11	Total Current Liabilities		264,610,803	265,281,541		246,094,887
12	Long-term debt		808,956,530	914,252,276		1,012,758,906
13	Accumulated deferred income taxes		311,739,784	326,246,062		338,317,469
14	Excess deferred income taxes		93,219,925	88,686,214		87,264,619
15	Unamortized investment tax credits		5,120,973	5,120,973		5,120,973
16	Other		157,527,847	154,192,323		153,199,487
17	Total Non-Current Liabilities	\$	1,376,565,059	\$ 1,488,497,848	\$	1,596,661,452
18	Total Common Stock Equity		1,268,596,572	1,320,090,874		1,418,665,832
19	Total Liabilities	\$	2,909,772,434	\$ 3,073,870,262	\$	3,261,422,172

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FR 16(7)(h)(3)

#### Duke Energy Kentucky, Inc. Case No. 2024-00354 Projected Cash Flow Statement 2024-2026

Line					
No.	Description	2024		2025	2026
1	Net Income	\$ 89,258,268	3 \$	81,494,302	\$ 98,574,958
2	Other Operating Activities	141,694,920	)	123,714,760	113,508,218
3	Cash from Operating Activities	\$ 230,953,189	3 \$	205,209,062	\$ 212,083,176
4	Financing Activities				
5	Change in contributed capital	\$ (140,000,000	) \$	(30,000,000)	\$ -
6	Change in short-term debt	(49,697,925	5)	47,266,979	(53,332,090)
7	Issuance of long-term debt	180,000,000	)	150,000,000	175,000,000
8	Change in non-current capital leases		-	-	-
9	Redemption of long-term debt		-	(95,000,000)	(45,000,000)
10	Dividends on common stock			-	-
11	Cash from Financing Actitivies	\$ (9,697,925	5) \$	72,266,979	\$ 76,667,910
12	Investing Activities				
13	Construction Expenditures (net of AFUDC)	\$ (212,802,376	5) \$	(270,855,187)	\$ (266, 519, 773)
14	Acquisitions and other investments	(10,520,27	1)	(6,620,855)	(5,357,351)
15	Cash from Investing Actitivies	\$ (223,322,647	7) \$	(277,476,042)	\$ (271,877,124)
16	Net Increase/(Decrease) in Cash	\$ (2,067,383	<u>3) </u> \$		\$ 16,873,962

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FR 16(7)(h)(4)

#### Duke Energy Kentucky, Inc. Case No. 2024-00354 Revenue Requirements 2024-2026

Line No.	Description	2024	2025	2026
1	Rate Base	\$ 1,388,222,133	\$ 1,487,002,191	\$ 1,613,843,078
2	Operating Income	\$ 88,471,881	\$ 84,858,229	\$ 96,799,467
3	Earned Rate of Return (Line 2 / Line 1)	6.400%	5.700%	6.000%
4	Rate of Return	8.011%	7.968%	7.968%
5	Required Operating Income (Line 1 x Line 4)	\$ 111,210,475	\$ 118,484,335	\$ 128,591,016
6	Operating Income Deficiency (Line 5 - Line 2)	\$ 22,738,594	\$ 33,626,106	\$ 31,791,549
7	Gross Revenue Conversion Factor	1.3464970	1.3464970	1.3464970
8	Revenue Deficiency (Line 6 x Line 7)	\$ 30,617,449	\$ 45,277,450	\$ 42,807,226

KyPSC Case No. 2024-00354 FR 16(7)(h) Attachment Page 5 of 13

FR 16(7)(h)(5)

### Duke Energy Kentucky, Inc. Case No. 2024-00354 Load Forecast 2024-2026

Line				
No.	Description	2024	2025	2026
1	KM Demand Coincident Rook			
1 2	KW Demand - Coincident Peak			
3	January	748,000	736,653	737,652
4	February	694,995	657,812	658,796
5	March	599,893	600,161	600,148
6	April	514,594	515,504	516,069
7	Мау	620,300	620,209	620,175
8	June	741,210	739,235	738,946
9	July	807,649	809,571	812,200
10	August	798,608	796,132	796,675
11	September	665,231	660,671	659,577
12	October	517,537	516,020	521,497
13	November	604,106	607,663	609,177
14	December	687,195	691,795	693,271
15				
16	<u>KWH Sales</u>			
17				
18	January	323,270,483	349,082,207	350,053,271
19	February	357,367,018	329,796,206	331,052,907
20	March	308,611,028	309,445,454	310,083,206
21	April	281,834,640	282,702,204	283,434,261
22	Мау	295,067,496	295,717,529	296,374,503
23	June	351,376,515	351,067,009	351,558,374
24	July	384,529,809	384,636,899	385,273,917
25	August	384,592,435	383,723,643	384,006,426
26	September	333,760,760	331,959,383	331,910,151
27	October	297,088,489	296,318,317	296,571,294
28	November	301,034,763	300,318,947	300,485,497
29	December	354,248,238	353,836,890	353,941,637

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FR 16(7)(h)(7)

#### Duke Energy Kentucky, Inc. Case No. 2024-00354 Mix of Generation 2024-2026

Line No.	Description	2024	2025	2026
1	Coal	1,552,744	1,529,540	1,501,614
2	Natural Gas	245,535	79,664	71,749
3	Oil	_	-	-
4	Total Generation (MWH)	1,798,279	1,609,204	1,573,363

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FR 16(7)(h)(8)

#### Duke Energy Kentucky, Inc. Case No. 2024-00354 Mix of Gas Supply 2024-2026

Line No.	Description	2024	2025	2026
1	Columbia Gas Trans - No Notice	1,138,582	1,138,582	1,138,582
2	Undetermined	9,056,263	9,042,036	9,068,761
3	Propane - Air		-	-
4	Total Supply - MCF	10,194,845	10,180,618	10,207,343
5	Columbia Gas Trans - No Notice	\$3,588,670	\$4,225,490	\$4,704,808
6	Undetermined	\$36,184,685	\$42,909,741	\$44,778,892
7	Propane - Air	-	-	-
8	Demand Costs	\$22,370,853	\$23,470,344	\$23,470,344
9	Total Cost	\$ 62,144,208	\$ 70,605,575	\$ 72,954,043

KyPSC Case No. 2024-00354 FR 16(7)(h) Attachment Page 8 of 13

FR 16(7)(h)(9)

#### Duke Energy Kentucky, Inc. Case No. 2024-00354 Number of Employees 2024-2026

Line No.	Description	2024	2025	2026
1	Number of employees	142	142	142

This count includes only direct employees of Duke Energy Kentucky, Inc.

KyPSC Case No. 2024-00354 FR 16(7)(h) Attachment Page 9 of 13

FR 16(7)(h)(10)

#### Duke Energy Kentucky, Inc. Case No. 2024-00354 Labor Cost Changes 2024-2026

Line				
No.	Description	2024	2025	2026
1	Total Labor Costs:			
2				
3	Gas O&M Expense	\$ 7,511,455	\$ 7,774,356	\$ 8,046,459
4	Electric O&M Expense	16,240,336	16,631,024	17,213,110
5	Total O&M	\$ 23,751,791	\$ 24,405,380	\$ 25,259,568
6				
7	Gas Capital	\$ 7,993,256	\$ 8,273,020	\$ 8,562,576
8	Electric Capital	18,063,129	18,108,530	18,742,328
9	Non-jurisdictional Capital	-	-	<del>7</del>
10	Total Capital	\$ 26,056,385	\$ 26,381,550	\$ 27,304,904
11				
12	Total	\$ 49,808,176	\$ 50,786,930	\$ 52,564,472

.

Includes incentives (direct & allocated).

KyPSC Case No. 2024-00354 FR 16(7)(h) Attachment Page 10 of 13

FR 16(7)(h)(11)

#### Duke Energy Kentucky, Inc. Case No. 2024-00354 Capital Structure Requirements 2024-2026

Line No,	Description	2024	)	 2025		 2026		
1	Common Equity	<b>\$</b> 1,268,596,572	58.229%	\$ 1,320,090,874	56.589%	\$ 1,418,665,832	56.560%	
2	Long-term Debt	808,956,530	37.131%	914,252,276	39,192%	1,012,758,906	40.377%	
3	Short-term Debt	101,082,366	4.640%	 98,423,917	4.219%	 76,830,942	3.063%	
4	Total Capital	\$ 2,178,635,468	100.00%	\$ 2,332,767,066	100.00%	\$ 2,508,255,680	100.00%	

KyPSC Case No. 2024-00354 FR 16(7)(h) Attachment Page 11 of 13

FR 16(7)(h)(12)

#### Duke Energy Kentucky, Inc. Case No. 2024-00354 Rate Base 2024-2026

Line No.	Description		2024		2025		2026
1	Adjusted Jurisdictional Plant in Service	\$	2,481,440,673	\$	2,628,524,989	\$	2,845,717,820
2	Accumulated Depreciation and Amortization	_	(971,435,656)		(1,026,320,724)	_	(1,084,943,831)
3	Net Plant in Service (Line 1 + Line 2)	\$	1,510,005,016	\$	1,602,204,265	\$	1,760,773,989
4	Construction Work in Progress		48,801,535		80,058,528		54,286,095
5	Cash Working Capital Allowance		16,179,167		17,788,769		18,306,062
6	Other Working Capital Allowances		73,776,691		54,676,691		54,676,691
7	Other Items:						
8	Customers' Advances for Construction		0		0		0
9	Investment Tax Credits		(5,135,704)		(5,135,704)		(5,135,704)
10	Deferred Income Taxes		(209,404,533)		(218,189,200)		(223,149,665)
11	Excess Deferred Income Taxes		(55,004,306)		(51,001,027)		(50,109,864)
12	Other Rate Base Adjustments		9,004,267	_	6,599,870	_	4,195,473
13	Jurisdictional Rate Base (Line 3 through Line 11)	\$	1,388,222,133	\$	1,487,002,191	\$	1,613,843,078

KyPSC Case No. 2024-00354 FR 16(7)(h) Attachment Page 12 of 13

FR 16(7)(h)(14)

#### Duke Energy Kentucky, Inc. Case No. 2024-00354 Customer Forecast 2024-2026

Line				
No.	Description	2024	2025	2026
1	Residential	139,184	140,321	141,253
2	Commercial	12,472	12,270	12,143
3	Industrial	324	329	329
4	Other	1,385	1,400	1,408
5	Total Electric Retail	153,365	154,320	155,122
6	Residential	97,200	97,698	98,199
7	Commercial	6,429	6,394	6,359
8	Industrial	182	183	184
9	Other	308	306	304
10 11	Total Full Requirements	104,119	104,581	105,047
12	Transportation			
13	Commercial	58	58	58
14	Industrial	49	49	49
15	Other	40	40	40
16 17	Total Transportation	148	147	147
18	Total Gas Retail (Line 10 + Line 16)	104,266	104,729	105,194

KyPSC Case No. 2024-00354 FR 16(7)(h) Attachment Page 13 of 13

FR 16(7)(h)(15)

#### Duke Energy Kentucky, Inc. Case No. 2024-00354 MCF Sales Forecast 2024-2026

Line				
No.	Description	2024	2025	2026
1	Residential	6,238,278	6,218,447	6,235,367
2	Commercial	2,935,443	2,941,126	2,947,627
3	Industrial	204,553	205,725	207,107
4	Other	279,849	279,383	279,834
5	Interdepartmental	3,986	3,992	3,997
6	Total Retail	9,662,109	9,648,673	9,673,933
7	Transportation			
8	Commercial	984,828	985,046	986,418
9	Industrial	1,704,477	1,718,963	1,732,643
10	Other	1,886,860	1,897,044	1,910,467
11	Total Transportation	4,576,166	4,601,053	4,629,528
12	Total MCF Sales	14,238,275	14,249,726	14,303,461

#### DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(7)(i)

### 807 KAR 5:001, SECTION 16(7)(i)

#### **Description of Filing Requirement:**

The most recent Federal Energy Regulatory Commission or Federal Communication Commission

audit reports.

#### Response:

See attached.

#### Witness Responsible:

Danielle L. Weatherston

#### FEDERAL ENERGY REGULATORY COMMISSION WASHINGTON, D.C. 20426

In Reply Refer To: Office of Enforcement Docket No. PA14-2-000 April 1, 2016

Duke Energy Corporation Attention: Mr. Brian D. Savoy Senior Vice President, Chief Accounting Officer and Controller 550 South Tryon St. Charlotte, NC 28202

Dear Mr. Savoy:

1. The Division of Audits and Accounting (DAA) within the Office of Enforcement (OE) of the Federal Energy Regulatory Commission (Commission) has completed an audit of Duke Energy Corporation (Duke Energy) and its public utility subsidiaries. The audit covered the period from January 1, 2011 through January 31, 2016.

2. The audit evaluated Duke Energy's compliance with conditions and requirements established in Commission orders authorizing the merger of Duke Energy and Progress Energy, Inc. The audit also evaluated each Duke Energy public utility subsidiary's compliance with: (1) tariff requirements governing its transmission formula rate; (2) accounting regulations in 18 C.F.R. Part 101, Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject to the Provisions of the Federal Power Act; and (3) financial reporting regulations in 18 C.F.R. Part 141, Statements and Reports. The enclosed audit report contains eight findings and 37 recommendations that require Duke Energy to take corrective action.

3. On March 30, 2016, you notified DAA that Duke Energy does not contest the audit report or any of its recommendations. A copy of your verbatim response is included as an appendix to this report. I hereby approve the audit report.

4. Duke Energy should submit its implementation plan to comply with the recommendations within 30 days of this letter order. Duke Energy should make quarterly submissions to DAA describing the progress made to comply with the recommendations, including the completion date for each corrective action. As directed by the audit report, these submissions should be made no later than 30 days after the end of each calendar quarter, beginning with the first quarter after this audit report is issued, and continuing until all the corrective actions are completed.

5. The Commission delegated authority to act on this matter to the Director of OE under 18 C.F.R. § 375.311 (2015). This letter order constitutes final agency action. Duke Energy may file a request for rehearing with the Commission within 30 days of the date of this order under 18 C.F.R. § 385.713 (2015).

6. This letter order is without prejudice to the Commission's right to require hereafter any adjustments it may consider proper from additional information that may come to its attention. In addition, any instance of noncompliance not addressed herein or that may occur in the future may also be subject to investigation and appropriate remedies.

7. I appreciate the courtesies extended to the auditors. If you have any questions, please contact Mr. Bryan K. Craig, Director and Chief Accountant, Division of Audits and Accounting at (202) 502-8741.

Sincerely,

Larry R. Parkinson Director Office of Enforcement

Enclosure

KyPSC Case No. 2024-00354 FR 16(7)(i) Attachment Page 3 of 69



**Federal Energy Regulatory Commission** Office of Enforcement Division of Audits and Accounting

## AUDIT REPORT

# Audit of Duke Energy Corporation and its Public Utility Subsidiaries' Compliance with:

- Conditions in Commission Merger Authorization Orders;
- Transmission Formula Rate Tariff Requirements; and
- Accounting and Financial Reporting Regulations.

Docket No. PA14-2-000 March 29, 2016

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## I. Executive Summary

#### A. Overview

The Division of Audits and Accounting (DAA) in the Office of Enforcement has completed an audit of Duke Energy Corporation (Duke Energy) and its public utility subsidiaries'<sup>1</sup> (collectively, Duke Companies) compliance with conditions and requirements established in Commission orders authorizing the merger of Duke Energy and Progress Energy, Inc. (Progress Energy).<sup>2</sup> The audit also evaluated each Duke Energy public utility subsidiary's compliance with: (1) tariff requirements governing its transmission formula rate; (2) accounting regulations in 18 C.F.R. Part 101, Uniform System of Accounts (USofA) Prescribed for Public Utilities and Licensees Subject to the Provisions of the Federal Power Act; and (3) financial reporting regulations in 18 C.F.R. Part 141, Statements and Reports. The audit covered the period January 1, 2011 through January 31, 2016.

#### **B.** Duke Energy Corporation

Duke Energy is a public utility holding company headquartered in Charlotte, NC. It is engaged in energy production, trade, transmission, and distribution through its six public utility subsidiaries that operate in the Southeast and Midwest regions of the United States. In 2014, Duke Energy was the largest electric utility in the nation. The company had 7.3 million retail electric and 500,000 natural gas customers, 32,400 miles of transmission lines, 57,500 MW of generating capacity, and total operating revenue of \$23.9 billion. Its service area covered about 95,000 square miles and had an estimated population of 23 million. Regulated operations accounted for over 90 percent of the company's total revenue, and commercial power generation and international operations provided most of the remainder.

<sup>1</sup> The Duke Energy public utility subsidiaries are: Duke Energy Carolinas, LLC (DEC), Duke Energy Progress, LLC (DEP), Duke Energy Florida, LLC (DEF), Duke Energy Indiana, LLC (DEI), Duke Energy Ohio, Inc. (DEO), and Duke Energy Kentucky, Inc. (DEK).

<sup>2</sup> Duke Energy Corp. and Progress Energy, Inc., 136 FERC ¶ 61,245 (2011) (Merger Order), order on compliance, 137 FERC ¶ 61,210 (2011), order on compliance, 139 FERC ¶ 61,194 (2012) (June 8 Compliance Order), order on compliance, 149 FERC ¶ 61,078 (2014) (October 29 Compliance Order).

## C. Summary of Compliance Findings

Audit staff identified eight findings of noncompliance. Below is a summary of audit staff's compliance findings. Details are in section IV of this report.

- Accounting for Merger Transaction Costs Duke Companies did not file merger transaction accounting entries with the Commission as required by the Merger Order, and the companies recorded merger transaction costs in operating accounts, contrary to the Commission's long-standing policy that such costs be recorded in nonoperating accounts. By not filing the accounting entries, Duke Companies prevented Commission review of the merger accounting and correction of any entries that were not in accordance with Commission accounting requirements.
- Merger Transaction Internal Labor Costs Duke Companies improperly included approximately \$31.4 million of merger transaction internal labor costs in wholesale power and transmission formula rate service cost determinations without first submitting a section 205 filing demonstrating that the costs were offset by quantified savings produced by the merger. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated \$17.5 million.
- Merger Transaction Outside Services and Related Costs Duke Companies incorrectly included \$1.5 million of merger transaction outside services and related costs in wholesale power and transmission formula rate service cost determinations without first submitting a section 205 filing demonstrating the costs were offset by quantified savings produced by the merger. In addition, the companies recorded the merger transaction costs in operating accounts, contrary to the Commission's long-standing policy that such costs be recorded in nonoperating accounts. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated \$745,000.
- Use of the Consolidation Method of Accounting DEC and DEP accounted for investments in subsidiaries on a consolidated basis in their FERC Form No. 1, Annual Reports (Form No. 1), contrary to the Commission's long-standing accounting policy.
- Accounting for Sales of Accounts Receivable DEC, DEP, and DEF misclassified an estimated \$94.7 million of nonoperating expenses and receivables arising from transactions with their subsidiaries during the audit period. As a result, the wholesale power and transmission customers'

revenue requirements were inappropriately overstated by an estimated \$61 million.

- Accounting for Lobbying Expenses: Duke Companies recorded approximately \$2.4 million of lobbying expenses in above-the-line operating accounts from 2011 through 2013. As a consequence, Duke Companies improperly included these costs in wholesale power and transmission formula rate service cost determinations.
- Allocation of Lobbyist Labor Costs: Duke Companies accounted for the labor costs of internal lobbyists and their support staff in operating accounts that lacked support for inclusion in the accounts. Improper accounting for the costs can lead to inappropriate recovery of the costs through rates charged and billed to customers.
- Nonutility Expenses in Operating Accounts: Duke Companies recorded approximately \$490,000 of nonutility expenses in operating accounts in 2014. As a result, inappropriate costs were included in wholesale power and transmission formula rate service cost determinations and charged to customers.

## D. Summary of Recommendations

Audit staff's recommendations to remedy the findings are summarized below with details in section IV of this report. Audit staff recommends that Duke Companies:

## Accounting for Merger Transaction Costs

- 1. Revise accounting policies and procedures to appropriately account for merger transactions consistent with Commission accounting requirements.
- 2. Develop written policies and procedures to timely identify proposed accounting transactions that would trigger a notification to the Commission.
- 3. Develop written policies and procedures to submit accounting questions of doubtful interpretation to the Commission.
- 4. Provide training to employees on compliance with the merger cost accounting conditions and the revised policies, procedures, and controls for complying with the conditions. Also, develop a training program that supports the provision of periodic training in this area.

#### Merger Transaction Internal Labor Costs

- 5. Revise all policies and procedures for tracking, accounting, and excluding merger transaction costs from wholesale power and transmission formula rates, including amounts previously charged to utility plant, accumulated deferred income taxes, construction work in progress with the associated capitalized cost of funds used during construction (AFUDC), and maintenance and operating expense accounts, and future charges to such accounts for any transaction to which a FERC hold harmless obligation applies. The revised procedures should hold customers harmless from all merger transaction costs consistent with requirements of the Merger Order. Among other things, the revised policies and procedures should include an annual review of each subsidiary's merger transaction cost adjustments as well as periodic evaluations within the year, as needed and appropriate.
- 6. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the inclusion of merger transaction internal labor and related costs in wholesale power and transmission formula rates during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.
- 7. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.
- 8. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

#### Merger Transaction Outside Services and Related Costs

- 9. Revise accounting policies and procedures to appropriately account for merger transaction costs consistent with Commission accounting requirements.
- 10. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the inclusion of merger transaction outside services and related costs in wholesale power and transmission formula rate charges during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.

- 11. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.
- 12. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

#### Use of the Consolidation Method of Accounting

- 13. Review and, as needed, revise accounting policies, practices, and procedures to ensure that investments in subsidiaries are accounted for consistent with the Commission's equity method accounting requirements.
- 14. Evaluate the accounting applied to Duke Companies' existing subsidiaries and notify DAA of any areas of noncompliance with Commission accounting requirements.
- 15. Revise documented policies, procedures and processes to ensure timely notice is provided to relevant regulators regarding instances of noncompliance with regulations, rules, and orders.
- 16. Provide training to staff on procedures, practices, and available tools to transparently or anonymously report instances of noncompliance to senior management, the Board of Directors, and relevant regulators.

#### Accounting for Sales of Accounts Receivable

- 17. Revise procedures to ensure that all costs and account balances associated with the sale of accounts receivable are accounted for in accordance with Commission accounting regulations. Among other things, the corrected accounting should ensure that all losses associated with receivable sales are recorded in Account 426.5.
- 18. Provide the revised procedures to DAA for review within 60 days of receiving the final audit report.
- 19. Recalculate charges to wholesale power and transmission customers of DEC, DEP, and DEF and submit the recalculations in a refund analysis to DAA for review within 60 days of receiving the final audit report. The refund analysis should explain and detail the: (1) return of collection service billings charged in 2014; (2) return of losses on the sales included in rates; (3) determinative components of the refund; (4) refund method; (5) period(s) refunds will be

made; and (6) interest calculated in accordance with section 35.19 of Commission regulations.

- 20. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.
- Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

#### Accounting for Lobbying Expenses

- 22. Establish and implement written procedures governing the methods used to account for, track, report, and review lobbying costs incurred.
- 23. Provide training on Commission accounting requirements and the impact of accounting on cost-of-service rate determinations to employees involved in lobbying and lobbying-related work, and those with oversight responsibility for lobbying cost allocations. Also, develop a training program that supports the provision of periodic training in this area.
- 24. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the improper inclusion of lobbying cost in operating accounts during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.
- 25. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.
- 26. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

#### Allocation of Lobbyist Labor Costs

- 27. Revise written policies and procedures to create a process to document and verify appropriate allocation of lobbying and lobbying-related costs, and maintain auditable support for the cost included in rate determinations.
- 28. Retain an independent third-party entity to conduct a representative labor time study to determine an appropriate allocation of internal lobbyist labor, support

staff, and associated costs that should be accounted for in operating and nonoperating accounts based on time spent by employees engaged in the activities. Provide the study results to audit staff within 180 days of the date of the final audit report.

- 29. Include the results of the labor time study in the determination of lobbying-related labor cost allocations as of January 1, 2016.
- 30. Implement policies and procedures to perform a labor time study biennially using an independent third-party or internal company resources that are able to attest to the results of the study. Revise the lobbying-related labor cost allocations based on the results of the study.

# Nonutility Expenses in Operating Accounts

- 31. Develop and implement written policies, procedures, and controls to ensure proper accounting and reporting of nonutility expenses.
- 32. Provide training for employees involved in the involcing process on Commission accounting requirements and the impact of the accounting on costof-service rate determinations.
- 33. Within 60 days of receiving the final audit report, provide documentation supporting the analysis performed of invoiced expenses recorded to administrative and general (A&G) accounts in 2014 that identified misclassified nonutility expenses included in A&G accounts. Develop an estimate of misclassified nonutility expenses accounted for in operating accounts in 2011 through 2013 and 2015.
- 34. Implement policies and procedures to provide periodic audits or reviews of A&G transactions by external or internal auditors.
- 35. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the improper inclusion of identified and estimated nonutility expenses in charges to wholesale power and transmission customers during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made. Include the results of the invoice analysis in the refund analysis.
- 36. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

37. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

# E. Implementation of Recommendations

Audit staff further recommends that Duke Companies submit the following for audit staff's review:

- A plan for implementing the audit recommendations within 30 days after the final audit report is issued;
- Quarterly reports describing progress in completing each corrective action recommended in the final audit report. Quarterly nonpublic submissions should be made no later than 30 days after the end of each calendar quarter, beginning with the first quarter after the final audit report is issued, and continuing until all recommended corrective actions are completed; and
- Copies of any written policies and procedures developed in response to recommendations in the audit report. These documents should be submitted in the first quarterly filing after Duke Companies complete such policies and procedures.

# II. Background

## A. Merger of Duke Energy and Progress Energy

On January 10, 2011, Duke Energy and Progress Energy announced their intention to merge in a stock-for-stock transaction under which Progress Energy would become a wholly owned subsidiary of Duke Energy, and the shareholders of Progress Energy would become shareholders of Duke Energy. At the time, the transaction was valued at over \$31 billion. The merger was poised to create the largest U.S. electric utility in history with over seven million electric customers and operations in six states.

Following the announcement, on April 4, 2011, Duke Energy, Progress Energy, and their public utility subsidiaries (collectively, Duke Companies) filed an application with the Commission seeking authorization for the merger transaction under section 203 of the Federal Power Act (FPA)<sup>3</sup> and Part 33 of Commission regulations.<sup>4</sup> To receive authorization for the transaction, the companies committed to hold transmission and wholesale requirements customers harmless from the costs of the transaction for five years. The companies also contended that the transaction would not adversely affect competition, and thus there were no market power concerns associated with the transaction.

On September 30, 2011, the Commission found that the transaction, as proposed in the application, would result in significant screen failures in the horizontal market power analysis and have an adverse effect on competition.<sup>5</sup> As such, the Commission authorized the transaction subject to conditions. Among other things, the transaction was conditioned on Duke Companies holding transmission and wholesale requirements customers harmless from the costs of the transaction, and submitting proposed market power mitigation measures that the Commission approves. The Commission advised Duke Companies that sufficient mitigation measures could include membership in a regional transmission organization, implementing an independent coordinator of transmission arrangement, actual or virtual divestiture of generation, and/or transmission upgrades to provide greater market access to third-party energy suppliers.

Further, the Commission stated that the hold harmless commitment included all merger transaction costs, not only costs related to consummating the transaction.<sup>6</sup> To recover merger transaction costs through wholesale requirement or transmission rates, the

<sup>3</sup> 16 U.S.C. § 824b (2012).

<sup>4</sup> 18 C.F.R. Part 33.

<sup>5</sup> Merger Order, 136 FERC ¶ 61,245 at PP 145-146.

<sup>6</sup> Id. P 169.

companies were required to submit a filing to the Commission that identified merger costs to be recovered and demonstrated that the costs were exceeded by savings produced by the transaction.<sup>7</sup> Duke Companies did not submit a filing to recover merger transaction costs during the audit period. However, as discussed in detail below, the companies recovered merger transaction costs through rates charged.

Consistent with the Commission's merger authorization condition that required Duke Companies to submit proposed market power mitigation measures for approval, the companies submitted an initial compliance filing on October 17, 2011, which proposed to mitigate market power through virtual divestiture of generation. The filing proposed a must-offer obligation under which Duke Companies would sell specified quantities of energy at cost-based rates to entities directly or indirectly serving load in the DEC and DEP Balancing Authority Areas (BAAs). The Commission rejected the filing on the grounds that the market power mitigation proposals did not remedy the market power concerns identified in the Merger Order.<sup>8</sup>

A revised compliance filing was submitted by Duke Companies on March 26, 2012 that proposed permanent and interim market power mitigation measures. To permanently mitigate market power, Duke Companies proposed to build seven transmission expansion projects (TEPs), expedite completion of an eighth project that was already planned, and set aside 25 MW of transfer capacity on their transmission systems for use by third parties (Stub Mitigation). During construction of the TEPs, as an interim measure to protect against potential market power concerns, Duke Companies proposed to enter into power sale agreements with three unaffiliated firms – Cargill Power Marketing, EDF Trading, and Morgan Stanley Capital Markets – to which the companies would sell power during all periods requiring mitigation. The companies also proposed to hire an independent monitor, Potomac Economics Ltd. (Potomac Economics), to verify compliance with the provisions of the power sale agreements.

The Commission accepted the revised compliance filing on June 8, 2012, subject to certain revisions and conditions, which included, among other things, requirements to hold customers harmless from the cost of the mitigation actions and to expand Potomac Economics' duties to verify that the TEPs were completed within the prescribed scope and timeline.<sup>9</sup> The merger was consummated on July 2, 2012.

On December 6, 2013, after the merger was consummated, Duke Companies submitted a motion to supplement its March 26, 2012 compliance filing, due to newly identified information that affected calculation of the impact of the market power

<sup>7</sup> Id. P 170.

<sup>8</sup> Duke Energy Corp., 137 FERC ¶ 61,210 (2011).

<sup>9</sup> See June 8 Compliance Order, 139 FERC ¶ 61,194 at P 113.

mitigation measures. In the filing, Duke Companies offered to increase the Stub Mitigation by 104 MW (thereby raising the total amount of the transmission set-aside to 129 MW), repair out of service phase-shifting transformers at DEC's Rockingham substation and return them to service, and operate the transformers so as to create additional import capability on the transmission system. The Commission granted the motion and accepted the supplementary compliance filing subject to conditions on October 29, 2014.<sup>10</sup> Moreover, the Commission reiterated its requirement that transmission and wholesale requirements customers be held harmless from costs associated with repairing the transformers and returning them to service.

# B. Duke Energy's Public Utility Subsidiaries

During the audit period, the Duke Companies provided electricity service in portions of North Carolina, South Carolina, Florida, Indiana, Ohio, and Kentucky. DEO and DEK also provided natural gas service in portions of Ohio and Kentucky. The following describes the services provided by each company, its open access transmission tariff (OATT), membership in an independent system operator (ISO) or regional transmission organization (RTO), transmission formula rate, and market-based rate authority.

# Duke Energy Carolinas, LLC

DEC is a vertically integrated public utility that generates, transmits, distributes, and sells electricity to 2.5 million customers in a 24,000 square mile service area in North and South Carolina. DEC owns 8,302 miles of transmission lines and 19,600 MW of generating capacity.

DEC provided open access transmission service under a Commission-approved OATT at cost-based stated rates from 1995 through 2011.<sup>11</sup> In 2011, DEC began recovery of its transmission service cost pursuant to a formula rate that became effective June 1, 2011.<sup>12</sup> However, on March 26, 2012, in connection with the merger transaction, DEC, DEP, and DEF filed for approval of a Joint OATT under section 205 of the FPA and Part 35 of the Commission's regulations. The filing was conditionally accepted by the Commission on June 8, 2012.<sup>13</sup>

<sup>10</sup> October 29 Compliance Order, 149 FERC ¶ 61,078 (2014).

<sup>11</sup> Duke Power Co., 73 FERC ¶ 61,309 (1995) (Duke Power Order).

<sup>12</sup> Duke Energy Carolinas, LLC, 137 FERC ¶ 61,058 (2011).

<sup>13</sup> Duke Energy Corp., 139 FERC ¶ 61,193 (2012).

The Joint OATT provided for transmission service at non pancaked rates for transactions involving the combined transmission systems of the companies. DEC's transmission formula rate is incorporated as Schedule 10-B of the Joint OATT. DEC's formula rate implementation protocols are incorporated as Exhibit A of the Joint OATT, and the formula rate template and formula rate principles are contained in Exhibit B. DEC does not belong to an ISO or RTO.

DEC has wholesale power sale agreements with cost-based rates determined under a formula, and it has Commission authorization to make wholesale sales at market-based rates outside its and DEP's BAAs and Peninsular Florida.

# **Duke Energy Progress, LLC**

DEP is a vertically integrated public utility that generates, transmits, distributes, and sells electricity to 1.5 million customers in a 32,000 square mile service area in North and South Carolina. DEP owns 6,981 miles of transmission lines and 12,200 MW of generating capacity.

DEP provided open access transmission service under a Commission-approved OATT at cost-based stated rates from 1996 through 2008. In 2008, DEP began recovery of its transmission service cost pursuant to a formula rate that became effective July 1, 2008.<sup>14</sup> Since the merger, DEP has provided transmission service under the Joint OATT with DEC and DEF. DEP's transmission formula rate is incorporated in Attachment H of the Joint OATT. The formula rate template is incorporated as Attachment H-1 of the Joint OATT, and the implementation protocols as Attachment H-2. DEP does not belong to an ISO or RTO.

DEP has wholesale power sale agreements with cost-based rates determined under a formula, and it has Commission authorization to sell energy and capacity at marketbased rates outside its and DEC's BAAs and Peninsular Florida.

# Duke Energy Florida, LLC

DEF is a vertically integrated public utility that generates, transmits, and delivers electricity to 1.7 million customers in a 13,000 square mile area in central and southern Florida. DEF owns 4,424 miles of transmission lines and 1,200 MW of generating capacity.

<sup>14</sup> Carolina Power and Light Co., Docket No. ER08-889-000 (June 27, 2008) (delegated letter order).

DEF provided open access transmission service under a Commission-approved OATT at cost-based stated rates from 1996 through 2008. In 2008, DEF began recovery of its transmission service cost pursuant to a formula rate that became effective January 1, 2008.<sup>15</sup> Since the merger, DEF has provided transmission service under the Joint OATT with DEC and DEP. DEF's transmission formula rate is incorporated as Schedule 10-A of the Joint OATT. The implementation protocols are designated as Schedule 10-A.1 of the Joint OATT, and the formula rate template as Schedule 10-A.2. DEF does not belong to an ISO or RTO. Additionally, DEF has Commission authorization to sell energy and capacity outside the DEC and DEP BAAs and Peninsular Florida.

# Duke Energy Indiana, LLC

DEI is a vertically integrated utility that generates, transmits, distributes, and sells electricity to 810,000 customers within a 23,000 square mile service territory in central, north central, and southern Indiana. DEI owns 7,500 MW of generating capacity and 4,815 miles of transmission lines.

DEI became a member of the Midcontinent Independent System Operator, Inc., (MISO) in 1997 and recovered its cost of transmission service pursuant to cost-based stated rates. In 1998, DEI began to recover its transmission service cost pursuant to a transmission formula rate. DEI's transmission formula rate template is included at Attachment O of the MISO Open Access Transmission, Energy, and Operating Reserve Markets Tariff. Additionally, DEI has Commission authorization to sell power at marketbased rates outside the DEC and DEP BAAs and Peninsular Florida.

# Duke Energy Ohio, Inc. and Duke Energy Kentucky, Inc.

DEO is the direct parent of DEK. The companies are combination electric and gas utilities that transmit, distribute, and sell electricity at retail and wholesale, and distribute and sell natural gas at retail in southwestern Ohio and northern Kentucky, respectively. DEO owns 1,879 miles of transmission lines. The company divested its generating assets pursuant to Ohio's electric restructuring program and received Commission authorization for the divestiture.<sup>16</sup> DEK owns 102 miles of transmission lines and about 1,200 MW of generating capacity.

<sup>15</sup> Florida Power Corp., Docket No. ER08-105-000 (Dec. 17, 2007) (delegated letter order).

<sup>16</sup> See Dynegy Resource I, LLC, 150 FERC ¶ 61,232 (2015).

DEO and DEK were members of MISO until January 1, 2012, when they withdrew their membership and joined PJM Interconnection, L.L.C. (PJM).<sup>17</sup> The companies recover transmission service costs pursuant to a transmission formula rate under the PJM OATT. DEO and DEK's transmission formula rate is incorporated as Attachment H-22 of the PJM OATT. The formula rate template is incorporated as Attachment H-22A of the OATT, and the implementation protocols as Attachment H-22B. Additionally, DEO and DEK have Commission authorization to sell power at market-based rates outside the DEC and DEP BAAs and Peninsular Florida.

<sup>17</sup> The Commission conditionally authorized the move in an order issued October 21, 2010. See Duke Energy Ohio, Inc., 133 FERC ¶ 61,058 (2010).

# III. Introduction

# A. Objectives

The audit evaluated Duke Companies' compliance with conditions established in the Merger Order and associated orders on compliance, requirements of each company's transmission formula rate tariff, and accounting and financial reporting regulations. The audit covered the period January 1, 2011 through January 31, 2016.

# B. Scope and Methodology

Audit staff performed specific actions to facilitate the audit and evaluate compliance with the audit objectives. Audit staff also reviewed the effectiveness of Duke Companies' compliance program in relation to the audit objectives and other key factors. To address overall audit objectives, audit staff:

- Conducted an extensive review of publicly available materials to understand the companies' corporate structure and organization, operations, financial accounting and reporting activities, and other key regulatory and business activities, both before and after the merger. Examples of materials and documentation reviewed include Commission rules, regulations, and orders, Form No. 1 reports, FERC Form No. 65, Notification of Holding Company Status, formula rate filings, the Commission's enforcement hotline calls and company self-reports, company-related web sites, and relevant media sources. This also included a review of filings with other government agencies, such as the Securities and Exchange Commission Forms 10-K and 10-Q, Annual and Quarterly Reports;
- Evaluated the companies' internal policies and procedures relevant to the audit objectives;
- Conferred with other Commission staff on various compliance issues to ensure audit findings were consistent with Commission precedent and policy. For example, audit staff communicated with staff from other divisions within the Office of Enforcement and staff from the Office of Energy Market Regulation and Office of General Counsel;
- Conducted two site visits to Duke Energy's headquarters in Charlotte, NC. The visits enabled audit staff to further understand the company's corporate structure, functions, operations, accounting systems and practices, transmission planning and cost-estimating procedures, formula rate, internal audit function, and regulatory and corporate compliance programs. While on site, audit staff

interviewed employees and managers responsible for performing tasks within the audit scope, sampled and tested documents to verify compliance with Commission orders related to merger conditions, accounting regulations, financial reporting, transmission formula rates, and related matters. Additionally, audit staff also interviewed compliance program staff, senior officials, internal auditors, and employees who fulfill day-to-day compliance activities for the purposes of carrying out regulatory oversight responsibilities;

- Conducted teleconferences to discuss audit objectives and scope, data requests and responses, technical and administrative matters, compliance concerns, and held a closing conference to discuss the completion of audit fieldwork and results; and
- Issued data requests to gather information not available through public means. This information related to internal policies and procedures, business practices, reporting activities, corporate compliance, internal and external audit reports, merger order conditions and compliance, transaction and operational data, and other pertinent information. Audit staff used this information as underlying support for testing and evaluating compliance with Commission requirements relevant to the audit scope and objectives.

Further, audit staff performed these specific actions to facilitate the testing and evaluation of compliance with relevant requirements for the audit scope areas. A summary of these actions follows.

#### Compliance with Merger Conditions

To evaluate compliance with the hold harmless and market power mitigation conditions established in the Merger Order and associated compliance orders, audit staff performed audit fieldwork applicable to the merger. Audit staff performed the following steps:

- Reviewed the merger application, supporting testimony and exhibits to understand the context, terms, and conditions of the merger proposal and commitment to hold transmission and wholesale requirements customers harmless from costs of the transaction. Reviewed intervenor comments and protests, and responses to the comments and protests, and also reviewed Duke Companies' compliance filings, intervenor responses, and answers to the responses;
- Evaluated Duke Companies' responses to Commission staff's delegated data requests that sought information regarding the merger application and compliance filings;

- Examined the companies' policies and procedures associated with tracking and accounting for merger transaction costs incurred prior to and following consummation of the merger;
- Performed a comparative analysis of Duke Energy and Progress Energy's accounting for costs of the merger prior to and after its consummation and the companies' policies associated with the accounting;
- Reviewed actions taken by the companies to maintain compliance with merger conditions;
- Analyzed the companies' procedures to ensure compliance with hold harmless conditions and to account for merger transaction costs;
- Conducted sample-based tests of internal costs and external contracted costs incurred by the companies to assess the accounting for the costs and the impact on wholesale rate determinations;
- Obtained information on staff involved in merger activities, including employee names, positions, salaries, work performed on merger activities, and time spent on merger-related activities;
- Reviewed documentation and supporting evidence of merger transaction costs and performed substantive tests of sample data;
- Inspected reports submitted by Potomac Economics regarding the Rockingham phase shifters and other relevant Commission filings;
- Evaluated expenses incurred to repair the Rockingham phase shifters to assess the accounting for the costs and impacts on wholesale rate determinations; and
- Examined costs incurred to operate the TEPs including the Rockingham phase shifters from 2012 through Q1 2015 to evaluate the accounting used to record cost of activity and the resulting impact on wholesale rate determinations.

Furthermore, audit staff conducted the following additional steps to evaluate Duke Companies' compliance with the market power mitigation conditions:

 Reviewed the companies' contract with Potomac Economics to ascertain whether the independent monitor had sufficient oversight authority and timely access to data needed to monitor compliance with interim and permanent market power mitigation measures;

- Examined the quarterly independent monitoring reports prepared by Potomac Economics detailing Duke Companies' compliance with interim and permanent market power mitigation conditions;
- Interviewed personnel responsible for reporting the status of TEP construction to Potomac Economics, and reviewed a sample of email communications between the parties;
- Interviewed personnel involved with TEP planning, engineering and design, purchasing and contracting, construction, and project management to verify that the projects were completed as required and to ascertain the amount of labor time employees spent on the projects;
- Identified scope changes made to the TEP plans and assessed the impact of changes on project cost and expected performance of the transmission system;
- Examined a sample of information that Potomac Economics relied on to conclude that the TEPs were placed into service. This information included data from the supervisory control and data acquisition (SCADA) system on the operation of the constructed projects and associated work orders;
- Analyzed photographs of TEP equipment nameplates for asset identification and facility ratings for a sample of major equipment installed, and compared nameplate information to construction work orders and internal company correspondence related to the TEPs;
- Reviewed Duke Companies' written procedures that governed implementation of the power sales agreements required by the Commission's interim market power mitigation measures. Also, interviewed personnel responsible for developing and implementing the agreements, and reviewed Potomac Economics' seasonal and event-based reports to the Commission on the company's performance under the agreements;
- Analyzed a sample of transaction data on power sales DEC and DEP made under the power sale agreements and reviewed transmission schedules on the Open Access Same-time Information System (OASIS) to verify the energy was scheduled and delivered;

- Interviewed power marketing personnel to gain information on operating procedures and processes used to comply with the requirement to set aside firm transmission capacity on the DEC-DEP interface (i.e., Stub Mitigation requirement);
- Reviewed Potomac Economics' reports on the Stub Mitigation requirement and analyzed a sample of data from OASIS regarding transmission offerings and requests for firm transmission service on the DEC-DEP interface;
- Evaluated the DEC-DEP Joint Dispatch Agreement (JDA) and associated operating procedures to understand the methods used to forecast load and determine the mix of generating resources needed to meet load demand on daily and weekly bases;
- Interviewed power marketing employees responsible for scheduling power between the DEC and DEP BAAs, and examined a sample of transactions that involved dispatch of generating resources, reserving and scheduling transmission service consistent with the JDA, and operating the respective BAAs separately. Also, tested a sample of OASIS transmission reservations and schedules to evaluate DEC and DEP's reservations of point-to-point and network transmission service to transmit energy and capacity between the two BAAs; and
- Identified instances in which DEC and DEP used network transmission to deliver power to their respective BAAs, and evaluated these transactions to assess compliance with conditions that restricted certain transactions in the BAAs.

#### Transmission Formula Rates

To evaluate compliance with the requirements of each company's transmission formula rate tariff, audit staff:

- Reviewed the initial applications filed seeking approval of each company's transmission formula rate tariff, intervenor responses to the filings, any associated settlement agreements with wholesale customers and interested parties, and the Commission orders that approved the transmission formula rate tariffs;
- Examined the transmission formula rate templates and all appendices and attachments used to compute key inputs to the annual transmission revenue requirement and associated formula rate protocols;

- Interviewed employees responsible for populating each public utility's transmission formula rate template, verifying data and calculations, and reviewing and obtaining management approval of the calculated transmission service rates;
- Assessed the adequacy of management oversight and verification controls that support performance of key activities;
- Evaluated data responses and conducted conference calls to understand the accounting for major items affecting the formula rate, including miscellaneous deferred debits, income taxes, and others. Also, reviewed these items to determine compliance with relevant accounting regulations, instructions, and definitions;
- Reviewed annual informational and true-up filings submitted after the initial rate years and during the audit period. Reconciled the Form No. 1 data with formula rate calculations and evaluated discrepancies. Conducted a detailed analysis of supporting worksheets and attachments to evaluate the calculation of transmission formula rate inputs;
- Analyzed footnotes included in each company's Form No. I to determine whether information disclosed provided for a reconciliation of publicly available data to balances used to calculate the transmission service rates;
- Performed procedures to verify that transmission formula rate inputs were supported by data reported in each company's Form No. 1;
- Evaluated the companies' accounting for merger transaction costs by assessing documented policies, operating processes, and procedures, and tested a sample of invoices and work orders that included merger activities and associated costs. Analyzed the accounting for the costs and the impact on transmission rate determinations;
- Checked plant balances used to calculate transmission revenue requirements, sampled work order charges included in construction work in progress and plant balances, and performed tests on amortized pre-commercial costs;
- Tested a sample of depreciation accruals on utility plant to assess the depreciation rates applied to the plant; and

• Performed substantive tests on a sample of invoices and work orders that included nonutility expenses, and evaluated the impact of identified misclassified items on transmission rate determinations.

# Accounting and Reporting

To evaluate compliance with the Commission's accounting and reporting regulations in the USofA under 18 C.F.R. Parts 101 and 141, audit staff performed the following with respect to the merger:

- Conducted interviews and teleconferences and met with company staff to discuss accounting policies, procedures, and practices. These interviews included discussions with employees involved in the operation of each public utility subsidiary's financial accounting systems to assess the adequacy of accounting and reporting oversight controls related to the merger, and employees in leadership positions responsible for day-to-day oversight of merger activities to understand how merger-related labor was reported on timesheets;
- Examined procedures for preparing, reviewing, and obtaining management approval of the Form No. 1 reports. Reviewed disclosures in the reports to understand major accounting policies;
- Reviewed and evaluated the processes, procedures, and controls the companies used before and after merger consummation to track and account for merger transaction costs;
- Evaluated the Form No. 1 and Securities and Exchange Commission 10-K notes and disclosures related to tracking, accounting, and reporting merger transaction costs;
- Analyzed the companies' accounting entries that recorded merger-related labor, goodwill, TEP project costs and impairments, and the income tax effects of the transaction;
- Reviewed third-party lobbying expenditure disclosures, press articles, meeting schedules, and agendas of internal lobbyists. Interviewed internal lobbyists and support staff to understand the nature and extent of the companies' lobbying activities;

- Tested a sample of work orders, invoices, and associated accounting detail records that support internal lobbyists' labor costs incurred;
- Assessed the impact on wholesale rates of merger and other costs incurred by the companies that were reported in the Form No. 1;
- Tested a sample of FERC accounts for compliance with the Merger Order as well as the companies' internal policies and procedures; and
- Evaluated certain income statement and balance sheet accounts and balances reported in the companies' Form No. 1 reports for 2012 through 2014.

# **IV.** Findings and Recommendations

# 1. Accounting for Merger Transaction Costs

Duke Companies did not file merger transaction accounting entries with the Commission as required by the Merger Order, and the companies recorded merger transaction costs in operating accounts, contrary to the Commission's long-standing policy that such costs be recorded in nonoperating accounts. By not filing the accounting entries, Duke Companies prevented Commission review of the merger accounting and correction of any entries that were not in accordance with Commission accounting requirements.

# **Pertinent Guidance**

The Commission's September 30, 2011 order conditionally authorizing the Proposed Transaction established the following requirement concerning the submission of accounting entries related to the merger:

To the extent any applicant that is subject to the Commission's Uniform System of Accounts records any aspect of the Proposed Transaction in its accounts, it is directed to file its accounting entries with the Commission within six months of the consummation of the Proposed Transaction. Further, if the accounting entities are recorded six months after the consummation of the Proposed Transaction, the applicant must file those accounting entries with the Commission within 60 days from the date they were recorded. The accounting submission must provide all accounting entries related to the Proposed Transaction, including narrative explanations describing the basis, and the rate impact, of such entries.<sup>18</sup>

The Commission's long-standing precedent stipulates that transaction costs incurred by public utilities associated with a merger are nonoperating in nature and should be charged to Account 426.5, Other Deductions, to the extent the costs are not retained by the parent holding company. For example, in *Allegheny Energy, Inc.*, the Commission stated in part:

The Commission has previously determined that merger transaction costs are considered non-operating in nature and should be recorded in

<sup>18</sup> Merger Order, 136 FERC ¶ 61,245 at P 190.

Account 426.5, Other Deductions.<sup>19</sup>

18 C.F.R. Part 101, Account 426.5, Other Deductions, states:

This account shall include other miscellaneous expenses which are nonoperating in nature, but which are properly deductible before determining total income before interest charges.

18 C.F.R. Part 101, General Instruction No. 5, Submittal of Questions, states:

To maintain uniformity of accounting, utilities shall submit questions of doubtful interpretation to the Commission for consideration and decision.

#### Background

In the Merger Order, the Commission authorized Duke Companies to inerge, subject to conditions. With respect to accounting, the Merger Order stated that if any Duke Energy subsidiary subject to the USofA recorded any aspect of the merger on its books, the subsidiary must file the accounting entries with the Commission within 60 days of consummation of the transaction. The Commission noted that such accounting entries include entries related to transaction costs, merger premiums, acquisition adjustments, goodwill, or any cost related to the merger.<sup>20</sup>

Moreover, pursuant to long-standing Commission precedent, merger transaction costs are considered nonoperating in nature and are required to be recorded to Account 426.5, Other Deductions. The text of Account 426.5 states that the account shall include expenses that are nonoperating in nature. Audit staff evaluated Duke Companies' accounting for the merger and found that the companies recorded merger transaction costs on their books. Further, contrary to the requirements of the Merger Order and Commission accounting rules, Duke Companies neither filed accounting entries with the Commission that reflected the recording of the transaction costs on the companies' books nor accounted for nonoperating merger transaction costs in Account 426.5.

<sup>19</sup> See Allegheny Energy, Inc., 133 FERC ¶ 61,222, at P 73 (2010). See also Midwest Power Systems, Inc. and Iowa-Illinois Gas and Elec. Co., 71 FERC ¶ 61,386, at 62,509 (1995); MidAmerican Energy Co. and MidAmerican Energy Holdings Co., 85 FERC ¶ 61,354, at 62,370 (1998); and Wis. Elec. Power Co., 74 FERC ¶ 61,069, at 61,192 (1996).

<sup>20</sup> Merger Order, 136 FERC ¶ 61,245 at n. 414.

Duke Companies collectively incurred over \$1 billion in merger costs and recorded the costs on their Form No. 1 reports from 2011 through October 30, 2015. The costs were accounted for in numerous operating plant and expense accounts, including: A&G expense; payroll tax; customer account expense; transmission, distribution, and production operating and maintenance expense; and other accounts.

Duke Energy explained that it interpreted the Merger Order to require submittal of accounting entries only if a subsidiary used the purchase method of accounting and increased the book value of assets for goodwill acquired in the transaction. However, the Merger Order did not require the companies to file accounting entries only if they used the purchase method of accounting or increased the book value of assets for goodwill. To the contrary, the Merger Order stated that if *any entity* subject to the USofA recorded *any aspect* of the merger on its books, it must file its accounting entries with the Commission. The Merger Order further clarified that such accounting entries included entries related to transaction costs, merger premiums, acquisition adjustments, goodwill, or any cost related to the merger.

All of Duke Energy's public utility subsidiaries were subject to the Commission's USofA, therefore the companies should have filed accounting entries. By not filing the accounting entries, Duke Companies prevented Commission review of the merger accounting and correction of any entries not in accordance with Commission accounting requirements.

Furthermore, Duke Companies should have recorded merger transaction costs incurred to effectuate the merger in Account 426.5 rather than in operating accounts consistent with the text of Account 426.5 and Commission precedent.<sup>21</sup> Audit staff found that prior to March 2012, both Duke Energy and Progress Energy recorded merger transaction costs in operating accounts. However, in March 2012, Progress Energy transferred its merger transaction costs to Account 426.5, due to its interpretation of a Commission merger order that required such accounting. Duke Energy did not implement a similar reclassification of its merger transaction costs. Duke Energy explained that it believed costs associated with the merger were appropriately recorded in operating accounts.

<sup>21</sup> Post-merger integration cost (i.e., cost incurred following consummation of a merger, in which the assets, personnel, and business activities of the entities participating in the merger are combined) are recordable to operating accounts; however, the cost would be subject to the Commission's hold harmless commitments and prohibited from recovery in jurisdictional rates.

In April 2012, Duke Energy's external auditors questioned its accounting of the merger transaction costs. The external auditors informed Duke Energy of the Commission's merger accounting policy, which the auditors interpreted as requiring merger transaction costs to be recorded below-the-line in Account 426.5. Duke Energy disagreed with the auditors' interpretation. Rather than adjusting its accounting, Duke Energy and its external auditors agreed that Duke Energy's management representation letter would be revised. The letter is a signed attestation by Duke Energy management of the accuracy of its financial statements. The letter was revised to include a statement that Duke Energy was aware of Commission orders that indicated merger transaction costs should be recorded in Account 426.5, but Duke Energy nonetheless believed that its classification of merger transaction costs in operating accounts was appropriate.

The Duke Companies were required to file the accounting entries with the Commission as directed in the Merger Order. The companies' improper accounting for merger transaction costs contributed to the inappropriate recovery of merger-related internal labor and outside service costs through charges to Commission-jurisdictional customers. To the extent Duke Companies was uncertain about the appropriate accounting for the transaction, the companies should have submitted accounting questions of doubtful interpretation to the Commission for consideration and decision. The Commission expects Duke Companies, and all entities that have a reporting requirement for transactions under FPA section 203, to fully comply with the orders approving such transactions. Duke Companies' lack of compliance with the Merger Order reporting requirement is a very serious matter.

#### Recommendations

We recommend Duke Companies:

- 1. Revise accounting policies and procedures to appropriately account for merger transactions consistent with Commission accounting requirements.
- 2. Develop written policies and procedures to timely identify proposed accounting transactions that would trigger a notification to the Commission.
- 3. Develop written policies and procedures to submit accounting questions of doubtful interpretation to the Commission.
- 4. Provide training to employees on compliance with the merger cost accounting conditions and the revised policies, procedures, and controls for complying with the conditions. Also, develop a training program that supports the provision of periodic training in this area.

# 2. Merger Transaction Internal Labor Costs

Duke Companies improperly included approximately \$31.4 million of merger transaction internal labor costs in wholesale power and transmission formula rate service cost determinations without first submitting a section 205 filing demonstrating that the costs were offset by quantified savings produced by the merger. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated \$17.5 million.

#### **Pertinent Guidance**

The Commission's Merger Order states in part:

We accept Applicants' commitment to hold transmission and wholesale requirements customers harmless for five years from costs related to the Proposed Transaction. We interpret Applicants' hold harmless commitment to include all transaction-related costs, not only costs related to consummating the transaction.

If Applicants seek to recover transaction-related costs through their wholesale power or transmission rates within the next five years, they must submit a compliance filing that details how they are satisfying the hold harmless requirement. If Applicants seek to recover transaction-related costs in an existing formula rate that allows for such recovery within the next five years, then that compliance filing must be filed in the section 205 docket in which the formula rate was approved by the Commission, as well as in the instant section 203 docket. In such filings, Applicants must: (1) specifically identify the transaction-related costs they are seeking to recover; and (2) demonstrate that those costs are exceeded by quantified savings resulting from the transaction, in addition to any requirements associated with filings made under section 205.<sup>22</sup>

The Commission's June 8, 2012 order accepting Duke Companies' revised compliance filing states in part:

[T]he Commission will require Applicants to hold transmission and wholesale requirements customers harmless from the costs of the Transmission Expansion Projects in accordance with the hold harmless commitment, as set forth in the Merger Order.<sup>23</sup>

<sup>22</sup> Merger Order, 136 FERC ¶ 61,245 at PP 169-170.
<sup>23</sup> June 8 Compliance Order, 139 FERC ¶ 61,194 at P 91.

The Commission's October 29, 2014 order denying rehearing and granting a motion to supplement compliance filing states in part:

[T]he Commission requires Applicants to hold transmission and wholesale requirements customers harmless for five years from costs related to the Phase Shifters.<sup>24</sup>

## Background

On April 4, 2011, Duke Energy, Progress Energy, and their public utility subsidiaries (collectively, Duke Companies) filed an application seeking Commission authorization of a proposal to merge under section 203 of the FPA and Part 33 of Commission regulations. In the application, Duke Companies committed to exclude costs related to the merger from transmission and wholesale requirements customers' rates, except to the extent the companies demonstrated in a section 205 rate filing that merger-related savings were equal to or in excess of merger costs included in the rate filing. On September 30, 2011, the Commission issued an order authorizing Duke Companies to merge subject to conditions. Among other things, the Commission conditioned authorization on Duke Companies maintaining its commitment to hold transmission and wholesale requirements customers harmless from costs related to the merger. Pursuant to this condition, "[a]ll transaction related costs, not only costs related to consummating the transaction," were required to be excluded from rates charged.<sup>25</sup> To determine if Duke Companies complied with the hold harmless requirement, audit staff examined the companies' procedures for tracking and accounting for merger costs, and excluding the costs from rates.

To track costs incurred due to the merger, the companies established special accounting processes and procedures. Audit staff found that Duke Energy and Progress Energy did not account for merger costs using the same accounting treatment prior to consummation of the merger. Prior to consummation of the merger, Duke Energy accounted for merger transaction costs in above-the-line operating accounts, whereas Progress Energy accounted for the costs below-the-line in Account 426.5, Other Deductions.<sup>26</sup> However, after consummation of the merger, Progress Energy adopted Duke Energy's internal accounting policy for merger transaction costs and thereafter began accounting for incurred merger transaction costs in operating accounts.

<sup>24</sup> October 29 Compliance Order, 149 FERC ¶ 61,078 at P 81.

<sup>25</sup> Merger Order, 136 FERC ¶ 61,245 at P 169.

<sup>26</sup> Account 426.5, Other Deductions, 18 C.F.R. Part 101 (2015), provides for the recording of expenses that are nonoperating in nature, but which are properly deductible before determining total income before interest charges.

Duke Energy devised and distributed instructions to its public utility subsidiaries regarding accounting for merger costs, which it characterized as Costs to Achieve (CTA) the merger. Duke Energy defined CTA as "costs that are incremental and nonrecurring that would otherwise not have been incurred but for the merger or integration planning efforts."<sup>27</sup> The CTA instructions identified the accounting codes to be used to account for and track merger costs. The codes included the business and operating unit that incurred the cost, process, task, project ID, and other details associated with activities that involved the incurrence of merger costs. The CTA instructions were communicated to managers and staff assigned to work on the merger, and employees were trained on use of the accounting codes. Duke Energy's shared services accounting group retrieved merger cost data from the general ledgers of the public utility subsidiaries, reviewed charges for reasonableness, and compared actual and budgeted costs as part of its monthly reporting process.

Duke Energy's shared services accounting group developed additional procedures to exclude certain merger costs from wholesale power and transmission formula rate determinations of the public utility subsidiaries. The procedures included preparation of monthly spreadsheets identifying merger costs included in each subsidiary's operating accounts as reported in the Form No. 1. The rate staff of each public utility subsidiary was instructed to subtract the merger costs from operating accounts in the Form No. 1 that were used to compute the company's transmission formula rate. The procedures were designed to prevent merger costs reported in operating accounts from being incorporated in wholesale power and transmission formula rate determinations.

As a result of these procedures under which merger-related internal labor costs were not treated as CTA, audit staff found that Duke Companies' wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated \$17.5 million due to the inclusion of merger transaction internal labor costs in wholesale power and transmission rate determinations without first making a section 205 filing with the Commission as the Merger Order required. The improper charges included an estimated \$17.2 million through inclusion of internal labor costs incurred in merger transaction and integration activities, and over \$300,000 through inclusion of

<sup>27</sup> This included costs incurred in developing, executing, and obtaining approvals for the merger as well as incremental integration costs, but did not include merger-related internal labor costs Duke Companies considered non-incremental. For example, the costs included severance payments, employee relocation and retention costs, bonuses paid to employees for their work on the merger, investment banking and advisory fees, state and Federal regulatory expenses, costs for integrating accounting and information technology systems, transmission systems, fuel and dispatch systems, as well as transition costs, initigation/concession costs, depreciation expenses for merger projects, and fees paid to providers of transmission service between the regulated utilities. internal labor costs incurred to construct and operate the transmission expansion projects (TEPs), and repair and operate the Rockingham phase shifters.

#### **Merger Transaction Internal Labor**

During fieldwork, audit staff determined that Duke Energy excluded merger transaction internal labor from its definition of CTA and its CTA coding procedures. Duke Energy acknowledged that employees spent substantial time on merger activities. However, the company contended that employees performed merger activities in addition to their regular responsibilities and, therefore, no incremental internal labor costs were incurred due to the merger. Based on a belief that the hold harmless obligation applied only to incremental merger costs, Duke Energy instructed employees not to use the special CTA codes to report time devoted to merger activities on their timesheets. Consequently, public utility subsidiaries did not track all merger transaction internal labor costs or exclude all such costs from wholesale power and transmission formula rate cost computations. As a result, the subsidiaries improperly included some merger transaction internal labor costs in wholesale power and transmission formula rate determinations and inappropriately charged the costs to customers.

Contrary to Duke Energy's interpretation, the Merger Order required Duke Companies to hold customers harmless from "*all* merger transaction costs," and did not limit this requirement only to costs Duke Energy considered incremental. Duke Energy's assertion that its hold harmless obligation extended only to incremental costs must be made within a section 205 proceeding where it and other interested parties will have an opportunity to assess all evidence that supports or contradicts such a position. By excluding internal labor from its CTA tracking and reporting procedures, Duke Energy did not have the ability to determine the proportion of employee labor costs devoted to merger-related tasks, as opposed to utility-related tasks, the cost of which are appropriately recovered in rates. Moreover, even in the absence of detailed time reporting and accounting data, the companies were nonetheless prohibited from including these merger transaction costs in rate determinations without first receiving Commission authorization to do so in a section 205 proceeding in accordance with Merger Order requirements.

Since Duke Companies did not track all merger transaction internal labor costs, audit staff issued data requests and interviewed company employees during site visits and conference calls to develop its own estimate of the amount of merger transaction internal labor costs Duke Companies incurred and included in transmission formula rate charges. The information audit staff obtained confirmed that company employees spent substantial amounts of time working on the merger, as Duke Energy acknowledged. For example, Duke Energy reported in data responses that over 2,400 employees were engaged in merger activities from mid-2010 through present. The total included more than 2,300 employees who participated in over 300 merger integration projects performed to upgrade and integrate the companies' information technology, human resources, finance, and accounting systems and functions. About 140 employees were engaged in merger planning and evaluation, preparing and supporting merger applications and post-merger litigation, and developing and implementing measures to mitigate market power due to the merger. Audit staff found through assessment of data response information and interviews of company staff, that certain of these employees worked full time on the merger for the duration of their projects, while others devoted 50 percent or more of their time to assigned merger activities. Moreover, detailed analysis of integration projects with the largest budgets indicated that the assigned employees were heavily engaged in the projects for prolonged periods of time.

Audit staff used this information, interviews with employees engaged in merger activities, employees' salary information procured from data responses, and salary estimates found on publicly available sources to approximate the amount of internal labor costs incurred due to the merger. Audit staff estimated that the Duke Companies incurred between \$55 million and \$75 million of internal labor costs related to the merger, including salaries and benefits.

Audit staff then asked Duke Energy to provide its own estimate of the internal labor costs associated with each merger activity and a breakdown by FERC account. As the table below shows, Duke Energy estimated that \$78.8 million in merger transaction internal labor costs were incurred to perform four primary merger tasks. Duke Energy's estimate exceeded audit staff's high-range estimate of internal labor costs.

		A	В
Row	Merger Tasks	Duke Companies' Estimated Internal Labor Cost (Million \$)	Estimated Internal Labor Included in the Revenue Requirements of Wholesale Power and Transmission Rates (Million \$)
1	Merger Planning, Evaluation, Due Diligence	2.3	0.1
2	Preparation and Support for Regulatory Applications and Post-Merger Litigation	3.9	0.2
3	Development and Implementation of Measures to Mitigate Market Power	0,6	0,03
4	Planning, Management, and Execution of Merger Integration Projects	72.0	16.9
	Total	78.8	17.2

Of the \$78.8 million in merger transaction internal labor costs estimated by Duke Energy, about \$1.6 million of the costs were recorded in distribution operating and maintenance expense accounts that were not included in Commission-jurisdictional rate determinations, and \$31.4 million was recorded in production and transmission operating and maintenance expense accounts incorporated in wholesale power and transmission formula rates. Duke Energy estimated that wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated \$17.2 million.<sup>28</sup> The remaining \$45.8 million in merger transaction internal labor costs were charged to capital work orders for integration projects that are under construction and not yet completed. Duke Energy represented that these costs have been classified as CTA, and will be excluded from wholesale power and transmission formula rates when the projects are completed.

By including these merger-related tasks in its definition of CTA, Duke Energy acknowledged that the merger activities employees performed would not have been required in the absence of the merger. Since the work was not related to utility service, employee time engaged on the merger should have been excluded from transmission formula rate determinations. In accordance with the hold harmless commitment, to recover merger costs in their wholesale power or transmission rates, the companies were required to submit a section 205 filing with the Commission detailing costs to be recovered and demonstrating that the costs were offset by quantified savings produced by the merger. Duke Companies did not submit a section 205 filing; therefore, the companies should not have recovered the costs in rates charged.

#### **TEP Operating Expenses**

Duke Energy's public utility subsidiaries included an estimated \$300,000 of merger transaction internal labor costs in the transmission customers' formula rate revenue requirement for costs related to the TEP projects from 2012 through 2015. This amount was incurred to repair and operate the Rockingham phase shifters. The \$300,000 was recorded as transmission maintenance expenses in Account 570, Maintenance of Station Equipment. In accordance with Duke Companies' internal accounting policy, the companies neither characterize the costs as merger-related CTA nor exclude the costs from transmission formula rate determinations. As a result, the \$300,000 was included in transmission formula rates, and thus a portion of these costs was inappropriately charged to transmission customers.

In its June 8 and October 29 Compliance Orders, the Commission explicitly directed Duke Companies to hold customers harmless from all costs related to the TEPs

<sup>28</sup> During the audit, DEC and DEP had about 20 wholesale power customers under service contracts with cost-based rates determined under a formula to which merger transaction internal labor costs were incorporated. As a result, a portion of the merger transaction labor costs included in the formula was charged to wholesale power customers.

and the Rockingham phase shifters, consistent with the hold harmless commitment established in the Merger Order. Duke Companies should not have included these internal labor charges in transmission formula rate determinations without first submitting a section 205 filing to the Commission that demonstrated that the costs were offset by quantified savings produced by the merger.

## Recommendations

We recommend Duke Companies:

- 5. Revise all policies and procedures for tracking, accounting, and excluding merger transaction costs from wholesale power and transmission formula rates, including amounts previously charged to utility plant, accumulated deferred income taxes, construction work in progress with the associated capitalized cost of funds used during construction (AFUDC), and maintenance and operating expense accounts, and future charges to such accounts for any transaction to which a FERC hold harmless obligation applies. The revised procedures should hold customers harmless from all merger transaction costs consistent with requirements of the Merger Order. Among other things, the revised policies and procedures should include an annual review of each subsidiary's merger transaction cost adjustments as well as periodic evaluations within the year, as needed and appropriate.
- 6. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the inclusion of merger transaction internal labor and related costs in wholesale power and transmission formula rates during the audit period, plus interest on the costs;
  (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.
- 7. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.
- 8. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

# 3. Merger Transaction Outside Services and Related Costs

Duke Companies incorrectly included \$1.5 million of merger transaction outside services and related costs in wholesale power and transmission formula rate service cost determinations without first submitting a section 205 application demonstrating the costs were offset by quantified savings produced by the merger. In addition, the companies recorded the merger transaction costs in operating accounts, contrary to the Commission's long-standing policy that such costs be recorded in nonoperating accounts. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated \$745,000.

#### **Pertinent Guidance**

The Commission's Merger Order states in part:

We accept Applicants' commitment to hold transmission and wholesale requirements customers harmless for five years from costs related to the Proposed Transaction. We interpret Applicants' hold harmless commitment to include all transaction-related costs, not only costs related to consummating the transaction.

If Applicants seek to recover transaction-related costs through their wholesale power or transmission rates within the next five years, they must submit a compliance filing that details how they are satisfying the hold harmless requirement. If Applicants seek to recover transaction-related costs in an existing formula rate that allows for such recovery within the next five years, then that compliance filing must be filed in the section 205 docket in which the formula rate was approved by the Commission, as well as in the instant section 203 docket. In such filings, Applicants must: (1) specifically identify the transaction-related costs they are seeking to recover; and (2) demonstrate that those costs are exceeded by quantified savings resulting from the transaction, in addition to any requirements associated with filings made under section 205.<sup>29</sup>

The Commission's long-standing precedent stipulates that transaction costs incurred by public utilities associated with a merger are nonoperating in nature and should be charged to Account 426.5, Other Deductions, to the extent the costs are not passed on to the parent holding company. For example, in *Allegheny Energy, Inc.*, the Commission stated in part:

<sup>29</sup> Merger Order, 136 FERC ¶ 61,245 at PP 169-170.

The Commission has previously determined that merger transaction costs are considered non-operating in nature and should be recorded in Account 426.5, Other Deductions.<sup>30</sup>

18 C.F.R. Part 101, Account 426.5, Other Deductions, states:

This account shall include other miscellaneous expenses which are nonoperating in nature, but which are properly deductible before determining total income before interest charges.

#### Background

In the process of evaluating Duke Companies' compliance with the hold harmless commitment, audit staff issued data requests and interviewed company employees regarding the accounting and formula rate impact of activities engaged prior to and after public announcement of the merger, such as outside service costs incurred to facilitate the merger and associated internal corporate costs. In reviewing materials received, audit staff found that Duke Energy's corporate development group incurred over \$1.5 million in merger transaction costs in the second half of 2010 (i.e., prior to the merger announcement in January 2011) and allocated those costs to its then public utility subsidiaries – DEC, DEI, DEO, and DEK – prior to consummation of the merger.

The costs included \$1.35 million paid to outside consultants, lawyers, and accountants for financial forecasting, analysis of market power issues and related services, and \$150,000 of internal labor and other costs related to this work. The subsidiary companies improperly recorded the merger transaction outside service costs in Account 923, Outside Services Employed, and most of the associated internal labor and other costs in Account 920, Administrative and General Salaries. Account balances reported in each company's Form No. 1 were included in the determination of the company's wholesale power and transmission formula rate service charges.

DEC, DEI, DEO, and DEK reported these costs in their respective 2010 Form No. 1 reports. The companies neither characterized the costs as merger-related CTA following the merger announcement and issuance of the Merger Order, nor excluded the costs from wholesale power and transmission formula rate determinations in 2011 or subsequent years.

<sup>30</sup> See Allegheny Energy, Inc., 133 FERC ¶ 61,222 at P 73 (2010). See also Midwest Power Systems, Inc. and Iowa-Illinois Gas and Elec. Co., 71 FERC ¶ 61,386, at 62,509 (1995); MidAmerican Energy Co. and MidAmerican Energy Holdings Co., 85 FERC ¶ 61,354, at 62,370 (1998); and Wis. Elec. Power Co., 74 FERC ¶ 61,069, at 61,192 (1996). Pursuant to the hold harmless commitment, the companies should not have included the \$1.5 million in merger transaction costs in wholesale rate determinations without first submitting a section 205 filing to the Commission that demonstrated the costs were offset by quantified savings produced by the merger. Moreover, pursuant to long-standing Commission precedent, the merger transaction costs the companies recorded in Accounts 920 and 923 are considered nonoperating in nature and, as such, were required to be recorded to Account 426.5. The text of Account 426.5 states that the account shall include expenses that are nonoperating in nature. Duke Energy estimated that wholesale power and transmission customers' revenue requirements were inappropriately overstated \$745,000.

#### Recommendations

We recommend Duke Companies:

- 9. Revise accounting policies and procedures to appropriately account for merger transaction costs consistent with Commission accounting requirements.
- 10. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the inclusion of merger transaction outside services and related costs in wholesale power and transmission formula rate charges during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.
- 11. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.
- 12. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

# 4. Use of the Consolidated Method of Accounting

DEC and DEP accounted for investments in subsidiaries on a consolidated basis in their Form No. 1 reports, contrary to the Commission's long-standing accounting policy.

# **Pertinent Guidance**

Order No. 469 revised and amended sections of 18 C.F.R. Parts 101 and 201 to adopt the equity method of accounting for long-term investments in subsidiaries and add new balance sheet and income statement accounts, and definitions. Order No. 469 states in part:

Under the equity method of accounting, the utility's investment account is increased or decreased to reflect the utility's proportionate share of a subsidiary's current earnings applicable to common stock regardless of whether the earnings are actually paid out as dividends to the utility. When dividends are received, the investment account is reduced by an equivalent amount.<sup>31</sup>

18 C.F.R. Part 101, Account No. 123.1, Investment in Subsidiary Companies, states:

A. This account shall include the cost of investments in securities issued or assumed by subsidiary companies and investment advances to such companies, including interest accrued thereon when such interest is not subject to current settlement plus the equity in undistributed earnings or losses of such subsidiary companies since acquisition. This account shall be credited with any dividends declared by such subsidiaries.

B. This account shall be maintained in such a manner as to show separately for each subsidiary: the cost of such investments in the securities of the subsidiary at the time of acquisition; the amount of equity in the subsidiary's undistributed net earnings or net losses since acquisition; advances or loans to such subsidiary; and full particulars regarding any such investments that are pledged.

<sup>31</sup> Revisions in the Uniform System of Accounts, and Annual Report Forms No.1 and No. 2 to Adopt the Equity Method of Accounting for Long-Term Investments in Subsidiaries, Order No. 469, 49 FPC 326, reh'g denied, 49 FPC 1028 (1973). 18 C.F.R. Part 101, Account 216.1, Unappropriated Undistributed Subsidiary Earnings, states:

This account shall include the balances, either debit or credit, of undistributed retained earnings of subsidiary companies since their acquisition. When dividends are received from subsidiary companies relating to amounts included in this account, this account shall be debited and account 216, Unappropriated Retained Earnings, credited.

18 C.F.R. Part 101, Account No. 418.1, Equity in Earnings of Subsidiary Companies, states:

This account shall include the utility's equity in the earnings or losses of subsidiary companies for the year.

# Background

DEC and DEP formed wholly owned special purpose subsidiaries, Duke Energy Receivables Finance Company, LLC (DERF) and Duke Energy Progress Receivables, LLC (DEPR), respectively, in 2003 and 2013. The companies accounted for their investments in the subsidiaries using the consolidated method of accounting. Specifically, DEC consolidated DERF in its Form No. 1 reports from 2003 through 2013; and DEP consolidated DEPR in its Form No. 1 in 2013. The accounting resulted in the recognition of property, expenses, revenue, debt, and equity of the subsidiaries in DEC and DEP's respective Form No. 1 reports. During the course of the audit, in 2014, the companies ceased accounting for their investments in the subsidiaries using the consolidation method of accounting and began using the equity method of accounting.

Prior to 2014, DEC and DEP's accounting for their investments in the subsidiaries was not consistent with the Commission's accounting requirements, which required the companies to account for the investments using the equity method of accounting. In accordance with the provisions of Order No. 469, the companies were required to account for the subsidiaries as investments in Account 123.1, Investments in Associated Companies, and record equity in earnings of the subsidiaries in Account 418.1, Equity in Earnings of Subsidiary Companies, and undistributed retained earnings of the subsidiaries in Account 216.1, Unappropriated Undistributed Subsidiary Earnings.<sup>32</sup>

On August 19, 2015, during the course of the audit, Duke Energy submitted a request to the Commission on behalf of the companies for retroactive and prospective waivers of the equity method accounting requirement.<sup>33</sup> In the filing, among other things, DEC and DEP acknowledged that they had inappropriately accounted for investments in their subsidiaries using the consolidation method of accounting, and improperly included the results of the subsidiaries' operations in cost of service formula rate determinations. On December 18, 2015, the companies submitted a filing to the Commission under section 205 of the FPA seeking approval of proposed amendments to the formula rates in their Joint OATT and wholesale power agreements to provide for consolidation of the subsidiaries for cost of service rate determination purposes.<sup>34</sup>

Duke Energy did not notify audit staff of the inappropriate consolidation accounting, or of its request for waiver of the equity accounting requirements. The company should have disclosed the erroneous accounting to audit staff when it discovered the matter, which according to its representation occurred in late 2014. However, neither audit staff nor the Commission was notified of the improper accounting and the associated rate impacts until August 2015. Duke Energy's lack of timely disclosure of DEC and DEP's noncompliance with Commission regulations is problematic. The company should take necessary steps to ensure that its corporate compliance culture and program are strengthened to prevent situations like this on a going forward basis,

<sup>33</sup> Duke Energy Carolinas, LLC, et al., Request for Waiver, Docket No. AC15-174-000, (filed Aug. 19, 2015). The filing requested waivers of the equity accounting requirement on behalf of DEC, DEP, and DEF, which formed a wholly owned subsidiary Duke Energy Florida Receivables, LLC (DEFR) in 2014. The Chief Accountant issued a delegated letter order on February 12, 2016 that granted the requested waivers to the companies and directed specific accounting regarding sales of accounts receivable. Duke Companies filed a request for rehearing of the letter order on March 14, 2016.

<sup>34</sup> Duke Energy Carolinas, LLC, et al., Docket Nos. ER16-577-000, ER16-578-000, and ER16-579-000. The Commission issued delegated letter orders on February 11, 2016, accepting for filing the amendments to the Joint OATT and rate schedules to provide for DEC, DEP, and DEF's use of the consolidated method of accounting for ratemaking purposes.

#### Recommendations

We recommend Duke Companies:

- 13. Review and, as needed, revise accounting policies, practices, and procedures to ensure that investments in subsidiaries are accounted for consistent with the Commission's equity method accounting requirements.
- 14. Evaluate the accounting applied to Duke Companies' existing subsidiaries and notify DAA of any areas of noncompliance with Commission accounting requirements.
- 15. Revise documented policies, procedures and processes to ensure timely notice is provided to relevant regulators regarding instances of noncompliance with regulations, rules, and orders.
- 16. Provide training to staff on procedures, practices, and available tools to transparently or anonymously report instances of noncompliance to senior management, the Board of Directors, and relevant regulators.

# 5. Accounting for Sales of Accounts Receivable

DEC, DEP, and DEF misclassified an estimated \$94.7 million of nonoperating expenses and receivables arising from transactions with their subsidiaries during the audit period. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated \$61 million.

#### **Pertinent Guidance**

18 C.F.R. Part 101, Account 930.2, Miscellaneous General Expenses, states in part:

This account shall include the cost of labor and expenses incurred in connection with the general management of the utility not provided for elsewhere.

18 C.F.R. Part 101, Account 426.5, Other Deductions, states in part:

This account shall include other miscellaneous expenses which are nonoperating in nature, but which are properly deductible before determining total income before interest charges.

The Commission addressed the appropriate accounting for the sale of accounts receivable in Opinion No. 375, which stated in part:

From an accounting standpoint, we find that the record supports the staff and intervenors' position – which the initial decision adopted – that the loss on the sale of accounts receivable was erroneously recorded by SERI [System Energy Resources, Inc.] in Account 930.2...<sup>35</sup>

# Background

During audit fieldwork, audit staff analyzed data regarding transactions between DEC, DEP, and DEF and the companies' respective nonutility subsidiaries, DERF, DEPR, and DEFR, and interviewed employees responsible for accounting for the transactions. The transactions involved the companies' sales of accounts receivable to their subsidiaries. The receivables arose from billings on sales of electricity and related services by the companies. The companies sold the receivables to their subsidiaries at a loss (or discount), and accounted for the loss as an expense by debiting Account 930.2, Miscellaneous General Expenses, an account included in wholesale power and transmission service cost formula rate determinations, for the amount of the loss. DEC,

<sup>35</sup> System Energy Resources, Inc., 60 FERC ¶ 61,131 (1992).

DEP, and DEF recognized total losses of \$149.6 million, \$35.1 million, and \$23.5 million, respectively, from 2011 through 2014.

Audit staff also discovered that there were similar transactions involving sales of accounts receivable by DEI, DEO, and DEK to Cinergy Receivables, a Duke Energy subsidiary. However, through discussions with audit staff, Duke Energy represented that instead of recording losses on sold receivables in Account 930.2, DEI, DEO, and DEK accounted for the losses in Account 904, Uncollectible Accounts, an account not included in wholesale power or transmission service cost formula rate determinations.

DEC, DEP, and DEF performed collection services on behalf of their subsidiaries associated with the sold receivables whereby the companies collected bill payments from customers and remitted funds received to the subsidiaries. The companies charged the subsidiaries a fee for performing the collection service, which effectively resulted in a reimbursement of the collection service cost incurred by the companies. Expenses incurred by the companies associated with performing the collection service were accounted for by debiting the costs to Account 903, Customer Records and Collection Expenses. These expenses were also accounted for as a debit in Account 930.2 that Duke Energy represented was the fee billed to the subsidiaries for performing the collection service. As a result of this accounting, DEC, DEP, and DEF double-counted expenses in their respective Form No. 1 reports associated with collection services performed. Furthermore, the companies accounted for the reimbursements of their incurred collection service expenses that resulted from their billed subsidiaries by crediting Account 421, Miscellaneous Non-Operating Income.

Duke Companies' accounting for the loss on the sale of the receivables was not consistent with the Commission's accounting requirements and precedent. Under the Uniform System of Accounts (USofA), sales of accounts receivable constitute the disposition of utility assets. The USofA contemplates that in transactions of this nature, a company should recognize a gain or loss, measured by the difference between the net book value of the asset at the date of the sale and the proceeds from the sale, less related fees and expenses of the sale. Further, the USofA requires a company to record any gains or losses from the disposition of assets in nonoperating expense accounts, except with respect to the sale of future use property.<sup>36</sup> The instructions to Account 426.5, Other Deductions, provide for the recording of nonoperating expenses of this nature. Additionally, the Commission has previously addressed the matter of the appropriate

<sup>36</sup> With respect to future use property recorded in Account 105, Electric Plant Held for Future Use, the USofA requires a company to include a gain on a sale in Account 411.6, Gains from Disposition of Utility Plant, and a loss in Account 411.7, Losses from Disposition of Utility Plant. accounting for sales of receivables in its Opinion No. 375, wherein it was determined that the loss on the sale of receivables should be accounted for in Account 426.5.<sup>37</sup>

In addition, DEC, DEP, and DEF's accounting for reimbursements of incurred collection service expenses was not consistent with the Commission's accounting requirements. The USofA contemplates that such reimbursements of collection service expenses incurred by DEC, DEP, and DEF on behalf of their respective subsidiaries be recorded as a reduction of the expenses. Accordingly, the companies should have accounted for the reimbursements through a credit entry to the collection service expenses recorded in Account 903.

Duke Energy represented that prior to 2014, DEC and DEP's accounting for the losses on the sales of receivables and collection service fees billed to the subsidiaries that were recorded in Account 930.2 had no impact on service rates charged to wholesale power and transmission formula rate customers due to accounting entries the companies made associated with consolidation method accounting that offset the items and neutralized the rate impact. Duke Energy indicated that the companies made the offsetting entries from the respective dates their subsidiaries were established and transactions initiated through 2013.<sup>38</sup> However, in 2014, DEC and DEP ceased their practice of using the consolidation method of accounting.<sup>39</sup> Cessation of consolidation method accounting led the companies to end their practice of recording the offsetting entries. Moreover, DEF established its subsidiary, DEFR, in 2014, and did not record any accounting entries to offset its losses on the sales and collection service fees billed to its subsidiary. As a result, rates charged by DEC, DEP, and DEF based on amounts reported in the companies' respective 2014 Form No.1 reports included the nonoperating losses and collection service fees that were misclassified in Account 930.2 and not offset by other entries. This led to DEC, DEP, and DEF inappropriately including the losses and fees of \$38.1 million, \$33.1 million, and \$23.5 million, respectively, in rate determinations.

The companies' accounting mistakes led to an estimated \$94.7 million of costs being inappropriately included in wholesale power and transmission formula rate service cost determinations during the audit period. Duke Energy estimated that this resulted in wholesale power and transmission customers' revenue requirements being inappropriately overstated by an estimated \$61 million.

<sup>37</sup> System Energy Resources, Inc., 60 FERC ¶ 61,131 (1992).

<sup>38</sup> DEC's subsidiary, DERF, was established in 2003, and DEP's subsidiary, DEPR, was established in 2013.

<sup>39</sup> See Finding No. 4, Consolidation Method of Accounting.

On March 14, 2016, Duke Companies filed a request for rehearing of the Chief Accountant letter order in Docket No. AC15-174-000 challenging the order's decision regarding the appropriate accounting for losses on the sale of receivables, which is also addressed by this Audit Finding. In light of the current challenge to the Chief Accountant's order and uncertain outcome, as well as, the potential of a contested audit over the identical issue, in this instance the portions of this Audit Finding that relate to the losses issues, including Recommendations 17 and 18, shall be held in abeyance and shall be subject to the outcome of the rehearing request and any subsequent petitions for court review. Although the recommendations regarding the portion of this Audit Finding relating to the losses issues are held in abeyance and subject to the outcome of the rehearing for court review, the requirement to make refunds in accordance with Recommendation 21 below is not impacted by the rehearing request.

## Recommendations

We recommend Duke Companies:

- 17. Revise procedures to ensure that all costs and account balances associated with the sale of accounts receivable are accounted for in accordance with Commission accounting regulations. Among other things, the corrected accounting should ensure that all losses associated with receivable sales are recorded in Account 426.5.
- 18. Provide the revised procedures to DAA for review within 60 days of receiving the final audit report.
- 19. Recalculate charges to wholesale power and transmission customers of DEC, DEP, and DEF and submit the recalculations in a refund analysis to DAA for review within 60 days of receiving the final audit report. The refund analysis should explain and detail the: (1) return of collection service billings charged in 2014; (2) return of losses on the sales included in rates; (3) determinative components of the refund; (4) refund method; (5) period(s) refunds will be made; and (6) interest calculated in accordance with section 35.19 of Commission regulations.
- 20. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.
- 21. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

## 6. Accounting for Lobbying Expenses

Duke Companies recorded approximately \$2.4 million of lobbying expenses in above-the-line operating accounts from 2011 to 2013. As a consequence, Duke Companies improperly included these costs in wholesale power and transmission formula rate service cost determinations.

## **Pertinent Guidance**

18 C.F.R. Part 101, Account 426.4, Expenditures for Certain Civic, Political, and Related Activities, states in part:

This account shall include expenditures for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation, or ordinances . . . or approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials. . . .

## Background

Audit staff evaluated costs incurred by Duke Companies associated with civic, political, and related activities during the audit period. Audit staff reviewed third-party lobbying expenditure disclosures, press articles, internal lobbyist meeting schedules and agendas, and interviewed internal lobbyists and support staff to understand the nature and extent of the companies' lobbying activities. In addition, audit staff tested a sample of work orders, invoices, and associated accounting detail records that support internal lobbyists' labor costs incurred. Audit staff discovered that Duke Companies improperly recorded nearly \$2.4 million in lobbying costs to above-the-line operating accounts rather than to Account 426.4, Expenditures for Certain Civic, Political, and Related Activities, as required.

Account 426.4 provides for reporting expenditures for the purpose of influencing public opinion, such as lobbying expenses. Audit staff found that Duke Companies recorded a portion of these costs associated with wages and salaries of internal lobbyist and support staff in Account 426.4 as required, but failed to properly charge other related costs to the account associated with the labor, such as payroll taxes, retirement, health, and other benefits. Audit staff also found that the companies incorrectly accounted for amounts paid to outside firms that lobby on behalf of the companies. Duke Companies improperly included these expenses in wholesale power and transmission formula rate determinations and recovered a portion of the costs through charges to customers.

Further, audit staff found that Duke Companies lacked formal procedures and oversight controls to help ensure that lobbying costs were accounted for appropriately.

The companies should implement procedures to reduce the risk that lobbying costs are inappropriately accounted for and included in jurisdictional rate determinations.

## Recommendations

We recommend Duke Companies:

- 22. Establish and implement written procedures governing the methods used to account for, track, report, and review lobbying costs incurred.
- 23. Provide training on Commission accounting requirements and the impact of accounting on cost-of-service rate determinations to employees involved in lobbying and lobbying-related work, and those with oversight responsibility for lobbying cost allocations. Also, develop a training program that supports the provision of periodic training in this area.
- 24. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the improper inclusion of lobbying costs in operating accounts during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.
- 25. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.
- 26. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

## 7. Allocation of Lobbyist Labor Costs

Duke Companies accounted for the labor costs of internal lobbyists and their support staff in operating accounts that lacked support for inclusion in the accounts. Improper accounting for the costs can lead to inappropriate recovery of the costs through rates charged and billed to customers.

## **Pertinent Guidance**

18 C.F.R. Part 101, General Instruction No. 9, Distribution of Pay and Expenses of Employees, states:

The charges to electric plant, operating expense and other accounts for services and expenses of employees engaged in activities chargeable to various accounts, such as construction, maintenance, and operations, shall be based upon the actual time engaged in the respective classes of work, or in case that method is impracticable, upon the basis of a study of the time actually engaged during a representative period.

18 C.F.R. Part 101, General Instruction No. 10, Payroll Distribution, states:

Underlying accounting data shall be maintained so that the distribution of the cost of labor charged direct to the various accounts will be readily available. Such underlying data shall permit a reasonably accurate distribution to be made of the cost of labor charged initially to clearing accounts so that the total labor cost may be classified among construction, cost of removal, electric operating functions (steam generation, nuclear generation, hydraulic generation, transmission, distribution, etc.) and nonutility operations.

18 C.F.R. Part 101, Account 426.4, Expenditures for Certain Civic, Political, and Related Activities, states in part:

This account shall include expenditures for the purpose of influencing public opinion with respect to the election or appointment of public officials, referenda, legislation, or ordinances . . . or approval, modification, or revocation of franchises; or for the purpose of influencing the decisions of public officials . . . .

## Background

In connection with the evaluation of Duke Companies' expenditures for lobbying activities, audit staff discovered that the companies' allocation of the labor costs of internal lobbyists and their support staff was based in part on the amount of time that

state legislatures and Congress were in session. Duke Energy explained that these entities were in session on average 180 days a year, and that lobbying activities of its staff to influence legislation would typically be performed while the legislatures and Congress were in session. This resulted in the companies using a default allocator that charged 50 percent of lobbying costs above-the-line to operating accounts and 50 percent below-the-line to Account 426.4, Expenditures for Certain Civic, Political, and Related Activities.

Audit staff interviewed internal lobbyists and their support staff to understand their roles and job assignments, and reviewed lobbyists' schedules as documented in email, itineraries from industry conferences, and other materials. Duke Energy represented that the companies' internal lobbyist performed internal corporate functions such as (1) budgeting, (2) performance appraisals, (3) training, and (4) other activities. However, audit staff could not determine based on documentation provided, that the 50/50 labor allocation split between above- and below-the-line accounting for lobbying and related costs was accurate or reasonable. Moreover, audit staff discovered that the companies neither had a formal oversight review process to assess the accuracy of the labor allocations nor maintained documentation to support the allocations.

General Instructions No. 9, Distribution of Pay and Expenses of Employees, and No. 10, Payroll Distribution, require public utilities to charge lobbying-related labor to operations based on actual time engaged in utility operations or on a representative time study, and to maintain data supporting distribution of the labor to operating costs. Audit staff found that Duke Companies' charges of lobbying and support staff labor to operations were neither based on actual time engaged in utility operations nor derived from representative time studies, as required. The companies also did not maintain data supporting distribution of the costs to utility operations. Duke Companies' accounting for lobbying labor time charges was not consistent with Commission accounting requirements and could have resulted in the inclusion of inappropriate costs in operating accounts, and consequently, in charges to transmission service formula rate and wholesale requirements customers. This could have led to the overcharging of wholesale ratepayers.

## Recommendations

We recommend Duke Companies:

- 27. Revise written policies and procedures to create a process to document and verify appropriate allocation of lobbying and lobbying-related costs, and maintain auditable support for the cost included in rate determinations.
- 28. Retain an independent third-party entity to conduct a representative labor time study to determine an appropriate allocation of internal lobbyist labor, support

staff, and associated costs that should be accounted for in operating and nonoperating accounts based on time spent by employees engaged in the activities. Provide the study results to audit staff within 180 days of receiving the final audit report.

- 29. Include the results of the labor time study in the determination of lobbying-related labor cost allocations as of January 1, 2016.
- 30. Implement policies and procedures to perform a labor time study at least biennially using an independent third-party or internal company resources that are able to attest to the results of the study. Revise the lobbying-related labor cost allocations based on the results of the study.

## 8. Nonutility Expenses in Operating Accounts

Duke Companies recorded approximately \$490,000 of nonutility expenses in operating accounts in 2014. As a result, inappropriate costs were included in wholesale power and transmission formula rate service cost determinations and charged to customers.

## **Pertinent Guidance**

Accounting Release 12, Discriminatory Employment Practices, states in part:

Expenditures resulting from employment practices found to be discriminatory by a judicial or administrative decree or that were the result of a compromise settlement or consent decree are not just and reasonable cost of utility operations and as such must be charged to nonoperating expense accounts.

18 C.F.R Part 101, Account 426.1, Donations, states:

This account shall include payments or donations for charitable, social, or community welfare purposes.

18 C.F.R. Part 101, Account 426.5, Other Deductions, states:

This account shall include other miscellaneous expenses for which are nonoperating in nature, but which are properly deductible before determining total income before interest charges.

## Background

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Audit staff reviewed a sample of expenses charged to administrative and general (A&G) accounts to determine whether the charges were accounted for in accordance with Commission accounting requirements. The sample included charges to Accounts 920, Administrative and General Salaries, 923, Outside Services Employed, and 926, Employee Pensions and Benefits, in 2012. Audit staff reviewed accounting records and documentation supporting amounts reported in the accounts, such as invoices, work orders, and billings. Audit staff also interviewed Duke Companies' employees with responsibility for documenting and accounting for costs reported in the accounts.

Audit staff's review found that Duke Companies accounted for \$100,000 of expenditures resulting from employment practices found to be discriminatory as operating expenses. However, in accordance with the requirements of Accounting Release 12, Discriminatory Employment Practices, expenses of this nature should be accounted for as nonoperating expenses. Of the \$100,000, audit staff found that \$40,000 was improperly recorded to Account 923 and inappropriately included in transmission formula rate determinations. The remaining \$60,000 was incorrectly accounted for in production and distribution operating accounts, including Accounts 519, Coolants and Water, 524, Miscellaneous Nuclear Power Expenses, and 583, Overhead Line Expenses. The costs should have been charged to Account 426.5, Other Deductions, consistent with the instructions of the account. Account 426.5 provides for recording expenses that are nonoperating in nature, and are properly deductible before determining total income before interest charges.

Further, audit staff also found that Duke Companies improperly charged about \$39,000 in costs related to donations and charitable contributions to above-the-line operating accounts rather than Account 426.1, Donations, as required. Account 426.1 provides for reporting payments or donations for charitable, social, or community welfare purposes. The sampled invoices that audit staff reviewed included expenditures for charity-related activities that were improperly charged to operating accounts.

Because audit staff's review involved a select, small sample of transactions out of a larger population of transactions that involved expenses charged to Accounts 920, 923, and 926, audit staff believes that review of a larger number of transactions charged to these accounts may have revealed additional accounting errors that could have resulted in inappropriate charges to wholesale power and transmission formula rate customers. Duke Companies represented that they performed an analysis of all charges to the 900 series expense accounts for April 2014 through December 2014, and estimated that they incorrectly accounted for approximately \$490,000 of costs in the accounts in 2014. These errors are the result of Duke Companies' lack of documented policies and insufficient training of employees on Commission requirements pertaining to accounting for nonoperating expenses. Employees with responsibility for recording expenses of this nature should have knowledge of the importance of appropriate accounting and the impact of improper accounting on rates charged through transmission formula rates.

## Recommendations

We recommend Duke Companies:

- 31. Develop and implement written policies, procedures, and controls to ensure proper accounting and reporting of nonutility expenses.
- 32. Provide training for employees involved in the invoicing process on Commission accounting requirements and the impact of the accounting on cost-of-service rate determinations.

- 33. Within 60 days of receiving the final audit report, provide documentation supporting the analysis performed of invoiced expenses recorded to A&G accounts in 2014 that identified misclassified nonutility expenses included in A&G accounts. Develop an estimate of misclassified nonutility expenses accounted for in operating accounts in 2011 through 2013 and 2015.
- 34. Implement policies and procedures to provide periodic audits or reviews of A&G transactions by external or internal auditors.
- 35. Submit a refund analysis, within 60 days of receiving the final audit report, for review to DAA that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the improper inclusion of identified and estimated nonutility expenses in charges to wholesale power and transmission customers during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made. Include the results of the invoice analysis in the refund analysis.
- 36. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.
- 37. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

# Appendix: Duke Energy's Comments on Audit Report



KyPSC Case No. 2024-00354 Brian D. SeVay16(7)(i) Attachment Senior Vice President, Chiel According 69 Officer and Controller

Duke Energy Corporation 550 South Tryon Street / DEC44A Charlotte, NC 28202

704 382 6242

brian savoy2@duke-energy.com

March 30, 2016

Mr. Bryan K. Craig Director and Chief Accountant Division of Audits and Accounting Office of Enforcement Federal Energy Regulatory Commission 888 First Street NE, Room 5K-13 Washington, DC 20426

## RE: Office of Enforcement Docket No. PA14-2-000 Duke Energy Corporation

Dear Mr. Craig:

On February 19, 2016, the Division of Audits and Accounting ("DAA") within the Office of Enforcement of the Federal Energy Regulatory Commission (the "Commission") issued a draft audit report setting forth the DAA's findings and recommendations resulting from the audit of Duke Energy Corporation ("Duke Energy") and its public utility subsidiaries' compliance with (1) conditions in Commission merger authorization orders, (2) transmission formula rate tariff requirements, and (3) accounting and financial reporting regulations. After several constructive discussions between DAA staff and Duke Energy, the draft audit report was revised several times. DAA staff sent the latest revision to Duke Energy dated March 29, 2016. Duke Energy is responding to the March 29 revision.

#### SUMMARY

In the draft audit report as revised, the DAA made eight findings and 37 associated recommendations. In sum, Duke Energy accepts five of the eight findings and all associated recommendations. Duke Energy respectfully disagrees with, but will not contest, two of the eight findings (findings 2 and 3) and agrees to comply with all associated recommendations. Duke Energy disagrees with a portion of, but will not contest under 18 CFR Part 41, one of the eight findings (finding 5) and all recommendations as they apply to the portion with which it disagrees, and accepts in part finding 5 and all recommendations as they apply to the accepted portion.

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#### **RESPONSE TO FINDINGS**

In accordance with the procedures set forth in 18 C.F.R. 41.1, Duke Energy responds to each of the findings as follows:

• Finding 1. Accounting for Merger Transaction Costs – Duke Companies did not file merger transaction accounting entries with the Commission as required by the Merger Order, and the companies recorded merger transaction costs in operating accounts, contrary to the Commission's long-standing policy that such costs be recorded in nonoperating accounts. By not filing the accounting entries, Duke Companies prevented Commission review of the merger accounting and correction of any entries that were not in accordance with Commission accounting requirements.

Response: Duke Energy accepts this finding.

• Finding 2. Merger Transaction Internal Labor Costs – Duke Companies improperly included approximately \$31.4 million of merger transaction internal labor costs in wholesale power and transmission formula rate service cost determinations without first submitting a section 205 filing demonstrating that the costs were offset by quantified savings produced by the merger. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated an estimated \$17.5 million.

*Response*: Duke Energy respectfully disagrees with this finding, but will not contest it. For the purpose of establishing a complete record, Duke Energy explains its position as follows.

Duke Energy acknowledges its obligation to hold transmission and wholesale power customers harmless for five years from costs related to the merger of Duke Energy and Progress Energy, Inc. (the "Merger").

Between the time of the Commission's Merger Order issued on September 30, 2011 and the closing of the Merger on July 2, 2012, Duke Energy determined that its hold harmless commitment is intended to apply to costs caused by the Merger ("Incremental Costs") and not to costs that would have been incurred even in the absence of the Merger ("Non-Incremental Costs"). No Commission orders squarely addressed this issue, and it seemed to be inherent in the nature of a *hold harmless* commitment that it would protect customers only from costs that they would not have incurred otherwise.

On the basis of this logic, Duke Energy did not treat as transaction-related costs any portion of the regular compensation that employees would have received in the absence of the Merger even if the employees spent some of their time working on transaction-related activities. The company would have paid those same salaries to the employees with or without the Merger. Thus the

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regular compensation of employees was viewed as Non-Incremental Costs. On the other hand, Duke Energy did treat as transaction-related costs any compensation paid to employees that would *not* have been incurred but for the Merger. For example, this included any bonuses paid to employees in recognition of the extended hours many employees worked to fulfill their regular duties and to work on merger activities. It also included temporary employees and contractors hired to backfill for work that could not be absorbed in this manner. These costs were viewed as Incremental Costs and accordingly were excluded from FERC-jurisdictional rates.

Treatment of internal labor costs in the context of a hold harmless obligation was certainly not a settled issue in early 2012 or even today. This uncertainty was reflected in the Commission's notice of proposed *Policy Statement on Hold Harmless Commitments* issued January 22, 2015 in Docket No. PL15-3. In this notice of proposed policy statement issued two and a half years after the closing of the Merger, the Commission states as follows:

"...we propose to clarify those costs to which hold harmless commitments will apply. Although the Commission has provided broad guidance regarding the costs that should be covered under hold harmless commitments, it has never defined those costs with much specificity, leading to inconsistency with respect to this issue."<sup>1</sup>

The Commission proposed to clarify that internal labor costs should be treated as transactionrelated costs and stated as follows:

"If the duties of employees are not solely dedicated to activities related to a transaction, internal labor costs deemed merger-related should be determined in a manner that is proportionally equal to the amount of time spent on the merger compared to other activities of the utility and tracked accordingly."<sup>2</sup>

While this *proposal* is clear on this issue, it is worth repeating that it was issued two and a half years after the Merger closed. It is also important to note that it is just a proposal at this time because the final policy statement has not been issued. In addition, some commenters specifically disagreed with this point.<sup>3</sup> Finally, the Commission stated in the notice of proposed policy statement that it would have prospective effect only.<sup>4</sup>

Notwithstanding Duke Energy's belief that its failure to exclude from rates Non-Incremental internal labor costs was not a violation of any settled policy and in fact was based on the most reasonable interpretation of its hold harmless commitment, Duke Energy will not expend the resources necessary to contest this issue and will comply with all associated recommendations in the audit report. Duke Energy reserves all rights in the event that the Commission issues an order

<sup>&</sup>lt;sup>1</sup> Paragraph 16 of the notice of proposed policy statement,

<sup>&</sup>lt;sup>2</sup> Footnote 41 of the notice of proposed policy statement.

<sup>&</sup>lt;sup>3</sup> See the comments of Edison Electric Institute filed on March 30, 2015 at p. 15-16.

<sup>&</sup>lt;sup>4</sup> Paragraph 20 of the notice of proposed policy statement.

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in the proposed policy statement proceeding or any other proceeding that is not consistent with Finding 2.

Duke Energy estimates that the total refunds that will be due to transmission and wholesale power customers arising from this finding will be approximately \$1.2 million plus interest.

 Finding 3. Merger Transaction Outside Services and Related Costs – Duke Companies incorrectly included \$1.5 million of merger transaction outside services and related costs in wholesale power and transmission formula rate service cost determinations without first submitting a section 205 filing demonstrating the costs were offset by quantified savings produced by the merger. In addition, the companies recorded the merger transaction costs in operating accounts, contrary to the Commission's long-standing policy that such costs be recorded in nonoperating accounts. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated an estimated \$745,000.

*Response*: Duke Energy respectfully disagrees with this finding, but will not contest it. For the purpose of establishing a complete record, Duke Energy explains its position as follows.

The costs which are the subject of this finding are costs incurred in 2010 to investigate, agree to, and perform preliminary due diligence regarding, the Merger prior to the announcement of the Merger. Duke Energy made the determination that its hold harmless commitment was not intended to include such costs incurred during the formative stage of a potential transaction before it was clear that the company would even pursue the transaction. Like most utility holding companies, Duke Energy has a corporate development group that regularly investigates and reviews potential transactions as part of its routine operations. Only a very small percentage of potential transactions reviewed are ever consummated. In order to comply with a hold harmless commitment as interpreted in this Finding 3 for a transaction that is eventually consummated, the company would have to track all its costs for each and every potential transaction it reviews even though the vast majority will never be consummated. This would be unwieldy and wasteful. Because these potential transactions often will benefit customers, discouraging investigation of them is not in the best interests of customers.

Treatment of such investigation costs incurred prior to the announcement of a transaction in the context of a hold harmless obligation was certainly not a settled issue in early 2012 or even today. This uncertainty was reflected in the Commission's notice of proposed *Policy Statement* on Hold Harmless Commitments discussed in Duke Energy's response to Finding 2 above.

In the notice of proposed policy statement, the Commission proposed to clarify that such investigation costs would be subject to the hold harmless commitment.<sup>5</sup>

<sup>&</sup>lt;sup>5</sup> Paragraph 22 of the notice of proposed policy statement.

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As in Duke Energy's response to Finding 2 above, we will point out again that the notice of proposed policy statement was issued two and a half years after the Merger closed, and is just a proposal at this time because the final policy statement has not been issued. In addition, some commenters specifically disagreed with this point.<sup>6</sup>

Notwithstanding Duke Energy's belief that its failure to exclude pre-announcement costs that are the subject of Finding 3 was not a violation of any settled policy, Duke Energy will not expend the resources necessary to contest this issue and will comply with all associated recommendations in the audit report.

Duke Energy estimates that the total refunds that will be due to transmission and wholesale power customers arising from this finding will be approximately \$60,000 plus interest.

• Finding 4. Use of the Consolidation Method of Accounting – DEC and DEP accounted for investments in subsidiaries on a consolidated basis in their FERC Form No. 1, Annual Reports (Form No. 1), contrary to the Commission's long-standing accounting policy.

Response: Duke Energy accepts this finding.

• Finding 5. Accounting for Sales of Accounts Receivable – DEC, DEP, and DEF misclassified an estimated \$94.7 million of nonoperating expenses and receivables arising from transactions with their subsidiaries during the audit period. As a result, the wholesale power and transmission customers' revenue requirements were inappropriately overstated by an estimated \$61 million.

Response: Duke Energy disagrees with the portion of this finding that concerns accounting for losses on the sale of receivables. However, Duke Energy will not contest this finding under 18 CFR Part 41 because the portion of this finding that relates to accounting for losses on the sale of receivables, including recommendations 17 and 18, will be held in abeyance and will be subject to the outcome of Duke Energy's request for rehearing in Docket No. AC15-174-001 pursuant to the draft audit report.

• Finding 6. Accounting for Lobbying Expenses: Duke Companies recorded approximately \$2.4 million of lobbying expenses in above-the-line operating accounts from 2011 through 2013. As a consequence, Duke Companies improperly included these costs in wholesale power and transmission formula rate service cost determinations.

Response: Duke Energy accepts this finding.

<sup>&</sup>lt;sup>6</sup> See the comments of Edison Electric Institute filed March 30, 2015 at p. 14-15.

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• Finding 7. Allocation of Lobbyist Labor Costs: Duke Companies accounted for the labor costs of internal lobbyists and their support staff in operating accounts that lacked support for inclusion in the accounts. Improper accounting for the costs can lead to inappropriate recovery of the costs through rates charged and billed to customers.

Response: Duke Energy accepts this finding.

• Finding 8. Nonutility Expenses in Operating Accounts: Duke Companies recorded approximately \$490,000 of nonutility expenses in operating accounts in 2014. As a result, inappropriate costs were included in wholesale power and transmission formula rate service cost determinations and charged to customers.

Response: Duke Energy accepts this finding.

## **RESPONSE TO RECOMMENDATIONS**

Duke Energy will comply with all recommendations except as otherwise stated below. As requested, Duke Energy proposes target completion dates below for each recommendation wherever the recommendation does not specify the completion date.

## Accounting for Merger Transaction Costs

1. Revise accounting policies and procedures to appropriately account for merger transactions consistent with Commission accounting requirements.

## Target Completion Date: September 30, 2016

2. Develop written policies and procedures to timely identify proposed accounting transactions that would trigger a notification to the Commission.

## Target Completion Date: September 30, 2016

3. Develop written policies and procedures to submit accounting questions of doubtful interpretation to the Commission.

## Target Completion Date: September 30, 2016

4. Provide training to employees on compliance with the merger cost accounting conditions and the revised policies, procedures, and controls for complying with the conditions. Also, develop a training program that supports the provision of periodic training in this area.

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Target Completion Date: December 31, 2016

## Merger Transaction Internal Labor Costs

If the Commission issues a policy statement on hold harmless commitments and such policy statement is inconsistent with Finding 2 or Finding 3, then Duke Energy reserves the right to seek relief from compliance with any of recommendations 5 - 12 as appropriate.

5. Revise all policies and procedures for tracking, accounting, and excluding merger transaction costs from wholesale power and transmission formula rates, including amounts previously charged to utility plant, accumulated deferred income taxes, construction work in progress with the associated capitalized cost of funds used during construction (AFUDC), and maintenance and operating expense accounts, and future charges to such accounts for any transaction to which a FERC hold harmless obligation applies. The revised procedures should hold customers harmless from all merger transaction costs consistent with requirements of the Merger Order. Among other things, the revised policies and procedures should include an annual review of each subsidiary's merger transaction cost adjustments as well as periodic evaluations within the year, as needed and appropriate.

## Target Completion Date: September 30, 2016

- 6. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the inclusion of merger transaction internal labor and related costs in wholesale power and transmission formula rates during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.
- 7. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

 Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

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## Merger Transaction Outside Services and Related Costs

9. Revise accounting policies and procedures to appropriately account for merger transaction costs consistent with Commission accounting requirements.

## Target Completion Date: September 30, 2016

- Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the inclusion of merger transaction outside services and related costs in wholesale power and transmission formula rate charges during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.
- 11. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

#### Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

12. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

## Use of the Consolidation Method of Accounting

13. Review and, as needed, revise accounting policies, practices, and procedures to ensure that investments in subsidiaries are accounted for consistent with the Commission's equity method accounting requirements.

*Response and Target Completion Date*: Duke Energy will comply with this recommendation, but notes that the Commission has granted to DEC, DEP, and DEF a waiver from the requirement to use the equity method as discussed above. Target Completion date is 60 days after receiving the final audit report.

14. Evaluate the accounting applied to Duke Companies' existing subsidiaries and notify DAA of any areas of noncompliance with Commission accounting requirements.

Target Completion Date: 60 days after receiving the final audit report.

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> 15. Revise documented policies, procedures and processes to ensure timely notice is provided to relevant regulators regarding instances of noncompliance with regulations, rules, and orders.

#### Target Completion Date: September 30, 2016

16. Provide training to staff on procedures, practices, and available tools to transparently or anonymously report instances of noncompliance to senior management, the Board of Directors, and relevant regulators.

Target Completion Date: December 31, 2016

## Accounting for Sales of Accounts Receivable

17. Revise procedures to ensure that all costs, revenues, and account balances associated with the sale of accounts receivable are accounted for in accordance with Commission accounting regulations. Among other things, the corrected accounting should ensure that all discounts, fees, and revenues associated with receivable sales are recorded in Account 426.5, and that the cost of performing collection services on behalf of the subsidiaries, including employee labor, expenses, and an appropriate allocation of overhead and utility plant, are recorded in Account 426.5.

Response and Target Completion Date: In accordance with the draft audit report, the portions of this recommendation that relate to accounting for losses on the sale of receivables are held in abeyance and subject to the outcome of the rehearing request and any subsequent petitions for review proceedings. The target completion date for portions that do *not* relate to accounting for losses on the sale of receivables is 60 days after receiving the final audit report.

18. Provide the revised procedures to DAA for review within 60 days of receiving the final audit report.

*Response and Target Completion Date*: In accordance with the audit report, the portions of this recommendation that relate to accounting for losses on the sale of receivables are held in abeyance and subject to the outcome of the rehearing request and any subsequent petitions for review proceedings.

19. Recalculate charges to wholesale power and transmission customers of DEC, DEP, and DEF and submit the recalculations in a refund analysis to DAA for review within 60 days of receiving the final audit report. The refund analysis should explain and detail the: (1) return of collection service billings charged in 2014; (2) return of losses on the sales included in rates; (3) determinative components of the refund; (4) refund method; (5) period(s) refunds will be made; and (6) interest calculated in accordance with section 35.19 of Commission regulations.

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20. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

21. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

#### Accounting for Lobbying Expenses

22. Establish and implement written procedures governing the methods used to account for, track, report, and review lobbying costs incurred.

*Response*: Duke Energy has completed this action. Duke Energy will update its procedures upon completion of the labor time study referenced in recommendation 28.

23. Provide training on Commission accounting requirements and the impact of accounting on cost-of-service rate determinations to employees involved in lobbying and lobbying-related work, and those with oversight responsibility for lobbying cost allocations. Also, develop a training program that supports the provision of periodic training in this area.

*Response*: Duke Energy has completed this action. Duke Energy will update its procedures upon completion of the labor time study referenced in recommendation 28.

- 24. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the improper inclusion of lobbying cost in operating accounts during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made.
- 25. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

26. Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

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Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

## Allocation of Lobbyist Labor Costs

27. Revise written policies and procedures to create a process to document and verify appropriate allocation of lobbying and lobbying-related costs, and maintain auditable support for the cost included in rate determinations.

*Response*: Duke Energy has completed this action. Duke Energy will update its procedures upon completion of the labor time study referenced in recommendation 28.

- 28. Retain an independent third-party entity to conduct a representative labor time study to determine an appropriate allocation of internal lobbyist labor, support staff, and associated costs that should be accounted for in operating and nonoperating accounts based on time spent by employees engaged in the activities. Provide the study results to audit staff within 180 days of the date of the final audit report.
- 29. Include the results of the labor time study in the determination of lobbying-related labor cost allocations as of January 1, 2016.

Target Completion Date: 180 days after the date of the final audit report

30. Implement policies and procedures to perform a labor time study biennially using an independent third-party or internal company resources that are able to attest to the results of the study. Revise the lobbying-related labor cost allocations based on the results of the study.

Target Completion Date: 180 days after the date of the final audit report

#### Nonutility Expenses in Operating Accounts

31. Develop and implement written policies, procedures, and controls to ensure proper accounting and reporting of nonutility expenses.

Response: Duke Energy has completed this action.

32. Provide training for employees involved in the invoicing process on Commission accounting requirements and the impact of the accounting on cost-of-service rate determinations.

Response: Duke Energy has completed this action.

Mr. Brian K. Craig March 30, 2016 Page 12 of 12

- 33. Within 60 days of receiving the final audit report, provide documentation supporting the analysis performed of invoiced expenses recorded to administrative and general (A&G) accounts in 2014 that identified misclassified nonutility expenses included in A&G accounts. Develop an estimate of misclassified nonutility expenses accounted for in operating accounts in 2011 through 2013 and 2015.
- 34. Implement policies and procedures to provide periodic audits or reviews of A&G transactions by external or internal auditors.

Target Completion Date: 60 days after the date of the final audit report

- 35. Submit a refund analysis, within 60 days of receiving the final audit report, to DAA for review that explains and details the following: (1) calculation of refunds that include the amount of inappropriate recoveries that resulted from the improper inclusion of identified and estimated nonutility expenses in charges to wholesale power and transmission customers during the audit period, plus interest on the costs; (2) determinative components of the refund; (3) refund method; and (4) period(s) refunds will be made. Include the results of the invoice analysis in the refund analysis.
- 36. File a refund report with the Commission after receiving DAA's assessment of the refund analysis.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

 Refund amounts disclosed in the refund report to wholesale power and transmission customers, with interest calculated in accordance with section 35.19a of Commission regulations.

Target Completion Date: 45 days after receiving DAA's assessment of the refund analysis

Duke Energy acknowledges and appreciates the professionalism and the courtesy with which DAA staff conducted this audit.

Sincerely,

Brinn D Savoy by Paul King

Brian D. Savoy Senior Vice President, Chief Accounting Officer and Controller

## DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(7)(j)

## 807 KAR 5:001, SECTION 16(7)(j)

## **Description of Filing Requirement:**

Prospectuses of the most recent stock or bond offerings.

## **Response:**

See attached.

## Witness Responsible:

Thomas J. Heath, Jr.

Execution Version

#### DUKE ENERGY KENTUCKY, INC.

(FORMERLY NAMED "THE UNION LIGHT, HEAT AND POWER COMPANY")

AND

## DEUTSCHE BANK TRUST COMPANY AMERICAS,

#### AS TRUSTEE

## NINTH SUPPLEMENTAL INDENTURE

## DATED AS OF JUNE 15, 2024

## TO

## INDENTURE

## **DATED AS OF DECEMBER 1, 2004**

Authorizing

5.90% Debentures due 2031 6.00% Debentures due 2034 6.17% Debentures due 2039

and Otherwise Amending and Supplementing the Indenture

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THIS NINTH SUPPLEMENTAL INDENTURE, dated as of June 15, 2024 (the "Ninth Supplemental Indenture") is between Duke Energy Kentucky, Inc. (formerly named The Union Light, Heat and Power Company), a corporation duly organized and existing under the laws of the Commonwealth of Kentucky (the "Company"), having its principal office at 139 East Fourth Street, Cincinnati, Ohio 45202, and Deutsche Bank Trust Company Americas, as Trustee (the "Trustee") under the Indenture, dated as of December 1, 2004, between the Company and the Trustee, as heretofore supplemented and as supplemented by this Ninth Supplemental Indenture (the "Indenture").

#### **RECITALS OF THE COMPANY**

The Company has executed and delivered the Indenture to the Trustee to provide for the issuance from time to time of its unsecured debentures, notes or other evidences of indebtedness (the "Securities"), to be issued in one or more series as provided in the Indenture.

Pursuant to the terms of the Indenture, the Company desires to provide for the establishment of three new series of its Securities to be known as its (a) 5.90% Debentures due 2031 (the "2031 Debentures"), (b) 6.00% Debentures due 2034 (the "2034 Debentures") and (c) 6.17% Debentures due 2039 (the "2039 Debentures", collectively, the "Debentures"), in this Supplemental Indenture.

All things necessary to make this Supplemental Indenture a valid agreement of the Company have been done.

# NOW, THEREFORE, THIS NINTH SUPPLEMENTAL INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Debentures by the Purchasers and the Holders thereof, it is mutually agreed, for the equal and proportionate benefit of all Holders of the Debentures, as follows:

[THE REMAINDER OF THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY.]

#### ARTICLE ONE.

#### DEFINITIONS

#### SECTION 101. DEFINITIONS.

(a) In addition to the words and terms defined elsewhere in this Ninth Supplemental Indenture, the following defined term used herein shall, unless the context otherwise requires, have the meaning specified below.

"2031 Debentures" is defined in Section 201.

"2034 Debentures" is defined in Section 201.

"2039 Debentures" is defined in Section 201.

"Affiliate" means, at any time, and with respect to any Person, any other Person that at such time directly or indirectly through one or more intermediaries Controls, or is Controlled by, or is under common Control with, such first Person. As used in this definition, "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise. Unless the context otherwise clearly requires, any reference to an "Affiliate" is a reference to an Affiliate of the Company.

"Basket Lien" is defined in Section 610(c).

"Below Investment Grade Adjusted Interest Rate" is defined in Section 204(e)(4).

"Below Investment Grade Event" is defined in Section 204(e)(4).

"Blocked Person" means (a) a Person whose name appears on the list of Specially Designated Nationals and Blocked Persons published by OFAC, (b) a Person, entity, organization, country or regime that is blocked or a target of sanctions that have been imposed under U.S. Economic Sanctions Laws or (c) a Person that is an agent, department or instrumentality of, or is otherwise beneficially owned by, controlled by or acting on behalf of, directly or indirectly, any Person, entity, organization, country or regime described in clause (a) or (b).

"Business Day" means any day other than a Saturday or Sunday or a day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close.

"Capital Lease" means, at any time, a lease with respect to which the lessee is required concurrently to recognize the acquisition of an asset and the incurrence of a liability in accordance with GAAP.

"Code" means the Internal Revenue Code of 1986, as amended from time to time, and the rules and regulations promulgated thereunder from time to time. "Consolidated Capitalization" means the sum, without duplication, of (i) Consolidated Indebtedness, (ii) consolidated common equityholders' equity as would appear on a consolidated balance sheet of the Company and its Consolidated Subsidiaries prepared in accordance with generally accepted accounting principles, (iii) the aggregate liquidation preference of preferred or priority equity interests (other than preferred or priority equity interests subject to mandatory redemption or repurchase) of the Company and its Consolidated Subsidiaries upon involuntary liquidation, (iv) the aggregate outstanding amount of all Equity Preferred Securities of the Company and (v) minority interests as would appear on a consolidated balance sheet of the Company and its Consolidated Subsidiaries prepared in accordance with generally accepted accounting principles.

"Consolidated Indebtedness" means, at any date, all Indebtedness of the Company and its Consolidated Subsidiaries determined on a consolidated basis in accordance with generally accepted accounting principles; *provided* that Consolidated Indebtedness shall exclude, to the extent otherwise reflected therein, Equity Preferred Securities of the Company and its Consolidated Subsidiaries up to a maximum excluded amount equal to 15% of Consolidated Capitalization.

"Consolidated Subsidiary" means, for any Person, at any date any Subsidiary or other entity the accounts of which would be consolidated with those of such Person in its consolidated financial statements prepared in accordance with generally accepted accounting principles if such statements were prepared as of such date.

"Debt Rating" means the debt rating of the Debentures as determined from time to time by any NRSRO.

"Default" means an event or condition the occurrence or existence of which would, with the lapse of time or the giving of notice or both, become an Event of Default.

"Default Rate" means a rate per annum from time to time equal to the lesser of (i) the maximum rate permitted by applicable law, and (ii) 2.00% per annum above the rate of interest stated on the face of the applicable Debentures.

"EDGAR" means the SEC's Electronic Data Gathering, Analysis and Retrieval System or any successor SEC electronic filing system for such purposes.

"Environmental Laws" means any and all federal, state, local, and foreign statutes, laws, regulations, ordinances, rules, judgments, orders, decrees, permits, concessions, grants, franchises, licenses, agreements or governmental restrictions relating to pollution and the protection of the environment or the release of any materials into the environment, including but not limited to those related to Hazardous Materials.

"Equity Preferred Securities" means, with respect to the Company, any trust preferred securities or deferrable interest subordinated debt securities issued by the Company or any Subsidiary or other financing vehicle of the Company that (i) have an original maturity of at least twenty years and (ii) require no repayments or prepayments and no mandatory redemptions or repurchases, in each case, prior to the first anniversary of July 15, 2039.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

"ERISA Affiliate" means any trade or business (whether or not incorporated) that is treated as a single employer together with the Company under section 414 of the Code.

"GAAP" means generally accepted accounting principles as in effect from time to time in the United States of America.

"Governmental Authority" means

(a) the government of

(i) the United States of America or any state or other political subdivision thereof, or

(ii) any other jurisdiction in which the Company or any Subsidiary conducts all or any part of its business, or which asserts jurisdiction over any properties of the Company or any Subsidiary, or

(b) any entity exercising executive, legislative, judicial, regulatory or administrative functions of, or pertaining to, any such government.

"Guaranty" means, with respect to any Person, any obligation (except the endorsement in the ordinary course of business of negotiable instruments for deposit or collection) of such Person guaranteeing or in effect guaranteeing any indebtedness, dividend or other obligation of any other Person in any manner, whether directly or indirectly, including (without limitation) obligations incurred through an agreement, contingent or otherwise, by such Person:

(a) to purchase such indebtedness or obligation or any property constituting security therefor;

(b) to advance or supply funds (i) for the purchase or payment of such indebtedness or obligation, or (ii) to maintain any working capital or other balance sheet condition or any income statement condition of any other Person or otherwise to advance or make available funds for the purchase or payment of such indebtedness or obligation;

(c) to lease properties or to purchase properties or services primarily for the purpose of assuring the owner of such indebtedness or obligation of the ability of any other Person to make payment of the indebtedness or obligation; or

(d) otherwise to assure the owner of such indebtedness or obligation against loss in respect thereof.

In any computation of the indebtedness or other liabilities of the obligor under any Guaranty, the indebtedness or other obligations that are the subject of such Guaranty shall be assumed to be direct obligations of such obligor.

"Hazardous Materials" means any and all pollutants, toxic or hazardous wastes or other substances that might pose a hazard to health and safety, the removal of which may be required or the generation, manufacture, refining, production, processing, treatment, storage, handling, transportation, transfer, use, disposal, release, discharge, spillage, seepage or filtration of which is or shall be restricted, prohibited or penalized by any applicable law including, but not limited to, asbestos, urca formaldehyde foam insulation, polychlorinated biphenyls, petroleum, petroleum products, lead based paint, radon gas or similar restricted, prohibited or penalized substances.

"Indebtedness" of any Person means at any date, without duplication,

(i) all obligations of such Person for borrowed money,

(ii) all indebtedness of such Person for the deferred purchase price of property or services purchased (excluding current accounts payable incurred in the ordinary course of business),

(iii) all indebtedness created or arising under any conditional sale or other title retention agreement with respect to property acquired,

(iv) all indebtedness under leases which shall have been or should be, in accordance with generally accepted accounting principles, recorded as capital leases in respect of which such Person is liable as lessee,

(v) the face amount of all outstanding letters of credit issued for the account of such Person (other than letters of credit relating to indebtedness included in Indebtedness of such Person pursuant to another clause of this definition) and, without duplication, the unreimbursed amount of all drafts drawn thereunder,

(vi) indebtedness secured by any Lien on property or assets of such Person, whether or not assumed (but in any event not exceeding the fair market value of the property or asset),

(vii) all direct guarantees of Indebtedness referred to above of another Person,

(viii) all amounts payable in connection with mandatory redemptions or repurchases of preferred stock or member interests or other preferred or priority equity interests and

(ix) any obligations of such Person (in the nature of principal or interest) in respect of acceptances or similar obligations issued or created for the account of such Person.

"Institutional Investor" means (a) any Purchaser of a Debenture, (b) any Holder of a Debenture holding (together with one or more of its affiliates) more than 5% of the aggregate principal amount of the Debentures then outstanding, (c) any bank, trust company, savings and loan association or other financial institution, any pension plan, any investment company, any insurance company, any broker or dealer, or any other similar financial institution or entity, regardless of legal form, and (d) any Related Fund of any Holder of any Debenture.

"Interest Payment Date" is defined for each series of Debentures in section 204(a), (b) and (c), respectively.

"Investment Grade" is defined in Section 204(e)(4).

"Investment Grade Adjusted Interest Rate" is defined in Section 204(e)(4).

"Investment Grade Event" is defined in Section 204(e)(4).

"lien" means, with respect to any Person, any mortgage, lien, pledge, charge, security interest or other encumbrance, or any interest or title of any vendor, lessor, lender or other secured party to or of such Person under any conditional sale or other title retention agreement or Capital Lease, upon or with respect to any property or asset of such Person (including in the case of stock, stockholder agreements, voting trust agreements and all similar arrangements).

"Make-Whole Amount" shall have the meaning set forth in Section 208(b) hereof.

"Material" means material in relation to the business, operations, affairs, financial condition, assets or properties of the Company and its Subsidiaries taken as a whole.

"Material Adverse Effect" means a material adverse effect on (a) the business, operations, affairs, financial condition, assets or properties of the Company and its Subsidiaries taken as a whole, (b) the ability of the Company to perform its obligations under this Agreement, the Indenture and the Debentures, (c) the ability of any Subsidiary Guarantor to perform its obligations under its Subsidiary Guaranty, or (d) the validity or enforceability of this Agreement, the Indenture or the Debentures.

"Material Credit Facility" means, as to the Company and its Subsidiaries:

(a) the Amended and Restated Credit Agreement dated as of March 18, 2022 (as anended by Amendment No. 1 and Consent dated as of March 17, 2023) (among Duke Energy Corporation, the Company, *et al.* and Wells Fargo Bank, National Association, as Administrative Agent, including any renewals, extensions, amendments, supplements, restatements, replacements or refinancing thereof (the "Existing Credit Facility"); and

(b) any other agreement(s) creating or evidencing indebtedness for borrowed money entered into on or after the date hereof by the Company or any Subsidiary, or in respect of which the Company or any Subsidiary is an obligor or otherwise provides a guarantee or other credit support ("Credit Facility"), in a principal amount outstanding or available for borrowing equal to or greater than \$125,000,000 (or the equivalent of such amount in the relevant currency of payment, determined as of the date of the closing of such facility based on the exchange rate of such other currency);

*provided, however*, if neither the Existing Credit Facility nor a Credit Facility that equals or exceeds the amount set forth in clause (b) of this definition is in effect, then the largest Credit Facility shall be deemed to be a Material Credit Facility.

"MFL Change of Control" means any provision, including those which are expressed as "events of default", "review events" or mandatory offer or prepayment provisions, that triggers events, rights or obligations based upon the direct or indirect acquisition of, or change in, ownership of the outstanding shares of common stock of the Company, a change in the majority of the members of the board of directors of the Company or equivalent governing body, or similar provisions relating to the control and management of the Company.

"Moody's" means Moody's Investors Service, Inc. and its successors.

"Multiemployer Plan" means any Plan that is a "multiemployer plan" (as such term is defined in section 4001(a)(3) of ERISA).

"NRSRO" means Moody's and S&P, so long as, in each case, any such credit rating agency continues to be a nationally recognized statistical rating organization recognized by the SEC and is approved as a "Credit Rating Provider" (or other similar designation) by the NAIC.

"OFAC" means the Office of Foreign Assets Control, United States Department of the Treasury.

"OFAC Listed Person" means a Person whose name appears on the list of Specially Designated Nationals and Blocked Persons published by OFAC.

"OFAC Sanctions Program" means any economic or trade sanction that OFAC is responsible for administering and enforcing. A list of OFAC Sanctions Programs may be found at <u>http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx</u>.

"Officer's Certificate" means a certificate of a Senior Financial Officer or of any other officer of the Company whose responsibilities extend to the subject matter of such certificate.

"PBGC" means the Pension Benefit Guaranty Corporation referred to and defined in ERISA or any successor thereto.

"Person" means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization, business entity or Governmental Authority.

"Plan" means an "employee benefit plan" (as defined in section 3(3) of ERISA) subject to Title I of ERISA that is or, within the preceding five years, has been established or maintained, or to which contributions are or, within the preceding five years, have been made or required to be made, by the Company or any ERISA Affiliate or with respect to which the Company or any ERISA Affiliate may have any liability.

"Preferred Stock" means any class of capital stock of a Person that is preferred over any other class of capital stock (or similar equity interests) of such Person as to the payment of dividends or the payment of any amount upon liquidation or dissolution of such Person.

"Private Placement" means a debt securities issuance by the Company to institutional investors pursuant to Section 4(a)(2) under the Securities Act and exempt from the registration requirements under the Securities Act. For the avoidance of doubt, the term "Private Placement"

shall not include offerings of debt securities in reliance upon Rule 144A or Regulation S of the Securities Act.

"Private Rating Letter" means a letter issued by an NRSRO in connection with any private debt rating for the Debentures, which (a) sets forth the Debt Rating for the Debentures, (b) refers to the Private Placement Number issued by PPN CUSIP Unit of CUSIP Global Services (in cooperation with the SVO)in respect of the Debentures, (c) addresses the likelihood of payment of both principal and interest on the Debentures (which requirement shall be deemed satisfied if either (x) such letter includes confirmation that the rating reflects the NRSRO's assessment of the Company's ability to make timely payment of principal and interest on the Debentures or a similar statement or (y) such letter is silent as to the NRSRO's assessment of the likelihood of payment of both principal and interest and does not include any indication to the contrary), (d) includes such other information describing the relevant terms of the Debentures as may be required from time to time by the SVO or any other regulatory authority having jurisdiction over any holder of any Debentures, and (e) shall not be subject to confidentiality provisions which would prevent it from being shared with the SVO or any other regulatory authority having jurisdiction over any holder of any Debentures.

"Private Rating Rationale Report" means, with respect to any Private Rating Letter, a report issued by the NRSRO in connection with such Private Rating Letter setting forth an analytical review of the Debentures explaining the transaction structure, methodology relied upon, and, as appropriate, analysis of the credit, legal, and operational risks and mitigants supporting the assigned Private Rating for the Debentures, in each case, on the letterhead of the NRSRO or its controlled website and generally consistent with the work product that an NRSRO would produce for a similar publicly rated security and otherwise in form and substance generally required by the SVO or any other regulatory authority having jurisdiction over any holder of any Debentures from time to time.

"property" or "properties" means, unless otherwise specifically limited, real or personal property of any kind, tangible or intangible, choate or inchoate.

"Purchase Agreement" means that certain Debenture Purchase Agreement dated June 28, 2024 among the Company and the Purchasers named therein, whereby the Debentures were or will be issued and sold, including all schedules attached thereto, as it may be amended, restated, supplemented or otherwise modified from time to time.

"Purchaser" or "Purchasers" means each of the purchasers that has executed and delivered the Purchase Agreement to the Company and such Purchaser's successors and assigns (so long as any such assignment complies with the terms hereof), *provided*, *however*, that any Purchaser of a Debenture that ceases to be the Holder thereof or a beneficial owner (through a nominee) of such Debenture as the result of a transfer thereof shall cease to be included within the meaning of "Purchaser" of such Debenture for the purposes hereof upon such transfer.

"Related Fund" means, with respect to any Holder of any Debenture, any fund or entity that (i) invests in Securities or bank loans, and (ii) is advised or managed by such Holder, the same investment advisor as such Holder or by an affiliate of such Holder or such investment advisor. "Required Holders" means the Holders of more than 50% in principal amount of the Debentures at the time outstanding (exclusive of Debentures then owned by the Company or any of its Affiliates).

"Responsible Officer" means any Senior Financial Officer and any other officer of the Company with responsibility for the administration of the relevant portion of this Agreement.

"S&P" means S&P Global Ratings, a Standard & Poor's Financial Services LLC business, or any successor by merger or consolidation to the business thereof.

"SEC" means the Securities and Exchange Commission of the United States, or any successor thereto.

"Securities" or "Security" shall have the meaning specified in section 2(1) of the Securities Act.

"Securities Act" means the Securities Act of 1933, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

"Senior Financial Officer" means the chief financial officer, the principal accounting officer, the treasurer, any assistant treasurer, the controller or any assistant controller of the Company.

"Significant Subsidiary" means at any time any Subsidiary that would at such time constitute a "significant subsidiary" (as such term is defined in Regulation S-X of the SEC as in effect on the date hereof) of the Company.

"Subsidiary" means, as to any Person, any other Person in which such first Person or one or more of its Subsidiaries or such first Person and one or more of its Subsidiaries owns sufficient equity or voting interests to enable it or them (as a group) ordinarily, in the absence of contingencies, to elect a majority of the directors (or Persons performing similar functions) of such second Person, and any partnership or joint venture if more than a 50% interest in the profits or capital thereof is owned by such first Person or one or more of its Subsidiaries or such first Person and one or more of its Subsidiaries (unless such partnership or joint venture can and does ordinarily take major business actions without the prior approval of such Person or one or more of its Subsidiaries). Unless the context otherwise clearly requires, any reference to a "Subsidiary" is a reference to a Subsidiary of the Company.

"Subsidiary Guarantor" means each Subsidiary that has executed and delivered a Subsidiary Guaranty.

"Subsidiary Guaranty" shall have the meaning set forth in Section 607(a) hereof,

"Swap Contract" means (a) any and all interest rate swap transactions, basis swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward foreign exchange transactions, cap transactions, floor transactions, currency options, spot contracts or any other similar transactions or any of the foregoing (including, but without limitation, any options to enter into any of the foregoing), and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc. or any International Foreign Exchange Master Agreement.

"Swap Termination Value" means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amounts(s) determined as the mark-to-market values(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts.

"Synthetic Lease" means, at any time, any lease (including leases that may be terminated by the lessee at any time) of any property (a) that is accounted for as an operating lease under GAAP and (b) in respect of which the lessee retains or obtains ownership of the property so leased for U.S. federal income tax purposes, other than any such lease under which such Person is the lessor.

"U.S. Economic Sanctions Laws" means those laws, executive orders, enabling legislation or regulations administered and enforced by the United States pursuant to which economic sanctions have been imposed on any Person, entity, organization, country or regime, including the Trading with the Enemy Act, the International Emergency Economic Powers Act, the Iran Sanctions Act, the Sudan Accountability and Divestment Act and any other OFAC Sanctions Program.

"USA PATRIOT Act" means United States Public Law 107-56, Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT ACT) Act of 2001, as amended from time to time, and the rules and regulations promulgated thereunder from time to time in effect.

"Wholly-Owned Subsidiary" means, at any time, any Subsidiary one hundred percent of all of the equity interests (except directors' qualifying shares) and voting interests of which are owned by any one or more of the Company and the Company's other Wholly-Owned Subsidiaries at such time.

(b) Each capitalized term that is used herein and is defined in the Indenture shall have the meaning specified in the Indenture unless such term is otherwise defined herein. The terms defined herein include the plural as well as the singular.

## ARTICLE TWO.

#### TERMS OF THE DEBENTURES

# SECTION 201. CREATION AND DESIGNATION OF THE DEBENTURES; AGGREGATE PRINCIPAL AMOUNT; MATURITY DATES.

(a) There is hereby authorized a series of Securities designated the "5.90% Debentures due 2031" (such series being, respectively, the "2031 Debentures"). The 2031 Debentures shall mature and the principal shall be due and payable together with all accrued and unpaid interest thereon on July 15, 2031.

The 2031 Debentures shall be limited in an aggregate principal amount of \$80,000,000, respectively, except as provided in Section 301(2) of the Indenture.

(b) There is hereby authorized a series of Securities designated the "6.00% Debentures due 2034" (such series being, respectively, the "2034 Debentures"). The 2034 Debentures shall mature and the principal shall be due and payable together with all accrued and unpaid interest thereon on July 15, 2034.

The 2034 Debentures shall be limited in an aggregate principal amount of \$95,000,000, respectively, except as provided in Section 301(2) of the Indenture.

(c) There is hereby authorized a series of Securities designated the "6.17% Debentures due 2039" (such series being, respectively, the "2039 Debentures"). The 2039 Debentures shall mature and the principal shall be due and payable together with all accrued and unpaid interest thereon on July 15, 2039.

The 2039 Debentures shall be limited in an aggregate principal amount of \$50,000,000, respectively, except as provided in Section 301(2) of the Indenture.

# SECTION 202. DEBENTURES IN REGISTERED FORM; REGISTRATION GENERALLY.

(a) The Debentures of each series shall be issued only in the form of a separate, single, authenticated, fully registered debenture which (i) need not be in the form of a lithographed or engraved certificate, but may be typewritten or printed on ordinary paper or such paper as the Trustee may reasonably request, (ii) shall be executed by the Company and authenticated by the Trustee in accordance with the provisions of the Indenture and this Ninth Supplemental Indenture, and (iii) shall be registered in the name of the Purchasers thereof as directed by the Company.

(b) The name and address of each Holder of one or more Debentures, each transfer thereof and the name and address of each transferee of one or more Debentures shall be registered in the Security Register. If any Holder of one or more Debentures is a nominee, then (i) the name and address of the beneficial owner of such Debenture or Debentures shall also be registered in the Security Register as an owner and Holder thereof and (ii) at any such beneficial owner's option, either such beneficial owner or its nominee may execute any amendment, waiver or consent pursuant hereto. Prior to due presentment for registration of transfer, the Person(s) in whose name any Debenture(s) shall be registered shall be deemed and treated as the owner and Holder thereof for all purposes hereof, and the Company shall not be affected by any notice or knowledge to the contrary. The Company shall give to any Holder of a Debenture that is an Institutional Investor promptly upon request therefor, a complete and correct copy of the names and addresses of all registered Holders of Debentures.

## SECTION 203. TRANSFER AND EXCHANGE OF DEBENTURES.

(a) Upon surrender of any Debenture to the Trustee for registration of transfer or exchange, within ten Business Days thereafter, the Company shall execute and deliver, at the Company's expense (except as provided in the Indenture), one or more new Debentures of the same series (as requested by the Holder thereof) in exchange therefor, in an aggregate principal amount equal to the unpaid principal amount of the surrendered Debenture. Each such new Debenture shall be payable to such Person as such Holder may request. Debentures shall not be transferred in denominations of less than \$100,000, *provided* that if necessary to enable the registration of transfer by a Holder of its entire holding of Debentures, one Debenture may be in a denomination of less than \$100,000. Any transferee, by its acceptance of a Debenture registered in its name (or the name of its nominee), shall be deemed to have made the representations set forth in Sections 6.1(b) and 6.2 of the Purchase Agreement.

(b) Notwithstanding the foregoing, the Company shall not effect any requested transfer of a Debenture unless such transfer is made (i) pursuant to an exemption from registration under the Securities Act or (ii) pursuant to an effective registration statement under the Securities Act, in each case in accordance with all applicable state securities laws and the securities laws of other jurisdictions. The Company shall not effect any requested transfer of a Debenture unless it has received: (x) a written instrument of transfer duly executed by the registered Holder of such Debenture or such Holder's attorney duly authorized in writing and accompanied by the relevant name, address and other information for notices of each transferee of such Debenture or part thereof and (y) unless such requested transfer is to be made pursuant to an effective registration statement, an opinion of counsel satisfactory to the Company that such transfer does not require registration under the Securities Act and other applicable laws.

# SECTION 204. INTEREST RATES, INTEREST PAYMENT DATES AND REGULAR RECORD DATES; DEFAULT INTEREST.

(a) Interest on each of the 2031 Debentures shall be payable (i) on the principal amount thereof, semi-annually on January 15 and July 15 of each year (each an Interest Payment Date for the 2031 Debentures), commencing on January 15, 2025, at the rate of 5.90% per annum, from the date specified on the face of such 2031 Debenture, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, until the principal thereof is due and payable, and (ii) to the extent permitted by law, (A) on any overdue payment of interest, (B) on any overdue payment of the Redemption Price, and (C) during the continuance of an Event of Default, on any unpaid principal amount and on any overdue payment of any Make-Whole Amount, at a rate per annum equal to the Default Rate, payable semiannually as aforesaid (or, at the option of Holders, on demand). (b) Interest on each of the 2034 Debentures shall be payable (i) on the principal amount thereof, semi-annually on January 15 and July 15 of each year (each an "Interest Payment Date" for the 2034 Debentures), commencing on January 15, 2025, at the rate of 6.00% per annum, from the date specified on the face of such 2034 Debenture, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, until the principal thereof is due and payable, and (ii) to the extent permitted by law, (A) on any overdue payment of interest, (B) on any overdue payment of the Redemption Price, and (C) during the continuance of an Event of Default, on any unpaid principal amount and on any overdue payment of any Make-Whole Amount, at a rate per annum equal to the Default Rate, payable semiannually as aforesaid (or, at the option of Holders, on demand).

(c) Interest on each of the 2039 Debentures shall be payable (i) on the principal amount thereof, semi-annually on January 15 and July 15 of each year (each an "Interest Payment Date" for the 2039 Debentures), commencing on January 15, 2025, at the rate of 6.17% per annum, from the date specified on the face of such 2039 Debenture, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, until the principal thereof is due and payable, and (ii) to the extent permitted by law, (A) on any overdue payment of interest, (B) on any overdue payment of the Redemption Price, and (C) during the continuance of an Event of Default, on any unpaid principal amount and on any overdue payment of any Make-Whole Amount, at a rate per annum equal to the Default Rate, payable semiannually as aforesaid (or, at the option of Holders, on demand).

(d) The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will be paid to the Person in whose name such Debenture is registered at the close of business on the Regular Record Date for such interest, which shall be the fifteenth day immediately preceding such Interest Payment Date. The amount of interest payable for any period will be computed on the basis of a 360-day year of twelve 30-day months.

(e) Changes in Interest Rate:

(1) If at any time an Investment Grade Event occurs, then:

(i) as of the date of the occurrence of an Investment Grade Event to and until the date on which such Investment Grade Event is no longer continuing (as evidenced by the receipt and delivery to the holders of the Debentures of any Debt Rating necessary to cure such Investment Grade Event), the Debentures shall bear interest at the Investment Grade Adjusted Interest Rate; and

(ii) the Company shall promptly, and in any event within five (5) Business Days after an Investment Grade Event has occurred, notify the holders of the Debentures in writing, sent in the manner provided in Section 18 of the Purchase Agreement, that (A) an Investment Grade Event has occurred and confirming the effective date of such Investment Grade Event and (B) the Investment Grade Adjusted Interest Rate will accrue from the date on which such Investment Grade Event occurred and will be payable on each subsequent interest payment date until such Investment Grade Event is no longer continuing. (2) If at any time a Below Investment Grade Event occurs, then:

(i) as of the date of the occurrence of a Below Investment Grade Event to and until the date on which such Below Investment Grade Event is no longer continuing (as evidenced by the receipt and delivery to the holders of the Debentures of any Debt Rating necessary to cure such Below Investment Grade Event), the Debentures shall bear interest at the Below Investment Grade Event Adjusted Interest Rate; and

(ii) the Company shall promptly, and in any event within five (5) Business Days after a Below Investment Grade Event has occurred, notify the holders of the Debentures in writing, sent in the manner provided in Section 18 of the Purchase Agreement, that (A) a Below Investment Grade Event has occurred and confirming the effective date of such Below Investment Grade Event and (B) the Below Investment Grade Event will accrue from the date on which such Below Investment Grade Event occurred and will be payable on each subsequent interest payment date until such Below Investment Grade Event is no longer continuing.

(3) For the avoidance of doubt, if a Below Investment Grade Event is continuing, the Debentures shall bear interest at the Below Investment Grade Adjusted Interest Rate; *provided* that after such date if the Investment Grade Event shall continue, then the Debentures shall bear interest at the Investment Grade Adjusted Interest Rate.

(4) As used herein:

(A) "Below Investment Grade Adjusted Interest Rate" means the interest rate per annum which is 0.50% above the stated rate of the Debentures (or 0.50% above the Default Rate based on the stated interest rate for the Debenture, as the case may be). For the avoidance of doubt, the Below Investment Grade Adjusted Interest Rate shall not apply unless and until a Below Investment Grade Event has occurred.

(B) "Below Investment Grade Event" shall occur if, at any time after the Company has incurred, created or assumed a Basket Lien:

(i) the Debt Rating from any one of the two NRSROs that are in full force and effect (not having been withdrawn) are less than Investment Grade; or

(ii) the Company shall have failed to receive and deliver to the holders of the Debentures a Debt Rating from the two NRSROs as required by Section 612.

(C) "Investment Grade" means a rating of "BBB-" or "Baa3" (or its equivalent) by an NRSRO.

(D) "Investment Grade Adjusted Interest Rate" means the interest rate per annum which is 0.25% above the stated rate of the Debentures (or 0.25% above the Default Rate based on the stated interest rate for the Debenture, as the case may be). For the avoidance of doubt, the Investment Grade Adjusted Interest Rate shall not apply unless and until an Investment Grade Event has occurred.

(E) "Investment Grade Event" shall occur if, at any time after the Company has incurred, created or assumed a Basket Lien, (a) the Debt Rating from two NRSROs that are in full force and effect (not having been withdrawn) are Investment Grade or (b) the Debt Rating from one of the two NRSROs that are in full force and effect (not having been withdrawn) is Investment Grade and the Debt Rating from the other NRSRO that is in full force and effect (not having been withdrawn) is greater than Investment Grade.

## SECTION 205. PLACE AND MANNER OF PAYMENT OF THE DEBENTURES.

(a) Subject to Section 205(b) hereof, payments of interest will be made by check mailed to the Holder of each Debenture at the address shown in the Security Register, and payments of the principal amount of each Debenture will be made at maturity by check against presentation of the Debenture at the office or agency of the Trustee. The Company may at any time, by notice to each Holder of a Debenture, change the place of payment of the Debentures so long as such place of payment shall be either the principal office of the Company in such jurisdiction or the principal office of a bank or trust company in such jurisdiction.

So long as any Purchaser or its nominee shall be the Holder of any Debentures, and (b) notwithstanding anything contained in the Indenture or in such Debentures to the contrary, the Company will pay, or will cause the Trustee to pay, all sums becoming due on such Debentures for principal, Redemption Price, if any, and interest by such other method or at such other address. as such Purchaser shall have from time to time specified to the Trustee and the Company in writing for such purpose, without the presentation or surrender of such Debentures or the making of any notation thereon, except that upon written request of the Trustee, in its capacity as the Security Registrar made concurrently with or reasonably promptly after payment or redemption in full of any Debentures, such Purchaser shall surrender such Debentures for cancellation, reasonably promptly after any such request, to the Security Registrar at its principal executive office or at the place of payment designated for the Debentures in Section 205(a) hereof. Prior to any sale or other disposition of any Debentures held by a Purchaser or its nominee, such Purchaser will, at its election, either endorse thereon the amount of principal paid thereon and the last date to which interest has been paid thereon or surrender such Debentures to the Security Registrar in exchange for new Debentures pursuant to Section 305 of the Indenture. The Security Registrar will afford the benefits of this Section to any Institutional Investor that is the direct or indirect transferee of any Debentures purchased by a Purchaser and that has made the same agreement relating to such Debentures as the Purchasers have made in this Section.

#### SECTION 206. DENOMINATIONS OF DEBENTURES.

The Debentures shall be issued in denominations of at least \$100,000, except as may be necessary to enable the registration of transfer by a Holder of its entire holding of Debentures.

#### SECTION 207. DEFEASANCE AND COVENANT DEFEASANCE SHALL NOT APPLY.

The Debentures shall not be subject to defeasance and covenant defeasance, at the Company's option, as provided for in Sections 1302 and 1303 of the Indenture.

## SECTION 208. REDEMPTION PROVISIONS OF THE DEBENTURES.

(a) The Company has the right to redeem at any time all, or from time to time any part of, the Debentures at a Redemption Price equal to (1) 100% of the principal amount of the Debentures to be redeemed, <u>plus</u> (2) the Make-Whole Amount determined for the redemption date with respect to such principal amount of the Debentures to be redeemed.

(b) All calculations relating to the Redemption Price will be performed by the Company. For purposes of determining the Redemption Price, the following terms have the following meanings:

"Make-Whole Amount" means, with respect to any Debenture, an amount equal to the excess, if any, of the Discounted Value of the Remaining Scheduled Payments with respect to the Called Principal of such Debenture over the amount of such Called Principal, *provided* that the Make-Whole Amount may in no event be less than zero.

"Called Principal" means, with respect to any Debenture, the principal of such Debenture that is to be redeemed pursuant to this Section 208 or has become or is declared to be immediately due and payable pursuant to Section 502 of the Indenture, as the context requires.

"Discounted Value" means, with respect to the Called Principal of any Debenture, the amount obtained by discounting all Remaining Scheduled Payments with respect to such Called Principal from their respective scheduled due dates to the Settlement Date with respect to such Called Principal, in accordance with accepted financial practice and at a discount factor (applied on the same periodic basis as that on which interest on the Debentures is payable) equal to the Reinvestment Yield with respect to such Called Principal.

"Reinvestment Yield" means, with respect to the Called Principal of any Debenture, 0.50% over the yield to maturity implied by the yield(s) reported as of 10:00 a.m. (New York City time) on the second Business Day preceding the Settlement Date with respect to such Called Principal, on the display designated as "Page PX1" (or such other display as may replace Page PX1) on Bloomberg Financial Markets for the most recently issued actively traded on-the-run U.S. Treasury securities ("Reported") having a maturity equal to the Remaining Average Life of such Called Principal as of such Settlement Date. If there are no such U.S. Treasury securities Reported having a maturity equal to such Remaining Average Life, then such implied yield to maturity will be determined by (a) converting U.S. Treasury bill quotations to bond equivalent yields in accordance with accepted financial practice and (b) interpolating linearly between the yields Reported for the applicable most recently issued actively traded on-the-run U.S. Treasury securities with the maturities (1) closest to and greater than such Remaining Average Life and (2) closest to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Debenture.

If such yields are not Reported or the yields Reported as of such time are not ascertainable (including by way of interpolation), then "Reinvestment Yield" means, with respect to the Called Principal of any Debenture, 0.50% over the yield to maturity implied by the U.S. Treasury constant maturity yields reported, for the latest day for which such yields have been so reported as of the second Business Day preceding the Settlement Date with respect to such Called Principal, in Federal Reserve Statistical Release 1115 (or any comparable successor publication) for the U.S. Treasury constant maturity having a term equal to the Remaining Average Life of such Called Principal as of such Settlement Date. If there is no such U.S. Treasury constant maturity having a term equal to such Remaining Average Life on start will be determined by interpolating linearly between (1) the U.S. Treasury constant maturity so reported with the term closest to and greater than such Remaining Average Life and (2) the U.S. Treasury constant maturity so reported with the term closest to and less than such Remaining Average Life. The Reinvestment Yield shall be rounded to the number of decimal places as appears in the interest rate of the applicable Debenture.

"Remaining Average Life" means, with respect to any Called Principal, the number of years obtained by dividing (i) such Called Principal into (ii) the sum of the products obtained by multiplying (a) the principal component of each Remaining Scheduled Payment with respect to such Called Principal by (b) the number of years, computed on the basis of a 360-day year composed of twelve 30-day months and calculated to two decimal places, that will elapse between the Settlement Date with respect to such Called Principal and the scheduled due date of such Remaining Scheduled Payment.

"Remaining Scheduled Payments" means, with respect to the Called Principal of any Debenture, all payments of such Called Principal and interest thereon that would be due after the Settlement Date with respect to such Called Principal if no payment of such Called Principal were made prior to its scheduled due date, *provided* that if such Settlement Date is not a date on which interest payments are due to be made under the Debentures, then the amount of the next succeeding scheduled interest payment will be reduced by the amount of interest accrued to such Settlement Date.

"Settlement Date" means, with respect to the Called Principal of any Debenture, the date on which such Called Principal is to be redeemed pursuant to this Section 208 or has become or is declared to be immediately due and payable pursuant to Section 502 of the Indenture, as the context requires.

(c) <u>Partial Redemptions</u>. Any partial redemption of the Debentures pursuant to Sections 208(a) or (b) hereof shall be for a principal amount of not less than 10% of the aggregate amount then outstanding of such Debentures to be redeemed. In the case of each such partial redemption of the Debentures and, notwithstanding Section 1103 of the Indenture, the principal amount of the Debentures to be redeemed shall be allocated among all of the Debentures at the time outstanding in proportion, as nearly as practicable, to the respective unpaid principal amounts thereof not theretofore called for redemption. (d) Notice of Redemption. Notice of redemption shall be given, by mail, not less than 30 nor more than 60 days prior to the Redemption Date, to each Holder of Debentures to be redeemed, at his or her address appearing in the Security Register, unless, notwithstanding Section 1104 of the Indenture, the Company, the Trustee and the Required Holders agree to another time period or another method of delivery. In addition to the requirements of said Section 1104, each such notice shall be accompanied by a certificate of a Senior Financial Officer as to the estimated Make-Whole Amount due in connection with such redemption (calculated as if the date of such notice were the date of the redemption), setting forth the details of such computation. Two Business Days prior to such redemption, the Company shall deliver to each Holder of Debentures to be redeemed a certificate of a Senior Financial Officer specifying the calculation of such Make-Whole Amount as of the specified redemption date.

(e) In the case of each optional redemption, the Debentures to be redeemed shall, on the Redemption Date, become due and payable at the applicable Redemption Price, together with interest on the principal amount thereof. Unless the Company defaults in payment of the Redemption Price therefor and accrued interest, on and after any Redemption Date therefor, interest will cease to accrue on the Debentures or portions thereof called for redemption.

(f) The Company will not, and will not permit any Affiliate to, purchase, redeau, prepay or otherwise acquire, directly or indirectly, any of the outstanding Debentures except (a) upon the payment or redemption of the Debentures in accordance with this Section 208, or (b) pursuant to an offer to purchase made by the Company or an Affiliate pro-rata to the Holders of all Debentures at the time outstanding upon the same terms and conditions. Any such offer shall provide each Holder with sufficient information to enable it to make an informed decision with respect to such offer, and shall remain open for at least 15 Business Days. If the Holders of more than 25% of the principal amount of the Debentures then outstanding accept such offer, the Company shall promptly notify the remaining Holders of such fact and the expiration date for the acceptance by Holders of Debentures of such offer shall be extended by the number of, days necessary to give each such remaining holder at least five Business Days from its receipt of such notice to accept such offer. The Company will promptly cancel all Debentures acquired by it or any Affiliate pursuant to any payment, redemption or purchase of Debentures pursuant to this Section 208 and no Debentures may be issued in substitution or exchange for any such Debentures.

(g) The Company shall indemnify and hold harmless the Trustee from any and all losses, costs, damages, expenses, fees (including reasonable attorneys' fees), court costs, judgments, penalties, obligations, suits, disbursements and liabilities of any kind or character whatsoever which may at any time be imposed upon, incurred by or asserted against the Trustee by reason of or arising out of or caused, directly or indirectly, by any act or omission of the Trustee with respect to this Section 208, except for such that would arise out of the gross negligence, willful misconduct or bad faith of the Trustee.

#### SECTION 209. FORM OF DEBENTURES OF EACH SERIES.

The Debentures of each series and the respective Trustee's certificate to be endorsed thereon shall be substantially in the following forms:

#### (FORM OF FACE OF 2031 DEBENTURE)

THIS DEBENTURE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR 'THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE STATE SECURITIES LAWS AND THE SECURITIES LAWS OF OTHER JURISDICTIONS, AND IN THE CASE OF A TRANSACTION EXEMPT FROM REGISTRATION, UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL (WHICH MAY BE IN-HOUSE COUNSEL) SATISFACTORY TO IT THAT SUCH TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT AND SUCH OTHER APPLICABLE LAWS.

No. R-PPN 26442L E@9

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## DUKE ENERGY KENTUCKY, INC. 5.90% DEBENTURE DUE 2031

DUKE ENERGY KENTUCKY, INC., a corporation duly organized and existing under the laws of the Commonwealth of Kentucky (herein called the "Company", which term includes any successor Person under the Indenture hereafter referred to), for value received, hereby promises to , or registered assigns, the principal sum of pay to Dollars (\$ ) on July 15, 2031, and to pay interest (a) thereon from June 28, 2024, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually, on January 15 and July 15 in each year. commencing January 15, 2025, at the rate of 5.90% per annum, as may be adjusted in accordance with Section 204 of the the Ninth Supplemental Indenture, until the principal hereof is due and payable, and (b) to the extent permitted by law, (i) on any overdue payment of interest, (ii) on any overdue payment of the Redemption Price, and (iii) during the continuance of an Event of Default, on any unpaid principal amount and on any overdue payment of any Make-Whole Amount, at a rate per annum equal to the Default Rate, payable semiannually as aforesaid (or, at the option of the registered holder hereof, on demand). The "Default Rate" shall mean a rate per annun from time to time equal to the lesser of (x) the maximum rate permitted by applicable law, and (y)7.90%, as may be adjusted in accordance with Section 204 of the the Ninth Supplemental Indenture.

The amount of interest payable on any Interest Payment Date shall be computed on the basis of a 360-day year of twelve 30-day months. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the fifteenth day preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either

be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture.

Subject to certain exceptions provided in the Indenture, payment of the principal of (and premium, if any) and interest on this Security will be made at the corporate trust office of the Trustee maintained for that purpose in the City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Any payment on this Security due on any day which is not a Business Day in the City of New York need not be made on such day, but may be made on the next succeeding Business Day with the same force and effect as if made on the due date and no interest shall accrue for the period from and after such date, unless such payment is a payment at maturity or upon redemption, in which case, notwithstanding Section 113 of the Indenture, interest shall accrue thereon at the stated rate for such additional days.

As used herein, "Business Day" means any day other than a Saturday or Sunday or a day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

In Witness Whereof, the Company has caused this instrument to be duly executed.

## DUKE ENERGY KENTUCKY, INC.

By:\_\_\_\_\_

# CERTIFICATE OF AUTHENTICATION

Dated: \_\_\_\_\_, 20\_\_\_

This is one of the Securities of the series designated therein referred to in the withinmentioned Indenture.

> DEUTSCHE BANK TRUST COMPANY AMERICAS, Trustee

By:\_\_\_\_\_ Authorized Signatory

#### (FORM OF REVERSE OF 2031 DEBENTURE)

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of December 1, 2004, as supplemented by the Ninth Supplemental Indenture dated as of June 28, 2024 (the "Indenture"), between the Company and Deutsche Bank Trust Company Americas, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof, which series is issuable without limitation as to the aggregate principal amount thereof.

The Company has the right to redeem at any time all, or from time to time any part of, the Securities of this series at a Redemption Price equal to (1) 100% of the principal amount of the Securities of this series to be redeemed, <u>plus</u> (2) the Make-Whole Amount determined for the redemption date with respect to such principal amount of the Securities of this series to be redeemed.

Any partial redemption of the Securities of this series shall be for a principal amount of not less than 10% of the aggregate amount then outstanding of the Securities of this series to be redeemed. In the case of each such partial redemption of the Securities of this series, the principal amount of the Securities of this series to be redeemed shall be allocated among all of the Securities of this series at the time outstanding in proportion, as nearly as practicable, to the respective unpaid principal amounts thereof not theretofore called for redemption.

In the event of redemption of this Security in part only, a new Security or Securities of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

Notice of any redemption by the Company will be mailed at least 30 days but not more than 60 days before any Redemption Date to each Holder of Securities to be redeemed.

Unless the Company defaults in payment of the Redemption Price, on and after any Redemption Date, interest will cease to accrue on the Securities or portions thereof called for redemption.

If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of a majority in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 35% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee indemnity reasonably satisfactory to the Trustee, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Security for the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of at least \$100,000, except as may be necessary to enable the registration of transfer by a Holder of its entire holding of the Securities. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same. No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Security that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

#### (FORM OF FACE OF 2034 DEBENTURE)

THIS DEBENTURE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR 'THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE STATE SECURITIES LAWS AND THE SECURITIES LAWS OF OTHER JURISDICTIONS, AND IN THE CASE OF A TRANSACTION EXEMPT FROM REGISTRATION, UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL (WHICH MAY BE IN-HOUSE COUNSEL) SATISFACTORY TO IT THAT SUCH TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT AND SUCH OTHER APPLICABLE LAWS.

No. R-PPN 26442L E#7

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#### DUKE ENERGY KENTUCKY, INC. 6.00% DEBENTURE DUE 2034

DUKE ENERGY KENTUCKY, INC., a corporation duly organized and existing under the laws of the Commonwealth of Kentucky (herein called the "Company", which term includes any successor Person under the Indenture hereafter referred to), for value received, hereby promises to pay to , or registered assigns, the principal sum of ) on July 15, 2034, and to pay interest Dollars (\$ (a) thereon from June 28, 2024, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually, on January 15 and July 15 in each year, commencing January 15, 2025, at the rate of 6.00% per annum, as may be adjusted in accordance with Section 204 of the the Ninth Supplemental Indenture, until the principal hereof is due and payable, and (b) to the extent permitted by law, (i) on any overdue payment of interest, (ii) on any overdue payment of the Redemption Price, and (iii) during the continuance of an Event of Default, on any unpaid principal amount and on any overdue payment of any Make-Whole Amount, at a rate per annum equal to the Default Rate, payable semiannually as aforesaid (or, at the option of the registered holder hereof, on demand). The "Default Rate" shall mean a rate per annum from time to time equal to the lesser of (x) the maximum rate permitted by applicable law, and (y)8.00%, as may be adjusted in accordance with Section 204 of the the Ninth Supplemental Indenture.

The amount of interest payable on any Interest Payment Date shall be computed on the basis of a 360-day year of twelve 30-day months. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the fifteenth day preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture.

Subject to certain exceptions provided in the Indenture, payment of the principal of (and premium, if any) and interest on this Security will be made at the corporate trust office of the Trustee maintained for that purpose in the City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Any payment on this Security due on any day which is not a Business Day in the City of New York need not be made on such day, but may be made on the next succeeding Business Day with the same force and effect as if made on the due date and no interest shall accrue for the period from and after such date, unless such payment is a payment at maturity or upon redemption, in which case, notwithstanding Section 113 of the Indenture, interest shall accrue thereon at the stated rate for such additional days.

As used herein, "Business Day" means any day other than a Saturday or Sunday or a day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

In Witness Whereof, the Company has caused this instrument to be duly executed.

## DUKE ENERGY KENTUCKY, INC.

By:\_\_\_\_\_

KyPSC Case No. 2024-00354 FR 16(7)(j) Attachment Page 30 of 55

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# CERTIFICATE OF AUTHENTICATION

Dated: \_\_\_\_\_, 20\_\_\_

This is one of the Securities of the series designated therein referred to in the withinmentioned Indenture.

> DEUTSCHE BANK TRUST COMPANY AMERICAS, Trustee

By:\_\_\_\_\_ Authorized Signatory

#### (FORM OF REVERSE OF 2034 DEBENTURE)

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of December 1, 2004, as supplemented by the Ninth Supplemental Indenture dated as of June 28, 2024 (the "Indenture"), between the Company and Deutsche Bank Trust Company Americas, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof, which series is issuable without limitation as to the aggregate principal amount thereof.

The Company has the right to redeem at any time all, or from time to time any part of, the Securities of this series at a Redemption Price equal to (1) 100% of the principal amount of the Securities of this series to be redeemed, <u>plus</u> (2) the Make-Whole Amount determined for the redemption date with respect to such principal amount of the Securities of this series to be redeemed.

Any partial redemption of the Securities of this series shall be for a principal amount of not less than 10% of the aggregate amount then outstanding of the Securities of this series to be redeemed. In the case of each such partial redemption of the Securities of this series, the principal amount of the Securities of this series to be redeemed shall be allocated among all of the Securities of this series at the time outstanding in proportion, as nearly as practicable, to the respective unpaid principal amounts thereof not theretofore called for redemption.

In the event of redemption of this Security in part only, a new Security or Securities of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

Notice of any redemption by the Company will be mailed at least 30 days but not more than 60 days before any Redemption Date to each Holder of Securities to be redeemed.

Unless the Company defaults in payment of the Redemption Price, on and after any Redemption Date, interest will cease to accrue on the Securities or portions thereof called for redemption.

If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of a majority in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 35% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee indemnity reasonably satisfactory to the Trustee, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of at least \$100,000, except as may be necessary to enable the registration of transfer by a Holder of its entire holding of the Securities. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same. No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Security that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

#### (FORM OF FACE OF 2039 DEBENTURE)

THIS DEBENTURE HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR 'THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION, AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE STATE SECURITIES LAWS AND THE SECURITIES LAWS OF OTHER JURISDICTIONS, AND IN THE CASE OF A TRANSACTION EXEMPT FROM REGISTRATION, UNLESS THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL (WHICH MAY BE IN-HOUSE COUNSEL) SATISFACTORY TO IT THAT SUCH TRANSACTION DOES NOT REQUIRE REGISTRATION UNDER THE SECURITIES ACT AND SUCH OTHER APPLICABLE LAWS.

No. R-PPN 26442L F\*0

\$\_\_\_\_\_, 20\_\_

#### DUKE ENERGY KENTUCKY, INC. 6.17% DEBENTURE DUE 2039

DUKE ENERGY KENTUCKY, INC., a corporation duly organized and existing under the laws of the Commonwealth of Kentucky (herein called the "Company", which term includes any successor Person under the Indenture hereafter referred to), for value received, hereby promises to , or registered assigns, the principal sum of pay to Dollars (\$ ) on July 15, 2039, and to pay interest (a) thereon from June 28, 2024, or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semiannually, on January 15 and July 15 in each year, commencing January 15, 2025, at the rate of 6.17% per annum, as may be adjusted in accordance with Section 204 of the the Ninth Supplemental Indenture, until the principal hereof is due and payable, and (b) to the extent permitted by law, (i) on any overdue payment of interest, (ii) on any overdue payment of the Redemption Price, and (iii) during the continuance of an Event of Default, on any unpaid principal amount and on any overdue payment of any Make-Whole Amount, at a rate per annum equal to the Default Rate, payable semiannually as aforesaid (or, at the option of the registered holder hereof, on demand). The "Default Rate" shall mean a rate per annum from time to time equal to the lesser of (x) the maximum rate permitted by applicable law, and (y) 8.17%, as may be adjusted in accordance with Section 204 of the the Ninth Supplemental Indenture.

The amount of interest payable on any Interest Payment Date shall be computed on the basis of a 360-day year of twelve 30-day months. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the fifteenth day preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either

be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in the Indenture.

Subject to certain exceptions provided in the Indenture, payment of the principal of (and premium, if any) and interest on this Security will be made at the corporate trust office of the Trustee maintained for that purpose in the City of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Any payment on this Security due on any day which is not a Business Day in the City of New York need not be made on such day, but may be made on the next succeeding Business Day with the same force and effect as if made on the due date and no interest shall accrue for the period from and after such date, unless such payment is a payment at maturity or upon redemption, in which case, notwithstanding Section 113 of the Indenture, interest shall accrue thereon at the stated rate for such additional days.

As used herein, "Business Day" means any day other than a Saturday or Sunday or a day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close.

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

In Witness Whereof, the Company has caused this instrument to be duly executed.

# DUKE ENERGY KENTUCKY, INC.

By:\_\_\_\_\_

## CERTIFICATE OF AUTHENTICATION

Dated: \_\_\_\_\_, 20\_\_\_

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This is one of the Securities of the series designated therein referred to in the withinmentioned Indenture.

> DEUTSCHE BANK TRUST COMPANY AMERICAS, Trustee

By:\_\_\_\_\_ Authorized Signatory

## (FORM OF REVERSE OF 2039 DEBENTURE)

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of December 1, 2004, as supplemented by the Ninth Supplemental Indenture dated as of June 28, 2024 (the "Indenture"), between the Company and Deutsche Bank Trust Company Americas, as Trustee (herein called the "Trustee", which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thercunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof, which series is issuable without limitation as to the aggregate principal amount thereof.

The Company has the right to redeem at any time all, or from time to time any part of, the Securities of this series at a Redemption Price equal to (1) 100% of the principal amount of the Securities of this series to be redeemed, <u>plus</u> (2) the Make-Whole Amount determined for the redemption date with respect to such principal amount of the Securities of this series to be redeemed.

Any partial redemption of the Securities of this series shall be for a principal amount of not less than 10% of the aggregate amount then outstanding of the Securities of this series to be redeemed. In the case of each such partial redemption of the Securities of this series, the principal amount of the Securities of this series to be redeemed shall be allocated among all of the Securitics of this series at the time outstanding in proportion, as nearly as practicable, to the respective unpaid principal amounts thereof not theretofore called for redemption.

In the event of redemption of this Security in part only, a new Security or Securities of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

Notice of any redemption by the Company will be mailed at least 30 days but not more than 60 days before any Redemption Date to each Holder of Securities to be redeemed.

Unless the Company defaults in payment of the Redemption Price, on and after any Redemption Date, interest will cease to accrue on the Securities or portions thereof called for redemption.

If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of a majority in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 35% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee indemnity reasonably satisfactory to the Trustee, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of at least \$100,000, except as may be necessary to enable the registration of transfer by a Holder of its entire holding of the Securities. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same. No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

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All terms used in this Security that are defined in the Indenture shall have the meanings assigned to them in the Indenture.

## **ARTICLE THREE,**

#### ORIGINAL ISSUE OF DEBENTURES

An initial issue of the Debentures in the aggregate principal amount of \$80,000,000 for the 2031 Debentures, \$95,000,000 for the 2034 Debentures and \$50,000,000 for the 2039 Debentures may, upon execution of this Supplemental Indenture, or from time to time hereafter, be executed by the Company and delivered to the Trustee for authentication, and the Trustee shall thereupon authenticate and deliver said Debentures upon receipt of a Company Order, an Officers' Certificate and an Opinion of Counsel.

## ARTICLE FOUR.

## PAYING AGENT AND SECURITY REGISTRAR

Deutsche Bank Trust Company Americas will be the Paying Agent and Security Registrar for the Debentures.

## **ARTICLE FIVE**,

#### DEFAULTS AND REMEDIES

#### SECTION 501. ADDITIONAL EVENTS OF DEFAULT.

In addition to those Events of Default set forth in Section 501 of the Indenture, the following events shall also be Events of Default with respect to the Debentures:

(a) the Company defaults in the performance of or compliance with any term contained in Sections 601(a)(iv), 608, 609 or 610 hereof; or

(b) (i) any representation or warranty made in writing by or on behalf of the Company or by any officer of the Company in the Purchase Agreement or any writing furnished in connection with the transactions contemplated thereby proves to have been false or incorrect in any material respect on the date as of which made, or (ii) so long as the obligation or condition giving rise to the requirement for a Subsidiary Guaranty under Section 607 hereof remains in effect, any representation or warranty made in writing by or on behalf of any Subsidiary Guarantor or by any officer of such Subsidiary Guarantor in any Subsidiary Guaranty or any writing furnished in connection with such Subsidiary Guaranty proves to have been false or incorrect in any material respect on the date as of which made; or

(c) (i) the Company or any Significant Subsidiary is in default (as principal or as guarantor or other surety) in the payment of any principal of or premium or make whole amount or interest on any Indebtedness that is outstanding in an aggregate principal amount of at least \$50,000,000 beyond any period of grace provided with respect thereto, or (ii) the Company or any Significant Subsidiary is in default in the performance of or compliance with any term of any evidence of any Indebtedness in an aggregate outstanding principal amount of at least \$50,000,000 or of any mortgage, indenture or other agreement relating thereto or any other condition exists, and as a consequence of such default or condition such Indebtedness has become, or has been

declared, due and payable before its stated maturity or before its regularly scheduled dates of payment; or

(d) one or more final judgments or orders for the payment of money aggregating in excess of \$50,000,000, including, without limitation, any such final order enforcing a binding arbitration decision, are rendered against one or more of the Company and its Subsidiaries, (i) which judgments are not, within 60 days after entry thereof, bonded, vacated, satisfied, discharged or stayed pending appeal, or (ii) which judgments are not discharged within 60 days after the expiration of such stay; or

if (i) any Plan shall fail to satisfy the minimum funding standards of ERISA or the (e) Code for any plan year or part thereof or a waiver of such standards or extension of any amortization period is sought or granted under section 412 of the Code, (ii) a notice of intent to terminate any Plan shall have been or is reasonably expected to be filed with the PBGC or the PBGC shall have instituted proceedings under ERISA section 4042 to terminate or appoint a trustee to administer any Plan or the PBGC shall have notified the Company or any ERISA Affiliate that a Plan may become a subject of any such proceedings, (iii) the aggregate "amount of unfunded benefit liabilities" (within the meaning of section 4001(a)(18) of ERISA) under all Plans, determined in accordance with Title IV of ERISA, shall exceed an amount that could reasonably be expected to have a Material Adverse Effect, (iv) the Company or any ERISA Affiliate shall have incurred or is reasonably expected to incur any liability pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, (v) the Company or any ERISA Affiliate withdraws from any Multiemployer Plan, or (vi) the Company or any Subsidiary establishes or amends any employee welfare benefit plan that provides postemployment welfare benefits in a manner that would increase the liability of the Company or any Subsidiary thereunder; and any such event or events described in clauses (i) through (vi) above, either individually or together with any other such event or events, would reasonably be expected to have a Material Adverse Effect. As used in this Section 501(e), the terms "employee benefit plan" and "employee welfare benefit plan" shall have the respective meanings assigned to such terms in section 3 of ERISA; or

(f) so long as the obligation or condition giving rise to the requirement for a Subsidiary guaranty under Section 607 hereof remains in effect, (i) any Subsidiary Guaranty shall cease to be in full force and effect, (ii) any Subsidiary Guarantor or any Person acting on behalf of any Subsidiary Guarantor shall contest in any manner the validity, binding nature or enforceability of any Subsidiary Guaranty, or (iii) the obligations of any Subsidiary Guarantor under any Subsidiary Guaranty are not or cease to be legal, valid, binding and enforceable in accordance with the terms of such Subsidiary Guaranty.

#### SECTION 502. REMEDY TO ALSO INCLUDE MAKE-WHOLE AMOUNT.

Upon any Debentures becoming due and payable as a result of Section 502 of the Indenture, whether automatically or by declaration, such Debentures will forthwith mature and the entire unpaid principal amount of such Debentures, plus (x) all accrued and unpaid interest thereon and (y) the Make-Whole Amount, determined pursuant to Section 208(b) hereof, in respect of such principal amount (to the full extent permitted by applicable law), shall all be immediately due and payable, in each and every case without presentment, demand, protest or further notice, all of

which are hereby waived. The Company acknowledges that each Holder of a Debenture has the right to maintain its investment in the Debentures free from repayment by the Company (except as herein specifically provided for) and that the provision for payment of a Make-Whole Amount by the Company in the event that the Debentures are redeemed or are accelerated as a result of an Event of Default, is intended to provide compensation for the deprivation of such right under such circuinstances.

# ARTICLE SIX.

## COVENANTS

In addition to the covenants set forth in Article Ten of the Indenture, the Company covenants that so long as any of the Debentures are outstanding:

## SECTION 601. INFORMATION ABOUT THE COMPANY,

(a) <u>Financial and Business Information</u>. The Company shall deliver to the Trustee and to each Purchaser and each Holder of a Debenture that is an Institutional Investor:

(i) Quarterly Statements. Within 60 days after the end of each quarterly fiscal period in each fiscal year of the Company (other than the last quarterly fiscal period of each such fiscal year), copies of:

(A) a consolidated balance sheet of the Company and its Subsidiaries as at the end of such quarter; and

(B) consolidated statements of income, changes in shareholders' equity and cash flows of the Company and its Subsidiaries, for such quarter and (in the case of the second and third quarters) for the portion of the fiscal year ending with such quarter;

which set forth in each case, in comparative form, the figures for the corresponding periods in the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP applicable to quarterly financial statements generally, and certified by a Senior Financial Officer as fairly presenting, in all material respects, the financial position of the companies being reported on and their results of operations and cash flows, subject to changes resulting from year-end adjustments;

(ii) Annual Statements. Within 120 days after the end of each fiscal year of the Company, copies of:

(A) a consolidated balance sheet of the Company and its Subsidiaries as at the end of such year, and

(B) consolidated statements of income, changes in shareholders' equity and cash flows of the Company and its Subsidiaries for such year,

which set forth in each case, in comparative form, the figures for the previous fiscal year, all in reasonable detail, prepared in accordance with GAAP, and accompanied by an opinion thereon (without a "going concern" or similar qualification or exception and without any qualification or exception as to the scope of the audit on which such opinion is based) of independent public accountants of recognized national standing, which opinion shall state that such financial statements present fairly, in all material respects, the financial position of the companies being reported upon and their results of operations and cash flows and have been prepared in conformity with GAAP, and that the examination of such accountants in connection with such financial statements has been made in accordance with generally accepted auditing standards, and that such audit provides a reasonable basis for such opinion in the circumstances;

(iii) SEC and Other Reports. Promptly upon their becoming available, copies of (A) each financial statement, report, notice or proxy statement sent by the Company or any Subsidiary to its principal lending banks as a whole (excluding information sent to such banks in the ordinary course of administration of a bank facility, such as information relating to pricing and borrowing availability) or to its public Securities holders generally, and (B) each regular or periodic report, each registration statement that shall have become effective (without exhibits except as expressly requested by such Purchaser or Holder), and each final prospectus and all amendments thereto filed by the Company or any Subsidiary with the SEC;

(iv) Notice of Default or Event of Default. Promptly, and in any event within five days after a Responsible Officer becoming aware of the existence of any Default or Event of Default, a written notice specifying the nature and period of existence thereof and what action the Company is taking or proposes to take with respect thereto;

(v) *ERISA Matters*. Promptly, and in any event within five days after a Responsible Officer becoming aware of any of the following, a written notice setting forth the nature thereof and the action, if any, that the Company or an ERISA Affiliate proposes to take with respect thereto:

(A) with respect to any Plan, any reportable event, as defined in section 4043(c) of ERISA and the regulations thereunder, for which notice thereof has not been waived pursuant to such regulations as in effect on the date hereof; or

(B) the taking by the PBGC of steps to institute, or the threatening by the PBGC of the institution of, proceedings under section 4042 of ERISA for the termination of, or the appointment of a trustee to administer, any Plan, or the receipt by the Company or any ERISA Affiliate of a notice from a Multiemployer Plan that such action has been taken by the PBGC with respect to such Multiemployer Plan; or

(C) any event, transaction or condition that could result in the incurrence of any liability by the Company or any ERISA Affiliate pursuant to Title I or IV of ERISA or the penalty or excise tax provisions of the Code relating to employee benefit plans, or in the imposition of any lien on any of the rights, properties or assets of the Company or any ERISA Affiliate pursuant to Title I or IV of ERISA or such penalty or excise tax provisions, if such liability or lien, taken together with any other such liabilities or liens then existing, would reasonably be expected to have a Material Adverse Effect; and

(vi) Requested Information. With reasonable promptness, such other data and information relating to the business, operations, affairs, financial condition, assets or properties of the Company or any of its Subsidiaries or relating to the ability of the Company to perform its obligations hereunder and under the Debentures as from time to time may be reasonably requested by any such Purchaser or Holder of a Debenture.

(b) <u>Officer's Certificate</u>. Each set of financial statements delivered to a Purchaser or a Holder of a Debenture pursuant to Sections 601(a) or (b) hereof shall be accompanied by a certificate of a Senior Financial Officer certifying that such Senior Financial Officer has reviewed the relevant terms hereof and has made, or caused to be made, under his or her supervision, a review of the transactions and conditions of the Company and its Subsidiaries from the beginning of the quarterly or annual period covered by the statements then being furnished to the date of the certificate and that such review shall not have disclosed the existence during such period of any condition or event that constitutes a Default or an Event of Default or, if any such condition or event existed or exists, specifying the nature and period of existence thereof and what action the Company shall have taken or proposes to take with respect thereto.

(c) <u>Electronic Delivery</u>. Financial statements, opinions of independent certified public accountants, other information and Officer's Certificates that are required to be delivered by the Company pursuant to clauses (i), (ii) or (iii) of Section 601(a) hereof and Section 601(b) hereof shall be deemed to have been delivered if the Company satisfies any of the following requirements with respect thereto:

(i) such financial statements satisfying the requirements of clauses (i) or (ii) of Section 601(a) hereof and related Officer's Certificate satisfying the requirements of Section 601(b) hereof are delivered to each Purchaser and each Holder of a Debenture by e-mail;

(ii) such financial statements satisfying the requirements of clauses (i) or (ii) of Section 601(a) hereof and related Officer's Certificate satisfying the requirements of Section 601(b) hereof are timely posted by or on behalf of the Company on Intralinks or on any other similar website to which each Purchaser and each Holder of Debentures has free access; or

(iii) the Company shall have filed any of the items referred to in clause (iii) of Section 601(a) hereof with the SEC on EDGAR and shall have made such items available on its home page on the internet or on Intralinks or on any other similar website to which each Purchaser and Holder of Debentures has free access;

provided, however, that in the case of delivery under clauses (ii) or (iii) of this Section 601(c), the Company shall have given each Purchaser and each Holder of a Debenture written notice, which may be by e-mail, of such posting or filing in connection with each delivery.

## SECTION 602. VISITATION.

The Company shall permit the representatives of each Purchaser and each Holder of a Debenture that is an Institutional Investor:

(a) No Default. If no Default or Event of Default then exists, at the expense of such Holder and upon reasonable prior notice to the Company, to visit the principal executive office of the Company, to discuss the affairs, finances and accounts of the Company and its Subsidiaries with the Company's officers, and (with the consent of the Company, which consent will not be unreasonably withheld) to visit the other offices and properties of the Company and each Subsidiary, all at such reasonable times as may be reasonably requested in writing; *provided* that each Purchaser and each Holder shall be limited to one visit during any twelve-month period; and

(b) *Default.* If a Default or an Event of Default then exists, at the expense of the Company to visit and inspect any of the offices or properties of the Company or any Subsidiary, to examine all their respective books of account, records, reports and other papers, to make copies and extracts therefrom, and to discuss their respective affairs, finances and accounts with their respective officers and independent public accountants (and by this provision the Company authorizes said accountants to discuss the affairs, finances and accounts of the Company and its Subsidiaries), all at such times and as often as may be requested.

## SECTION 603. COMPLIANCE WITH LAWS.

Without limiting Section 609 hereof, the Company will, and will cause each of its Subsidiaries to, comply with all laws, ordinances or governmental rules or regulations to which each of them is subject, including, without limitation, ERISA, Environmental Laws, the USA PATRIOT Act and the other laws and regulations relating to U.S. Economic Sanctions Laws, and will obtain and maintain in effect all licenses, certificates, permits, franchises and other governmental authorizations necessary to the ownership of their respective properties or to the conduct of their respective businesses, except, in each case, where (i) non-compliance with such laws, ordinances or governmental rules or regulations or failures to obtain or maintain in effect such licenses, certificates, permits, franchises and other governmental authorizations would not reasonably be expected to have a Material Adverse Effect, or (ii) the necessity of compliance with such laws, ordinances or governmental rules or regulations are being contested in good faith by appropriate proceedings.

## SECTION 604. INSURANCE.

The Company will, and will cause each of its Subsidiaries to, maintain, with financially sound and reputable insurers, insurance with respect to their respective properties and businesses against such casualties and contingencies, of such types, on such terms and in such amounts (including deductibles, co-insurance and self-insurance, if adequate reserves are maintained with respect thereto) as is customary in the case of entities of established reputations engaged in the same or a similar business and similarly situated. Upon request, the Company will provide written evidence of its or its Subsidiaries' insurance to the Trustee.

## SECTION 605. CORPORATE EXISTENCE, ETC.

Subject to Article Eight of the Indenture, the Company will at all times preserve and keep in full force and effect, and will cause each of its Subsidiaries (unless merged into the Company or a Wholly-Owned Subsidiary) to preserve and keep in full force and effect, their respective legal existence and their respective rights and franchises unless, in the good faith judgment of the Company, the termination of or failure to preserve and keep in full force and effect such legal existence, right or franchise would not, individually or in the aggregate, have a Material Adverse Effect.

#### SECTION 606. BOOKS AND RECORDS.

The Company will, and will cause each of its Subsidiaries to, maintain proper books of record and account in conformity with GAAP and all applicable requirements of any Governmental Authority having legal or regulatory jurisdiction over the Company or such Subsidiary, as the case may be. The Company will, and will cause each of its Subsidiaries to, keep books, records and accounts which, in reasonable detail, accurately reflect all transactions and dispositions of assets. The Company and its Subsidiaries have devised a system of internal accounting controls sufficient to provide reasonable assurances that their respective books, records, and accounts accurately reflect all transactions and dispositions of assets accurately reflect all transactions and dispositions of assets accurately reflect all transactions and dispositions of assets and the Company will, and will cause each of its Subsidiaries to, continue to maintain such system.

#### SECTION 607. SUBSIDIARY GUARANTORS.

The Company will cause each of its Subsidiaries that guarantees or otherwise becomes liable at any time, whether as a borrower or an additional or co-borrower or otherwise, for or in respect of any Indebtedness under any Material Credit Facility to concurrently therewith:

(a) enter into an agreement in form and substance satisfactory to the Trustee and the Required Holders providing for the guaranty by such Subsidiary, on a joint and several basis with all other such Subsidiaries, of (i) the prompt payment in full when due of all amounts payable by the Company pursuant to the Debentures (whether for principal, interest, the Redemption Price or otherwise), including, without limitation, all indemnities, fees and expenses payable by the Company thereunder and (ii) the prompt, full and faithful performance, observance and discharge by the Company of each and every covenant, agreement, undertaking and provision required pursuant to the Debentures be performed, observed or discharged by it (a "Subsidiary Guaranty"); and

- (b) deliver the following to each Purchaser and each Holder of a Debenture:
  - (i) an executed counterpart of such Subsidiary Guaranty;

(ii) a certificate signed by an authorized responsible officer of such Subsidiary containing representations and warranties on behalf of such Subsidiary as to organization, power, authority and compliance with laws with respect to such Subsidiary Guaranty in form and substance satisfactory to the Trustee and the Required Holders;

(iii) all documents as may be reasonably requested by the Trustee or the Required Holders to evidence the due organization, continuing existence and good standing of such Subsidiary and the due authorization by all requisite action on the part of such Subsidiary of the execution and delivery of such Subsidiary Guaranty and the performance by such Subsidiary of its obligations thereunder; and

(iv) an opinion of counsel reasonably satisfactory to the Trustee and the Required Holders covering such matters relating to such Subsidiary and such Subsidiary Guaranty as the Trustee or the Required Holders may reasonably request.

## SECTION 608. LINE OF BUSINESS.

The Company will not and will not permit any Subsidiary to engage in any business if, as a result, the general nature of the business in which the Company and its Subsidiaries, taken as a whole, would then be engaged would be substantially changed from the general nature of the business in which the Company and its Subsidiaries, taken as a whole, are engaged on the date hereof.

#### SECTION 609. TERRORISM SANCTIONS REGULATIONS.

The Company will not, and will not permit any Controlled Entity to (a) become (including by virtue of being owned or controlled by a Blocked Person), own or control a Blocked Person or (b) directly or indirectly have any investment in or engage in any dealing or transaction (including any investment, dealing or transaction involving the proceeds of the Notes) with any Person if such investment, dealing or transaction (i) would cause any holder or any affiliate of such holder to be in violation of, or subject to sanctions under, any law or regulation applicable to such holder, or (ii) is prohibited by or subject to sanctions under any U.S. Economic Sanctions Laws.

#### SECTION 610. NEGATIVE PLEDGE.

(a) While any of the Debentures remain outstanding, the Company shall not create, or permit to be created or to exist, any mortgage, lien, pledge, security interest or other encumbrance upon any of its property, whether owned on or acquired after the date hereof, to secure any indebtedness for borrowed money of the Company, unless the Debentures then outstanding are equally and ratably secured for so long as any such indebtedness is so secured.

(b) The restrictions of Section 610(a) hereof shall not apply with respect to, among other things:

(i) liens ou property that existed when the Company acquired or constructed the property or were created within one year thereafter;

(ii) liens on property that secure payment of all or part of the purchase price or construction cost of the property, including the extension of any liens to repairs or improvements made on the property;

(iii) the pledge of any bonds or other securities at any time issued under any of the liens permitted by clauses (i) or (ii) above;

(iv) liens for taxes, assessments and other governmental charges or requirements which are not delinquent or which are being contested in good faith by appropriate proceedings or of which at least ten Business Days' notice has not been given to the general counsel of the Company or to such other Person designated by the Company to receive such notices;

(v) mechanics', workinen's, repairmen's, materialinen's, warehousemen's, and carriers' liens, other liens incident to construction, liens or privileges of any employees of the Company for salary or wages earned, but not yet payable, and other liens, including without limitation liens for worker's compensation awards, arising in the ordinary course of business for charges or requirements which are not delinquent or which are being contested in good faith and by appropriate proceedings or of which at least ten Business Days' notice has not been given to the general counsel of the Company or to such other Person designated by the Company to receive such notices;

(vi) liens in respect of attachments, judgments or awards arising out of judicial or administrative proceedings in an amount not exceeding the greater of (A) Fifty Million Dollars (\$50,000,000) and (B) three percent (3%) of the principal amount of the Securities then Outstanding;

(vii) liens in respect of attachments, judgments or awards arising out of judicial or administrative proceedings with respect to which the Company shall (A) in good faith be prosecuting an appeal or other proceeding for review and with respect to which the Company shall have secured a stay of execution pending such appeal or other proceeding or (B) have the right to prosecute an appeal or other proceeding for review or (C) have not received at least ten Business Days' notice given to the general counsel of the Company or to such other Person designated by the Company to receive such notices;

(viii) easements, leases, reservations or other rights of others in, on, over and/or across, and laws, regulations and restrictions affecting, and defects, irregularities, exceptions and limitations in title to, the property of the Company or any part thereof;

(ix) liens, defects, irregularities, exceptions and limitations in (A) title to real property subject to rights-of-way in favor of the Company or otherwise or used or to be used by the Company primarily for right-of-way purposes; (B) real property held under lease, easement, license or similar right; or (C) the rights-of-way, leases, easements, licenses or similar rights in favor of the Company; and defects, irregularities, exceptions and limitations in title to flood lands, flooding rights aud/or water rights;

(x) liens securing indebtedness or other obligations neither created, assumed nor guaranteed by the Company nor on account of which it customarily pays interest upon real property or rights in or relating to real property acquired by the Company for the purpose of the generation of electric energy or the transmission or distribution of electric energy, gas or water, or for the purpose of telephonic, telegraphic, radio, wireless or other electronic communication, or otherwise for the purpose of obtaining rights-of-way; (xi) leases existing at the date hereof affecting properties owned by the Company at said date and renewals and extensions thereof; and leases affecting such properties entered into after such date or affecting properties acquired by the Company after such date which, in either case, (A) have respective terms of not more than ten years (including extensions or renewals at the option of the tenant) or (B) do not materially impair the use by the Company of such properties for the respective purposes for which they are held by the Company;

(xii) liens vested in lessors, licensors, franchisors or permitters for rent or other amounts to become due or for other obligations or acts to be performed, the payment of which rent or the performance of which other obligations or acts is required under leases, subleases, licenses, franchises or permits, so long as the payment of such rent or other amounts or the performance of such other obligations or acts is not delinquent or is being contested in good faith and by appropriate proceedings;

(xiii) liens securing industrial revenue or pollution control bonds issued to finance any of the Company's pollution control, sewage or solid waste disposal facilities;

(xiv) controls, restrictions, obligations, duties and/or other burdens imposed by federal, state, municipal or other law, or by rules, regulations or orders of the government of the United States or of any State or Territory thereof or of the District of Columbia or of any county, municipality or other political subdivision of any thereof, or any department, agency, authority or other instrumentality of any of the foregoing (collectively, "Governmental Authorities"), upon the Company's property or any part thereof or the operation or use thereof or upon the Company with respect to the Company's property or any part thereof or the operation or use thereof or with respect to any franchise, grant, license, permit or public purpose requirement, or any rights reserved to or otherwise vested in Governmental Authorities to impose any such controls, restrictions, obligations, duties and/or other burdens;

(xv) rights which Governmental Authorities may have by virtue of franchises, grants, licenses, permits or contracts, or by virtue of law, to purchase, recapture or designate a purchaser of or order the sale of the Company's property or any part thereof, to terminate franchises, grants, licenses, permits, contracts or other rights or to regulate the property and business of the Company; and any and all obligations of the Company correlative to any such rights;

(xvi) liens required by law or governmental regulations (A) as a condition to the transaction of any business or the exercise of any privilege or license, (B) to enable the Company to maintain self-insurance or to participate in any funds established to cover any insurance risks, (C) in connection with workmen's compensation, unemployment insurance, social security, any pension or welfare benefit plan or (D) to share in the privileges or benefits required for companies participating in one or more of the arrangements described in sub-clauses (B) and (C) above;

(xvii) liens on the Company's property or any part thereof which are granted by the Company to secure duties or public or statutory obligations or to secure, or serve in lieu of, surety, stay or appeal bonds;

(xviii) rights reserved to or vested in others to take or receive any part of any coal, ore, gas, oil and other minerals, any timber and/or any electric capacity or energy, gas, water, steam and any other products, developed, produced, manufactured, generated, purchased or otherwise acquired by the Company or by others on property of the Company;

(xix) (A) rights and interests of Persons other than the Company arising out of contracts, agreements and other instruments to which the Company is a party and which relate to the common ownership or joint use of property; and (B) all liens on the interests of Persons other than the Company in property owned in common by such Persons and the Company if and to the extent that the enforcement of such liens would not adversely affect the interests of the Company in such property in any material respect;

(xx) any restrictions on assignment and/or requirements of any assignee to qualify as a permitted assignee and/or public utility or public service corporation; and

(xxi) any liens which have been bonded for the full amount in dispute or for the payment of which other adequate security arrangements have been made.

(c) Notwithstanding the foregoing, so long as the Company is in compliance with Section 612 and the interest rate adjustments, if applicable, in Section 204(e) hereof, the Company may create or assume any other mortgage, lien, pledge, security interest or other encumbrance not otherwise excepted under Section 610(b) hereof without equally (in an amount equal to the aggregate principal amount of the lesser of (x) the indebtedness secured by such newly created or assumed mortgage, lien, pledge, security interest or other encumbrance or (y) the Debentures then outstanding) and ratably (with the same priority as such newly created or assumed mortgage, lien, pledge, security interest or other encumbrance) securing the Debentures (a "Basket Lien"). Any such documentation evidencing the securing of the Debentures shall be reasonably acceptable to the Required Holders in substance and in form.

### SECTION 611. INDEBTEDNESS TO CAPITALIZATION RATIO.

The Company will not permit the ratio of Consolidated Indebtedness to Consolidated Capitalization as at the end of any fiscal quarter of the Company to exceed 65%.

### SECTION 612. RATING.

(a) If the Company has incurred, created or assumed a Basket Lien, the Company shall promptly (and, in any event within 30 days after such incurrence, creation and/or assumption) procure and deliver to the holders of the Debentures current Debt Ratings from the two NRSROs

(b) At any time that the Debt Rating maintained pursuant to clause (a) above is not a public rating, the Company will provide to each holder of a Debenture (x) at least annually (on or before each anniversary of the date of this Agreement) and (y) as soon as available, which in any

event shall not be later than the next annual anniversary date, upon any change in such Debt Rating, a Private Rating Letter evidencing such Debt Rating and a Private Rating Rationale Report with respect to such Debt Rating. In addition to the foregoing information, if the SVO or any other regulatory authority having jurisdiction over any holder of any Debentures from time to time requires any additional information with respect to the Debt Rating, the Company shall use commercially reasonable efforts to procure such information from the NRSRO.

### SECTION 613. CHANGE OF CONTROL.

While any series of the Debentures is outstanding, if the Company issues debt securities in a Private Placement pursuant to a note purchase agreement, debenture purchase agreement, indenture or supplemental indenture (or any amendment to any of the foregoing) (each, a "Private Debt Agreement"), which Private Debt Agreement contains any MFL Change of Control which is not otherwise included in this Ninth Supplemental Indenture, then a Senior Financial Officer of the Company shall promptly (but in any event within ten Business Days from the occurrence thereof) provide written notice thereof to the holders of Debentures, which notice shall refer specifically to this Section 613 and describe in reasonable detail the MFL Change of Control and the relevant triggering events and rights and obligations flowing therefrom. Thereupon, unless waived in writing by the Required Holders within ten Business Days of the holders' receipt of such notice, such MFL Change of Control shall be deemed incorporated by reference into this Ninth Supplemental Indenture, *mutatis mutandis*, as if set forth fully herein effective as of the date when such MFL Change of Control became effective under the applicable Private Debt Agreement.

### ARTICLE SEVEN.

### AMENDMENTS TO INDENTURE.

(a) Section 501(1) of the Indenture is replaced in its entirety with the following:

"(1) default in the payment of any interest upon any Security of that series when it becomes due and payable, and continuance of such default for a period of 5 days"

For the avoidance of doubt, the above amendment shall only apply to the Debentures issued under this Ninth Supplemental Indenture.

(b) Section 603 of the Indenture is hereby amended by adding the following new paragraphs (8), (9) and (10):

"(8) in no event shall the Trustee be responsible or liable for special, indirect, or consequential loss or damage of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage aud regardless of the form of action.

(9) the Trustee shall not be liable for any action taken, suffered, or omitted to be taken by it in good faith and reasonably believed by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture; the rights, privileges,

protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder.

(10) in no event shall the Trustee be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services; it being understood that the Trustee shall use reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as practicable under the circumstances."

## ARTICLE EIGHT.

### MISCELLANEOUS

### SECTION 801. INDENTURE RATIFIED AND CONFIRMED.

The Indenture, as amended and supplemented by this Ninth Supplemental Indenture, is in all respects ratified and confirmed, and this Ninth Supplemental Indenture shall be deemed part of the Indenture in the manner and to the extent herein and therein provided. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Ninth Supplemental Indenture or for or in respect of the recitals contained herein, all of which recitals are made solely by the Company. The Trustee accepts the trusts created by the Indenture, as amended and supplemented by this Ninth Supplemental Indenture, and agrees to perform the same upon the terms and conditions of the Indenture, as amended and supplemented by this Ninth Supplemental Indenture. All of the provisions contained in the Indenture in respect of the rights, privileges, immunities, powers, and duties of the Trustee shall be applicable in respect of the Ninth Supplemental Indenture as fully and with like force and effect as though fully set forth in full herein.

## SECTION 802. EXECUTION IN COUNTERPARTS

This Ninth Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

### SECTION 803. EFFECT OF HEADINGS AND TABLE OF CONTENTS.

The Article and Section headings in this Ninth Supplemental Indenture and the Table of Contents are for convenience only and shall not affect the construction hereof.

### SECTION 804. SUCCESSORS AND ASSIGNS.

All covenants and agreements in this Ninth Supplemental Indenture by the Company and the Trustee shall bind their respective successors and assigns, whether so expressed or not.

### SECTION 805. SEPARABILITY.

In case any provision in this Ninth Supplemental Indenture shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

### SECTION 806. BENEFITS OF INDENTURE.

Nothing in this Ninth Supplemental Indenture or the Debentures, express or implied, shall give to any Person, other than the parties hereto, their successors hereunder and the Holders of any Debentures, any benefit or any legal or equitable right, remedy or claim under this Ninth Supplemental Indenture.

### SECTION 807. GOVERNING LAW,

This Ninth Supplemental Indenture and the Debentures shall be governed by and construed in accordance with the laws of the State of New York.

### SECTION 808. USA PATRIOT ACT.

The parties hereto acknowledge that in accordance with Section 326 of the USA PATRIOT Act, the Trustee is required to obtain, verify, and record information that identifies each person or legal entity that establishes a relationship or opens an account. The Company agrees that it will cause Holders of the Debentures to provide the Trustee with such information as it may request in order for the Trustee to satisfy the requirements of the USA PATRIOT Act,

### SECTION 809. ELECTRONIC SIGNATURES.

The parties agree to electronic contracting and signatures with respect to this Ninth Supplemental Indenture and the other documents delivered in connection herewith (other than the Debentures). Delivery of an electronic signature to, or a signed copy of, this Ninth Supplemental Indenture and such other documents (other than the Debentures) by facsimile, email or other electronic transmission shall be fully binding on the parties to the same extent as the delivery of the signed originals and shall be admissible into evidence for all purposes. The words "execution," "execute", "signed," "signature," and words of like import in or related to any document to be signed in connection with this Ninth Supplemental Indenture and the other documents (other than the Debentures) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Company, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. Notwithstanding the foregoing, if the Company shall request manually signed counterpart signatures to this Ninth Supplemental Indenture or any other document delivered in connection herewith, the Trustee hereby agrees to use its reasonable endeavors to provide such manually signed signature pages as soon as reasonably practicable.

KyPSC Case No. 2024-00354 FR 16(7)(j) Attachment Page 54 of 55

IN WITNESS WHEREOF, the parties hereto have caused this Ninth Supplemental Indenture to be duly executed as of the day and year first above written.

**DUKE ENERGY KENTUCKY, INC.** 

an By: 1

Name: Chris R. Bauer Title: Assistant Treasurer

\*

# DEUTSCHE BANK TRUST COMPANY AMERICAS, as Trustee

-DocuSigned by: ard Ng -738039448A58420... Ву: \_\_\_ Name: Title: Docusioned by: By: \_\_ en Name: 0554C4BAE86D450... Title: Irina Golovashchuk Vice President

Carol Ng Vice President

# DUKE ENERGY KENTUCKY CASE NO. 2024-00354 FORECASTED TEST PERIOD FILING REQUIREMENTS FR 16(7)(k)

# 807 KAR 5:001, SECTION 16(7)(k)

# **Description of Filing Requirement:**

The most recent FERC Financial Report FERC Form No.1, FERC Financial Report FERC Form

No. 2, or Public Service Commission Form T (telephone).

# **Response:**

See attached.

وروار ومعروف والالار والمتراج والمتروك والمراجع

# Witness Responsible:

Danielle L. Weatherston

KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 1 of 201

THIS FILING IS

Item 1: 🗹 An Initial (Original) Submission OR 🗖 Resubmission No.



FERC FINANCIAL REPORT FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

 Exact Legal Name of Respondent (Company)
 Year/Period of Report

 Duke Energy Kentucky, Inc.
 End of: 2023/ Q4

FERC FORM NO. 1 (REV. 02-04)

**INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q** 

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### **GENERAL INFORMATION**

#### Purpose.

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q) is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be nonconfidential public use forms.

#### Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Cormission's Uniform System of Accounts Prescribed for Public Utilities, Licensees, and Others Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

one million megawatt hours of total annual sales,

100 megawatt hours of annual sales for resale,

500 megawatt hours of annual power exchanges delivered, or

500 megawatt hours of annual wheeling for others (deliveries plus losses).

#### What and Where to Submit

Submit FERC Form Nos. 1 and 3-Q electronically through the eCollection portal at <u>https://eCollection.ferc.gov</u>, and according to the specifications in the Form 1 and 3-Q taxonomies.

The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:

Secretary

Federal Energy Regulatory Commission 888 First Street, NE Washington, DC 20426

For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.

The CPA Certification Statement should:

Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and

Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

Schedules	<u>Pages</u>
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Relained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, evaluated in the latter or france in domain that it has used the List of Schedules, pages 2 and 3.

Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions (see VII. below).

Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.

For any resubmissions, please explain the reason for the resubmission in a footnote to the data field.

Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.

Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Schedule specific instructions are found in the applicable taxonomy and on the applicable blank rendered form.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions, "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff, "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Taff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and" firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments, Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

#### DEFINITIONS

Commission Authorization (Comm. Auth.) - The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.

Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made. explaned in the letter or report, demand that if up varied, inset, parenthetical phrases only when exceptions are reported,

"In connection with our regular examination of the financial statements of [COMPANY NAME] for the year ended on which we have reported separately under date of [DATE], we have also reviewed schedules [NAME OF SCHEDULES] of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases." The lefter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist,

Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. Further instructions are found on the Commission's website at <u>https://www.ferc.gov/ferc-online/ferc-online/frequently-askedguestions-fags-efilingferc-online.</u>

Federal, State, and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from <u>https://www.ferc.gov/general-information-0/electric-industry-forms</u>.

#### When to Submit

FERC Forms 1 and 3-Q must be filed by the following schedule:

FERC Form 1 for each year ending December 31 must be filed by April 18th of the following year (18 CFR § 141.1), and

FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

#### Where to Send Comments on Public Reporting Burden.

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,168 hours per response, including the time for reviewing instructions, searching existing data sources; gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 168 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget; Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

### **GENERAL INSTRUCTIONS**

Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA), Interpret all accounting words and phrases in accordance with the USofA,

Enter in whole numbers (dollars or MWH) only, except where atherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts;

### **EXCERPTS FROM THE LAW**

#### Federal Power Act, 16 U.S.C. § 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to with:

'Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

'Person' means an individual or a corporation;

'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignce or successor in interest thereof;

'municipality means a city, county, imigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, unitizing, or distributing power; .....

"project" means, a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce; and concerning the location, capacity, development costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

Every Licensee and every public utility shall file with the Commission such annual and other periodic or special" reports as the Commission may by rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports shall be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy, The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies\*.10

"Sec. 309.

The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be field..."

<sup>&</sup>quot;Sec. 304.

Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.

For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on FERC FORM NO. 1 (ED. 03-07)

# **GENERAL PENALTIES**

The Commission may assess up to \$1 million per day per violation of its rules and regulations. See FPA § 316(a) (2005), 16 U.S.C. § 825o(a).

FERC FORM NO. 1 REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER				
	IDENTIFICATION			
.01 Exact Legal Name of Respondent		02 Year/ Period of Report		
Duke Energy Kentucky, Inc.		End of: 2023/ Q4		
03 Previous Name and Date of Change (If name changed	during year)			
1				
04 Address of Principal Office at End of Period (Street, Cit	y, State, Zip Code)			
1262 Cox Road, Erlanger, KY 41018				
05 Name of Contact Person		06 Title of Contact Person		
Danielle Weatherston		Accounting Manager II		
07 Address of Contact Person (Street, City, State, Zip Cod	le)			
525 S. Tryon Street, Charlotte, NC 28202	·			
	09 This Report is An Original / A Resubmission			
08 Telephone of Contact Person, Including Area Code 980-373-1697	(1) 🗹 An Original	10 Date of Report (Mo, Da, Yr) 04/15/2024		
	(2) 🗆 Á Resubmission	04/13/2024		
Ar	nual Corporate Officer Certification	La annone		
The undersigned officer certifies that:				
I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.				
01 Name	03 Signature	04 Date Signed (Mo, Da, Yr)		
Cynthia S. Lee Cynthia S. Lee		04/15/2024		
02 Title				
VP, CAO, and Controller				
Tille 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its junisdiction.				

FERC FORM No. 1 (REV. 02-04)

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 7 of 201

Name of Respondent: Duke Energy Kentucky, inc.This report is: (1) ☑ An Original (2) □ A Resubmission		04/15/20		of Report: 5/2024	Year/Period of Report End of: 2023/ Q4	
		LIST OF SC	HEDULES (Electr	ic Util	ity)	
Enter in Omit pa	column (c) the terms "none," "not app ges where the respondents are "none	licable," or "NA," as ap ," "not applicable," or "I	propriate, where n NA*.	io infor	mation or amounts ha	we been reported for certain pages.
Line No.	Title of Schedu (a)	le	Reference Page (b)	No.		Remarks {C)
	Identification		1			
	List of Schedules		2			
1	General Information		. <u>101</u>			
-2	Control Over Respondent		<u>102</u>			
3	Corporations Controlled by Resp	ondent	<u>103</u>		N/A	
4	Officers		<u>104</u>			
5	Directors	······································	<u>105</u>	-		
6	Information on Formula Rates		<u>106</u>			
7	Important Changes During the Ye	ar	<u>108</u>			
8	Comparative Balance Sheet		<u>,110</u>			
9	Statement of Income for the Year		114			
10	Statement of Retained Earnings f	or the Year	118	u -		
12	Statement of Cash Flows		<u>120</u>			
12	Notes to Financial Statements		<u>122</u>			
13	Statement of Accum Other Cor Income, and Hedging	np Income, Comp Activities	<u>122a</u>			
14	Summary of Utility Plant & Accu for Dep, Amort &		<u>200</u>			
15	Nuclear Fuel Materials		202		N/A	
16	Electric Plant in Service		<u>204</u>			
17	Electric Plant Leased to Others		<u>213</u>		N/A	
18	Electric Plant Held for Future Use		<u>214</u>		N/A	
19	Construction Work in Progress-E	lectric	<u>216</u>			
20	0 Accumulated Provision for Depreciation of Electric Utility Plant		219			
21	Investment of Subsidiary Compa	njes	224		N/A	
22	Materials and Supplies		227			
23	Allowances		228			
24	Extraordinary Property Losses		<u>230a</u>		N/A	
25	Unrecovered Plant and Regulator	y Study Costs	<u>230b</u>		N/A	

*****	Transmission Service and Generation		
26	Iransmission Service and Generation Interconnection Study Costs	<u>231</u>	N/A
27	Other Regulatory Assets	232	
28	Miscellaneous Deferred Debits	<u>233</u>	
29	Accumulated Deferred income Taxes	234	
30	Capital Stock	250	
31	Other Paid-in Capital	<u>253</u>	
32	Capital Stock Expense	<u>254b</u>	N/A
33	Long-Term Debt	<u>256</u>	
34	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	<u>261</u>	
35	Taxes Accrued, Prepaid and Charged During the Year	<u>262</u>	
36	Accumulated Deferred Investment Tax Credits	266	
37	Other Deferred Credits	<u>269</u>	
38	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272	
39	Accumulated Deferred Income Taxes-Other Property	274	
40	Accumulated Deferred Income Taxes-Other	<u>276</u>	
41	Other Regulatory Liabilitios	<u>278</u>	
42	Electric Operating Revenues	<u>300</u>	
43	Regional Transmission Service Revenues (Account 457.1)	<u>302</u>	
44	Sales of Electricity by Rate Schedules	<u>304</u>	
45	Sales for Resale	<u>310</u>	
46	Electric Operation and Maintenance Expenses	320	
47	Purchased Power	<u>326</u>	
48	Transmission of Electricity for Others	<u>328</u>	
49	Transmission of Electricity by ISO/RTOs	<u>331</u>	N/A
50	Transmission of Electricity by Others	332	
.51	Miscellaneous General Expenses-Electric	<u>335</u>	
52	Depreciation and Amortization of Electric Plant (Account 403, 404, 405)	<u>336</u>	
53	Regulatory Commission Expenses	350	
54	Research, Development and Demonstration Activities	<u>352</u>	
55	Distribution of Salaries and Wages	354	
56	Common Utility Plant and Expenses	<u>356</u>	
57	Amounts included in ISO/RTO Settlement Statements	<u>397</u>	
58	Purchase and Sale of Ancillary Services	<u>398</u>	
59	Monthly Transmission System Peak Load	<u>400</u>	N/A

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 9 of 201

60	Monthly ISO/RTO Transmission System Peak Load	<u>400a</u>	N/A
61	Electric Energy Account	<u>401a</u>	
62	Monthly Peaks and Output	<u>4016</u>	
63,	Steam Electric Generating Plant Statistics	<u>402</u>	
64	Hydroelectric Generating Plant Statistics	<u>406</u>	N/A
65	Pumped Storage Generating Plant Statistics	<u>408</u>	N/A
6 <b>6</b>	Generating Plant Statistics Pages	<u>410</u>	N/A
66.1	Energy Storage Operations (Large Plants)	<u>414</u>	N/A
66.2	Energy Storage Operations (Small Plants)	419	N/A
67	Transmission Line Statistics Pages	<u>422</u>	
-68	Transmission Lines Added During Year	<u>424</u>	
69	Substations	<u>426</u>	
<b>7</b> 0	Transactions with Associated (Affiliated) Companies	<u>429</u>	
71	Footnote Data	<u>450</u>	
	Stockholders' Reports (check appropriate box)		
	Stockholders' Reports Check appropriate box:		
	Two copies will be submitted		
	No annual report to stockholders is prepared		

FERC FORM No. 1 (ED. 12-96)

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4	
	GENERAL INFORMATI	ON		
1. Provide name and title of officer having cus are kept, and address of office where any other				
Cynthia S. Lee				
Vice President, Chief Accounting Officer and (	Controller			
525 S. Tryon Street, Charlotte, NC 28202				
2. Provide the name of the State under the law reference to such law. If not incorporated, stat			ncorporated under a special law, give	
State of Incorporation: KY				
Date of Incorporation: 1901-03-20				
Incorporated Under Special Law:				
3. If at any time during the year the property c or trustee took possession, (c) the authority b ceased.	f respondent was held by a receiver or tr y which the receivership or trusteeship w	ustee, give (a) name of rece as created, and (d) date who	iver or trustee, (b) date such receiver en possession by receiver or trustee	
(a) Name of Receiver or Trustee Holding Prop	erty of the Respondent: N/A			
(b) Date Receiver took Possession of Respon	ident Property:			
(c) Authority by which the Receivership or Tru	steeship was created: N/A			
(d) Date when possession by receiver or trust	ee ceased:			
4. State the classes or utility and other service	es furnished by respondent during the ye	ar in each State in which the	respondent operated.	
Kentucky - Gas and Electric				
5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?				
(1) 🗖 Yes				
(2) V No				

FERC FORM No. 1 (ED. 12-87)

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 11 of 201

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4			
	CONTROL OVER RI	ESPONDENT	,			
the year, state name of controlling corp company organization, show the chain	1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.					
Duke Energy Kentucky, Inc is a whoffy owned subsidiary of Duke Energy Ohio, Inc. Duke Energy Ohio, Inc. is a wholly owned subsidiary of Clinergy Corp., which is a wholly owned subsidiary of Duke Energy Orion in a wholly owned subsidiary of Duke Energy Orion in a wholly owned subsidiary of Clinergy Corp., which is a wholly owned subsidiary of Duke Energy Orion						

FERC FORM No. 1 (ED. 12-96)

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# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 12 of 201

Name of Respondent:     This report is:       Duke Energy Kentucky, Inc.     (1) I an Original       (2) A Resubmission		Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4	
		CORPORATIONS CONTROLLED BY	RESPONDENT	
d 2. if 3. if Definiti 1. S 2. C 3. ir 4. J e	uring the year. If control ceased prior to control was by other means than a dire- termediaries involved, control was held jointly with one or mo ons liee the Uniform System of Accounts for birect control is that which is exercised y adjrect control is that which is exercised ont control is that in which neither inter qually divided between two holders, or	without interposition of an intermediary. I by the interposition of an intermediary w est can effectively control or direct action each party holds a veto power over the o ties who together have control within the	a footnote. note the manner in which note and name the other in which exercises direct cont n without the consent of th other. Joint control may ex	control was held, naming any terests. rol. e other, as where the voting control is st by mutual agreement or
Line No.	Name of Company Controlled (a)	Kind of Business (Þ)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	N/A			

FERC FORM No. 1 (ED. 12-96)

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 13 of 201

		· · · · · · · · · · · · · · · · · · ·					
Name of Respondent: Duke Energy Kentucky, Inc.		This report is: (1) ☑ An Original	Date of Réport: Year/Peño 04/15/2024 End of: 20		d of Report 23/ Q4		
		(2) 🗆 A Resubmission					
	OFFICERS						
2.	<ol> <li>Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.</li> <li>If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.</li> </ol>						
Line No.	<u>Title</u> (a)	Name of Officer {b}	Salary for Year (c)	Date Started in Period (d)	Date Ended in Period (e)		
1	Executive Vice President, Chief Legal Officer and Corporate Secretary	Kodwo Ghartey-Tagoe					
2	Senior Vice President	R. Alexander Glenn			2023-03-01		
3	Executive Vice President	R. Alexander Glenn		2023-03-01			
4	Chief Executive Officer	Lynn J. Good					
5	Executive Vice President and Chief Operating Officer	Dhiaa M. Jamil			2023-0 <del>6</del> -30		
6	Executive Vice President	Julie S. Janson					
7	Vice President, Chief Accounting Officer and Controller	Cynthia S. Lee					
8	Senior Vice President, Corporate Development and Treasurer	Karl W. Newlin					
9	Senior Vice President and Chief Human Resources Officer	Ronald R. Reising			2023-03-01		
10	Executive Vice President and Chief Human Resources Officer	Ronald R. Reising		2023-03-01	2023-12-31		
11	Senior Vice President, External Affairs and Communications	Louis E. Renjel			2023-03-01		
12	Executive Vice President, External Affairs and Communications	Louis E. Renjel		2023-03-01			
13	Executive Vice President and Chief Financial Officer	Brian D. Savoy					
14	Executive Vice President, Customer Experience, Solutions, and Services	Harry K. Sideris					
15	President	Arny B. Spiller					
16	Executive Vice President and Chief Commercial Officer	Steven K. Young					
17	Executive Vice President, Chief Generation Officer and Enterprise Operational Excellence	T. Preston Gillespie Jr.		2023-01-01			

Name of Respondent:       (1) I An Original         Duke Energy Kentucky, Inc.       (2) A Resubmission		Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4		
		DIRECTOR	S		
па 2, Р	<ol> <li>Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column name and abbreviated titles of the directors who are officers of the respondent.</li> <li>Provide the principle place of business in column (b), designate members of the Executive Committee in column (c), and the Chairman of the Executive Committee in column (d).</li> </ol>				
Line No.	Name (and Title) of Director (a)	Principal Business Address (b)	Member of the Executive Committee (c)	Chairman of the Executive Committee (d)	
1	R. Alexander Glenn, Executive Vice President	525 S. Tryon Street, Charlotte, NC 28202	true		
2	Lynn J. Good, Chief Executive Officer	525 S. Tryon Street, Charlotte, NC 28202		true	
3	Kodwo Ghartey-Tagoe, Executive Vice President, Chief Legal Officer and Corporate Secretary	525 S. Tryon Street, Charlotte, NC 28202	true		

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Name of Respondent:       This report is:         Duke Energy Kentucky, Inc.       (1) I An Original         (2) A Resubmission		Date of Report: Year/Period of Report: 04/15/2024 End of: 2023/ Q4		Year/Period of Report End of: 2023/ Q4	
		INFORMATION ON FO	ORMUL	A RATES	
Does the	respondent have formula rates?				
1. Ple acc	ase list the Commission accepted for septing the rate(s) or changes in the	ormula rates including FERC Rate accepted rate.	Schedu	le or Tariff Number and FEF	C proceeding (i.e. Docket No)
Line No,		ule or Täriff Number a)		FERC	Proceeding (b)
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FERC FORM No. 1 (NEW. 12-08)

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Name of Respondent: Duke Energy Kentucky, Inc.			(1) 🗹 An Original		Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4		
		INFORMATION O	N FORMULA RATES - FERC Rate S	Schedu	le/Tariff Number FERC Pr	oceeding		
Comm	containing the i	file with the or more frequent) nputs to the formula	☑ Yes □ No					
1	If yes, provide a listing of such filings as contained on the Commission's eLibrary website.							
Line No,	Accession No. (a)	Filed Date			Description (d)	Formula Rate FERC Rate Schedule Number or Tariff Number (e)		
1	20120515- 5244	05/15/2012	ER12-91-000	Form	ula Rate Annual Update	PJM OATT, Attachment H-22A		
2	20130129- 5070	01/29/2013	ER12-91-000	Form Corre	iula Rate Annual Update ecled	PJM OATT, Attachment H-22A		
3	20130515- 5122	05/15/2013	ER12-91-000	Form	nula Rate Annual Update	PJM OATT, Attachment H-22A		
4	20140515- 5149	05/15/2014	ER12-91-000	Form	jula Rate Annual Update	PJM OATT, Attachment H-22A		
5	20150515- 5244	05/15/2015	ER12-91-000	Form	nulä Rate Annual Update	PJM OATT, Attachment H-22A		
6	20150617 <del>,</del> 5152	06/17/2015	ER15-1932-000	Secti	ion 205	PJM OATT, Attachment H-22A		
7	20160513- 5092	05/13/2016	ER12-91-000	Farm	nula Rate Annual Update	PJM OATT, Attachment H-22A		
8	20161130- 5416	11/30/2016	ER12-91-000		nula Rate Annual Update ected	PJM OATT, Attachment H-22A		
9	20170509- 5150	05/09/2017	ER12-91-000	Form	nula Rate Annual Update	PJM OATT, Attachment H-22A		
-10	20180129- 5213	01/29/2018	ER12-91-000		nula Rate Annual Update ected	PJM OATT, Attachment H-22A		
11	20180402- 5140	04/02/2018	ER18-1274-000	Sect	ion 205	PJM OATT, Attachment H-22A & H-22B		
12	20180515- 5331	05/15/2018	ER12-91-000	Form	nula Rate Annual Update	PJM OATT, Attachment H-22A		
13	20181214- 5040	12/14/2018	ER19-555-000	Sect	ion 205	PJM OATT, Attachment H-22A		
14	20190329- 5217	03/29/2019	ER19-1483-000	Sect	ion 205	PJM OATT, Attachment H-22A		
15	20190515- 5112	05/15/2019	ER12-91-000	Forn	nula Rate Annual Update	PJM OATT, Attachment H-22A		
16	20200207- 5054	02/07/2020	ER12-91-000		nula Rate Annual Update ected	PJM OATT, Attachment H-22A		
17	20200515- 5123	05/15/2020	ER20-1832-000	Orde	er No. 864 Compliance Filin	g PJM OATT, Attachment H-22A		
18	20200515- 5294	05/15/2020	ER12-91-000	Forn	nula Rate Annual Update	PJM OATT, Attachment H-22A		

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19	20210115- 5207	01/15/2021	ER20-1832-001	Order No. 864 Compliance Filing	PJM OATT, Attachment H-22A
20	20210121- 5326	01/21/2021	ER12-91-000	Formula Rate Annual Update Corrected	PJM OATT, Attachment H-22A
21	20210316- 5124	03/16/2021	ER21-1450-000	Section 205	PJM OATT, Attachment H-22A
22	20210517- 5120	05/17/2021	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachnient H-22A
23	20220118- 5334	01/18/2022	ER12-91-000	Formula Rate Annual Update Corrected	PJM OATT, Attachment H-22A
24	20220315- 5149	03/15/2022	ER-22-1338-000	Section 205	PJM OATT, Attachment H-22A
25	20220321- 5144	03/21/2022	ER20-1832-002	Order No. 864 Compliance Filing	PJM OATT, Attachment H-22A
26	20220516- 5130	05/16/2022	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachment H-22A
27	20221121- 5093	11/21/2022	ER23-470-000	Section 205	PJM OATT, Attachment H-22A
28	20230321- 3075	03/21/2023	ER23-1045-000	Section 205	PJM OATT, Attachment H-22A
29	20230515- 5331	05/15/2023	ER12-91-000	Formula Rate Annual Update	PJM OATT, Attachment H-22A

FERC FORM NO. 1 (NEW. 12-08)

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Name of Duke En	Respondent: argy Kentucky, Inc.	This report is; (1) ☑ An Original (2) □ A Resubmission IFORMATION ON FORMULA RATES - F	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4			
am 2. The For 3. The	<ol> <li>If a respondent does not submit such filings then indicate in a footnote to the applicable Form 1 schedule where formula rate inputs differ from amounts reported in the Form 1.</li> <li>The footnote should provide a narrative description explaining how the "rate" (or billing) was derived if different from the reported amount in the Form 1.</li> <li>The footnote should explain amounts excluded from the ratebase or where labor or other allocation factors, operating expenses, or other items impacting formula rate inputs differ from amounts reported in Form 1 schedule amounts.</li> <li>Where the Commission has provided güidance on formula rate inputs, the specific proceeding should be noted in the footnote.</li> </ol>						
Line No.	Page No(s). (a)	<u>Schedule</u> (b)		<u>Column</u> (c)	Line No. (d)		
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FERC FORM No. 1 (NEW. 12-08)

Page 106b

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4.				
	IMPORTANT CHANGES DURING TH	E QUARTER/YEAR					
<ul> <li>Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquires. Each inquiry should be answers. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.</li> <li>a. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.</li> <li>a. Acquisition of ownership in ofter companies by reorganization, merger, or consolidation with other companies; Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transactions, and reference to Commission authorization. If any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission authorization, if any was required. Give date journal entries called for by the uniform System of Accounts were submitted to the Commission authorization.</li> <li>a. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or relinquished and date operations began or ceased and give reference to Commission authorization.</li> <li>b. Important leaseholds (other than leaseholds for natural gas company must also take major new continuing sources of each class of service. Each natural gas company must also take major new continuing sources of each class of service. Each natural gas company must also take major new continuing sources of each dass of service. Each natural gas company</li></ul>							
None							
See Notes to Financial Statements, Note 1, "Su	mmary of Significant Accounting Policies"						
See Notes to Financial Statements, Note 2, "Re	gulatory Matters"						
None							
There are no changes to report during the fourth quarter 2023. There are no changes to report during the third quarter 2023. During the second quarter 2023, Project 138 kV E23983 Woodspoint to Aero was completed, in-service date of April 26, 2023, There are no changes to report during the first quarter 2023, See Notes to Financial Statements, Note 5, "Debt and Credit Facilities"							
None							

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During the fourth quarter 2023, there were no large scale wage changes to report,

During the third quarter 2023, there were no large scale wage changes to report.

During the second quarter 2023, there were no large scale wage changes to report,

### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 22 of 201

During the first quarter 2023, there were no large scale wage changes to report.

See Notes to Financial Statements, Note 2, "Regulatory Matters" and Note 3, "Commitments and Contingencies"

None

None

There are no changes to major security holders and voting powers of Duke Energy Kentucky, Inc. that occurred during the fourth quarter 2023.

There are no changes to major security	holders and voting powers of Duke Energy Kentucky, inc. that occurred during the fourth quarter 2023.
The changes in officers and directors for	Duke Energy Kentucky, Inc. that occurred during the fourth quarter 2023 are as follows:
Resignations effective 12/31/2023	
Larry E. Hatcher	Senior Vice President, Customer Experience and Services
	Executive Vice President and Chief Human Resources
Ronald R. Reising	Officer
Resignations effective 10/24/2023	
	Senior Vice President and President, Duke Energy
Christopher M. Fallon	Sustainable Solutions
Appointments effective 10/03/2023	
Melisa B. Johns	Vice President, Renewables Development
Resignations effective 10/03/2023	
Mélise B. Johns	Vice President, Distributed Energy Solutions and Regulated Renovables
The changes in officers and directors for D	luke Energy Kentucky, Inc. that occurred during the third quarter 2023 are as follows:
Appointments effective 09/16/2023	
Rounette K. Nader	Vice President, New Nuclear Generation and License
	Renewal
Resignations effective 07/15/2023	
James Wells	Vice President, New Nuclear Generation
Resignations effective 07/01/2023	10 - Duald' shifting Base was the Base of Base of Shift Associated
Thomas Silinski	Vice President, Human Resources, Total Rewards & HR Operations
The changes in officers and directors for D	uke Energy Kentucky, Inc. that occurred during the second quarter 2023 are as follows;
Appointments effective 06/30/2023	
Kodwa Gharley-Tagoa	Director
Resignations effective 06/30/2023	
Dhiaa M. Jamli	Director
Dhiaa M. Jamil	Executive Vice President and Chief Operating Officer
Appointments effective 05/16/2023	
Oscar Suris	Senior Vice President and Chief Communications Officer
Appointments effective 05/01/2023	
Renea H. Melzler	Vice President, Total Rewards and Human Resources Operations
Resignations effective 05/01/2023	
Renea H. Meizler	Managing Director, Total Rewards
Resignations affective 04/30/2023	
Catherine B. Stancombe	Senior Vice President, Enterprise Operationel Excellence
_	Juke Energy Kentucky, Inc. that occurred during the first quarter 2023 are as follows:
Resignations effective 03/31/2023	
M. Selim Bingol	Senior Vice President and Chief Communications Officer
Appointments effective 03/16/2023	
Donna T, Council	Senior Vice President, Corporate Real Estate, Aviation and Business Services
Resignations effective 03/16/2023	
Donna T, Council	Senior Vice President, Administrative Services
Appointments effective 03/01/2023	
R. Alexander Glenn	Executive Vice President
Ronald R. Reising	Executive Vice President and Chief Human Resources Officer
Louis E. Rénjel	Executive Vice President, External Affairs and Communications
Resignations effective 03/01/2023	
R. Alexander Glenn	Senior Vice President
Ronald R. Reising	Senior Vice President and Chief Human Resources Officer

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Louis E. Renjei Senior Vice President, External Affairs and Communications Appointments effective 01/01/2023 T. Preston Gillespie Jr. Executive Vice President, Chief Generation Officer and Enterprise Operational Excellence Zachery S, Heil Vice President, Environmental, Health and Safety Programs, James Wells Vice President, New Nuclear Generation Jason S. Williams Senior Vice President, Transmission Maintenance and Construction Resignations effective 01/01/2023 T. Preston Gillespie Jr. Senior Vice President and Chief Generation Officer James Wells Vice President, Environmental, Health and Safety Programs and Environmental Sciences

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# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 24 of 201

Name of Respondent: Duke Energy Kentucky, Inc.This report is: (1) ☑ An Origina (2) □ A Resubm			Date of Réport: 04/15/2024		/Period of Report of; 2023/ Q4	
	COM	PARATIVE BALA	NCE SHEET (ASSE	TS AND OTHER DEBITS)		
Line No.	Title of Account (a)		Ref. Page No. (b)	Current Year End ol Quarter/Year Balanc (c)		Prior Year End Balance 12/31 (d)
1						na na na manana ang kanana ang ka
2	Utility Plant (101-106, 114)		200	3,303,112	2, <b>3</b> 39	3,141,482,103
3	Construction Work in Progress (107)		200	96,665	5,887	96,808,176
4	TOTAL Utility Plant (Enter Total of lin	es 2 and 3)		3,399,776	9,226	3,238,290,279
5	(Less) Accum. Prov. for Depr. Amoit, 110, 111, 115)		200	1,125,191	1,209	1,067,492,714
6	Net Utility Plant (Enter Total of line 4	less 5)		2,274,587	7,017	2,170,797,565
7	Nuclear Fuel in Process of Ref., Cor Fab. (120.1)	v., Enrich., and	202			
8	Nuclear Fuel Materials and Assembl Account (120.2)	1				
9	Nuclear Fuel Assemblies in Reactor	(120.3)				
10	Spent Nuclear Fuel (120.4)					
11	Nuclear Fuel Under Capital Leases	120.6)				
12	(Less) Accum. Prov. for Amort. of Nu Assemblies (120.5)	cį. Fuel	202			
13	Nat Nuclear Fuel (Enter Total of line	s 7-11 less 12)				
14	Net Utility Plant (Enter Total of lines	6 and 13)		2,274,58	7,017	2,170,797,565
15	Utility Plant Adjustments (116)					
16	Gas Stored Underground - Noncurre	ent (117)				
17	OTHER PROPERTY AND INVESTI	MENTS				
18	Nonutility Property (121)			1,31	1,314	1,267,876
19	(Less) Accum, Prov. for Depr. and A	mort, (122)			3,014	
<b>2</b> 0	Investments in Associated Compani	es (123)				
21	Investment in Subsidiary Companie	s ( <b>123</b> .1)	224			
23	Noncurrent Portion of Allowances		228			
24	Other Investments (124)				1,500	1,500
25	Sinking Funds (125)					
26	Depreciation Fund (126)					
27	Amortization Fund - Federal (127)					
28	Other Special Funds (128)			18,34	4, <b>7</b> 27	16;155,189
29	Special Funds (Non Major Only) (12	9)				
30	Long-Term Portion of Derivative Ass	ets (175)		8	5,796	

31	Long-Term Portion of Derivative Assets - Hedges (176)			
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		19,740,323	17,424,565
33	CURRENT AND ACCRUED ASSETS			
34	Cash and Working Funds (Non-major Only) (130)			
35	Cash (131)		3,067,382	3,326,498
36	Special Deposits (132-134)			<u></u>
37	Working Fund (135)			
.38	Temporary Cash Investments (136)			
39	Notes Receivable (141)			
40	Customer Accounts Receivable (142)		19,800,922	25,957,928
41	Other Accounts Receivable (143)		1,918,271	1,622,091
42	(Less) Accum, Prov. for Uncollectible AcctCredit (144)		745,575	530,729
43	Notes Receivable from Associated Companies (145)		33,756,872	53,343,537
44	Accounts Receivable from Assoc. Companies (146)		54,654,163	2,175,359
45	Fuel Stock (151)	227	39,838;611	38,881,864
46	Fuel Stock Expenses Undistributed (162)	227		
47	Residuals (Elec) and Extracted Products (153)	227		······
48	Plant Materials and Operating Supplies (154)	.227	25,454,519	17,915,826
49	Merchandise (165)	227		
50	Other Materials and Supplies (156)	227		······
51	Nuclear Materials Held for Sale (157)	202/227		
52	Allowances (158.1 and 158.2)	228	18,470	18,470
53	(Less) Noncurrent Portion of Allowances	228		
54	Stores Expense Undistributed (163)	227	@1,851,053	<sup>10</sup> 1,478,647
55	Gas Stored Underground - Current (164.1)	<u>.</u>		······································
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)			
57	Prepayments (165)		415,920	340,112
58	Advances for Gas (166-167)			
59	Interest and Dividends Receivable (171)		3880079 U ***********************************	
60	Rents Receivable (172)		4,255	29,779
61	Accrued Utility Revenues (173)			
62	Miscellaneous Current and Accrued Assets (174)		15,093,617	26,035,509
63	Derivative Instrument Assets (175)		1,790,358	4,801,453
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		85,796	

ی این ایریز از به که را با است بید زند. دا از این است انتخاط فقط می قدم از ۲۰۰۰ ۲۰۰۰ ۲۰۰۰ ۲۰۰۰ ۲۰۰

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65	Derivative Instrument Assets - Hedges (176)			
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)			
67	Total Current and Accrued Assets (Lines 34 through 66)		196,833,042	175,396,344
68	DEFERRED DEBITS			
69	Unamortized Debt Expenses (181)		2,449,519	2,838,745
70	Extraordinary Property Losses (182.1)	230a		
<b>7</b> 1	Unrecovored Plant and Regulatory Study Costs (182.2)	230ь		
72	Other Regulatory Assets (182,3)	232	116,599,400	103,143,714
73	Prelim. Survey and Investigation Charges (Electric) (183)		1,147,081	500,583
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)			
75	Other Preliminary Survey and Investigation Charges (183.2)			
76	Clearing Accounts (184)		50	
77	Temporary Facilities (185)			
78	Miscellaneous Deferred Debits (186)	233	座2,735,310	№2,377,047
79	Def. Losses from Disposition of Utility Plt. (187)			
80	Research, Devel. and Demonstration Expend. (188)	352		
81	Unamortized Loss on Reaquired Debt (189)		154,181	272,341
82	Accumulated Deferred Income Taxes (190)	234	74,710,350	74,456,012
83	Unrecovered Purchased Gas Costs (191)		(2,812,674)	1,082,583
84	Total Deferred Debits (lines 69 through 83)		194,983,217	184,671,025
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		2,686,143,599	2,548,289,499

FERC FORM No. 1 (REV. 12-03)

Page 110-111

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4			
	FOOTNOTED	FOOTNOTE DATA				
(a) Concept: StoresExpenseUndistribu	ited					
	th PJM Attachments H-22A: Transmission port ssigned To Construction and Transmission PJ		multiplying Account 163 balance by ratio			
(b) Concept; MiscellaneousDeferredDebits						
eferred Regulatory Comm. Expenses (See pages 350-351) is presented within page 233 by accounts.						
(c) Concept: StoresExpenseUndistributed						

Account 163 - Functionalized for use with PIM Attachments H-22A: Transmission portion of \$33 is calculated by multiplying Account 163 balance by ratio of Transmission M&S balance including Assigned To Construction and Transmission Plant to Total M&S balance.

(d) Concept: MiscellaneousDeferredDebits

Deferred Regulatory Comm. Expenses (See pages 358-351) is presented within page 233 by accounts. FERC FORM No. 1 (REV. 12-03)

Page 110-111

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 28 of 201

Name of Respondent:       (1) ☑ An Origin:         Duke Energy Kentucky, Inc.       (2) □ A Resubm		lission	Date of Report: 04/15/2024	End	/Period of Report of: 2023/ Q4	
	COMPARA	TIVE BALANC	E SHEET (LIABILIT	ES AND OTHER CREDIT	S)	
Line No.	Title of Account (a)		Ref. Page No. (b)	Current Year End Quarter/Year Balan (c)		Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL		**************************************			
2	Common Strick Issued (201)		250	8,7	79,995	8,779,995
3	Preferred Stock Issued (204)		250			
4	Capital Stock Subscribed (202, 205)					
5	Stock Liability for Conversion (203, 206	2				······································
6	Premium on Capital Stock (207)			18,8	38,946	18,838,946
7	Other Paid-In Capital (208-211)		253	458,6	55,189	273,655,189
8	Installments Received on Capital Stock	(212)	252		1	**************************************
9	(Less) Discount on Capital Stock (213)		254			анта стород стати, <u>то с с с</u> или, <u>то с с с с</u> и стати, <u>с с с с с с с с с с с с с с с с с с с</u>
10	(Less) Capital Stock Expense (214)		254b		1	
11	Retained Earnings (215, 215.1, 216)		11.8	644,0	82,572	<b>578,920,3</b> 56
12	Unappropriated Undistributed Subsidia (216:1)		118			
13	(Less) Reacquired Capital Stock (217)		250			
14	Noncorporate Proprietorship (Non-majo	or only) (218)				
15	Accumulated Other Comprehensive Inc	iome (219)	122(a)(b)			
16	Total Proprietary Capital (lines 2 throug	h 15)		1,130,3	56,702	880,194,486
17	LONG-TERM DEBT					
18	Bonds (221)		256			
19	(Less) Reacquired Bonds (222)		256			
20	Advances from Associated Companies	(223)	256	25,0	00,000	.25,000,000
21	Other Long-Term Debt (224)		256	681,7	20,000	756,720,000
22	Unamortized Premium on Long-Term D	)ebt (225)				
23	(Less) Unamortized Discount on Long- Debit (226)	Term Debt-			149,511	161,775
24	Total Long-Term Debt (lines 18 through	23)		70,6,5	70,489	781;558,225
25	OTHER NONCURRENT LIABILITIES					
26	Obligations Under Capital Leases - No	ncurrent (227)		7,4	190,743	8,034;225
27	Accumulated Provision for Property Ins (228.1)					
28	Accumulated Provision for Injuries and (228.2)			(1	58,424)	(128,558)
.29	Accumulated Provision for Pensions ar (228.3)	nd Benefits		26,9	905,886	27,056,733

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30	Accumulated Miscellaneous Operating Provisions (228.4)			
31	Accumulated Provision for Rate Refunds (229)			······································
32	Long-Term Portion of Derivative Instrument Liabilities		1;386,272	1,547,895
33	Long-Term Portion of Derivative Instrument Liabilities			
34	Asset Retirement Obligations (230)		88,018,039	107,821,238
35	Total Other Noncurrent Liabilities (lines 26 through 34)		123,642,516	144,331,535
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)			
38	Accounts Payable (232)		61,721,705	65,496,093
39	Notes Payable to Associated Companies (233)		92,903,000	81,232,000
40	Accounts Payable to Associated Companies (234)		16,797,299	20,525,341
41	Customer Deposits (235)		8,476,056	9,144,474
42	Taxes Accrued (236)	262	188,672	39,215,893
43	Interest Accrued (237)		7,622,927	7,769,371
44	Dividends Declared (238)			
45	Matured Long-Term Debt (239)		444944	
46	Matured Interest (240)			
47	Tax Collections Payable (241)		3,821,514	4,249,492
48	Miscellaneous Current and Accrued Liabilities (242)		7,654,560	17,783,558
49	Obligations Under Capital Leases-Current (243)		363,730	344,278
50	Derivative Instrument Liabilities (244)		1,748,894	1,956,185
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		1,386(272.	1,547,895
52	Derivative Instrument Liabilities - Hedges (245)			
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges			
54	Total Current and Accrued Liabilities (lines 37 through 53)		199,912,085	246,168,790
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		2,520,782	2,520,949
57	Accumulated Deferred Investment Tax Credits (255)	266	5,120,973	3,364,566
58	Deferred Gains from Disposition of Utility Plant (256)			
59	Other Deferred Credits (253)	269	14,354,084	14,807,673
60	Other Regulatory Liabilities (254)	278	120,050,570	124,170,465
61	Unamontized Gain on Reacquired Debt (257)			
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272		
63	Accum, Deferred Income Taxes-Other Property (282)		353,090,715	327,209,898

64	Accum, Deferred Income Taxes-Other (283)	30,524,683	23,962,912
65	Total Deferred Credits (lines 56 through 64)	525,661,807	496,036,463
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)	2,686,143,599	2,548,289,499

FERC FORM No. 1 (REV. 12-03)

Page 112-113

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4					
STATEMENT OF INCOME								

## Quarterly

- 1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
- 2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
- 3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) amounts for other utility function for the current year quarter.
- 4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (i) t amounts for other utility function for the prior year quarter.
- 5. If additional columns are needed, place them in a footnote.

## Annual or Quarterly if applicable

Do not report fourth quarter data in columns (e) and (f)

Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner department. Spread the amount(s) over Lines 2 thru 26 as appropriate, include these amounts in columns (c) and (d) totals.

Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above,

Use page 122 for important notes regarding the statement of income for any account thereof.

Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenue: contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or paid with respect to power or gas purchases.

Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceive or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense ac if any notes appearing in the report to stockholders are applicable to the Statement of Income, such notes may be included at page 122.

Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, inclu allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes,

Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.

If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to th

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended - Quarterly Only - No 4th Quarter (e)	Prior 3 Months Ended - Quarterly Only - No 4th Quarter (f)	Electric Utility Current Year to Date (in dollars) (g)	Electric Utility Previous Year to Date (in dollars) (h)	Gas Utiity Current Year to Date (in dollars) (i)	Gas Utility Previous Year to Date (in dollars) (j)
1	UTILITY OPERATING INCOME									
2	Operating Revenues (400)	<b>3</b> 00	585,038,544	671,899,503			453,317,918	515,342,766	131,720,626	156,556,737
3	Operating Expenses									
4	Operation Expenses (401)	320	314,264,497	419,648,772		×	249,550,948	329,769,095	64,713,549	89,877,677
5	Maintenance Expenses (402)	320	33,333,930	34,590,833			30,988,699	32,244,328	2,345,231	2,346,505
6	Depreciation Expense (403)	336	71,219,848	66,082,094			53,727,825	49,783,713	17,492,023	16,298,381
7	Depreclation Expense for Asset Retirement Costs (403,1)	336	1,527				1,527			

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8	Amort, & Depl. of Utility Plant (404–405)	336	8,964,793	8,632,951	4,743,185)	4,314,108	4,221,608	4,318,843
;9	Amort, of Utility Plant Acq. Adj. (406)	336						
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)							
11	Amort, of Conversion Expenses (407.2)							
12	Regulatory Debits (407.3)		29,047,623	20,189,089	27,693,783	18,961,249	1, <b>35</b> 3,840	1,227,840
13	(Less) Regulatory Credits (407.4)		999,040	1,158,927	919,582	1,067,661	79,458	91,266
14	Taxes Other Than Income Taxes (408.1)	262	15,517,515	22,423;684	11,785,321	17,452,041	3,732,194	4,971,643
15	Income Taxes - Federal (409.1)	262	1,773,250	9,255,847	9,069,527	8,497,247	(7,296,277)	758,600
16	Income Taxes - Other (409.1)	262	(1,740,017)	1,330,719	535,181	1,145,949	(2,275,198)	184,770
17	Provision for Deferred Income Taxes (410.1)	234, 272	82,456,649	59,485,831	44,373,898	43,299,864	38,082,751	16,185,967
18	(Less) Provision for Deferred income Taxes- Cr. (411.1)	234, 272	67,803,131	56,362,309	45,923,485	45,269,083	21,879,646	11,093,226
19	Investment Tax Credit Adj Net (411.4)	266	(1,43,719)	(195,412)		77	(143,719)	(195,489)
20.	(Less) Gains from Disp. of Utility Plant (411.6)							
21	Losses from Disp. of Utility Plant (411.7)							
22	(Less) Gains from Disposition of Allowances (411.8)		686,671	-5,004,724	686,671	5,00,4,724		
23	Losses from Disposition of Allowances (411.9)							

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24	Accretion Expense (411.10)		2,370			.2,370			
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		485,209,424	578,916,448		384,942,526	454,126,203	100,266,898	124,790,245
27	Net Util Oper Inc (Enter Tat line 2 less 25)		99,829,120	92,963,055		68,375,392	61,216,563	31,453,728	31,766;492
28	Other Income and Deductions								
29 <sup>.</sup>	Other Income								
30	Nonutilty Operating Income								
31	Revenues From Merchandising, Jobbing and Contract Work (415)		2,824,752	1,309,498					
32	(Less) Costs and Exp. of Merchandising, Job, & Confract Work (416)		97,084	82,509					
33	Revenues From Nonutility Operations (417)			10,621					
34	(Less) Expenses of Nonutility Operations (417.1)		78,445	75,829					
35	Nonoperating Rental Income (418)		(3,014)						
36	Equity in Earnings of Subsidiary Companies (418.1)	119							
37	Interest and Dividend Income (419)		5,220,039	2,871,690					
38	Allowance for Other Funds Used During Construction (419.1)		1,057,191	1,249,377					
39	Miscellaneous Nonoperating Income (421)		834,373	888,030					
40	Gain on Disposition of Property (421.1)		83,825	192,167					

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41	TOTAL Other Income (Enter Total of lines 31. thru 40)		9,841,637	6,362,045			
42	Other Income Deductions						
43	Loss on Disposition of Property (421.2)		52,847	121,978			
44	Miscellaneous Amortization (425)			·			
45	Donations (426.1)		500,957	559,067			
46	Life Insurance (425.2)			(9,559)			
47	Penalties (425.3)			4			
48	Exp. for Certain Civic, Political & Related Activities (426.4)		751,685	579,668			
49	Other Deductions (426.5)		6,642,455	11,073,319			
50	TOTAL Other Iricoine Deductions (Total of lines 43 thru 49)		7,947,944	12,324,477			
51	Taxes Applic. to Other Income and Deductions						
52	Taxes Other Than Income Taxes (408.2)	262	(4,979)	3,621			
53	Income Taxes- Federal (409.2)	262	(10,239,448)	238,262			
54	Income Taxes- Other (409.2)	262	(2,549,265)	59,303		2 <b></b>	
<b>55</b> ;	Provision for Deferred Inc. Taxes (410.2)	234, 272	13,582,055	1,785,096			
56	(Less) Provision for Deferred Income Taxes- Cr. (411.2)	234, 272	10,267	3,591,490.			
57	investment Tax Credit AdjNet (411.5)	Б.					
58	(Less) Investment Tax Credits (420)						

59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)	778,096	(1,505,208)			
60	Net Other Income and Deductions (Total of lines 41, 50, 59)	1,115,597	(4,457,224)			
61	Interest Charges					
62	Interest on Long-Term Debt (427)	30,938,749	27,687,076			
63	Amort, of Debt Disc, and Expense (428)	465,836	421,127			
64	Amortization of Loss on Reaquired Debt (428.1)	118,160	122,140			
65	(Less) Amort. of Premium on Debt-Credit (429)					
-66	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)	6,162,745	1,480,518			
68	Other Interest Expense (431)	2,214,513	1,374,974			
	(Less) Allowance for Borrowęd Funds Used During, Construction- Cr. (432)	4,117,502	1,112,022			
70	Net Interest Charges (Total of lines 62 thru 69)	35,782,501	29,973,813			
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)	65,162,216	58,552,018			
72	Extraordinary Items					
73	Extraordinary Income (434)					

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74	(Less) Extraordinary Deductions (435)						
75	Net Extraordinary Items (Total of line 73 less line 74)						
76	Income Taxes- Federal and Other (409.3)	262					
77	Extraordinary Items After Taxes (line 75 less line 76)						
78.	Net Income (Total of line 71 and 77)		65,162,216	58,552 <u>,</u> 018.			

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Page 114-117

	f Respondent: rergy Kentucky, Inc.	This report is: (1) ☑ An Origin (2) □ A Resubr		Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4				
					M <sup></sup>				
<ol> <li>Do not report Lines 49-53 on the quarterly report.</li> <li>Report all changes in appropriated retained earnings, unappropriated retained earnings, and unappropriated undistributed subsidiary earnings for the year.</li> <li>Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436-439 inclusive). Show the contra primary account affected in column (b).</li> <li>State the purpose and amount for each reservation or appropriation of retained earnings.</li> <li>List first Account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items, in that order.</li> <li>Show separately the State and Federal income tax effect of items shown for Account 439, Adjustments to Retained Earnings.</li> <li>Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriated as well as the totals eventually to be accumulated.</li> <li>If any notes appearing in the report to stockholders are applicable to this statement, attach them at page 122.</li> </ol>									
Line No.	ltem (a)		Contra Primary Account Affected (b)	Current Quarter/Year Year Date Balance (c)	to Previous Quarter/Year Year to Date Balance (d)				
	UNAPPROPRIATED RETAINED EA (Account 216)	.,							
1	Balance-Beginning of Period			578,920,3	58 520,369,338				
2	Changes								
3	Adjustments to Retained Earnings (A	(ccount 439)			,				
4	Adjustments to Retained Earnings C	redit							
4.1	Current Expected Credit Losses (CE	CL) adjustments	283						
4.2	Current Expected Credit Losses (CE	CL) adjustments	190						
4.3									
4.4									
.9	TOTAL Credits to Retained Earnings	(Acct, 439)							
10	Adjustments to Retained Earnings D	ebit							
10.1				,					
10.2									
10.3	Current Expected Credit Losses (CE	CL) adjustments	186						
10.4	Current Expected Credit Losses (CE	CL) adjustments	144						
15	TOTAL Debits to Retained Earnings	(Acct. 439)							
16	Balance Transferred from Income (A Account 418:1)	ccount 433 less		65,162,2	16 58,552,018				
17	Appropriations of Relained Earnings								
22	TOTAL Appropriations of Retained E 436)								
23	Dividends Declared-Preferred Stock	(Account 437)							
29	TOTAL Dividends Declared-Preferre	×.							
30	Dividends Declared-Common Stock	(Account 438)							

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30.1	Cash Dividend to Parent		
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings		
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)	644,082,572	578,920,356
39	APPROPRIATED RETAINED EARNINGS (Account 215)		
45	TOTAL Appropriated Retained Earnings (Account 215)		
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)		
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)		
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)		
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)	644,082,572	578,920,356
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account Report only on an Annual Basis, no Quarterly)		
49	Balance-Beginning of Year (Debit or Credit)		
50	Equity in Earnings for Year (Credit) (Account 418.1)		
51	(Less) Dividends Received (Debit)		2
52	TOTAL other Changes in unappropriated undistributed subsidiary earnings for the year		
52.1	Transfers from Unappropriated Retained Earnings (Account 216)		
53	Balance-End of Year (Total lines 49 thru 52)		

FERC FORM No. 1 (REV. 02-04)

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# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 39 of 201

	Respondent: ergy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission		Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4				
		STATEMENT (	OF CASH FLOWS						
<ol> <li>Codes to be used:(a) Net Proceeds or Payments;(b)Bonds; debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.</li> <li>Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconcillation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.</li> <li>Operating Activities - Other: Include gains and tosses pertaining to operating activities only. Gains and tosses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.</li> <li>Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the collar amount of teases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.</li> </ol>									
Line No.	Description (See Instructions codes) (a)		Current Y	ear to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (C)				
1	Net Cash Flow from Operating Acti	vilies							
2	Net income (Line 78(c) on page 11	7)		65,162,216	.58,552,018				
3	Noncash Charges (Credits) to Inco	met							
4	Depreciation and Depletion	**************************************		71,221,375	66,082,094				
5	Amortization of (Specify) (footnote	details)							
5.1	Amortization of Primary Nuclear Fu	el							
5.2	Plant items			8,964,793	8,632,951				
5.3	Debt Discount, Premium, Expense Debt	and Loss on Reacquired		583,996	543,267				
8	Deferred Income Taxes (Net)			28,225,306	1,317,128				
9	Investment Tax Credit Adjustment	Net)		(143,719)	(195,412)				
10	Net (Increase) Decrease in Receiv	ables		(46,377,607)	2,885,225				
11	Net (Increase) Decrease in Invento	Ŋ.		(8,415,150)	(8,742,735)				
12	Net (Increase) Decrease in Allowa	nces Inventory			719				
13	Net Increase (Decrease) in Payabl	es and Accrued Expenses		(49,801,451)	50,278,727				
14	Net (Increase) Decrease in Other I	Regulatory Assets		19,201,907	33,520,886				
15	Net Increase (Decrease) in Other I	Regulatory Liabilities		941 <u>,</u> 819	684,996				
16	(Less) Allowance for Other Funds	Jsed During Construction		1,057,191	1,249,377				
17	(Less) Undistributed Earnings from	Subsidiary Companies							
18	Other (provide details in footnote);								
18,1	Other (provide details in footnote):								
18.2	Special funds			(2,104,057)	(1,462,176)				
18,3	Prepayments			(75,808)	74,689				
18.4	Miscellaneous Current and Accrue	d Assets		5,241;397	(1,307,047)				
18.5	Preliminary Survey and Investigati	on Charges		(646,498)	(110,644)				
18.6	Clearing Accounts			(50)	6				

18.7	Temporary Facilities		
18.8	Miscellaneous Deferred Debits	(358,263)	(161,358)
18,9	Unrecovered Purchased Gas Costs	3,895,257	45,899
18,10	Accumulated Other Comprehensive Income		
18.11	Obligations Under Capital Leases - Noncurrent	(543,482)	(344,278)
18.12	Accumulated Provisions	1,001,027	1,700,257
18.13	Accumulated Provision for Rate Refund	***************************************	
18.14	Contribution to Pension Plan	(1,508,640)	(852,924)
18.15	Customer Advances for Construction	(167)	368,198
18.16	Other Deferred Credits	(906,285)	561,189
18.17	Derivative Instruments	(332,505)	(672,243)
18.18	Net Utility Plant and Nonutility Property	(6,406,529)	(34,901,051)
18.19	Debt Expenses	(11,971)	(3,500)
18.20	Deferred Income Taxes	224,545	-311,421
22	Net Cash Provided by (Used in) Operating Activities (Total of Lines 2 thru 21)	85,874,264	175,556,925
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	(222,275,933)	(172,699,698)
27	Gross Additions to Nuclear Fuel	n	//
28	Gross Additions to Common Utility Plant	(6,119,928)	(3,425,677)
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	(1,057,191)	(1,249,377)
31	Other (provide details in footnate):		
31.1	Other (provide details in footnote):		
34	Cesh Outflows for Plant (Total of lines 26 thru 33)	(227,338,670)	(174,875,998)
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
39	Investments in and Advances to Assoc, and Subsidiary Companies		
40	Contributions and Advances from Assoc, and Subsidiary Companies		<u></u>
41	Disposition of Investments in (and Advances to)	n	
42	Disposition of Investments in (and Advances to) Associated and Subsidiary Companies		ing and a second se
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		
46	Loans Made or Purchased		

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47	Collections on Loans		
49	Net (Increase) Decrease in Receivables	19,586,665	(30,947,034)
50	Net (Increase) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):		
53.1	Cost of Removal net of salvage		
53.2	Other (provide details in foothote):		- · · · · · · · · · · · · · · · · · · ·
53.3	Other investments.		
53.4	Withdrawals, issuances, and redemptions of restricted funds held in trust		
57	Net Cash Provided by (Used in) Investing Activilies (Total of lines 34 thru 55)	(207,752,005)	(205,823,032)
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)	25,000,000	50,000,000
62	Preferred Stock		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
63	Common Stock		
64	Other (provide details in footnote):		•• <b>EX</b>
64.1	Other (provide details in foctnote):		······································
64.2	Notes Payable to Associated Companies		
64.3	Other Financing Activities (provide details in footnote):		
66	Net Increase in Short-Term Debt (c)	الاست	
67	Other (provide details in footnote):		
67.1	Other (provide details in footnote):		
67.2	Contribution from Parent	185,000,000	
70	Cash Provided by Outside Sources (Total 61 thru 69)	210,000,000	50,000,000
72	Payments for Retirement of:		
73	Long-term Debt (b)	(99,943,778)	(380,026)
74	Preferred Stock		
75	Commun Stock		
76	Other (provide details in footnote):		
76.1	Other (provide details in foctnote):		
76.2	Intercompany Notes Payable MoneyPool	11,671,000	(21,364,001)
76. <b>3</b>	Premium payments and fees on deferred debt	(108,597)	(145,915)
76:4	Fair market value adjustment		and an and a second
76.5	Bond Issuance Costs		

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78	Net Decrease in Short-Term Debt (c)		
80	Dividends on Preferred Stack		
81	Dividends on Common Stock	······································	
83	Net Cash Provided by (Used in) Financing Activities (Total of lines 70 thru 81)	121,618,625	28,110,058
85	Net Increase (Decrease) in Cash and Cash Equivalents		annan 1999 ann an 1999 ann
86	Net Increase (Decrease) in Cash and Cash Equivalents (Total of line 22, 57 and 83).	(259,116)	(2,156,049)
88	Cash and Cash Equivalents at Beginning of Period	3,326,498	5,482,547
90	Cash and Cash Equivalents at End of Period	<sup>20</sup> 3,067,382	3,326,498

FERC FORM No. 1 (ED. 12-96)

Page 120-121

Name of Respondent: Duke Energy Kentucky, Inc.	This report is; (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4
	FOOTNOTE DATA		

(a) Concept: CashAndCashEquivalents			
	YTD	December 2023	YTD December 2022
Supplemental Disclosures (in thousands)			
Cash paid for interest, net of amount Capital	\$	34,318 \$	28,005
Cash paid / (refunded) for income taxes	\$	25,502 \$	(11,154)
Significant non-cash transactions (in thousands)			
AFUDC - equity component	\$	1,057 \$	1,249
Accrued capital expenditures	\$	30,966 \$	30,310
Cash and Cash Equivalents at End of period:			
Cash (131)	\$	3,067,383 \$	3,326,498
Working Funds (135)		\$0	\$€
Temporary Cash Investments (136)		\$ 0	\$(
	\$	3,067,383 \$	3,326,498

FERC FORM No. 1 (ED. 12-96)

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# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 44 of 201

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) 덴 An Original (2) 디 A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4
	NOTES TO FINANCIAL STAT	EMENTS	
<ol> <li>Income taxes of a material amount initia</li> <li>For Account 116, Utility Plant Adjustment contemplated, giving references to Commequirements as to disposition thereof.</li> <li>Where Accounts 189. Unamortized Loss providing the rate treatment given these</li> <li>Give a concise explanation of any retain furnish the data required by Instructions</li> <li>For the 3Q disclosures, respondent must Disclosures which would substantially d</li> <li>For the 3Q disclosures, the disclosures a material effect on the respondent. Residentiations of dispositions. However, significant change since year end may reference in a significant change since year end may reference.</li> </ol>	ny account thereof. Classify the notes a pplicable to more than one statement, inficant contingent assets or liabilities as involving possible assessment of additional ted by the utility. Give also a brief explanal ts, explain the origin of such amount, de mission orders or other authorizations re an Reacquired Debt, and 257. Unamor items. See General Instruction 17 of the ed earnings restrictions and state the ar ng to the respondent company appearin above and on pages 114-121, such note it provide in the notes sufficient disclosu uplicate the disclosures contained in the shall be provided where even is subseque pondent must include in the notes significations of existing fir were material contingencies exist, the di- to thave occurred.	coording to each basic stater kisting at end of year, includir ional income taxes of materia lation of any dividends in arre- bits and credits during the ye- respecting classification of arr- tized Gain on Reacquired De a Uniform System of Accounts nount of retained earnings af g in the annual report to the se may be included herein, res so as to make the interim most recent FERC Annual R lent to the end of the most re- leant of the financial statement ancing agreements; and cha sclosure of such matters shal- ling in the annual report to the	nent, providing a subheading for a brief explanation of any action amount, or of a claim for refund of ears on cumulative preferred stock. ar, and plan of disposition ounts as plant adjustments and bt, are not used, give an explanation, s. fected by such restrictions, stockholders are applicable and information not misleading, eport may be ornitted. cent year have occurred which have t recently completed year in such s; status of long-term contracts; nges resulting from business I be provided even though a
	<u></u>		
information about their products and services, GAAP requires that mejority-owned subsidiarie (nvestment in Subsidiary Companies, unless a	a comprehensive basis of accounting other than	I Generally Accepted Accounting P units and GAAP monts in complete sets of financial ises, as, FERC requires that majority-ow ERC.	rinciples in the United States of America statements of the enterprise and certain med subsidiaries be separately reported as
extraordinary income or deductions, respective			
liability on the Balance Sheet. These costs are GAAP requires the regulatory assets and liabil sheet. For FERC reporting purposes, these as	presented as accumulated depreciation on the ities resulting from the implementation of ASC 7 sets and liabilities are presented separately and	Balance Sheet for FERC reporting 40-10 (formerty SFAS No. 109) be	purposes, presented as a net amount on the balance
	lalory assels and regulatory liabilities be reporte latory assets and liebilities be reported as Regul		
<ul> <li>GAAP requires that the current portion of long long-term debt and preferred stock be reported</li> </ul>	term debt and preferred stock be reported as a d as Long-term Debt and Proprietary Capital.	current liability on the Balance She	et. FERC requires that the current portion of
<ul> <li>GAAP requires that any deferred costs associ Debt Expense to be separately steted as a De</li> </ul>	ated with a specific debt issuance be presented farred Debit on the Balance Sheet.	as a reduction to debt on the Balar	ice Sheef, FERC requires any Unamortized
Receivable with a credit balance) be reclassed	within finencial statement line items which are n I to the appropriete side of the Balance SheeL F ing as the lina item in total is in its natural positio	ERC does not require certain acco	
	abandoned or retired early, including the cost of et. For FERC reporting purposes, those assets		
	et Retirement Obligations be reported as current as Asset Retirement Obligations within the Other		
services rendered by employees during the pr	is and Post-Retirement Benefits Other Than Per iriod and included in a subtotal of income from o come from operations on the income statement me statement.	perations on the income statement	. Non-service cost components are
Duke Energy Kentucky's notes to the financial statem financial statements contained herein. Management h Kentucky's U.S. GAAP (inancial statements were issu	as evaluated the impact of events occurring afte		
Management has evaluated the impact of events occi GAAP financial statements were issued and has upda	rring after December 31, 2023 up to February 2		

adjustments and disclosures resulting from these evaluations.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### NATURE OF OPERATIONS AND BASIS OF PRESENTATION

Duke Energy Kanancky is a combination electric and netural gas regulated public utility company that provides service in northom. Kentucky. Duke Energy Kentucky's principal lines of business include generation, transmission, distribution and sale of natural gas, Duke Energy Kentucky is subject to the regulatory provisions of the KPSC and the FERC. Duke Energy Kentucky's common stock is wholly owned by Duke Energy Ohio, Inc., an indirect wholly owned subskillary of Duke Energy.

Certain prior year amounts have been reclassified to conform to the current year presentation.

#### Other Current Assets and Liabilities

The following table provises a description of amounts induced in Other within Current Assets or Current Labitities that exceed 5% of total Current Assets or Current Liabitities on the Duke Emergy Kentucky Balance Sheets at either December 31, 2023, or 2022.

1				nber 31,	
ļ	(in thousands)	Location	2023		2022
Ì	Incame Taxes Receivable	Current Assets \$	19,388	\$	
l	· Colleteral Asseta	Current Assets	11,458		18,868

### SIGNIFICANT ACCOUNTING POLICIES

### **Use of Estimates**

In preparing financial statements that conform to GAAP, Duke Energy Kentucky must make estimates and assumptions that affect the reported amounts of assets and liabilities, the reported amounts of revenues and expenses and the disclosure of contingent essets and liabilities at the financial statements. Actual results could differ from those estimates.

### Regulatory Accounting

The majority of Duke Energy Kentucky's operations are subject to price regulated operations and an effective franchise is in place such that sufficient natural gas or electric services can be set to in the total or the sale of electricity and natural gas by the KPSC or FERC. When prices are set on the totals of specific costs of the regulated operations and an effective franchise is in place such that sufficient natural gas or electric services can be set to in recover those costs. Duke Energy Kentucky applies regulatory accounting Regulatory total costs and the sale of electricity and natural gas by the KPSC or FERC. When prices are set on the totals of specific costs or two may fract and the sale of electricity is to the sale of electricity is to the sale of electricity and natural gas by the KPSC or FERC. When prices are set on the totals of specific costs or two may fract does not apply regulatory accounting. As a result, regulatory accounting labelias or necessing and the Belance Sheets and are anotized it consistent with the treatment of the related cost in the resembling process. Regulatory assets are required and the reservence of the cost of the related incost in the reservence of the cost of the related incost in the reservence of the cost of the related reservence of the re

Duke Energy Kentucky utilizes cost-tracking mechanisms, commonly referred to as fuel adjustment clauses or purchased gas adjustment clauses. These clauses allow for the recovery of fuel and fuel-related costs, portions of purchased power, natural gas costs and hedging costs through surpliances or clastomer rates. The difference between the casts incurred and the surcharge revenues is recorded eliber as an adjustment to Operating Revenues, Operating Expenses - Fuel used in electric generation and purchased power or Operating Expenses - Cost of natural gas on the Statements of Operations with an off-setting impact on regulatory assets or regulatory labilities.

#### Cash and Cash Equivalents

All highly figuid investments with maturities of three months or less at the data of acquisition are considered cash equivatents.

#### Inventory

Inventory related to regulated operations is valued at historical cost. Inventory is charged to expense or capitalized to property, plant and equipment when issued, primarily using the average cost method. Excess or obsolute inventory is uniten-down to the lower of cost or at capitalized to expense or capitalized to property, plant and equipment when issued, primarily using the average cost method. Excess or obsolute inventory is uniten-down to the lower of cost or at capitable value. Once inventory has been written-down, it creates a new cost basis for the inventory that is not subsequently written-up. Provisions for inventory write-offs were not material at December 31, 2023, and 2022. The components of inventory write-offs were

Ĩ		 Decemb	ær 31,	
1	(In thousands)	 2923		2922
ļ	Materials and supplies	\$ 27,306	\$.	19;395
	Coal	28,153		33,706
1	Natural gais, oil and other	11,685		5,175
1	Total inventory	\$ 67,144	\$.	58,275

#### Long-Lived Asset Impairmente

Duke Energy Kenlucky evaluates long-lived assets for Inparment when circumstances indicate the carying value of trice assets may not be recoverable. An implement exists when a long-lived asset's carying value exceeds the estimated undiscounted cash flows expected to result from the use and eventual disposition of the asset. The estimated cash flows may be based on alternative expected culcomes that are probability weighted. If the carying value of the long-lived asset is not recoverable based on these estimated fair value and scentific cash flows, the carying value of the asset is written-down to do there estimated fair value and an implanment othory is recompact.

Duke Energy Kantucky essesses the fair value of long-fived assets using various methods, including recent comparable liftd-pony sales, internally developed discounted cash flow analysis and analysis from outside advisous. Triggering events to reaseess cash flows may include, but are not limited to, significant changes in commodity prices, the condition of an asset or management's interest in selling the excel

### Property, Plant and Equipment

Property, plant and squipment and stated at the lower of deprecisied instantial cost net of any dissidowances or fair value, if impaired. Dake Enorgy Kentucky capitalizes all construction-related direct labor and material costs, as well as indirect construction costs such as general engineering, taxes and financing costs, See "Allowances or fair value, if impaired. Dake Enorgy Kentucky capitalizes finalizes and financing costs, See "Allowance for Fund See" (Section Section and Interest Capitalized The Internation are capitalized financing costs, See "Allowance for Fund Section" (Fund Section Section

In general, when Duke Energy Kentucky retires its regulated property, plant and equipment, the original cost plus he cost of retirement, less salvage value and any depreciation abready recognized, its charged to accumulated depreciation. However, when it becomes probable a regulated asset will be retired substantially in audience of its infinial expected useful life or will be abandoned. The cost of the asset and the corresponding accumulated depreciation is recognized as a separate asset. If the easet is all in operation, the not amount is classified as Realities to be retired, net on the Bolance Shoets, if the asset is no longer operating, the net amount is classified in Regulatory assets on the Bolance Sheets if deemed recoverable (see discussion of long-inviced as recover the remaining of the asset is all in operation, then out amount is classified in Regulatory assets on the Bolance Sheets if deemed recoverable (see discussion of long-inviced as recover the remaining net book value and a return equal to at least the incremental borrowing rate. If not, an impairment is recognized to be extend the net book value of the asset is the present value of hot any of the asset is the present value of hot are on the invited to accumulate and are the recoverable recoverable is an other any of the asset is the incremental borrowing rate.

When Duke Energy Kentucky sells entire regulated operating units, the original cost and accumulated deprecision and amorization balances are removed from Property. Flant and Equipment on the Balance Sheets. Any gain or Joss is recorded in earling, unless otherwise required by the KPSC and/or the FERC. See Note 7 for further information.

#### Leases

Duke Energy Kentocky determines if an anangement is a lease at contract inception based on whether the anangement involves the use of a physically distinct identified asset and whether Duka Energy Kentucky has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period as well as the right to direct use of the asset. As a policy election, Duke Energy Kentucky does not evaluate arrangements with Initial contract terms of test than one year as leases.

Operating leases are included in Operating lease ROU assets, net, Other current tabilities and Operating lease Tabilities on the Belance Sheets.

For lasses and lessor arrangements, Duko Energy Kontucky has elected a policy to not separate lesse and non-lesse components for all assact classes. For lesser arrangements, lesse and non-lesse components are draw combined under one arrangement and second lor under the lesse accounting framework if the non-lesse components are not the precionation component of the arrangement and the lesse component would be classified as an operang lesse.

### Allowance for Funds Used During Construction and Interest Capitalized

For regulated operations, the debi and equip costs of financing the construction of property, plant and equipment are reflected as AFUDC and capitalized as a component of the cost of property, plant and equipment are reflected as AFUDC and capitalized as a component of the cost of property, plant and equipment are reflected as a AFUDC and capitalized as a component of the cost of property, plant and equipment are reflected as a non-cash offset to Interest Expense on the Statements of Operations. After construction is completed, Duke Energy Kentucky is permitted to recover these costs through their inclusion in rate base and the corresponding adjacement depractation or amortization of those regulated assets.

AFUDD equity, a permanent difference for income laxes, reduces the effective lax rate when capitalized and increases the effective lax rate when capitalized are another lax rate when c

### Asset Retirement Obligations

AROs are recognized for legal obligations associated with the reforment of property, plant and equipment. When recording an ARO, the present value of the projected liability is recognized in the period in which it is incurred, if a reasonable estimate of fair value can be made. The liability is accreted ever these for operating plants, the present value of the liability is accreted ever these for operating plants, the present value of the liability is accreted ever these for operating plants, the present value of the liability is accreted ever these for operating plants, the present value of the liability is excended as a regulatory asset indices the liability is accreted ever these requiring life of the asset. For reflecting plants and the isother the recorded as a regulatory asset while the line is the probable of the reflection of the liability is excended as a regulatory asset indices the line blant blant mode for the liability of the liability is excended as a regulatory asset indices the resonable of recorder).

The present value of the initial obligation and subsequent updates are based on discounted pash flows, which indude estimates regarding limiting of future cash flows, selection of discount rates and cost escalation rates, among other factors. These estimates are subject to change. Depredation expense is adjusted prospectively for any changes to the carrying amount of the associated asset. Duke Energy Kentucky receives amounts is fund the cost of the ARO from regulated revenues. As a result, amounts recovered in regulated revenues, accretion expense and depredation of the associated asset are noticed and deferred as a regulatory leability.

Obligations for closure of ash basins are based upon discounted cash flows of estimated case for site-specific plana, if known, or probability weightings of the potential closure methods if the closure plana are under development and multiple closure options are being considered and evaluated on a site-by-site basis. See Note 6 for further information.

### Accounts Payable

Duke Energy has a voluntary supply chain finance program (the "program") with a global financial institution. Duke Energy Kentucky is a participant in this enterprice-wide program offered to suppliers. The program allows Duke Energy Kentucky suppliers, at their sole distration, to self their receivables from Duke Energy Kentucky is a rate that lervague Duke Energy Kentucky's and it returns compared to the rate available to this explainers, and which may result in favorable terms compared to the rate available to this enterprice. While all program allows Duke Energy Kentucky's and their receivables from Duke Energy Kentucky's and their receivables of the supplier set of the rate available to the supplier set one credit attemy. Suppliers have been consistent magnetic all terms neglisted between Duke Energy Kentucky's payment terms, which are based on commercial terms neglisted between Duke Energy Kentucky and the supplier regardless of program participation. The commercial terms neglisted between Duke Energy Kentucky for a supplier term consistent magnetic and under the supplier regardless is program participation. The commercial terms neglisted between Duke Energy Kentucky does not have an economic interest in the supplier's decision to participation in the program and receives no interest in the supplier's decision to participation in the program and receives no interest in the supplier's decision to participation in the program.

Suppliers involves sold to the financial institution under the program wave immetered for the years ended Dependen 31, 2023, and 2022, respectively, for Duko Energy Kentucky. All activity related to amounts due to suppliers' who elected to participate in the program are included within Net cash provided by operating polivities on the Statements of Cash Flows

### Revenue Recognition

Duke Energy Konauxia recognizes revenue as customers obtain control of promised goods and services in an amount that (effects consultaration expected in exchange for those goods or services. Generally, the delivery of electricity and natural get results in the transfer of control to customers at the time the commodity is delivered and the smount in revenue recognized to equal to the amount billod to each customer, including estimated volumes delivered when billings have not yet occurred. See Note: 13 for (under information, and the amount information, and the sector of the amount billing have not yet occurred. See Note: 13 for (under information, and the sector) and the sector of the sector

#### Derivatives and Hedging

Derivativa instruments may be used in connection with commodity pitce and interest rate activities, including swaps, futures, forwards and cpitons, All derivative instruments, except those that quality for the normal purchase/normal sale exception, are recorded on the Balance Sheets at fair value. For activity subject to regulatory accounting, gains and bases on derivative contracts are reflected as regulatory liabilities and not as other comprehensive income or ourent period income. As a result, changes in fair value of these derivatives have no immediate earnings impact. See Note 10 for lutter information.

#### Loss Contingencies and Environmental Liabilities

Contingent losses are recorded when it is probable a loss has occurred and can be measurably estimated. When a range of the probable loss exists and no amount within the range is a better estimate than any other amount, the minimum amount in the range is recorded. Unless otherwise required by GAAP, legal fees are expensed as incurred.

Environmental Sabilities ard inscribed on an undiscounted basis when environmental remediation of other liabilities become probable and can be reasonably estimated. Environmental expenditures related to paid operations that do not generate current of rubits (evenues are expensed, Environmental expenditures related to paid operations that exponditures receive expetiationy accounting treatmental expenditures related to press. See Notes 2 and 3 for hither information.

### Soverance and Special Tensination Benefits

Dive Energy Kentucky participates in severance plans for the general employee population under which, in general, the longer a terminated employee worked prior to termination the greater the amount of severance benefits provided. A Bability for involuniary severance is recorded once an involuntary severance plan is emminated by management if involuniary severances are probable and can be reasonably estimated. For involuniary severance benefits incrementation is songiong severance plan is emminated or an termination of a songiong severance plan benefits increment if involuniary severances are probable and can be reasonably estimated. For involuniary severance plans is employed to be ablighted is songiong severance plan benefits incrementation is songiong severance plan benefits under values of the bability for involuniary severance probable and can be reasonably estimated. For involuniary severance benefits is a contributication at the communication at the communication at a plan is employed and the bability for involuniary severance probable and can be reasonably estimated on the bability for involuniary severance plans are probable and can be reasonably estimated on the bability for involuniary severance plans are provided and at the communication at a transmitter and the probable and can be reasonably estimated and the bability for involuniary severance plans are control timediately upon employee acceptance as any other as a period. Discretise the advantant of the severance plans are control timediately upon employee acceptance as any estimated on the facts and circumstances of the banefits being affered. See Note 14 for further information.

#### Income Taxes

Duke Energy and its subsidiaries file a consolidated federal income tax return and other state and foreign jurisdictional returns. Duke Energy Kenlucky has a tax-sharing agreement with Duke Energy, and income taxes recorded represent amounts Duke Energy Kenlucky has a tax-sharing agreement with Duke Energy, and income taxes recorded represent amounts Duke Energy Kenlucky has a tax-sharing agreement with Duke Energy, and income taxes recorded represent amounts Duke Energy Kenlucky has a tax-sharing agreement with Duke Energy, and income taxes recorded represent amounts Duke Energy Kenlucky has a tax-sharing agreement with Duke Energy, and income taxes recorded represent amounts Duke Energy Kenlucky has a tax-sharing agreement with Duke Energy Kenlucky has a separate C-Conjuration. Deferred income taxes have been provided for temporary differences between GAAP and tax bases of assoles and fabilities because the differences caste taxes being taxes being taxes being taxes being taxes and anothing taxes being taxes and anothing taxes being taxes being taxes being the state of properties.

Accumulated deformed income toxis valued using the enacted tax rate expected to apply in laxable income in the periods in which the deformed tax asset or tiability is expected to be settled or realized. In the event of a charge in lax rates, differed tax assets and fabilities are presents an obligation to customers, the impact of the new rates, differed tax assets and fabilities are presents an obligation to customers, the impact of the new rate, To the extent that the drange in the value of the defended tax represents an obligation to customers, the impact of the new rates of events and represents and tability. Remaining impacts are recorded in income from controling operations, if Duke Energy Kentucky's estimate of the tax afford of reversing temporary differences is not reflective of actual outcomes. Is modified to reflective developments of the reversal then Duke Energy Kentucky's results of operations could be impacted.

Tax-related interest and penaltion are recorded in Interest Expense and Other Income and Expenses, net, in the Statements of Operations. See Note 16 for Author information,

## **Dividend Restrictions**

Duke Energy Kentucky is required to pay dividends sciely out of relatingle earnings and to matchain a minimum of 35% equity in its capital structure.

#### New Accounting Standards

There were no Accounting Standard Lipdates adopted for 2023 and 2022 that had a material impact on the presentation or results of operations; cosh flows or Anancial position of Ouke Energy Kentucky.

#### 2. REGULATORY MATTERS

#### REGULATORY ASSETS AND LIABILITIES

Duke Energy Kentucky records regulatory assets and liabétics that result from the ratemaking process. See Note 1 for further informátion.

The following table represents the regulatory assets and liabilities on the Batance Sheets.

" or friedman and a family of the family of		Desembe	r 31,	Earns/Pays	Recovery/Refund
(in thousands)		2023	2072	a Return	Paried Ends
Regulatory Assets <sup>(2)</sup>					
Fost Bond defenals	ş.	28,453	32,515	x	(c)
					· · · · · · · · · · · · · · · · · · ·

Accrued pension and other post-retirement benchus		25,699	27,144		(0)
COR regularry asset		27,102	21,000	x	(c)
AROs-coal ash		16.674		x	(2) (c)(g)
East Brind outage normalization		11,672	8,557	N.	2026
Defand fuel and purchased gas costs		5,359	13,422		(d)(g)2024
ESM Daferral		4,905	4,751		(d)2024
Deferred Forced Oulage Purchased Power		4,474	5,650		2028
Advanced Melering Infrastructure		2,761	3,190		2033
Deferred gas integrity costs		1,671	1,549	×	2029
Hedge costs and other defempts		1,306	1,548	<u>^</u>	(9)
Vacation accrual		1,112	1,123		2024
Carbon management research grant		867	1,12)		2024
Stom, cost deferrate		280	818		2028 (c)
Defended debt expense		154	272		(44) 2036
Demand side management/Energy efficiency costs			1,430		(c)(d)
Other		2,029	648		(c)(d)
Total regulatory assels		130,548	105,030		
Less: current portion		21,018	34,489		
Total noncurrent regulatory assets	\$	109,539	\$ 70,541		
Regulatory Liabilities <sup>(#)</sup>					
Net regulatory liability related to income taxes	5	105,250	110,866		(c)
Accrued pension and other post-retirement banefits		5,246	5,836		(b)
Deferred fuel and purchased gas costs		4,764	7,817		(d)2024
Demand side management/Energy efficiency costs		2277	1,595		(c)(d)
Hedge costs and other defentitis		2	3,175		(e)
Profit sharing mechanism			9,087		
Costs of removal			(9.603)		ព្
Other		592	162		(c)(o)
Totel regulatory liabilities		118,131	120,005	······································	
Less: current partian		14,654	25,644		
Total noncurrent regulatory liabilities	\$	103,577	\$ 103,361		······································

(a) requisively eases and names are excluded from rate base unless otherwise noted.
 (b) Recovered primality over the excarge remaining service periods of the expectancies of employeds covered by the benefit plans. See Noto 15 for further information.
 (c) The expectant encourse or referred pain divises or has not been determined.
 (d) Balagred costs are recovered through a fider mechanism.
 (e) Borne andurts reliable to intreaste digits and hasses on determined.
 (f) Represents long are intreasted to be not been determined.
 (e) Some andurts reliable to intreaste digits and basses on determined.
 (f) Represents long are intra-stored to mouth and the expectances of employees covered by the benefit plans. See Noto 15 for further information.
 (e) Some andurts reliable to intreasted gains and basses on determined.
 (f) Represents long are intra-stored to mouther so cover future removed of property, plant and equiprimat from reliced or abandoned sites as property is relified. Included in rate base and recovered over the life of passociated assets.
 (g) Cartain amounts reliable to mouther so to ver future removed of property, plant and equiprimat from reliced or abandoned sites as property is relified. Included in rate base and recovered over the life of passociated assets.

## RATE RELATED INFORMATION

The KPSD approves rates for retail electric and natural gas services within the Commonwealth of Kentucky. The FERC approves rates for electric safes to wholesafe customers served under cost-based rates, as well as safe's of transmission service.

#### Duke Energy Kentucky Electric Base Rate Case

On December 1, 2022, Duke Energy Kertucky filed a rate case with the KFSC retiguisating an annualized increase in electric base rates of approximately \$75 million. The request for rate increase is driven by capital investments to stempchen the electricity generation and defivery systems along with adjusted depreciation rates for the East Band and Wicodsdate generation stations to support the energy transition. Duke Energy Kertucky also regions and and approximately \$75 million. The request for rate increase is driven by capital investments in every portant and half updates. Including a voluntary community-based repreciation rates for the East Band and Wicodsdate generation stations to support the energy transition. Duke Energy Kertucky also regions and half updates. Including a voluntary community-based repreciation rates are base to well be excluding programs and half updates. Including a 940 million and a service subscription program and the WE Charging programs. The KPSC David an order on October 12, 2023, Including a 940 million rates in base revenues. In ROE of 0.75% for electric base rates and 0.55% for electric dives and an equity ratio of 52.145%. New rates went into effect October 13, 2023. The company's request to align the depreciation rates of East Bend with a 2035 retrieved as depreciation rates of East Bend with a 2015 retrieved as the KPSC diversition depreciation rates of Woodsdate CT with a 2040 retirement date well where the request to energy to encertain the sector where the request to edge to retrieved as the provide subscription rates with subscription rates and the provide subscription of the request to edge to edge and defined the volumetary community-based renewable subscription rates are based to prove the request to edge to edge and defined to be volumetary community-based renewable subscription.

program and the two electric vanitile charging programs.

On November 1, 2023. Disks Enorgy Kentucky fled for rehearing requesting certain mations be reconsidered by the KPSC. On November 21, 2023, KPSC granted in part and denied in part the company's, request for rehearing. On February 15, 2024, the KPSC issued a theing schedule for the rehearing process. Simultaneous briefs are due to March 15, 2024, simultaneous renky briefs are due on April 1, 2024, and the matter shall stand aubmitted on April 2, 2024. On December 14, 2023, Duke Energy Kontocky filed an appeal with the Franklin County Circuit Could on certain matters for which the KPSC denied rehearing, specifically as it relates to including decommissioning costs in deprecision rates for the East Bend ond Woodsdele, On January 8, 2024, sinswers to the appeal were filed by the KPSC, Kenbocky Atturney General, and the Kentucky Broadband & Cable Association. Dake Energy Kentucky cannot predict the outcome of this matter.

#### Midwest Propane Cavern

Duke Energy Kentucky used propane stared in a cavem to meet peak demand during winter for sevaral denates. Duke Energy Onto Instalted a new natural gas pipeline (the Central Conidor Project) in its Ohio sorvice territory to increase system reliability and enable the reliminent of older intrastructure. Druce the Central Conidor Project was complete and placed in service; the propane peaking tactity viss no longer necessary and was retired. On October 7, 2021, and November 4, 2021, Duke Energy Ohio and Duke Energy Kentucky; respectively, lind requests with the Public Utility Commission of Opio and the WPSC to establish a regulatory asset for their where of expenses incurred related to the retirement of the propane storage cavem and associated propane-air facilities. On Jace 2011, 2022, the KPSC Sound on order dening Duke Energy Kontucky is no longer necessary and was retired. On order; Duke Energy Kontucky recorded a 16.7 million charge to Impairment of assets and other charges on Duke Energy Kentucky's Statement of Opiorations and Comprehensive Income in 2022.

### 3. COMMITMENTS AND CONTINGENCIES

## GENERAL INSURANCE

Duke Energy Kentucky has insurance and/or reinsurance coverage either directly or through indemnification from Duke Energy's captive insurance company, Bison Insurance Company Limited, sidd its efficience, consistant with companies engaged in similar commancial operations with similar type properties, Duke Energy Kentucky's coverage includes (i) commercial general liability coverage for liabilities arising to third parties for bodily injury and property damage; (ii) workers' compensation; (iii) automobile faitility coverage; and (v) property coverage final and personal property damage, Real and personal property damage. Real and personal property damage, and index in a set of the set korn damage and other natural disesters.

The cost of Duke Energy Kenlucky's coverage can suctuate year to year reliecting claims Nisiony and conditions of the insurance and reinsurance markets:

In the event of a loss, letms and emounts of insurance and reinaurance available might lied bit sit adequate to cover claims and other expenses insured, Uninsured losses and other expenses, to the extend and reinaurance available might lied bit adequate to cover claims and other expenses insured, Uninsured losses and other expenses, to the extend and reinaurance available might lied bit adequate to cover claims and other expenses insured. Uninsured losses and other expenses, to the extend for exceed limits of the coverage explaints, cash flows or financial position. Data Energy Kentucky is responsible to the extent losses may be excluded or exceed limits of the coverage explaints. eracio

## ENVIRONMENTAL

Duse Energy Kenacity is subject to federet, state and local regulations regarding air and water quality, nazardous and solid waste disposal, coal ash and other environmental matters. These regulations can be changed from time to time, imposing new obligations on Duse Energy Kentucky.

#### Remediation Activities

In addition to the AROs discussed in Note 6, Duke Energy Kehtuicky is responsible for environments! remediation at various sites. These include cartain properties that are part of ongoing operations and sites formerly owned or used by Duke Energy Kentuicky. These sites are in various slages of investigation, remediation and monitoring. Managed in conjunction with relevant federal, stats and local agencies, remediation activities vary based upon site condition and localion; mandation inquirements, complexity and sharing of responsibility. If renediation activities marked in a deveral lead by provisions, strict leads to requirements ingrate caused by other Kentucky could potentiatly be held responsible for environmental impact accursed by a distance activities parts and could be previous and are reasonably estimable. The total activities may be incurred carry to assimilate because the extent of environmental impact, allocation and potentiatly being and potentiation beats because probable and are reasonably estimable. The total activit may be incurred carry to assimilate because the extent of environmental impact, allocation among potentially provide a travel be extended because the extent of environmental impact. Allocation administry that may be incurred carry to a stimated because the extent of environmental impact, allocation among potentially

responsible parties, remediation alternatives and/or regulatory decisions have not yet been determined. Additional costs associated with remediation activities are likely to be incurred in the future and could be significant. Costs are lypically expensed as Operation, maintenance and other on the Statements of Operations unless regulatory receivery of the costs is deemed probable.

Duke Energy Kentucky has accued approximately 3618 (housand of probable and estimable costs related to its various environmental sites in Othor within Other Noncurrent Labilities on the Balance Sheets as of December 31, 2023, and 2022, Additional losses in excess of recorded reserves are expected to be immaterial for the stages of investigation, remodultion and monitoring for the environmental sites that have been evaluated. The maximum amount of the range for all stages of Duke Energy Kontucky's environmental sites connot be dutomined at this time.

LITIGATION

Duke Energy Kentucky is Involved in other legal, tax and regulatory proceedings analog in the ordinary course of which involve bighticant amounts, Duke Energy Kentucky believes the final disposition of these proceedings will not have a material effect on its results of operations, cash flows or financial position. Duke Energy Kentucky expenses legal costs related to the defense of base contingencies as incurred.

OTHER COMMITMENTS AND CONTINGENCIES

General

As part of its normal business, Ouke Energy Nanticity is party to various financial guerantees, performance guarantees and other sontrectual commitments to extend guarantees of credit and other assistance to various third parties. These guarantees involve elements of performance and credit risk, which are not included on the Balence Shears, The possibility of Duke Energy Kessucky buying to hand of a contingencies is largely, dependent upon third, experiments, and which are not included on the Balence Shears, The possibility of Duke Energy Kessucky buying to hand of the contingencies is largely, dependent upon third, experiments, and which are not included on the Balence Shears, The possibility of Duke Energy Kessucky buying to hand of the contingencies is largely, dependent upon third, experiments, and which are not included on the Balence Shears, The possibility of Duke Energy Kessucky buying to hand of the contingencies is largely, dependent upon third, experiments, and the possibility of Duke Particity for the countering of credit tings, which are not included on the Balence Shears, The possibility of Duke Energy Kessucky buying to hand of the contractions of credit risk, which are not possibility of Duke Particity for the countering of credit risk.

## Purchase Obligations

Pipeline and Storage Capacity Contracts

Duke Energy Kentucky enters into pipeline and storage especify contracts that commit future cash flows to acquire services needed in its business. Costs alloing from capacity commitments are recovered via the Gas Cost Adjustment Glause in Kentucky. The time period for fixed payments under these profiles and storage respective contracts is up to 20 years.

Centain storage and pipeline capacity contracts require the payment of demand charges that are based on rates approved by the FERC in order to maintain rights to access the natural gas storage or pipeline capacity on a firm basis during the contract term. The demand charges that are included in cetch period are recognized in the Statements of Operations as part of natural gas purchases and are included in Cost of estimat gas.

The following lable presents juaro unconditional purchase obligations under these contracts.

(in (housends)	De	cember 31, 2023
2024	\$	22,257
2025		15,798
2025		13,327
2027.		12,032
2028		12,932
Thereafter		182,132
	\$	259,388

## 4, LEASES

As part of its operations, Duke Energy Kentucky leases space on communication towers, meters and office space under various ierns and expiration dates. Certain Duke Energy Kentucky lease agreemental include options for reneval and early termination. The intern to reneval and early termination, The intern to reneval and early termination. The intern to reneval and early termination, The intern to reneval early termination and early termination. The intern to reneval and early termination and early termination are included in the lease measurements. The decision to terminate a lease early is dependent on various economic factors. No termination options have been included in any of the lease measurements.

Duce Energy Kenucky has contain lease agreements, which include variable lease beymants that are based on the usage of an asset. These variable lease payments are not included in the measurement of the ROU assets or operating lease liabilities on the Balance Sheets.

The following table presents the componentia of lease expense and are included in Operations, maintenance and other on the Statements of Operations.

			Years Ended December	37,
(in thousands)			2023	202
oeneque essei prinarqu		\$	1,879 \$	1,768
Short-term lease expensis				ş
Variable lease expense			43	4
Total lease expense.		5	1,922 5	1,85
	s operating lease maturities and a reconciliation of the undiscounted cash flows to operating lease fiab	its) and		
in Drousands)	a obstanud lease instances and a tecologianov of the musiconved cash nowa in obstanud lease with	RHC #3.	De	camber 31, 20
2024	······································		1	66
2025			•	7
2026				$\dot{\tau}$
2027				
2020				7
Thereafter				8,94
fotal operating lease paym	rents	977 (2049))))))))))))))))))))))))))))))))))))		10,50
				(2,70
ess: present value discou				
Total operating lease flacking (a) Certain operating lease			\$	7,81
Total operating lease flaching (a) Certain operating lease	iles <sup>(a)</sup> payments include renewal options that are reasonably certain to be exercised.		ан на удрагото на на окранита на окрани	7,85
Tolat operating loase flackit (a) Certain operating lease The following tables contai	lieș <sup>(a)</sup> payments incluide renewial options ibst are reakonabily certain to be exercised. n additionsi information related to leases.		December 31;	£
Total operating lease faction a) Certain operating lease The Icliowing tables contain (in thousands)	iles <sup>(a)</sup> payments include renewal options that are reasonably certain to be exercised.		ан на удрагото на на окранита на окрани	£
Total operating lease flexit a) Certain operating lease The following tables contain (in thousands) Assets	iles <sup>(4)</sup> payments incluide renewial options that are reasoniabily certain to be exercised. n additions: information related to leases. Classification		December 31, 2023	20
Total operating lease flatsif (a) Certain operating lease The following tables' contain (in thousand's) Assets Operating	lieș <sup>(a)</sup> payments incluide renewial options ibst are reakonabily certain to be exercised. n additionsi information related to leases.		December 31, 2023 7,430 5	20 8.0
Total operating lease listif a) Certain operating lease The following tables contain (in the usands) Assets "Operating Total lease assets	iles <sup>(4)</sup> payments incluide renewial options that are reasoniabily certain to be exercised. n additions: information related to leases. Classification		December 31, 2023	20 8.0
fold operating loase fletil a) Certain operating lease the following tables contain (in thousands) Assets "Operating Colorating Cold lease assets Linblikes	iles <sup>(4)</sup> payments incluide renewial options that are reasoniabily certain to be exercised. n additions: information related to leases. Classification		December 31, 2023 7,430 5	20 8.0
fold operating loase field a) Certain operating lease the following tables contain (in thousands) Assets "Operating fold lease assets Untilizes Current	ueș <sup>(a)</sup> payments încluide renewial options ibut are rezisoriațăy cerțain to ba exercised. n additionsi înformation related to leusos. Glassification Opărming leuso ROU assela, net	5	Detember 31, 2023 7,430 5 7,430 \$	20 8.0 8.0
Total operating lease flatkit a) Certain operating lease The following tables: contain (in the usandis) Assets (i) Coperating Total lease assets Unbilises Current Operating	iles <sup>(4)</sup> payments incluide renewial options that are reasoniabily certain to be exercised. n additions: information related to leases. Classification		December 31, 2023 7,430 5	20 8.0 8.0
Total operating lease listiil a) Certain operating lease The following tables contain (in thousands) Assets Operating Total lease assets Linblikies Current Operating Noncurrent	ueș <sup>(a)</sup> payments încluide renewial optione litat are reasoniațăy cerțain îo be exercised. n additionsi înformation related to leases. Classification Opërming leaso ROU assela, net Other currant liabilities	5	December 31; 2023 7,430 \$ 7,430 \$ 364 \$	20 8.0 8,0 31
fold operating lease factil a) Certain operating lease (he following tables' contain (in thousands) Assets "Operating fold lease assets Linkikes Current Operating Noncurrent Operating Operating	ueș <sup>(a)</sup> payments încluide renewial options ibut are rezisoriațăy cerțain to ba exercised. n additionsi înformation related to leusos. Glassification Opărming leuso ROU assela, net	5	Detember 31, 2023 7,430 5 7,430 \$ 364 \$ 7,491	20 8.0 8.0 3( 3) 8,0
fold operating lease factil a) Certain operating lease (he following tables' contain (in thousands) Assets "Operating fold lease assets Linkikes Current Operating Noncurrent Operating Operating	ueș <sup>(a)</sup> payments încluide renewial optione litat are reasoniațăy cerțain îo be exercised. n additionsi înformation related to leases. Classification Opërming leaso ROU assela, net Other currant liabilities	5	December 31; 2023 7,430 \$ 7,430 \$ 364 \$	20 8.0 8.0 3( 3) 8,0
Total operating lease flabili (a) Certain operating lease The following tables: contain (in thousandis) Assets Operating Total lease assets Unbilities Current Operating Noncurrent Operating Total lease flabilities	ueș <sup>(a)</sup> payments încluide renewial optione litat are reasoniațăy cerțain îo be exercised. n additionsi înformation related to leases. Classification Opërming leaso ROU assela, net Other currant liabilities	5	December 31, 2023 7,430 5 7,430 \$ 364 \$ 7,491 7,855 \$ Years ended December 31	20 8.01 8.0' 30 8.0' 6.3' 1,
Total operating lease listif (a) Certain operating lease The following tables' contain (in thousand's) Assets Operating Total lease assets Untrifices Currient Operating Operating Operating Operating Operating (in thousand's)	ueș <sup>(a)</sup> payments incluide renewial options ibut are reasonably certain to be exercised. n additionst information related to leases. Classification Operating lease ROU essata, net Other current liabilities Operating lease liabilities	5	December 31; 2023 7,430 5 7,430 \$ 364 \$ 7,491 7,855 \$	20 8.01 8.03 36 8.02 6.37
The following tables contain (in the usands) Assets "Operating Total lease assets Linkilisee Current Operating Operating Total fense itabilities (In the usands)	ues <sup>(a)</sup> payments include renewal options that are regisorially certain to be exercised. In additional information related to leases. Classification Operating lease ROU assets, net Other current liabilities Operating lease liabilities	5	December 31, 2023 7,430 5 7,430 \$ 364 \$ 7,491 7,855 \$ Years ended December 31	7,95 20; 6.01 8.03 35 8.03 8.03 8.03 8.03 8.37 8.37 5 5 6 6 6

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			Dacembe	ər 31.	
		• • • • • • • • • • • • • • • • • • •	2023		107
Weighte d-average remaining lease term (years) Operating leakes Volational management and lat			13		1
Nelghted-average discount rate <sup>las</sup> Operating leases			4.4%		4,49
a) The discount rate is calculated using the rate implicit in a lease if i) is readily determinable. Genused, Duka Energy Kentucky will typically use to fully colleteralized incremental borrowir tessee's credit rating and lease term and as such may differ for individual leaves, embed 5. DEBT AND CREDIT FACILITIES	ig rate as of the commencement data to	calculate and record life lea			
× ·					
SUMMARY OF DEBT AND RELATED TERMS					
The following table summarizes outstanding debt.		A			
(in thousands)	Weighted Average		Decembe	or 31,	
Unsequed debt	Enterest Rate 4.01%	Year Due 2025-2057 \$	2023		202
Dragewreu deor Tax-exempt bonds <sup>tere</sup>	3,79%	2025-2057 \$ 2027	605,000 76,720	S	580,000 76,720
Money pool barrawings <sup>to ge</sup>	5.25%	2028	117,963		106,232
Unamortized debt discount and premium, net			(150)		(16)
Unamonized debt jasyance costs Total debt:	4,18%	5	(2,008)	E	(2,40) 860,38
ioisi caor. Short-ferm manay pool barrawings	-4,1875	3	787,465 (92,903)	5	(81,23)
Current metvittes of lang-learn debt					(74,980
Total long-term debt		\$	704,562	S	704.17
(n) Floading-rate doity, Af December 31, 2022, the weighted average interest rate was 2.72% and (c) includes \$25 million classified as Long-Term Debt Payeble to Affiliated Companies on the Bale MATURITIES AND CALL OPTIONS The following Lable shows the amount with interest for form debt for the pay three and increased increased.	anco Sheela at December 31, 2023, and	2022,			
The following table shows the annual maturities of long-term debt for the next five years and therea	alier. Ambernia presented excilide anon-i	em notes payable.	······································		
(in thousands) 2024		······	S.	lecember 31, 21	023
2025			4		95,00
2028					45,00
1027					76,7
2028 Thorsefler					65,00
Total long-term debl, including current maturities			5	······································	425,00 706,72
SHORT-TERN OBLIGATIONS CLASSIFIED AS LONG-TERM DEBT Carlain tax-exempt bonds that may be put to Dake Energy Kentucky at the option of the holder an Intent and ability to utilize such borowings as long-term financing. As Duko Energy's Master Cred as of the balance sheet side, Duke Energy Kentucky has the ability to refinance these short-term in	t Facility and Duke Energy Kentucky's of	har bilateral latter of credit a	greemonts have non-cancelabl		
as of the control signs late, gote Energy removes his one adding to remain the source sources in a At December 31, 2023, and 2022, \$27 million of tax-exempt bonds and \$25 million of money pool Sheets,				s, respectively, o	n the Belan
SUMMARY OF SIGNIFICANT DEBT ISSUANCES					
in June 2022, Duke Energy Kentucky closed on a SSO million 6-year fixed-to-maturity tax-exempt 1 issued by the issuer, which were loaned to referance contain site and water pollution control (adifice		gust 2027. The proceeds we	na used to provide funds to refu	und the prior bon	ids previous
AVAILABLE GREDIT FAGILITIES					
Master Gradit Facility					
In March 2023, Duke Energy amended its existing Massar Credit Facility of \$9 billion to extend the sublimit, Duke Energy has the unitateral ability at any time to increase or cocrease Duke Energy K Credit Facility may be reduced due to backstop issuances of commercial paper, AL December 31, Master Credit Facility.	(entucity's borrowing sublimit, subject to)	h maximum sublimit. The ap	ount evailable to Duke Energy	Kentucky under	the Master
Duke Emergy Keniucky and Duke Energy Indiana, LLC, a subsidiary of Duke Energy, collectively h request the lasuance of lattors of credit up to \$27 million on its behalf to support various series of t					cky may
Terra Loan Fecikty					
In Öctober 2021, Düke Energy Kestucky enteréd into a two-yoar term laan facility with commitmer million two-yner term loan facility was increased to \$75 million and its matually was extended to Aj shon-term debt end for genoral corporate purpose. In December 2023, Duke Energy Kestucky rej	xil 2024, The \$25 million in incremental (	corrowings under the facety	were sally drawn at the time of		
OTHER DEBT MATTERS					
Money Pool					
Doto Energy Keňlucky receives support for its short-term börzowing needs forough participation v short-term knots may provide short-term leans to alfiliates printicipating under this anargement. T requirements. Accordingly, there is no net settlement of receivables and payables between money pool.	he money pool is structured such that Du	ke Energy Karitucky separa	lely manages its cash needs at	ed working carel	al
Money pool receivable balances are reflected within Noiss receivable from affiliated companies of Term Dight Payable to Affiliated Companies on the Balance Sheets.	n lhe Balance Sheels, Money pool payat	le balances are rollected wi	thin either Notes payable to all	isated companie:	s or Long-
Restrictive Debt Covenants					

Duke Energy Kentucky's debt and credit agreements contain various financial and other boyenants. Duke Energy's Master Credit Pacility contains a covenant requiring the debt-to-total capitalization ratio not to exceed 65% for each bottower, Pallure to meet those covenants beyond applicable grace periods could result in acceleration of parameteris. As of December 31, 2020, Duke Energy's Master Credit Pacility contains a covenant requiring the debt-to-total capitalization ratio not to exceed 65% for with all covenant metado to the debt agreements. In addition, some credit agreements may allow for acceleration of payments or armination of the agreements due to transpayment, or acceleration of other significant indebidences of the bottower or some of its subsidiaries. None of the significant indebidences of the bottower or some of its subsidiaries. None of the significant

## 6. ASSET RETIREMENT OBLIGATIONS

Duke Energy Kentucky records an ARO when it has a legal obligation to incur retirement costs associated with the retirement of a long-lived asset and the obligation can be reasonably estimated. Curtain assets have an indeterminate life, and have the fair value of the retirement colligation is not reasonably estimated. A liability for these AROs will be recorded when a fair value is determinable.

Duke Energy Kertucky's regulated electric and regulated natural ges operations accrue costs of removal for property that does not have an associated tegal retirement obligation based on regulatory orders from the KPSC. These costs of removal are recorded as a regulatory liability is accounting accounting treatment, See Note 2 for the estimated costs of removal for associated legal retirement obligation based on regulatory orders from the KPSC. are included in Regulatory Statilizes on the Balance Sheets as of Decomber 31, 2023, and 2022.

Duke Energy Kentucky is subject to state and federal regulations soviaring the obsure of coal ash impoundments; including the EPA Coal Combustion Residuals (CCR) Rule, AROs recorded on the Balance Sheats include the legal obligation for the disposal of CCR, which is based upon estimated dosure costs based upon specific dosure of the disposal of CCR, which is based upon estimated dosure costs to imported ash impoundments. The amount recorded represents the discounted cash flows for ealingted dosure costs based upon specific dosure plans. Actual costs to be incurred will be dependent upon factors that vary from aile to git. The most deplace tash costs are the most deplaced time frame of closure at the individual stex. Closure methods and the total and the cost of th

In addition to the coal ash AROs, Doke Energy Konluctly also has legal obligations related to the refirement of gas mains and asbestos remediation,

The following lable presents the changes in the liability essociated with AROs,

amaging provinsion and a state in a second		Years Ended Du	cember 31,	······
(in thousands)		2023		2022
Balance at beginning of period	\$	107,821	\$	93,282
Accretion expense		4,712		3,580
Liabilities somed <sup>30</sup>		(15,099)		(13,420)
Lobiikies Incurred in the current year		1,142		
Revisions to estimates of cash flows <sup>itis</sup>		(10,558)		24,379
Balance at end of period	3	88,018	5	107,821

(a) Accretion expense relates to Duke Energy Kentucky's regulated operations and has been deferred in accordance with regulatory accounting treatment for the years ended December 31, 2023, and 2022... (b) Labilities settled relate to ash basin and landfill closure costs at the East Bend Station,

(c) Revisions to estimates of cash flows represent the discounted cash flows for excitated closure costs. The amounts relate to changes in routine maintenance cost estimates for ash impoundments.

## 7. PROPERTY, PLANT AND EQUIPMENT

## The following table summarizes property, plant and equipment.

	Ayerage Remaining Useful Life	·······	Decemb	- House - W	
(in thousands)	(Years)		2023		2022
Land		5	52,830	\$	51,303
Plant					
Electric generation, distribution and transmission	39		2,204,173		2.149,022
Natural gas transmission and distribution	58		B79,157		797,822
Other buildings and improvements	28		22,736		14,767
Equipment	13		54,152		42,911
Construction in process			98,006		98,107
Other	14		82,505		77,810
Total property, plant and equipment	······································		3,393,659		3.231,542
Accumulated deprecision and amortization			(1,138,534)		(1,069,422)
Net property, plant and equipment <sup>(a)</sup>	······································	\$	2,255,534	\$	2,162,422

(a) The debt component of AF UDC lotated \$4,1 million and \$1,1 million at December 31, 2023, and 2022, respectively,

## 8. OTHER INCOME AND EXPENSES, NET

The components of Other Income and Expenses, net on the Statements of Operations are as follows:

		Years Ended	December 31,	
(in thouzands)		2023		2022
Income/(Expense):			<u>.</u>	
lakerest income	3	5,220	3	2,872
AFUBC equity		1,057		1,249
Oliyar		2,524		(265)
Citier Income and Expenses, net	\$	8,891	\$	3,856

## 9. RELATED PARTY TRANSACTIONS

Dute Energy Kentucky engages in related party banaactions, which are generally performed at cost and in accordance with KPSC and FERC regulations. Refer to the Balance Sheets for belances due to or from related parties, Material amounts related to transactions with related parties included in the Statements of Operations are presented in the following table.

1		······	Years End	ed December 31,	
I	(in thousands)	and a second	2023		2022
ļ	Corporate povernance and shared Service expanses <sup>(a)</sup>	\$	75,518	\$	85,315

(a) Dake Energy Kenacky is charged its proportionate share of costs, primarily related to human resources, employee benefits, information technology, legal and accounting fees, as well as other third-party costs, from a comportable attiliate of Dake Energy. These emounts are econode in Operation, maintenance and other within Operating Expenses on the Statements of Operations.

In addition to the amounts presented above, Duke Energy Kentucky has other affiliate transactions; including certain indomnification coverages through Duke Energy's wholly owned captive trausmont subsidiary, rental of office space, participation in a money pool arrangement with Duke Energy and captive of a subsidiary set of a subsidiary rental of a subsidiary to many pool arrangement with Duke Energy and captive of a subsidiary to many pool arrangement with Duke Energy and captive of a subsidiary set of a subsidiary to many pool arrangement.

Centrin triade receivables have been suld by Duke Emergy Kentucky to CRC, an unconsolidated entity formed by a subaldiary of Duke Energy. The proceeds obtained from the sales of receivables are largely cash but do include a subardinated note from CRC for a portion of the purchase price. See Note 12 by further information related to the sales of these receivables.

## Intercompany Income Taxes

Duke Energy and its subsidiaries file a consolidated federal income tax return and other state and jurisdictional motims. Duke Energy Kentucky has a tax shafing agreement with Duke Energy for the allocation of consolidated tax Babilities and benefits, income taxes recorded represent amounts Duke Energy Kentucky would incur as a separate refligor at December 31, 2023, and 2022, respectively. These amounts are included in Other current assets on the Balance Sheets.

## 10. DERIVATIVES AND HEDGING

## COMMODITY PRICE RISK

Duke Energy Kentucky has limited exposite to market price changes of fuel and amission allowance costs incurred for its rotali customers due to the use of cost tracking and recovery mechanisms. Duke Energy Kentucky does have exposure to the impact of market functuations in the prices of electricity, kiel and emission allowance costs incurred for its rotali customers due to the use of cost tracking and recovery mechanisms. Duke Energy Kentucky does are an an an an an an and an antibation of the server market functuations in the prices of electricity, kiel and emission allowance costs incurred for its rotali customers due to the server main operations and recovery mechanisms. Duke Energy Kentucky southing commodity derivatives, FTRs, had a retional volume of 1,815 gigawait-hours and 1,820 gigawait-hours at December 31, 2023, and 2022, respectively.

See Note 11 for additional information on the fair value of commodity derivatives.

#### INTEREST RATE RISK

Duke Energy Kentucky is exposed to changes in interest rates as a result of its issuance or anticipated issuance of variable-rate and fixed-rate debt. Interest rate risk is managed by limiting variable-rate exposure to a percentage of total debt and by monitoring changes in interest rates, to manage risk associated with changes in interest rates. The notional around of interest rate may be used to a percentage agreements. The notional around of interest rate mays cutstanding was \$267 million at December 31, 2023, and 2022. Financial contracts entered http://www.settement.settements.The notional around of interest rate mays cutstanding was \$267 million at December 31, 2023, and 2022. Financial contracts entered http://www.settements.The notional around of interest rate mays cutstanding was \$267 million at December 31, 2023, and 2022. Financial contracts entered http://www.settements.The notional around of interest rate mays cutstanding was \$267 million at December 31, 2023, and 2022. Financial contracts entered http://www.settements.The notional around of interest rate may and u.s. Treasury box are accounted for under regulatory accounting, the mark-downake gains or losses are deferred as a regulately intelface or rescing. Regulatory as a height as or accounted of related costs in the ratemaking process. The account of interest of related costs in the ratemaking process.

See Note 11 for additional information on the fair value of interest rate derivatives.

#### CREDIT RISK

Duke Energy Kenucky analyzes the financial condition of counterparties prior to entering into agreements and establishes credit limits and monitors the appropriateness of those limits on an origoing basis. Credit limits and collateral requirements for retail electric customers are established by the KPSC.

Duke Energy Kanbucky's industry has historically operated under negotiated credit lines for physical doliviery contracts. Duke Energy Kanbucky may use master collateral agreements to mitigate certain credit exposures. The collatorial agreements require certain countemparties to post cash or letters of most (for the amount of exposure in excess of an estatished threshold. The freehold amount represents an unsetured predit limit determined in accordance with the corporate predit policy. Collateral agreements also privide that the inability to post collateral is sufficient as cause be terminate contracts and functional positions.

Duke Energy Kerducky uso obtains cash or laters of credit from customers to provide credit support outside of contakent egreements, where appropriate, based on its foancial analysis of the customer and the regulatory or contractual terms and conditions applicable to each transaction.

## 11. FAIR VALUE MEASUREMENTS

Fair value is the exchange price to sell an asset or transfer a Bability in an orderly transaction between market participants at the measurement date. The fair value definition focuses on an evit price versus the acquisition cost. Fair value measurements use market data or assumptions market participants with the masset or featibility, including assumptions about risk and the risk interem in the inputs to the valuation technique. These imputs may be readily observable, comborable by market data or generally unobservated to the masset or featibility including assumptions about risk and the risk interem in the inputs to the valuation technique. These imputs may be readily observable, comborable by market data or generally unobservated were maximized the use of observable inputs and minimize itse of unosarvitable inputs and the risk, interem in the inputs to the valuation technique. These fair value accounting gidmance permitsed by market data or generally unobservated experiments are classified in three levels based on the fair value hierarchy as defined by CAAP. Fair value accounting gidmance permitsed market infranced instruments that are not required to be accounting gidmance and we heat the formation of these forms at fair value. Duce Energy Kentucky has not elected to record ony of these forms at fair value.

#### **Commodity derivatives**

If torwaid price curves are not observable for the full term of the contract and the unobservable period had more than an insignificant impact on the valuation, the compactive derivative is classified as Level 3. The valuation technique and unobservable input for an FTR is regional transmission organization auction pricing and FTR price - por megawait-hour, respectively.

#### Interest rate derivatives

All over-the-counter interest rate contract derivatives are valued using financial models that utilize observable inputs for similar instruments and are classified as Level 2. Inputs include forward interest rate curves; notional encloses; include; interest rate curves; notional encloses; include; interest rate curves; include; interest rate; i

### QUANITTATIVE DISCLOSURES

The following tables provide recorded balances for assets and habilities measured at fair value on a recurring basis on the Balance Sheets. Derivative amounts in the table below exclude cash collateral.

			Dec	ambar 31, 2023		
		Total Fair				
(In thousands)		Vajue	_	Leval 2		Lavel 3
Derivative assets <sup>(a)</sup>	ş	1,510	\$		\$	1,510
Derivative (labilities <sup>(b)</sup>		(1,749)		(1,749)		
Nel assets (Babilhes-	\$	(239)	\$	(1,749)	<u></u> (5	1,510

ĺ				Decem	ber 31, 2022		
1			Total Fair				
1	{in thousands}		Value		Level 2		Lovel 3
L	Derivalive paseta <sup>(a)</sup>	5	4,560	5	—	\$	4,560
ł	Derivetive lieblities <sup>(D)</sup>		(1,056)		(1,956)		
	Nel (fiabilités) assets	\$	2,604	\$	(1,956)	ŝ	4,560

(a) Included in Other within Current Assets and Other within Other Noncurrent Assets on the Belance Sheats. The ancounts classified as Level 3 relate to FTRe; (b) Included in Other within Current Liabitities and Other within Other Noncurrent Liabitities on the Balance Sheets, The amounts classified as Level 2 rolate to interest rate swaps.

The following lable provides a reconciliation of beginning and ending balances of assets and liabilities measured at fair value on a recurring basis where the determination of fair value includes significant unobservable inclus

		Deriva	lives (net)	
		Years Ende	d December 31	•
(in thousands)	50-10 <b>1</b>	2023		2022
Belance at beginning of period	\$	4,560	\$	1,636
Purchases, issuances and settlements:				
Purchases		4,842		3,860
Settlements		(3,760)		(3,800)
Total gains included on the Balance Sheets as regulatory assets or liabilities		(4,112)		3064
Balance all end of period	\$	1,510	S	4,500

## OTHER FAIR VALUE DISCLOSURES

The fair value of long-term debt, including current maturities, is summarized in the following table, Judgment is r not necessarily indicative of the amounts Dake Energy Kentucky could have settled in current markets. The fair							ngly, the estimates d	etermined are
	December 31, 2023			December 31, 2022				
(in thousands)		Book value		Fals value		Bock value		Fair value
Long-Term debt, including current maturities	\$	704,562	\$	635,310	5	779,157	\$	694,225

At December 31, 2023, and 2022, the fair value of cash and cash equivalents, accounts and notes receiveable, and accounts and notes payable are not materially different from their carrying amounts because of the short-term nature of these instruments and/or because the stated rates approximate market rates.

## 12. VARIABLE INTEREST ENTITIES

A validable interest entity (VEE) is an entity that is evaluated for consolidation using more than a simple analysis of voting control. The analysis to determine whether an entity is a VEE considers contracts with an entity, end the relationship of voting power to the analysis to determine whether an entity is a VEE considers contracts with an entity, or edit support for an entity, the adequacy of the equity investment of an entity and the relationship of voting power to the amount of equity invested in an entity. This analysis is performed either upon the creation of a logal entity or upon the courtence of an overfit requiring rearraident, such as a significant change in an entity's assets or advintes. A quadrative analysis of control determines the party that consolidates a VEE. This assessment is based on (1) what party has the prover to disect the activities of the VEE that made significantly impact the economic performance and (1) what party has regulated to receive benefits or is obligated to absorb losses that could potentially be significant to the VEE. The analysis of the party that consolidates a VEE. This assessment is based on (1) what party has the subject of the constrained on the vice of the vice

### **Cinergy Receivables Company**

CRC is a bankrup(cy remote, special purpose entity that is an efficient of Duke Energy Kentucky. As discussed below, Duke Energy Kentucky does not consoliders CRC as it is not the primary beneficiary. On a revelving basis, CRC buys certain accounts receivable arising from the safe of electricity, natural gas and related services from Duke Energy Kentucky. CRC borrows amounts under a credit facility to buy the receivables from Duke Energy Kentucky, Borrowing availability from the credit facility is limited to the amount of qualified receivables sold to CRC which generally exclude receivables past due more than a prodelemment of days and reserves for expected peet due balances. The sole source of funds to salisfy the related debit obligation is cash collectore from the receivables. Amounts borrowed under the credit facility ar reflected on the Bekance. Sheets as Long-Torm Debt,

The proceeds Duke Energy Kentucky receives from the sets of provisibles to CRC are approximately 75% cash and 25% in the form of a subordinated inder from CRC. The subordinated note is a retained interest in the receivables and a Duke Energy Kentucky had receivables from officiated companies on the Balance Sheets and referst Duke Energy Kentucky's relained interest in roceivables on the Balance Sheets and referst Duke Energy Kentucky's relained interest in roceivables on the Balance Sheets and referst Duke Energy Kentucky's relained interest in roceivables on the Balance Sheets and referst Duke Energy Kentucky's relained interest in roceivables on the Balance Sheets and referst Duke Energy Kentucky's relained interest in roceivables on the

CRC is considered a VIE because (i) equity capitalization is insufficient to support its operations, (ii) power to direct the activities that most significantly impact the economic performance of the entity is not held by the equity holder and (iii) deficiencies in net worth of CRC are docisions made to manage definquent receivables. Duke Energy is considered the primary beneficiary and consolidates CRC, are docisions made to manage definquent receivables. Duke Energy is considered the primary beneficiary and consolidates CRC, are docisions made to manage definquent receivables. Duke Energy is considered the primary beneficiary and consolidates CRC are docisions made to manage definquent receivables. Duke Energy Kenturky does not consolidate CRC.

The subordinated note held by Duke Energy Kontucky is stated at fair value. Carrying values of relained interests are determined by allocating carrying value of the receivables between assets soft and interests and interests are reasonably predictable due to the broad customer base and lack of significant concentration and (iii) the equity in CRC is subordinate to all obtained interests and this would abanch losses from two months, (ii) credit losses are reasonably predictable due to the broad customer base and lack of significant concentration and (iii) the equity in CRC is subordinate to all obtained interests and this would abanch losses from two months, (ii) credit losses are reasonably predictable due to the broad customer base and lack of significant concentration and (iii) the equity in CRC is subordinate to all obtained interests and this would abanch losses from two months, (ii) credit losses are reasonably predictable (interests assuming both a 10% and a 20% unforcable value of the retained interests assuming both a 10% and a 20% unforcable method interest subordinates in a the state at a not material due to the about turnover of receivables and historical four value of the retained interests using the acceptable yield method. This method generally approximates the alter date to the both turnover of receivables and historical four value at the terms of the retained interests using the acceptable yield method. This method generally approximates the soft acceptable yield method. This method generally approximates the soft acceptable yield method. Thereads accurate to 20% and a 20% unforcable method generally approximates the soft acceptable yield method. Thereads accurate a the state of the or the loss fract the face value are nearly equivalent. An imperment tharges is recorded against the carrying value of both retained interests and purchased beneficial interest withenever it is determined that an other-than-temporary impairment has occurred. Duke Energy Kenlucky's maximum exposure to loss toes not ex

Key assumptions used in estimating fair value are detailed in the following table."

	2023	2022
Anticipated credit loss ratio	0.5%	0,4%
Discount rate	6.1%	2,7%
Receivables tumovariza	11,7%	\$1.4%

The following table presents gross and net receivables sold.

		December 31,	
(in thousands)	2023		2022
Receivables sold	\$ 51,182	\$	102,233
Less; Relained Interesta	33,757		53,344
Net receivables sold	\$ 47,425	\$	48,689

The following table shows seles and cash flows related to receivables sold.

		Years Ended	Decomber 31,	
(in thousands)		2023		2022
Sales				
Receivables sold	5	613,410	\$	671,672
Loss recognized on sale-		6,445		3,683
Cash Rows				
Cash proceeds from receivables sold	\$	626,122	\$	617,042
Collection fees raceived		307		338
Return naceived on relatived interests		4,874		2,635

Cash flows from sales of receivables are reflected within Cash Flows from Operating Activities and Cash Flows from Investing Activities on the Statements of Cash Flows,

Collection fees received in connection with the servicing of transferred accounts receivable are included in Operation, maintenance and other on the Slatements of Operations. The loss recognized on sales of receivables is advatated monthly by multiplying receivables seld during the month by the required discount. The required discount is derived monthly utilizing a three-your weighted average formula that considers charge-off history, alto charge history and knower history on the sold receivables, as well as a component for the time value of money. Is the prior month-and Daily Simple Secured Operations, Financing Rate (SOFR) plus a fixed rate of 1.00%.

## 13. REVENUE

Duke Energy Kenlucky recognizes revenue consistent with amounts billed under tanif oliacings or at confractually agreed upon rates based on actual physical delivery of electric or netural gas service, including estimated volumes delivered when billings have not yet occurred. As such, the majority of Dake Energy Kentucky revenues have fixed princip based on the confractual terms of the published tartifs, with variability in expected cash (low altributable to the custome's volumetric demand and ultimate quantifies of energy or natural gas supplied and used during the billing period. The stand-sched selling price of related balls are designed to support recovery of protectly incurred costs and an appropriate return on invested assate and are primaring gaments of the published find period. The stand-sched selling price of related asles are designed to support recovery of protectly incurred costs and an appropriate return on invested assate and recomment of published find period. The stand-sched selling price of related asles are designed to support recovery of fractients given to find a gave mineting state return on invested assate and recomment of published by relevant equation by boildes. Certain mache texas and franchise fees levided by state or fold gavements are required to by paid even if not collected from the customer. These taxes are recognized on a gross basis as part of revenues. Duke Energy Kentucky elects to account for all other taxes net of revenues.

Performance obligations are satisfied over time as energy or natural gas is delivered and consumed with billings gonerally occurring monthly and related payments due within 30 days, depending on regulatory requirements. In no event does the firting between payment and delivery of the goods and services exceed one yeer. Using this cutruit method for revenue recognition provides a halfful depiction of the transfer of electric and natural gas services as customes violatin control the commodity are benefit from its use at delivery. Additionally, Duke Encoder Reuticely tas entitied and in the service recognition provides at an another the transfer of electric and natural gas services as customes violatin control the commodity are benefit from its use at delivery. Additionally, Duke Encoder Reuticely as a finited of the custometry of the custometry of electric and natural gas delivered. Will recognize revenue at an anount that reflects the consideration to which Divers Encoder (see the finite or the transfer of electric and the registry for the energy or natural gas delivered.

As described above, the majority of Duke Energy Kenucky's lartificevanues are obwill and, as such, related contracts with customers have an expected duration of one year or less and will not have future performance obligations for disclosure.

Duke Energy Kentucky earns substantially all of its revenues through the sale of electricity and natural gas,

## Electricity Sales

Ecotio sales revolves are earned primarity through retail and wholesale electric service through the generation, transmission, distribution and sale of electricity. Dake Energy Kerbucky generativy provides retail electric service customers with their full electric bad requirements and sells wholesale block sales of electricity. Into the market.

Relat electric service is generally marketed throughout Duke Energy Kontucky's electric service territory through standard service offers, The Standard service offers are through Unit's detamined by the KPSC. Each tarili, which is assigned to customer based on customer class, has multiple components such as an energy change, customer charge, demaid charge and applicable riders. Dake Energy Kontucky considers each of these components to be

aggregated into a single performance obligation for providing electric service. Electricity is considered a single performance obligation satisfied over time consistent with the series guidance and is provided, and consumed over the billing particit, generally one month. Retail electric service is provided to al-will customers who can cancel service at any time, without a substantive penaty. Additionally, Duke Energy Kentucky adheres to applicable regulatory requirements to ensure the collectablity of anormal billed and appropriate mitgoting procedures are followed when necessary. As such, revenue from contrasts with customers is equivalent to the electricity supplied and billed in that period (including, unbilled estimates).

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Wholesale electric service is provided through block sales of electricity. Revenues for block sales are recognized monthly as energy is delivered and stand-ready service is provided, consistent with invoiced amounts and unbited estimates,

## Natural Gas Sales

Nokral gas sales revolues are earlied brough relatinatives gas service brough the transportation, distribution and sale of natural gas. Duke Energy Kentucky generally provides natural gas service pustomers with all natural gas bad requirements. Additionally, while natural gas can be stored, substantially all natural gas provided by Duke Energy Kentucky is consumed by customers simultaneously with receipt of delivery,

Relail natural gas service is marketed throughout Duke Energy Karitvoky's natural gas service territory using published fartif rates. The tartif rates are established by the KPSC. Each tartif, which is assigned to customers based concustomer class, has multiple components, such as a commodity charge, customer or manify charge and transportation costs. Duke Energy Kentucky considers each of these components to be aggregated into a single performance obligation for providing natural gas service. For contracts where Duke Energy Kentucky provides all of the customer's natural gas needs, the delvery of natural gas is considered a single performance obligation satisfied over time, and revenue is recognized monthly based on billings and unbilled estimates as aervice is provided and the commotity is consumed over the billing period. Additionally, natural gas service is typically adviating and customers can cancel service at any time, without a substantive penalty. Duke Energy Kentucky also adheres to applicable regulatory requirements to ensure the collectability of appoints billed and receivable and appropriate mitigating procedures are followed when necessary.

#### **Disaggregated Revenues**

For electric and natural gas seles, revenue by customer class is most meaningful to Duke Energy Kentucky as each respective customer class collectively tepresents under o customer expectations of service, generally has different energy and demand requirements and oparates under baland, gaptored pricing structures. Additionally, each customer class is impacted officently by weether and a variety of economic fractors inducing the level of population growth, economic investiment, employment levels and regulatory addivities. As such, analyzing revenues its aggregated by customer class allows Duke Energy Kentucky to understand the nature, amount, timing and uncontainty of merenics and cash flows arking from contracts with customers.

Disaggregated revenues are presented as follows:

(in thousands)		Years Ended Decembe	r 31,
By market or type of customer	Sec. ( provide a second s	2023	202
Electricity Sales			
Residentia	\$	171,241 \$	200,151
General		176,078	185,987
industrial		65,844	72,940
Wholesale <sup>(a)</sup>		18,965	51,207
Other revenues		23,998	(402
foral Electricity Sales revenue from contracts with customers	\$	454,126 \$	509,888
laturat Gas Soloa			
Residential	, <b>5</b>	84,173 \$	100,190
Commercial		38,129	46,546
nduştrial		8,265	6,610
Olhor revenues		2,579	3,10
fouel Natural Gas Salos revenue from conitacts with customers	\$	131,146 \$	156,55
Total revenue from contracts with customers	\$	585,272 \$	565,44
Diver (evenue sources <sup>(b)</sup>		468	1,68
Total revenues	5	585,680 \$	666,125

(a) Duke Energy Kentucky nots wholesate electric sales and purchases on an hourly basis. As such, the net position may result in fluctuations between positive and negative net revenues at the end of a reporting period. (a) Other revenue sources include revenues from derivatives, leases and alternative revenue programs, that are not considered revenues from contracts with customers.

The following table presents the receive for credit losses for trade and other receivables,

(in Lhoursands)	 
Balance at December 31, 2021	\$ 315
Write-offs	(6)
Crédit Loss Expense	222
Balance at December 31, 2022	\$ 531
Credit Loss Exponse	215
Belance at December 31, 2023	\$ 745

Trade and other receivables are evaluated based on an estimate of the risk of loss over the life of the receivable and current and historical conditions using supportable assumptions. Management evaluates the risk of loss for Irade and other receivables by comparing the historical write-off amounts to total revenue over a specified period. Historical loss rates are adjusted due to this impact of current conditions, as well as forecasted conditions over a reasonable time period. The calculated write-off and can be opplied to the receivable balance for which an established reserve does not already exist. Management reviews the essumptions and risk of loss periodically for hade and other receivables;

The aging of trade receivables is presented in the table below.

	·····	December 31,	
(In thousands)		2023	2022
Unbilled Receivables <sup>(a)(b)</sup>	\$	1,995 \$	13,722
Current'		10,651	3,518
1-30 days patt due		1,552	700
J1-80 days past due		336	181
81-90 days past due		132	729
914 daya past duo		4,503	3,480
Trade and Other Recolvables	\$	19,169 8	22,330

(a) Unbited revenues are recognized by applying customer billing ratios to the estimated volumes of energy or nativial gas delivered but not yet billed and are included in Receivables on the Duke Energy Kentucky Balance Sheets, Unbited receivables relate to transactions with PJM interconnection, LLC,

Oness, manage rearrouse reare to instactors was was instrumentant, LLC. (b) Duke Energy Kentucky sells, on a revolving basis, nearly all of its retail accounts receivable, including receivables for unbited revenues, to CRC; As discussed (urther in Note 12, Duke Energy Kentucky accounts for these transfers of receivable as sales. Accounts receivable sold are not refected on the Balance Sheets. Receivables for unbited revenues included in the sales of accounts receivable to CRC were \$39 million and \$44 million at December; 31, 2023, and 2022, respectively.

## 14, SEVERANCE

Duke Energy Kentucky participates in severance plans for the general employee population under which, in general, the longer a combinated employee worked prior to termination the groater the amount of severance benefits provided. Duke Energy Kentucky also offers special termination benefits truder voluntary severance programs,

Duke Energy Konucky's direct and alkocated severance and rolated charges accurat within Operation, maintenance and other on the Statements of Operations was \$1,197 throwand and \$220 thousand for the years ended December 31, 2021 and 2022, mispactively.

Duke Energy Kantucky's severance Rability belance recorded in Other within Current Liabilities on the Balance Sheets was \$584 thousand for the year ended December 31, 2023. Duke Energy Kentucky did not have a severance flability balance recorded on the Balance Sheets for the year ended December 31, 2023. Duke Energy Kentucky did not have a severance

## 15. EMPLOYEE BENEFIT PLANS

## DEFINED BENEFIT RETIREMENT PLANS

Dive Energy Kentucky participates in qualified, non-contributory defined benefit retirement plans, which consist of the Duke Energy Retirement Cash Balance Plan (RCBP) and the Duke Energy Legacy Pension Plan (OELPF), Dive Energy Kentucky participates in non-qualified defined benefit retirement plans and other post-retirement benefit plans approaced by Duke Energy, Duke Energy Alexares pension and other post-retirement obligations and costs related to these plans to Duke Energy Kentucky. The plans cover most employees using a cash balance formula. Under a cash balance formula, a plan participant accumulates a retirement benefit consisting of pay cardia based upon a percentage of current eligible earnings based on age and/or y years of sorvice and interest credits. Certain employees are covered under plane that use a final average earnings formulas, a plan participant accumulates a retirement benefit under fisce average cannings formulas, a plan participant accumulate earning formula. Under fisce average earnings formulas, a plan participant eaccumulates are consisted to the sum of percentages of their (higher) tare-year or four-year average earnings formulas. Under fisce and base former formula are fourted are to participant accumulations of 35 years. Duke Energy alexares average earnings in excess of covered compensation per year of pericipation (in) bighest three-year average earnings times years of pericipation in excess of 35 years. Duke Energy alex average earnings in excess of covered compensation per year of pericipations of their (higher) tare-year earnings times years of pericipation in excess of sovered compensation and the Energy alexares earnings times years of pericipation in excess of 35 years. Duke Energy alexares earnings the excess Termet pericipates in, non-qualified, non-contributory defined benefit retirement plans which cover cartain executives. The qualified and non-qualified non-

Duke Energy uses a December 31, measurement date for its defined benefit retirement plan assets and obligations, Actuarial gains experienced by the defined benefit retirement plans in remeasuring plan assets on December 31, 2023, were primarily stitutable to actual investineit performance that exceeded expected investment performance. Actuarial losses experienced by the defined benefit retirement plans in remeasuring plan assets on December 10 the decrease in the discount rate used to measure plan obligations. Actuarial losses experienced by the defined benefit retirement plans in remeasuring plan assets on December 11, 2023, were primarily attributable to the decrease in the discount rate used to measure plan obligations. Actuarial gains experienced by the defined benefit retirement plans in remeasuring plan assets on December 31, 2022, were primarily attributable investiment performance that were test investment performance. Actuarial gains experienced by the defined benefit retirement plans in remeasuring plan obligations as of December 31, 2022, were primarily attributable attributable to the increase in the discount rate used to measure plan obligations.

As a result of the application of settlement accounting due to total himp-sim benefit payments exceeding the settlement threshold (defined as the sum of service cost and interest cost on projected benefit obligation components of net periodic benefit costs) for one of its quadiled periodic benefit obligation components of the settlement threshold (defined as the sum of service cost and interest cost on projected benefit obligation components of net periodic benefit costs) for one of its quadiled periodic benefit obligation components of Operations as of December 31, 2022. Settlement charges induce amounts allocated by Dirke Energy for employees of Dirke Energy Kontucky and allocated barges for their proportionale share of settlement charges for their proportionale share of settlement charges for employees of Duke Energy's shared services affiliate

Duke Energy's policy is to fund amounts on an actuarial basis to provide assets sufficient to meet bonefit payments to be paid to plan participants. Actual contributions for Duke Energy Kenlucky were \$1,509 (housand and \$853 thousand for the years ended December 31, 2023, and 2022, respectively.

Net periodic benefit costs disclosed in the lable's below represent the costs of the mapertive plan for the periodic presented prior to capitalization of amounts milected as Net property, plant and equipment, on the Belance Sheets. Only the service costs disclosed in the lable's below represent the costs of the mapertive plan for the periodic presented prior to capitalization of amounts milected as Net property, plant and equipment, on the Belance Sheets. Only the service cost component of net periodic benefit costs is digible to be capitalized. The remaining non-capitalized portions of net periodic benefit costs are classified as either. (I) service cost, which is recorred in Operations, maintenance and other on the Statements of Operations; or as (II) components of non-service cost, which is recorred in Ofter intorne and expresses, net, on the Statements of Operations; and s(II) components of non-service cost, which is recorred in Ofter intorne and expresses, net, on the Statements of Operations, Amounts presented in the tables below represent the amounts of persions and ofter post-reference to cast advected by Ouke Energy for employees of Duke Energy Kentucky. Additionally, Duke Energy Kentucky is allocated in provide and expresses, and on the Statement benefit cost allocated by Ouke Energy for employees of Duke Energy Kentucky. These allocated amounts are included in the governance and shared services costs discussed in Note 9.

### QUALIFIED PENSION PLANS

#### Components of Net Periodic Pension Costs

		Years Ended	December 31,	
(in thousands)		2023		2022
Service cost	3	623	\$	953
Interset bast on projected benefit obligation		4,088		3,089
Expected insum on plan assets		(5,112)		(4,850)
Amontization of prior service credit		(89)		(85)
Amortization of actuated tass		231		1,333
Amerization of settlement charges				1,973
Net periodic pension costs,	5	(253)	\$	2,413

#### Amounts Recognized in Regulatory Assets

	<u></u>		Decen	1ber 31,	
İ	(in thousands)		2023	****	2022
ļ	Regulatory assels, net (decroase)	5	(339)	ş	(7,301)
1					

#### oncillation of Funded Status to Net Amount Recognized Rec

		Years Ended December 31,			
(in thousands)		2023		2522	
Change in Projected Benefit Obligation		······································			
Obligation al prior measurement date	ş	75,508	-5	104,450	
Service cast		553		876	
Interest cost		4,089		3,089	
Actuarial (gains) losses		494		(20,753)	
Benefits paid		(6,482)		(13,325)	
Transfers <sup>(4)</sup>		(269)		1,201	
Obligation at measurement date	\$	73,892	\$	75,508	
Accumulated Benefit Obligation at measurement date	\$	T2,775	S	74,442	
Change in Fair Value of Plan Assels					
Plan assets at prior measurement date	3	67,753	S	93,654	
Artual return on plan assets		5,018		(14,630)	
Benefils paid		(5,482)		(13,325)	
Employer contributions		1,509		853	
Transfers <sup>(a)</sup>		(769)		1,201	
Plan assets at measurement date	5	69,329	\$	67,753	
Funded status of plan	3	(5,563)	\$	(7,755)	

(a) Transfers represents net amounts associated with plan participants that have moved tortiom other Duke Energy subsidiaries.

## Amounts Recognized in the Balance Sheels

		December 31,			
(in Ihousends)		2023		2022	
Prolunded pension <sup>(#</sup>	5	18,345	\$	16,155	
Noncurrent pension Bability <sup>(k)</sup>		23,908		23,910	
Net liability recognized	\$	(5,563)	S	(7,755)	
Regulatory assels	\$	22,321	ş	22,660	
(a) included in Other within Investments and Other Assets on the Batance Sheets.					

(b) included in Accrued pension and other post-refirement benefit costs on the Balance Sheeta.

Information for Plans with Accomulated Benefit Obligation in Excess of Plan Assels

(in fluctured) Projected bandle debiguin Accurations Accuratio	s derived toon a Universe of non-callable discounted at this rate with the market vi sember 31, 2023. Employer contributions for the years and of December 31, 2022 -contributory basig, Employees are oligit and are subject to certain limitations, suc	e corporate bonds ra afue of the bonds ae s, which equal benefit , of 2021, ble for these benefits
Assumption Listed for Particle Bondin Comparison Assumption Listed for Particle Bondin Accounting	27,240 4,450 December 31, 2023 5,40 % 4,15 % 3,60 % 4,15 % 3,60 % 4,15 % 3,60 % 4,15 % 3,60 % 4,15 % 3,60 % 4,25 % 0,50 % 0,5	2 3 4 2.80% -4 3 3 2.80% -4 4 3 6 2.80% -4 4 3 6 8 2.80% -4 4 3 6 8 2.80% -4 4 3 6 8 2.80% -4 4 3 6 8 2.80% -4 5 4 3 8 2.80% -4 5 4 3 8 2.80% -4 5 4 3 8 2.80% -4 5 4 3 8 2.80% -4 5 4 3 8 2.80% -4 5 4 3 8 2.80% -4 5 4 3 8 2.80% -4 5 4 5 6 8 2.80% -4 5 4 5 8 6 8 2.80% -4 5 8 6 8 9 8 9 8 9 8 9 8 9 8 9 8 9 8 9 8 9
Issumptions Used for Pendian Bundits Associations  Second for electronic devices and a second device of the pendian device of	December 31, 2023 5,40 %, 4,15 % 3,50 % 8,60 % 4,35 % 3,50 % 6,50% - 8,25% epproach. This approach develops of develops of develops of non-callable discounted for a universe of non-callable discounted at this rate with the market vi cember 31, 2023. Employees are object discounted at this rate with the market vi cember 31, 2023. Employees are object and are subject to certain limitations, succ verse Endo 2023 \$ 35 199 (65) (366) (32)	5 4 3 2.90% 4 5 6 6 7 7 8 7 8 7 8 7 8 7 8 7 8 7 8 7 8 7
Ameth Chlight inte Ameth Chlight inte Address in the Address in the Address inter Address	2023 S.40 % 4.15 % 3.60 % 3.60 % 4.35 % 3.50 % 9.50% - 8.25% e.50% - 7.5% e.50% - 7.5% e.5%	4 3 2.80% -4 4 3 3 count rate by select or corporate bonds ar afue of the bonds are afue of the bonds are s, which equal benefits t, or 2021, ble for these benefits th as deductibles and and December 31,
Naceual and tread and the tread of the problem is benefit Cost Second and the used to deferring the the current year persion objection and billowing year's ponsion expense is based on a bond second-section-sectionmit portfolio tabley increases the discount rule used to deferring the current year persion objection that aquates the present value of the plan. The selection definition of the plan is the section definition of the plan is the section of the plan is the section definition of the plan is the projected benefit obligation for the rest advected the section definition of the plan is the section definition of the section definition of the section of the section of the section of the section definition of the section definition of the section definition of the section of the section definition of the section of the section definition of the section definition of the section of th	2023 S.40 % 4.15 % 3.60 % 3.60 % 4.35 % 3.50 % 9.50% - 8.25% e.50% - 7.5% e.50% - 7.5% e.5%	4 3 2.80% -4 4 3 3 count rate by select or corporate bonds ar afue of the bonds are afue of the bonds are s, which equal benefits t, or 2021, ble for these benefits th as deductibles and and December 31,
Naceual and tread and the tread of the problem is benefit Cost Second and the used to deferring the the current year persion objection and billowing year's ponsion expense is based on a bond second-section-sectionmit portfolio tabley increases the discount rule used to deferring the current year persion objection that aquates the present value of the plan. The selection definition of the plan is the section definition of the plan is the section of the plan is the section definition of the plan is the projected benefit obligation for the rest advected the section definition of the plan is the section definition of the section definition of the section of the section of the section of the section definition of the section definition of the section definition of the section of the section definition of the section of the section definition of the section definition of the section of th	5,40 % 4,15 % 3,50 % 4,35 % 3,50 % 3,50 % 3,50 % 3,50 % 6,50% - 8,25% approach. This approach develops a dis s derived tom a universe of non-caliable discounted to intervise of non-caliable discounted at inferrate with the market vi combination of non-caliable discounted at inferrate with the market vi discounted at inferrate vi disc	4 3 2.80% -4 4 3 3 count rate by select or corporate bonds ar afue of the bonds are afue of the bonds are s, which equal benefits t, or 2021, ble for these benefits th as deductibles and and December 31,
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Salary Provides We Purside Execution Cost Decount rule Decount rule Decount rule Decount rule Decount rule used to idearmine the current year paraion obligation and bilowing year's pansion expanse is based on a bond selecton-actiferents portfolio Decount rule used to idearmine the current year paraion obligation and bilowing year's pansion expanse is based on a bond selecton-actiferents portfolio Decount rule used to idearmine the current year paraion obligation and bilowing year's pansion expanse is based on a bond selecton-actiferents portfolio Decount rule used to idearmine the current year paraion obligation and bilowing year's pansion expanse is based on a bond selecton-actiferents portfolio Decount rule used to idearmine the current year paraion obligation for two re-qualified pansion plans, were acro for Dake Energy Kertezely as of Doc an enclassing paraly, which bipatible the projected beaufit obligation for two-qualified pansion plans, were acro for Dake Energy Kertezely as of Doc an enclassing paraly, which could be projected beaufit obligation for two-qualified pansion plans, were not maked by protect Postiger Provides and provide the two books and the plans. The based to rune-qualified pansion plans were not maked by provide and base and paraly and base for the year and addie in the plans. The basel to care basel is include medical, dealed and prospecified dug coverage a payments. Diso Energy aid not make any pro-funding contributions is its doner jout-referement benefit plans during the year includ December 31, 2023, and 2022, Components of Net Paindic Other Post-Reference December 31, 2023, and 2022, Components of Net Paindic Other Post-Reference December 31, 2023, and 2022, Components of Net Paindic Other Post-Reference December 31, 2023, and 2022, Components of Net Paindic Other Post-Reference December 31, 2023, and 2022, Components of Net Paindic Other Post-Reference December 31, 2023, and 2022, Components of Net Paindic Other Post-Reference December 31, 2023, and 2022, C	3.60 % 3.60 % 4.35 % 3.50 % 6.50% - 8.25% approach. This approach develops at dis- s derived toors a universe of non-callable discounted at this rate with the market vi- cember 31, 2023. Employer contributions for the years ended December 31, 2022 -contributory basis, Employees are oligit and are subject to certain limitations, suc- verse Ender 2023 \$ 35 199 (65) (366) (32)	3 2.90% - 4 3 6 account rate by selecti 6 corporate bonds ra afue of the bonds ac s, which equal benefit 1, or 2021, blo for these benefits th as deductibles and and Desember 31, \$
Vie Periodic Benefit Cest Descent na Inserve trading rate Salary hornase Expected long-term rate of reference plan assets Expected long-term rate of reference plan assets Expected long-term rate of reference in the current year penalion obligation and bilowkry year's penalion expense is based on a bond selection-settlement portfolio- certificito of high-quality cappends bonds that generate sufficient cate flow from the projected benefit payments of the plan. The selected bond particle is using a right-quality cappends bonds that generate sufficient cate is determined by present value of the plan. The selected bond particle is using a right-quality. Term Ference 1990, a single interact rate is determined penalion plane, wes zero for the plan. Yearstay as of Dec ar an qualified penalion plane, wes zero for the year adress December 31, 2023. Net periodic penalion plane, wes zero for Duke Energy Kertuszky as of Dec ar an qualified penalion plane, wes zero for the year adress December 31, 2023, and penalion plane, wes zero for Duke Energy Kertuszky as of Dec ar an qualified penalion plane, wes zero for the year adress December 31, 2023, but periodic penasion costs for non-qualified penasion plane, were not matched at 2016 Energy provides, and Duce Decempty Korludvy perificipation in one breath care basetlis indekia method; denial and prosophision drug coverage a 2016 Energy and an envice requirements at references is defined in the plane. The basilin Care basetlis indekia method; denial and prosophision drug coverage a 2016 Energy and an envice requirement at references is the other post-element biomotif plane during the years' endeki December 31, 2023, and 2022, 2016 Departments of Net Pendedic Other Post-References is Basetline indekia methodic is a during the plane. 2016 Energy and an exclusionation of post-references is baset and regulatory Lisbitities. 2017 Energy and post-elements costs 2018 Energy post-element during baset and Regulatory Lisbitites. 2017 Energy and post-elements of the res	3,60 % 4.35 % 1.50 % 1.50 % 6.50% - 8,25% approach. This approach develops at dis s derived from a universe of non-caliable discounted for a universe of non-caliable discounted for a universe of non-caliable discounted at this rate with the market vi- camber 31, 2023. Employee contributions for the years ended December 31, 2022 -contributory basis, Employees are oligit and are subject to certain limitations, suc- verse Ende 2023 \$ 35 199 (65) (56) (56)	2.80% < 4 3 6 6 6 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7 7
Discust for final history term rate of reference on plan answers Superson trace used to identify the current year pension obligation and following year's pension expanse is based on a bond selection-deferment portfolio discust rate used to identify expanse bonds that agreents a suble is a carbon to provide for the splace bond in previous of the plan. The advected bond in previous and build year higher, After the bond particle is selected, a single interest rate is determined that aquates the previous pension plans, were seen for Duke Energy. Kentucky and Duc an examplify expanse bond particle is selected, a single interest rate is determined that aquates the previous of the plans. The advection plans, were seen for Duke Energy. Kentucky and Duc an examplify expanse bond, were carbon the year acted to Exempter 31, 2022. Net periodic ponsion costs for non-qualified pension plans, were carbon beined to provides. And Duke Energy Kentucky participates in, some health care and file insertion benefils for the set acted by previous and non- see mental age and service requirements at reference. The defined in the plans. The health care benefils include medical, deniel and pranciplion drug screwarge a symmetriz. Duce Energy did not make any pre-funding contributions is its other post-reference to benefils for advecting the yean's includ Datamber 31, 2023, and 2022, Components of Net Particle Other Post-Referencent Benefit Costs in thousands) Septical cest. The post-Referencent Benefit Costs (in thousands) Reported not on accurated the Accurated Other Post-Referencent Benefit Costs (in thousands) (gan) jobs Annotation of paradet Status to Accurated Other Post-Referencent Benefit Costs (in thousands) Reported rest on accurated therman defined on the particle parates (in thousands) Reported rest on accurate (decrease) Reported rest on the plansion (decrease) Reported rest on the parates (decrease) Reported rest on thousais (decrease) Reported rest on thousais (decrease) Reporte	4.35 % 1.50 % 6.50% - 8.25% approach. This approach develops at dis- s derived toors a universe of non-caliable discounted to this rate with the market vi- cember 31, 2023. Employer contributions for the years ended December 31, 2022. -contributory basis, Employees are oligit and are subject to certain limitations. succ Veare Ende 2023 \$ 35 199 (65) (366) (32)	4 3 count rate by selecti a corporate bonds ra ariue of the bonds are s, which equal banefit , or 2021, blo for these benefits th as deductibles and and December 31,
hered endorg rate Signal horase Expected long-term rate of relum on plan results Expected long-term rate of relum on plan results indicated rate vised to determine the current year paralan obligation and following year's panalon expense is haved on a bond selection-actionness portfolio- paralay or high-a vality expenses bonds that generate sufficient cash flow to provide for the projected benefit payments of the plan. The selection does not provide the term provide term is determined that aquates the present value of the plan. The selection does not provide the term provide term is determined that aquates the present value of the plan. The selection does not provide term is determined that aquates the present value of the plan. The selection does not provide term is determined to present value of the plan. The selection does not not paralited pension plane, were zero for the year adress Decomber 31, 2023. Not period pension plane, were zero for the year adress Decomber 31, 2023, the period pension plane, were rest much matched to prove the possion plane, were zero for the year adress Decomber 31, 2023. Not period pension plane, were rest much matched to prove the possion plane, were zero for the year adress Decomber 31, 2023, the period pension plane, were rest much matched to prove the requirements at mittement, as defined in the plane. The health care barefits indeks medical, devial and presenging any pape terms of the particular particular deviations to its often plane, the plane. The health care barefits indeks medical, devial and presenging any prove terms on plan assets Annotation of an exclusion deviation of the sected termined benefit planes of the particular particular prove terms on plan assets Annotation of terms and particular benefit being being advected terms on plane assets Annotation of terms on plane assets Annotation of terms and (gar) (terms etc.) Regulatory isolation, net devenase Regencilitation of Partical Status to Accrued Other Post-Relevment Banefit Costs	4.35 % 1.50 % 6.50% - 8.25% approach. This approach develops at dis- s derived toors a universe of non-caliable discounted to this rate with the market vi- cember 31, 2023. Employer contributions for the years ended December 31, 2022. -contributory basis, Employees are oligit and are subject to certain limitations. succ Veare Ende 2023 \$ 35 199 (65) (366) (32)	4 3 count rate by selecti a corporate bonds ra ariue of the bonds are s, which equal banefit , or 2021, blo for these benefits th as deductibles and and December 31,
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he discourt rule viset to infermine the current year pension obligation and following year's pension expense is based on a bond selection-settlement portfolio infeliator thigh used to infer Alter the bond portfolio is unlikely carbon two to provide for the projected benefit payments of the plan, The asketed bond particula walky or higher, After the bond portfolio is unlikely carbon the transmitted that equates the present value of the plan, The asketed bond particula walky or higher, After the bond portfolio is unlikely the projected benefit obligation for mon-qualified pension plans, were not born by the plan, the bond benefit payments or the accurate the pension plane, were zero for the year and di Decomber 31, 2023. Net pension casts for non-qualified pension plans were not material projectes persion plane, were zero for the year and di Decomber 31, 2023. Net pension casts for non-qualified pension plans, were not material projectes persion accurate the plans. The health care and the instrance benefits for retired employees on a contributory and non- mark and age and sonice requirements at retirement, as defined in the plans. The health care benefits include medical, denial and properties due to the plans. The health care benefits include medical, denial and properties due to the plans are benefits include medical, denial and properties due to the retired employees on a contributory and non- mark and age and sonice requirements at retirement, as defined in the plans. The health care somethis include medical, denial and properties due to the plans are the retired employees on a contributory and pension plans were not all proves and a provide to the plans. The health care and file plans are benefits include and properties due to the plans are provided to the plans. The health care and file plans are the lth pl	approach. This approach develope it dis s derived from a universe of non-caliable descounted for a universe of non-caliable descounted at this rate with the market vi- sember 31, 2023. Employer contributions for the years ended December 31, 2022 -contributory basis, Employees are oligit and are subject to certain limitations. suc Veare Ende 2023 \$ 35 199 (65) (368) (32)	count rate by selecti a corporate bonds ta a fue of the bonds are s, which equal banefit , of 2021, ble for these benefits th as deductibles and and December 31,
erfelio of high quilty components bonds that generate sufficient cach flow to provide for the projected benefit payments of the plan." Expected benefit payments of 00-QUAL FIED PENSION PLANS (00-QUAL FIED PENSION PLANS (in accumulation plants), which equals the projected benefit obligation for non-equalitied pension plans, was zero for Duke Energy Kentucky and Doc or non-qualitied pension plans, were zero for the year anded Decomber 31, 2023. Net pension costs for non-qualitied pension plans, were not mational if physics projects as a provide a material activation of the plant pension plans, were not mational if physics projects as a plane provide a provided benefit obligation for non-equalitied pension plans, were control to year anded Decomber 31, 2023. Net pension costs for non-qualitied pension dependence on a contributory and non- are material environments at mitroment, as defined in the plans. The health care benefitis include medical dentilial and prosorption drug coverage a sayments.  Date Energy and not make any pre-funding contributions to its often post-retirement benefit include medical dentilial and prosorption drug coverage a sayments.  Date Energy and not make any pre-funding contributions to its often post-retirement benefit plans during the years ended December 31, 2023, end 2022,  Components of Net Pentodic Other Post-Retirement Banefit Costs  in thousands)  Service cost in thousands in the activation during to bligation Expected post-retirement post-retirement benefit parts and post-retirement post-retirement expected post-retirement post-retirement post-retirement benefit post-retirement expected post-retirement post-retirement post-retirement post-retirement post-retirement post-retirement post-retirement benefit post-retirement post-retirement post-retirement post-retirement post-retirement benefit post-retirement post-retirement post-retirement post-retirement post-retirement benefit post-retirement post-retirement post-retirement post-retirement post-retirement post-retirement post-retir	s derived form a universe of non-callable discounted at inferrate with the market vi- sember 31, 2023. Employer contributions for the years and/of December 31, 2022 -contributory basig. Employees are oligit and are subject to certain limitations, suc 	e corporate bonds ra afue of the bonds ae s, whiter equal benefit , of 2021, ble for these benefits of a s deductibles and pd Desembor 31,
ar non-qualified parsion plans, wino zero for this year anded Decomber 31, 2023. Net periodic pension costs for non-qualified pension plans were not material i phtER POST-RETIREMENT BEREFIT PLANS Zube Energy produce, and Duke Energy Kontucky participates in, some health care and file insurance benefits for retired amployees on a contributory and non- maxim mit age and sovice requirements at retirement, as defined in the plans. The health care benefits include medical, deniel and prosofiption drug, coverage a sayments. Date Energy and not make any pro-funding contributions to its often post-retirement benefit plans during the years' ended December 31, 2023, and 2022, Components of Net Periodic Other Post-Retirement Banefit Costs (in thousands) Service cost hintoric cost no accumulated post-retirement benefit plans Annotation of para assuse Annotation of para assuse Annotation of para assuse (in thousands) Service cost hintoric cost no accumulated post-retirement benefit plans Annotation of para assuse (in thousands) Service cost hintoric cost no accumulated post-retirement pension Exponded return on phan assuse Annotation of para assuse (in thousands) Regulatory assorts, net horeaso (decrease) Regulatory isolities, not decrease (in thousands) Charge in Projected Benefit Obligation at prior measurement data Service cast hereas contenident batterit obligation Annotation of Funded Status to Accuracid Other Post-Retirement Banefit Costs Service cast hereas contenident batterit obligation Accuracidad December Obligation at prior measurement data Service cast Hereas cast Plans participant's contributors Arous at loss (grin) Benefit paid	for the years ended December 31, 2022 -contributory basig, Employees are oligit and are subject to certain limitations, suc Years Endo 2023 \$ 35 199 (65) (558) (32)	, of 2021, ple for these benofits th as deductibles and ord December 31, \$
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Duke Excipy graides, and Duke Energy Konkusky parklaputes in, some health care end ifa insurance baselistic include medical, denial and presodption drug coverage e asyments. Duke Energy did not make any pre-funding contributions to its other post-retirement benefits include medical, denial and presodption drug coverage e asyments. Duke Energy did not make any pre-funding contributions to its other post-retirement benefits include medical, denial and presodption drug coverage e asyments. Duke Energy did not make any pre-funding contributions to its other post-retirement benefit plans during the years' ended Dacember 31, 2023, end 2022. Components of Net Periodic Other Post-Retirement Benefit Costs (in thousands) Service cost Interest of accumulated post/retirement benefit plans during the years' ended Dacember 31, 2023, end 2022. Components of accumulated post/retirement benefit benefit ended accumulated post/retirement benefit benefit plans accumulated post/retirement benefit plans accumulated post/retirement benefit plans accumulated post-retirement plans accumulation of accumulation pension costs Amounts Recognized in Regulatory Assels and Regulatory Liabilities (in thousands) Regulatory assels, net increase (decrease) Regulatory assels, net increase (de	Vears Endo 2023 \$ 35 199 (65) (358) (32)	h as deductibles and ord Decembor 31, \$
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Tomponents of Net Partodic Other Post-Retrement Benefit Costs         (in thousands)         Service cost         Interest cost on accumulated post/retirbinent benefit obligation         Exported return on plan assols         Amounts Recognized in Regulatory Assots and Regulatory Liabilities         (in thousands)         Regulatory isolities, net increase (decrease)         Regulatory isolities, net increase (decrease)         Regulatory isolities, net decrease         (in thousands)         Charge in Projected Benefit Obligation at prior measurement dates         Service cost         Intouries of Service cost         Reproductive post-returement benefit obligation at prior measurement dates         Service cost         Intouries of Service cost         Regulatory isolitized on the post-returnent benefit obligation at prior measurement dates         Service cost         Intersected         Reproductive cost:         Intersected         Participant's contributions         Accumulator benefit obligation at prior measurement dates         Service cost:         Interest cost         Interest cost         Plan participant's contributions         Acturnitions (calify)         Denefits paid         Denefits paid	2023 \$35 (199 (65) (358) (32)	.\$
(in thousands) Service cost Interest cost on accumulated post/reliminent benefit obligation Exported return on plan assula Amortization of prior aprove craft Net periodic post-reliminent pension costs Amounts Recognized In Regulatory Assola and Regulatory Liabilities (in thousands) Regulatory isolation of Fundad Status to Accruigid Other Post-Returnment Banefit Costs (in thousands) Reconciliation of Fundad Status to Accruigid Other Post-Returnment Banefit Costs (in thousands) Change in Projected Benefit Chiligation Exported bast-returnment batesti obligation at prior measurement date Service cost Interest cost	2023 \$35 (199 (65) (358) (32)	.\$
Service cost Interest cost on accumulating post/reliability allon Exported repum on plan assuls Amortzution of prior sorvex cost! Met periodic post-reliarment penalan costs Amounts Recognized in Regulatory Assets and Regulatory Liabilities (in thousands). Regulatory isobilities, net increase (decrease) Regulatory isobilities, net decrease (in thousands). Regulatory isobilities, net decrease (in thousands) Regulatory isobilities, net decrease (in thousands) Regulatory isobilities, net decrease (in thousands) Regulatory isobilities, net decrease (in thousands) Regulatory isobilities, net decrease (in thousands) Change in Projected Seneth Obligation Accumulator post-reliancement baresti obligation pt prior measurement date Service cost Plan participants' contributions Actuatie interest cost Plan participants' contributions Actuatie interest cost	2023 \$35 (199 (65) (358) (32)	.\$
Service cost Interest cost on accumulating post/retiroment benefit obligation Exported return on plan assols Annotation of prior serves codif Met periodic post-retirement pension costs Announts Recognized in Regulatory Assots and Regulatory Liabilities (in thousands). Regulatory isolities, net decrease (decrease) Regulatory isolities, net decrease Regulatory isolities, net decrease (in thousands). Regulatory isolities, net decrease (in thousands). Regulatory isolities, net decrease (in thousands). Regulatory isolities, net decrease (in thousands) Regulatory isolities, net decrease (in thousands) Change in Projected Seneth Obligation Accumulator post-retirement barest obligation of prior measurement date Service cost Interest cost Plan participants' contributoes Achanial loss (gain) Genetic paid	\$ 35 199 (63) (358) (32)	
Inlacest cost on accumulated postrelingment berrefit obligation Expected return on plan assual Amortization of prior asswa cradif Net periodic post-retirement pension costs Amounte Recognized in Regulatory Assets and Regulatory Liabilities (in thousands). Regulatory isolation of Funded Status to Accrueid Other Post-Retirement Banefit Costs Reconciliation of Funded Status to Accrueid Other Post-Retirement Banefit Costs (in thousands) Charge in Projected Benefit Chilgation Charge in Projected Benefit Chilgation of prior measurement date Service cost Interest	199 (65) (358) (32)	
Expected return on plan assola Amortazion of acuandi (gani) loss Amortazion of pors asvece credit Met periodic post-retirement pension costs Amounta Recognized In Regulatory Assola and Regulatory Liabilities (in thousands). Regulatory assets, net increase (decrease) Regulatory assets, net increase (decrease) Regulatory isoliities, net decrease Regulatory isoliities, net decrease (in thousands) Reconciliation of Funded Status to Accrueid Other Post-Retirement Eanefit Cests (in thousands) Reconciliation of Funded Status to Accrueid Other Post-Retirement Eanefit Cests (in thousands) Reconciliation of Funded Status to Accrueid Other Post-Retirement Eanefit Cests (in thousands) Charge in Projected Benetit Obligation Accumised post-retirement barselt obligation at prior measurement data Source cost: Interest cost Plan participants' contributions Actuativi hass (gain) Benetis paid	(63) (358) (32)	
Amounta Recognized in Regulatory Assota and Regulatory Liabilities  (in thousands).  Regulatory assets, net Increase (decrease) Regulatory initiation of Funded Status to Accrueid Other Post-Retiroment Banefit Costs  (in thousands)  Charge in Projected Benefit Obligation Charge in Projected Benefit Obligation of prior measurement date Service cost Interest cost Int	(32)	2
Net periodic post-tellitement pension costs Amounts Recognized In Regulatory Assets and Regulatory Liabilities (in thousands) Regulatory assets, net increase (tecrease) Regulatory liabilities, net decrease Reconcilitation of Fundad Status to Accrueid Other Post-Retirement Eanefit Costs (in thousands) Charges in Projected Benefit Obligation Charges in Projected Benefit Obligation at prior measurement date Service cost Interest cost I		2
Amounte Recognized in Regulatory Assota and Regulatory Liabilities (in thousands) Regulatory assots, net increase (decrease) Regulatory invitibles, net decrease Regulatory invitibles, net decrease (in thousands) (in thousands) (in thousands) Charge in Projected Benefit Obligation Charge in Projected Benefit Obligation Recommand post-retirement baresh obligation at prior measurement date Service cost Interest cost Inter	· [/]	
(in thousands). Regulatory assets, net increase (decrease) Regulatory inbilities, net decrease Regulatory inbilities, net decrease Reconcilitation of Funded Status to Accrueid Other Post-Retrement Banefit Costs (in thousands) (in thousands) Change in Projected Senett Obligation Accumulated post-retrement banefit obligation at prior measurement date Service cost Interest cost Plan participants' contributions Actumielions (gain) Benefitie gaid		
Regulatory assets, net Increase (decrease) Regulatory fibbilities, net decrease Reconcilitation of Fundad Status to Accruig Other Post-Retirement Banefit Costs (in thousands) (in thousands) Charges in Projected Seneth Obligation Accumulated post-retirement banefit obligation at prior measurement date Service cost Plan paticipants' contributors Actualist in se (gain) Benefits paid	Data.	
Regulatory assets, net increase (decrease) Regulatory libbilities, net decrease Reconcilitation of Fundad Status to Accrueid Other Post-Retirement Earefit Costs (in thousands) (in thousands) (in thousands) Charge in Projected Seneth Chilidation Accumulated post-retirement bargett obligation at prior measurement date Service cost Interest cost Plan paticipants' contributions Accumulator (gain) Benetis pad	2523	ember 31,
Reconcilitation of Funded Status to Accrued Other Post-Retirement Banefit Costs (in thousands) Change in Projected Benefit Obligation Accuration of prior measurement date Service cost Interest cost Plan participants' contributions Actuation loss (gain) Benefits paid	\$ 181	\$.
(in thousands) Change in Projected Benefit Obligation Accurated of distribution at prior measurement data Service cost Interest cost Plan participants' contributions Achanial has (gain) Benefits gad	(590)	
Change in Projected Seneth Obligation Accumulated post-retirement baresht obligation at prior measurement date Service cost Plan participants' contributions Achamini hass (gaim) Genetike paid		
Change in Projected Benefit Obligation Accumulated post-retirement baresh obligation at prior measurement date Service cast Plan participants' contributions Actumini loss (gain) Benefits paid	Years Ends	ad December 31,
Accumulated post-retirement banefit obligation at prior measurement data Service cost Interest cost Plan participants' contributions Actuarial loss (gain) Genefits pald	2023	
Interest cost Plan: participantis' contributions Actuariati (ass. (gain) Geneilts gald	\$ 3,912	3
Plan participants' contributions Actuariai loss (gaín) Genešits paid	35	
Actuariai loss (gaín) Genešis pald	199	
Genefits paid	120 232	
Accumulated post-retrement benefit obligation at measurement date	(\$82)	
	\$ 3,916	\$
Change in Fair Value of Plan Assets		
Pon assels at prior measurement date 401(h) asset transfers	\$ 1,243 (177)	\$
401(n) asset transfers Actual refum on plan assets	60	
Cenefits paid	(582)	
Employer contributions	456	
Plan participants' coatributions	120	
Plan assels at measurement date Funded setus of plan	\$ 1,138 \$ (2,778)	\$
Amounits Recognized in the Balance Shisels	······································	
		ember 31,
(in thousands)	and the second se	
Gurrent post-reilinement Dability <sup>ra</sup>	2023	\$
Noncurrent post-retirement Vabaty <sup>61</sup>	5 167	
Total accrued post-retirement fability	5 167	5

(a) induced in Other within Current Liabilities on the Balance Sheets. (b) included in Accrued ponsion and other post-refirement benefit boats on the Balance Sheets.

Assumptions Used for Other Post-Retirement Benefits Accounting

	Decémber 31,	
	2023	2022
Benefit Obligations		
Discount fate	5.40 %	5.60 %
Nat Periodic Benefit Cost		
Discount rate	5.60 %	2,90 %
Expedied long-term rate of return on plan assets	6,50% × 8,25%	6.50 %

The discourt rate used to determine the current year other post-retirement benefits obligation and following year's other post-vetirement benefits expense is based on a bond selection-settlement portfolio approach. This approach develops a discourt rate by selecting a portfolio of high quality corporate bonds that generate sufficient cash flow to provide by the projected benefit payments of the plan. The selected bond portfolio is derived from a unknew of nan-calable composite bonds rated by quality or higher. After the bond portfolio is selected, a single interest rate is determined that equatos the prosent value of the plan's projected benefit payments olaccounted at this rate with the market value of the bonds selected.

Assumed Health Care Cost Trend Rate

	Decombe	er 31,
	2023	2072
Health care cost liend rate assumed for next year - pre-65 liend	0.50 %	6.50 %
Health care cost limind rate assumed for next year- post-65 trend	%	6,50 %
Rate to which the cost trend is assumed to decline (the ultimate trand rate)	4,75 %	4.75 %
Year that the rate reaches the ultimate trend rate	2031-2032	2030-2032

### Expected Benefit Payments

The following table presents Duke Energy's expected benefit payments to participants on benefit of Dake Energy Kentucky in its qualified and other post-retirement benefit plans over the next 10 years. These benefit payments refloct expr ted future service, as appr

	aona	Qualified	Olher Post- Retirement	
(in thousands)		Plans	Plans	Total
Years ending December 31,				
2024	5	6,285 \$	897 5	7,182
2025		6,076	718	6,794
2026		6,139	504	6,743
2027		6,115	503	6,618
2028		Ş.249	421	<b>8,670</b>
2023-2033		29,571	1,085	30,656

### MASTER RETIREMENT TRUST

The assets for the Doke Energy Kentucky plans discussed above are derived from the Master Retinsment Trust (Master Trust) that is hald by Duke Energy and, as such. Duke Energy Kentucky is allocated its proportionate share of assets discussed below. Assets for both the qualified pension and other post-retinement benefits are maintained in the Master Trust. Duke Energy also invest, other post-retinement assets in Voluntary Employees' Beneficiary Association thms. The investment objective is to achieve sufficient returns, subject to a product return of a source of promoting the security of plan benefits for gard/pants, As of December 31, 2023, Duke Energy assumes qualified pension and other post-retinement plan assets will generate a long-term retuit of return of 8.50% for the RCSP second assets and 7,00%, for the DELPP eccount assets. The expected long-term rate of return wes developed using a weighted average calculation of expected long-term rate of return of 8.50% for the RCSP second assets and 7,00%, for the DELPP eccount assets. The expected long-term rate of return was developed using a weighted average calculation of expected long-term rate of returns tased primarity on future expected returns access asset disease considering the use of ective asset anangers, where applicable. The asset aflocation largets were set aller considering the investment objective and the risk profile. Equity securities are high expected return. Delt securities are primarily held to hodge the qualified pension plan fability. Roturn seeking beth securities, hodge funds and other global securities are high of the set of access asset diversities primarily held to hodge the qualified pension plan fability. Roturn seeking beth securities, hodge funds and other global securities are high of high expected return. Delt securities are primarily held to hodge the qualified pension plan fability. Roturn seeking beth securities, hodge funds and other global securities are high of hinduses hodge funds and other global securities are hig

Effective January 1, 2024, the target asset allocation for the RCBP account assets in 35% field/ity hedging and 65% return-seeking assets and the larget asset allocation for the DELPP account assets is 80% liability hedging assets and 20% return-seeking assets. But the target asset allocation for the DELPP account assets is 80% liability hedging and 65% return-seeking assets and the barrefit parset. The DeLPP account assets is 80% liability hedging and 65% return-seeking assets and the barrefit parset. The toward of assets field return to be reduced to be the target return to account of the barrefit parset. The toward of assets field return to be reduced to be the target return to account of the barrefit parset. The toward of assets field return to be reduced to be the target return to account of the barrefit parset. The toward of assets field return to be reduced to be the target return to account of the barrefit parset. The toward of assets field return to be reduced to be the target return to account of the barrefit parset. The toward of assets field return to be reduced to be the target return to account of the barrefit parset. The target return to account the target return to be reduced to be target return to be reduced to be target returns the target return to be reduced to be target returns the t

The following table includes the target asset allocations by asset class at December 31, 2023, and the actual asset allocations for the RCBP assets.

		Actual Allocatio	n ał
	Target	December 31	,
Asset Category	Allocation	2023	2022
Global equity securities	45 %	45 %	49 %
Gabat private équity securities	2%	2 %	2 %
Ciebt sectimuses to a line of the section of the se	35 <del>%</del> .	35 %	30 %
Return seeking debt securities	7 X.	6 %	7 %
Hedge funds	4 %.	4.%	6 %
Real estate and cash	7 %	.8%	5 %
Total	100 %	100 %	100 %

The following table includes the target asset allocations by asset cless at December 31, 2023, and the actual asset allocations for the OELPP asset Actual Aliocation at Terget December 31, Asset Calegory Affocation 2023 2022 Giobal equity securities 14 % 14% 14 % --- % -- % Global private equity securities 1% Debt securities 79 % 80 % 80 7 Return secking debt securities 2% 2 % 2% 1% 2% 2% Hedge funds Real estate and cash 2 % 3 % 2% Total 100 % 100 % 100 %

### EMPLOYEE SAVINGS PLAN

Duke Energy Kentucky also participates in employee savings plans sponsored by Duke Energy. Most employees participate in a matching contribution formula where Duke Energy provides a matching contribution generally equal to 100% of employee before-tax and Roth 401(k) compositions and, as applicable, aller-tax contributions of up to 5% of engible pay per period.

For new and rehired non-union and centain unionized employees who are not eligible to participate in Dive Energy's defined benefit plans, an additional employer contribution of 4% of eligible pay per pay period, which is subject to a mree-year vasting schedule, is provided to the employee's savings plan account.

Duke Energy Kentucky's expense related to its proportionate share of pretax employer contributions and the additional 4% employer contribution was \$1,264 thousand and \$1,385 thousand for the years ended December 31, 2021, respectively.

#### 16. INCOME TAXES INCOME TAX EXPENSE Components of Income Tax Exponse Years Ended December 31, (in thousands) 2023 2022 Current Income taxes Federal \$ (8,466) \$ 9,494 (4.269) State 1.390 Total current income laxes (12,755) 10,834 Deferred income taxes Federal 20.459 (396) State 7.766 1,713 Total deferred income taxes<sup>(a)</sup> 28,225 1,317 Investment tax credit amortization (144) (195) Total income tax expense included in Statements of Operations 15,326 12,006 (a) Total deferred income taxes includes the generation of NOL carrylowards and tax credit carrylowards of \$6.5 million at Duke Energy Kentucky in 2023. Statutory Rate Reconciliation The following table presents a reconciliation of income tax expense at the U.S. federal statutory tax rate to actual tax expense, Years Ended Decomber 31 2023 2022 (In thousands) Income tax expense, computed at the statutory rate of 21% s 16.902 14,817 State income tax, net of federal income tax effect 2.747 2.452 Amortization of excess deferred income tax (3,853) (4,587) Tax credita (450) (403) Other items, net (20) 27 Total income lax expense 12,008 3 15,325 5 Effective tax rate 19.0 % 17.0 % DEFERRED TAXES Net Deterred Income Tax Liability Components Years Ended December 31, (in thousands) 2023 2022 Deferred credits and other liabilities. 755 1.991 1 Lease obligations 1,958 2,088 Tax credits and NOL conviorwards 11,763 5,310 Pension, post-retirement and other employee benefits 2.122 3,117 Regulatory liabilities and defeared credits 10,105 2,207 1.008 Other Total deferred income tax essets 18,805 23.619 (325,844) Accelerated depreciation rates (300,335) Regulatory assets and deferred debits, net (Z, 086) (300.336) Total deferred income tax liabilities (327.710) Net doferred income tex liabilities (276,717) (308.905) 15 The (plicwing table prosents the expiration of tax credits and NOL carryforwards, December 31, 2023 (in thousands) Expiration Year Amount 2024 2043 General business credits 7.456 Indefinite Corporate AMT Credits 4,230 Federal NOL carrytorward 42 Indefinite 2037 State NOL carryforward 35 Total lax credits and NOL convertes 31,763 5 **UNRECOGNIZED TAX DENEFITS** The following lable presents changes to unrecognized tax benefits. Years Endad December 31. 2023 2072 (in thousands) Unrecognized tax benefits - January 1 501 474 Unrecognized tax benefit increase .53 27 Unrecognized lax benefits - December 31 554 ŝ 501 \$ The following lable includes additional information regarding the unneceesing tex benefits at December 31, 2023, Duke Energy Kentucky does not expect a decrease in unnecognized tax benefits within the next 12 months, December 31, 2023 (In thousands) Amount that if recognized, would affect the effective tax rate or regulatory liability?» 554 (a) Dake Energy Kantucky is unable to estimate the specific emounts that would affect the effective lax rate versus the regulatory fieldifity. OTHER TAX MATTERS Duke Energy Kentucky recognized no Interest income, Interest expense or penalties related to income taxes on the Statements of Operations in 2023, or 2022. As of December 31, 2023, and 2022, no amounts were recognized on the Balance Streets for Interest or penalties related to income taxes.

Date Energy Kerthocky is no longer subject to federal, state and local income tax examinations by tax authorities for years before 2018; aside from certain tax attributes carried forward for utilization in fullow years.

17. SUBSEQUENT EVENTS

Subsequent events were evaluated through March 12, 2024. For information on subsequent events related to regulatory matters, sea Note 2,

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	of Respondent: Energy Kentucky, Ind	D.	(1) 🗹 A				Date of Report: Year/Period of Report 04/15/2024 End of: 2023/ Q4.			ort
	STATEMENT	S OF ACCUM	ULATED COM	PREHENSIV	E INCOME, COM	APREHENS	SIVE INCOM	E, AND HEI	GING ACTIVI	TIES
2, Re 3, Fo	eport in columns (b) eport in columns (f) or each category of i eport data on a year	and (g) the am nedges that ha	ounts of other o ve been accour	ategories of	other cash flow h	edges.				
Line No.	ļtem (a)	Unrealized Gains and Losses on Available- For-Sale Securities (b)	Minimum Pension Liability Adjustment (net amount) (c)	Foreign Currency Hedges (d)	Other Adjustments (e)	Other Cash Flow Hedges Interest Rate Swaps (1)	Other Cash Flow Hedges [Specify] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 116, Line 78) (I)	Total Comprehensive Income (j)
1	Balance of Account 219 at Beginning of Preceding Year									
2	Preceding Quarter/Year to Date Reclassifications from Account 219 to Net Income									
3	Preceding Quarter/Year to Date Changes in Fair Value									
4	Total (lines 2 and 3)								58,552,018	58,552,018
5	Balance of Account 219 at End of Preceding Quarter/Year									
6	Balance of Account 219 at Beginning of Current Year			<u> </u>						
7	Current Quarter/Year to Date Reclassifications from Account 219 to Net Income									
8	Current Quarter/Year to Date Changes in Fair Value									
9	Total (lines 7 and 8)								65,162,216	65,162,216
10	Balance of Account 219 at End of Current Quarter/Year									

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## KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 61 of 201

	of Respondent: Energy Kentucky, Inc.	(1) 🗹	eport is: ] An Original ] A Resubmission		Date of Report: Year/Period of Report 04/15/2024 End of: 2023/ Q4							
	SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION											
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.												
Line No.	Classification (a) Classification (a) Classification For the C Year/Qr End (b)		Electric (c)			Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (b)			
1	UTILITY PLANT											
2	In Service											
3	Plant in Service (Classified)	2,930,717,440	2,068,717,625	817,976	,397				44,023,418			
4	Property Under Capital Leases	7,430,114	<sup>10</sup> 7,430,114									
5	Plant Purchased or Sold											
6	Completed Construction not Classified	364,699,106	242,307,572	112,121	,705				10,269,829			
7	Experimental Plant Unclassified											
8	<u>Total (3 thru 7)</u>	3,302,846,660	2,318,455,311	930,098	3,102				54,293,247			
9	Leased to Others					×.						
10	Held for Future Use	265,679		265	5,679							
11	Construction Work in Progress	96,665,887	56,278,990	40,126	5,069				260,828			
12	Acquisition Adjustments											
13	Total Utility Plant (8 thru 12)	3,399,778,226	2,374,734,301	970,489	9,850				54,554,075			
14	Accumulated Provisions for Depreciation, Amortization, & Depletion	1,125,191,209	880,996,299	217,485	9,712				26,705,198			
15	Net Utility Plant (13 less 14)	2,274,587,017	1,493,738;002	753,000	D,138				27,848,877			
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION											
17	In Service:											
18	Depreciation	1,060,604,08	5 858,179,936	198,17	6,985				4,247,164			
19	Amortization and Depletion of Producing Natural Gas Land and Land Rights											

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20	Amortization of Underground Storage Land and Land Rights	-				
21	Amortization of Other Utility Plant	64,587,124	22,816,363	19,312,727		22,458,034
22	Total in Service (18 thru 21)	1,125,191,209	880,996,299	217,489,712		26,705,198
23	Leased to Others					
24	Depreciation					
25	Amortization and Depletion					
26	Total Leased to Others (24 & 25)					
27	Held for Future Use			*************		
28	Depreciation					
29	Amortization					
·30	Total Held for Future Use (28 & 29)					
31	Abandonment of Leases (Natural Gas)					
32	Amortization of Plant Acquisition Adjustment					
33	Total Accum Prov (equals 14) (22,26,30,31,32)	1,125,191,209	880,996,299	217,489,712		26,705,198

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Data of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4						
FOOTNOTE DATA									
(a) Concept: UtilityPlantInServicePropertyUnderCapitalLeases									

i								-	-	
Property	Under	Capital	Leases	includes	Net	Operating	Leases	of	\$7,430,114.	
FERC F	ORM I	No. 1 (E	D. 12-8	9)						
									D a da	

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# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 64 of 201

	of Respondent: Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmis	ssion	Date of Report: .04/15/2024	Year/Period of Re End of: 2023/ Q4						
	NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)										
2.1	<ol> <li>Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.</li> <li>If the nuclear fuel stock is obtained under leasing arrangements, attach a statement showing the amount of nuclear fuel leased, the quantity used and quantity on hand, and the costs incurred under such leasing arrangements.</li> </ol>										
Line No.	Description of item (a)	Balance Beginning of Year (b)	Changes during Year Additions (c)	Changes during Year Amortization (d)	Changes during Year Other Reductions (Explain in a footnote) (e)	Balance End of Year (f)					
1	Nuclear Fuél in process of Réfinement, Conv, Enrichment & Fab (120.1)										
2	Fabrication										
3	Nuclear Materials										
4	Allowance for Funds Used during Construction										
5	(Other Overhead Construction Costs, provide details in footnote)										
6	SUBTOTAL (Total 2 thru 5)										
7	Nuclear Fuel Materials and Assemblies.										
.8	In Stock (120.2)										
9	In Reactor (120.3)										
10	SUBTOTAL (Total 8 & 9)										
11	Spent Nuclear Fuel (120.4)										
12	Nuclear Fuel Under Capital Leases (120.6)										
13	(Less) Accum Prov for Amortization of Nuclear Fuel Assem (120.5)										
14	TOTAL Nuclear Fuel Stock (Total 6, 10, 11, 12, less 13)										
15	Estimated Net Salvage Value of Nuclear Materials in Line 9										
16	Estimated Net Salvage Value of Nuclear Materials in Line 11										
17	Est Net Salvage Value of Nuclear Materials in Chemical Processing										
18	Nuclear Materials held for Sale (157)										
19	Uranium										
20	Plutonium										
21	Other (Provide details in footnote)										

22	TOTAL Nuclear Materials held for Sale (Total 19, 20, and 21)	· · · · · · · · · · · · · · · · · · ·			

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	of Respondent: Energy Kentucky, Inc.	(1) 🗹 An (	This report is:       (1) ☑ An Original       Date of Report:       Year/Period of Report         (2) □ A Resubmission       04/15/2024       End of: 2023/ Q4						
	ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)								
<ol> <li>Report below the original cost of electric plant in service according to the prescribed accounts.</li> <li>In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.</li> <li>Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.</li> <li>For revisions to the amount of Initial asset retirement costs capitalized, included by primary plant accounts.</li> <li>Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.</li> <li>Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of the prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classifications in columns (c) and off us counts (d) attribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d) distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Caraful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant accounts initially recorded in Account (f) the additions or reductions of primary account dessifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account dessifications or transfers within utility recorded in Account 102, include in column (f) the amounts of primary account dessifications.</li></ol>									
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		
1	1. INTANGIBLE PLANT								
2	(301) Organization								
3	(302) Franchise and Consents								
4	(303) Miscellaneous Intangible Plant	31,446,204	3,034,769				34,480,973		
5	TOTAL Intangible Plant. (Enter Total of lines 2, 3, and 4)	31,446;204	3,034,769				34,480,973		
6	2. PRODUCTION PLANT								
7	A. Steam Production Plant								
8	(310) Land and Land Rights	7,046,984					7,046,984		
9	(311) Structures and Improvements	183,101,985	2,946,056	(1,474,043)			187,522,084		
10	(312) Boiler Plant Equipment	557,786,365	20,042,737	5,007,778			572,821,324		
11	(313) Engines and Engine- Driven Generators								
-12	(314) Turbogenerator Units	115,439,405	2,434,360	(768,522)			118,642,287		
13	(315) Accessory Electric Equipment	49,744,602	280,588	51,532			49,973,658		
14	(316) Misc. Power Plant Equipment	24,131,008	1,022,112	54,489			25,098,631		

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15	(317) Asset Retirement Costs for Steam Production	130,004,405	(10,430,346)		(30,443,033)	89,131,028
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	1,067,254,754	16,295,507	2,871,234	(30,443,033)	1,050,235,994
17	B, Nuclèar Production Plant					
18	(320) Land and Land Rights					
19	(321) Structures and Improvements					
20	(322) Reactor Plant Equipment					
21	(323) Turbogenerator Units					
22	(324) Accessory Electric Equipment					
23	(325) Misc. Power Plant Equipment					
24	(326) Asset Retirement Costs for Nuclear Production					
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)					
26	C. Hydraulic Production Plant					
27	(330) Land and Land Rights					
28	(331) Structures and Improvements					
29	(332) Reservoirs, Dams, and Waterways					
30	(333) Water Wheels, Turbines, and Generators					
31	(334) Accessory Electric Equipment					
32	(335) Misc. Power Plant Equipment					
33	(336) Roads, Railroads, and Bridges					
34	(337) Asset Retirement Costs for Hydraulic Production					
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)					
36	D, Other Production Plant			······································		
37	(340) Land and Land Rights	2,258,589				2,258,509
38	(341) Structures and Improvements	36;402,708	1,816,184	85,823		38,133,069
39	(342) Fuel Holders, Products, and Accessories	61,310,890	201,598	47,556		61,464,932

40	(343) Prime Movers	10,506,033					10,506,033
41	(344) Generators	221,726,476	3,598,522	373,878			224,951,120
42	(345) Accessory Electric Equipment	21,592,722	3,827,389	4,809			25,415,302
43	(346) Misc. Power Plant Equipment	5,185,498	428,410				5,613,908
44	(347) Asset Retirement Costs for Other Production		442,832				442,832
44.1	(348) Energy Storage. Equipment - Production						
45	TOTAL Other Prod. Pjant (Enter Total of lines 37 thru 44)	358,982,916	10,314,935	512,066			368,785,785
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	1,426,237,670	26,610,442	3,383,300	(30,443,033)		1,419,021,779
47	3. Transmission Plant						
48	(350) Land and Land Rights	9,142,810	355,783				9,498,593
48.1	(351) Energy Storage Equipment - Transmission						
49	(352) Structures and Improvements	6,033,045	(1)				6,033,044
50	(353) Station Equipment	59,173,880	315,162	77,849			59,411,193
51	(354) Towers and Fixtures						
52	(355) Poles and Fixtures	15,598,412	27,534,222	920,446		(283,745)	41,928,443
53	(356) Overhead Conductors and Devices	16,837,755	1,170,809	586,882		283,745	17,705,427
54	(357) Underground Conduit						
55	(358) Underground Conductors and Devices						
56	(359) Roads and Trails						
57	(359.1) Asset Retirement Costs for Transmission Plant						
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	106,785,902	29,375,975	1,585,177			134,576,700
59	4. Distribution Plant						
60	(360) Land and Land Rights	21,183,797	398,577				21,582,374
61	(361) Structures and Improvements	1,680,412	1,645,882	(501)			3,326,795
62	(362) Station Equipment	128,565,810	5,710,789	478,498	<b>7</b>		133,798,101
63	(363) Energy Storage Equipment – Distribution						
64	(364) Poles, Towers, and Fixtures	76,775,574	3,024,322	790,875			79,009,021

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65	(365) Overhead Conductors and Devices	156,529,479	5,116,485	186,909	161,459,055
66	(366) Underground Conduit	43,936,408	4,235,866	56,779	48,115,495
67	(367) Underground Conductors and Devices	85,654,699	9,404,087	(286,622)	95,355,408
68	(368) Line Transformers	77,536,348	4,127,842	341,942	81,322,248
69	(369) Services	21,250,357	1,140,992	711	22,400,638
70	(370) Meters	31,103,796	847,379	347	31,950,828
71	(371) Installations on Customer Premises	1,171,988	213,393	12,642	1,372,739
72	(372) Leased Property on Customer Premises	9,647			9,647
73	(373) Street Lighting and Signal Systems	10,219,567	1,176,885	129,985	11,266,467
74	(374) Asset Retirement Costs for Distribution Plant				
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	655,637,882	37,042,499	1,711,565	690,968,815
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT				
7.7	(380) Land and Land Rights				
78	(381) Structures and Improvements				
79	(382) Computer Hardware				
80	(383) Computer Software				
81	(384) Communication Equipment				
82	(385) Miscellaneous Regional Transmission and Market Operation Plant				
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper				
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)				
85	6. General Plant				
86	(389) Land and Land Rights				
87	(390) Structures and Improvements	165,342	4		165,342
88	(391) Office Furniture and Equipment	5,979,475	1,430,797	1,167,902	6,242,370
89	(392) Transportation Equipment	1,212,406		16,049	1,196,357
90	(393) Stores Equipment		j	[	

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91	(394) Tools, Shop and Garage Equipment	3,524,927	154,371	16,223		3,663,075
92	(395) Laboratory Equipment					
93	(396) Power Operated Equipment	11,770				11,770
94	(397) Communication Equipment	13,325,171	7,373,442	598		20,698,015
95	(398) Miscellaneous Equipment					
96	SUBTOTAL (Enter Total of lines 86 thru 95)	24,219,091	8,958,610	1,200,772		31,976,929
97	(399) Other Tangible Property					
98	(399.1) Asset Retirement Costs for General Plant					
99	TOTAL General Plant (Enter Total of lines 96, 97, and 98)	24,219,091	8,958,610	1,200,772		31,976,929
100	TOTAL (Accounts 101 and 105)	2,244,326,749	105,022,296	7,880,814	(30,443,033)	2,311,025,198
101	(102) Electric Plant Purchased (See Instr. 8)					
102	(Less) (102) Electric Plant Sold (See Instr. 8)					
103	(103) Experimental Plant Unclassified					
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	2,244,326,749	#105,022,296	7,880,814	(30,443,033)	2,311,025,198

FERC FORM No. 1 (REV. 12-05)

Page 204-207

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4			
FOOTNOTE DATA						
(a) Concept: ElectricPlantInServiceAdditions						

The balances above do not include Operating Lease Activity FERC FORM No. 1 (REV. 12-05)

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Name of Respondent: Duke Energy Kentucky, Inc.			This report is:     Date of Report:       (1)  An Original     04/15/2024       (2)  A Resubmission     ELECTRIC PLANT LEASED TO OTHERS (Account 104)		Year/Period of F End of: 2023/ Q	Year/Period of Report End of: 2023/ Q4	
Line No.	Name of Lessee (2)	(Desi Asso	gnation of ciated (pany) (b)	Description of Property Leased (c)	Commission Authorization (d)	Expiration Date of Lease (e)	Balance at End of Year (f)
1			1997		-		
2							
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47	TOTAL		 	

FERC FORM No. 1 (ED. 12-95)

#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 74 of 201

Name of Respondent: Duke Energy Kentucky, Inc.			Original esubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4				
	ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)								
he 2. Fo ac	ald for future use.				r more. Group other items of property uture use, give in column (a), in ite the original cost was transferred to				
Line No.	Description and Location (a)	of Property	Date Originally include in This Account (b)	d Date Expected to b in Utility Servi (c)	e used ce Balance at End of Year (d)				
1	Land and Rights:								
2					ten ( 17) <b>distante en /b>				
3			1997 - Barrier Barrier, 1997 - Barrier, 199						
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21	Other Property:								
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47	TOTAL		

FERC FORM No. 1 (ED. 12-96)

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Name of Respondent:	This report is:	Date of Report:	Year/Period of Report			
Duke Energy Kentucky, Inc.	(1)	04/15/2024	End of: 2023/ Q4			
CONSTRUCTION WORK IN PROGRESS ELECTRIC (Account 107)						

Report below descriptions and balances at end of year of projects in process of construction (107).
 Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts).
 Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.

Line No,	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	DISTRIBUTION PLANT	
2	Q	
3	DISTRIBUTION OVERHEAD/UNDERGROUND LINE IMPROVEMENTS	5,462,809
4	LITTON SUB	4,482,873
5	SUBOPT - DONALDSON (55) 5543	3,650,532
6	SUBOPT - HEBRON - 0042	1,832,906
7	WHITE TOWER BK 2 RPL - M180383	1,079,871
8	PROJECTS LESS THAN \$1 MILLION	10,440,479
9	GENERAL PLANT	
10	0	
11	PROJECTS LESS THAN \$1 MILLION	1,881,453
12	INTANGIBLE PLANT	
13	0	
14	SMART GRID DEE DMS ADMS - 336	2,036,045
15	PROJECTS LESS THAN \$1 MILLION	3,982,832
16	PRODUCTION PLANT	
17	0	
18	EB 2023 OPTIM ST VALVE CVGV U2	4,847,963
19	EB OWEN ELECTRIC FEED REPLACEMENT	1,250,265
20	EB WSP VACUUM DRUM FILTER	1,154,267
21	PROJECTS LESS THAN \$1 MILLION	8,512,133
22	TRANSMISSION PLANT	
23	0	
24	LITTON SUB	1,768,311
25	PROJECTS LESS THAN \$1 MILLION	3,890,251
26	0	
43	Total	56,278,990

FERC FORM No. 1 (ED. 12-87)

	of Respondent: Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Repo 04/15/2024		iod of Report 1023/ Q4
	ACCUMULATED PRO		ON OF ELECTRIC UTILIT	Y PLANT (Account 10	8)
2, E s 3, T r v ii	Explain in a footnote any difference betwee ervice, page 204, column (d), excluding r The provisions of Account 108 in the Unifo emoved from service. If the respondent h ratious reserve functional classifications, r neclude all costs included in retirement wo show separately interest credits under a s	en the amount for book cost etirements of non-depreciabl rm System of Accounts requ as a significant amount of pla nake preliminary closing ent k in progress at year end in	le property. life that retirements of dep ant retired at year end wh ries to tentatively function the appropriate functional	preciable plant be record ich has not been record alize the book cost of th classifications.	led when such plant is ed and/or classified to the
Line No,	ltem (a)	Total (c + d + e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased To Others (c)
		Section A. Balances an	d Changes During Year		
1	Balance Beginning of Year	821,792,072	821,792,072		
2	Depreciation Provisions for Year, Charged to		9,9 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4		
3	(403) Depreciation Expense	53,727,825	53,727,825		
4	(403.1) Depreciation Expense for Asset Retirement Costs	1,527	1,527		
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing	85,240	85,240		
7	Other Clearing Accounts		······································		
8	Other Accounts (Specify, details in footnote):	· ·			
9.1	Other Accounts (Specify, details in footnote);				
9.2	EastBend Depreciation	(490,618)	(490,618)		
9.3	Common Plant Depreciation	(249,365)	(249,365)		
9,4	ARO Depreciation Deferred	5,110,881	5,110,881		
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	58,185,490	58,185,490		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	(6,691,525)	(6,691,525) <sup>(وار</sup>		
13	Cost of Removal	(15,564,780)	(15,564,780)		
14	Salvage (Credit)	612,308	612,308		
15	TOTAL Net Chrgs, for Plant Ret. (Enter Total of lines 12 thru 14)	(21,643,997)	(21,643,997)		
16	Other Debit or Cr. Items (Describe, details in footnote):				
17.1	Other Debit or Cr. Items (Describe, details in footnote):				
17.2	Other Cost of Removal/Salvage Activity				
17.3	Main Basin ARO				

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17.4	Gain & Loss on sale/disposal of assets			
17.5	Misc, Adjustments	(38,610)	(38,610)	
17,6	Common Allocation	(115,019)	(115,019)	
18	Book Cost or Asset Retirement Costa Retired			
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	858,179,936	858,179,936	
	Section B. Ba	lances at End of Year A	ccording to Functional (	Classification
20	Steam Production	468,317,144	468,317,144	
21				
22	Hydraulic Production-Conventional			
23	Hydraulic Production-Pumped Storage			
24	Other Production	211,994,660	211,994,660	
25	Transmission	12,445,053	12,445,053	
25	Distribution	160,353,451	160,353,451	
27	Regional Transmission and Markel Operation			
28		5,069,628	5,069,628	
29	TOTAL (Enter Total of lines 20 thru 28)	858,179,936	858,179,936	

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FOOTNOTE DATA

(a) Concept: BookCostOfRetiredPlant

Retirements in account 0111100 of \$1,189,289.30 not reported on FERC Page 219 FERC FORM No. 1 (REV. 12-05)

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Name Duke I	of Respondent: Énergy Kentucky, Inc.	(1	his report is: 1)  An Original 2)  A Resubmission STMENTS IN SUBSIDIA	ARY COMPAN	04/15	of Report: 5/2D24 Account 123.1)		eriod of Report 2023/ Q4						
2. I 1 3. I 4. I 5. I 6. I 7. I	<ol> <li>Report below investments in Account 123.1, Investments in Subsidiary Companies.</li> <li>Provide a subheading for each company and list thereunder the information called for below. Sub-TOTAL by company and give a TOTAL in columns (e), (f), (g) and (h), (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity, and interest rate. (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issue, maturity date, and specifying whether note is a renewal.</li> <li>Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.</li> <li>For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.</li> <li>If Commission, date of authorization, and case or docket number.</li> <li>Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.</li> <li>In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account 11 different from cost) and the selling price thereof, not including interest adjustment includible in column (f).</li> <li>Report on Line 42, column (a) the TOTAL cost of Account 123.1.</li> </ol>													
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42	Total Cost of Account 123.1 \$	Total			

FERC FORM No. 1 (ED. 12-89)

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	of Respondent: nergy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4
		MATERIALS AND	SUPPLIES	<b></b>
( 2. Q V	a); estimates of amounts by function are	acceptable. In column (d), design y adjustments during the year (in	ate the department or department of department of department of the showing general	anal classifications as indicated in column ruments which use the class of material. I classes of material and supplies and the w separately debit or credits to stores.
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)
1	Fuel Stock (Account 151)	38,881,854	Gas and Electric	
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplie (Account 154)	S		
5	Assigned to - Construction (Estimated	) <sup>@</sup> 2,217,861	№4,043,156	Gas and Electric
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)	15,485,923	21,095,936	Electric
8	Transmission Plant (Estimated)	31	22	Electric
9	Distribution Plant (Estimated)	212,011	315,405	Gas and Electric
10	Regional Transmission and Market Operation Plant (Estimated)			¢.
11	Assigned to - Other (provide details in footnote)			
12	TOTAL Account 154 (Enter Total of line thru 11)	es 5 17,915,826	25,454,519	
13	Merchandise (Account 155)			
14	Other Materials and Supplies (Account 156)	t		
15	Nuclear Materials Held for Sale (Accord 157) (Not applic to Gas Util)	unit		
16	Stores Expense Undistributed (Account 163)	nt (©1,478,647	<sup>(a)</sup> 1,851,053	Gas and Electric
17				
18				
19				
20	TOTAL Materials and Supplies	58,276,337	67,144,183	

FERC FORM No. 1 (REV. 12-05)

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 83 of 201

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Originał (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4
	FOOTNOTE	DATA	
(a) Concept: PlantMaterialsAndOpera	tingSuppliesConstruction		
Production 1,550,407Transmission 371DL	stribution 667,083		
(b) Concept: PlantMaterialsAndOpera	tingSuppliesConstruction		
Production 3,349,791Transmission 381Di	stribution 692,984		
(c) Concept: StoresExpenseUndistrib	uted		
	Ith PDM Attachments H-22A: Transmission p Assigned To Construction and Transmission		multiplying Account 163 balance by ratio
(d) Concept: StoresExpenseUndistrib	uted		
	ith PJM Attachments H-22A: Transmission p Assigned To Construction and Transmission		multiplying Account 153 balance by ratio

FERC FORM No. 1 (REV. 12-05)

#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 84 of 201

,													
	of Respondent:		This rep (1) 🗹 /	port is: An Original				of Report:			Period of		
Duke	Energy Kentucky, Inc.			A Resubmi			04/15	5/2024		End o	f: 2023/ •	<b>U</b> 4	
				Allowance	is (Accor	unts 158.1	and 15	B.2)					
2. [ 3. ] 4. ] 5. ] 6. ] 7. ] 8. ] 9. ]	Report below the particula Report all acquisitions of a Report allowances in acco 21 in the Uniform System Report the allowances trar three succeeding years in Report on Line 4 the Envir Report on Line 5 allowanc sales proceeds and gains' Report on Lines 8-14 the r under "Definitions" in the U Report on Lines 22 - 27 th Report on Lines 32-35 and	Allowances a Ardance with of Accounts, nsactions by conmental Pr cost returned flosses result names of ver Uniform Syst en name of pi conefits of he	t cost, a weighted the period t(i), starting otection Ag by the EPA ting from the ndors/transitem of Accoor urchasers/ edging transite	I average c they are fil with the fr yearcy (EPA , Report or the EPA's sa ferors of al bunts). transferees sactions or	cost alloca rst eligible ollowing y () issued in Line 39 ale or auc lowances s of allow n a separa	ation metho e for use: th year, and all allowances the EPA's s tion of the s acquired a rances disp ate line unc	te currer lowance , Report sales of withheld and iden osed of ler purch	nt year's a as for the r t withheld the withhe l allowance all denti and identi hases/tran	allowance remainin portions eld allow es, lated cor lated cor isfers an	es in colum g succeedi Lines 36-4 ances, Rep mpanies (S clated comp	ins (b)-(c ng years 0. port on Li ee "asso panies.	c), allowances i in columns ( ines 43-46 th	s for the j)-(k). e net
		Curren	t Year	Year	One	Year 1	wo	Year T	hree	Future Y	rears -	Total	Is
Line No,	SO2 Allowances Inventory (Account 158.1) (a)	<u>No.</u> (b)	<u>Amt.</u> (c)	<u>No.</u> (d)	Amt. (e)	<u>No.</u> (f)	Amt. (g)	<u>No.</u> (h)	<u>Amt.</u> (i)	<u>No.</u> ()	<u>Amt.</u> (k)	No. (I)	Amt. (m)
1	Balarice-Beginning of Year	270,170	16,280	29,387		25,041		25,041		651,066		1,000,705	16,280
2													
3	Acquired During Year:												
4	Issued (Less Withheld Allow)												
5	Returned by EPA												
6								ļ					ļ
7													
8	Purchases/Transfers:												
9				L			-			ļ	<u> </u>	ļ	ļ
10		ļ			ļ	<u> </u>		ļ	ļ	ļ	ļ		
11					ļ	<u> </u>		ļ	ļ		ļ	<u> </u>	ļ
12		<b>_</b>		ļ	ļ			<b> </b>	ļ	ļ	ļ		
13	ļ	ļ						<b> </b>	ļ		ļ	ļ	
14	ļ				ļ			<b></b>	<u> </u>	ļ	<u> </u>	<b></b>	
15	Total				ļ	ļ		<u> </u>	<u> </u>		<u> </u>		
16		ļ	ļ	ļ	<u> </u>	ļ		ļ	ļ	ļ	<u> </u>		
17	Relinquished During Year:				ļ	ļ			ļ			<b></b>	
18	Charges to Account 509								ļ				
19	Other:												
20	Allowances Used			1									

#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 85 of 201

20,1	Allowances Used												i
21	Cost of Sales/Transfers:												
22													
23										<u></u>			
.24			······										
25										tanize name			
26													
27													
28	Total												
29	Balance-End of Year	.270,170	16,280	29,387		25,041		25,041		651,066		1,000,705	15,280
30													
31	Sales:												
32	Net Sales Proceeds(Assoc. Co.)												
33	Net Sales Proceeds (Other)												
34	Gains												
35	Losses	·											
	Allowances Withheld (Acct 158.2)												
36	Balance-Beginning of Year		4A <b>F</b>										
37	Add: Withheld by EPA		_										
38	Deduct: Returned by EPA												
39	Cost of Sales												
40	Balance-End of Year				TANKE ST.								
41													
42	Sales												
43	Net Sales Proceeds (Assoc. Co.)												
<b>4</b> 4	Net Sales Proceeds (Other)												
45	Gains								<u> </u>				
46	Losses						<u> </u>	1	1		1		1

FERC FORM No. 1 (ED. 12-95)

Page 228(ab)-229(ab)a

#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 86 of 201

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of; 2023/ Q4
	FOOTNOTE DATA		
r		· · · · · · · · · · · · · · · · · · ·	

(a) Concept: AllowanceInventoryNumber

Balances includes allowances for Cross State Air Pollution Rule and the Acid Rain Program.

(b) Concept: AllowanceInventoryNumber

Balances includes allowances for Cross State Air Pollution Rule and the Acid Rain Program. FERC FORM No. 1 (ED. 12-95)

Page 228(ab)-229(ab)a

#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 87 of 201

						T									
Narrie	of Respondent:	1	'his report is: 1) ☑ An Orig	inal		Date of F	eport:		Yea	r/Perio	d of Rep	ont			
	Energy Kentucky, Inc.		1) 🗹 An Orig 2) 🔲 A Resul			04/15/20					23/ Q4				
		Allowances (Accounts 158.1 and 158.2) port below the particulars (details) called for concerning allowances. port all acquisitions of allowances at cost. port allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. in the Uniform System of Accounts. port the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the accueding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k). port on Line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40. port on Line 5 allowances returned by the EPA's sale or auction of the withheld allowances. Report on Lines 43-46 the net es proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances. port on Lines 8-14 the names of vendors/transferors of allowances acquired and Identify associated companies (See "associated company" for "Definitions" in the Uniform System of Accounts). port on Lines 2 - 27 the name of purchasers/ transferees of allowances disposed of and Identify associated companies. port on Lines 32 - 35 and 43-46 the net sales proceeds and gains or losses from allowances disposes/transfers and sales/transfers.													
······			· · · · · · · · · · · · · · · · · · ·		, 							······			
21	Report all acquisitions of allow	varices at cos	it.	-			^	*			<b>^</b>	1	- 61-		
	21 in the Uniform System of A	Accounts.				•									
t	hree succeeding years in col	umns (d)-(i), :	starting with th	ie following y	ear, and all	owances fo	r the rei	maining	succee	iding y	ears in c	olumns (j)	⊢(k).		
6, I	Report on Line 5 allowances sales proceeds and gains/los	returned by th ses resulting	ie EPA, Repoi	rt on Line 39 s sale or aud	the EPA's s tion of the v	ales of the vithheld allr	withheld wances	l allowa	inces. F	leport (					
( I	under "Definitions" in the Unif	form System of	of Accounts).			-			•	•		ed compa	ny"		
9.1	Report the net costs and beru	efits of hedgin	ig transaction	s on a separa	ate line und	er purchasi	es/transi	ers and							
10.1	Report on Lines 32-35 and 43	3-46 the net s	ales proceeds	and gains o	r losses troi	m allowanc	e sales.								
		Curren	it Year	Year	One	Year	Two	Year	Three	•	ture iars	Tot	als		
1 4	NOx Allowances	b)_		N-	A	LT	<b>,</b>		A+			B1	A		
Líne No.	Inventory (Account 158.1) (a)	<u>Nо.</u> (b)	<u>Amt</u> (c)	<u>No.</u> (d)	<u>Amt.</u> (e)	<u>No.</u> (f)	<u>Amt.</u> (g)	<u>No.</u> (h)	<u>Amt.</u> (i)	<u>No.</u> ())	<u>Amt.</u> (k)	<u>No.</u> (1)	<u>Атт.</u> (тт)		
1	Balance-Beginning of Year	<sup>#1</sup> 18,549	.2,190	3,292								<b>21</b> ,841	2,190		
2															
3	Acquired During Year:														
4	Issued (Less Withheld Allow)														
.5	Returned by EPA														
6															
7							<u> </u>								
в	Purchases/Transfers:														
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12							<u> </u>	ļ	<b> </b>	<u> </u>		ļ			
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14		ļ						<b>_</b>		<u> </u>					
15	Total					ļ			<b> </b>	ļ	<u> </u>				
16								<b>_</b>				 			
17	Relinquished During Year:							ļ	ļ						
18	Charges to Account 509					-	ļ	ļ	ļ	<b> </b>	ļ	ļ	L		
19	Other:					<u></u>	ļ	<u> </u>	<u> </u>	1	ļ	ļ			
20	Allowances Used														

#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 88 of 201

20.1	Allowances Used									
21	Cost of Sales/Transfers:					 	 			
22	Cost of Sales						 			
23							 			
24										
25					 	 	 			
26										
27										
28	Total									
29	Balance-End of Year	<sup>£21</sup> 8,549	2,190	3,292					21,841	2,190
30										
31	Sales;									
32	Net Sales Proceeds(Assoc. Co.)									
33	Net Sales Proceeds (Other)									
34	Gains									
35	Losses									
	Allowances Withheld (Acct 158.2)									
36	Balance-Beginning of Year									
37	Add: Withheld by EPA									
38	Deduct: Returned by EPA									
39	Cost of Sales									
40	Balance-End of Year									
41										
42	Sales									
43	Net Sales Proceeds (Assoc. Co.)		;							
44	Net Sales Proceeds (Other)									
45	Gains							1		
46	Losses									

FERC FORM No. 1 (ED. 12-95)

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#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 89 of 201

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4				
	FOOTNOTE DATA						
(a) Concept: AllowanceInventoryNumb	(a) Concept: AllowanceInventoryNumber						
Balances includes allowances for Cross State Air Pollution Rule only.							

(b) Concept: AllowanceInventoryNumber

Balances includes allowances for Cross State Air Pollution Rule only. FERC FORM No. 1 (ED. 12-95)

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Page 228(ab)-229(ab)b

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 90 of 201

Name Duke B	of Respondent: Energy Kentucky, Inc.	This report is:     (1)				Year/Period of Report End of: 2023/ Q4				
	EXTRAORDINARY PROPERTY LOSSES (Account 182.1)									
Line No.	Description of Extraordinary Loss [Include in the description the date of Commission Authorization to use Acc 182.1 and period of amortization (mo, yr to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognized During Year (c)		WRITTEN O Account Charged (d)		LING YEAR Amount (9)	Balance at End of Year (f)		
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25							<u></u>	·		
26										
27								<u> </u>		
28		1								
.20	TOTAL									

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 91 of 201

FERC FORM No. 1 (ED. 12-88)

Page 230a

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 92 of 201

Name of Respondent: Duke Energy Kentucky, Inc.		This report is: (1) ☑ An Original (2) □ A Resubmission		Dat 04/ <sup>-</sup>	Date of Report: 04/15/2024		Year/Period of Report End of: 2023/ Q4			
	UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)									
Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of COmmission Authorization to use Acc 182.2 and period of amortization (mo, yr to mo, yr)] (a)	Total Amount of Charges (b)	Costs Recogniz During Year (C)	:ed	Account Charged (d)		ING YEAR mount (e)	Balance at End of Year (1)		
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FERC FORM No. 1 (ED. 12-88)

Page 230b

#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 94 of 201

Name o Duke E	of Respondent; nergy Kenłucky, Inc.	This report is:     Date of Report:     Year/Period of Control			f Report Q4				
	Trans	mission Service and Generation Int	terconnection Stu	idy Costs					
g 2, L 3, Ir 4, Ir 5, Ir 6, Ir	<ol> <li>Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies.</li> <li>List each study separately.</li> <li>In column (a) provide the name of the study.</li> <li>In column (b) report the cost incurred to perform the study at the end of period.</li> <li>In column (c) report the account charged with the cost of the study.</li> <li>In column (d) report the amounts received for reimbursement of the study costs at end of period.</li> <li>In column (d) report the account charged with the reimbursement of the study costs at end of period.</li> <li>In column (e) report the account credited with the reimbursement received for performing the study.</li> </ol>								
Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (¢)	Reîmburs Received I Per (d	During the od	Account Credited With Reimbursement (e)			
1	Transmission Studies								
2	44444444444444444444444444444444444444								
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19	م الم الم الم الم الم الم الم الم الم ال								
20	Total								
21	Generation Studies	· · · · · · · · · · · · · · · · · · ·							
22									
23	······								
24									
25			······						
26				1					

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 95 of 201

27			
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29			
30			
31			
32			
33			
34			
35			
36			
37			
38			
39	Total		
-40	Grand Total		

FERC FORM No. 1 (NEW. 03-07)

#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 96 of 201

Name Duke I	of Respondent: Energy Kentucky, Inc.	This report is: (1)	on TORY ASSETS (A	Date of Rep 04/15/2024 ccount: 182,3		Year/Period of End of: 2023/	
<ol> <li>Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.</li> <li>Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classe</li> <li>For Regulatory Assets being amortized, show period of amortization.</li> </ol>							
					CREDI	тs	
Line No.	Description and Purpose of Other Regulatory Assets (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	Writter Durin Quarter Accou Charg (d)	ig Wri Year int	itten off During the Period Amount (e)	Balance at end of Current Quarter/Year (f)
1	INCOME TAXES	5,632,605	1,072,0	41			6,704,646
2	DEMAND SIDE MANAGEMENT COSTS - (Amortized in accordance with rider revenue) - Order #2017-321, Order #2015- 368, Order #2014-388	1,438,430	(1,440,00	3)			(1,573)
Э	INTEREST RATE MEDGES (Amortized over life associated debt) - Order #2006-563	1,547,895	(161,62	3)			1,386,272
4	ESM DEFERRAL - Order #2017- 321	9,130,625	(1,513,36	9)			7,617,256
5	FTR DEFERRAL						
6	REPS INCREMENTAL COSTS		9	17			917
7	ARO OTHER REGULATORY ASSET	324,281	572,6	96			896,977
.8	GAS ARO OTHER REGULATORY ASSET	7,550,785	723,6	36			8,274,421
9	ARO CONTRA-REGULATORY ASSET - Order #2017-321	(4,380,021)	1,667,5	00			(2,712,521)
10	COAL ASH DEFERRED SPEND - Order #2015-187	16,844					16,844
11	COAL ASH ARO - Order #2015- 187	(18,078,041)	23,506,6	52			5,728,611
12	COAL ASH CONTRA EQUITY - Order #2017-321	(524,659)	94,6	20			(430,039)
13	SPEND RA AMORTIZATION (NC & MW) - Order #2017-321	10,687,885		182.3, 4 421, 4		1,636,942	9,050,943
14	SPEND RAAMORTIZATION (SC & FL) - Order #2017-321	6,850;944	12,965,6	36 (407	з	17,509,034	2,307,548
15	DEK DEFERRED STORM EXPENSE - Order #2018-416	490,491		593		210,211	280,280
16	CARBON MANAGEMENT REGULATORY ASSET (Amortized 120 months, beginning May 2018) -Order#2017-321- Order#2008- 308	1,066;645		407	3	199,996	866,649

	HURRICANE IKE REGULATORY					
17	ASSET (Amortized 60 months, beginning May 2018) Order #2017- 321, Order #2008-476	327,512		407.3	327,512	
18	EAST BEND PLANT O&M DEFERRAL (Amortized 120 months, beginning May 2018) Order #2017-321, Order #2014- 201	23,296,965	103	407,3, 407.4	3,570,790	19,726,278
19	EAST BEND DEPRECIATION DEFERRAL (Amortized over remaining life of asset) Order#2015-120	9,217,649		403	490,618	8,727,031
20	Non-AMI Meter NBV (Amortized 146 months, beginning May 2018) Order #2017-321	3,129,861		407.3, 421	368,588	2,761,273
21	Opt-Out IT Modification (Amonized 60 months, beginning May 2018) Order #2017-321, Order #2016- 152	10,480	алан алан алан алан алан алан алан алан	407:3	10,480	
22	Plant Outage Normalization Order - #2017-321; Amortized 60 months, beginning October 2023 Order #2022-00372	9 <b>,5</b> 57,239	2,476,527	407.3	361,855	11,671,911
23	Deferred Forced Outage Purchased Power Order #2017- 321; Amortized 60 months, beginning October 2023 Order #2022-00372	5,649,974	110,070	407;3, 557	1,336,329	4,423,715
24.	GAS RATE CASE DEFERRAL (Amortized 60 months, beginning April 2019) - Order #2018-261	63,790		928	51,031	12,759
25	DEFERRED GAS INTEGRITY COSTS (Amortized 120 months, beginning April 2018) Order #2018-261, Order #2018-159	1,948,502		407.3, 407.4	277;266	1,671,236
26	OTHER REGULATORY ASSETS - GENERAL ACCOUNTING - FERC Docket No. A107-1-000	22,659,650		128, 182:3, 228.3, 925	338,934	22,320,716
27	PENSION POST RETIRE PURCHASE ACCOUNTING - Q - FERC Docket No. A107-1-000	3,240,643		128, 182.3, 228.3, 926	137,318	3,103,327
28	PENSION POST RETIRE PURCHASE ACCOUNTING - NQ - FERC Docket No. A107-1-000	(34,951)	96			(34,855)
29	PENSION POST RETIRE PURCHASE ACCOUNTING - FAS - FERC Docket No. A107-1-000	1,279,066		182.3	149,796	1,129,270
30	Misc. ST Reg Assels	28,900				
31	Cust. Connect Deferral LT Order #2021-00190	918,578		407.3 <sup>.</sup>	124,047	794,531
32	Deferred CIS O&M Current Order # 2021-00190	124,047				124,047
33	OPEB FAS 106 - Medical		180,930			180,930
44	TOTAL	103,143,714	40,556,431		27,100,745	115,599,400

FERC FORM No. 1 (REV. 02-04)

Name of Respondent: Duke Energy Kentucky, Inc.This report is: (1) I An Original (2) A Resubmission			1	Date of Report: 04/15/2024	Year/Period o End of: 2023/					
		MISCELLANEOUS D	EFFERED DEBITS	(Account 186)						
2.1	<ol> <li>Report below the particulars (details) called for concerning miscellaneous deferred debits.</li> <li>For any deferred debit being amortized, show period of amortization in column (a)</li> <li>Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$100,000, whichever is less) may be grouped by classes.</li> </ol>									
Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (¢)	Credits Account Charged (d)	Credit <del>s</del> Amount (e)	Balance at End of Year (1)				
1	Vacation accrual	1,121,433	(9,47	ņ		1,111,962				
2	Straight Line Lease Deferral - amortized 01/20 - 12/38	362,759	758,63	4 242	697,035	424,358				
3	DEK 2017 Rate Case - amortized 05/18 - 04/23	177,504		928	78,890	98,614				
4	DEK 2019 Rate Case - Electric - amortized 05/20 - 04/25	158,278		928	67,834	90,444				
5	DEK 2021 Rate Case - Gas - amortized 01/22 - 12/26	180,285		928	44,939	135,348				
6	Indirect overhead allocation pool - Undistributed	74,149	28,04	17		102,198				
7	DEK 2022 Rate Case - Electric - amortized 10/23 - 9/28	302,639	469,75	51		772;390				
8	Validation Adjustment									
47	Miscellaneous Work in Progress									
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)									
49	TOTAL	<sup>j21</sup> 2,377,047				₽2,735,310				

FERC FORM No. 1 (ED. 12-94)

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Orlginal (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4			
	FOOTNOTE DATA					
(a) Concept: MiscellaneousDeferredDebits Deferred Regulatory Comm. Expenses (See pages 350-351) is presented within page 233 by accounts,						

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(b) Concept: MiscellaneousDeferredDebits

Deferred Regulatory Comm. Expenses (See pages 350-351) is presented within page 233 by accounts. FERC FORM No. 1 (ED. 12-94)

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# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 100 of 201

	f Respondent: nergy Kentucky, Inc.	This report is: (1)		Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4			
	J	ACCUMULATED DEFERRED		AXES (Account 190)				
	1. Report the information called for below concerning the respondent's accounting for defetred income taxes. 2. At Other (Specify), include defetrals relating to other income and deductions.							
Line No.	Description and (a)	Location	Balanc	e at Beginning of Year (b)	Balance at End of Year (c)			
1	Electric				<i></i>			
2	Electric		56,936,752		55,425,410			
7	Other							
8	TOTAL Electric (Enter Total of lines	2 thru 7)		56,936,752	55,425,410			
à	Gas							
10				17,519,260	19,284,940			
15	Other							
16	TOTAL Gas (Enter Total of lines 10	thru 15)		17,519,260	19,284,940			
17.1	Other (Specify)			Gryy				
17	Other (Specify)			Street				
18	TOTAL (Acct 190) (Total of lines 8,	16 and 17)		74,456,012	74,710,350			
	Notes							

FERC FORM NO. 1 (ED. 12-88)

#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 101 of 201

Name of Respondent: Duke Energy Kentucky, Inc.				This report is: (1) ☑ An Original (2) □ A Resubmission					Year/Period of Report End of: 2023/ Q4		t
	CAPITAL STOCKS (Account 201 and 204)										
2.   3. ( 4. 5. (	<ol> <li>Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.</li> <li>Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.</li> <li>Give details concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.</li> <li>The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.</li> <li>State in a footnote if any capital stock that has been nominally issued is nominally outstanding at end of year.</li> <li>Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.</li> </ol>										
Line No.	Class and Series of Stock and Name of Stock Series (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value per Share (c)	Call Price at End of Year (d)	Outstanding per Bal. Sheet (Total amount outstanding without reduction for amounts held by respondent) Shares (e)	Outstanding per Bal. Sheet (Total amount outstanding without reduction for amounts held by respondent) Amount (f)	Held by Respondent As Reacquired Stock (Acct 217) Shares	Heid I Respon As Reacqu Stock (/ 217) C (h)	dent ired Acct ost	Held by Respondent In Sinking and Other Funds Shares (I)	Held by Respondent In Sinking and Other Funds Amount (j)
1	Common Stock (Account 201)					,					
2	Common Stock	1,000,000	15.00		585,333	8,779,995	5				
7	Total	1,000,000			585,333	8,779,999	5				
8	Preferred Stock (Account 204)										
9						1					
10		ļ									
11											
12	Total	1		1							
1	Capital Stock (Accounts 201 and 204) - Data Conversion										
2											
3											
4				1		]		1			
5	Total							1			

FERC FORM NO. 1 (ED. 12-91)

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#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 102 of 201

Name of Respondent: Duke Energy Kentucky, Inc.		This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report 2024-04-15	1:	Year/Period of Report End of: 2023/ Q4
		Other Paid-in Capita	1		
subheadin Explain ch	pelow the balance at the end of the g for each account and show a total anges made in any account during t	effecting such cl	nciliation wil hange.	th the balance sheet, page 112.	
Redu repo Gain end o Misc	uction in Par or Stated Value of Cap rted under this caption including ide or Resale or Cancellation of Reacq of year with a designation of the nat ellaneous Paid-In Capital (Account)	Account 208) - State amount and briefly ital Stock (Account 209) - State amount a ntification with the class and series of sto uired Capital Stock (Account 210) - Rep ure of each credit and debit identified by 211) - Classify amounts included in this a e of the transactions that gave rise to the	and briefly explain ock to which related ort balance at be the class and se account accordin	in the capital ted, eginning of ye eries of stock ig to captions	changes that gave rise to amounts ear, credits, debits, and balance at to which related.
Line No.		ltem (a)			Атоunt (b)
1	Donations Received from Stock	holders (Account 208)			
2	Beginning Balance Amount			······	148,811,383
3.1	Increases (Decreases) from Sales	of Doriations Received from Stockholde	rs		
4	Ending Balance Amount				148,811,383
5	Reduction in Par or Stated Value	e of Capital Stock (Account 209)			
8	Beginning Balance Amount				
7.1	Increases (Decreases) Due to Re	ductions in Par or Stated Value of Capita	l Stock		۲
8	Ending Balance Amount				
9	Gain or Resale or Cancellation	of Reacquired Capital Stock (Account	210)		
10	Beginning Balance Amount				
11.1	Increases (Decreases) from Gain Stock	or Resale or Cancellation of Reacquired	Capital		
12	Ending Balance Amount	······································			
13	Miscellaneous Paid-In Capital (/	Account 211)			
14	Beginning Balarice Amount				124,843,806
15.1	Increases (Decreases) Due to Mis	cellaneous Paid-In Capital			<sup>jat</sup> 185,000,000
16	Ending Balance Amount	48.19			309,843,806
17	Historical Data - Other Paid in C	apital			
18	Beginning Balance Amount				
19.1	Increases (Decreases) in Other P				
20	Ending Balance Amount				
40	Total				458,655,189

FERC FORM No. 1 (ED. 12-87)

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 2024-04-15	Year/Period of Report End of: 2023/ Q4					
FOOTNOTE DATA								
(a) Concept: IncreasesDecreasesDueToMiscellaneousPaidInCapital								

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Two equity infusions (\$35M + \$150M) from the parent. FERC FORM No. 1 (ED. 12-87)

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### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 104 of 201

Name Duke I	ame of Respondent:     Image: Comparison     This report is:     Date of Report:     Year/Period of End of: 2023.       (1) Image: Comparison     (1) Image: Comparison     Date of Report:     Year/Period of: 2023.							
	CAPITAL STOCK EXPENSE (Account 214)							
1. F 2. I t	<ol> <li>Report the balance at end of the year of discount on capital stock for each class and series of capital stock.</li> <li>If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.</li> </ol>							
Line No.								
1								
2								
3								
4		********						
5								
6								
7								
8								
9								
10								
11		1999 - 1999 - 1999 - 1999 - 1999 - 1999 - 1999 - 1999 - 1999 - 1999 - 1999 - 1999 - 1999 - 1999 - 1999 - 1999 -	9)					
12								
13 14				······································				
14								
15		an						
17	,				<u>.</u>			
18								
19								
20								
21		<u></u>	arnor					
22	TOTAL	201 (						
	L							

FERC FORM No. 1 (ED. 12-87)

Page 254b

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 105 of 201

	of Respondent: Energy Kentucky,	Inc.	(1)	s report is: I An Origin			Date of Report 04/15/2024	Ë	Year/Period of Report End of: 2023/ Q4		
	<u></u>			<u></u>		IG-TERM D	EBT (Accoun	t 221, 222, 2	23 and 224)		
2. 3. 4. 5. 6. 7. 8.	Long-Term Debt. For bonds assume For Advances fror companies from w For receivers' cert In a supplemental advanced during y If the respondent I If the respondent I If the respondent I	ed by the res n Associated thich advance tificates, sho statement, g year (b) inter has pledged has any long a was incurre of column (n	spondent, includ d Companies, ra xes ware receive w in column (a) give explanator rest added to pr any of its long- y-term securities d during the yee n) and the lotal	te in column i sport separati ed, and in col the name of y details for A incipal amount term debt set is that have be ar on any ob Account 427,	(a) the name ely advances lumn (b) inclu the court and ccounts 223 at, and (c) pri curitles, give sen nominally ligations retir Interest on L	of the issui on notes a de the rela d date of co and 224 of incipal repa particulars issued and ed or reacq ong-Term i	ng company a nd advances o ted account nu unt order under net changes o id during year. (details) in a fo d'are nominally uired before e Debt and Acco	s well as a de in open accot imber, r which such i luring the yea Give Commis othote, incluc y outstanding nd of year, inc unt 430, Inter	scription of the ints. Designate certificates were r. With respect t ission authorizat at end of year, at end of year, at de such inter	onds, 223, Advances bonds, and in colum demand notes as su issued, and in colu o long-term advanc ion numbers and da pledgee and purpo describe such secur est expense in colur issociated Compani	in (l ich mn es, tes, se ( ities nn i
Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Related Account Number (b)	Principal Amount of Debt Issued (c)	Total Expense, Premium or Discount (d)	Total Expense (9)	Totai <u>Premium</u> (f)	Totai Discount (g)	Nominal Date of Issue (h)	Date of <u>Maturity</u> (i)	AMORTIZATION PERIOD Date From (j)	A
1	Bonds (Account 221)										
2	······										
3	- / <b>-</b>										Γ
4											
5	Subtotal								1		
6	Reacquired Bonds (Account 222)										
7											L
8											Ļ
9		ļ									ļ
10	Subtotal				<b>_</b>						ļ
11	Advances from Associated Companies (Account 223)										
12	(a) Intercompany Moneypool Notes Payable-Long Term, 5.627%		25,000,000					12/15/2014	03/17/2028	10/01/2023	
13	Subtotal		25,000,000								Γ
14	Other Long Term Debt (Account 224)										

15	6.20% SERIES DUE IN 2036	65,000,000	653,550	367,!	900 03/10/2006	03/10/2036	03/10/2006
16-	2008 SERIES POLLUTION CONTROL REFUNDING BONDS DUE IN 2027 3.700%	50,000,000	691,754		06/27/2022	08/01/2027	06/27/2022
17	2010 SERIES A POLLUTION CONTROL REFUNDING BONDS DUE IN 2027, 3,950%	26,720,000	939,966		02/01/2012	08/01/2027	02/01/2012
18	TERM LOAN DUE IN 2023, 6,533%	50,000,000			10/12/2021	10/12/2023	10/12/2021
19	3,42% SERIES DUE IN 2026	45,000,000	220,191		01/05/2016	01/15/2026	01/05/2016
20	4.45% SERIES DUE IN 2046	50,000,000	247,535		01/05/2016	01/15/2046	01/05/2016
21	3,35% SERIES DUE IN 2029	30,000,000	124,475		09/07/2017	09/15/2029	09/07/2017
22	4.11% SERIES DUE IN 2047	<b>:30,0</b> 00,000.	124,475		09/07/2017	09/15/2047	09/07/2017
23	4.26% SERIES DUE IN 2057	30,000,000	124,475		09/07/2017	09/15/2057	09/07/2017
24	4.01% SERIES DUE IN 2023	25,000,000	111,522		10/03/2018	10/15/2023	10/03/2018
25	4.18% SERIES DUE IN 2028	40,000,000	156,522		10/03/2018	10/15/2028	10/03/2018
26	4,62% SERIES DUE IN 2048	35,000,000	141,522		12/12/2018	12/15/2048	12/12/2018
27	4.32% SERIES DUE IN 2049	40,000,000	195,082		07/17/2019	07/15/2049	07/17/2019
28	3.23% SERIES DUE IN 2025	95,000,000	415,082		09/26/2019	10/01/2025	09/26/2019
29	3.56% SERIES DUE IN 2029	75,000,000	335,082		09/26/2019	10/01/2029	09/26/2019
30	2,65% SERIES DUE IN 2030	35,000,000	127,263		09/15/2020	09/15/2030	09/15/2020
31	3.66% SERIES DUE IN 2050	35,000,000	127,283		09/15/2020	09/15/2050	09/15/2020

32	a Footnote						
33	Subtotal	756,720,000		4,735,799	 367,900		
33	TOTAL	781,720,000	1010				

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#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 108 of 201

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Períod of Report End of: 2023/ Q4					
FOOTNOTE DATA								

(a) Concept: ClassAndSeriesOfObligationCouponRateDescription

The interest rate varies on this note. The interest rate is as of December 31, 2023.

(b) Concept: ClassAndSeriesOfObligationCouponRateDescription

The interest rate varies on this pollution control bond. The interest rate is as of December 31, 2023.

(c) Concept: ClassAndSeriesOfObligationCouponRateDescription

The interest rate varies on this term loan bond. The interest rate is as of December 19, 2023. In October 2023, the DEK \$50M Term Loan outstanding was increased by \$25M to a total of \$75M and extended to a new maturity date in April 2024.Next, in December 2023, DE Kentucky paid off the \$75M Term Loan; therefore, at year end there was no outstanding DEK Term Loan.

(d) Concept: ClassAndSeriesOfObligationCouponRateDescription.

On December 2, 2022 the Kentucky PSC approved Duke Energy Kentucky's long-term financing application authorizing the issuance of up to \$275 million of secured and/or unsecured notes, and \$76.72 million of tax-exempt private activity bonds to refund existing tax exempt bonds. Authorization expires 12/31/2024.

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### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 109 of 201

Name of R Duke Ener	Mame of Respondent:     This report is:     Date of       Duke Energy Kentucky, Inc.     (1) ☑ An Original     Date of       (2) □ A Resubmission     04/15/2			oo <b>ri</b> :	Yeai/Period of Report End of: 2023/ Q4	
	RECONCILIATION OF RE	PORTED NET INCOME WITH TAXABL	E INCOME F	OR FEDERAL	INCOME TAXES	
Comp return 2. If the sepa mem 3. A sul	sutation of such tax accruals. Includin n for the year. Submit a reconciliation int, utility is a member of a group which rate return were to be field, indicatin ber, tax assigned to each group me bstitute page, designed to meet a pa	income for the year with taxable income e in the reconciliation, as far as practicat in even though there is no taxable incom h files a consolidated Federal tax return, ig, however, intercompany amounts to b mber, and basis of allocation, assignmer articular need of a company, may be use reporting purposes complete Line 27 and	le, the same e for the year reconcile repo e eliminated in it, or sharing d as Long as	detail as fumisi : Indicate clean orted net incom n such a conso of the consolida the data is con	hed on Schedule M-1 of the tax. y the nature of each reconciling with taxable net income as if a lidated return. State names of group ated tax among the group members. sistent and meets the requirements	
Line No.					Amount (b)	
1	Net Income for the Year (Page 117	<sup>,</sup> )		65,162,216		
2	Reconciling Items for the Year	مریک میں ایک می ایک میں ایک میں		90		
3						
4	Taxable Income Not Reported on I	Books				
5	Contributions in Aid of Constructio	Π			4,411,527	
6	Total		4,411,527			
9	Deductions Recorded on Books N		·			
10	Federal & State Income Tax Dedu	cted far Boaks			11,096,106	
11	State Income Tax Deduction				21,420,838	
12	Bad Debis				214,846	
13	Book Depreciation				79,783,310	
14.	Capitalized Hardware/Software			43,086		
15	Coal Ash Spend, Net of Capitalize	d Portion			14,303,645	
16	Deferred Revenue				258,049	
17	Demand Side Management Defen	ra)			2,121,738	
-18	Impairment of Plant Assets				55,354	
19	Lobbying				360,000	
20	Loss on Reacquired Debt				118,160	
21	Meals				171,000	
22	Offsite Gas Storage Costs				392,864	
23 <sup>.</sup>	Regulatory Asset - Carbon Manag	lement.			199,996	
24	Regulatory Asset - Deferred Plant	Costs			4,061,305	
25	Regulatory Asset - Non-AMI Mete	8			368,588	
26	Regulatory Asset - Opt Out Tariff I	T Modifications			10,480	
27	Regulatory Asset - Vacation Carry	(over,		g,472		
28	Regulatory Asset- Storm Damage	Recovery			327,512	
29	Regulatory Liability - Rate Case E	xpenses		67,834		

30	Regulatory Liability - RSLI & Other Misc Dfd Costs	277,266
31	Starm Cost Deferral	210,211
32	Tax Interest Capitalized	3,469,617
33	Transportation Benefits	24,000
34	Unbilled Revenue - Fuel	3,895,257
35	Deferred Costs - Customer Cannect	124,047
36	Non-Cash Overhead Basis Adjustment	247,459
37	Capitalized 174 R&D Expense	1,000,000
38	Extra Facility Lighting	18,520
39	Severance Reserve - LT	684,250
40	Warkers Cam Reserve	245,042
41	Entertainment	19,000
42	Total	145,598,852
14	Income Recorded on Books Not Included in Return	
15	Allowance for Funds, Used During Construction	1,057,191
16	Total	1,057,191
19	Deductions on Return Not Charged Against Book Income	
20	AFUDC Interest	4,117,592
21	Asset Retirement Obligation	79,928
22	Benefits Accruals	3;567,219
23	Cost of Remioval	16,496,243
24	Environmental Reserve	29,869
25	Equipment/T&D Repairs	14,1,009,370
26	Mark to Market	45,668
27	Regulatory Asset - ESM Deferral	154,131
28	Regulatory Asset - Rate Case Expenses	294,891
29	Regulatory Asset - Transition from MISO to PJM	.218,404
30	Regulatory Liability - Outage Costs	888,412
<b>.</b> 31	Tax Depreciation/Amortization	78,200,000
32	Tax Gains/Losses	360,000
33	Unamortized Debt Premium	8,845
.34	Property Tax Reserves	7,650,166
35	Rate Rejunds	163,539
36	Gas Supplier Refunds	595,616
37	Lease Adjustments	578,135
38	Regulatory Asset - Deferred Revenue	7,377,203
39	Regulatory Asset - FAS 158	370,459

### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 111 of 201

40	Charitable Contribution Carryover	202,194
41	REPS Incremental Costs	917
42	Total	262;408,711
27	Federal Tax Net Income	(48,293,307)
28	Show Computation of Tax:	
29	Tax at 21% for Electric, Water, Non-Utility and Gas	(10,141,594)
30	Prior Year Federal Tax True Ups	787,096
31	Corporate Alternative Minimum Tax	888,300
32	Total Federal Income Tax	(8,466,198)

FERC FORM NO. 1 (ED. 12-96)

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 112 of 201

				port is:							1
	of Respondent: Energy Kentucky, In	G.		An Origi			Date of Report: 04/15/2024		ear/Period of Repond nd of: 2023/ Q4	ort	
			(2)	A Resul	mission						
					A & 4015 (2)	TAXES	ACCRUED, PR	EPAID AND (	CHARGES DURIN	IG YEAR	
2. [i 3. ]i 4. [ 5. ]i 6. E 7. [ 8. F	Sive particulars (det een charged to the nolude on this page he inclusion of thesi nolude in column (g current year, and (c) i.st the aggregate of f any tax (exclude F Enter all adjustment Do not include on th Report in columns (I Accounts 408.1 and For any tax apportio	accounts to which taxes paid during e taxes ) taxes charged du taxes paid and ch ( each kind of tax i ederal and State i s of the accrued a is page entries wit ) through (o) how' 409.1 pertaining t	the taxed the year a uning the year arged dire n such ma ncome tax nd prepaid h respect to the taxes y o other util	materia and char ear, taxe ct to ope nner tha es) cove tax acce to deferr vere dist lity depa	I was charged, ged direct to fi es charged to o erations or acc at the total tax i ers more than o ounts in colum ed income tax ributed, Repor riments and ar	If the actual nat account operations a ounts other for each Sta one year, sh one year, sh one (i) and exi es or faxes of t în column nounts chai	<ul> <li>al, or estimated a</li> <li>a, (not charged t</li> <li>and other account</li> <li>than accrued an</li> <li>than accrued an</li> <li>te and subdivision</li> <li>ow the required</li> <li>plain each adjust</li> <li>collected through</li> <li>(o) only the amo</li> <li>ged to Accounts</li> </ul>	mounts of su o prepaid or a sthrough (a) d prepaid tax on can readily information s ment in a foo o payroll dedu unts charged 408.2 and 40	ch taxes are know accrued taxes.) En accruels credited accounts, be ascertained, eparately for each t- note. Designate ictions or otherwis to Accounts 408.' 09.2. Also shown ii	m, show the amount ter the amount to taxes accrue tax year, identi debit adjustme e pending trans 1 and 409.1 per h column (o) th	ed ify and sm
					BALAN BEGINNI YEA	NG OF				BALANCE A	
Line No.	Kind of Tax (See Instruction 5) (a)	Type of Tex (b)	<u>State</u> (c)	Tax Year (d)	Taxes Accrued (Account 236) (e)	Prepaid Taxes (Include in Account 165) (f)	Taxes Charged During Year (g)	Taxes Paid During Year (h)	Adjustments (1)	Taxes Accrued (Account 236) (i)	(
1	Social Security Tax	Federal Tax	Federal	2023	(323,425)		1,557,979	1,323,284		(88,730)	
2	Subtotal Federal Tax				(323,425)		1,557,979	1,323,284		(88,730)	
3	Sales and Use	State Tax	ΚΫ́	2023							
4	Property Tax	Local Tax	КY	2023				4			
5	State Property Tax	Property Tax	ĸy	2023	25,539,901		13,249,320	14,435,009		24,354,212	
5	Subtotal Property Tax				25,539,901		13,249,320	14,435,009		24,354,212	
7	Fed Unemployment	Unemployment Tax	Federal	2023	392.		7,864	8,095		161	
8	State Unemployment	Unemployment Tax	Other	2023	(13,405)		1,608	(19)	<sup>ja</sup> 13,405	1,627	
9	OH Unemployment Tax	Unemployment Tax	ŎН	2023			1,457	17,060		(15,603)	
10	KY Unemployment Tax	Unemployment Tax	KY	2023			3,080	5,362	¢(13,405)	(15,687)	
11	Subtotal Unemployment Tax				(13,013)		14,009	30,498		(29,502)	
12	KY Sales and Use Tax	Sales And Use Tax	кү	2023	424,456	0	2,954,336	2,847,553		531,239	
13	OH Sales and Use Tax	Sales And Use Tax	он	2023	17,736	o	39,706	53,493		3,949	
14	Other Sales and Use Tax	Sales And Use Tax	Other	2023	99,604	0	14,559			114,163	

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15	Subtotal Sales And Use Tax	an sadani an MBC - 37			541,796	0	3,008,601	2,901,046	649;351
16	Fed Income Tax	Income Tax	Federal	2023	11,138,840		(8,466,199)	22,060,650	(19,388,009)
17	State Income Tax	Income Tax	КY	2023	2,331,794		(4,289,282)	3,351,162	(5,308,650)
18	Subtotal Income Tax				13,470,634		(12,755,481)	25,411,812	(24,696,659)
19	State Franchise	Franchise Tax	Various	2023	0		6,433	6,433	0
20	Subtotal Franchise Tax				0		6,433	6,433	0
21	Miscellaneous Tax	Miscellaneous Other Tax	Various	2023	Ó	Ó	(4,979)	(4,979)	Ó
22	Subtotal Miscellaneous Other Tax				Ó	0	(4,979)	(4,979)	0
40	TOTAL				39,215,893		5,075,882	44,103,103	188,672

FERC FORM NO. 1 (ED. 12-96)

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#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 114 of 201

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Originat (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4						
FOOTNOTE DATA									
(a) Concept: TaxAdjustments									
Transfer of balance to line number 10	ansfer of balance to line number 10								

(b) Concept: TaxAdjustments

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Transfer of balance from line number 8 FERC FORM NO. 1 (ED. 12-96)

Page 262-263

Name of Respondent: Duke Energy Kentucky, Inc.       This report is: (1)  An Original (2)  A Resubmission       Date of Report: 04/15/2024       Year/Period of Report End of: 2023/ Q4         ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)         Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility of Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over credits are amortized.											
credit	s are amortized.					tions to					
			Deferre	d for Year	Curren	t Year's ome					
Line No,	Account Subdivisions (a)	Balance at Beginning of Year (b)	Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	: Adjustments (g)	Balance at End c Year (h)		ADJUSTMENT EXPLANATION (j)	
1	Electric Utility										
2	3%										
3	4%										
4	7%										
.5	10%										
6	30%	3,235,578	190	1,900,127				5,135,70	5 25 years		
8	TOTAL Electric (Enter Total of lines 2 thru 7)	3,235,578		1,900,127				5,135,70	95		
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)										
10										•.	
11	Gas - 4										
12	Gas -10	128,988			411,4	143,71	9	(14,73	2)		
13	Total Gas	128,988				143,71	9	(14,73	2)		
47	OTHER TOTAL										
48	GRAND TOTAL	3,364,566				143,71	9	5,120,97	73		

FERC FORM NO. 1 (ED. 12-89)

### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 116 of 201

	of Respondent: Energy Kentucky, Inc.	This report is: (1)	ού	Date of Report: 04/15/2024	Year/Period o End of: 2023/								
		OTHER DEFER	RED CREDITS	(Account 253)									
2.1	<ol> <li>Report below the particulars (details) called for concerning other deferred credits,</li> <li>For any deferred credit being amortized, show the period of amortization.</li> <li>Minor items (5% of the Balance End of Year for Account 263 or amounts less than \$100,000, whichever is greater) may be grouped by classes.</li> </ol>												
			E	DEBITS									
Line No.	Description and Other Deferred Balance at Credits Beginning of Yea (a) (b)		Contra Account (c)	Amount (d)	Credits (e)	Balance at End of Year (f)							
1	MISO MTEP Accrual	11,854,798			(218,404)	11,636,394							
2	Deferred Revenue -Outdoor Lighting	1,608,050	415	375,389	633,437	1,866,098							
3	Amort period 10 years over life												
4	of contracts												
5	MGP Reserve	617,795				617,795							
6	FTR MTM gains/losses				83,862	83,882							
7	Gas Refunds	727,030	805	486,174	(109,441)	131,415							
8	Amort period varies												
9	SCHM Exec Cash Bal Plan												
10	SCHM Tax&S/L For Surplus Mat'L												
11	Deferred Prepaid EF-Lighling		454	1,147	19,667	18,520							
47	47 TOTAL 14,807,673			862,710	409,121	14,354,084							

FERC FORM NO. 1 (ED. 12-94)

### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 117 of 201

Name Duke f	Name of Respondent: Duka Energy Kentucky, Inc.				This report is:       (1)						Year/Period of Report End of: 2023/ Q4		
	ACCI	JMULATED DE	FERRE	ED INC	OME TAXES	* ACCELER/	TED	AMORI	IZATION PR	OPERT	r (Account 28	1)	
2, F	Report the informal for other (Specify), Use footnotes as re	include deferra	elow co Ils relati	incerni ng to c	ng the respon other income a	dent's accoun ind deduction:	iting fi s.	or defen	red income ta	axes ratir	g to amortizat	le property.	
					CHANGES DI	JRING YEAR	. <del></del>	<b>R</b> ay X		ADJU	STMENTS		
				ĺ					Deb	its	Crei	dits	
Line No.	Account (a)	Balance at Beginning of Year (b)	Amou Debi to Acco 410 (c)	ited ount 1.4	Amounts Credited to Account 411.1 (d)	Amounts Debited to Account 410.2 (e)	Cre Açı 4	ounts dited to count 11.2 (1)	Account Credited (9)	Amoun (h)	t Account Debited (i)	Amount ())	Balance at End of Year (k)
1	Accelerated Amortization (Account 281)												
2	Electric												
3	Defense Facilities												
4	Pollution Control Facilities												
5	Other												
5.1	Other <u>(provide</u> details in footnote):												
-8	TOTAL Electric (Enter Total of lines 3 thru 7)												
9	Gas												
10	Defense Facilities				,								
11	Pollution Control Facilities												
12	Öther												
12.1	Other (provide details in footnote);												
15	TOTAL Gas (Enter Total of lines 10 thru 14)												
16	Other												
16.1	Öther												
16.2	Other												
47	TOTAL (Acct 281) (Total of 8, 15 and 16)												

18	Classification of TOTAL					
19	Federal Income Tax					
20	State Income Tax					
21	Locat Income Tax					

FERC FORM NO. 1 (ED. 12-96)

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#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 119 of 201

	of Respondent: Energy Kentucky	, Inc.	(1) ໂ	report is: ☑ An Original ☐ A Resubmis	sìon		e of Report: 15/2024		Year/Period of Report End of: 2023/ Q4		
		AC	CUMULATED	DEFERRED II		S - OTHEF	PROPERTY	(Account	282)		
2.	Report the inform accelerated amo For other (Specif Use footnotes as	rtization. y),include defer					ferred income	taxes ratir	ng to properly	not subject	to
				CHANGES DI	JRING YEAR			ADJUS	TMENTS		
							De	bits	Сте	dits	
Line No.	Account (a)	Balance at Beginning of Year (b)	Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	Amounts Debited to Account 410,2 (e)	Amount Credited to Accoun 411.2 (f)	Account Credited	Amount (h)	Account Debited (i)	Аточnt (j)	Balance at End of Year (k)
1	Account 282										
2	Electric	2 <b>47</b> ,110, <b>1</b> 14	23,908,438	30,412,179	598,082	9,77	7			766,511	241,961,189
3	Gas	80,099,784	36,775,156	18,526,747	12,862,397	48	9 182.3	84,417	146	3,842	111,129,526
4	Other (Specify)										
5	Total (Total of lines 2 thru 4)	327,209,898	60,683,594	48,938,926	13,460,479	10,26	5	84,417		770,353	353,090,715
6											
7										ļ	
8											
9.	TOTAL Account 282 (Total of Lines 5 thru 8)	327,209,898	60,683,594	48,938,926	13,460,479	10,26	6	84,417		770,353	353,090,715
10	Classification of TOTAL										
11	Federal Income Tax	267,257,997	47,807,554	39,224,340	10,777,306	8,22	0	60,753	3	616,903	287,166,447
12	State Income Tax	59,951,901	12,876,040	9,714,586	2,683,173	2,04	6	23,664	1	153,450	65,924,268
13	Local Income Tax										

FERC FORM NO. 1 (ED. 12-96)

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4							
FOOTNOTE DATA										
(a) Concept: AccumulatedDeferredIncomeTaxLiabilitiesOtherPropertyAdjustmentsCreditedToAccount										

Offset to account 182.3 756,561 Offset to account 146 9,950 Total FERC FORM NO: 1 (ED. 12-96)

Page 274-275

766,511

### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 121 of 201

	of Respondent: Energy Kentucky	, Inc.	(1) (1) (2) [					of Report: 5/2024		Year/Period of Report End of: 2023/ Q4			
2. 3.	<ol> <li>Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.</li> <li>For other (Specify) include deferrals relating to other income and deductions.</li> <li>Provide in the space below explanations for Page 276. Include amounts relating to insignificant items listed under Other.</li> <li>Use footnotes as required.</li> </ol>												
CHANGES DURING YEAR ADJUSTMENTS													
						l		Deb	oits	Cre	dits		
Line No.	Account (a)	Balance at Beginning of Year (b)	Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411,1 (d)	Amounts Debited to Account 410,2 (e)	Amount Credite to Accour 411.2 (f)	nt	Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)	Balance at End of Year (k)	
1	Account 283												
2	Electric												
3	Electric	18,642,835	10,348,396	4,128,197				146	35,064		269,595	25,097,565	
9	TOTAL Electric (Total of lines 3 thru 8)	18,642,835	10,348,396	4,128,197					35,064		269,595	25,097,565	
10	Gas												
11	Gas	5,320,077	315,892	194,162					40,285		<sup>361</sup> 25,596	5,427,118	
17	TOTAL Gas (Total of lines 11 thru 16)	5,320,077	315,892	1.94, 162					40,285		25,596	5,427,118	
18	TOTAL Other												
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	23,962,912	10,664,288	4,322,359					75,349		295,191	30,524,683	
.20	Classification of TOTAL												
21	Federal Income Tax	19,560,000	8,538,501	3,460,753					75,349		191,311	24,753,710	
22	State Income Tax	4,402,912	2,125,787	861; <del>6</del> 06.							103,880	5,770,973	
23	Local Income Tax												
	NOTES												

FERC FORM NO. 1 (ED. 12-96)

### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 122 of 201

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FOOTNOTE DATA											
(a) Concept: AccumulatedDeferredIncomeTaxLiabilitiesOtherAdjustmentsCreditedToAccount											
Offset to account 182.3	269,548	Offset to account 146	55	Total	-269, 595						
(b) Concept: Accumulati	edDeferred	IncomeTaxLiabilitiesOtherA	djustmentsDebited]	ToAccount							
Offset to account 182.3	27,848	Offset to account 146	12,437 Total	······································	40,285						
(c) Concept: Accumulate	(c) Concept: AccumulatedDeferredIncomeTaxLiabilitiesOtherAdjustmentsCreditedToAccount										
Offset to account 182.3         25,515         Offset to account 146         81         Total         25,596           ERC FORM NO. 1 (ED. 12-96)         6         6         7 </td											

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# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 123 of 201

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	of Respondent: Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Rosubmissi	on	Date of Report: 04/15/2024	Year/Period o End of: 2023/	
		OTHER REGULAT		ES (Account 254)		
2.	Report below the particulars (details) ca Minor items (5% of the Balance in Accor For Régulatory Liabilities being amortize	unt 254 at end of period	d, or amounts les			
			ם	EBITS		
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	inning of Account Amount urrent Credited (d) rter/Year (c) (d)		Credits (e)	Balance at End of Current Quarter/Year (f)
1	INCOME TAXES	116,498,980	190, 411	5,407,728	583,133	111,674,385
2	PENSION COSTS	5,835,534	182.3, 228.3, 926	1,410,783	821,357	5 <b>,246</b> ;108
3	DSM ENERGY EFFICIENCY- Order #2015-00368	1,594,895			681,734	2,276,629
4	DEFERRED FORCED OUTAGE- Order #2017-00321					
5	Tax Regulatory Liab - Reclass	241,056			(241,056)	
6	Open Int Rate Swap Cur Rg Liab				280,474	280,474
7	Deferred Regulatory Liability				572,974	572,974
41	TOTAL	124,170,465		6,818,511	2,698,616	120,050,570

FERC FORM NO. 1 (REV 02-04)

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	oř.Respondent: Energy Kentucky, Inc.	This repo (1) ☑ An (2) □ A F			Date of Re 04/15/2024		Year/Period of Report End of: 2023/ Q4		
			Electric Operat	ting Reven	162				
2,1 3,1 4,1 5,1 6,1 7,3 8,1	<ol> <li>The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.</li> <li>Report below operating revenues for each prescribed account, and manufactured gas revenues in total.</li> <li>Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The average number of customers means the average of twelve figures at the close of each month.</li> <li>If increases or decreases from previous period (columns (c), (e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.</li> <li>Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.</li> <li>Commercial and industrial Sales, Account 442, may be classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.</li> <li>See page 108, Important Changes During Period, for important new territory added and important rate increase or decreases.</li> <li>For Lines 24,5, and 6, see Page 304 for amounts relating to unbilled revenue by accounts.</li> <li>Include unmetered sales. Provide details of such Sales in a footnote.</li> </ol>								
Line No.	Title of Ассоunt (а)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)	MEGAN HOURS Year to Quarterly (d	SOLD Date /Annual	MEGAWATT HOURS SOLD Amount Previous year (no Quarterly) (e)	AVG.NO. CUSTOMERS PER MONTH Current Year (no-Quarterly) (f)	AVG.NO. CUSTOMERS PER MONTH Previous Year (no Quarterly) (9)	
1	Sales of Electricity								
2	(440) Residential Sales	171,174,866	200,134,403	1	,408,351	1,518,206	136,696	134,068	
3	(442) Commercial and Industrial Sales								
4	Smail (or Comm.) (See Instr. 4)	152,483,229	158,778,513	1	,460,309	1,448,218	12,734	13,031	
5	Large (or Ind.) (See Instr. 4)	65,832,366	72,940,893		742,796	755,019	312.	336	
6	(444) Public Street and Highway Lighting	551,855	1,859,753		12,163	12,832	5:12	567	
7	(445) Other Sales to Public Authorities	23,013,094	25,333,652		224,929	241,213	873	899	
8	(446) Sales to Railroads and Railways								
-9	(448) Interdepartmental Sales	31,256	110,541		348	1,071			
10	TOTAL Sales to Ultimate Consumers	413,086,666	459,157,755	3	,848,896	3,976,55	151,127	148,901	
11	(447) Sales for Resale	16,955,211	51,207,035		397,898	492,508	1	1	
12	TOTAL Sales of Electricity	430,051,877	510,364,791	4	,246,794	4,469,067	151,128	148,902	
13	(Less) (449.1) Provision for Rate Refunds	(10,091,777)	9,275,161		······				
14	TOTAL Revenues Before Prov. for Refunds	440,143,654	501,089,630	4	,246,794	4,469,067	151,128	148,902	
15	Other Operating Revenues								
16	(450) Forfeited Discounts	- X							

### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 125 of 201

17	(451) Miscellaneous Service Revenues	<sup>/±</sup> (54,308)	<sup>⊯</sup> 241,789			
18	(453) Sales of Water and Water Power					
19	(454) Rent from Electric Property	1,872,614	1,545,653			
20	(455) Interdepartmental Rents					
21	(456) Other Electric Revenues	₽5,158,249	<sup>#</sup> 4,476,371			
22	(456.1) Revenues from Transmission of Electricity of Others	3,288,733	5,887,584			
23	(457.1) Regional Control Service Revenues	212,421	218,485			
24	(457.2) Miscellaneous Revenues	<sup>@</sup> 2,696,555	<b>#1,883,25</b> 4			
25	Other Miscellaneous Operating Revenues					
26	TOTAL Other Operating Revenues	13,174,264	14,253,136			
.27	TOTAL Electric Operating Revenues	453 <b>,31</b> 7,918	515,342,766			
	, column (b) includes \$ (1,796 , column (d) includes (20,989			A		

FERC FORM NO. 1 (REV. 12-05)

Page 300-301

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4
	FOOTNOTE	DATA	
(a) Concept: MiscellaneousServiceRev	6µnez.		
Non-Utility Miscellaneous Revenue Power Delivery Revenue Green Power Jobbing and Contract Work Total			\$ (71,265) 23,972 91,266 (98,281) \$ (54,308)
(b) Concept: OtherElectricRevenue			
RSG Revenue - MISO Make Whole Other Electric Revenues Profit Or Loss On Sale Of M&S Data Processing Service Sales & Use Tax Collection Fee Gross Up-Contr In Aid Of Const Total			\$ 5,143,381 10,000 4,268 
(c) Cońcept; MiscellaneousRevenué	y university of the second	<u></u>	
PJM Reactive Rév Total ( <u>d)</u> Concept: MiscellaneousServiceRev	/eniles		\$ 2,696,555 \$ 2,696,555
Non-Utility Miscellaneous Revenue Power Delivery Revenue Green Fower Jobbing and Contract Work			\$ 281,111 13,730 13,530 (66,582) \$ 241,789
(e) Concept: OtherElectricRevenue			9 241,703 
RSG Revenue - MISO Make Whole Other Electric Revenues Profit Or Loss On Sale Of M&S Data Processing Service Sales & Use Tax Collection Fee Gross Up-Contr In Aid Of Const			\$ 4,459,491 6250 0 80 550 
Total (f) Concept: MiscellaneousRevenue			\$ 4,476,371
PJM Reactive Rev Total FERC FORM NO. 1 (REV. 12-05)			\$ 1,883,254 \$ 1,063,254

Page 300-301

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#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 127 of 201

	of Respondent: Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Répo 04/15/2024		Year/Period of Report End of: 2023/ Q4				
	REGI	ONAL TRANSMISSION SER		int 457.1)					
	<ol> <li>The respondent shall report below the revenue collected for each service (i.e., control area administration, market administration, etc.) performed pursuant to a Commission approved tariff. All amounts separately billed must be detailed below.</li> </ol>								
Line No.	Description of Service (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	arter 2 Quarter 3					
1	Scheduling, System Control, and Dispatch	50,351	98,280	160,950	212,421				
46	TOTAL	50,351	98,280	160,950	212,421				

FERC FORM NO. 1 (NEW. 12-05)

### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 128 of 201

	of Respondent: Energy Kentucky, Inc.	This report is: (1) 🗹 An Original (2) 🗔 A Resubmis	ssion	Date of Report; 04/15/2024	Year/Period of Re End of: 2023/ Q4			
		SALES OF ELE	CTRICITY BY RATE	SCHEDULES				
2. [ 3. ] 4. [ 5. ]	<ol> <li>Report below for each rate schedule in effect during the year the MWH of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Page 310.</li> <li>Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300. If the sales under any rate schedule are classified in more than one revenue account. List the rate schedule and sales data under each applicable revenue account subheading.</li> <li>Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and on off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.</li> <li>The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).</li> <li>For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.</li> <li>Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.</li> </ol>							
Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)		
1	Residential SHEET 30 (1)	1,412,524	172,147,345	136,578	10,342	0,1219		
2	Residential SHEET 62	1,224	70,197	118	10,371	0.0574		
41	TOTAL Billed Residential Sales	1,413,748	172,217,542	136,696	20,713	0,1218		
42	TOTAL Unbilled Rev. (See Instr: 6)	(5,397)	(1,042,676)			0.1932		
43	TOTAL	1,408,351	171,174,866	136,696	20,713	0.1215		

FERC FORM NO. 1 (ED. 12-95)

						4 <i>0000</i>			
	of Respondent: Energy Kentucky, Inc.	This report is: (1) ☑ An Original		Date of Report: Year/Period of Report 04/15/2024 End of: 2023/ Q4					
	· · · ·	(2) 🗌 A Resubmis	sion						
		SALES OF ELE	CTRICITY BY RATE	SCHEDULES					
2. F 3. V 4 ( 5. F	Report below for each rate schedule in customer, and average revenue per K Provide a subheading and total for ea 300, if the sales under any rate sched applicable revenue account subheadin Mere the same customers are serve residential schedule and an off peak v number of reported customers. The average number of customers sh 12 if all billings are made monthly). For any rate schedule having a fuel ac Report amount of unbilled revenue as	wh, excluding date for ch prescribed operating ule are classified in mo ig. d under more than one vater heating schedule culd be the number of ljustment clause state	Sales for Resale whit g revenue account in ore than one revenue rate schedule in the ), the entries in colum bills rendered during in a footnote the estir	h is reported on Page 3 the sequence followed in account, List the rate sc same revenue account o h (d) for the special sch lhe year divided by the r nated additional revenue	10. n "Electric Operating R hedule and sales data classification (such as edule should denote th number of billing period	evenues," Page under each a general e duplication in Is during the year			
Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)			
1	Commercial Sales SHEET 40 (8)	945,094	106,477,771	8,167	115,721	0,1127			
2	Commercial Sales SHEET 41 (13)	502,301	44,987,499	4,342	115,684	0,0896			
3	Commercial Sales SHEET 42 (9)	8,369	757,482	72	<u>116,236</u>	0.0905			
4	Commercial Sales SHEET 43 (10)	2	442	0		0.2210			
5	Commercial Sales SHEET 44 (11)	6,103	699,034	53	115,151	0.1145			
6	Commercial Sales SHEET 45 (12)	7,763	951,032	67	115,866	Ó.1225			
7	Commercial Sales SHEET 60 (18)	38	2,119	0		0.0558			
8	Commercial Sales SHEET 61 (17)	6	479	0		0,0798			
9	Commercial Sales SHEET 62(15)	3,835	210,475	33	116,212	0,0549			
41	TOTAL Billed Small or Commercial	1,473,511	154,086,337	12,734	694,870	0.1046			
42	TOTAL Unbilled Rev. Small or Commercial (See Instr. 6)	(13,202)	(1,603,108)			0.1214			
43	TOTAL Small or Commercial	1,460,309	152,483,229	12,734	694,870	0.1044			

FERC FORM NO. 1 (ED. 12-95)

### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 130 of 201

	of Respondent: Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmis	I	Date of Report: 04/15/2024	Year/Period of Ro End of: 2023/ Q4				
	SALES OF ELECTRICITY BY RATE SCHEDULES								
2. 1 3. 1 4. 5. 1	<ol> <li>Report below for each rate schedule in effect during the year the MWH of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Page 310.</li> <li>Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.</li> <li>Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.</li> <li>The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).</li> <li>For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.</li> <li>Report amount of unbilled revenue as of end of year for each applicable revenue account subheading,</li> </ol>								
Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)			
1	Industrial Sales SHEET 40 (8)	79,225	8,807,856	33	2,400,758	0.1112			
2	Industrial Sales SHEET 41 (13)	497,659	44,498,144	209	2,381,144	<b>0.089</b> 4			
3	Industrial Sales SHEET 44 (11)	1	157	0		0,1570			
4	Industrial Sales SHEET 45 (12)	2,295	264,235	1	2,295,000	0.1151			
5	Industrial Sales SHEET 51 (14)	164,502	12,272,362	69:	2,384,087	0.0746			
6	Industrial Sales SHEET 62(15)	155	8,613	0		0.0556			
-41	TOTĂL Billed Large (or Ind.) Sales	743,837	65,851,367	312	9,460,988	0.0885			
42	TOTAL Unbilled Rev. Large (or Ind.) (See Instr. 6)	(1,041)	(19,001)			0.0183			
43	TOTAL Large (or Ind.)	742,796	65,832,366	312	9,460,988	0.0886			

FERC FORM NO. 1 (ED. 12-95)

	of Respondent: Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmis	sion	Date of Report: 04/15/2024	Year/Period of Re End of: 2023/ Q4	eport				
	SALES OF ELECTRICITY BY RATE SCHEDULES									
2. [ 3. \ 4. [ 5. ]	<ol> <li>Report below for each rate schedule in effect during the year the MWH of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Page 310.</li> <li>Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300, if the sales under any rate schedule are classified in more than one revenue account. List the rate schedule and sales data under each applicable revenue account subheading.</li> <li>Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.</li> <li>The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).</li> <li>For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.</li> <li>Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.</li> </ol>									
Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (¢)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)				
1	Sheet 40 (24)									
2	Sheet 60 (25)	6,794	798,718	286	23,755	0.1176				
3	Sheet 66 (26)	301	48,115	12	25,083	0.1599				
4	Sheet 62	2,230	128,922	94	23,723	0.0578				
5	SHEET 68	89	4,849			0.0545				
1		03	4,045	4	22,250	0,0545				
6	SHEET 69 (19)	1,322	149,565		22,250 23,607	0,0545				
6 7	SHEET 69 (19) Sheet 61 (29)									
		1,322	149,565	56	23,607	0.1131				
7	Sheet 61 (29) TOTAL Billed Public Street and	1,322	149,565 95,298	56 60 512	23,607 23,783	0.1131 0.0668				

FERC FORM NO. 1 (ED. 12-95)

	of Respondent: Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmis	sion	Date of Report: 04/15/2024		Year/Period of Report End of: 2023/ Q4	
		SALES OF ELE	CTRICITY BY RATE	SCHEDULES			
2, [ 3, ] 4, [ 5, ]	<ol> <li>Report below for each rate schedule in effect during the year the MWH of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Page 310.</li> <li>Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.</li> <li>Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.</li> <li>The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).</li> <li>For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.</li> <li>Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.</li> </ol>						
Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)	
1	SHEET 30 (30)						
2	SHEET 40(31)	100,630	11,785,409	388	259,356	0.1171	
3	SHEET 42(32)	9,488	849,559	37	256,432	0.0895	
4	SHEET 43 (33)	223	33,402	1	223,000	0.1498	
5	SHEET 44 (34)	159	18,334	1	159,000	0,1153	
6	SHEET 45 (35)	5,392	524,855	.21	256,762	0.0973	
7	SHEET 41 (36)	79,595	7,231,599	306	260,114	0.0909	
8	SHEET 51 (97)	30,217	2,394,736	117	258,265	0.0793	
9	SHEET 65 (38)						
10	SHEET 73 (41)						
11	SHEET 62 (43)	574	30,951	2	287,000	0.0539	
41	TOTAL Billed Other Sales to Public Authorities	226,278	22,868,845	873	1,959,929	0.1011	
42	TOTAL Unbilled Rev. (See Instr. 6)	(1,349)	144,249			(0.1069)	
43	TOTAL	224,929	23,013,094	873	1,959,929	0.1023	

FERC FORM NO. 1 (ED. 12-95).

### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 133 of 201

	of Respondent: Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmis	1	Date of Report: 04/15/2024	Year/Period of Re End of: 2023/ Q4	
		SALES OF ELE	CTRICITY BY RATE	SCHEDULES		
2. [ 3. ] 4. [ 5. ]	Report below for each rate schedule in customer, and average revenue per Kw Provide a subheading and total for each 300. If the sales under any rate schedul applicable revenue account subheading Where the same customers are served residential schedule and an off peak wa number of reported customers. The average number of customers shou (12 if all billings are made monthly). For any rate schedule having a fuel adji Report amount of unbilled revenue as o	h, excluding date for n prescribed operating le are classified in mo g, under more than one iter heating schedule) uld be the number of t ustment clause state i	Sales for Resale which a revenue account in the than one revenue rate schedule in the bit in the entries in colum bills rendered during in a footnote the estin	In is reported on Page 3 the sequence followed is account, List the rate sc same revenue account o n (d) for the special sch the year divided by the r nated additional revenue	10. h "Electric Operating R hedule and sales data classification (such as adule should denote th number of billing period	evenues," Page under each a general e duplication in Is during the year
Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Pér KWh Sold (f)
1	Interdepartmental Sales	348	31,256			0.0898
41	TOTAL Billed Interdepartmental Sales	-348	31,256			0.0898
42	TOTAL Unbilled Rev. (See Instr. 6)					
43	TOTAL	348	31,256			0.0898

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# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 134 of 201

Name Duke i	of Respondent: Energy Kentucky, Inc.	This report is: (1) 🗹 An Original (2) 🗆 A Resubmis		Date of Report: 04/15/2024		Year/Period of Report End of: 2023/ Q4			
	SALES OF ELECTRICITY BY RATE SCHEDULES								
2. F 2. F 3. V 7 4. 1 5. F	<ol> <li>Report below for each rate schedule in effect during the year the MWH of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding data for. Sales for Resale which is reported on Page 310.</li> <li>Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300. If the sales under any rate schedule are classified in more than one revenue account. List the rate schedule and sales data under each applicable revenue account subheading.</li> <li>Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.</li> <li>The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).</li> <li>For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.</li> <li>Report amount of unbilled revenue as of end of year (or each applicable revenue account subheading.</li> </ol>								
Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Salès Per Customer (e)	Revenue Per KWh Sold (f)			
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38		N///#/########			 
39					
40			1		
41	TOTAL Billed Provision For Rate Refunds				
42	TOTAL Unbilled Rev. (See Instr. 6)				
43	TOTAL		(10,091,777)		

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### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 136 of 201

Name of Respondent: Duke Energy Kentucky, Inc.		This report is: (1) ☑ An Original (2) □ A Resubmit		Date of Report: 04/15/2024	Year/Period of Re End of: 2023/ Q4	port
SALES OF ELECTRICITY BY RATE SCHEDULES						
<ol> <li>Report below for each rate schedule in effect during the year the MWH of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Page 310.</li> <li>Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300. If the sales under any rate schedule are classified in more than one revenue account. List the rate schedule and sales data under each applicable revenue account subheading.</li> <li>Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.</li> <li>The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).</li> <li>For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.</li> <li>Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.</li> </ol>						
Line No.	Number and Title of Rate Schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
41	TOTAL Billed - All Accounts	3,869,885	416,280,814	151,127	12,278,703	0.1076
42	TOTAL Unbilled Rev. (See Instr. 6) - All Accounts	(20,989)	(3,194,148)			0.1522
43	TOTAL - All Accounts	3,848,896	413,086,666	151,127	12,278,703	0.1073

FERC FORM NO. 1 (ED. 12-95)

	f Respondent:			eport is: ] An Origina	1		Date of Report	t	Year/Period o End of: 2023/		
DUKE E	nergy Kentucky	s,∎nc.	(2)	A Resubm	ssion		04/15/2024	*	ENU QI, ZUZƏ	<u>U</u> 4	
		/10.00.00/ 10.00		SALES	FOR RESA		nt 447)		L		
du ar 2. Ei in 3. In C Li in di di di O S S Ie Li Li a	<ol> <li>Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges on this schedule, Power exchanges must be reported on the Purchased Power schedule (Page 326).</li> <li>Enter the name of the purchaser in column (a). Do note abbreviate or truncate the name or usa acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.</li> <li>In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:</li> <li>RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.</li> <li>LF - for tong-term service. "Long-term" means five years or Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.</li> <li>IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.</li> <li>SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.</li> <li>LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.</li> <li>IU - for intermediate-term service from a designated generating unit. "L</li></ol>										
o C S	one year but Less than five years. OS - for other service, use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a										
A a 4. G 5. k 6. F 8. G 7. F 8. a 9. T	<ul> <li>service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.</li> <li>AD - for Out-of-period adjustment, Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.</li> <li>4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (g) through (k).</li> <li>5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.</li> <li>6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (f), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported to the purchaser.</li> <li>8. Report in column (g), the megawatt hours shown on bills rendered to the purchaser.</li> <li>8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (g). The apart thours shown on bills rendered to the purchaser.</li> <li>9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see in</li></ul>										
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (C)	Average Monthly Billing Demand (MW) (d)	(M Average Monthly NCP Demand (e)	W) Average Monthly CP Demand (f)	Megawatt Hours .Sold (g)	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (i)	Total (\$) (h+i+j) (×)
1	PJM Settlement, Inc.	OS	MBRT1		407. TO 60 AND TO 10 AND 10		397,566	2,276,777	14,891,632		17,168,408

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2	Calpine Energy Sv EG	os	MBRT1				(610,571)		(610,571)
3	PJM Settlement, Inc.	AD	MBRT1			332		407,374	407,374
15	Sublotal - RQ								
16	Subtotal- Non-RQ				1	397,898	1,666,206	15,299,006	16)965,211
17	Total					397,898	1,666,206	15,299,006	 16,965,211

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### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 139 of 201

Name of Duke Env	Respondent: ergy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission		Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4
	2	ELECTRIC OPERATION AN	D MAINTER	NANCE EXPENSES	1_ 10 ye
If the am	ount for previous year is not de	rived from previously reported figur	res, explain	in footnote.	
Line No.	Äc	count (a)	Amo	unt for Current Year (b)	Amount for Previous Year (c) {c)
1	1. POWER PRODUCTION E	XPENSES			
2	A. Steam Power Generation				
3	Operation				
4	(500) Operation Supervision	and Engineering		2,239,802	2,152,838
5	(501).Fuel	ψη μ. φ. στο το τ		86,740,248	81,365,197
6	(502) Steam Expenses			18,574,589	18,288,601
7	(503) Stearn from Other Sou	ces			44.4 (1997)
8.	(Less) (504) Steam Transferr	ed-Cr.			5. di 1997
9	(505) Electric Expenses			656,778	762,945
10	(506) Miscellaneous Steam F	ower Expenses		1,854,935	1,596,342
11	(507) Rents			a de anarro	2014 / 91
12	(509) Allowances	N			632
13	TOTAL Operation (Enter Tota	l of Lines 4 thru 12)		110,066,352	104,166,555
14	Maintenance				
15	(510) Maintenance Supervisi	on and Engineering		2,220,714	1,850,692
16	(511) Maintenance of Structu	res		1,233,960	3,059,078
17	(512) Maintenance of Boiler	Plant		12,794,927	9,678,546
18	(513) Maintenance of Electri	: Plant		1,812,799	2,483,188
19	(514) Maintenance of Miscel	aneous Steam Plant		2,243,461	2,271,346
20	TOTAL Maintenance (Enter	Fotal of Lines 15 thru 19)		20,305,861	19,342,850
21	TOTAL Power Production Ex Total of Lines 13 & 20)	penses-Stearn Power (Enter		130,372,213	123,509,405
22	B. Nuclear Power Generation	<u>n</u>			
23	Operation				
24	(517) Operation Supervision	and Engineering			
25	(518) Fuel				
26	(519) Coolants and Water				
.27	(520) Steam Expenses				
28.	(521) Steam from Other Sou	rces			
29	(Less) (522) Steam Transfer	red-Cr.			

30	(523) Electric Expenses		
31	(524) Miscellaneous Nuclear Power Expenses		·
32	(525) Rents		
33	TOTAL Operation (Enter Total of lines 24 thru 32)		
34	Maintenance		
35	(528) Maintenance Supervision and Engineering		
36	(529) Maintenance of Structures		
37	(530) Maintenance of Reactor Plant Equipment		
38	(531) Maintenance of Electric Plant		
39	(532) Maintenance of Miscellaneous Nuclear Plant		
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)		
41	TOTAL Power Production Expenses-Nuclear, Power (Enter Total of lines 33 & 40)	**************************************	
42	C. Hydraulic Power Generation		
43	Operation	······································	
44	(535) Operation Supervision and Engineering		
45	(536) Water for Power		
46	(537) Hydraulic Expenses		
47	(538) Electric Expenses		
48	(539) Miscellaneous Hydraulic Power Generation Expenses		
49	(540) Rents		
50	TOTAL Operation (Enter Total of Lines 44 thru 49)		
51	C. Hydraulic Power Generation (Continued)		
52	Maintenance		
53	(541) Mainentance Supervision and Engineering		
54	(542) Maintenance of Structures		
55	(543) Maintenance of Reservoirs, Dams, and Waterways		
56	(544) Maintenance of Electric Plant		
57	(545) Maintenance of Miscellaneous Hydraulic Plant		
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)		
59	TOTAL Power Production Expenses-Hydraulic Power (Total of Lines 50 & 58)		
60	D, Other Power Generation		
61	Operation		
62	(546) Operation Supervision and Engineering	179,320	291,805
63	(547) Fuel	7,849,537	14,710,136
64	(548) Generation Expenses	355,950	240,412

64.1	(548.1) Operation of Energy Storage Equipment		
65	(549) Miscellaneous Other Power Generation Expenses	1,158,257	1,212,513
66	(550) Rents		
67	TOTAL Operation (Enter Total of Lines 62 thru 67)	9,543,164	16,454,866
68	Maintenance		
69	(551) Maintenance Supervision and Engineering	142,984	207,298
70	(552) Mainténance of Structures	197,355	166,953
71	(553) Maintenance of Generating and Electric Plant	920,564	647,118
71.1	(553.1) Maintenance of Energy Storage Equipment		······································
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	355,206	296,228
73	TOTAL Maintenance (Enter Total of Lines 69 thru 72)	1,616,109	1,317,597
74	TOTAL Power Production Expenses-Other Power (Enter Total of Lines 67 & 73)	11,159,273	17,772,463
75	E. Other Power Supply Expenses		
76	(555) Purchased Power	61,373,449	142,594,801
76.1	(555.1) Power Purchased for Storage Operations		
77	(556) System Control and Load Dispatching	(6,777)	37
78	(557) Other Expenses	5,893,445	3,772,654
79	TOTAL Other Power Supply Exp (Enter Total of Lines 76 thru 78)	67,260,117	146,367,492
80	TOTAL Power Production Expenses (Total of Lines 21, 41, 59, 74 & 79)	208,791,603	287,649,360
81	2. TRANSMISSION EXPENSES		
82	Operation		
83	(560) Operation Supervision and Engineering	1,419	3,710
85	(561.1) Load Dispatch-Reliability	76,720	84,220
86	(561.2) Load Dispatch-Monitor and Operate Transmission System	360,219	370,259
87	(561.3) Load Dispatch-Transmission Service and Scheduling	45,373	49,714
88	(561.4) Scheduling, System Control and Dispatch Services	2,693,777	1,988,719
89	(561.5) Reliability, Planning and Standards Development	12,878	
90	(561.6) Transmission Service Studies		
91	(561.7) Generation Interconnection Studies		······································
92	(561,8) Reliability, Planning and Standards Development Services	1,987,145	2,046,435
93	(562) Station Expenses	69,187	127,509
93.1	(562.1) Operation of Energy Storage Equipment		
94	(563) Overhead Lines Expenses	78,268	116,780
95	(564) Underground Lines Expenses	, (L) (1 − 1 − 1 − 1 − 1 − 1 − 1 − 1 − 1 − 1	g

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96	(565) Transmission of Electricity by Others	22,364,509	21,126,946
97	(566) Miscellaneous Transmission Expenses	113,989	104,372
98	(567) Rents		
99	TOTAL Operation (Enter Total of Lines 83 thru 98)	27,803,484	26,018,664
100	Maintenance		Αφ το ποιοιοιατικό δια το Επιτραφού στα 4 τομού το ποιοιοιοιοιατικό δια που ποιοιοιατικό δια ποιοιοιατικό δια π
101	(568) Maintenance Supervision and Engineering		
102	(569) Maintenance of Structures	17,031	27,569
103	(569.1) Maintenance of Computer Hardware	790	av 5.201
104	(569.2) Maintenance of Computer Software	63,393	50,073
105	(569.3) Maintenance of Communication Equipment		
105	(569.4) Mainténance of Miscellaneous Regional Transmission Plant		
107	(570) Maintenance of Station Equipment	136,516	237,523
107.1	(570.1) Maintenance of Energy Storage Equipment		80 - 2 <sup>0</sup>
108	(571) Maintenance of Overhead Lines	786,506	637,356
109	(572) Maintenance of Underground Lines		₩₩.₩
110	(573) Maintenance of Miscellaneous Transmission Plant	ντατικά βελ. το	, <u></u>
111	TOTAL Maintenance (Total of Lines 101 thru 110)	1,004,235	952,521
112	TOTAL Transmission Expenses (Total of Lines 99 and 111)	28,807,720	26,971,185
113	3. REGIONAL MARKET EXPENSES		
114	Operation		
115	(575.1) Operation Supervision		
116	(575.2) Day-Ahead and Real-Time Market Facilitation		
117	(575.3) Transmission Rights Market Facilitation		
118	(575.4) Capacity Market Facilitation	24 Mar 7 /	γ
119	(575.5) Ancillary Services Market Facilitation		200 - 200 - 200 - 200 - 200 - 200 - 200 - 200 - 200 - 200 - 200 - 200 - 200 - 200 - 200 - 200 - 200 - 200 - 200
120	(575.6) Market Monitoring and Compliance		
121	(575.7) Market Facilitation, Monitoring and Compliance Services	2,028,421	1,800,217
122	(575.8) Rents	499-	
123	Total Operation (Lines 115 thru 122)	2,028,421	1,800,217
124	Maintenance		
125	(576.1) Maintenance of Structures and Improvements		
126	(576.2) Maintenance of Computer Hardware		, , , , , , , , , , , , , , , , , , ,
127 <sup>.</sup>	(576.3) Maintenance of Computer Software		
128	(576.4) Maintenance of Communication Equipment		ي ي ال المراجع
129	(576.5) Maintenance of Miscellaneous Market Operation Plant		

130	Total Maintenance (Lines 125 lhru 129)		
131	TOTAL Regional Transmission and Market Operation Expenses (Enter Total of Lines 123 and 130)	2,028,421	1,800,217
132	4. DISTRIBUTION EXPENSES		
133	Operation		
134	(580) Operation Supervision and Engineering	100,086	80,623
135	(581) Load Dispatching	460,268	339,858
136	(582) Station Expenses	19,923	99,295
137	(583) Överhead Line Expenses	235,689	224,989
138	(584) Underground Line Expenses	527,015	402,156
138.1	(584.1) Operation of Energy Storage Equipment	13	
139	(585) Street Lighting and Signal System Expenses		
140	(586) Meter Expenses	443;261	478,901
141	(587) Customer Installations Expenses	537,178	678,611
142	(588) Miscellaneous Expenses	1,585,369	2,003,402
143	(589) Rents	15,020	59,153
144	TOTAL Operation (Enter Total of Lines 134 thru 143)	3,924,822	4,366,988
145	Maintenance		
146	(590) Maintenance Supervision and Engineering	103,103	96,278
147	(591) Maintenance of Structures	anaanaa (1997) waxaa aa	£1
148	(592) Maintenance of Station Equipment	417,132	362,911
148,1	(592.2) Maintenance of Energy Storage Equipment		<u></u>
149	(593) Maintenance of Overhead Lines	6,561,383	9,286,304
150	(594) Maintenance of Underground Lines	280,733	212,988
151	(595) Maintenance of Line Transformers	7,026	17,696
152	(595) Maintenance of Street Lighting and Signal Systems	274,881	201,280
153	(597) Maintenance of Meters	400,666	407,922
154	(598) Maintenance of Miscellaneous Distribution Plant		
155	TOTAL Maintenance (Total of Lines 146 thru 154)	8,044,924	10,585,379
156	TOTAL Distribution Expenses (Total of Lines 144 and 155)	11,969,746	14,952,367
157	5. CUSTOMER ACCOUNTS EXPENSES		
158	Operation	4 ************************************	
1 <b>5</b> 9	(901) Supervision	54,736	99,205
160	(902) Meter Reading Expenses	188,725	225,910
161	(903) Customer Records and Collection Expenses	3,705,060	4,740,425
162	(904) Uncollectible Accounts	(681,543)	(667,004)
163	(905) Miscellaneous Customer Accounts Expenses:	128	159

164	TOTAL Customer Accounts Expenses (Enter Total of Lines 159 thru 163)	3,267,106	4,398,695
165	6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
166	Operation		
167	(907) Supervision		
168	(908) Customer Assistance Expenses	10,394	112
1.69	(909) Informational and Instructional Expenses	10,875	7,573
170	(910) Miscellaneous Customer Service and Informational Expenses	1,413,953	329,779
171	TOTAL Customer Service and Information Expenses (Total Lines 167 thru 170)	1,435,222	337,464
172	7. SALES EXPENSES		
173	Operation		
174	(911) Supervision	1	
175	(912) Demonstrating and Selling Expenses	163,952	1,349,190
176	(913) Advertising Expenses	28,391	42,864
177	(916) Miscellaneous Sales Expenses	4	
178	TOTAL Sales Expenses (Enter Total of Lines 174 thru 177)	192,34B	1,392,054
179	8. ADMINISTRATIVE AND GENERAL EXPENSES		
180	Operation	an an an an a she an a she and a	1
181	(920) Administrative and General Salaries	7,949,664	7,986,363
182	(921) Office Supplies and Expenses	3,419,061	3,626,387
183	(Less) (922) Administrative Expenses Transferred-Credit	99999999999999999999999999999999999999	(1)
184	(923) Outside Services Employed	4,540,605	1,841,188
185	(924) Properly Insurance	1,512,071	1,467,670
1,86	(925) Injuries and Damages	514,557	449,816
187	(926) Employee Pensions and Benefits	4,109,305	7,199,694
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	743,544	771,570
190	(929) (Less) Duplicate Charges-Cr.	878,194	709,633
191	(930,1) General Advertising Expenses	129,198	113,397
192	(930.2) Miscellaneous General Expenses	(569,844)	830,065
193	(931) Rents	2,559,945	889,582
194	TOTAL Operation (Enter Total of Lines 181 thru 193)	24,029,912	24,466,100
195	Maintenance		
196	(935) Maintenance of General Plant	17,569	45,981
197	TOTAL Administrative & General Expenses (Total of Lines 194 and 196)	24,047,481	24,512,081

1,98.	TOTAL Electric Operation and Maintenance Expenses (Total of Lines 80, 112, 131, 156, 164, 171, 178, and 197)	280,539,647	362,013,423	
	b 2 mg/m/prost any production of the manufacture of space specified of a matural product of a product of the specified of			

FERC FORM NO. 1 (ED. 12-93)

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	of Respondent; inergy Kentucky	y, Inc.	(1) 🗹	report is: An Origina A Resubm			Date of Report: 04/15/2024		Year/Period of End of: 2023/ 0		
						PURCH	ASED POWER	(Account 5	55)		
Se 2. E at	ettlements for in nter the name of fillation the res	purchases made nbalanced exchar of the seller or oth pondent has with iter a Statistical C	iges. er parly in an he seller.	exchange t	ransaction i	n column (a	i). Do not abbre	viate or trun	cate the name o	г use асгопуп	
R	RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes pro resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimater										
a fi	LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannol be interrupted for economic reasons and adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category shu firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract def seller can unilaterally get out of the contract.										
IF	- for intermedi	ate-term firm serv	ice. The sam	e as LF ser	vice expect	that "interm	ediate-term" me	eans longer	than one year bi	ut less than fiv	/e years.
s	F - for short-ter	m service. Use th	is category fo	or all firm se	wices, wher	e the durati	on of each perio	od of commi	tment for service	e is one year o	r less.
		m service from a d nd reliability of the			it. "Long-ten	m" means f	ive years or lon	ger. The ava	illability and relia	bility of servic	æ, aside fr
n n	U - for intermed	late-term service l	rom a design	nated genera	ating unit. Th	ne same as	LU service exp	ect that "inte	ermediate-term"	means longer	than one
E	X - For exchan	ges of electricity.	Jse this cate	goiy (or tran	sactions inv	olving a bai	lancing of debit	s and credits	s for energy, cap	acity, etc. and	any settle
C a	OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.										
	AD - for out-of-p idjustment.	eriod adjustment.	Use this cod	e for any ac	counting adj	ustments.o	r "true-ups" for :	service prov	ided in prior rep	orling years. F	Provide an
s 5. F a (i) iii 6. F 6. F 5 7. F c s ii 8. T	<ol> <li>In column (c), identify the FERC Rate Schedule Number of Tariff, cr, for non-FERC jurisdictional sellers, include an appropriate designation for the co-schedules, fariffs or contract designations under which service, as identified in column (b), is provided.</li> <li>For requirements RQ purchases and any type of service involving demand charges imposed on a monnthly (or longer) basis, enter the monthly avera average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all othe (e) and (f), Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered de integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any der explain.</li> <li>Report in column (g) the megawatthours shown on bills rendered to the respondent, excluding purchases for energy storage. Report in column (h) the to the respondent for energy storage purchases. Report in columns (i) and (j) the megawatthours of power exchanges received and delivered, used a exchange.</li> <li>Report demand charges in column (k), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, components of the amount shown in column (m). Report in column (n) the total charge shown on bills received as sattlement by the respondent. For f settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (m) in incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.</li> <li>The data in columns (g) through (n) must be totaled on the last line of the schedule. The total amount in columns (g) and (h) must be reported as Exchange De 9. Footnote entries as required and provide explanations following all required data.</li> </ol>										
						Demand W)			POWER EX	CHANGES	
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	Ferc Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)	MegaWatt Hours Purchased (Excluding for Energy Storage) (9)	MegaWat Hours Purchase for Energ Storage (h)	MegaWatt d Hours y Received	MegaWatt Hours Delivered (j)	Demand Charges (\$) (k)
1	L'Oreal	IU	(1)								
2	PJM Settlement, Inc	os	MBRT1				2,038,930				
3	PJM Settlement, Inc	AD	MBRT1				(6,853)				

4	Wells Fargo Securities	os	м NJ						
15	TOTAL				2,032,077	Ď	0.	0	Ö

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FERC FORM NO. 1 (ED. 12-90)

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### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 148 of 201

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4					
FOOTNOTE DATA								
(a) Concept: RateScheduleTariffNumber								
The number "1" notation designates FERC approved Tariff and/or Rate Schedule as on file with the Commission. The tariff is applicable to qualifying cogeneration and small power production facilities. (b) Concept: RateScheduleTariffNumber								

NJ - Non-Jurisdictional Agreement. FERC FORM NO. 1 (ED. 12-90)

Page 326-327

Name of Respondent: Duke Energy Kentucky, Inc.	Ike Energy Kentucky, Inc.     (1) C All Original     04/15/2024     End of: 2023/ Q4       (2) A Resubmission     04/15/2024     End of: 2023/ Q4											
TRANS	MISSION OF ELEC	TRICITY FOR	OTHERS (Acc	ount 456.1) (incli	uding trans	sactions refe	rred to as "w	he				
<ol> <li>Report all transmission of electricity, i.e., customers for the quarter.</li> <li>Use a separate line of data for each disti</li> <li>Report in column (a) the company or public authority that the contract any ownership interest in or affill</li> <li>In column (d) enter a Statistical Classific: Transmission Service for Self, LFP - "Lor Reservation, NF - non-firm transmission provided in prior reporting periods, Provided.</li> <li>Report in column (h) the FERC Rate Scoprovided.</li> <li>Report in column (h) the number of mega demand not stated on a megawatts basis</li> <li>Report in column (h) the number of mega demand not stated on a megawatts basis</li> <li>Report in column (i) and (j) the total meg gl in column (k) through (n), report the revec column (a). If no monetary settlement was service rendered.</li> <li>The total amounts in columns (i) and (j) re</li> </ol>	not type of transmiss lic authority that pai lic energy was deliv- ation the responder tion code based on g-Term Firm Point t service, OS - Other le an explanation in hedule or Tariff Nun all single contract pa- in the contract. In co- awatts of billing dem r and explain. awatthours received nue amounts as sho (charges related to ain in a footnote all s made, enter zero nust be reported as	sion service in d for the trans ered to. Provice thas with the the original ca to Point Transmission a footnote for nber, On separ ath, "point to p polumn (g) repo- tand that is spe- i and delivered own on bills or the amount of components o (0) in column Transmission	wolving the entiti mission service. de the full name entities listed in ontractual terms mission Service, Service and AD reach adjustmen rate lines, list all coint" transmissio ort the designation ecified in the firm d. r vouchers. In co f energy transfer of the amount sh (n), Provide a fo	ies listed in colum, Report in column of each company columns (a), (b) of and conditions of OLF - Other Long - Out-of-Period Ant, See General In FERC rate sched on service. In colu- on for the substation n transmission set lumn (k), provide i red. In column (m own in column (m othote explaining	n (a), (b) ar (b) the cor or public ar or (c). the service g-Term Firm djustments. struction fo ules or con mn (f), repo on, or other vice contra vice contra revenues fr ), provide fi ), Report in the nature	nd (c): mpany or pub- uthority. Do no a as follows: F n Transmissio Use this cod or definitions of tract designal or the designal or the designal appropriate is appropriate is to Demand of he total reven column (n) th of the non-mo	Ic authority the abbreviate NO - Firm Ne n Service, SF e for any according f codes. tions under we attion for the sidentification for attion for the sidentification for eported in collection charges relate uses from all one total charge metary settler	nat or 1 P - bun hicl ubs or v um othe str ner				
						TRANS ENE	FER OF RGY					
Line No, No, No, No, No, No, No, No, No, No,	(Statistical Classification (d)	Ferc Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	Megawatt Hours <u>Received</u> (i)	Megawatt Hours Delivered (j)	Di				
1 PJM	os							5				
35 TOTAL					Q	0	Ó	.5				

FERC FORM NO. 1 (ED. 12-90)

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4
	FOOTNOTE DATA		
(a) Concept: OtherChargesRevenueTransmis	ssionOfElectricityForOthers		
Page 328 Line 1 Column M			
PJM Financial Transmission Rights (FTRs)			2,657;505
Facilities Charges			53,473
Total Other Charges			2,710,978

FERC FORM NO. 1 (ED. 12-90)

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### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 151 of 201

	of Respondent: Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: Year/Peri 04/15/2024 End of: 20			od of Report 023/ Q4				
		TRANSMISSION O	ELECTRICITY	BY ISO/RTC	Ds					
<ol> <li>Report in Column (a) the Transmission Owner receiving revenue for the transmission of electricity by the ISO/RTO.</li> <li>Use a separate line of data for each distinct type of transmission service involving the entities listed in Column (a).</li> <li>In Column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO – Firm Network Service for Others, FNS – Firm Network Transmission Service for Self, LFP – Long-Term Firm Point-to-Point Transmission Service, OLF – Other Long-Term Firm Transmission Service, SFP – Short-Term Firm Point-to-Point Transmission Reservation, NF – Non-Firm Transmission Service and AD- Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnate for each adjustment. See General Instruction for definitions of codes.</li> <li>In column (c) identify the FERC Rate Schedule or tariff Number, on separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (b) was provided.</li> <li>In column (d) report the revenue amounts as shown on bills or vouchers.</li> <li>Report in column (e) the total revenues distributed to the entity listed in column (a).</li> </ol>										
Line No,	Payment Received by (Transmissi Owner Name) (a)	ion Statistical Classification (b)	FERC Rate or Tariff (c	Number	Totał Reve Rate Scher Tarif (d)	dule or	Total Revenue (e)			
1										
2										
3										
4										
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FERC FORM NO. 1 (REV 03-07)

## KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 153 of 201

		This	report is:					
	of Respondent: nergy Kentucky, Inc.	(1) 6	🗹 An Original		Date of Report: 04/15/2024		niod of Repo 2023/ Q4	ort
Duke El	пегду кепшску, іпс.	(2) [	A Resubmission	1	04/15/2024	End of:	2023/ Q4	
		TRANSM	ISSION OF ELEC	TRICITY BY OT	HERS (Account 56	5)		
2, In 2, In 97 76 3, In 71 4, R 5, R 4, R 5, R 4, R 5, R 6, E	eport all transmission, i.e. v ualifying facilities, and other i column (a) report each col ecessary, but do not truncer rovider. Use additional colu- ported. i column (b) enter a Statisti NS - Firm Network Transmi ransmission Service, SFP - ransmission Service, S	rs for the quarter. mpany or public at te name or use ac mns as necessary cal Classification of ission Service for S Short-Term Firm I Seneral Instruction the total megawal (g) expenses as s inges related to the spondent, including h (h) the total char te explaining the n a) as the last line.	uthority that provid ronyms. Explain in / to report all comp code based on the Self, LFP - Long-T Point-to- Point Tra is for definitions of thours received a shown on bills or ve a amount of energy g any out of period ge shown on bills in hature of the non-m	led transmission s n a footnote any or panies or public au original contractu erm Firm Point-to- insmission Reserv statistical classifi and delivered by th ouchers rendered y transferred. On d adjustments. Exp rendered to the re- nonetary settlement	service. Provide the wnership interest in uthorities that provid al terms and condit -Point Transmission vations, NF - Non-Fi cations. he provider of the tra- to the respondent. column (g) report the plain in a footnote a sepondent. If no moi	full name of the of or affiliation with ted transmission tions of the servic n Reservations. O im Transmission ansmission servic in column (e) rep te total of all other is components of netary settlement	company, at the transmi service for the e as follows DLF - Other L Service, and ce. ce. the amount the amount was made,	breviate if ssion service he quarter .ong-Term Firm d OS - Other and charges h bills or shown in enter zero in
			TRANSFER	OF ENERGY	EXPENSES FO	OR TRANSMISSI OTHER		CTRICITY BY
Line Public Authority Stausucal Hours Hours Demand Energy Charges Transmit								Total Cost of Transmission (\$) (h)
1	Midcontinent ISO	LFP					557,000	<b>557,00</b> 0
2	PJM Interconnection	LFP			21,807,509			21,807,509
	TOTAL		0	0	21,807,509	0	557,000	22,364,509

FERC FORM NO. 1 (REV. 02-04)

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### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 154 of 201

FOOTNOTE DATA

(a) Concept: OtherChargesTransmissionOfElectricityByOthers

Accretion of the MTEP obligation. FERC FORM NO. 1 (REV. 02-04)

Name of Respondent: Duke Energy Kentucky, Inc.		This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024		Year/Period of Report End of: 2023/ Q4		
	MISCE	LLANEOUS GENERAL EXPENSES (Ad	count 930.2)	(ELECTRIC)			
Line No.		Description (a)		Amount (b)			
1	Industry Association Dues			43,141			
2	Nuclear Power Research Expense	95					
3	Other Experimental and General F	Research Expenses			.220		
4	Pub and Dist Info to Stkhldrsexp	n servicing outstanding Securities					
-5	Oth Expn greater than or equal to less than \$5,000	5,000 show purpose, recipient, amount,	Group if				
:6	Business and Service Company S	upport			471,570		
7	Director's Fees and Expenses				47,341		
8	Shareholder's Communications/S	vstem			98,345		
9	Dues and Subscriptions to Various	organizations			35,928		
10	Account Analysis Reconciliation A	djustments			(1,266,389)		
46	TOTAL				(569,844)		

FERC FORM NO. 1 (ED. 12-94)

	of Respondent: Energy Kentucky, Inc.			port is: An Original A Resubmis			Date of 04/15/2	Report: 024	Year/Period of End of: 2023/ (		
		Depre	ciation an	d Amortiza	ition of Elect	ric Plan	(Acco	unt 403, 404, 4	05)		
( 2. F 3. F 4. F 4. F	<ol> <li>Report in section A for the year the amounts for: (b) Depreciation Expense (Account 403); (c) Depreciation Expense for Asset Retirement Costs (Account 403.1); (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).</li> <li>Report in Section B the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.</li> <li>Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.</li> <li>Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.         <ul> <li>In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.</li> <li>For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification listed in column (a). If plant motivality slucies are prepared to assist in estimating average service Lives, show in column (f) the type of mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting to rate during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and</li></ul></li></ol>										
			A. 5	ummary of	Depreciation	n and A	mortiza	tion Charges			
Line No.	Functional Classifi (a)	cation	Deprec Expe (Accou (E	ense nt 403)	t 403) Expense for Asset Retirement Costs		Li Ele	ortization of mited Term ectric Plant ccount 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total	
1	Intangible Plant							3,173,913		3,173,913	
2	Steam Production Plant		2;	3,697,180		1,527				23,698,707	
3	Nuclear Production Plan	ıt						4			
4	Hydraulic Production Pla Conventional	ant-									
5	Hydraulic Production Pl Pumped Storage	ent-									
6	Other Production Plant		1	1,205,889						11,205,889	
7	Transmission Plant			2,449,812			ļ			2,449,812	
8	Distribution Plant		1:	5,123,010			ļ			15,123,010	
9	Regional Transmission Market Operation	and									
10	General Plant			1,002,569				1,372,056		2,374,625	
11	Common Plant-Electric			249,365				197,215		.446;581	
12	TOTAL		5	3,727,825		1,527	<u> </u>	4,743,185	<u></u>	58,472,537	
	······································			B. Basi	s for Amortiz	ation Cl	narges				
			C.	Factors U:	sed in Estima	ting De	preciat	ion Charges			
Line No.	Account No. (a)	Deprecial Base Thous (b	(in ands)	Serv	ated Avg, Salv		cent)	Applied Depr. Rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)	
12	1900 ERLANGER OPERATIONS CENTER		4,529	75	years		(10)	283	R0.5	38 years	

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*		I					<u> </u>
13	1900 KENTUÇKY SERVICE BUILDING - 19TH AND AUGUSTINE	9,152	75 years	(10)	539 .	R0.5	19 years
14	1900 MINOR STRUCTURES	124	45 years	(10)	257	R1.5	42 years
15	1910 OFFICE FURNITURE AND EQUIPMENT	789	20 years		<u></u> \$00	SÓ	15 years
16	1911 ELECTRONIC DATA PROCESSING	5	5 years		1,001	sq	1 year
17	1940 TOOLS, SHOP AND GARAGE EQUIPMENT	114	25 years		400	SQ	12 years
18	1970 COMMUNICATION EQUIPMENT	6,414	15 years		667	SQ	4 years
19	1980 MISCELLANEOUS EQUIPMENT	95	15 years		667	ŚQ	10 years
20	3110 STRUCTURES AND IMPROVEMENTS	183,718	85 years	(3)	402	S1	19 years
21	3120 BOILER PLANT EOUIPMENT	545,368	45 years	(3)	270	\$0. <del>5</del>	18 years
22	3123 BOILER PLANT EQUIPMENT - SCR CATALYST	7,984	10 years		591	\$ <b>2.</b> 5	6 ýears
23	3140 TURBOGENERÁTOR UNITS	109,286	40 years	(3)	269	S0.5	17 years
24	3150 ACCESSORY ELECTRIC EQUIPMENT	48,173	65 years	(3)	172	R2.5	19 ýears
25	3160 MISCELLANEOUS POWER PLANT EQUIPMENT	23,997	55 years	(3)	308	\$0	18 years
26	3410 STRUCTURES AND IMPROVEMENTS	`36,379	60 years	(2)	143	R4	18 years
27	3420 FUEL HOLDERS, PRODUCERS AND ACCESSORIES	61,311	45 ýears	(2)	512	S1.5	18 years
28	3430 PRIME MOVERS	10,341	25 years	(2)	575	S0	15 years
29	3440 GENERATORS	211,248	40 yèars	(2)	244	S0.5	15 years
30	3450 ACCESSORY ELECTRIC EQUIPMENT	19,859	35 years	(2)	281	·S1	14 years
31	3456 CRITTENDEN	638	25 years	(4)	464	S2.5	20 years
32	3456 WALTON	979	25 years	(4)	464	S2.5	20 years
33	3460 MISCELLANEOUS POWER PLANT EQUIPMENT	5,152	45 years	(2)	-226	R1.5	17 years

34	3501 RIGHTS OF WAY	t,334	75 <u>y</u> ears		93	R4	50 years
<u>3</u> 5	3520 STRUCTURES AND IMPROVEMENTS	5,986	70 years	(15)	169	R2.5	64 years
36	3530 STATION EQUIPMENT	29,941	50 years	(10)	231	R1	43 years
37	3531 STATION EQUIPMENT - STEP UP	9,374	50 years	(10)	.252	R3	24 years
3,8	3532 STATION EQUIPMENT - MAJOR	11,449	60 years	(10)	178	R2.5	50 years
·39	3534 STATION EQUIPMENT - STEP UP EQUIPMENT	7,672	40 years	(10)	287	R2.5	29 years
40	3550 POLES AND FIXTURES	15,265	55 years	(30)	257	RÌ	46 years
41	3560 OVERHEAD CONDUCTORS AND DEVICES	11,048	55 years	(25)	20 <del>9</del>	R1	46 years
42	3551 OVERHEAD CONDUCTORS AND DEVICES - CLEARING AND RIGHT OF WAY	1,842	65 years		154	R3	62 years
43	3601 RIGHTS OF WAY	4,498	75 years		69	R4	42 years
44	3610 STRUCTURES AND IMPROVEMENTS	1,420	70 years	(15)	188	R2.5	56 years
45	3620 STATION EQUIPMENT	74,310	32 years.	(10)	391	R0.5	27 years
46	3622 STATION EQUIPMENT - MAJOR	42,686	60 years	(10)	173	R2.5	49 years
47	3640 POLES, TOWERS AND FIXTURES	74,482	55 years	(50)	238	R0.5	46 years
48	3650 OVERHEAD CONDUCTORS AND DEVICES	144,890	53 years	(40)	251	01	46 years
49	3651 OVERHEAD CONDUCTORS AND DEVICES - CLEARING AND RIGHT OF WAY	7,178	65 years		150	R3	62 years.
50	3660 UNDERGROUND CONDUIT	43,373	75 years	(25)	160	R3	66 years
51	3670 UNDERGROUND CONDUCTORS AND DEVICES	81,871	56 years	(35)	253	R2	44 years
52	3680 LINE TRANSFORMERS	73,742	48 yéars	(15)	203	R0.5	38 years
L		•		************			

53	3682 LINE TRANSFORMERS - CUSTOMER	274	55 years	(15)	53	R1.5	24 years
54	3691 SERVICES - UNDERGROUND	2,766	65 years	(40)	197	R3	57 years
55	3692 SERVICES - OVERHEAD	19,465	60 years	(40)	170	Ŗĺ	.50 years
56	3700 METERS AND METERING EQUIPMENT	2,621	24 years	(2)	460	L1	15 years
57	3702 UoF METERS	25,907	15 years		612	S2.5	1 <u>3</u> years
58	3711 INSTALLATIONS ON CUSTOMERS' PREMISES - AREA LIGHTING	1	20 years		.457	S0.5	19 years
<del>5</del> 9	3712 COMPANY- OWNED OUTDOOR LIGHTING	8 <del>6</del> 1	11.years	(5)	1,078	R2	8 years
60	3720 LEASED PROPERTY ON CUSTOMERS' PREMISES	10	30 years			L3	0 years
61	3731 STREET LIGHTING - OVERHEAD	2,507	34 years	(15)	125	L0.5	25 ýears
62	3732 STREET LIGHTING - BOULEVARD	3,368	<del>55</del> years	(20)	<u>1</u> 12	R1.5	39 years
63	3733 STREET LIGHTING - CUSTOMER POLES	3,859	25 years	(10)	421	L0	21 yéars
64	3900 STRUCTURES AND IMPROVEMENTS	165	40 years	(10)	333	Sİ	24 years
65	3910 OFFICE FURNITURE AND EQUIPMENT	374.	20 years		500	sq	19 years
66	3911 ELECTRONIC DATA PROCESSING	2,794	5 years		2,000	sa	2 years
67	3920 TRANSPORTATION EQUIPMENT	1,059	12 years		620	·S3	11 years
68	3921 TRANSPORTATION EQUIPMENT ~ TRAILERS	272	20 years	5	193	R2.5	13 years
69	3940 TOOLS, SHOP AND GARAGE EQUIPMENT	3,162	25 years		400	SQ	20 years
70	3960 POWER OPERATED EQUIPMENT	12	15 years		418	12	6 years
71	3970 COMMUNICATION EQUIPMENT	<sup>(a)</sup> 9,004	15 years		667	SQ	11 years

FERC FORM NO. 1 (REV. 12-03)

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# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 160 of 201

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4
	FOOTNOTE DATA		

#### (a) Concept: DepreciablePlantBase

Depreciable Plant Base represents balances from the approved study, and excludes plant related to non-utility, asset retirement obligations, plant held for future use, capital and operating leases, land and intangibles. FERC FORM NO. 1 (REV. 12-03)

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### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 161 of 201

Name Duke	of Respondent: Energy Kentucky	y, Inc.	(1) 🗹	report is: ] An Original ] A Resubmis	sion					/ear/Period of Report End of: 2023/ Q4		
				REC	ULATORY C	DMMISSION E	XPENSES	•				
2. i 3. i 4. i	cases before a re Report in column Show in column List in columns (i	s (details) of regu agulatory body, o is (b) and (c), oni (k) any expenses (), (g), and (h), ex s than \$25,000) n	r cases in whi ly the current incurred in p openses incur	ch such a boo year's expens hor years whi red during the	ly was a party as that are no ch are being a	t deferred and mortized. List i	lhe current y n column (a)	ear's amorit the period c	ation of amo f amortization	unts deferre n.		
						EXPENS	ES INCURR	ED DURING	YEAR	AMORT		
						CURREN	TLY CHARG	SED TO				
Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a. description of the case) (a)	Assessed by Regulatory <u>Commission</u> (b)	Expenses of Utility (c)	Total Expenses for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)	Department (f)	Account No. (9)	<u>Amounit</u> (h)	Deferred to Account 182.3 (i)	Contra Account (j)	Amouni (K)	
1	Kentucky Public Service Commission:											
2	Regulatory Feé - Gás	175,357		175,357		Gas	928	175,357				
3	ш Regulatory Fee - Electric	576,839		576,839		Electric	928	576,839				
4	m Request for Rate Increase - Electric Case No. 2017-00321		78,890	78,890	177,504	Electric	928	78,890			78,890	
5	Request for Rate Increase – Gas Case No. 2018– 00261		51,031	51,031	63,790	Gas	928	51,031			51,031	
õ	Request for Rate Increase - Electric Case No. 2019-00271		67,833	67,833	158,278	Electric	928	67,833			67,833	
7	na Request for Rate Increase Gas Case No. 2021- 00190		44,939	44,939	180,284	Gas	928	44,939			44,939	

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8	Request for Rate Increase - Electric Case No. 2022-00372		15,676	15,676	302,639	Electric	928	15,676	497,110	27,355
9	Misc. Legal Expenses:									
10	Gas - Other		7,247	7,247		Gas	928	7,247		
11	Electric - Transmission		8,030	8,030		Electric	928	8,030		
12	Electric Other		(3,724)	(3,724)		Electric	928	(3,724)		
46	TOTAL	752,196	269,922	1,02 <b>2</b> ,118	882,495			1,022,118	497,110	270,052

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FOOTNOTE DATA

(a) Concept: RegulatoryCommissionDescription

The expenses from the Request for Rate Increase in Case Numbers; 2017-00321, 2018-00261, 2019-00271. 2021-00190, 2022-00372 are deferred in FERC account 186

(b) Concept: RegulatoryCommissionDescription

The expenses from the Request for Rate Increase in Case Numbers; 2017-00321, 2018-00261, 2019-00271. 2021-00190, 2022-00372 are deferred in FERC account 186

(c) Concept: RegulatoryCommissionDescription

The expenses from the Request for Rate Increase in Case Numbers; 2017-00321, 2018-00261, 2019-00271. 2021-00190, 2022-00372 are deferred in FERC account 186

(d) Concept: RegulatoryCommissionDescription

The expenses from the Request for Rate Increase in Case Numbers; 2017-00321, 2018-00261, 2019-00271. 2021-00190, 2022-00372 are deferred in FERC account 186

(e) Concept: RegulatoryCommissionDescription

The expenses from the Request for Rate Increase in Case Numbers; 2017-00321, 2018-00261, 2019-00271. 2021-00190, 2022-00372 are deferred in FERC account 186

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Duke E	of Respondent: Energy Kontucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmissi	on	Date of Report: 04/15/2024		eriod of Repo 2023/ Q4	ort				
	RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES										
a ( 2. )	<ol> <li>Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D and D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D and D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).</li> <li>Indicate in column (a) the applicable classification, as shown below: Classifications:</li> </ol>										
	Electric R, D and D Perfor	ned Internally:		Overhead Undergroun	d						
	Generation			Distribution Regional Transmi	ssion and Mar	ket Operation	n				
	hydroelectric			Environment (oth Other (Classify an	nd include item		of \$50,000.)				
		n fish and wildlife Iroelectric	E	Total Cost Incurre lectric, R, D and D Pe	normed Extern	-					
	Fossil-fuel stea Internal combu Nuclear Unconventiona Siting and heat	stion or gas turbine I generation	·	Research Support to the electrical Research Council or the Electric Power Research Institute Research Support to Edison Electric Institute Research Support to Nuclear Power Groups Research Support to Others (Classify) Total Cost Incurred							
	Transmission										
4. 5 5. 5	<ol> <li>Include in column (c) all R, D and D items performed internally and in column (d) those items performed outside the company costing \$50,000 or more, briefly describing the specific area of R, D and D (such as safely, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$50,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D and D activity.</li> <li>Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e).</li> <li>Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.</li> <li>If costs have not been segregated for R, D and D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by ""Est.""</li> <li>Report separately research and related testing facilities operated by the respondent.</li> </ol>										
					AMOUNTS CHARGED						
Line No.	as reach handle and the second se					NT YEAR					
		President Radio, a back, and an approximately	Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	Amounts Charged In Current Year: Account (e)	NT YEAR Amounts Charged In Current Year: <u>Amount</u> (f)	Unamortized Accumulation (g)				
1	A. Electric R, D&D Performed Internally:	President Radio, a back, and an approximately	Internally Current Year	Externally Current Year	Charged In Current Year: Account	Amounts Charged In Current Year: Amount	Accumulation				
1.	A. Electric R, D&D	President Radio, a back, and an approximately	Internally Current Year	Externally Current Year	Charged In Current Year: Account	Amounts Charged In Current Year: Amount	Accumulation				
	A. Electric R, D&D Ferformed Internally:	(b) Research & Development	Internally Current Year	Externally Current Year	Charged In Current Year: Account	Amounts Charged In Current Year: Amount	Accumulation				
2	A. Electric R, D&D Performed Internally: Distribution TOTAL ELECTRIC R, D&D PERFORMED	(b) Research & Development	Internally Current Year	Externally Current Year	Charged In Current Year: Account	Amounts Charged In Current Year: Amount	Accumulation				
2	A. Electric R, D&D Performed Internally: Distribution TOTAL ELECTRIC R, D&D PERFORMED INTERNALLY 8. Electric R, D&D	(b) Research & Development	Internally Current Year	Externally Current Year	Charged In Current Year: Account	Amounts Charged In Current Year: Amount	Accumulation				
2 3 4	A. Electric R, D&D Performed Internally: Distribution TOTAL ELECTRIC R, D&D PERFORMED INTERNALLY B. Electric R, D&D Performed Externally: Electric Power Research	(b) Research & Development Administration Costs	Internally Current Year	Externally Gurrent Year (d)	Charged In Current Year: Account (e)	Amounts Charged in Current Year: <u>Amount</u> (f)	Accumulation				

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## KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 166 of 201

Name of Respondent:       (1) ☑ An Oi         Duke Energy Kentucky, Inc.       (2) □ A Res			Driginal		Date of Report: Year/Period of Report 04/15/2024 End of: 2023/ Q4				
	DISTRIBUTION OF SALARIES AND WAGES								
Constru	below the distribution of total salaries a uction, Plant Removals, and Other Accu ation of salaries and wages originally c	ounts, and en	ter such amounts in the app	ropri	iate lines and columns p	provided	. In determining this		
Line No,	Classification (a)	Direct Payroll Distributi (b)	Allocation of Payr on Charged for Cleari Accounts (c)			Total (d)			
1	Electric								
2	Operation								
3	Production		7,315,6	93					
4	Transmission		462,8	874					
5	Regional Market								
6	Distribution		1,636,4	176			······································		
7	Customer Accounts		1,648,7	40					
8.	Customer Service and Informational		800,9	981					
9	Sales								
10	Administrative and General		7,594,8	395					
11	TOTAL Operation (Enter Total of lines	s 3 thru 10)	19,459,6	559					
12	Maintenance								
13	Production		5,294,6	534					
14	Transmission		207,6	510	*****				
15	Regional Market								
16	Distribution		1,513,2	159					
17	Administrative and General						· · · · · · · · · · · · · · · · · · ·		
18	TOTAL Maintenance (Total of lines 1	3 thru 17)	7,015,	703					
19	Total Operation and Maintenance								
20	Production (Enter Total of lines 3 and	13)	12,610,	327	·····································		99999999999999999999999999999999999999		
21	Transmission (Enter Total of lines 4 a	nd 14)	670,	184					
22	Regional Market (Enter Total of Lines 5 and 15)								
23	Distribution (Enter Total of lines 6 and	d 16)	3,149,	935					
.24	Customer Accounts (Transcribe from	line 7)	1,648,	740					
25	Customer Service and Informational from line 8)		800,	961					
26	Sales (Transcribe from line 9)								
27	Administrative and General (Enter To 10 and 17)	tal of lines	7,594,	895					

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28	TOTAL Oper, and Maint. (Total of lines 20 thru 27)	26,475,362	655,302	27,130,664
29	Gas			
30	Operation			
31	Production - Manufactured Gas	72,156		
32	Production-Nat. Gas (Including Expl. And Dev.)		5 at 10 ga an sa	ar vo. 8 to 19.9
33	Other Gas Supply	346,328		
34	Storage, LNG Terminaling and Processing			
35	Transmission			
36	Distribution	2,826,753		
37	Customer Accounts	1,195,810		
38	Customer Service and Informational	450,800		
39	Sales			
40	Administrative and General	1,513,740		And a second sec
41	TOTAL Operation (Enter Total of lines 31 thru 40)	6,405,587		
42	Maintenance			
43	Production - Manufactured Gas		-14	
44	Production-Natural Gas (Including Exploration and Development)		A10.9 p	
45	Other Gas Supply			
46	Storage, LNG Terminaling and Processing			
47	Transmission			
48	Distribution	706,246		
49	Administrative and General	29,959		
50	TOTAL Meint. (Enter Total of lines 43 thru 49)	736,205		-
51	Total Operation and Maintenance,			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)	72,156		
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54.	Other Gas Supply (Enter Total of lines 33 and 45)	346,328		
55	Storage, LNG Terminaling and Processing (Total of lines 31 thru			
56	Transmission (Lines.35 and 47)			
57	Distribution (Lines 36 and 48)	3,532,999		
58	Customer Accounts (Line 37)	1,195,810		
59	Customer Service and Informational (Line 38)	450,800		
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)	1,543,699		

## KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 168 of 201

62	TOTAL Operation and Maint, (Total of lines 52 thru 61)	7,141,792	28,004	7,169,796
63	Other Utility Departments			
64	Operation and Maintenance		18.97 Hr. 19	ANNU 8979
65	TOTAL Ali Utility Dept. (Total of lines 28, 62, and 64)	33,617,154	683,306	34,300,460
66	Utility Plant		Alternation and an a	
67	Construction (By Utility Departments)			
68.	Electric Plant	14,358,120	722,831	15,080,951
69	Gas Plant	7,962,258	346,383	8,308,641
70	Other (provide details in footnote):			
71	TOTAL Construction (Total of lines 68 thru 70)	22,320,378	1,069,214	23,389,592
72	Plant Removal (By Utility Departments)			
73	Electric Plant	2,358,224		2,358,224
74	Gas Plant	710,080		710,080
75	Other (provide details in footnote):			an an an an an an an an an an an an an a
76	TOTAL Plant Removal (Total of lines 73 thru 75)	3,068,304		3,068,304
77	Other Accounts (Specify, provide details in footnote):			
78	Other Accounts (Specify, provide details in footnote):			
79	Projects For Duke's Subsidiaries & Merchandising	21,507		21,507
80	Other Work in Progress	250,752		250,752
81	Other Accounts	539,137		539,137
82				
83				
84				
85				
86				
87				
88				
89				
.90				
91				
92				
93				
94				
95	TOTAL Other Accounts	811,396		811,396

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FERC FORM NO. 1 (ED. 12-88)

96 TOTAL SALARIES AND WAGES 59,817,232 1,752,520 61,569,752

lame of Respondent: hike Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission		ale of Report: /15/2024	Year/Period of Report End of: 2023/ Q4		
<del></del>						
			FENGEQ			
<ol> <li>Describe the property carried in the 4 accounts as provided by Electric Pla plant costs to the respective departin</li> <li>Furnish the accumulated provisions accumulated provisions, and amoun including explanation of basis of allo</li> <li>Give for the year the expenses of op provided by the Uniform System of A such expenses are related. Explain t</li> <li>Give date of approval by the Commi- authorization.</li> </ol>	nt Instruction 13, Common Utilit nents using the common utility p for depreciation and amortizatio ts allocated to utility department cation and factors used, reration, maintenance, rents, de occounts. Show the allocation of the basis of allocation used and	y Plant, of the Ur lant and explain t n at end of year, is using the comm preciation, and at such expenses t give the factors of	hiform System of Accounts the basis of allocation showing the amounts in non-utility plant to whice mortization for commol to the departments using of allocation.	unts. Also show the used, giving the allo and classifications o h such accumulated n utility plant classifi ng the common utili	allocation of suc cation factors, of such d provisions rela- ed by accounts ty plant to which	
1. COMMON UNLITY PLANT COMMON PLANT IN SERVICE Account Title	Bal: Beg. of Yr	Additions (A)	Retirements	Transfers (B)	Balance Y	
an and an anna an an anna gur the same an the second and the 1903 Mallow Statement Char (Charles	22 425 003		D	0	77 475 00	
303 Misc. Intangible Plant 370 Common AMI Méters	22,425,003		,u 		22,425,00	
370 Lommon American 389 Land and Land Rights	1,041,678	_	underk	porter	1,041,57	
390 Struct & Improvements	13,814,128	7,312,014	(42,354)		71,083,78	
391 Office Furniture & Equipment	758,132	771,499	(1-C-C-C-F-F)		1,529,63	
Electronic Data Processing	40,535			-	40,53	
392 Transportation Equipment.		····· .		-1944		
393 Stores Equipment		****				
394 Tools, Shop & Garage Equip	113,850	-	_		113,85	
395 Laboratory Equipment		****				
397 Communication Equipment	4,303,310	3,250,843	(1,077,675)		6,476,47	
398 Miscellaneous Equipment	95,301			_	95,30	
399 ARO General Plant	787,501	699,481			1,486,93	
	43,379,438	12,033,837	(1,120,029)		54,293,24	
Total Common Pit in Service						
ïatel Common Pit in Service CWIP	5,396,957	(5,136,129)	www.	-	260,82	
	5,396,957 48,776,395	(5,136,129) 6,897,708	(1,120,029)		260,82 	

Summary by Account Estimated as of 12/31/2023

Sas Department	29.25%	15,957,067	
flectric Department:	70.75%	38,597,007	
	100.00%	54,554,074	
A) Classification of Account 106; Completed Construction Not Classified, Included in the Additions column.			
B) Represents reclassification ietween utility departments and wimary plant accounts,			
C) The percentages used to allocate Com Plant as of 12/31/2023.	ntion Plant to:	utility departments are ti	te weighted averages resulting from the application of allocation factors to the investment based on Go
2. ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION DF COMMONUTILITY PLANT			
Jalance - Beginning of Year			27,267,667
Depreciation provision for the year harged to:			
403) Depreciation Expense (1)		343,390	
404) Amortization-Limited Termi Plant		197,215	
403.1) Depreciation Expense (1)		509,830	
		<sup>1</sup>	1,050,435-
Net Charges for Plant Retired:			
look Cost of Plant Refired		(1,120,029)	
Cost of Removal		{487,803}	
Salvage (Gredit)		(3,543)	
		and hadred her the second manual and	(1,611,375)
Other Iteris:			
ransfers & Adjustments			
		ere, mann de dit uider resperner	
Balance - End of the Year			26,706,727
ALLOCATION OF ACCUMULATED PROVISION FOR DEPRECIATION TO UTIUTY DEPARTMENTS (3)			
iummary by Account Estimated as of 12/31/2023			
	79.25%	7/211 710	
Sas Department	23.2370	7,811,718	

~

	109.00%	25,706,728
METHOD OF DETERMINATION OF DEPRECIATION & AMORTIZATION		
Common Plant in Service		Rate (4)
Miscellaneous Intangible Plant Structures and Improvements		Note (2) 2.34%
Office Furniture and Equipment		5.00%
Electronic Data Processing Equipment		10.01%
Tools, Shop & Garage Equipment		4.00%
Transportation & Power Operated		-1 Jan 1 (4
Equipment		Note (4)
Communication Equipment ,		6. <b>57%</b>
Miscellaneous Equipment		6.67%
<ol> <li>The Respondent determines its month primary plant account plus total Account</li> <li>The Respondent amoritized its investment in Miscellaneous Intangible Plant equally over 60 months for certain projects.</li> </ol>		or depreciation by the application of rates to the previous month's balance of property capitalized in each. Ied Construction Not Classified.
(3) The percentages used to allocate the C		t Accumulated Provision for Depréciation balances to utility departments are the weighted averages le balance of Common Plant Accumulated Provision at 12/31/2023. These factors are based on Gross
(4) In 1997, the Respondent adopted vintage year accounting for general plant accounts in accordance with FERC Accounting Release No. 15.		
(5) The Respondent amortized its investment in Transportation & Power Operated Equipment over the estimated lives of the individual assets.		
3. COMMON UTILITY PLANT EXPENSE ACCOUNTS		
Common utility plant expense accounts a following bases:	re not maintai	ined, but such expenses are allocated to gas and electric departments principally on one or more of the
Floor space utilized for buildings and office equipment		
General labor - total company		
Number of gas and electric rustomers		
IT operations		
Numbers of customers		
Three factor formula		
4. COMMISSION APPROVAL		
	essis. Brenner	and Ellers of the respondent and Campbell and Schwartz from Columbia System met with Mr. Smith of
the Federal Power Commission to discuss pointed out by the representatives of the	amongst othe Respondent t her gas of elec	and there of the sequence of the facts presented, Mr. Smith gave the Common Utility Plant account, it was that because of the nature of the Respondent's operations it was impossible and impractical to assign ctric utility plant. Because of the facts presented, Mr. Smith gave the Respondent's respresentatives.

FERC FORM NO. 1 (ED. 12-87)

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 173 of 201

	of Respondent: Energý Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Rep 04/15/2024		Year/Period of Report End of: 2023/ Q4				
	AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS								
f e t	1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.								
Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	luarter 1 Quarter 2 Quarter 3		Balance at End of Year (e)				
1	Energy								
2	Net Purchases (Account 555)	16,280,006	30,941,903	.45,609,044	64,177,052				
2.1	Net Purchases (Account 555,1)								
3	Net Sales (Account 447)	2,430,911	8,099,707	12,261,554	16,749,747				
4	Transmission Rights	1,230,118	1,863,209	2,857,505	3,072,784				
5	Ancillary Services								
6	Other Items (list separately)								
7	Ancillary Services (Account 555)	(1,556,391)	(1,960,953)	(2,506,565)	(2,803,799)				
8.	Ancillary Services (Account 447)	131,837	131,550	190,061	215,465				
46	TOTAL	18,516,481	39,075,416	58,211,598	81,411,248				

FERC FORM NO. 1 (NEW. 12-05)

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	of Respondent: Energy Kentucky, Inc.	This report i (1) ☑ An O (2) □ A Re		Date of Repor 04/15/2024		Year/Period of Report End of: 2023/ Q4				
	PURCHASES AND SALES OF ANCILLARY SERVICES									
Open	Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff. In columns for usage, report usage-related billing determinant and the unit of measure.									
2. ( 3. ( 4. ( 5. ( 6. (	<ol> <li>On Line 1 columns (b), (c), (d), and (e) report the amount of ancillary services purchased and sold during the year.</li> <li>On Line 2 columns (b), (c), (d), and (e) report the amount of regulation and frequency response services purchased and sold during the year.</li> <li>On Line 3 columns (b), (c), (d), and (e) report the amount of regulation and frequency response services purchased and sold during the year.</li> <li>On Line 4 columns (b), (c), (d), and (e) report the amount of energy imbalance services purchased and sold during the year.</li> <li>On Line 5 and 6, columns (b), (c), (d), and (e) report the amount of operating reserve spinning and supplement services purchased and sold during the year.</li> <li>On Lines 5 and 6, columns (b), (c), (d), and (e) report the amount of operating reserve spinning and supplement services purchased and sold during the year.</li> <li>On Line 7 columns (b), (c), (d), and (e) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.</li> </ol>									
		Amo	unt Purchased for the	e Year	An	nount Sold for the Yea	3r			
		Usage - Related Billing Determinant			Usage - Related Billing Determinant					
						-				
Line No.	Type of Ancillary Service (a)	Number of Units (b)	Unit of Measure (C)	Dollar (d)	Number o Units (e)	of Unit of Measure (f)	Dollars (g)			
		Units	Unit of Measure	Dollar	Units	Measure				
No.	(a) Scheduling, System Control	Units	Unit of Measure	Dollar (d)	Units	Measure	(g)			
1	(a) Scheduling, System Control and Dispatch	Units	Unit of Measure	Dollar (d) 673,788	Units	Measure	(g) ⊮275,091			
No. 1 2	(a) Scheduling, System Control and Dispatch Reactive Supply and Voltage Regulation and Frequency	Units	Unit of Measure	Dollar (d) 673,788 1,221,309	Units	Measure	(g) ⊮275,091			
1 2 3	(a) Scheduling, System Control and Dispatch Reactive Supply and Voltage Regulation and Frequency Response	Units	Unit of Measure	Dollar (d) 673,788 1,221,309	Units	Measure	(g) ⊮275,091			
No. 1 2 3 4	(a) Scheduling, System Control and Dispatch Reactive Supply and Voltage Regulation and Frequency Response Energy Imbalance	Units	Unit of Measure	Dollar (d) 673,788 1,221,309	Units	Measure	(g) ⊮275,091			
No. 1 2 3 4 5	(a) Scheduling, System Control and Dispatch Reactive Supply and Voltage Regulation and Frequency Response Energy Imbalance Operating Reserve - Spinning Operating Reserve -	Units	Unit of Measure	Dollar (d) 673,788 1,221,309	Units	Measure	(g) ⊮275,091			

FERC FORM NO. 1 (New 2-04)

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Name of Respondent: Duke Energy Kentucký, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4				
FOOTNOTE DATA							
(a) Concept: AncillaryServicesSoldAmount							
Revenues from PJM							
(b) Concept: AncillaryServicesSoldAmount							
Facilities Charge Revenues from PJM are included in total Other Revenues. (\$53,472.90)							
FERC FORM NO. 1 (New 2-04)							

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# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 176 of 201

Name of Respondent: Duke Energy Kentucky, Inc.			(1) 🗹 /	This report is: (1) ☑ An Original (2) □ A Resubmission		Date of Report: 04/15/2024		Year/Period of Report End of: 2023/ Q4		
			MON	THLY TRANS	AISSION SYST	EM PEAK LO	DAD			
2. 3. 4.	<ol> <li>Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.</li> <li>Report on Column (b) by month the transmission system's peak load.</li> <li>Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).</li> <li>Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.</li> </ol>									
Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point- to-point Reservations (9)	Other Long- Term Firm Service (h)	Short-Term Firm Point- to-point Reservation (i)	Other Service (j)
	NAME OF SYSTEM: Duke Energy Kentucky									
1	January									,
2	February									
3	March									
4	Total for Quarter 1									
5	April									
6	Мау								-	
7	Јипе									
8	Total for Quarter 2									
9	July									
10	August									
11	September									
12	Total for Quarter 3									
13	October									
14	November									
15	December									
16	Total for Quarter 4									
17	Total		\$							

FERC FORM NO. 1 (NEW, 07-04)

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 177 of 201

	of Respondent: Energy Kentucky, Inc.		This report is: (1) 🗹 An Orig (2) 🗌 A Resu Monthly ISC	Driginal Date of Report: Year/Period of Report 04/15/2024 End of: 2023/ Q4							
2. 3.1 4.1	<ol> <li>Report the monthly peak load on the respondent's transmission system. If the Respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.</li> <li>Report on Column (b) by month the transmission system's peak load.</li> <li>Report on Column (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).</li> <li>Report on Columns (e) through (l) by month the system's transmission usage by classification. Amounts reported as Through and Out Service in Column (g) are to be excluded from those amounts reported in Columns (e) and (f).</li> <li>Amounts reported in Column (j) for Total Usage is the sum of Columns (h) and (i).</li> </ol>										
Line No.	Montfi (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Import ISO/R (e)	ю	Exports from ISO/RTO (f)	Through and Out Service (g)	Network Service Usage (h)	Point- to- Point Service Usage (i)	Total Usage (j)
	NAME OF SYSTEM: Enter System										
1	January										
2	February										
3	March										
4	Total for Quarter 1										
5	April										
6	Мау										
7	June										
8	Total for Quarter 2										
9	July										
-10,	Augvst										
11	September										
12	Total for Quarter 3										
13	October										
14	November					,					
15	December										
16	Total for Quarter 4										
17	Total Year to Date/Year										

FERC FORM NO. 1 (NEW. 07-04)

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 178 of 201

Name of Respondent: Duke Energy Kentucky, Inc.		This report is: (1) ☑ An Original		Date of Report: 2024-04-15		
	<b>3</b>	(2) 🗆 A Resubmission				
			RGY AC	COUNT		
Report	below the information called for concer	ning the disposition of electric	energy (	generated, purchased, exchan	ged and whe	eled during the year,
Line No.	ltem (a)	MegaWatt Hours (b)	Line No.	ltem (a)		MegaWatt Hours (b)
1	SOURCES OF ENERGY	-	21	DISPOSITION OF ENERGY		
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers Interdepartmental Sales)	(Including	3,848,896
3	Steam	2,211,385	23	Requirements Sales for Resa instruction 4, page 311.)	ale (See	
4	Nuclear		24	Non-Requirements Sales for (See instruction 4, page 311.		397,898
5	Hydro-Conventional		25	Energy Furnished Without Charge		
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)		706
7	Other	192,403	27	Total Energy Losses		188,365
8	Less Energy for Pumping		27.1	Total Energy Stored		
9	Net Generation (Enter Total of lines 3 through 8)	2,403,788	28	TOTAL (Enter Total of Lines 22 Through 27.1) MUST EQUAL LINE 20 UNDER SOURCES		4,435,865
10	Purchases (other than for Energy Storage)	2,032,077				• • • • • • • • • • • • • • • • • • • •
10.1	Purchases for Energy Storage	0				
11	Power Exchanges:					
12	Received	0				
13	Delivered	0,				
14	Net Exchanges (Line 12 minus line 13	) 0				
15	Transmission For Other (Wheeling)					
16	Received					
17	Delivered					
18	Net Transmission for Other (Line 16 minus line 17)					
19	Transmission By Others Losses					
20	TOTAL (Enter Total of Lines 9, 10, 10, 14, 18 and 19)	1, 4,435,865				

FERC FORM NO. 1 (ED. 12-90)

Page 401a

Name of Respondent: Duke Energy Kentucky, Inc.		This report is: (1) ☑ An Original (2) □ A Resubmis			Year/Period of Re End of: 2023/ Q4	Year/Period of Report End of: 2023/ Q4				
	MONTHLY PEAKS AND OUTPUT									
2. ] 3.   4.	<ol> <li>Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non-integrated system.</li> <li>Report in column (b) by month the system's output in Megawatt hours for each month.</li> <li>Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.</li> <li>Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.</li> <li>Report in column (e) and (f) the specified information for each monthly peak load reported in column.(d).</li> </ol>									
Line No.	<u>Month</u> (a)	Total Monthly Energy (b)	Monthly Non- Requirement Sales for Resale & Associated Losses (c)	Monthly Peak - Megawatts (d)	Monthly Peak - Day of Month (e)	Monthiy Peak - Hour (f)				
	NAME OF SYSTEM: Duke Energy Kentucky									
.29	January	354,598	2,512	600	27	9				
30	February	311,800	C	616	ï	8				
31	March	366,264	32,886	588	15	7				
32	April	303,213	9,544	508	20	17				
33	May	330,818	15,490	676	31	17				
34	June	435,040	94,326	.688	301	17				
35	July	420,313	14,694	770	27	16				
36	August	427,737	14,878	803	23	17				
37	September	408,731	75,814	748	.5	15				
38	Öctober	302,578	(352)	621	3	17				
39	Növember	322,246	16,829	594	29	8				
40	December	452;527	121,278	565	19	9				
41	Total	4,435,864	397,898	3						

FERC FORM NO. 1 (ED. 12-90)

Page 401b

611,9936

	of Respondent:	This report is; (1) ☑ An Original	Date of Repo		od of Report			
	nergy Kentucky, Inc.	(2) A Resubmission	04/15/2024	End of; 2	023/ Q4			
		Steam Electric Gener	ating Plant Statistics	l				
				61				
2. Larg combu 3. Indic 4. If ne 5. If an 6. If ga 7. Qua 547 (Li 8. If me 9. Item Dispate 10. For and 55 11. Fot separa steam 12. Jf a attribu	Report data for plant in Service only.         Large plants are steam plants with-installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal mbustion plants of 10,000 Kw or more, and nuclear plants.         Indicate by a footnote any plant leased or operated as a joint facility.         If net peak demand for 60 minutes is not available, give data which is available, specifying period.         If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant.         If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mcf.         Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 7 (Line 42) as show on Line 20.         If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.         Items under Cost of Plant are based on USofA accounts. Production expenses do not include Purchased Power, System Control and Load spatching, and Other Expenses Classified as Other Power Supply Expenses.         . For IC and GT plants, report of Derating Expenses, Account Nos, 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos, 553 do 554 on Line 32, "Maintenance of Electric Plant," Indicate plants designed for peak load service. Designate automatically operated plants.         . For IC and GT plants, report on fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine with the gas-turbine with the component. However, if a gas-turbine unit functions in a combined cycle operation with a co							
Lìne No,	ltem (a)	Plant Name: 0	Plant Name: East Bend	Plant Name: Miami Fort 6	Plant Name: Woodsdale CT			
í	Kind of Plant (Internal Comb, Gas Tur Nuclear)	ó, 	Steam	Stean	Combustion Turbine			
2	Type of Constr (Conventional, Outdoo Boiler, etc)	f.,	Conventional	Conventiona	Conventional			
3	Year Onginally Constructed		1981	1960	1992			
4	Year Last Unit was Installed		1981	1960	1993			
-5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	1707.5	<sup>6768</sup>	16 <sup>الع</sup>	<sup>2</sup> 572			
6	Net Peak Demand on Plant - MW (60 minutes)		61,1		496			
7	Plant Hours Connected to Load		5,731		1,476			
8	Net Continuous Plant Capability (Megawatts)							
9	When Not Limited by Condenser Wat	er	600		564			
10	When Limited by Condenser Water		600		476			
11	Average Number of Employees		.84		16			
12	Net Generation, Exclusive of Plant Us - kWh	e	2,211,385,000		192,403,000			
13	Cost of Plant: Land and Land Rights		7,036,025		2,258,588			
14.	Structures and Improvements		187,522,085		36,689,533			
15;	Equipment Costs		766,535,901		311,112,201			
16	Asset Retirement Costs		89,131,026					
17	Total cost (total 13 thru 20)		1,050,225,037		350,060,322			

1,367,4805

Cost per KW of Installed Capacity (fine 17/5) Including

18

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 181 of 201

19	Production Expenses: Oper, Supv. & Engr		2,239,578		179,499
20	Fuel		A85,370,908		<sup>91</sup> 7,811,120
21	Coolants and Water (Nuclear Plants Only)				
22	Steam Expenses		18,574,589	<u>[</u>	351,440
23	Steam From Other Sources				
24	Steam Transferred (Cr)				
25	Electric Expenses		656,778		1,077,812
26	Misc Steam (or Nuclear) Power Expenses		1,854,935		
27	Rents				
28	Allowances	<b>T</b>			
29	Maintenance Supervision and Engineering		2,220,713		138,241
30	Maintenance of Structures		1,233,961		197,355
31	Maintenance of Boiter (or reactor) Plant		12,794,927		
32	Maintenance of Electric Plant		1,719,029	93,771	920,564
33	Maintenance of Misc Steam (or Nuclear) Plant		2,243,461		355,206
34	Total Production Expenses	0	128,908,879	93,771	11,031,237
35	Expenses per Net kWh				
35	Plant Name	East Bend	East Bend	Woodsdale CT	Woodsdale CT
-36	Fuel Kind	Coal	Oil	Gas	Oil
37	Fuel Unit	Т	bbl	Mcf	bbl
38	Quantity (Units) of Fuel Burned	1,009,828	30,113	3,036,817	1,263
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	12,030	139,542	1	138,588
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	76,147	125.438	2,523	138.571
.41	Average Cost of Fuel per Unit Burned	80.523	134.701	2,523	117.340
42	Average Cost of Fuel Burned per Million BTU	3,347	22.984	2,455	20.159
43	Average Cost of Fuel Burned per kWh Net Gen	0.037	0.002	0.040	0.001
44	Average BTU per kWh Net Generation	10,987,000	10,987.000	16,264.000	16,264.000

FERC FORM NO. 1 (REV. 12-03)

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Page 402-403

#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 182 of 201

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4

FOOTNOTE DATA

#### (a) Concept: PlantKind

Effective 12-30-14, East Bend is owned 100% by Duke Energy Kentucky, Inc. Prior to that, East Bend was commonly owned by Duke Energy Kentucky, Inc. and the Dayton Power and Light Company with undivided interest of 69% and 31% respectively. Fuel expenses were shared on the basis of energy usage and other expenses were shared on an ownership basis.

(b) Concept: PlantKind

Miami Fort U6 retired 2015:

(c) Concept: InstalledCapacityOfPlant

The name plate rating is the actual name plate capacity that is determined by the generator's manufacturer and indicates the maximum output a generator can produce.

(d) Concept: InstalledCapacityOfPlant

The name plate rating is the actual name plate capacity that is determined by the generator's manufacturer and indicates the maximum output a generator can produce. Miami Fort U6 retired 5/31/2015.

(e) Concept; InstalledCapacityOfPlant

The name plate rating is the actual name plate capacity that is determined by the generator's manufacturer and indicates the maximum output a generator can produce. (D Concept: FuelSteamPowerGeneration

Excludes coal handling, sale of fly ash, and other miscellaneous costs to fuel expense Account S01 = \$1,369,340.

(g) Concept: FuelSteamPowerGeneration

Excludes natural gas handling cost of \$38,517. FERC FORM NO. 1 (REV. 12-03)

Page 402-403

	of Respondent: Energy Kentucký, Inc.			Date of Report: 04/15/2024	Year/Period of Re End of: 2023/ Q4					
	Hydroelectric Generating Plant Statistics									
2.1 3.1 4.1 5.7	<ol> <li>Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings).</li> <li>If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.</li> <li>If net peak demand for 60 minutes is not available, give that which is available specifying period.</li> <li>If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.</li> <li>The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."</li> <li>Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine, or gas turbine equipment.</li> </ol>									
Line No.	ltern (a)	FERC Licensed Project No. Plant Name:	FERC Licensed Project No. Plant Name:	FERC Licensed Project No. Plant Name:	FERC Licensed Project No. Plant Name:	FERC Licensed Project No. Plant Name:				
1	Kind of Plant (Run-of-River or Storage)	- 90 + 94 + 48								
2	Plant Construction type (Conventional or Outdoor)	**************************************								
3	Year Originally Constructed	18.Washnaa	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~							
4	Year Last Unit was Installed									
5	Total installed cap (Gen name plate Rating in MW)									
6	Net Peak Demand on Plant- Megawatts (60 minutes)									
7	Plant Hours Connect to Load									
8	Net Plant Capability (in megawatts)									
9	(a) Under Most Favorable Oper Conditions	<b></b>								
10	(b) Under the Most Adverse Oper Conditions									
11	Average Number of Employees									
12	Net Generation, Exclusive of Plant Use - kWh									
13	Cost of Plant									
14	Land and Land Rights									
15	Structures and improvements									
16	Reservoirs, Dams, and Waterways									
17	Equipment Costs									
18	Roads, Railroads, and Bridges									
19	Asset Retirement Costs									
20	Total cost (total 13 thru 20)									

## KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 184 of 201

				1
21	Cost per KW of Installed Capacity (line 20 / 5)			
22	Production Expenses			
23	Operation Supervision and Engineering			
24	Water for Power	997 ( N )		
25	Hydraulic Expenses			
26	Electric Expenses	······		
27	Misc Hydraulic Power Generation Expenses			
28	Rents			
29	Maintenance Supervision and Engineering			
30	Maintenance of Structures			
31	Maintenance of Reservoirs, Dams, and Waterways			
32	Maintenance of Electric Plant			
33	Maintenance of Misc Hydraulic Plant			
34	Total Production Expenses (total 23 thru 33)			
35	Expenses per net kWh			
			SHOW OX 07	 

FERC FORM NO. 1 (REV. 12-03)

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# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 185 of 201

	of Respondent: nergy Kentucky, Inc.	This report is: (1) 🗹 An Original (2) 🗔 A Resubmission		Date of Repoi 04/15/2024	rt:	Year/Period End of: 202								
		Pumped Storage Gen	erating Pla	nt Statistics										
2. II 5 3. II 4. II 5. T 5. T 6. F 7. II 5 7. II 6 F F	(a) Project No. Project No. Project No. Project No.													
Line No.	ltem (a)		Pro		Proje	ct No.								
1	Type of Plant Construction {Conventional or Outdoor}	4	_	***										
2	Year Originally Constructed													
3	Year Last Unit was Installed													
4	Total installed cap (Gen name plate Rating in MW)													
5	Net Peak Demaind on Plant-Megawatts (60 minutes)													
6	Plant Hours Connect to Load While Generating	-												
7	Net Plant Capability (in megawatts)													
8	Average Number of Employees													
9	Generation, Exclusive of Plant Use - kWh	PY												
10	Energy Used for Pumping													
11	Net Output for Load (line 9 - line 10) - Kwh	10. g												
12	Cost of Plant													
13	Land and Land Rights													
14	Structures and Improvements													
15	Reservoirs, Dams, and Waterways													
16	Water Wheels, Turbines, and Generators													
17	Accessory Electric Equipment													
18	Miscellaneous Powerplant Equipment													
19	Roads, Railroads, and Bridges													

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 186 of 201

20	Asset Retirement Costs	δετε		T	
	name and a story of the deside of the second story of the second s				
21	Total cost (total 13 thru 20)		1899 daulu		0AA 949N
22	Cost per KW of installed cap (line 21 / 4)				
23	Production Expenses				
24	Operation Supervision and Engineering				
25	Water for Power				
26	Pumped Storage Expenses				
27	Electric Expenses				
28	Misc Pumped Storage Power generation Expenses				
29	Rents				
30	Maintenance Supervision and Engineering				
<u></u> 31	Maintenance of Structures				
32	Maintenance of Reservoirs, Dams, and Waterways				
33	Maintenance of Electric Plant				
34	Maintenance of Misc Pumped Storage Plant				
35	Production Exp Before Pumping Exp (24 thru 34)				
36	Pumping Expenses				
37	Total Production Exp (total 35 and 36)				
38	Expenses per kWh (line 37 / 9)				
39	Expenses per KWh of Generation and Pumping (line 37/(line 9 + line 10))				

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Page 408-409

Name Duke I	of Respo Energy K	ondent: entucky, Ir	1C.	(	his report is: () ☑ An Origini 2) □ A Resubr			Date of f 04/15/20		Year/Period End of: 202		rt			
					GENERAT	ING PL	ANT STAT	ISTICS (Sma	ll Plants)						
2. ( 3. ( 4. ) 5. )	storage p Designate give a cor list plants 102. If net pea f any plan	lants of lex any plan icise state appropria k demand nt is equip	as than 10,00 t leased from ment of the i ately under s for 60 minut ped with con	00 Kw Insta others, op facts in a fo ubheadings es is not av	lled capacity (na erated under a l otnote. If licens s for steam, hyd railable, give the of steam, hydro	ame plate license fr ed projec ro, nucle which is internal (	e rating). om the Fe st, give pro ar, interna a available combustion	deral Energy ject number i l combustion , specifying pa n or gas turbin	Regulatory Cor n tootnote. and gas turbine eriod. ne equipment, n	nts, conventiona amission, or ope plants. For nucl eport each as a ted combustion	ear, see	a joint fac Instruction	ility, and 11, Par wever, it		
	Production Expenses														
Line No.	Name of <u>Plant</u> (a)	Year Orig. Const. (b)	Installed Capacity Name Plate Rating (MW) (c)	Net Peak Demand MW (60 _min) (d)	Net Generation Excluding Plant Use (e)	Cost of <u>Plant</u> (f)	Plant Cost (Incl Asset Retire, Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Fuel Production Expenses (I)	Maintenance Production Expenses ()	Kind of Fuel (k)	Fuel Costs (in cents (per Million <u>Btu)</u> (I)	Gener Tyr (m		
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FERC FORM NO. 1 (REV. 12-03)

Page 410-411

Name of Respondent: Duke Energy Kentucky, Inc.	<ul> <li>(1)  An Original</li> <li>(2)  A Resubmission</li> </ul>	Date of Report: 04/15/2024	Yeat/Period of Report End of: 2023/ Q4 ENERGY STORAGE OPERATIONS
	This report is:		

Large Plants are plants of 10,000 Kw or more.
 In columns (a) (b) and (c) report the name of the energy storage project, functional classification (Production, Transmission, Distribution), and location
 In column (d), report Megawatt hours (MWH) purchased, generated, or received in exchange transactions for storage.
 In columns (e), (f) and (g) report MWHs delivered to the grid to support production, transmission and distribution. The amount reported in column (d) to the grid to support production, transmission and distribution. The amount reported in column (d) to the grid to support production and distribution. The amount reported in column (d) to the grid to support production and distribution.

In columns (h), (i), and (j) report MWHs lost during conversion, storage and discharge of energy,
 In column (k) report the MWHs sold.

7. In column (I), report revenues from energy storage operations. In a footnote, disclose the revenue accounts and revenue amounts related to the incor 8. In column (m), report the cost of power purchased for storage operations and reported in Account 555.1, Power Purchased for Storage Operations. If

fuel costs for storage operations associated with self-generated power included in Account 501 and other costs associated with self-generated power 9. In columns (g), (r) and (s) report the total project plant costs including but not exclusive of land and land rights, structures and improvements, energy purpose is to integrate or tie energy storage assets into the power grid, and any other costs associated with the energy storage project included in the

			,	1			1			
Line No.	Name of the Energy Storage Project (a)	Functional Classification (b)	Location of the Project (C)	MWHs. (d)	MWHs delivered to the grid to support Production {e}	MWHs delivered to the grid to support Transmission (1)	MWHs delivered to the grid to support Distribution (g)	MWHs Lost During Conversion, Storage and Discharge of Energy Production (h)	MWHs Lost During Conversion, Storage and Discharge of Energy Transmission (i)	MWHs Lost During Conversion, Storage and Discharge of Energy Distribution (j)
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# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 190 of 201

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FERC FORM NO. 1 ((NEW 12-12))

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# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 191 of 201

	of Respondent: Energy Kentucky, I	nc.	This report is: (1) 🗹 An Orig (2) 🗌 A Resul			Date of Report: 04/15/2024			iod of Report 023/ Q4	
			ENERGY ST	TORAGE OPI	ERATIONS (S	Small Plants)				
2, 1 3, 1 4, 1	ocation. n column (d), repo and any other costs n column (e), repo purchased for stora affiliated seller spe	and (c) report the rt project plant cos s associated with i rt operation exper age operations and cify how the cost of	DDD Kw. name of the energy st including but not e the energy storage ises excluding fuel, of reported in Accour of the power was de nn (i) and footnote t	exclusive of la project. (f), maintenar ni 555.1, Pow termined.	and and land i nce expenses er Furchasod	ights, structure	s and imp	rovements,	energy storage and (h) cost o	e equipment
	**************************************					BALAN	CE AT BE	GINNING C	OF YEAR	6 <sub>1032</sub> ,
Line No,	Name of the Energy Storage Project (a)	Functional Classification (b)	Location of the Project (c)	Project Cost (d)	Operatio (Excludin Fuel used Storage Operation (e)	ng In Mainten (f)	ance f	Cost of uel used 1 storage perations (g)	Account No. 555.1, Power Purchased for Storage Operations (h)	Other Expenses (i)
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# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 192 of 201

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FERC FORM NO. 1 (NEW 12-12)

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 193 of 201

			This re	po <b>rt</b> is:						
Name Duke B	of Respondent: Energy Keritucky, Ir	лс.	(1) 🗹 .	An Original		Date of Rep 04/15/2024	ort:	Year/Peri End of: 20	od of Report 023/ Q4	
22.00			(2) 🗆 .	A Resubmission	n					
							TRANSMISS	ION LINE S	TATISTICS	
f 2. 1 3. E 4. 1 5. F 5. F t 7. f t 8. 1	Report information or each voltage. If fransmission lines i Exclude from this p ndicate whether the supporting structures ine, Report in columns ( ine on structures th o such structures a Do not report the sa ransmission line of Designate any trans ransmission line of giving particulars (of alfected, Specify wi Designate any trans Base the plant cost	required by a St include all lines age any transmi e type of suppor e, indicate the m f) and (g) the to re cost of which are included in the ame transmission ructures support smission line or her than a lease letails) of such m helther lessor, co smission line lease	ate commission covered by the ssion lines for ting structure illeage of each tal pole miles is reported for the expenses non in line structure to lines of the se portion theread at line, or port matters as per powner, or off ased to another	on to report indi e definition of tr which plant co reported in colu- n type of constru- of each transmi- r another line. F eported for the e twice. Report ame voltage, re- of for which the ion thereof, for cent ownership her party is an a er company and	vidual lines for a ansmission sys sts are included umn (e) is: (1) s uction by the us ission line. Sho Report pole mile line designated Lower voltage eport the pole m respondent is n which the respondent issociated com d give name of L	all voltages, do tem plant as gi d in Account 12 ingle pole wood e of brackets a w in column (f) is of line on lear Lines and high illes of the prim ot the sole own ondent is not the in the line, nan pany. Lessee, date ar	so but do not ven in the Unif 1, Nonutility Pr d or steel; (2) H nd extra lines. The pole miles sed or partly or er voltage lines ary structure in er. If such pro- e sole owner b he of co-owner	group totals orm System operty. I-frame woo Minor portik of line on s wned struct a as one line t column (f) perty is leas ut which the , basis of st	for each voltage n of Accounts. Do od, or steel poles; ons of a transmiss tructures the cost ures in column (g a. Designate in a and the pole mille ead from another op- aring expenses of	under 132 not report s (3) tower; c sion line of a of which is ). In a footn footnote if y es of the oth company, gi rates or sha of the Line, a
	Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.         DESIGNATION         VOLTAGE (KV) - (Indicate where other than 60 cycle, 3 phase)         LENGTH (Pole miles) - (In the case of underground lines report circuit miles)									COST OI Land, La
Line No.	From	Το	Operating	Designated	Type of Supporting Structure	On Structure of Line Designated	On Structures of Another Line	Number of Circuits	Size of Conductor and Material	Land
	(a)	(b)	(c)	(d)	(e)	.(f)	(g)	<u>(</u> h)	(i)	Ű
-1	AERO	<b>QAKBROOK</b>	138.00	138.00	1.	1.06			954ACSR45/7	
2	WOODSPOINT (239)	AERO (306)	138.00	138.00	1	1.87			954ACSR45/7	
3	138kV Summary									7,968,641
4	All 69kV Lines		69.00	69.00		102.38	4	14.		
5	69kV Summary									1,223,666
6	O&M Summary									
							1			
7					TOTAL	105.31	3.76	1.4		9,192,307

FERC FORM NO. 1 (ED. 12-87)

### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 194 of 201

Name of Respondent: Duke Energy Kenlucky, Inc.	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4
		TRANSMISSION LINES AD	DED DURING YEAR

Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of 2. Provide separate subheadings for overhead and under- ground construction and show each transmission line separately. If actual costs of competed it is permissible to report in these columns the costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Righ footnote, and costs of Underground Condult in column (m).
 If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other cha

	LINE DESIGNA	ATION				ITS PER CTURE		CONDUCT	ORS			
Line No.	From	To	Lìne Length In Miles	Туре	Average Number per Miles	Present	Ultimate	Size	Specification	Configuration and Spacing	Voltage KV (Operating)	Land and Land Rights
	(a)	(b)	(c)	(d)	(8)	(f)	(g)	<u>(</u> h)	(1)	(i)	(k)	(I)
1	WOODSPOINT (239)	AERO (306)	1.90	1		1	1.	954	ACSR	1	138	
44	TOTAL		1.90		0	1	1					

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Narrie Duke I	of Respondent: Energy Kentucky, In	Ċ.	(1) 🗹 An C	This report is: (1) 🗹 An Original (2) 🗆 A Resubmission			Date of Report: 04/15/2024		Year/Period of Report. End of: 2023/ Q4		
				•	S	UBSTATIO	NS			L	
2. 3. 4.1 5. 6.1	Report below the inf Substations which s Substations with cap such substations min ndicate in column (i summarize accordin Show in columns (i) Designate substation any substation or eq eason of sole owne accounts affected in	erve only one indu actities of Less that ist be shown. b) the functional ch g to function the c (j), and (k) specia ns or major items of ulpment operated rship or lease, give	strial or street i an 10 MVA exce apacities report il equipment su of equipment le under lease, gi e namé of co-c	ailway cust apt those se ted for the in ch as rotan ased from o ive name of wher or oth	orner should no rving custome n, designating w ndividual station y converters, re others, jointly or i lessor, date ar er party, explain	ot be listed rs with ener whether tran ns in colum ctifiers, cor whed with of period of n basis of s	below. rgy for resale, r in (f), idensers, etc. a others, or opera f lease, and ani haring expensi	nay be grouped a tribution and whe ind auxiliary equi ited otherwise tha ited otherwise tha ual rent. For any is or other accou	other attended or pment for increas an by reason of so substation or equ nting between the	unatlende ing capac ple owner uipment c i parlies,	
		Character of S	Substation	vc	LTAGE (In MV	(a)				Con	
Line No.	Name and Location of Substation (a)	Transmission or Distribution (b)	Attended or Unattended (b-1)	Primary Voltage (In MVa) (C)	Secondary Voltago (in: MVa) (d)	Tertiary Voltage (In <u>MVa)</u> (e)	Capacity of Substation (In Service) (In MVa) (1)	Number of Transformers In Service (9)	Number of Spare <u>Transformers</u> (h)	Type Equipr (i)	
1	AERO BOONE CO	Transmission		138	13	۵	90	4	0		
2	ALEXANDRIA SOUTH- CAMPBELL CO	Distribution		69	13	0	11	1	Û		
3	ATLAS- KENTON CO	Distribution	2) 2	69	13	٥	11	1	0		
4	AUGUSTINE- COVINGTON, KY	Distribution		138	13	O	67	3	0		
5	BEAVER- BOONE.CO.	Distribution		69	13	0	21	2	0		
6	BELLEVUE- CAMPBELL CO,	Distribulion		138	13	D	45	2	0		
7	BLACKWELL- GRANT CO.	Transmission		138	69	0	150	1	0		
8	BUFFINGTON- KENTON CO.	Transmission	онника. (онника.	345	138	13	1178	7	1		
.9	CLARYVILLE- CAMBELL CO.	Distribution		69	13	0	32	3	Q		
10	COLD SPRING- CAMPBELL CO.	Distribution		132	13	0	33	2.	0		
11	CONSTANCE- KENTON CO.	Distribution		138	13	0	45 <sup>.</sup>	2.	0		
12	COVINGTON - KENTON CO.	Distribution	99740-00.4046C	69	13	0	45	2	0		
13	CRESCENT- KENTON CO.	Distribution		138	13	Ó	67	3	0		
14	CRITTENDEN- GRANT CO.	Distribution		69	13	Ó	21	2	0		

15	DAYTON - CAMPBELL CO.	Distribution	138	13	0	22	1	0	
16	DÉCÔURSEY- KENTON CO:	Distribution	69	13	0	ŤĬ	1	O	
17	DIXIE FLORENCE CO.	Distribution	69	13	0	67	3	0	
18	DONALDSON ERLANGER CO.	Transmission	138	13	0	90	4	0	
19	DRY RIDGE- GRANT CO.	Distribution	69	13	Q	21	2	0	
-20	EMPIRE - BOONE CO,	Distribution	69	13	0	25	2	0	
21	FLORENCE- BOONE CO.	Distribution	138:	13	0	67	3	Ó	
-22	GRANT-GRANT CO.	Distribution	69	13	0	21	2	0	<u></u>
-23	HANDS- KENTON CO.	Distribution	 138	13	0	45	2	0	
24	HEBRON- BOONE CO.	Distribution	138	13	0	45	2	Û	
25	KENTON FORT WRIGHT CO.	Transmission	138	66	0	167	3	0	
26	KY. ÜNIVERSITY~ CAMP. CO.	Distribution	138	13	Q	45	2	0	
27	LIMABURG FLORENCE CO.	Distribution	69	13	0	31	3	Ø	
28	LONGBRANCH- BOONE CO,	Distribution	138	13	Ó	45	2	0	
29	MARSHALL- CAMPBELL CO.	Distribution	69	1,3	Û	ť1	1	Q	
30	MT ZION FLORENCE CO.	Distribution	138	13	Q.	45	ź	0	
31	OAKBROOK - BOONE CO	Distribution	138	69	0	172	2	0	
32	RICHWOOD - BOONE CO.	Distribution	69	13	Ö	43	3	0	
33	SILVER GROVE - CAMPBELL CO.	Transmission	138	13	c	-422	2	0	
34	THOMAS MORE - KENTON CO.	Distribution	69	13	0	22	1	0	
35	VERONA - KENTON CO.	Distribution	69	13	Ō	21	2.	0	
36	VILLA- CRESTVIEW HLS., KY	Distribution	69	13	.Q	45	2	Ó	

37	WHITE TOWER- KENTON CO.	Distribution		69	13	0	21	2	0	
38	WILDER- WILDER, KY,	Transmission.		138.	69	13	502	4	0	
39	YORK- NEWPORT, KY.	Distribution		138	13	0	22	1	0	
40	TOTAL Transmission Substations		+ first -t€ourboom				2599	25	1	
41	TOTAL Distribution Substations						1245	64		
42	TOTAL Generation Substations									_
43	TOTAL						3844	89	1	0

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Duke Energy Kentucky, Inc.			oort is: An Original Date of Report: 04/15/2024 A Resubmission		Year/Period of Report End of: 2023/ Q4		
	TR	ANSACTIC	ONS WITH ASSOCIATED (AFF	ILIATED) COMPA	NIES		
2. T a: to	eport below the information called for he reporting threshold for reporting p ssociated/affiliated company for non- b include or aggregate amounts in a r /here amounts billed to or received fr	urposes is a power good ionspecific	250,000. The threshold applie is and services. The good or se category such as "general".	s to the annual am rvice must be spec	ount billed to the r cific in nature. Res	espondent or billed to an pondents should not attempt	
Líne No.	Description of the Good or So (a)	ervice	Name of Associated/Affili (b)	ated Company	Account(s) Charged or Credited (c)	Amount Charged or Credited (d)	
1	Non-power Goods or Services Pr by Affiliated	ovided					
-2	a Services Provided by Duke Energy Services	Business	Duke Energy Business Servi	ces, LLC	Various	167,111,261	
3	Customer and Market Services		Duke Energy Carolinas, LLC		Various	7,012,863	
4	Generation Services		Duke Energy Carolinas, LLC		Various	1,021,584	
5	Other Goods and Services	**************************************	Duke Energy Carolinas, LLC	13	Various	1,180,583	
6	Transmission and Distribution Serv	ces	Duke Energy Carolinas, LLC		Various	1,359,231	
7	Customer and Market Services		Duke Energy Progress, LLC		Various	142,928	
8	Generation Services		Duke Energy Progress, LLC	988	Various	139,630	
9	Other Goods and Services		Duke Energy Progress, LLC		Various	231,160	
10	Transmission and Distribution Serv	ices	Duke Energy Progress, LLC		Varioùs	127,713	
11	Customer & Market Services	****	Duke Energy Florida, LLC		Various	249,767	
12	Generation Services		Duke Energy Florida, LLC		Various	23,156	
13	Other goods and Services		Duke Energy Florida, LLC		Various	1,174	
14	Transmission and Distribution Serv	ices	Duke Energy Florida, LLC		Various	1,451	
15	Customer and Market Services		Duke Energy Indiana, LLC		Various	167,959	
16	Generation Services		Duke Energy Indiana, LLC		Various	17,943,514	
17	Other Goods and Services		Duke Energy Indiana, LLC		Various	193,091	
18	Transmission and Distribution Serv	ices	Duke Energy Indiana, LLC		Various	91,577	
19	Customer and Market Services		Duke Energy Ohio, Inc.		Various	1,146,950	
20	Gas Distribution Services		Duke Energy Ohio, Inc.		Various	1,805,645	
21	Other Goods and Services		Duke Energy Ohio, Inc.		Various	1,590,389	
22	Transmission and Distribution Serv	ices	Duke Energy Ohio, Inc.		Various	8,633,907	
23	Gas Distribution Services		Duke Energy Ohio Com Pov	ver	Various	834	
24	Transmission and Distribution Serv	ices	Duke Energy Ohio Com Pov	vər	Various	37,567	
25	Gas Distribution Services		Piedmont Natural Gas Com	ралу, Inc,	Various	20,110,670	
26	Other Goods and Services		Duke Energy Commercial E	nterprises	Various	142	

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19				
20	Non-power Goods or Services Provided for Affiliated			
21	Customer and Market Services	Duke Energy Carolinas, LLC	Various	(13)
22	Gas Distribution Services	Duke Energy Carolinas, LLC	Various	294
23	Generation Services	Duke Energy Carolinas, LLC	Various	1,204
2 <u>4</u>	Other Goods and Services	Duke Energy Carolinas, LLC	Various	
25	Transmission and Distribution Services	Duke Energy Carolínas, LLC	Various	3,224
26	Customer and Market Services	Duke Energy Progress, LLC	Various	4
27	Gas Distribution Services	Duke Energy Progress, LLC	Various	
28	Generation Services	Duke Energy Progress, LLC	Various	398
29	Transmission and Distribution Services	Duke Energy Progress, LLC	Various	2,725
30	Customer and Market Services	Duke Energy Florida, LLC	Various	4
31	Generation Services	Duke Energy Florida, LLC	Various	598
32	Gas Distribution Services	Duke Energy Florida, LLC	Various	111
33	Transmission and Distribution Services	Duke Energy Florida, LLC	Various	125,322
34	Transmission and Distribution Services	Duke Energy Business Services LLC	Various	
35	Customer and Market Services	Duke Energy Indiana, LLC	Various	2
36	Gas Distribution Services	Duke Energy Indiana, LLC	Various	3,300
37	Generation Services	Duke Energy Indiana, LLC	Various	695,329
38	Transmission and Distribution Services	Duke Energy Indiana, LLC	Various	50,479
39	Customer and Market Services	Dukè Energy Ohio, Iric.	Various	196,151
40	Gas Distribution Services	Duke Energy Ohio, Inc.	Various	1,132,632
41	Other Goods and Services.	Duké Energy Ohio, Inc.	Various	313,492
42	Transmission and Distribution Services	Duke Energy Ohio, Inc.	Various	1,574,353
43	Generation Services	Duke Energy Ohio, Inc.	Various	4,763
44	Gas Distribution Services	KO Transmission Company	Various	655
45	Transmission and Distribution Services	Piedmont Natural Gas Company, Inc.	Various	58
46	Gas Distribution Services	Piedmont Natural Gas Company, Inc.	Various	348
42				

FERC FORM NO. 1 ((NEW))

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 200 of 201

Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) ☑ An Origina) (2) □ A Resubmission	Dale of Report: 04/15/2024	Year/Period of Report End of: 2023/ Q4
	FOOTNOTE DATA		
(a) Concept: DescriptionOfNonPowerGoodOr	Service		
When an employee of the Service Company performs se method will be on a basis reasonably related to the servi allocation methods.			
Functions and Allocation Methods:			
Information Systems Number of Central Processing Unit Seconds Ratio/Million	ne of instructions car Second		
Number of Personal Computer Workstations Ratio	ins of the decising her decorro		
Number of Information Systems Servers Ratio			
Number of Employees Ratio			
Meters			
Number of Customers Rétio.			
Transportation			
Number of Employees Ratio			
Three Factor Formula			
Electric System Maintenance			
Circuit Miles of Electric Transmission Lines Ratio			
Circuit Miles of Electric Distribution Lines Ratio			1
Marketing and Customer Relations and Grid Solution	16		
Number of Customers Ratio			
Electric Transmission & Distribution Engineering & (	Construction		
Electric Transmission Plant's Construction - Expenditure			
Electric Distribution Plant's Construction - Expenditures			
Power Engineering & Construction			
Electric Production Plant's Construction - Expenditures F	Ratio		
Human Resources			
Number of Employees Ratio			
Supply Chain			
Procurement Spending Ratio			
Inventory Ratio			
Facilities			
Square Foolage Ratio			
Accounting			
Three Factor Formula			
Generating Unit MW Capability Ratio			
Power Planning and Operations.			

## KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 1 Page 201 of 201

Electric Peak Load Ratio Weighted Avg of the Circuit Miles of Electric Distribution Lines Ratio and the Electric Peak Load Ratio Sales Ratio Weighted Avg of the Circuit Miles of Electric Transmission Lines Ratio and the Electric Peak Load Ratio Generating Unit MW Capability Ratio Public Affairs Three Factor Formula Weighted Avg of Number of Customers Ratio and Number of Employees Ratio Legal Three Factor Formula Rates Sales Ratio Finance Three Factor Formula **Rights of Way** Circuit Miles of Electric Transmission Lines Ratio Circuit Miles of Electric Distribution Lines Ratio Electric Peak Load Retio Internal Auditing Three Factor Formula Environmental, Health and Safety Three Factor Formula Sales Ratio Fuels Sales Ratio Investor Relations Three Factor Formula Planning Three Factor Formula Executive Three Factor Formula

FERC FORM NO. 1 ((NEW))

XBRL Instance File Visit Submission Details Screen

KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 1 of 193

THIS FILING IS



FERC FINANCIAL REPORT FERC FORM No. 2: Annual Report of Major Natural Gas Companies and Supplemental Form 3-Q: Quarterly

**Financial Report** 

These reports are mandatory under the Natural Gas Act, Sections 10(a), and 16 and 18 CFR Parts 260.1 and 260.300. Failure to report may result in criminal fines, civil penalties, and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of a confidential nature.

KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 2 of 193

Exact Legal Name of Respondent (Company)	
	ear/Period of Report:
Er [Er	nd of: 2023/ Q4
Duke Energy Kantucky, Inc	

FERC FORM NO. 2 (02-04)

#### INSTRUCTIONS FOR FILING FERC FORMS 2, 2-A and 3-Q

#### GENERAL INFORMATION

#### I. Purpose

FERC Forms 2, 2-A, and 3-Q are designed to collect financial and operational information from natural gas companies subject to the junsdiction of the Federal Energy Regulatory Commission. These reports are also considered to be a non-confidential public use forms.

#### II. Who Must Submit

Each naturel gas company whose combined gas transported or stored for a fee exceed 50 million dekatherms in each of the previous three years must submit FERC Form 2 and 3-Q.

Each natural gas company not meeting the filling threshold for FERC Form 2, but having total gas seles or volume transactions exceeding 200,000 dekatherms in each of the previous three calendar years must submit FERC Form 2-A and 3-Q.

Newly established entities must use projected data to determine whether they must file the FERC Form 3-Q and FERC Form 2 or 2-A.

#### III. What and Where to Submit

- a. Submit FERC Form Nos, 2, 2-A and 3-Q electronically through the eCollection portal at <u>https://eCollection.ferc.gov</u>, and according to the specifications in the Form 2, 2-A and 3-Q taxonomies.
- b. The Corporate Officer Certification must be submitted electronically as part of the FERC Form 2 and 3-Q filings.
- c. Subm.t immediately upon publication, by either eFiling or mailing two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders and any annual financial or statistical report regulary prepared and distributed to bookholders, security analysts, or industry associations. Do not include monthly and quartedy reports. Indicate by checking the appropriate box on Form 2, Page 3, List of Schedules, if the reports to stockholders will be submitted or in on annual report to stockholders is prepared. Unless eFiling the Annual Report to Stockholders, meil these reports to the Secretary of the Commission at:

Secretary of the Commission Federal Energy Regulatory Commission 888 First Street, NE Washington, DC 20426

- d. For the Annual CPA certification, submit with the original submission of this form, a letter or report (not applicable to respondents classified as Class C or Class D prior to January 1, 1984) prepared in conformity with the current slandards of reporting which will:
  - i. Contain a paragraph attesting to the conformity, in all material respects, of the schedules listed below with the Commission's applicable uniform Systems of Accounts (including applicable notes relating thereto and the Chief Accountan's published accounting (releases), and
  - ii. be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of e State or other political subdivision of the U.S. (See 18 C.F.R. §§ 156.10-156.12 for specific qualifications.)

Reference	Reference Schedules Pages
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

Filers should state in the letter or report, which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist

- e. Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. Further instructions are found on the Commission website at <a href="https://www.ferc.gov/ferc-online/ferconline/frequently-asked-questions-fage-efilingferc-online">https://www.ferc.gov/ferc-online/ferconline/frequently-asked-questions-fage-efilingferc-online.</a>
- Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 2 and 2-A free of charge from: <u>https://www.ferc.gov/industries-data/natural-gas/industry-forms</u>. Copies

may also be obtained from the Public Reference and Files Maintenance Branch, Federal Energy Regulatory Commission 888 First Street, NE Room 2A, Washington, DC 20426 or by calling (202):502-8371

#### IV. When to Submit:

#### FERC Forms 2, 2-A, and 3-Q must be filed by the dates:

- a. FERC Form 2 and 2-A --- by April 18th of the following year (18 C.F.R. §§ 260.1 and 260.2)
- FERC Form 3-Q ~- Natural gas companies that file a FERC Form 2 must file the FERC Form 3-Q within 60 days after the reporting quarter (18 C F.R.§ 260.300), and
- c. FERC Form 3-Q --- Natural gas companies that file a FERC Form 2-A must file the FERC Form 3-Q within 70 days after the reporting quarter (18 C.F.R. § 260.300).

#### V. Where to Send Comments on Public Reporting Burden.

The public reporting burden for the Form 2 collection of information is estimated to average 1,671.66 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed and completing and reviewing the collection of information. The public reporting burden for the *Form* 2A collection of information is estimated to average 295.66 hours per response. The public reporting burden for the for the Form 3-Q collection of information is estimated to average 167 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 886 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

#### **GENERAL INSTRUCTIONS**

- Prepare all reports in conformity with the Uniform System of Accounts (USofA) (18 C.F.R. Part 201). Interpret all
  accounting words and phrases in accordance with the USofA.
- II. Enter in whole numbers (dollars or Dth) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts shorted on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the current balances at the end of the current reporting period, and use for statement of income accounts the current to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, indicate whether a schedule has been omitted by entering NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, page 2.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. The "Date of Report" included in the header of each page is to be completed only for resubmissions.
- VI. Generally, except for cartain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, please explain the reason for the resubmission in a footnote to the data field.
- VIII. Footnote and further explain accounts or pages as necessary,
- IX. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized
- X. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.
- XI. Report all gas volumes in Dth unless the schedule specifically requires the reporting in another unit of measurement.
- XII. Schedule specific instructions are found in the applicable taxonomy and on the applicable blank rendered form.

DEFINITIONS

KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 4 of 193

- I. <u>Btu per cubic foot</u> The total heating value, expressed in Btu, produced by the combustion, at constant pressure, of the amount of the gas which would occupy a volume of 1 cubic foot at a tamperature of 60°F if saturated with water vapor and under a pressure equivalent to that of 30°F, and under standard gravitational force (980.665 cm, per soc) with air of the same tamperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of gas and air when the water formed by combustion is condensed to the liquid state (called gross heating value or total heating value).
- <u>Commission Authorization</u> The authorization of the Federal Energy Regulatory Commission, or any other Commission, Name the commission whose authorization was obtained and give date of the authorization.
- Ni. Dekatherm A unit of heating value equivalent to 10 therms or 1,000,000 Btu.
- IV. <u>Respondent</u> The person, corporation, licensee, agency, authority, or other legal entity or instrumentality on whose behalf the report is made.

#### EXCERPTS FROM THE LAW

Natural Gas Act, 15 U.S.C. 717-717w

"Sec. 10(b). Every natural-gas company shall file with the Commission such annual and other periodic or special reports as the Commission may by rules and regulations or order prescribe as necessary or appropriate to assist the Commission in the proper administration of this act. The Commission may prescribe as necessary or appropriate to assist the Commission in the proper administration of this act. The Commission may prescribe as necessary or appropriate to assist the Commission be made and require from such netural-gas companies specific answers to all questions upon which the Commission may need information. The Commission may require that such reports include, among other things, full information as to assets and liabilities, capitalization, investment and reduction thereof, gross receipts, interast dues and paid, depreciation, amonization, and other reserves, cost of facilities, costs of maintenance and operation of facilities for the production, transportation, defivery, use, or table of natural gas, costs of renewal and replacement of such facilities, transportation, defivery, use and sale of natural gas..."

"Section 16. The Commission shall have power to perform all and any acts, and to prescribe, issue, make, amend, and rescrind such orders, rules, and regulations as II may find necessary or appropriate to carry out the provisions of this act, Among other things, such rules and regulations may define accounting, technical, and trade terms used in this act; and may prescribe the form or forms of all statements declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and time within they shall be filed...?

#### **General Penalties**

The Commission may assess up to \$1 million per day per violation of its rules and regulations. See NGA § 22(a), 35 U.S.C. §717t-1(a).

FERC FORM NO. 2

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	FERC FORM NO. 2 REPORT OF MAJOR NATURAL GAS COMPANIES	
	IDENTIFICATION	
01 Exact Legal Name of Respondent. Duke Energy Kentucky, inc		02 Year/ Period of Report End of: 2023/ 04
03 Previous Name and Date of Change (if name changed during year) /		
04 Address of Principal Office at End of Year (Street, City, State, Zip Code) 1282 Cox Road, Erlanger, KY 41018	аналан ал аманда та түрөндө тоо улаан улаан улаан улаан ал ал аманда тоо таймадага таймадага таймадага тайма т	· · · · · · · · · · · · · · · · · · ·
05 Name of Conlact Person Robert Jones		06 Tille of Contact Person Accounting Manager I
07 Address of Contact Person (Street, City, State, Zip Code) \$25 S Tryon St, Charlotte; NC 28202		
98 Telephone of Contact Person, Including Area Code 631-478-8962	09 This Report is An Original / A Resubmis≊ion (1) ☑ An Original (2) □ A Resubmission	10 Date of Report (Mo, Da, Yr) 04/25/2024
	Annual Corporate Officer Certification	
The undersigned officer confiftes that: I have examined this report and to the best of my knowledge, information, and I information contained in this report, conform in all material respects to the Unifo	baller all statements of fact contained in this report are correct statements o rm System of Accounts,	of the business affairs of the respondent and the financial statements, and other financial
13 Name Cynthia S, Lee	12 Title VP. CAO, and Controller	n y dan ya da ya ana ang da ya ana a ga ang da ng ang da ya da ya da ya da ya da ya da ya da ya da ya da ya da
13 Signature Cynthia S, Lee	14 Date Signed 04/25/2024	
The 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly	to make to any Agency or Department of the United States any felse, fight	eus or fraudulant statements as lo any matter within its jurisoficiton.
FERC FORM No. 2 (02-04)		, , , manut , , , , , , , , , , , , , , , , , , ,

## KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 6 of 193

	of Respondent: Energy Kenlucky, Inc	This report is: (1) ☑ An Original (2) ☑ A Resubmission	Year/Penod of Report End of: 2023/ Q4			
		List of Schedules (Natural Gas	Company)			
Enter	in column (d) the terms 'none," "not applicable," or "NA" as appropriate	e, to indicate no information or amounts have been report	ted for certain pages.			
Line No.		Title of Schedule (a)		Reference Page No. (b)	Date Revised (c)	Remarks (d)
	Identification			1	02-04	
	List of Schedules (Natural Gas Company)			2	REV 12-07	
	GENERAL CORPORATE INFORMATION AND FINANCIAL STATEM	MENTS				<u> </u>
1	General Information			<u>101</u>	12-96	1
z	Control Over Respondent			102	12-96	
3	Corporations Controlled by Respondent			103	12-96	N/A
4	Security Holders and Voting Powers			107	12-96	·
5	Important Changes During the Year	·····		108	12-96	
6	Comparative Balance Sheet				REV 06-04	
	Comparative Balance Sheet (Assets And Other Debits)			110	REV 06-04	+
	Comparative Balance Sheet (Liabilities and Other Credits)			112	REV 06-04	
7	Statement of Income for the Year			114	REV 06-04	1
8	Statement of Accumulated Comprehensive income and Hedging	Activitles		117	NEW 06-02	
9	Statement of Retained Earnings for the Year			118	REV 06-04	
10	Statement of Cash Flows		······································	120	REV 06-04	
11	Notes to Financial Statements			122.1	REV 12-07	
	BALANCE SHEET SUPPORTING SCHEDULES (Assets and Other	Debits)				
12	Summary of Utility Plant and Accumulated Provisions for Deprec	iation, Amortization, and Depletion		200	12-96	1
13	Gas Plant in Service			204	12-96	
14	Gas Property and Capacity Leased from Others			212	12-96	N/A
15	Gas Property and Capacity Leased to Others			213	12-96	N/A
16	Gas Plant Held for Future Use			214	12-96	
17	Construction Work in Progress-Gas			216	12-96	
18	Non-Traditional Rate Treatment Afforded New Projects			217	NEW 12-07	N/A
19	General Description of Construction Overhead Procedure			218	REV 12-07	
20	Accumulated Provision for Depreciation of Gas Utility Plant			219	12-96	
21	Gas Stored			220	REV 04-04	N/A
22	Investments			222	12-96	
23	Investments In Subsidiary Companies			224	12-96	N/A
24	Prepayments			<u>230a</u>	12-96	
		Fage 2				

## KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 7 of 193

Line No,	Title of Schedule (a)	Reference Page No. (b)	Date Revised (c)	Remarks (d)
25	Extraordinary Property Losses	<u>230b</u>	12-96	N/A
26	Unrecovered Plant And Regulatory Study Costs	230c	12-96	N/A
27	Other Regulatory Assets	232	REV 12-07	
28	Miscellaneous Deferred Debits	233	12-96	
29	Accumulated Deferred Income Taxes	234	REV 12-07	
	BALANCE SHEET SUPPORTING SCHEDULES (Liabilities and Other Credits)			
30	Capital Stock	250	12-96	
31	Capital Stock Subscribed, Capital Stock Liability for Conversion, Premium on Capital Stock, and Installments Received on Capital Stock	252	12-96	
32	Other Paid-In Capital	253	12-96	
33	Discount on Capital Stock	254	12-96	N/A
34	Capital Stock Expense	254	12-96	N/A
35	Securities Issued Or Assumed And Securities Refunded Or Retired During The Year	255.1	12-96	N/A
36	Long-Term Debi	256	12-96	
37	Unamortized Debt Expense, Premium And Discount On Long-Term Debt	258	12-96	
38	Unamonized Loss And Gain On Reacquired Debt	260	12-96	
39	Reconcillation of Reported Net Income with Taxable Income for Federal Income Taxes	261	12-96	1
40	Taxes Accrued, Prepaid And Charged During Year, Distribution Of Taxes Charged	262	REV 12-07	
41	Miscellaneous Current And Accrued Liabilities	268	12-96	
42	Other Deferred Credits	269	12-96	
43	Accumulated Deferred Income Taxes-Other Property (Account 282)	274	REV 12-07	
44	Accumulated Deferred Income Taxes-Other (Account 283)	276	REV 12-07	
45	Other Regulatory Liabilities	278	REV 12-07	
	INCOME ACCOUNT SUPPORTING SCHEDULES			
46	Monthly Quantity & Revenue Data	299	NEW 12-08	1
47	Gas Operating Revenues	300	REV 12-07	1
48	Revenues From Transportation Of Gas Ot Others Through Gathering Facilities	302	12-96	N/A
49	Revenues From Transportation Of Gas Of Others Through Transmission Facilities	304	12- <del>06</del>	
50	Revenues From Storing Gas Of Others	306	12-96	N/A
51	Other Gas Revenues	308	12-96	
52	Discounted Rate Services And Negotiated Rate Services	313	NEW 12-07	N/A
53	Gas Operation And Maintenance Expenses	317	12-96	
54	Exchange And Imbatance Transactions	328	12-96	N/A
55	Gas Used In Utility Operations	331	12-96	N/A
56	Transmission And Compression Of Gas By Others	332	12-95	N/A
57	Other Gas Supply Expenses	334	12-96	N/A
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## KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 8 of 193

Line No.	Title of Schedule (a)	Reference Page No. (b)	Data Revised (c)	Remarks (d)
59	Depreciation, Depletion, and Amortization of Gas Plant		12-96	
59	Section A. Summary of Depreciation, Depletion, and Amortization Charges	336	12-96	
59	Section B. Factors Used in Estimating Depreciation Charges	338	12~96	<u> </u>
60	Particulars Concerning Certain Income Deductions And Interest Charges Accounts	340	12-96	<u> </u>
	COMMON SECTION		12-96	
61	Regulatory Commission Expenses	350	12-96	
62	Employee Pensions And Benefits (Account 926)	352	NEW 12-07	
63	Distribution Of Salaries And Wages	354	REVISED	
64	Charges For Outside Professional And Other Consultative Services	357	REVISED	<u> </u>
65	Transactions With Associated (Affiliated) Companies	358	NEW 12-07	<u> </u>
_	GAS PLANT STATISTICAL DATA			
66	Compressor Stations	508	REV 12-07	N/A
67	Gas Storage Projects	<u>512</u>	12-96	N/A
67	Gas Storage Projects	<u>513</u>	12-96	<u> </u>
68	Transmission Lines	<u>514</u>	12-96	N/A
69	Transmission System Peak Deliveries	518	12-96	N/A
70	Auxiliary Peaking Facilities	519	12-96	<u> </u>
71	Gas Account - Natural Gas	520	REV 01-11	
72	Shipper Supplied Gas for the Current Quarter	<u>521</u>	REVISED 02-11	N/A
73	System Maps	<u>522.1</u>	REV. 12-96	N/A
74	Footnote Reference			
75	Footnote Text			
76	Stockholder's Reports (check appropriate box)			
	Four capies will be submitted			
	No annual report to stockholders is prepared			
	Page 2			

FERC FORM No. 2 (REV 12-07)

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Name of Respondent: Duke Energy Kontucky, Inc	This report is: (1) ☑ An Originel	Date of Report: 04/25/2024	Year/Period of Report: End of: 2023/ Q4			
DAVE EINIGA KOURTONA' NO	(2)	04/2512024				
	A Résubrission					
	General Information					
<ol> <li>Provide name and title of officer having custody of the general corporate t different from that where the general corporate books are kept,</li> </ol>	pooks of account and address of office where the general o	corporate books are kept, and address of office	where any other corporate books of account are kept, if			
Cynthia S. Lee			· · · · · · · · · · · · · · · · · · ·			
Vice President, Chief Accounting Officer and Controller						
525 S Tryon St, Charlotte, NC 28202						
2. Provide the name of the State under the laws of which respondent is incomendated and the date organized.	morated, and date of incorporation. If incorporated under a	special law, give reference to such law. If not	incorporated, state that fact and give the type of organization			
State of Incorporation: KY						
Date of Incorporation: 02/20/1901						
Incorporated Under Special Law:						
3. If at any time during the year the property of respondent was held by a rec created, and (d) date when possession by receiver or trustee ceased.	zeiver or trustee, give (a) name of receivor or trustee, (b) d	ate such receiver or trustee took possession, (	c) the authority by which the receivership or trusteeship was			
N/A (a) Name of Receiver or Trustee Holding Property of the Respondent:						
(b) Date Receiver took Possession of Respondent Property:						
(c) Authority by which the Receivership or Trusteeship was created:						
(d) Date when possession by receiver or trustee ceased:						
4. State the classes or utility and other services furnished by respondent dur	ing the year in each State in which the respondent operate	rd,				
Kentucky - Gas and Electric						
5. Have you engaged us the principal accountant to audit your financial state	ments an accountant who is not the principal accountant f	or your previous year's certified financial stater	ments?			
Ø						
(2)						
	Δημ					
RC FORM No. 2 (12-96)						

KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 10 of 193

Name of Respondent: Duké Energy Kentucky, Inc		This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/25/2024	Year/Period of Report: End of: 2023/ Q4			
	۵۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰		Control Over Raspondent				
2. 3.	<ol> <li>Report in column (a) the names of all corporations, partnerships, business trusts, and similar organizations that directly, indirectly, or jointly held control (see page 103 for definition of control) over the respondent at the end of the year. If control is in a holding company organization, report in a footnote the chain of organization.</li> <li>If control is held by trustees, state in a footnote the names of business (the names of beneficiaries for whom the trust is maintained, and the purpose of the trust.</li> <li>If control is held by trustees, state in a footnote the names of business, the names of beneficiaries for whom the trust is maintained, and the purpose of the trust.</li> <li>If control is held by trustees, state in a footnote the names of business, the names of beneficiaries for whom the trust is maintained, and the purpose of the trust.</li> <li>If control is held by trustees, state in a footnote the names of business, the names of beneficiaries for whom the trust is maintained, and the purpose of the trust.</li> <li>If control is held by trustees, state in a footnote the respondent. Report an "M" if the company is the main parent or controlling company having ultimate control over the respondent. Otherwise, report a "D" for direct, or a "J" for joint control.</li> </ol>						
Line Company Name Type of Control State of Incorporation Percent Voting Stock Owned (a) (b) (c) (d)							
1	Duke Energy Ohio	M	ÓН	100%			

FERC FORM No. 2 (12-96)

Page 102

	ne of Respondent: le Energy Kentucky, Inc.	This report is: (1) I An Original (2) A Resubmission		Date of Report: 04/25/2024	Year/Pariod of Rep End of: 2023/ Q4	બત:		
		¢	privations Controlled by Res	pondent				
4	<ol> <li>Report below the names of all corporations, business trusts; and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote,</li> <li>If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved,</li> <li>If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.</li> <li>If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.</li> <li>In column (b) designate type of control of the respondent as "D" for direct, an "I" for indirect, or a "J" for joint control.</li> </ol>							
	-INITION\$							
2 3	<ol> <li>See the Uniform System of Accounts for a definition of centrol.</li> <li>Direct control is that which is exercised without interposition of an intermediary.</li> <li>Indirect control is that which is exercised without interposition of an intermediary.</li> <li>Indirect control is that which is exercised by the interposition of an intermediary.</li> <li>Indirect control is that which is exercised by the interposition of an intermediary.</li> <li>Indirect control is that which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control is that which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control is that which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.</li> </ol>							
Line No.		Type of Control (b)	Kind of Business (c)	Percent Voting Stock (d)	Dwned	Footnote Reference (a)		
1	ŴA			an geographic and a geogr		NotUsed		

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•		is repart is:	Date of Report:	Year/Period of Repo	<b>4</b> ,			
	e of Respondent:	An Original	di Ciklaum					
juke Energy Kentucky, inc			04/25/2024	End of: 2023/ 04				
		A Resubmission						
	Security Holders and Voling Powars							
2.3.4.	<ol> <li>Give the names and addresses of the 10 security holders of the respondent who, at the date of the latest closing of the stock book or compliation of list of stockholders of the respondent, prior to the end of the year, had the highest voting powers in the respondent, and state the number of votes that each could cast on that date if a meeting were held, if any such holder held in frust, give in a footbolters of the respondent, prior to the end of the year, or if since it completed the previous list of stockholders of beneficiary interests in the trust. If the company did not close the stock book or cidinal complete a fist of stockholders within any year prior to the end of the year, or if since it completed the previous list of stockholders, some other pass of security has become vested with voting rights, then show such 10 security holders as of the does of the year. Arrange the names of the security holders in the order of voting power, commencing with the highest voting rights, explain in a supplemental statement how such security became vasted with voting rights are actual or contingent; if contingent, describe the contingenty.</li> <li>If any security other than stock carries voting rights, explain in a supplemental statement how such security became vasted with voting rights are actual or contingent; if contingent, describe the contingenty.</li> <li>If any class or issue of security thas any special privileges in the election of directors, includers, trustees or managers, or in the determination of corporate actual to reter assets ourly in a footnate.</li> <li>Funds of security has any special privileges in the election of directors, trustees or managers, or in the determination of expondent or any each the respondent, including prices, expiration determination relating to exercise of the options, warrants, or rights. Specify the amount of such securities or assets any officer, associated company, or any of the 10 targest security holders is entitled to purchese. This instruction</li></ol>							
	e data of the latest closing of the stock book prior to end of year, and, in a ste, stale the purpose of such closing:	<ol> <li>State the total number of votes cast at the later the respondent and number of such votes cest by Total: 585,333</li> <li>By Proxy:</li> </ol>		ection of directors of	3. Give the date and place, meeting:	ntauch		
Line	Name (Title) and Address of Security Holder	VOTING SECURITIES 4. Number of votes as of (date).						
No.	(a)	Total Votes (b)	Common Stock (c)		Preferred Stock (d)	Other («)		
			f	585,333				
"No. 5 5	(a)	(b)	f	<b>5</b> \$ <b>5</b> ,333				
"No. 5 5 7	(à) TOTAL votas of all voting securities	(b) 585,333	f	595,333 1 585,333				
"No. 5 5	(a) TOTAL votes of all voting securities TOTAL number of security holders	(b) 525,333 1	f	1				
"No. 5 5 7	(a) TOTAL votes of all voting securities TOTAL number of security holders	(b) 525,333 1	f	1				
No. 5 5 7 8	(a) TOTAL votes of all voting securities TOTAL number of security holders	(b) 525,333 1	f	1				
No. 5 5 7 8 9	(a) TOTAL votes of all voting securities TOTAL number of security holders	(b) 525,333 1	f	1				
Νο. 5 ? 8 9 10	(a) TOTAL votes of all voting securities TOTAL number of security holders	(b) 525,333 1	f	1				
No. 5 6 7 8 9 10 11	(a) TOTAL votes of all voting securities TOTAL number of security holders	(b) 525,333 1	f	1				
No. 5 5 7 8 9 10 11 12	(a) TOTAL votes of all voting securities TOTAL number of security holders	(b) 525,333 1	f	1				
No. 5 5 7 8 9 10 11 12 13	(a) TOTAL votes of all voting securities TOTAL number of security holders	(b) 525,333 1	f	1				
No. 5 5 7 8 9 10 11 12 13 14	(a) TOTAL votes of all voting securities TOTAL number of security holders	(b) 525,333 1	f	1				
No. 5 5 7 8 9 10 11 12 13 14 15	(a) TOTAL votes of all voting securities TOTAL number of security holders	(b) 525,333 1	f	1				
No. 5 5 7 8 8 9 10 11 12 13 14 15 15	(a) TOTAL votes of all voting securities TOTAL number of security holders	(b) 525,333 1	f	1				
No. 5 5 7 8 9 10 11 12 13 14 15 15 17	(a) TOTAL votes of all voting securities TOTAL number of security holders	(b) 525,333 1	f	1				

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Name.of Respondent: Duke Energy Kentucky, Inc	This report is: (1) Ø An Original (2) □ A Resubmission	Date of Report: 04/25/2024	Year/Period of Report; End of: 2023/ Q4				
	Important Changes During t	he Year					
Important Changes During the Year Give details concerning the matters indicated balow. Make the statements explicit and precise, and number them in accordance with the inquiries. Answer each inquiry. Enter "none" or "not applicable" where applicable. If the answer is given elsiwhere in the report, refer to the schedule in which 4 appears. 1. Changes in and important additions to inclusive addition with appears. 2. Acquisition of ownership in other companies by manganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorization. 3. Purchase or sale of an operating unit or system: Briefy describe the property, and the related transactions, and cite Commission authorization, if any was required. Give date journal entries called for by Uniform System of Accounts were submitted to the Commission. 4. Important Neasholds for natural gas lands) that heve been acquired or given, assigned or surrendered: Give effective dates, lengths of farms, names of parties, rents, and other conditions. State name of Commission authorizing least and give reference to such authorization. 5. Important setantisor or distribution system: State tentiory added or relinquished and date operations began or cessed and cite Commission authorization, if any was required. State also the approximate number or orderwise, giving location and approximate total gas volumes available, period of contracts, and other gradies to any such arrangements, dcc. 6. Difigutions incurred or assumed by respondent is guarantor for the performance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or nuit later then one year after date of such and approximate than one year after date of such and approximate to any of the eperformance by another of any agreement or obligation, including ordinary commercial paper maturing on demand or nuit later then one year after date of such available of intorparten or a							
1, None		ni in an					
2. See Notes to Financial Statements, Note 1, "Summary of Significant Accounting Policies"	General gundhiller an yundhiller an yundhiller an yundhiller an yundhiller an yundhiller an yundhiller an yundh •	۵٬۵۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۶					
3, See Notes to Financial Statements, Note 2, "Regulatory Matters"							
4. None							
5, None							
6. See Notos lo Financial Statements, Note 5, "Debt and Cresit Facilities"							
7. None							
8. During the fourth quarter 2023, there were no large scale wage changes for Duke Energy Kentucky payroll company. During the third quarter 2023, there were no large scale wage changes for Duke Energy Kentucky — payroll company. During the second quarter 2023, there were no large scale wage changes for Duke Energy Kentucky — payroll company. During the first quarter 2023, there were no large scale wage changes to report.							
9. See Notes to Financia) Statements, Note 2, "Regulatory Matters" and Note 3, "Commitme Contingencies"	nis and						
10. Nane							
13. Nona							

an Theorem in the second s							
	12. There are no changes to major security holders and voting powers of Duke Energy Kenbucky, inc. that occurred during the fourth quarter 2023.						
The changes in officers and directors for Duke Energy Kentucky.	c, that occurred during the fourth quarter 2023 are as follows:						
Resignations effective 12/3/2023							
Lainy E, Hasthar.	Service Mode Production, Countering Experiences and Services						
	Executive Vice Provident and Chief Haman Resources						
Recald R. Baileing	Officer						
Resignations effective 10/24/2023							
	Sonjor May President and President, Duke Energy						
Christopher M. Sellon	Sustained a Solutions						
Appointments emetive 10/03/2023							
Meina B. Johns	Mae President, Rendwoodens Developmend						
Resignations affective 10/03/2023							
	vice President, Destricuted Energy Solutions and						
Melisa B. Johns	Régulated Record-addes						
The changes in officiers and directors for Caulle Energy Kantucky, Inc. that or	and deliver the sheet are the 1997 and in the Remain						
Appointments effective Mrt6/2023	nudd amraid (nis wad draftor 751) tas a'r twisar.						
- · ·							
Rousnetijo K; Needer	Wee President, New Nuder Generation and License, Reinward						
Resignations offective 0/715/2023							
Junore Wels	Vice President, New Yorkson Generalion						
Resignations stanne (781)/2023	The of the second set of the second set of the second se						
Thomas Sched	vice President, human Resources, Istal Remarks & HR Operations						
() (10/1148) 30-0/12/M	And Autoridian' umusu u andread ' nanti ve stuare d' Lur c'èarenaite						
The changes in officers and Glaccions for Duke Energy Homauchy, (nc. that of Appaintments officially of Auto23	isted มีมากักฎ (he second อุนอสวรา 2013 อง as สินชี อพระ						
Kotwo Charley-Tegog	Director						
Resignations effective backs/2073	CH Settor						
Opina M. Jamis	Director						
Dhiaa M, Jamil	Executive Vice President and Shint Operating Officer						
Appointmenta effective 05/16/3023							
Dacar Surio	Scrötz Virte Presidenti and Oxfeet Communications Officer						
Approximents effective 05/01/2023							
Renoe H. Metzler	Vice Prélédent, Total Rawards and Human Rascurees Opatiations						
Resignations effective p3/112023							
Renee H. Nottler	Monaging Diawito, Total Alexandra						
Resignations effective 040818623							
Catherine B. Stancombe	Service President, Encarcence Operational Receivers						
The changes in officers and dimenors for Date Energy Kentroky, Inc. That or							
For changes in openies and minimum is for their energy remaining for their co	in loss for the size form and for the size of the size						
M. Selin Singol Appointments entering 03/18/29/23	Senior Vice President and Ehier Dommunications Officer						
Арринтинения снешине изглагади	A State of State of the Alternative State of Alternative State						
	Servior Vice President, Çopporate Real Estatis, Anlance and Emaineus Sandicas						
Resignations effective 02/16/2028 Downs T. Council	in the second second second second second second second second second second second second second second second						
	Semior Vice Dynaident, Administrativa, Semicra						
Appointments effective 03/01/2023 R. Alexander Glenn	Executive Vice President						
Romadal Fi, Reinanda							
Normalka H., Keyaang Londa E., Renjal	Executive Vice President and Chief Haman Resources Officer Discusive Vice President, External Assiss and Communications						
Resignations effective 03/01/2023	Alicenses alle frighten, Extern et die en die en die en die en die en die en die en die en die en die en die en						
••••	Free life: Sections'						
R, Alexander Glenn Renald R, Raising	Server Vice President Server Vice President and Chief Hereen Resources Officer						
Louis E. Rongel	Bouist Vice Preddent, Externel Afraits and Communications						
Appalaimenta elibetive 01/01/2023							
T, Praslan Gilleson, J.	Executive Vice Provident, Chief Generation Officer and Enterprise Operadinal Exceptence						
Zashany D. Hall	Vice President, Environmental, Heath and Safety Programs						
James Wells	Vice President, New Maddear Generation						
Jeson S. Millama	Senior Vice Precident, Transmission Maintenance and Construction						
Resignations effective 01/01/2023							
T. Praston Gittespia Jr.	Senior Was President and Chief Generator Officer						
Jarnes Wells	Vice Prezidenti, Environmental, Insulti and Salary Programs and Environmental Sciences.						
13. NA.		Anne					

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f i		This report is: (1)					
Name	bit Respondent;			Date of Report:		Year/Period of Report	t
Duke	Duke Ensigy Kentucky, Inc (2)			04/25/2024		End of: 2023/ Q4	
<b></b>		Comparati	ve Balance Sheet (Assets A	l nd Other Debits)		J	······································
Line	Title of Account	[	Reference Page Numb	ar Curren	t Year End of Quarter,	Year Balanco	Prior Year End Balance \$2/31
No.	(a)		(Þ)		(0)		(d)
1	UTILITY PLANT						
2	Ullay Plant (191-196, 114)		200-201			3,303,112,339	3,141,482.103
3	Construction Work in Progress (107)		200-201			96,665,887	96,808,176
A	TOTAL Utility Plant (Total of lines 2 and 3)		202-201		mache	3,389,775,226	3,236,290,279
.5	(Less) Accum, Provision for Depr., Amort., Dept. (108, 111, 115)					1,125,191,209	1,067,492,714
ß	Net Utility Plant (Total of line 4 less 5)				······································	2,274,587,017	2,170,797,555
7	Nuclear Fuel (120,1 thru 120.4, and 120.6)				·····		
8	(Less) Accum: Provision for Amort., of Nuclear Fuel Assemblies (120.	5}					
ġ	Nuclear Fuel (Total of line 7 less 8)						
10	Net Utility Plant (Total of lines 6 and 9)					2,274,597,017	2,170,797,555
11	Utility Plant Adjustments (116)	1	122				
12	Gas Stored-Base Gaa (117.1)		220				
13	System Balancing Gas (117,2)	1	220				
14	Gas Stored in Reservoirs and Pipelines-Noncurrent (117.3)	······································	22D				
15	Gas Owed to System Gas (117.4)		220	Ţ			
18	OTHER PROPERTY AND INVESTMENTS						MARCON THE REAL PROPERTY AND A CONTRACT OF THE REAL PROPERTY AND A CONTRACT OF THE REAL PROPERTY AND A CONTRACT
17	NonuNiity Property (121)				······································	1,311,314	1,207,876
16	(Less) Accum, Provision for Depreciation and Amortization (122)					3,014	,
-78 ·	Investments in Associated Companies (123)	21	222-223		<b></b>		
20	Investments in Subsidiary Companies (123,1)		224-225	1			
22	Noricuitient Portion of Allowances						
23	Other Investments (124)		222-223			1;500	1;500
24	Sinking Funds (125)		8.4 ·····		······································		······································
25	Depreciation Fund (126)						ame
28	Amonization Fund - Federal (127)						
27	Other Special Funds (128)					18,344,727	16,155,169
20	Long-Term Parlien of Derivative Assets (175)					85,796	
29	Long-Term Polition of Derivative Assets - Hedges (176)						nen ar manninger ann an said a' said an said an said an said an said an said an said an said an said an said a
зÓ	TOTAL Other Property and Investments (Total of lines 17-20, 22-29)			T		19,740,323	17,424,585
31	CURRENT AND ACCRUED ASSETS	······			<u>ور میں اور اور اور اور اور اور اور اور اور اور</u>		
32	Cash (131)		ىلى قىرىپ مەرىپىلەر كەرىپ يېرىپ بىلىغان يېرىپ بىلىغان يېرىپ بىلىغان يېرىپ بىلىغان يەرىپ بىلىغان يەرىپ			3,067,382	3,328,498
		······································	Page 110				

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Line No.	Title of Account (a)	Reference Paga Numbor (b)	Current Year End of Quarter/Year Balance {c}	Prior Year End Balance 12/31 (d)
33	Special Deposits (132-134)			
34	Working Funds (135)			
35	Temporary Cash Investments (136)	222-223		₩₩₩₩₩₩ <b>₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩</b>
38	Notes Receivable (141)	***	er i en en en del het het en en en het de het en en del de het en en del de het en en del de het en en de het e	• • • • • • • • • • • • • • • • • • •
37	Customer Accounts Réceivable (142)		19,000,922	25,957,928
<u>38</u>	Other Accounts Receivable (143)	**************************************	1,918,271	1,622,091
39	(Less) Accum, Provision for Uncellectible Accounts - Credit (144)		745,575	530,729
40	Notes Receivable from Associated Companies (145)		33,755,872	53,343,537
41	Accounts Receivable from Associated Companies (146)	and	54,654,163	2,175,350
42	Fuel Stock (151)		39,638,611	38,891,864
43	Fuel Stock Expenses Undisinbuted (152)	····	an 144	<u>, , , , , , , , , , , , , , , , , , , </u>
41	Residuels (Elec) and Extracted Products (Gas) (153)		an an an an an an an an an an an an an a	
45	Flant Materialo and Operating Supplies (154)		25,454,519	17,915,026
48	Mejichandise (155)		an g	uezzeMANNING-BENYAMI-MANNINGULL-CAPMANNINGUL - AARBERKNINGULL
47	Cither Materials and Supplies (156)		aad da waxaa ahaa ahaa ahaa ahaa ahaa ahaa ah	
48	Nuclear Materials Held for Sals (157)		renden fan se en men fan se en meden werden en men men werden en men men men men men men men men werden werden	
49	Allowances (158.1 and 158.2)		19,470	19,470
50	(Less) Noncurrent Portion of Allowances	······································		<u>*************************************</u>
<b>5</b> %	Stores Expense Undistributed (163)		t,851,[ <b>:53</b>	1,478,647
52	Gas Stored Underground-Current (164.1)	220	ΑΝΤΟΥΣΤΙΚΑΤΑΛΟΤΙΝΟΥΤΙΚΑ, ΛΥΝΤΑΝΤΙΝΟΥΤΙΚΑ, ΜΑΣΤΟΣΤΙΝΟΥΤΙΚΑ, ΑΝΤΟΥΤΙΚΑ, ΤΟ ΑΝΤΟΥΤΙΚΑ, ΤΟ ΑΝΤΟΥΤΙΚΑ, ΤΟ ΑΝΤΟΥΤΙΚΑ - -	₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩
53	Liquefied Natural Gas Stored and Held for Processing (164,2 thru 164,3)	220	19	₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩
54	Prepayments (165)	230	415,920	.340,412
56	Advances for Gas (166 thru 167)			
56	Interest and Dividends Receiveble (171)		n	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
67	Rents Receivable (172)		4,255	29,779
58	Accrued Utility Revenues (173)			dille
59	Miscelleneous Current and Accrued Assets (174)		15,093,617	26,035,509
60	Derivative Instrument Assets (175)		1,790,358	4,801,453
61	(Less) Long-Term Portion of Derivative Instrument Assats (175)		85,796	
62	Derivative Instrument Assots - Hedges (178)			
63	(Less) Long-Term Ponion of Derivative Instrument Assets - Hadges (176)			
84	TOTAL Current and Accrued Assets (Total of lines 32 thru 63)		196,833,042	175,396,344
65	DEFERRED DEBITS			
66	Unamonized Oebt Expense (181)		2,449,519	2;836,745
87	Extraordinary Property Losses (182.1)	230		
<b>6</b> 8.	Unrecovered Plant and Regulatory Study Costs (182.2)	230		
	۵٬۵٬۰٬۰٬۰٬۰٬۰٬۰٬۰٬۰٬۰٬۰٬۰٬۰٬۰٬۰٬۰٬۰٬۰٬۰	Page 110		

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Line No.	Tille of Account. (a)	Reference Page Number (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
69	Other Regulatory Assets (182:3)	232	110,599,400	103,143,714
70	Preliminary Survey and Investigation Charges (Electric)(183)		1,147,081	500,583
71	Preliminary Survey and Investigation Charges (Gas)(183.1 and 183.2)			
72	Clearing Accounts (184)		50	
73	Temporary Facilities (185)			
74	Niscellaneous Deferred Debits (186)	233	2,735,310	2,377,047
75	Deferred Losses from Disposition of Utility Plant (187)			
76	Research, Development, and Demonstration Expend. (188)			
77	Unamorized Loss on Reacquired Debt (139)		154,101	272,341
78	Accumulated Deferred Income Taxes (190)	23,4-235	74,710,350	7 <b>4,45</b> 8,012
79	Unracovored Purchased Gas Costs (191)		(2,012,574)	1,082,583
80	TOTAL Deferred Debits (Total of lines 66 thru 79)		194,983,217	164,671,025
61	TOTAL Assets and Other Debits (Total of lines 10-15,30,64,and 80)		2,680,143,599	2,548,289,499
L		Page 110		

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		(1). 17 be device a		Date of Report:		
		M An Original	🗹 Ån Original 👘		Year/Period of Report End of: 2023/ 04	4 4
	(2)					
<u> </u>				<u> </u>	-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
	······································	Comparat	ive Balance Sheet (Liabilities :			
Line No.	This of Account (a)		Reference Page Number (b)		QuarteriYear Balarice c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL	an	₩¥ <u>₩</u> ₩₩			ifa
2	Common Stock Issued (201)		250-251		8,779,995	8,779,995
3	Preferred Stock Issued (204)		250-251			₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩
-4	Capital Stock Subscribed (202, 205)		252			erundunterer erundulterer erundunter erundunterer erundunt
5	Stock Liability for Conversion (203, 200)		252			
6	Premium on Capital Stock (207)		252		18,838,940,00	16,838,946
7	Other Paid-In Capital (208-211)	and a second second second second second second second second second second second second second second second	253		456,055,189	273,655,189
8	Installments Received on Capitol Stock (212)		252			
9	(Less) Discount on Capital Stock (213)		254	atrone and a second second second second second second second second second second second second second second		erendiktider
ţů	(Less) Capital Stock Excense (214)		254			
11	Retained Earnings (215, 215,1, 216)		118-119		\$44,082,572	578,929,356
12	Unappropriated Undistributed Subsidiary Earnings (210.1)		31 <b>8-</b> 119			
13	(Less) Reacquired Capital Stock (217)		250-251			
14	Accumulated Other Comprehensive Income (219)		11,2			
15	TOTAL Proprietary Capital (Total of lines 2 Inru (4)		<b></b>		1,130,356,702	580,194,486
15	LONG TERM DEBT		······································			
17	Bands (221)		256-25?			en en en en en en en en en en en en en e
18	(Less) Reacquired Bonds (222)		250-257			*
19	Advances from Associated Companies (223)		256-257		25,000,000	25,000,000
20	Other Long-Term Debt (224)		256-257		.681,720,000	758,720,000
21	Unemonized Premium on Long-Term Debt (225)		258-259			
22	(Less) Unamortized Discount on Long-Term Debl-Dr (226)		258-259		149,511	161,775
23	(Less) Current Portion of Long-Term Debt					,
24	TOTAL Long-Term Dept (Total of lines 17 thru 23)				706,570,489	781,558,225
25	OTHER NONCURRENT LIABILITIES					
28	Obligations Under Capital Leases-Nonsurrant (227)				7,490,743	8,034,225
27	Accumulated Provision for Property Insurance (228.1)					
28	Accumulated Provision for Injunes and Damages (228.2)		······································		(*58,424)	(128,556)
29	Accumulated Provision for Pensions and Benefits (228.3)				26,905,688	27,056,733
30	Accumulated Miscallaneous Operating Provisions (228.4)					
31	Accumulated Provision for Rate Refunds (229)		Page 112			

## KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 19 of 193

Line No.	Title of Account (a)	Reference Page Numbor (b)	Current Yoar End of Quarter/Year Balanco (¢)	Prior Year End Balance (12/31) (d)
32	Long-Term Porson of Derivative Instrument Liabilities		1,386,272	1,547,895
33	Long-Term Portion of Dorivative Instrument Liabilities - Hedges			
34	Asset Retirement Obligations (230)		88,019,039	107,821,238
35	TOTAL Other Noncurrent Liabilities (Total of lines 25 thru 34)		123,642,515	144,331,535
36	CURRENT AND ACCRUED LIABILITIES			
37	Current Portion of Long-Term Debt		An generation and a second second second second second second second second second second second second second	
38	Notes Peyable (231)	an in a shina mara a sa shi na mara a sa shi na	n na na na na na na na na na na na na na	
39	Accounts Payable (232)		61,721,705	65,496,093
40	Notes Payable to Associated Companies (233)		92,903,000	81,232,000
41	Accounts Payable to Associated Companies (234)		16,797,299	20,525,341
42	Customer Deposits (235)		8,476,056	9,144,474
43	Taxes Accrued (23€)	262-263	160,672	39,215,893
44	Interest Accruied (237)		7,822,927	7,769,371
45	Dividends Declared (238)	α <sup>,</sup> αποτείτατα ματικά τη ματική τη ματική τη ματική τη ματική ματική τη ματική ματική τη ματική ματική ματική μα Τ	ne ny amin'ny faritr'o amin'ny amin'ny amin'ny amin'ny amin'ny amin'ny amin'ny faritr'o amin'ny afara amin'ny a	
46	Matured Long-Tarm Debt (239)		unna an an an an an an an an an an an an	
47	Matured Interest (240)			**************************************
40	Tax Collections Payable (241)		3,821,514	4,246,492
49	Miscellaneous Current and Accrued Dabilities (242)	263	7,854,550	17,783,568
.50	Obligations Under Capital Leases-Current (243)	n	363,730	544,278
.51	Derivative Instrument Labilites (244)		1,748,894	1,856,165
52 <sup>°</sup>	(Less) Long-Term Portion of Derivative Instrument Liabilities		1,386,272	1,647,895
53	Derivative Instrument Liabilițies - Heiges (245)			an ym y Afric a swynna. Edd a swyna, y Arlan y punada y farwynna, y Araba
54	(Lass) Long-Term Portion of Derivative Instrument Liabilities - Hedgas			······································
55	TOTAL Current and Accrued Liabilities (Total of lines \$7 thru 54)		199,012,085	245,168,790
55	DEFERRED CREDITS			
57	Customer Advances for Construction (252)		2,520,782	2,520,949
58	Accumulated Deferred Investment Tax Credits (255)		5,120,973	3,364,566
59	Deterred Gains from Disposition of Utility Plant (256)			
60	Other Deferred Credits (253)	269	14,354,084	14;807,873
31	Other Regulatory Liabilities (254)	278	120,050,670	124,170,465
62	Unamortized Gain on Reacquired Debt (257)	250		
63	Accumulated Deferred Income Taxes - Accelerated Amortization (281)			
64	Accumulated Deferred income Taxes - Other Property (282)		353,090,715	327,209,898
65	Accumulated Deferred Income Taxes - Other (283)		30.524,683	23,962,912
66	TOTAL Deferred Credits (Total of lines 57 thru 55)		525,661,807	496,038,463
67	TOTAL Liabilities and Other Cradils (Total of lines 15,24,36,55,and 56)		2,686,143,599	2,548,289,499
		Page 112		

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FERC FORM No. 2 (REV 06-04)

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Name of Respondent: Duke:Energy Kéntucky, Inc	This report is: (1) I An Original (2) A Resubmission	Dala of Report: 04/25/2024	Year/Period of Report: End of: 2023/ Q4						
Statement of Income									
Quarterly									
<ol> <li>Enter in column (d) the balance for the reporting quarter and in column (a) the balance for the same three month period for the prior year.</li> <li>Report in column (g) the guarter to date amounts for electric utility function; in column (i) the quarter to date amounts for other utility function for the current year quarter.</li> <li>Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for other utility function for the current year quarter.</li> <li>Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the prior year quarter.</li> <li>If additional columns are needed place them in a formote.</li> </ol>									
<ol> <li>5. Do not report fourth quarter data in columns (e) and (f)</li> <li>6. Report amounts for accounts 412 and 413, Revenues and Expenses for these amounts in accounts 414, Other Utility Operating Income, in the s</li> <li>7. Report amounts in account 414, Other Utility Operating Income, in the s</li> <li>8. Report data for lines 8, 10 and 11 for Natural Gas companies using accounts (i) and (a) totals.</li> <li>9. Use page 122 for important notes regarding the statement of income for the concise explanations concerning unsettled rate proceedings where respect to power or gas purchases. State for each year effected the grossuch revenues or recover amounts paid with respect to power or gas purchases. State for each year effected the grossuch revenues or recover amounts paid with respect to power or gas purchases. If any notes appearing in the roport to stockholders are applicable to the 13. Enfor on page 122 a concise explanation of only those changes in account Also, give the appropriate dollar effect of such changes.</li> <li>14. Explain in a footnate if the previous year's/quarter's figures are different.</li> </ol>	same manner as accounts 412 and 413 above. ounts 404.1, 404.2, 404.3, 407.3 and 407.2. r any account thereof. e a contingency exists such that refunds of a material amo rss revenues or costs to which the contingency reletes and inchases. is made or received during the year resulting from settlern nse accounts. e Statement of Income, such notes may be included at par uniting methods made during the year which had an effect	ount may need to be made to the utility's custor I the tax effects together with an explanation o tent of any rate proceeding affecting revenues ge 122.	meis or which may result in material refund to the utility with If the major factors which affect the rights of the utility to retain received or costs incurred for power or gas purchases, and a						
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account littles report the information in a footnote to this schedule.									

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Line Nó.	Title of Account (a)	Reference Page Number (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year Li Date Balance: For Quarter/Year (d)	Current Three Manths Ended Quarterly Only No Founh Quarter (o)	Prior Three Months Ended Quarterly Only No Fourth Quarter (1)	Elec, Utility Gurrent Year to Date (in dollars) (g)	Elec, Uthity Provious Year to Date (in delians) (h)	Gas Utility Current Year to Date (in dollare) (i)	Gas Utility Previous Year to Date (in dollars) ())	Other Utility Current Year to Date (in etoflars) (k)
켜	UTILITY OPERATING										
2	Gas Operating Revenues (490)	300-301	585,038,544	671,699,503			453,317,918	515,342.765	181,720,826	158, <del>358</del> ,737	
3	Operating Expenses										
4	Operation Expenses (401)	317-325	314,264,497	419,640,772			249,550,948	329,769,095	64,713,549	89,677,677	
5	Maintenance Expenses (402)	317-325	33,333,930	34,590,833			30,988,699	32,244,328	2,345,231	2,348,505	
6	Depreciation Expense (403)	.338-338	71,219,848	56,082,094			53,727,825	49,783,713	17,492,023	16,298,381	
7	Depreciation Expense for Asset Retirement Costs (403.1)	33 <del>0</del> -330 <sup>:</sup>	1, <b>52</b> 7				1,527				
8	Amort, & Dept. of Utility Plant (404-405)	336-338	8,964,793	8,512,951			4,743,185	4;314,108	4,221,608	4,318,843	
9	Amonization of Utility Atant Adustriant (409)	336-338									
10	Amori: of Prop. Losses, Unrecovered Plant and Reg. Study Costs (407.1)										
11	Amonization of Conversion Expenses (407.2)										
12	Regulatory Debits (407.3)		29,047,623	20,159,089			27,693,783	15,961,249	1,353,840	1,227,840	
13	(Léss) Regulatory Credits (407.4)		999,040	1,158,927			919,562	1,067,661	79,458	91,288	
14	Taxes Other Than Income Taxes (408.1)	282-253	15,517;515	22,423,684			11.785,321	17,452,041	3,732,194	4,971,643	
15	Income Taxes-Federal (409.1)	262-293	1,773,250,	9,255,847			9,059,527	8,497,247	(7,296,277)	758,600	
16	Income Taxes-Other (409.1)	262-283	(1,740.017)	1,330,719			535,181	1,145,949	(2,275,198)	184,770	· · · · · · · · · · · · · · · · · · ·
17	Provision of Deferred Income Taxes (410.1)	234-235	82,455, <del>649</del>	59,485.831			44.373,59 <del>8</del>	43,299,664	38,062,751	16,185,667	
18	(Less) Provision for Defended Income Taxes-Credit (411.4)	234-235	67,803,131	56,362,309			45,923,48 <del>5</del>	45,269,083	21,870,646	11,093;226	
19	Investment Tax Credit Adjustment-Net (411.4)		(143,719)	(195,412)				TT	(143,719)	(195,489)	-
20	(Less) Gains from Disposition of Utility Plant (411.6)										
21	Losses from Disposition of Utility Plant (411.7)								A/		
Z2	(Less) Gains from Disposition of Allowances (411.8).		656,571	5,054,724			.685,671	5,004,724			
23	Losses from Diaposition of Allowances (411,9)										
24	Accretion Expense (411,10)		2,370				2,370				
				· · · · · · · · · · · · · · · · · ·	Pago Part 1				· · · · · · · · · · · · · · · · · · ·		

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Line No,	TUje of Account (a)	Reference Page Number (D)	Total Current Year to Date Balance for Quarter/Year {C}	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarterly Only No Fourth Quarter (c)	Prior Three Months Ended Quarterly Only No Fourth Quarter (1)	Eloc. Utility Current Year to Date (in dollars) (9)	Elec. Utility Previous Year to Date (in dollars) (h)	Gas Utility Current Year to Date (in dollars) (i)	Gas Utilify Previous Year to Date (in dollars) (I)	Other Utility Current Year to Date (in dollars) {k)
25	TOTAL Utility Operating Expanses (Total of lines 4 thru 24)		485,209,424	57 <del>6</del> ,018, <b>44</b> 0			384,942,526	454,126,203	100,266,898	124,790,245	
26	Net Utility Operating income (Tota) of lines 2 less 25)		90,829,120	92,983,055			68,375,392	61,216,563	31,453,728	31,766,492	, maaddaa , , maannesa
28	OTHER INCOME AND DEDUCTIONS										
29.	Other Income										
30	Nonutility Operating Income										
31	Revenues From Merchandising, Jobbing and Contract Work (415)		2,824,752	1,308,498	Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna -						
32	(Less) Costs and Expense of Merchandising, Job & Contract Work (416)		<b>\$7,08</b> 4	Ë2,509							
33	Revenues From Nonutility Operations (417)			10,621							
34	(Less) Expenses of Nonullity Operations (417.1)		78,445	75,829							
	Nonoperating Rental Income (418)		(3,014)								######################################
36	Equity in Earnings of Subsidiary Companies (418.1)	119						алалци и на на на на на на на на на на на на на		rmad Ad <sup>ra</sup>	
	Interest and Dividend Income (419)		5,220,039	2,871,690							
	Allowance for Other Funds. Used During Construction (419.1)		1,057,191	1,249,377							
39	Miscellaneous Nonoperating Income (421)		834,373	889,030							
40	Gain on Disposition of Property (421,1)		83,825	192,167							
	TOTAL Other Income (Total of lines 31 thru 40)		9,841,637	6,362.045							
42	Other Income Deductions										
	Loss on Disposition of Property (421.2)		52,647	121,978							
	Miscellaneous Amortization (425)										
45	Donations (426.1)	340	500,957	559,067							
46	Life Insurance (426.2)			(0,559)							
47	Penalties (426:3)	ľ		4						The second second second second second second second second second second second second second second second se	
i.					Page Pari 1			t.			

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 24 of 193

Line No.	Title of Account (a)	Reference Page Number (b)	Total Current Year to Date Balance for Quarter!Year (C)	Total Prior Year to Dale Balance for Quarten Year (U)	Current Three Months Ended Quarterly Only No Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (1)	Elec, Utaliy Current Year to Date (in dollars) (a)	Elec. Utility Previous Year to Date (in dollars) (h)	Gas Ullity Current Year to Date (in dollars) (i)	Gas Utility Previous Year to Dale (în dollars) Ü)	Other Utility Current Year to Date (in dollars) (k)
.48	Expenditures for Certain Civic, Political and Related Activities (426.4)		751,685	579,668							
49	Other Deductions (426.5)		6,642,455	11,073,319							
.50	TOTAL Other Income Deductions (Total of lines 43 thru 49)	340	7,947,944	12,324,477							
51	Taxes Applic, to Other Income and Deductions										
-52	Taxes Other Than Income Taxos (408.2)	262-263	{4 <b>.</b> 979}	3,621							
53	Income Taxes-Federal (499.2)	262-283	(10,239,448)	238,292							
64	Income Taxor-Other (409.2)	262-263	(2,549,255)	59,303							
55	Provision for Deferred Income Taxes (410.2)	234-235	13,582,055	1,769,096							
56	(Less) Provision for Deferred Income Texes-Credit (411.2)	234-235	10,267	3,591,490							
57	Investment Tax.Credit Adjustments-Net (411,5)										
58	(Less) Investment Tax Credits (420)										
60	TOTAL Taxes on Other Income and Deductions (Total of lines 52-55)		778,096	(1,605,208)							
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		1,115,597	(4.457.224)							
61	INTEREST CHARGES										
62	Interest on Long-Term Dobit (427)		30,938,749	27,587,076							
83	Amortization of Debt Disc. and Expense (428)	258-259	465,636	421,127					6.744)		
64	Amortization of Loss on Reacquired Dabt (428,1)		119,160	122,140							
<b>95</b>	(Less) Amortization of Premium on Debt-Credit (429)	258-259									
66	(Less) Amortization of Gain on Reacquired Debt-Credit (429.1)										
67	Interest on Debt Io Associated Comparies (430)	340	6,162,745	1,480,518							
65	Other Interest Expense (431)	340	2,214,513.	1,374,974							
					Page Part 1						

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Line No.	Title of Account (a)	Reference Page Number (b)	Total Current Year to Date Balance for Quarterfyear (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current Three Months Ended Quarlarly Only No: Fourth Quarter (e)	Prior Three Months Ended Quarterly Only No Fourth Quarter (f)	Elec, Utility Current Year to Date (in dollars) (9)	Elec, Utility Previous Year to Date (in dollars) (h)	Gas Utility Current Year to Date (in dollars) (i)	Gas Utility Provious Year to Date (in dollars) U)	Other Utility Current Year to Date (in dollars) (k)
89	(Less) Allowance for Borrowed Funds Used During Construction-Credit (432)		4,117,502	1,112,022							
70	Net Interest Charges (Total of lines 62 thru 69)		35,782,501	29,973,813							
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		85,182,216	5B,55Z,018							
72	EXTRAORDINARY ITEMS										
73	Extraordinary Income (434)										
74	(Less) Extraordinary Doductions (435)										
75	Net Extraordinary Items (Total of line 73 less line 74)										
76	Income Taxes-Federal and Other (409.3)	<b>262-</b> 263									
.77	Extraordinary Items after Taxes (line 75 less line 76)										
7.8	Net Income (Total of line 71 and 77)		05,162,216	58,552,010							
					Page Part 1	114 1 of 2					

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Line No.	Other Utility Previous Year to Date (in doğara) [1]
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	Page 114 Part 2 of 2

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Line No.	Other Utility Previous Year to Date (in dogars) (i)
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	Page 114 Peri 2 of 2

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Líле No.	Other Unlity Providue Year to Dato (in dollars) (1)
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	Page 114 Part 2 of 2

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FERC FORM No. 2 (REV 05-04)

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	Name of Respondent: Duke Energy Kentucky, Inc.			This report is; (1) 2 An Original (2) ARepubmission			bart:		Year/Period of Report: End of: 2023/ Q4		
	Statement of Accumulated Comprehensive Income and Hedging Activities										
[ 2. F	<ol> <li>Report in columns (b) (c) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.</li> <li>Report in columns (f) and (g) the amounts of other categories of other cash flow hedges,</li> <li>For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.</li> </ol>										
Line No.	ltem {a}	Unrealized Gains and Lessus on available- for-sale securities (b)	Minimum Pension Itabilitty Adjustment (net amount) (c)	Foreign Currency Hedges (0)	Other Adjustments (9)	Other Cash Flow Hedges Interest, Rate Swaps (1)	Other Cash Flow Hedges [insen Footnote at Line 1 to specify] (g)	Totals for each category of items recorded in Account 219 (h)	Net Income (Carried Forward from Page 114, Line 78) (i)	Total Comprohensive Income (j)	
1	Balance of Account 210 at Baginning of Preceding Year					nanish					
2	Preceding Quarter/Year to Date Reclassifications from Account 210 to Net Income									di	
3	Preceding Quarter/Year to Date Changes in Fair Value	<u></u>									
4	Total (lines 2 and 3)								50,552,018	58,552,019	
5	Balance of Account 219 at End of Preceding Quarter/Year										
6	Bolance of Account 219 at Beginning of Current Year										
7	Current Quarter/Year to Date Reclassifications from Account 219 to Net income										
8	Current Quarter/Year to Date Changes in Fair Value	4447MANINGUL 1 & TIMANINGUL 1847MANINGUL 187 MANGUL 1847M									
S	Totel (lineo 7 and 9)	and a state of the		,4799,4798,		,		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	55,162,216	65,162,216	
10	Balance of Account 219 at End of Current Quarter/Year						naniy <b>usa s</b> anahiyu <b>sa sana</b> hiyusa saya saya saya saya saya saya saya				

FERC FORM No. 2 (NEW 05-02)

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 31 of 193

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Name of Respondent:       This report is;         Duke Energy Kentucky, Inc.       Image: A Driginal         (2)       A Resubmission         1. Report all changes in appropriated retained semings, unappropriated retaines earnings, and unappropriated retained earnings, retained earnings, and unappropriated retained earnings, and unappropriated retained earnings, and unappropriated retained earnings, and unappropriated retained earnings, retained earnings, and unappropriated retained earnings, and unappropriated retained earnings, and unappropriated retained earnings, and unappropriated retained earnings, and unappropriated retained earnings, and unappropriated retained earnings, and unappropriated retained earnings, and unappropriated retained earnings, and unappropriated e			recorded (Accounts 433, 4	liany earnings 136-439 Inclu	s for the year, sive). Show the contra primary ac	Year/Perjad o Endiaf: 2023/ count affected	Q4
Line No.	fterri (a)		Contra Primary Accou (b)	nt Affected	Current Quarter/Year Year to I (¢)	Date Balance	Previous Quarter:Year Year to Dato Balanco {d}
	UNAPPROPRIATED RETAINED FARNINGS						
1	Balance-Beginning of Period				578,920,356		520,358,338
2	Changes (Identify by prescribed relained earnings accounts)						
з	Adjustments to Relained Earnings (Account 433).						
3,1	TOTAL Credits to Relained Earnings (Account 439) (footnote itetails)						
3.2	TOTAL Debits to Retained Earnings (Account 439) (Notnore details)						
4	Adjustments to Relained Earnings Credit (Debil)						
в	Balance Transferred from Income (Account 433 less Account 418.1)				05,162,216	58,552,018	
7	Appropriations of Relained Earrings (Account 438)						
7:1	TOTAL Appropriations of Retained Earnings (Account 436) (footnote d						
8	Appropriations of Retained Earnings Amount						
9.	Dividends Declared Prevened Stock (Account 437)						
9,1	TOTAL Dividends Declared-Preferred Stock (Account 437) (footnote d	etails)					
10	Dividends Declared-Preterred Stock Amount				Ad a company of the second second second second second second second second second second second second second		
11	Dividends Declared-Common Stock (Account 438)						
11.1	TOTAL Dividends Declared-Common Slook (Account 438) (Icotnote d	etolis)					
12	Dividends Declared-Common Stock Amount						
13	Transfers from Account 215.1, Unappropriated Undistributed Subsidia	ry Eamings	······				
14	Salance-End of Paried (Total of lines 1, 4, 5, 6, 8, 10, 12, and 13)					644.082,572	578,920,356
15	APPROPRIATED RETAINED EARNINGS (Account 215)				······································		ende bieken er en anderser er en anderser er en anderser er en anderser er en anderser er en anderser er en and
10	TOTAL Appropriated Retained Earnings (Account 215) (footnote detail	5)					
37	APPROPRIATED RETAINED EARNINGS-AMORTIZATION RESERVE	E, FEDERAL (Account 215.1)					
.18 	TOTAL Appropriated Relatined Earnings Amortization Reserve, Federa	4 (Account 215,1)					
19	TOTAL Appropriated Retained Earnings (Accounts 215, 215,1) (Total of						
20	TOTAL Relained Earnings (Accounts 215, 215.1, 216) (Total of lines 14 and 19)					644,062,572	578,920,356
21	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Ad	count 216.1)					
	Report only on an Annual Basis no Quarterly						
		MAX	Page 118				

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Line No,	item {a}	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (C)	Previous Quarter/Year Year to Date Balance (d)					
22	Balance-Beginning of Year (Debit or Credit)								
23	Equity in Earnings for Year (Credit) (Account 418.1)								
24	(Less) Dividends Received (Debil)								
25	Other Changes (Explain)								
25,1	Other Changes (Explain)								
26	Balance-End of Year								
[	Page 118								

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Nama of Respondent: Ouke Energy Kentucky, Inc	This report is: (1) I An Original (2) I A Resubmission	Date of Report: 04/25/2024	Year/Period of Reports End of: 2023/ Q4						
	Statement of Cash Flow	P3.							
<ol> <li>Information about noncosh investing and financing activities must be pre- Balance Sheet.</li> <li>Operating Activities - Other, Include gains and losses pertaining to oper smounds of interest paid (not of amount capitalized) and income taxes ( 4. Investing Activities: Include at Other (line 27) net cash outflow to acquir</li> </ol>	<ol> <li>Codes to be used (a) Net Proceeds or Payments (b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately, such items as investments, fixed assets, intangibles, etc.</li> <li>Information about noncesh investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balanco Sheet.</li> <li>Operating Activities - Other, Include gains and loases pertaining to operating activities only. Gains and loases pertaining to operating activities only. Gains and loases pertaining to investing and financing activities, should be reported in those activities. Show in the Notes to the Financials the smounts of interest paid (not of amount aprilated) and income taxes paid.</li> <li>Operating Activities - Other, Include gains and loases pertaining to operating activities only. Gains and loases pertaining to operating activities and income taxes paid.</li> <li>Operating Activities: Include at Other (line 27) net cash outflow to acquire other campanies. Provide a reconciliation of essets acquired with fiabilities essumed in the Notes to line Financial statements (b) and income taxes paid.</li> <li>Invosting Activities: Include at Other (line 27) net cash outflow to acquire other campanies. Provide a reconciliation of essets acquired with fiabilities essumed in the Notes to line Financial provide on this statement (he datar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the datar amount of leases capitalized with the plant cost.</li> </ol>								
Line Doscription (See instructions for No. (A)	explanation of codes)	Current Year to Date Quarter/Year {b}	Previous Year to Date QuarlariYear (c)						
1 Net Cash Flow from Operating Activities									
2 Nét Income (Line 78(c) on page 114)		65,1	62,216. 58,552,018						
3 Noncesh Charges (Crucits) to Income:									
4 Depréciation and Deplétion		71,2	21,375 56,082,094						
5 Amortization of (Specify) (footnote details)									
5.1 Amortization of (Specify)									
5.2 Plant Items		9,9	64,793 8,632,851						
5.3 Debr Discount, Fremium, Expense, and Loss on Reacquired Dabt		.5	83,075 543,287						
6 Deferred income Taxes (Net)		28,2	25.306 1,317,128						
7 Investment Tax Credit Adjustments (Nei)		(14	3,716) (185,412)						
6 Net (Increase) Decrease in Receivables		(49,37	7,507] 2,865,225						
9 Net (Increase) Decrease in Inventory		(9,41	5,150) (6,742,735)						
10 Net (Increase) Decrease in Allowances Inventory			719						
11 Net Increase (Decrease) in Payables and Accrued Expenses		(49.80	1,451) 50,278,727						
12 Not (Increase) Decrease in Other Regulatory Assets		į́9,2	01,907 33,520,686						
13 Net Increase (Decrease) in Other Regulatory Liabilities		B.	41,818 684,996						
14 (Less) Allowance for Other Funds Used During Construction		1.0.	57,181 1,249,377						
13 (Less) Undistributed Earnings from Subsidiary Companies									
16 Other adjustments to Cash Flows from Operating Activities		· · · · · · · · · · · · · · · · · · ·	······································						
16.1 Other Adjustments to Cash Flows from Operating Activities	۵. المحمد المحمد المحمد المحمد المحمد المحمد المحمد المحمد المحمد المحمد المحمد المحمد المحمد المحمد المحمد الم								
18,2 Spacial tunds		(2,10	4(057) (1,462,175)						
16.3 Prepayments		······································	5,508) 74,689						
16.4 Miscellaneous Current and Accrued Assets			(1,307,047)						
16.5 Preliminary Survey and Investigation Charges		(54							
18;6 Clearing Accounts	nid ser - remaining) - remaining to - remaining - remaining to - remaining to - remaining to -		(50) 6						
16.7 Miscellaneous Deferred Debita	Page 120	(35	8,263) (151,358)						

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Lína 'No.	Description (See Instructions for explanation of codes) (a)	Current Year to Date Quarter Year (b)	Previous Year to Date Quarter/Year (c)
18.8	Unnecovered Purchased Gas Costs	3,895,257	45,879
16. <del>9</del>	Obligations Under Capital Lesses - Noncurrent	(543,482)	(344,278)
15,10	Accumulated Provisions	1,001,027	1,700,257
16,11	Contribution to Pension Plan	(1,508,640)	(852,624)
16,12	Customer Advances for Construction	(167)	363,195
16.13	Other Deferred Credits	(906,295)	551,189
16.14	Derivative Instruments	(332,505)	(672,243)
16,15	Net Utility Plant and Norkulity Property	(6,403,529)	(34,501,051)
16.15	Debt Expenses	(11,971)	(3.500)
10,17	Deferred Income Taxes	224,545	311,421
18	Net Cash Provided by (Leed in) Operating Activities (Total of Lines 2 thru 16)	65,874,264	175,556,925
20	Cash Flows from Investment Activities:		ar ye na ana ana ana ana ana ana ana ana ana
21	Construction and Acquisition of Plant (Including land):	**************************************	htman <u>a d</u> igi yi yi kana ang ang ang ang ang ang ang ang ang
22	Gross Additions to Utility Plant (less nuclear fuel)	(222,275,933)	(172,699,698)
23	Gross Addilions to Nuclear Fuel		₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩
24	Gross Additions to Common Utility Plant.	(8,119,928)	(3,425,677)
25	Gross Additions to Nonutility Plant		······································
26	(Less) Allowance for Other Funds Used During Construction	(1,057,191)	(1,249;377)
27	Other Construction and Acquisition of Plant, Investment Activities		**************************************
27.1	Clhar Construction and Acquisition of Plant, Investment Activities	₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩	A MATTER COMPANY CONTRACTOR OF CONTRACTOR OF CONTRACTOR OF CONTRACTOR OF CONTRACTOR OF CONTRACTOR OF CONTRACTOR
2/1	Cash Outflows for Plant (Total of lines 22 thru 27)	(227,338,670)	(174,875,998)
30	Acquisition of Other Noncurrent Assets (d)		un de senten nomen de senten qui de senten a gant de senten a senten de senten de senten de senten de senten d •
31	Proceeds from Disposal of Noncurrent Assets (d)	**************************************	ramand for a summitic perior a constitue case a constitue for a constitue constitue of a constitue constitue co
33	Investments in and Advances to Associated and Subsidiary Compenies		
34	Contributions and Advances from Associated and Subsidiary Companies	***************************************	al y 11 februar - 2 ann an februar - 2 ann an februar - 2 ann an thuir an tao ann an tha ann an teannachar ann
36	Disposition of Investments in (and Advances to) Associated and Subsidiary Companies		
38	Purchase of investment Securities (a)		
39	Proceeds from Sales of Investment Securities (a)		
40	Loan Made or Purchased	erren an de de erren anne de la companya de la companya de la companya de la companya de la companya de la comp	
41	Collections on Loans		
43	Net (Increase) Decrease in Receivables	19,585,865	(30,947,034)
44	Net (Increase) Decrease in Inventory		
45	Net (Increase) Decrease in Allowances Held for Speculation		₩₩ ₩₩
48	Net Increase (Decrease) in Payables and Accrued Expenses		a τη προσφατική τη τη τη τη τη τη τη τη τη τη τη τη τη
47	Other Adjustments to Cash Flows from Investment Adjustes:	Í	
47.1	Other Adjustments to Cash Flows from Investment Activities:		
	Page 120	)	

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Line No.	Description (See Instructions for explanation of codes) (a)	Gurrent Year to Date Quarler/Year (b)	Previous Year to Date Quarter/Year (C)
49	Net Cash Provided by (Used in) Investing Activities (Total of lines 28 thru 47)	(207,752,005)	(205,823,032)
51	Cash Flows from Financing Activities;		
52	Praceeds from issuance of:		
53	Proceeds from Issuance of Long-Term Debt (b)	25,000,000	50,000,000
54	Proceeds from Issuance of Preferred Stock		
66	Proceeds from Issuance of Common Stock		
.56	Net Increase in Debt (Long Term Advances)		
56.1	Net Increase in Debt (Long Term Advances)		
56.2	Contribution from Parent	1\$5,000,000	un sedera er e sandningen berren sen an er en sen ander er en sen ander er en sen ander er er en den Konzer er en se
57	Net Increase in Short-tenn Debt (c)		
59	Cash Provided by Quiside Sources (Total of lines 53 thru 58)	210,000,000	50,000,000
81	Payments for Ratirement		
62	Payments for Refirement of Long-Term Debt (b)	(99,943,778)	(380,020)
63	Payments for Relifement of Preferred Stock		
64	Payments for Retirament of Common Stock		
65	Other Retirements		
65.1	Intercompany Moneypool Payeble	11,071,000	(21,364,001)
68	Net Decrease in Short-Term Dabt (c)		
67	Other Adjustments to Financing Cash Flows		
67:1	Other Adjustments to Financing Cash Flows	(108,597)	(145,915)
68	Dividends on Preferred Stock		
69	Dividends on Common Stock		
70	Net Cash Provided by (Used in) Financing Activities (Total of lines 59 thru 69)	121,618,525	28,110,058
73	Net Increase (Decrease) in Cash and Cash Equivalents		
74	(Total of line 18, 49 and 71)	(259,116)	(2,156,049)
76	Cash and Cash Equivalents at Beginning of Period	3,326,498	5,482,547
78	Cash and Cash Equivalents at End of Period	<sup>19</sup> 3,067.382	3,326,498
	Page 120		

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Namé of Respondent: Duk <del>a</del> Energy Kentucky, Inc	This raport le: (1) ☑ An Original (2) ☑ A Resubmission	Date of Report: 04/25/2024	Year/Period of Rep End of: 2023/ Q4	art:
	۲	FDOTNOTE DATA		
(a) Concept: CashAndCashEquivalents	₩₽Ŧ₩₩ <u>\$</u> <sup>-</sup> ₩₩ <mark>₽</mark> ₩₩Ţ₩₩ <u>₩</u> ₩₩Ţ₩₩Ţ₩₩Ţ₩₩Ţ₩₩Ţ₩₩Ţ₩₩Ţ₩₩Ţ₩₩Ţ₩₩Ţ₩₩Ţ₩₩Ţ₩₩		99	
Yunnahan		YTD December 2022	AUD D	ecomber 2021
Supplemental Disclosures (in thousands)				
Cash gaid for interest, net of amount Capital	ŝ		28,005 \$	25,685
Cash paid / (refunded) for income laxas	3	(	(11, 154) \$-	2,019
Significant non-cash bransactions (in theusands)				
AFUDC - equity component	\$		1,249. \$	1,260
Accrued capital expanditures	\$	:	30,310 \$	26,490
Cash and Cash Equivalents at End of period:				
Cash (131)	\$	(C, E	26,495 \$	5,482,547
Working Funds (135)			.s.a	\$0
Temporary Cash Investments (136)			-30	\$0
	5	3,3	26,498 \$	5,482,547

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) I An Original (2) A Resubmission	Date of Report: 04/25/2024	Year/Period of Report: End of: 2023/04				
	Notes to Financial Statem	epts					
<ol> <li>Provide important disclosures regarding the Balance Sheet, Statement financial statement, providing a subheading for each statement except y required if the respondent issued general purpose financial statements.</li> <li>Furnish details as to any significant contingent-asets or linbitities existi a claim for rehund of income taxes of a material amount initiated by the year's cash contributions. Furnish details on the eccounting for the plan and the expected recovery periods. Also, disclose any current year's pla sponsored pension plans) disclose in addition to the required disclosure determining the respondent's share of the fotal plan costs.</li> <li>Furnish details on the respondent's share of the fotal plan costs.</li> <li>Furnish details on the recounting for settlement of the obligations (ARO) recovered funds are being placed (i.e. trust funds, insurance policies, so include details on the accounting for settlement of the obligations and a 5. Provide a list of all environmental credits received during the reporting p 6. Provide a list of all environmental credits received during the reporting p 7. System of Accounts.</li> <li>Explain concisely any retained earnings restrictions and state the amou 9. Disclose details on any significant financial changes during the reporting affiliates, investments in new pertnerships, sales of gas pipoline facilities equisitions by the parent corporation(s), and distributions of capital.</li> <li>Explain concisely significant amounts of any refunds made or received adjustments made to balance sheet, income, and expense accounts.</li> <li>Explain concisely significant amounts of any refunds made or received adjustments made to balance sheet, income, and expense accounts.</li> <li>Explain concisely significant amounts of any refunds made or received adjustments made to balance sheet, income, and expense accounts.</li> <li>Explain concisely significant amounts of any refunds where events changes since the most received completed ye</li></ol>	where a disclosure is applicable to more than one statements to the public or shareholders. Ingliat year end, and briefly explain any action initiated by in utility. Also, briefly explain any dividends in arrears on cun- arits other than pensions (PBOP) plans, and post-employn is and any changes in the method of accounting for them, an or trust curtailments, terminations, transfers, or reversion as required by instruction no. 1 and, in addition, disclose to urety bonds). Furnish details on the accounting for the assi- ny gains or losses expected or incurred on the settlements as roughed and any action of a state of the assign as required by instruction no. 1 and, in addition, disclose to urety bonds). Furnish details on the accounting for the assi- ny gains or losses expected or incurred on the settlements as in a provide a surcharge. Jnamoritzed Gain on Reacquired Debt, are not used, give int of retained earnings affected by such restrictions. g year to the respondent or the respondent's consolidated is or the sate of ownership interests in the gas pipeline to 1 is such that the company may need to refund a material at which the contingency relates and the tax effects and expli- during the year resulting from settlement of any rate proce made during the year which had an effect on net income, disclosures so as to make the interim information not misils subsequent to the end of the most recent year have occu- unting principles and practices; estimates inherent in the g ges resulting from business combinations or dispositions.	ant. The disclosures must be on the same subj the Internet Revenue Service (nvolving possible nulative preferred stock. nent benefit plans as required by instruction no include details on the accounting for transition ons of assets. Enlities that participate in multier plant in the respondent's financial statements for the amounts recovered through rates to settle a terreferent obligations and any changes in the encylanation, providing the rate treatment g group that directly affect the respondent's gas imited partnerships, investments in related indi- mount to the utility's customers or that the utility and the indirectly affect the respondent's gas imited partnerships, investments in related indi- mount to the utility's customers or that the utility and the indirectly affect the respondent's gas indiced partnerships, investments in related indi- mount to the utility's customers or that the utility and the major factors that affect the rights of the reding affecting revenues received or costs inco- including the basis of allocations and appointio leading. Disclosures which would substantially mod which have a material effection the respor- preparation of the financial statements; status of However were material contingencies exist, the	ect matters and in the same level of detail that would be e assessment of additional income taxes of material amount, or of 1 and, in addition, disclose for each individual plan the current obligations or assets, gains or bases, the amounts deferred imployer postretirement benefit plans (e.g. parent company or each plan for the period presented, and (2) the basis for such obligations. Identify any mechanism or account in which he measurement or method of accounting for the obligations. Iven these item. See General Instruction 17 of the Uniform pipeline operations, including: sales, transfers or mergers of usines (i.e., production, gathering), major pipeline investments, y may receive a material refund with respect to power or gas e utility to retain such revenues or to recover amounts paid with urred for power or gas purchases, and summarize the intents from those used in the preceding year. Also give the duplicate the disclosures contained in the most recent FERC usent. Respondent must include in the notes significant of long-term contracts; capitalization including significant new e disclosure of such matters shall be provided even though a				
ar Maharaya a Afrikanya a A A Afrikanya a A	иш 149 мляннуц 24 серталици 144 мляници 25 стравници 24 страници 24 страници 24 страници 14 мляници 14 страници Ници 1 страници 1 серталици 1 страници 1 страници 14 страници 1 страници 1 страници 14 страници 14 страници 14 с		۵٬۰۰۰ میلی میلی میلی میلی میلی میلی میلی م				
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	III III III III III III III III III II						
արց <b>ումը էի հատորություն է հատորություն է հատորություն է հատորություն է հատորություն է հատորություն է հատորությո</b>			22900000				
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	nica (GAAP). The following areas repres	nt ing signvicarit dilfer	ences between the Uniform System of Accounts and GAAP:	
<ul> <li>GAAP requires that public pushicas enterprises report certain information about operating segments in complete sets of financial</li> <li>GAAP requires that majority-owned subsidiaries de consultative for financial reporting purposes. FERC requires that majority-owned subsidiaries (action)</li> </ul>	stationents of the enterprise and cortain mid subsidiariles be separately reported	information about their as investment in Subai	products and services, which are not required for FERC reparting pa ling Companies, injects an appropriate waiver has been granted by	PERC.
· FERC requires that income or loases of an unusual nature and infractuent occurrence, which would significantly distort the current	t year's income, be recorded as extraorid	nary maxime or doctant	ions, respectively.	
<ul> <li>GAAP /equires that removal and nuclear decommissioning costs for property that does not have an associated legal /etirement of FERC reporting purposed.</li> </ul>	bigalitat be presented as a regulatory lit	bility on the Balance S	neel. These costs are presented as accumulated depreciation on the	Balance Sheet for
<ul> <li>DAAP requires the regulatory starcts and fishilder (souling from the implementation of ASC 740-10 (formerty 8FAS No. 109) be a Other Regulatory Acrel and Care Regulatory Liability the items.</li> </ul>	presented as a net amount on the balance	a sheet for FERC (e)	orting purposes, these asseld and habilities are presented apparatel	ly and site included in the
<ul> <li>GAAP requires that the current portion of regulatory assess and regulatory labelites be reported as current assets and current flat Defended Debits and Regulatory Liabelites while Defended provide, respectively.</li> </ul>	sildes, respectively, on the Selance She	t FERC requires that I	he current portion of regulatory asserts and liabilities be reported as t	Regulatory Assola, eichtri
<ul> <li>GAAP requires that any deterred couls associated with a specific dest issuance be presented as a reduction to deta on the Balan</li> </ul>	ce Sheet. FERC sequiros ens Unemortz	ed Dabl Expense to be	separately stated as a Deferred Gebit on the Balance Sheet.	
<ul> <li>GAAP réquires that certain account bolances within financial statement line items when one of in the natural position for that line settain accounts which are not in a natural position for their respective line item to be reclassed, as long as the line item in data is</li> </ul>		ecelváble suin a precis	balance) be reclassed to the appropriate side of the Uslance Shast.	FERC dére nel require
<ul> <li>GAAF requires that regulated essets that are abandoned or retired early, including the cost of the asset and its associated accom- abandoned but are util operating are meintained in their original balance sheet accounts.</li> </ul>	ulaied depirciation, ba reclassified in a'	eparale regulatory ac	en the Balanco Sheet. For FERC reporting purposes, binee asses	s which have been
<ul> <li>GAAP requires that the ourrent perform of Asset Richarment Obligations be reported as our entitlabilities on the Balance Spect: Fin Lindbilities section of the Balance Spect.</li> </ul>	r FERC reporting purposes, these liabilit	ca are not (sported as	arclely and gravatilected as Asset Railingward Obligations within the	Çiher Nançun eni
<ul> <li>GAA<sup>A</sup> cognizes service cost related to pansione and Poss Reference Benefits Other Than Pensiona (PBDR) to be reported with 5 statement. Non-service cost components are presented separately cutside the subtolat of income from operations on the income 1, SUMMARY OF STORISTICAN TACCOUNTING POLICIES</li> </ul>	ther compensation costs arbiting from co statement. For FERG (sporting purpose	vices tendered by emp , costs related to pensi	loye to during the period and included in a subtylal of income from o one and PEOP is included in the Net Utility Operating Income of the	perations on the income noome statements
Kature of operations and basis of presentation				
Duko Energy Kenavidy is a combination electric and natural gas regulated public using company that provides service in nontrom Kontucky. Data Energy Kenaizay is subject to the regulatory providentia of the KESC and the XERC. (Juan Energy Kenavidy's connor stock is whelly comed by Date Energy Da	y Koniszty's principal lives of business inclus its, inc., an indirect wholly owned autoidiary	a generalien, trensmissis I Guice Energy,	n, distributions and agin of all officity, as well as the transportation and ages $\tau$	fnaturii ges. Duko Snergy
Chinain prior year amounta have been replaced and to corrian to the current year presentation,				
Other Gyment Anieth and Liabilities				
The following table province a description of amounts included in Oliver within Correct Amounts or Correct Dabilities deal exceed S% of Intel Correct Asteria	or Custon Lisbilities on the Duke Energy Ke			
ທີ່ກ ເກັບບຸຣລະແຕ່ຮູ້)		Cecenide		
	Location	2020	2022	
facome Texte Receivable	CharentAsses	16791	\$ <del>-</del>	
			2022 5 15,883	
facome Texte Receivable	CharentAsses	16791	\$ <del>-</del>	
hoome Telen Receivable Collaboral Aunote	CharentAsses	16791	\$ <del>-</del>	
Income Tesen Recrivable Columni Annes SIGNIPICANT ACCOUNTING POLICIES	Derent Assets B Current Assets	14,386 11,458	5 (15.845	ancial claw manits. Acquel
income Taxine Recolvable Collaboral Assets SIGNIPICENT ACCOUNTING POLICIES Upe of Estimates In prepared Enancial sale ments that conform to GRAP, Obte Energy Kentucky must make assimptions that affect the reported amount of the	Derent Assets B Current Assets	14,386 11,458	5 (15.845	antal dawmonts Actual
income faces Receivable Collaboral Assets SIGNIFICANT ACCOUNTING POLICIES Upe of Estimates In preparing financial scale ments that conform to GRAP, Date Ering's Mentucky curat maker estimates and extensions that affect the reported amounts for In preparing financial scale ments that conform to GRAP, Date Ering's Mentucky curat maker estimates and extensions that affect the reported amounts for insults could differ from those returneys.	Deront Assets B Current Assets Of assets and Stabilities, the reported announce prices are set on the basis of Aussith poster annues relative to a company feat door of to	1 2,387 17,358 of revenuers and expension free regularest operation dry regularest operation	5	cuir adrices cars da salis
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#### Long-Lived Assot impairments

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Cuise Energy Assessive assessances for fully also as using webcus motivates, including request comparable bird party takes, internally developed discounted tasks from publics advisors. Subjecting events to reasoned capit flows may include, but are not initial 2, applicant danges in composition of an assess from publics advisors. Subjecting events to reasoned capit flows may include a dvisor of initial 2, applicant danges in composition and the analysis from publics. The compliant danges in a contract of a second discounted tasks from publics.

#### Property Plant and Ecu(proven)

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When Duke Energy Kenussy selection regulated operating under the outpind cost and excellulated depractation and environment of the Bulance Streets. Any gain or loss is received in earliers, upless officing indexed by the KPBC sector the FERC. See Note: The ferring internation: Lesses

Date Energy Kantacky dreamines if an arrangement is a basis of bontized inceptory based on whether the arrangement income the second of a providely distinct interfer Date Energy Kantacky has the high to obtain automatively all of the second to energy and the second to be parted as well as the part of the part

Operating bases are indicated in Operating leave RDU counts, not, Other current labilities and Operating isase Rabilities on the Balance Sharts,

For based and leaver enorgoments, but a Energy Kerbucky has element a policy to not separate base and non-leave components for all asset charges and non-leave components are only combined under one arrangement and second for under the leave accounting leaves both if the nonleave components are not the predominant component conduction are component would be developed and an operating leaves. For leave unapprents are not-leave components are only combined under one are only combined and the leavest to be predominant components are only combined and the leavest component would be developed and an operating leaves.

#### Allowances for Funds lived During Construction and Interest Capitelized

For regulated operations, the deat and adjulpment, AFUDD equity is reported on the Statements of Dependence in the cost of property, plant and adjulpment, AFUDD equity is reported on the Statements of Dependence in Other Income and Expresses, not, AFUDD dark is reported as a non-cash officient and equipment are reflected as AFUDD and depitalized as a component of the cost of property, plant and adjulpment, AFUDD equity is reported on the Statements of Dependence in Other Income and Expresses, not, AFUDD dark is reported as a non-cash officient a Interest Expresses on the Statements of Operations, After construction of these regulated assets.

AFUEC equity a commoniant afformation by according the effective tax rate values and independent of an article and independent of an article and a second and a second and a second and a second and a second and a second and a second and a second a second and a second 
#### Asset Hetirement Obligations

ARCs are recognized to legal obligations severaled with the reternand of property, pixel and equipment, When recording an ARC, the present value of the projects of ability is recorded as a request of the lability is asserted asserted asset. For retaining the of the lability is asserted as a request of the lability is asserted asset. The lability is asserted asset as a request of the lability is asserted asset asserted asset asset as a request of the lability is asserted asset as asset as a request of the lability is asserted asset asset asset asset as a request of the lability is asserted asset as asset as a request asset as a request of the la

The present value of fire initial chilgadon and subsequent updates are adjusted on discounted costs flows, which include explinates regarding fining of Subsequent and adjusted on the carrier are subject to change. Dependation of the subject to change in the carrier are subject to change, and subsequent updates are subject to change in the subject to change in the carrier are subject to change in the subject to change in the carrier are subject to change in the carrier are subject to change in the subject to change i

Objections for showing of using basins are basined open discounsed cash flower of samaling cash for single plane. If more or probability weightings of the polarital cloure methods if the cash plane are under biological cloure states and multiple chause or probability are the polarital cloure methods if the cash plane is under biological cloure states are being careful and multiple chause or probability weightings of the polarital cloure methods if the cash plane is under biological cloure states are being careful and multiple chause or probability weightings of the polarital cloure methods if the cash plane is under biological cloure states are being careful and multiple chause of a state of a size of the polarital cloure methods if the cash plane is under biological cloures of a size of the polarital cloures

#### Associate Payable

Duke Energy has a volument was program (the 'program') with a global financial institution. Duke Energy Kenkuday is a participant in this onterprise-wide program offered to suppliers. The program allown Duke Energy Kenkuday is a participant in this onterprise-wide program offered to suppliers. The program allown Duke Energy Kenkuday is and traffic and the interceived of the program offered to suppliers and the financial institution at a new transformation of the program of the program offered to suppliers. The program allown Duke Energy Kenkuday is a participant in this onterprise-wide program offered to suppliers, at their socie discretion, to self their received as the program offered to suppliers and the interceived participant in the program of the program offered to suppliers and the interceived participant in the program of the program of the program offered to suppliers and the interceived participant on the program offered to suppliers and the interceived participant on the program of the

Suppliers invoices print to the Annual Instanton under the program were important for the year's added Separater 31, 2022, respectively, for Data Energy Hannahy All articly Handed to appoint due to suppliers were important in the program are included within Net cash provided by opening articles for the Statements of Cash Energy Hannahy All articly, All articly Handed to appoint due to suppliers were important in the program were important in the program are included within Net cash provided by opening articles for the Statements of Cash Flower,

#### Revenue Recognition

Duto Energy Schapty recognizes remove as customers obsit interest grads and services is an anount that reflects consideration expected in exchange for three goods or reprices. Connectly, the defeaty of electricity and interest grads in the barrier of connect in exchange for three goods or reprices. Connectly, the defeaty of electricity and interest grads in the barrier of connect in exchange for three goods or reprices. Connectly, the defeaty of electricity and interest grads in the barrier of connect in exchange for three goods or reprices. Connectly, the defeaty of electricity and interest grads in the barrier of connect in exchange of the time are consideration expected in exchange for three goods or reprices. Connectly, the defeaty of electricity and interest grads in the barrier of connect in exchange of the time are constrained by in a constrained of the second or reprices. Connectly, the defeaty of electricity and interest grads in the barrier of connect in t

#### Derivatives and Hedging

Deniative instruments may be used in contracted price and interest can activities, including secon. Aures, Environ and options. All derivative instruments, except Onaco that qualify by the interest instruments are possible to a regularity instruments and options. All derivative instruments, except Onaco that qualify by the interest instruments are not on the second on the Balance David science. The second on the Balance David science David and the second on the Balance David science. All derivative instruments, except Onaco that qualify by the interest instruments are not on the second on the seco

#### Loss Contragencies and Environmental Liabilities

Contingent losses are recorded when it is presented and is no seasonadly estimated. When a ringe of no probable loss avies and recurrent which we range is a before extends than any other encount in the same is recorded. Unless alternated by GAAP, legal has are

Environmental Spaces are necessional an an undersconted passes when environmental strengthers are expended and an experimental strengther and an expension of the second second and the contract of a second and the contract of a second and a second second and a second a second and a second a second and a second a se

Severance and Special Termination Benefits

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Dues Energy Kentology participance in severance plans for the general employee population under which, in general, the longing is terminated employee worked prior to termination the greater the amount of severance benefits provided. Algority for involuntary severance is recorded once an involuntary severance plan is committed to be present the amount of severance benefits provided. Algority for involuntary severance is recorded once an involuntary severance plan is committed to be present the amount of severance benefits provided. Algority for involuntary severance is recorded once an involuntary severance benefits incommental to be constructed for the set of the

#### Income Taxes

Duke Energy and its subsidiaries file a consolidated fasteral income tax barres with drags with the same tax in a section of the second se Account and the second of the production of the

rate. To the extent that the change in the value of the clearest an obligation to customers, by impact of the remaining impacts are provided in income from continuing poperations, if Date Energy Kentucky's estimate of the law street of reverting imporacy differences is not reflective of accusi outcomes, is modified to reflect new developments or integrations of the law street of reverting imporacy differences is not reflective of accusi outcomes, is modified to reflect new developments or integrations of the law street and the integration of the law street of the street and the integration of the street and the street of t

Tax-polation in the stand of th

#### Olyidensi Restrictions

Units Energy Fantitative is required to pay dividends salary out of retained samings and to maintain a missionum of 15% county in its capital structure.

#### New Accounting Standards

The serv Accounting Standard Uplease adopted for 2023 and 2022 had no metonial impact on the presentation or results of opinations, cash Rives or features position of Dube Energy Kantucky, 2, REGULATORY MATTERS REGULATORY

#### ASSETS ASD LIABILITIES

Dues Fromy Kenandy records representing above and habities that result from the rate halong process. See Note 1 for Argori information.

The following table represents the regulatory assets and labilities on the Balance Directs.

	0e0e#b#9 31,			EarnsiPays Recovery		
(In mausands)	······································	2024	2022	a Reiwr	Parlod Eads	
Regulatory Assets <sup>(4)</sup>						
East Bend deferrate	ĩ	28,483	32,515	×	(e)	
Accruéd passion and other past-retrement banefits.		26,0 14	27,144		(0)	
febre regulatory sever		11,192		X	(c)	
AROs - coal ash		15,674		х	(a)	
East Bend autoga normatication		11,672	9,557		2023	
Deferred husi and puttilisced gas costs		5,350	13,422		(6)(5)7024	
ESM Daterral		4,935	4,751		(6)2024	
Defended Forcied Outage Piletheadd Power		4,426	5,650		3028	
Advanced Matering John structure		2,761	ā.13D		2022	
Deferred gas integrity costs		178,1	1, <b>94</b>	×	2079	
Medge costs and other defemals		1,384	9,55 <b>48</b>		(e)	
Vacation sources		1,112	1.121		2024	
Carbon management rasianth grant		467	1;097		2128	
Stores cost defertate		282	81ā		(c)	
Deferred debt expense		184	271		2035	
Demand side management/Energy efficiency costs			1,430		(c)(d)	
Ofter .	_	3,079	B48		(c)(d)	
Tatal regulatory appets		130,548	105,030			
Less: current portion		21,018	34,489			
Total noncurrent regulatory assols	<b>š</b> .	169,430	\$ 70,541			
Regulatory Laboration						
Not regulatory hability related to income la ven	f	108,250	110,856		(c)	
Accrued pension and other post-redressent berrefree		5246	6,639		(h)	
Geferred fuel and plachased gas costs		4764	7,817		jd)2024	
Demand side management/Energy efficiency costs		2277	1,205		(c)(d)	
Hedge costs and other datamate		1	3,125		(0)	
Profit sharing mediterisin		0	3,567			
Cosps of removal .		ð	(9,503)		(h	
Other		<del>1</del> 12	1.82		(c)(e)	
Total regulatory link@tax		114,131	125,005	· · · · · · · · · · · · · · · · · · ·		
Lange turn out particin:		14,554	25.044			
Tetal responses regulatory aptilities		102,577	\$ 103,351			

(a) Regulatory access and liabilities are excluded from rate base unline otherwise could,

b) Recovering prevary over the average ramating earlies pairs and over the covering covering covering the period of the expension of the ex

(a) Comis anticipite place to intrestized gains and bases on derivatives recorded as a regulatory acat or healing, respectively, until the contracts are setted. (b) Represents have record from customers to even their remained or property, plant and explored to rested or absociated assets. (c) Octimit anothers are recorded from the setter.

#### RATE RELATED INFORMATION

The KPSC approves reliant or rectal electric and matural gas sorvices which the Commonwealth of Kenturchy. The FERC approves taking for electric silos to which and out of the sorved and a cast-based ratios, as well as subar of transmission services.

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#### Dale Energy Kentlicky Electric Base Rate Lass

On Decomber 1, 2022, Dubs Energy Kenucky field a rate globs with the KPSO requesting on annualized increase in electric base rates of approximately 575 million. The request for rate increase is cheaping to capital increases in adjusted control of a second of the secon deprecision rates with a 2011 retrained date for the unit. The KPSC dd approve the request to align the deprecision rates of Woodsdale CT with a 2040 retrained that and Soried the industrial community-based consentials subscription program and the two slattic worlde charging programs.

. On November 1, 2023, Duke Energy Kenticky Skel for reheating requesting carbin matters be reconsidered by the KPSC On November 21, 2023, XPSC granted in part and dehead in part and dehead in part and dehead in part of de house 1 a big fine KPSC in November 21, 2023, XPSC granted in part of dehead as it relates to including decomplication greates in depresention market. Easi Bend and Vikodotale. On January 6, 2024, access to the appeal were filed by the KPEC, Kanuary Atomicy General, and the Kantucky Breathand & Cable Association. Dute Freigr Kentucky connot predict the outcome of the market.

#### Microsof Processor Cavera

Due Energy Kardwidy used program interval in a controp to meet back damand during while for tentent docades. Date Epergy Drive installed a new netural gas pipeline (its Cantal Control Project) initia trib energy in tente in a controp to installed a new netural gas pipeline (its Cantal Control Control Control Project) initia trib energy in tente back and the program and the progra money for their sourd of ingenesis mounes (each of the property source) and associated propose of facility. On January 31, 2022, the KPSC based an order demyed Data Snarp Kenucry's request. As a least of the KPSC order, Data Snarp Kenucry sequent as 28,7 million charge to Important of source of the source of

#### 3. COMMITMENTS AND CONTINGENCIES

#### GENERAL INSURANCE

Dute Energy Kentucky has insurance analysr telesconte analysr telesconte analysr telesconte on Dute Energy applica insurance company. United and its affiliates, consistent with sumpanies angle of in similar commercial operations with similar spee properties. Date Energy

the control of the second of t

The cost of Dake Energy Kentucky's surversize can Australia year to year reflecting dates history and constitutes of the insurance with relation or inhibitance indicates. In the event of a loss, terms and amounts of insurance available might not be belogicable to town claimy and other expresses, by the event of a loss one affect expension, by the event of a loss on a loss of a loss o or financial position. Dute Energy Kantucky is responsible to the setant losses may be excluded by exceed limits of the coverage available

#### ENVIRONMENTAL

Duble Energy Kerkbach is subject to Schweiz state and local regulations registring by and water quality, haterbook and works would enter an other environmental matters. These regulations can be approved from time to time, improving new tolkgations on Duble Energy Kerkstly.

#### Remediation Activities

In addition to the AROa disclineed in Note 6, Duke Energy Kentucky, These extensions and in expression at various along a of investigation, remediation and intervention and a second by Duke Energy Kentucky. These extensions and along a of investigation, remediation requirements, complexity and elles formerly owned or unool by Duke Energy Kentucky. These extensions and intervention and intervention and a second by Duke Energy Kentucky. These extensions and intervention and a second by Duke Energy Kentucky. These extensions and intervention and a second by Duke Energy Kentucky. These extensions and intervention and a second by Duke Energy Kentucky. These extensions are a second by Duke Energy Kentucky. These extensions are also and the constitution and the content in an extension and the second by Duke Energy Kentucky. These extensions are not extensions and the constitution and the constitution and the constitution and the constitution and the constitution and the constitution and the constitution and the constitution and the constitution and the constitution and the constitution and the second by Duke Energy Kentucky. These extensions are recorded with the constitution and the constituti to be incurred in the future and could be expendent. Costs are typically expensed as Operation, mainterparce and effort on the Statements of Operations Index or statement probable.

Duke Energy Keniucky has accrued exploximation 5855 thousand of probable and estimation nosts related to its various environments also by Other visibly Other Noncoment Labilities on the Balance Shorts and December 37, 2023, and 2022. Additional losses in excended meaners are expended to be immaterial the the stages of transfigution, remediation and monitoring for the environmental also that have been nucleolistic. The maximum amount of the range for all stages of Duke Energy Kentucky's environmental also that have been nucleolistic.

#### LINGATION

State Enorgy Kentucky is involved in other High, but and regulary proceedings and into interview of which involve significant encourse. Outro Enorgy Kentucky is involved in other High, but and regulary proceedings will not have a meetide effect on the results of operations, cash there is financial position, Duke Energy Kentucky expenses legal costs related to the detense of loss contingencles as inclured.

#### OTHER COMMITMENTS AND CONTINGENCIES

#### General

As and of its normal business. Dute Energy Kentucky is barry to various financial quaranties, and constructed and construction of second quaranties and construction of the second quaranties of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second quaranties and construction of the second the Salance Sheets. The penability of Duke Energy Kentucky having to hence is contropended is largely dependent upon builde operations of various third parties or the occurrence of certain Lative events. Purchase Obligations

#### Pipeline and Storage Capacity Contracts

Duble Energy Kentricity enters into pipeling and elergics capacity contents that convert future cash from to instants from the instants and standy CERSORY CONDUCTS IS NO 20 YOURS.

Contant elements and pipeline capacity tandacts requires the area of the area of the area of the area of the proved by the FERC in order to maintain figure to booksis the noticial give statege or pipeline capacity on a film back during the contract order. The derived does not area operated are recognized in the Scalements of Operations as part of natural gas purchases and an included in Cost of rational gas,

#### The following trible presents have uncoasidenal purchase collusions under mess asrbects.

(In lice sends)	December 33, 2023
2084	22,287
2025	15,708
20175	13,327
2027	12,932
2028	12,832
Thorasher	182,122
Fotal \$	299,354

#### 4. LEASES

As part of its operations, Dune Energy Kernsch haves share on communication towns, materia and application dates, Cerain Duso Energy Kernsch haves share on communication towns, materia and application dates, Cerain Duso Energy Kernsch haves appeared by the and scol. Received oplians that are reasonably contain to be executed are included in the lease manufacturerity. The accision to lentimate a jease surfy to dependent on version advitors. No termination options have been included in any of the feater measurement

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LUG STRONG AND ALLOS DERVERING AND CO	compresents of lower superiors and are included to Operations, maintegance and other on the Statements of Operations.			
			Wars Ended December 31,	
(in thousands)			<b>X72</b> \$	202
Operating laass expense	en en en en en en en en en en en en en e	<u> </u>	1,679 \$	1,79
Short-term lease sxpanse			, , , , , , , , , , , , , , , , , , ,	5
Vanable bease expenses			43	4
Total loace expense		<u>.</u>	1.922 \$	1,656
The following table presents opera	aling lauve materials and a recordation of the undirectivitied cash flows to operating lease listificies.			
în (housenes)		an an an an an an an an an an an an an a	Desember 31, 2023	
2024			5	63
2025			÷	70
2020				72
2027				71
2013				75
Therealta/				6,94
Total operating leave payments		***************************************	······································	10,56
Less present value discount				(2,70
Total poerating leave its clabour			<u>s</u>	7,85
Line releases & excess consists and the	information related to increase,			
			December 31,	
(in thousands)	ourne, merimacon reaute is actives, Classification		Decamber 31, 2924	203
(in thousands) Anseta	Giessification		2921	······
(In thousands) Assets Operating			3923 7,416 \$	8,01
(ik Houisands) Aases Operating Totel lesse assets	Giessification		2921	8,015
(ik thuisands) Anoeta Operatang Tutel lesse assets Lubilities	Giessification	A	3923 7,416 \$	8,015
(In thousands) Asses Operating Tatal less assets Labilities Correct	Classification Operating bases RCU analis, not	S	2021 7,416 3 7,436 5	8,015 2,016
(In thosisands) Assets Operaigng Tual lease assets Ubbilities Current Observing	Giessification	A	3923 7,416 \$	202 8.010 8.010 344
(In thotisands) Assets Operating Total lease assets Listifices Corrent Operating Koncurrent	Clarstification Speroting Ineca RCU assalls, not .Cithdi capione lightifica	ş	2021 7,416 3 7,430 5 	8,011 8,011 8,011
(It thousands) teams Operating Total lease assets tabilities Sources Operating Sonourest Operating Operating	Classification Operating bases RCU analis, not	S	2024 7,436 3 7,433 5 344 3 7,491 3	8,011 8,011 34 8:03-
jh thoisands) Seath Operähg Italiesa siseb Italiesa Direct Operating Operating Operating	Clarstification Speroting Ineca RCU assalls, not .Cithdi capione lightifica	3 5 5	2021 7,416 3 7,430 5 	8,01 8,01 34 8,03
(in thousands) Assets Operating Total lease assets Uturel Uturel Uturel Operating Noncurrent Operating Total lease (abaliture	Clarstification Speroting Ineca RCU assalls, not .Cithdi capione lightifica	3 5 5	2021 7,450 3 7,450 5 Je4 5 7,491 3 7,855 5 Years emised Uppersher 34,	8,010 8,010 344 8,070 8,377
(In thousands) Asses Operating Total lease assets Unbrities Correct Correct Correct Correct Correct Correcting Correcting Total lease labolities Pre Engineents)	Classification Operating loses RCU assests, nrt Other capient lightities Operating loses lightities	3 5 5	2021 7,436 3 7,435 5 344 5 7,431 3 7,855 5	8,011 8,011 34 8:03-
In thousands) tases Operating (Date association (Date association) (Date association) (Da	Classification Operating losse RCU genetic not Other cupient Habilities Operating losse liabilities	3 5 5	2021 7,450 3 7,450 5 Je4 5 7,491 3 7,855 5 Years emised Uppersher 34,	6,911 8,011 34 6,032 8,032 8,032 8,032 208
(it thousands) Aborts Operating Control lease assets Lobifices Control	Classification Operating losse RCU genetic not Other cupient Habilities Operating losse liabilities	5 5 5	2021 7,436 3 7,435 5 344 5 7,431 3 7,855 5 Years ended Useensher 35, 2023	8,011 8,011 344 8,032 8,373
(It thousands) teams Operating Colarisons assets Inhibities Sources Colarisons Colarisons Operating Operating Operating Dest lease liabotices Inhousands] Tash peed for amounts included Operating cach flows from spectra	Classification Operating local RCU passes, not Other captors labilities Operating local liabilities d h. the necessproment of lease thabilities <sup>444</sup>	5 5 5	2021 7,436 3 7,435 5 344 5 7,431 3 7,855 5 Years ended Useensher 35, 2023	6,911 8,011 34 6,032 8,032 8,032 8,032 208
In thousands) teach Operating Total lease asiato Inbilities Surrent Operating Operating Operating Operating Operating Operating Sector operations In Douband 3] Teach peed for amounts included Operating cash Rove from constr b) No announs were classified as a	Classification Sperating lease RCU passing and Sthef cupient liabilities Operating lease liabilities d in the measurportant of lease tilabilities at the measurportant of lease tilabilities investing class Bows from operating leases for the years ended December 31, 2021, and 2022.	5 5 5	2021 7,450 3 7,450 5 Je4 5 7,491 3 7,855 5 Years ended Uccenther 24, 2023 697 5	6,01 8,01 34 8,03 8,03 8,03 8,03 26,8 588
(it thotisands) Asers Operating Operating Usbillion Deterting Accounter: Operating Note Institution (Deterting Deter	Classification Sperating lease RCU passing and Sthef cupient liabilities Operating lease liabilities d in the measurportant of lease tilabilities at the measurportant of lease tilabilities investing class Bows from operating leases for the years ended December 31, 2021, and 2022.	5 5 5	2024 7,436 3 7,436 3 344 3 7,491 3 7,495 5 Years ended Uncernham 55, 2023 697 5 December 31,	6,01 8,81 34 8,03 8,03 8,03 268 582 268 268 268 268 268 268 268 268 268 2
(It thousands) hears Operating Correct Labridies Correct Cor	Classification Operating loses RCU assess, and Other capital labilities Operating loses listed listed list d ho free measurement of lease tigbilities <sup>444</sup> ring loses inverting cash lique tigbilities <sup>444</sup> ring loses inverting cash lique tight loses but the years anded December 31, 2022, and 2022.	5 5 5	2024 7,436 3 7,436 3 344 3 7,491 3 7,495 5 Years ended Uncernham 55, 2023 697 5 December 31,	6,01 8,81 34 8,03 8,03 8,03 268 582 268 268 268 268 268 268 268 268 268 2
(In thotisands) Adeets Operating (Total lease assets Ubbilities Correct Operating Operating Total lease labolitos (Por Doubland S) Cash padf for amounts Included Operating cash Bove from constant	Classification Operating loses RCU assess, and Other capital labilities Operating loses listed listed list d ho free measurement of lease tigbilities <sup>444</sup> ring loses inverting cash lique tigbilities <sup>444</sup> ring loses inverting cash lique tight loses but the years anded December 31, 2022, and 2022.	5 5 5	2021 7,436 3 7,435 5 J44 5 7,491 5 7,495 5 Years emided Useensher 34, 2023 697 5 Cecember 31, 2023	6,911 8,011 34 6,032 8,032 8,032 8,032 208

(a) This discourd rate is calculated using the fab implicit in a Jacon fill is randly deferring by Concerning, the rate used by the lassor is not provided to Date Energy Karlucky and in their cases are increased betweening rate as of the commentaneous date is backable and record the base. The increased is independent of the lasse of the lass of the las

SUMMARY OF DEBTAND RELATED TERMS

## KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 43 of 193

			· ####################################		mber 31.	····
(in they sands)	Weighted Avsrage Interest Rate	Yəár Dite		2023		2012
Unsecured appl	4.01 %	2025 - 2057	\$	505,000	\$	680,0
Tax-exercise bonds <sup>table</sup>	- <b>2</b> ,79 %	1	927	75,720		75.
Money post borroveinges <sup>(k/s)</sup>	5.76 <sup>1</sup> 4	2	028	117,503		168,2
Unsamentized debt discount and promisin, had				(180)		(1
Unamortized dabt issuance apsig				(2,005)		2.4
Tobi desi	4.14 %	W	\$	747,45\$	\$	660.3
Short-tarm menor pool borrowings				(92,933)		(61,2
Current maturities of long-term debt				_		(74.5
Total long-tarm debt			\$	764,552	3	704.1
ja) Inducieš X27 million Vortie secured by a bilatoral lettal of coeffit greenent at December 31, 2023, and 2022, (b) Shoding-rate delf, Al December 31, 2022, the weighted average interast new was 3,72% and 4,31% for bardwar (c) Inducins 323 million Cassified as Lang-Term Orbit Payable to Affisied Companies on the Estance Shoets in Dec MATURITIES AND CALL OPTIONS						
The following table shows the annual materials of long-langt table for the next five years and thereafter. Assume pre-	naved exclude event-leven notes payable.					
{in thousands}	••••••••••••••••••••••••••••••••••••••				December \$1, 20	123
2024	₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩			ş.		
25,25				·.		95,0
2028						45,3
2027						78,7
2028						\$5,0
Thereafter						425,0
Total long-term debt, including current maturities				\$		705,7
Carabit harvestend bands hart may na put to DUBE Energy Kentucky of the aption of the holder and money poor born Failing and Dute Energy Kentucky's other biblion of tax-encompt bonds and 625 million of money pool born trading and poor AMALARIE CREATER FACILITIES Instance of the Energy Kentucky's other biblion of tax-encompt bonds and 625 million of money pool born whose a AMALARIE CREATER FACILITIES Instance Creatile Facility In Match 2023, Duke Energy Amended the existing Matter Creatile Facility of 50 biblion to endow the termination deter to Amount of the Energy Amended the existing Matter Creatile Facility of 50 biblion to endow the termination deter \$107 million option Duke Energy Matter Create Facility. Duke Energy Kentucky and Duke Energy Indiana: LLC, a sublectary of Duke Energy, collectively have a \$150 million existing toolds. Yirk create facility. Term Loan Facility If October 2021, Duke Energy Kentucky entreed into a two-pare term for facility with contributiones totaling \$50 million existing toords 2001, Duke Energy Kentucky entreed into a other the facility.	of one year as of the balance arrived of is, Deles Energy Kentucky has the ability baselined as Long-Term Debt and Long-Term Debt Payable to Affilisted Compan balance 2025. Dube Energy Kentucky has berrowing carbonly under the Maate the Maater Credit Facility may be reduked use to backstop haumone of com- the Maater Credit Facility may be reduked use to backstop haumone of com- balane letter of castle agreement with a termination date of Peterlang 2026. D	y (o refininge these enort-leng add lies, respectively; on the Balance & r Ciredit Facility up is a specified su nertial paper. Al December 31, 200 utils Energy Kentucky May Instand 3. Duke Energy Kentucky's 650 mi	sélens en a lengi-la nocta: Sí mit. Duite Energy Ko Ine inaugence of Silb Non testoynar lann 1	nn barein. Sper "Avadsude", Credit f Isad tris undataral ability octarity Isad tris undataral ability octarity Isad browdil up to \$27 million on i Isad browdil up to \$27 million on i	autorer juelow for ad Impe to increase or de of \$225 million and av Impion and to support v	tificanel internation. onesse Duka Energy wilebie raisourig of arigues confee of Tax-
THER DEBT MATTERS			· · · ·	···		
Money Paul						
Dute Energy Kentucky receives support for its short-form borroykig meads brough participation with Dute Gnergy a htmay pool is structured such that Dute Energy Kentucky soparately manages its mash needs and working capital m Westigs the money pool.						
Money pool seceivable belancies are reflected within Nouse receivable from affikated companies on the Galarios Shee	n. Money post payable belances are reflected whith althur hotes payable to a	fibited companies of Long-Term D	ebt PayaDia, to Alfili	aled Companies on the Belarice	Sinee)s.	
Restrictive Debt Covenants						
Duka Energy Kerpanský obbi and cyczil generanna carsani various (narozal and dnar cosenania. Duke Kerzyn h acosteriend istou danse andrži reministen of the agreenance. As of Debenber 31, 2023, Duka Energy is harvsky vas of other nightisani indisbledness of the barrayer or isona of its subsidiaries. Nane of the data or streft agreentevirta.	in compărinte with all covenants related to its debt agreements. In artificer, cor					
S. AQUET RETREMENT OBLIGATIONS						
Duke Energy Karducky records en ARO when it has a legal obligation to incer reframent costs associated with the re for these ARCs will be recorded winn a take vights is setermination. Outs Energy Kanducky's regulated electric and regulated natural gas operations accrus costs of remeval for proteity recorded set regulately faicify in accrusting with regulated according to be made the Note 2 to the administration	that does not have an associated legal referment obligation based on regular	ny sinistra from the KPSC. These o	wix of removal are			y selimatia. A kabil

Dute Energy Kantucky is subject to state and Victorial regulation's covering the closure of coal such impoundments, including the EPA Coal Combustion Residuals (DCR) Rule, AROs recorded on the Balance Steries Include the legisla obligation for the disposed of CCR, which is based upon estimated closure costs for impacted ash impound will be dependent spon to the state and victorial states are the discoursed will be dependent spon technic that is to the transformation of the legislation # KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 44 of 193

Concure methods considered include terroring the water from a th basins, consisted at it is material as neuroscory and coupling the set with a symbolic barrier, expanding and relocation for the second set of the second second set of the second set of the second second set of the second set of the second set of the second set of the second second set of the second	sugh the steaure and post-dosure process, including assagia	nee and approx	rais or some other beneficial use, a) of someliance approaches, whi	The LEARNER MERIC In may change has	osi and smatsbla magamant
In addition to the cost per ARCa, Duke Energy Kennety also has legal additions related to the retirement of gets indicate and astronomication.					
The fullowing talks presents the changes in the liability enablished with ARCs.					
ýp Morzandz			Years Ended Deco 2023	ember 31,	2022
the resolution of the partnership of particular and the partnership of		\$	107,121	£	93.282
Accretion expanse(a)			4,712	-	3.560
Lint-Bitzs votledu)			(15,093)		(13,420)
Liabilities incurred in the current pear			t,142		
Revisions to institute and the vegat			(18,368)		24,379
Balanse nt érnd et period		\$	88,018	3	307.621
(a) Accretion expense retries to Outer Enurgy Kentucky's regulated operations and has been detened in accordance with regulatory accounting treatment for the years enough the	and the second second				
(a) Accurate expense repres to buse prorg remaining requirements and has ceen beened a economic with represent accounting exertion of the years should be (b) Calcifics social relate to sai basis and famili cosus cash at he fast Bend Satton,	omber 31, 2023, and 2022.				
(a) concrete where reads a sense of the mean at the descender of the cost of the cost of the cost of the sense of the sens	n a Tu internet constraints a los				
T. PROPERTY, PLANT AND EOUBPRENT					
The following table summunizes property, plant and equipment,					
	Average Remaining Useful Life		Detember 3		
(in thousands)	(Yeara)		2023		2022
Land		\$	\$2,834 \$		61,303
- Mant					
Electric generation, disclosed en and transmission	.39		2,204,173		2,149,622
Nei (74) gas Canaimaioth and dùintiadhan Crìter Buildage and impeasanain	\$5. 26		878,147 22.736		707.832 14,767
Constances and intervention	26 13		64,162		42,611
Construction in processe	10		94,006		98,107
Other	-14		82,545		77,810
Total property, plant and equipment	and the second descent and the second descent and the second descent and the second descent descent descent des		3,393,659		3,231,542
Annuniation concentration and americation	······································		(1,138,125)		(1.059,120)
Nasproperty, plant anii aquubment <sup>eri</sup>		\$	2,255,834 \$	y	2,162,422
a ser a ser a ser a ser a ser a ser a ser a ser a ser a ser a ser a ser a ser a ser a ser a ser a ser a ser a s					
(a) The debi component of AFUDC lobaled \$4.5 million and \$1.1 million at December 31, 2023, and 2322, respectively,					
8. OTHER INCOME AND EXPENSES, NET					
The structure of the structure of the state of the structure of the struct					
The components of Devertinearies and Expenses, not on the Statements of Operations are as toleres.					
	, <del>1937</del>		Yesia Ended Devi	smber št,	
(h thousand 6)			2923		2022
Income/(Expense):					
(https://www.		\$	6,230	\$	2,372
AFUDO diyany Oktor			1,057 2,514		1,245 (265)
Other Income and Expension, wet	et de la constant de	\$ .	2.011	s	3.853
			······································		
\$, RELATED FARITY TRANSACTIONS					
New York and the second state of the second st				in all an original	
Date Finding Komarky engages in related party purpositions, infairly are generally performed at cost and it occordance with MPBC and FERC regulations. Refer to the Babace She Operations are preferred in two following table,	ezh eus neverkand oost en dit isleis leethed betries, berjiven britise	una seratika na k	aldarijacijus mila teistaris hela dei bara	nen al art find find eau	1967 - La 196
			Years Ended Deci	.mber 31,	
(a Bouranda)		·····	2623		2622
Corpore) preventance and drame tencine expenses <sup>20</sup>	······································	\$	78,518	\$	85,31\$
(a) Dicks Energy Kontucky is charged its propertanials share at backs, primarily related to human resources, employee benefits, information technology, isget and escourbing fees, a statim Operative Experiment on Developer.	a wee as upper third-party costs. That a constrained a filiate o	z Duka Energy	These amounts are reasonad in U	paraSico, maintena	ल्ड्रांड क्षाई व्यक्ति
in addition to the amounts pre-strine above. Owe Energy Karandy has other skillate variabilities, including contain ludernateation soverages mough Duke Energy's entity owner over operational formations and its propositions above of centain charged experience. Get more informatean tegoriting the homes pool.					
Louis hade maximation have been easily Outs Theory Mentucky in ORC, an unconstituted entry formed by a ministery of Data Energy. The proceeds betaged from the same information related to the same receivables.	of receivednes are largely each buil do incluide a subcretinated	inota kom CRi	) for a portion of the precise price	ai See Note 12 kur	further
Intercompany lacong Taxes					
Duke Energy and its subsistation for a consolitation dedical income tax return and other state and juriedistanal returns. Duke Energy Kantucky has a tax attaining agreement with Du Incly is a securate C-Corporation Duke Energy Kentucky that an interpretary tax receivable belance of \$25 million and \$13 million at December \$1, 2023, and 2022, respectively				n Duke Energy Ke	antucky would

TO, DERMATIVES AND HEDGING

### COMMODITY PRICE FILM

Dute Energy Kentucky has limited exponents to market price charges of fast and emission allowance coasis incurred for its riskl containing and recovery mothanisms. Dute Energy Kentucky does have exposure to the impact of market fluctuations of electricity, kell and amission allowance saccolated with its generation colour not priced water and entering of the provide state and entering to the task of cost tracking and recovery mothanisms. Dute Energy Kentucky does have exposure to the impact of market fluctuations or committed food (of system, wholesale power sales). Outs Energy Kentucky's outstanding commodity dentatives, FTRs, had a risk of a solution of 1,520 gigawate-hours and 1,520 gigawate-hours and 0,520 gigawate-hours and 0,520 gigawate-hours at December 31, 2023, and 2022, respectively.

See Note 11 to additional mormation on the for value of commodity definitions.

### INTEREUT RATE FORH

Dute Energy Kentucky's exposed to changes in interest make a result of its issuence or antipated insuence of variable-rate and food rate dabt. Interest rate in his managed by limiting variable-rate exposure to 'a percentage of total dabt and by monitoring changes in interest rate exposure of a managed by limiting variable-rate exposure to 'a percentage of total dabt and by monitoring changes in interest rate exps and U.S. Treasury lock agreements. The notional amount of interest rate exps existencing was staff. Ynillion at December 31, 2023, Jina (2022, Financial contents entered with the marked value of the staff of a percentage is interest. The notional amount of interest rate exps and U.S. Treasury lock agreements. The notional amount of interest rate exps and u.S. Treasury lock agreements. The notional entered with the test in the rest of the staff of a second of the interest rate exps and U.S. Treasury lock agreements. The notional amount of interest rate executive to a mace the staff of the rest interest rate executive to a mace the staff of the rest interest is a capital of the rest interest is a capital of the rest interest on wave entered and regulatory table-rate of the rest is a second of the market gashs or bases and regulatory lebities or assets, respectively. Regulatory assets and regulatory table-rate of the staff of the rest is a capital of the rest interest on wave is staff.

See Rate 17 for Additional information on the fair value of Interest sees derivatives.

#### CREDIT FUSH

Date Spergy Kontucky analyzes the financial to soliton of counterpurphy prior to an entering into agric entropy to a spengrate near a ministra the appropriate near a ministra the

Duris Energy Remarks in Example a subscript approximation of the second and approximation of the second approximat

Duto Energy Katalogy also obtains seen or letters of credit port customers to provide credit support curves of collected agreements, where appropriate based on the Energia Sector and the regulatory or contractual terms and contributes applicable to each terms after a specialized and the Research and the

Fair value is the exchange price to will an usear or transfer and within the non-state participants of the measurement deb. This bit value definition factors in an exit price vessus the acquisition cost. Fair value in a state of a

Fair value accounting guidanine pairme orthogies to short in measure cancel financial instruments that are contracted to a country and the accounting guidanine pairme in this value. Outs Energy Kantucky has not exiscing to prove any of these leigns of this value,

### Commonly derivatives

H forward price surves are not observable for the due to the contract and the unobservable period true inspection in designificant impact on the valuation, the commodity derivative is classified as Level 3. This valuation and inspective and unobservable input for an ETR in regional truth instant in an entropy derivative is classified as Level 3. This valuation and the second activities and unobservable input for an ETR in regional truth instant in an entropy derivative is classified as Level 3. This valuation and unobservable input for an ETR in regional truth instant in a price water and the second activities in a second activities in the second activities in a second activities and the second activities and

### Interest rate derivatives

All aver-the-counter interest rate bonzact durivatives are valued using franklah models that utilize observable inputs for similar featurements and are chasefied as Lavel 2. Inputs indude foreast infordatives, notional amounts, interest rates and gradity of the counterpartners,

#### QUANTITATIVE DISCLOSURES

The following tehters provide recorded balances for asserts and fixbelies, measured at fair value on a recurring facety on the Saturna. Streets. Desirative amounts in the table below exchange cash rollstand,

	 	Decemb	er 31, 2023	 
	 fotal Fair			 ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
(A thousands)	 Value		tavel 2	 Lavel 3
Derivative asserts"	\$ 018,2	\$		\$ 1,510
Derivative Kab (Ipos <sup>ia)</sup>	 (1.749)		<i>{</i> 1,749)	 
Nui useets (habilijas	\$ (239)	<u>ڊ</u>	(1,749)	\$ 1,519
				 1

	December 31, 2022						
fit thousands]		¥akus		Level 2		Level 3	
Derivative sussels. <sup>41</sup>	S	4,560	\$		s	4,550	
Centrative liab Rises <sup>62</sup>		(1,956)		(1,356)		_ نحنت	
Net fikabilites) assets	£	2.604	<u>\$</u>	(1,956)	\$	4,560	

(a) included in Other would comment Assets and Other within Other Honcurrent Assets on the Balance Sheets, The annunce classified as Level 3 relate is FTRs.

(b) inclused in Other within Convert Liabilities and Other Weber (Other Honezernet Liabilities of the Betance Shoets, The ancounts databad as Leval 2 retue in Interviel cate swape, The behavior table provides a momentation of the prime in the prime and liabilities measured at the value on a mount of basis affects the interviel cate swape, and the prime interview of

	Detivetives (nel)			
		Years Ended	December 31.	
(in thebusseds)		2023		2622
Balance at Deginizing of period	\$	4,540	L	1,636
Purchanes, salas, idea ante antennes				
Purchases		4,347		3,630
Setfampits		(3,780)		(3,900)
Total gaine included on the Balance Sheeta as regulatory assets of labilities		(4,112)		3.064
Balance as end of parlod	ş	1,510	\$	4,580

OTHER FAIR VALUE DISCLOSURES

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The hit value of long-term debt, including convert maturities, is simulative at the following table, Judgment is required in interpreting marine data to develop the estimates of the value. Accordingly, the estimates determined are not necessity indicative at the annuals. Date Energy Kenacity could have sended in current marines. The following table of king-eart debt is dearing in the content of the sended in current marines. The following table of king-eart debt is dearing in the content of the sended in current marines. The following table of king-eart debt is dearing in the content of the sended in the content of the sended in the sended in the content of the sended in the send

		·		
	Occember 33, 2023		December 31, 2923	2
	and the second s	with the second state of t	and the second	and the second s
(in the wards)	Sook vajue	Fair value	Book value	Fair vakes
Long-Torm debt, including current maturities	3 704,562 \$	635,370 \$		694,225

Al December 31, 2023, and 2022, the feb value of lawly and equivalent is according and notes reprovable and notes reprovable are not invariantly different fram their carrying amounts bioactive of the sharetern nature of these underunants and/or bioactive trains appreciate to market nature.

#### 12. WARIABLE INTEREST ENTITIES

A variable interest suity (AE) is an entity that is evaluated for consolidation using more than a single analysis of voting control. The analysis to determine whether an entry as WE considers contracts with an entity, orget support for an entity, this unalysis is determine whether an entry as WE considers contracts with an entity, orget support for an entity, this unalysis is determine whether at entry is a well to accurate the anount of quality investment of the ruport for an entity as the considers contracts with an entity or an entity of the sound of the ruport for an entity of the sound to accurate the sound of the ruport for an entity and the interface of voting control. The anount of quality investment of the anount of quality investment is based on (i) shat party has the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the power to the sound of the power to the sound of the ruport for an entity of the power to the sound of the ruport for an entity of the power to the sound of the ruport

### Cheogy Receivables Company

CPC is a banknipty remain, special junguas entry bails an attliefs of Date Energy Kentucky. As decamed beins, Date Energy Kentucky date not associate (FC as it is not the primary beneficiary. Dri a revolved basis, DRC burye carbin account received and the primary kentucky care not associate from the carbin and the primary kentucky. Drive series and the primary kentucky care not associate associate associate associate associate associate associate associate associate associate associate associate associated as the fore the carbin associate associate associated associ

The proceeds Duke Energy Kentucky receives from the sale of receivables to CRC are approximately 75% cash and 25% in the form ORC at December 31 (2023, end 2022, respectively). These bisiness are included in Receivables and refers to the State of Sheets and refers Duke Energy Kentucky and receivables and refers on the State of Sheets and refers Duke Energy Kentucky and receivables and refers on the State of Sheets and refers Duke Energy Kentucky and receivables and refers on the State of Sheets and refers Duke Energy Kentucky and receivables and refers Duke Energy Kentucky and receivables and refers on the State of Sheets and refers Duke Energy Kentucky and receivables and refers and

The subministed note held by Gubs Energy Kenardy is stated at her value, Carrying values of retaining the analysis of the subministed note her by allocating partying values of the wood and interests are determined by allocating partying values of the wood and finite sets and and finite sets of the restrict participation and the set of the subministed note in the located base of the subministed note her by allocating partying values of the subministed note her by allocating partying value and the set of the sets of th

Key assumptions used in estimating fair value are detailed in the following table.

	2023	2922
Anticipated orevit lose ratio	0.5 %	9.4 %
O isocert rain	₿, <b>1 %</b>	171
Reservables sumaver rate	11.7 %	11.4 %
The following failed viscours while and the source of the		

	······································	December 31,			
in theusands)		2023		2022	
Receivables sold	\$	81,312	\$´	102,213	
Less Relained interests		33,757		\$3.344	
Hetronnyables sold	ţ	47,425	.\$	43,889	

#### The following (able above sales and cash flows related to receivables sold.

		Tears Ende	od Desembor 31,
(fn bicu saids)		2013	263
Lafe t			
Receivables isolai	2	613,440	\$ \$71,67.
Loss readignized on sole		6,445	
Einen Bayers			
En ut processis from micely-ables sold	. <b>Ş</b> .	BZ\$,122	\$ 637,84
Callection free received		307	234
Ream method on retained (his-rec		A,674	2,63

Cash flows than sales of receivables are selected within Cash Flows from Operating Activities and Cash Flows Irans Investing Activities on the Statements of Cash Flows.

Collection faces received in connection with the exproper of Reambored Supports received by the included in Connection matching the month by the required discount. The required discound is derived monthly taking a transformation with the average fractional transformation of the required discount. The required discound monthly taking a transformation of the terms of the required discount. The simple Section derived fractional required discound relation of the terms of the required discount also are required derived fractional required as the required discound r

13, REVENUE

Duse Energy Kantucky recognizes rownue consident with amounts billed under land obeings or at contractual yage-out upon relations of best published before or natural parts and well with a support of the published before of a land with a support of the published before of a land with a support of the published before of a land with a support of the published before of a land with a support of the published before of a land with a support of the published before of a land with a support of the published before of a land with a support of the published before of a land with a support of the published before of a land with a support of the published before of a land with a support of the published before of a land with a support of the published before of a land with a support of the published before of a land with a support of the published before of a land with a support of the published before of a land with a support of the published before of a land with a support of the published before of a land with a support of the published before of the public support of the public support of the public support of the public support of the support of the public support of the pub

Performance obligations are satisfied over time as energy or nonzelague to delivered and consistent of the goods and services accessed one year, Using time output method for termine, neogradian provides a block depiction of the instance of all all approximations and the termination of the opposite of

As described above, the individual means of the second

Duke Energy Kentucky corrus substanticity all of its revenues tyrough the same of electricity and natural case

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### Electricity Salas

Electric cases revenues are exerced activately through the descence in through the generation, transitionic additional and easi of electricity. Data Energy Kontacky generally provide which electric service containers with the descence in the service interval in the service interval in the service interval in the service interval in the service interval in the service interval in the service interval interv

the market. Recall electric service is generally mericeed throughout Dute Energy Konacta's electric service tention dention energies and uservice offers. The signabult service offers. The signabult service offers are through latifs between her by My KPGC. Each will which is assigned to putching based on continuer class, has maliple companies such as an energy and uservice offers. The signabult service offers are through latifs between her by My KPGC. Each will which is assigned to putching based on continuer class, has maliple companies such as an energy and user and uservice offers. The signabult service offers are through latifs between her by My KPGC. Each will be accounted by the prove and uservice offers are through a signabult service offers. next in an operating and any set of the set

Wholesale alcome sprice in provided through block seles of electricity. Revenues for block seles are recognized marking is delivered and stand-ready service is provided, consistent with involved amounts and unbilled estimates.

#### Natural Gas Sales

Halanel gan mice beyong in the internet gan being with the internet gan being of the internet gan being for the internet gan being with the internet gan being t provided by Colle Energy Kantucky is consumed by customers abruthereously with receipt of suf-ery.

Reluit netural gas service to marketed throughout Duke Energy Kenancky's neural gas envice to introduce to the strate of the service is a service in an interpretation of the service is a service in a service is a service in a service is a service is a service in a service is a service in a service in a service is a service in a service in a service is a service in a service in a service in a service is a service in a

### Distogragated Pavenues

For alectic and natural gas cales, revenue by existement lates in most meaningful to Duke Energy Kinkludy as each resplacing ductored requirements and aperates updat lates of possing structures. Additionally about the formation of the structure is the structure of possing and approximate the structure of possing understand for heave, annumer that is inspaced differently by reacting the other Duke Energy Kentucky to understand for heave, annumer that and cale form and cale form a weating from orbitable with a structure of possing and the structure of possing and the structure of

Disaggregated revenues are greatented as follows:

(in thousands)		Years Ended Dece	mber 31,
By market or type of customer		2923	2022
Electricity Salars			
Registerdal	\$	171,241 \$	200,151
ું દિલ્લાઓ		176,075	125,987
1 Indepted		65,864	72.046
1 Medicals <sup>144</sup>		16,965	51,207
Ciller Periodiki		23,993	(402)
Tatal Electricity Salaa novenaa ijam conzacta võn ocetamen.	\$	414,126 \$	509,889.
Naure' Cas Sales			
Residential	\$	M,173 \$	190,190
Commercial		38,129	48 645
hand the second s		8 <u>.2</u> 85	Q.\$10
Other revenues.		2,679	3,109
Tetal Natural Can Sales invenue from contracts with customers	J	131,146 \$	156,5%
Tetal weenus tom surfracts with customers		583,272 \$	558,444
Offer revenue sources <sup>the</sup>		408	1,685
Telas revenues	\$	583,680 \$	668,129

(a) Data Energy Kestasky new wolasale metric sales and paramoves on an mouth pasies, so such, the net position may recall in Rushallions benegen positive and pegeline and pegeline and pegeline and pegeline and of a reporting period. the Other retrement sources include revenues from derivatives, leases and effernative /4-entrue brostners, that are not considered revenues from commute with curstomers;

The following fable processie the reserve he credit losses for made and other receivables.

	(in thousands)	
	Balance of December 31, 2021	215
	VAIN-offs	(6)
	Credit Loss Expense	222
	Belsance at Generation 71, 2022	531
1	. Great Liess Expense	235.
	Balance at December 31, 2023	246

The and office receipeddes are excluded based on an estimate of the risk of loss for the life of the receivedde and current and bisloncel contribing using expectable assumptions, Management evaluates the risk of loss for trade and offine receiveddes by comparing the hadrolosi write off amounta to total revenue over a spanified period, Hitstorical loss rates are

in the set of instance of a set instance of a set of the set of th as returning a

The aging of takin receivables a preserved in the labie redevi-

## KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 48 of 193

	 December 31,	
(in thousands)	 7623	2022
Unsided Receivabled (N)	\$ 1,995. 5	13,722
Carriers.	10,651	3,818
G-GD days past days	1,552	700
. Stelio daya pasticue	336	(6)
ති ම කියා කර්තා  152	723	
S1+ daya pasi dua	 4,503	3,480
Yrade and Other Receivables	\$ 18,169 \$	22,335

(a) Untilled revenues are recognized by spyling outpower billing relets to the extended volume of an extended volume of and are biguided in Rodeivatabis on the Date Energy Rambacky Balance Sheets. Unbilled receivables to balance and are biguided in Rodeivatabis on the Date Energy Rambacky Balance Sheets. Unbilled receivables to balance and are biguided in Rodeivatabis on the Date Energy Rambacky Balance Sheets. Unbilled receivables to balance and are biguided in Rodeivatabis on the Date Energy Rambacky Balance Sheets. Unbilled receivables or balance biguided are are transferred receivables or balance biguided are are transferred receivables or balance biguided are are transferred receivables are transferred receivables are are transferred receivables. But these transferred receivables are are transferred receivables and are are transferred receivables. But these transferred receivables are are transferred receivables are are transferred receivables. But these transferred receivables are are transferred receivables and are are transferred receivables. But these transferred receivables are are transferred receivables and are are and and are are transferred receivables. But these transferred receivables are are transferred receivables are are transferred receivables. But these transferred receivables are are treceivables are are transferred receivables. But

#### 14. SEVERANCE

But Emergy Results participates in severance plane for the sported employees population under which, in general, the longer a laminated employees worked prior to combination the greates the amount of severance barrents participates provided. Data Energy Kentucky also offers a portal termination benefits and a voluntary severance program.

Bulle Energy Kanucky's direct and allocated for the years ended Detember 31, 2023 and 2022, respectively within Operation, maintenance and other 29 the Stationautor and Operation way \$5, 197 (housened and \$220) thousand for the years ended Detember 31, 2023 and 2022, respectively.

Dube Energy Kenanicy's sevenines lability balance reported in Obreg within Climere Usbillion son the Balance Affects was \$664 Decisiond for the year and/of Decomber 31, 2022. Davis Energy Kenanicy and not have a sevenines lability balance reported in the Balance Affects was \$664 Decisiond for the year and/of Decomber 31, 2022.

### 13. EMPLOYEE BENEFIT PLANS

### DEFINED BENEFIT RETIREMENT PLANS

Duke Energy Kentucky participates in qualified pends for the parts which consist of the Duke Energy Retrement bank (DELPP). Duke Energy Kentucky participates in qualified bends retrement plans, which consist of the Duke Energy Retrement bank (DELPP). Duke Energy Kentucky participates in qualified bends pends on and other proceedsamilies of the plans of the Duke Energy Kentucky participates in qualified bends pends on and other proceedsamilies of the plans of the Duke Energy Kentucky. The years of the Duke Energy Kentucky participates in qualified bends pends on and other proceedsamilies of the plans of the Duke Energy Kentucky. The years of the plans of the pl

participations is, non-qualitate, non-constitutiony defined banditativitiesment plane which to very certain executives. The qualified and non-qualified non-constitutiony defined benefit planes are closed to new controparties.

DUM Energy uses a Davember 31 measurement date for the defined benefit referenced period and obligations; Actualisi gains experienced by the defined benefit referenced panels on December 31, 2020, were primarily portunated to search investment plan essential referenced to the experienced approach interaction of the defined benefit referenced by the defined benefit referenced by the defined benefit referenced benefit referenced by the defined benefit referenced by the defined benefit referenced benefit referenced by the defined benefit referenced benefit referenced by the defined benefit referenced benefit referenced by the defined benefit refer

by the defined benefit religionant plans in remeasuring plan defined and all December 31, 2023 were plansify autiliars 2019 to declarate in the discount rate used to measure plan indigations.

As a result of the application of softeness accounting due to bala lung-sumbaries in a periodic banefit parametric biological periodic parametric biological periodic parametric biological periodic parametric periodic pe

Outre Energy's policy is to fund sensents on an extensional basis on provide assents and the presents to be present to pair (participants, Actual contributions for Outre Energy Kenducty were \$1,600 Streamed and \$853 Documents for the years ended December 31, 2003, and 2022, name presents

Net periodic benefit code disclosed in the laides below represented process of the respective gian for the periods processing projection of amounts independent, on the Balance Sheets, Oraly file service cost component of net periods benefit posts is eligible to be deploited, and the periods processing for the periods processing for a mount is below for a mount in the Balance Sheets, Oraly file service cost component of net periods banefit costs is eligible to be deploited, and the balance sheets of Balance Sheets, Oraly file service cost of the respective gian for the periods processing for an eligible to be deploited, and the balance sheet gives and the balance sheet gives and the balance sheet gives and the balance Sheets of the periods banefit cost and exploring and explored and the balance sheets and the balance sheets and the balance sheet gives and the balance sheets and the balance sheets and the balance sheet gives and the periods balance sheet gives and the balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods balance sheet gives and the periods b

#### QUALIFIED PENSION PLANS

### Companents of Net Periodic Pension Costs

		Years Endes December 35,	
(a thousande)	202	2ð	2022
Service cost	\$ \$2	š. \$	963
Interest cost on projected biznefi obligation	4,02:	\$.	3,060
Reported Letturn on china assets.	(\$,17)	8}	(4,850)
Anomization of pilot survive insult	(8)	\$2	(85)
Americation of meta-advision of meta-advision of the second s	23	1	1,323
Testile ment charge		-	1,973
Net perisôn: pension costs	L (25)	¥] \$	2,413

#### Amounts Recognized in Regulatory Assets

		December 31,	,	
	A REAL PROPERTY OF THE REAL PR	······································		
4n thóa sandai		2023		2022
		and a second second second second second second second second second second second second second second second	And the second s	diameter and a second second
Sequialary assets, net decrease	\$	(324)}	ş	(7.300)
			and a specific sector of the s	and the second second
Demonstration of Fundad Protects to Mathematical Annual Control of				

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Years Ended Decemb							
unousands)		2023			2022		
ange in Projected Benefit Obligation							
bligation at prior measurement data-	\$	75,508	\$		104,450		
nvice cost		553			876		
erest coll		4,088			3,089		
tuarial (geńs) losses		494			(20,783		
mofits paid		(6,482)			(13,325		
ansiera <sup>en</sup>		(269)			1,201		
Mgalion at measurement data	\$	73,892	\$		75,508		
cumulated Benefit Obligation at measurement date	5	72,775	\$ -		74,442		
iange in Fair Value of Plan Assets							
essets at prior measurement date	, <b>\$</b>	67,753	5		93,654		
sual relum on plan assèts		5,815			(14,630		
ne6ta paid		(6,482)			(13,325		
nployer contributions		1,509			853		
anoferis <sup>ese</sup> .		. (269)			1,201		
an assets at measuryment date	\$	68,329	\$		67,753		
nded status of plan	\$	(5,563)	\$		(7,755		
Transfers represents net amounts associated with plan participants that have moved to/from other Duke Energy subsidiaries, nounts Recognized in the Balance Sheets							
			December	31,			
thousands)		20	23		2023		
ofunded pension <sup>(4)</sup>		\$ 18,34	15	\$	16,155		
ncurrent pension liability <sup>(ii)</sup>		23,90			23,910		
t fiability recognized		\$ (5,56		5	(7,755		
guiatory assets		\$ 22,31	<u>ย</u>	\$	22,660		
Included in Other Within Investments and Other Assets on the Balance Sheets, Included in Account pension and other post-reference needed to be Balance Sheets. orrection for Plans with Accountulated Benefit Obligation in Excess of Plan Assets		1995 - UNI					
			Decembe	er 31,			
(bousands)		2023			2022		
bjectod banefit obligation		\$ 28,358		\$	28,794		
cumulated benefit obligation		27,240			27,728		
r value of plan assets		4,450		~ ~~	4,884		
sumptions Used for Pension Benefits Accounting							
		December 31,					
		2023			2022		
nefit Obligations							
icount rate		5.40 %			5.60 % 4,35 %		
reset conditing rate		4.15 %			4,35 %		
		3.80 %			3.50 %		
t Periodic Benefit Cost .count refe		5.60 %	2	2,9%	5,70 %		
coourcinate mest cradition		4.35 %			4.0D %		
ness circanng rayo Lang hirkaso		3.50 ×			3.50 %		
any minase		6.50% - 8.25%			6,50 %		
na na na na na na na na na na na na na n							
e discount rate used to determine the current year pension obligation and following year's pension expense is based on a bond selection-settlement portfolio approach. This approach develops a discount rate by selecting a pr reft payments of the plan. The selected bond portfolio is derived from a universe of non-callable corporate bonds rated Aa quality or higher. After the bond portfolio is selected, a single interest rate is determined that equates ue of the bonds selected.	ntfolia of high quality o he present value of th	corporate bonds that generate s to plan's projected benefit paym	ufficient ca ents discou	sh ilow to provid unted at this rate	e for the projected with the market		

N-QUALIFIED PENSION PLANS

e accumulated benefit abligation, which equals the projected benefit abligation for non-qualified pension plans, was zero for the year ended December 31, 2023. Net periodic solon casks for non-qualified pension plans, were not material for the years ended December 31, 2023. Net periodic

HER POST-RETIREMENT BENEFIT PLANS

the Energy provides, and Duke Energy Kentucky participates in, some health care and its insurance banefits for relipid employees on a contributory basis. Employees are eligible for these banefits if they have met age and weivice requirements at retirement, as defined in the plans. The health care, refix include medical, dental and prescription drug coverage and are subject to certain limitations, such as dediubbles and co-payments. The health care, and met methods are subject to certain limitations, such as dediubbles and co-payments.

mponents of Net Pariodic Other Post-Retirement Benefit Gosts

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	Years Indei De	
(h) thousands)	2617	2
erviad dost	1 36	\$
ensel and an analysis of the second based of the second second second second second second second second second	202	
zpecied (stury or plan assata	[63]	1
eronfization of a studying loss	(358)	
vrenization ve prior servicei izaciti	(33)	
let paliodic post-vetirement pension eceis	\$ (223)	\$
seventi Recognized in Regulatory Asses and Regulatory Listilizes		
	Decembe	
IS (housede)	2023	2
regulalety august, not decrease	I - 131	\$ (1,4
ing jauan y Babiliun, nei incinase	(590)	ß
econolinities of Funded Stanux to Accessed Other Post-Retrement Benefit Costs		
	Yaary Ended De	
jn thousandst)	1023	2
Shange sa Projected Bonsfil Chalastion	· · · · ·	_
icclandiaed post-enternant benefit addigated in the second and the second addition of the second addition of the	\$ 3,912	\$ 4,1
sevice could	36	
	199	1
law per felopainsi operativutene	1,22	1
etuarial galaria	\$33.	-
sperify and	(553)	5)
ezur plated post-revenue bereikt obligation at measurement date	3.3,518	<b>I</b> 3,9
itange in Fair Valua of Plan Assets		
lain anna e an an an an an an an an an an an an an	\$ ¥.243	\$ 1,5
ម្នាក់) Assee (ទទួរក្មមនិត	[177]	
etual ratio matema sete -	58	(2
une Sa paid	[5五2]	(6
ក្នុងស្រួងក នៅលើដល់ដែលនេ	465	3
fan participants' contributionis	\$20	1
Tan assets et measurantent data	£ 1,138	s 1.2
Unded datus of plan	\$ (2,778)	\$ (2,6
incunta Recorgnitued In the Balanze Skeela		
	Çleşerirba	
Ja Beersand%)	\$425°	24
Current posi-retrement kebägin	\$ 157	5 1
longeren gest teliskment liehtliget	2,6%	2.5
olai accrued post-stitement isbiliy	\$ 2,778	\$ 2,6
Regulatory assets	181 181	\$
Registatory backlines	\$ <u>5,248</u>	\$ 5.5
a) francés in Chiar élévin Current Liseatres en ma Bálance Sheere. b) francésed in Aschwei pension aná oftar posi-relaminent banefit centra en tha Balance Breetta.		
seurgebas lised far Dater Post-Richanens Barella Accountisy		
	Casenber 31,	
	20 24	202
inteff Okigations	e 1991	
	5.40 <b>%</b>	5.60 9
ist Þortsvins Banzels Gast		A
heccura roma	\$,50 %	2.60 s 6.80 s
insected (Augu-to rate of seturn) on plan asses	8 <u>.9%</u> - 8.25%	£ 80 %
e discount pla specie decomine its ouristigant ship present benefits objoction and hill/wing year's strain permission in the second second selection-exitament particles approach. This approach devine state is the second permission in the second selection and selection and selection and selection as the second permission is a second s second second s second second	nlops a discourt rate by selecting a portolis of high quality o interpatrate is determined that equates the proceed value o	orporale bowds that penerate I the plank projected banefo
	December 3	L.
	\$623	 262.
	\$,50 %	£.50
valith bare soot frend raile assumed for next year - pre-85 brend	5,00 % %	6,50
insight under band therd name assumed for instance. Stematic instances and the second s		1 7 L
salits use to not then drain assumed for more types - poce-65 thand are to which the cost freque is assumed to decime (the ultimate bend man) for fracting uses (regards the ultimate South area)	4.J75 %. 2031-3032	4,751 2030-201

## KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 51 of 193

### Expected Bonefit Payments

The tollowing table provints Date Energy's inpertad benefit payments to participants on benefit Date Energy Kentucky in its quelified and other post-retireminit ingenefit plans said 10 years. These benefit payments indexed spectral Name enviced as appropriate.

			Other Post-	
		jas allfied	Ré dreannail.	
(In theuLands)		Plans	Pians	Total
Years ending December 31,				
2003	\$	6,285 \$	8-317 \$	7,182
2025		8,076	718	6,764
2026		5,139	ED4	6,742
2027		6,115	শ্বয়	5,618
20,41		9249	421	6,670
2329-2033		20,671	1,265	30,046
	۵۰۰۰۰ ۲۰۰۰ <del>۴۰۰٬۰۰۰ ۴۰٬۰۰۰ ۴۰٬۰۰۰ ۴۰٬۰۰۰ ۴۰٬۰۰۰ ۴۰٬۰۰۰ ۴۰٬۰۰۰ ۴۰٬۰۰۰ ۴۰٬۰۰۰ ۴۰٬۰۰۰ ۴۰٬۰۰۰ ۴۰٬۰۰۰ ۴۰٬۰۰۰ ۱۰٬۰۰۰ ۳</del>			

## MANTER RETREMENT TRUST

The special for the Duke Energy Kentucky plans discussed above are derived from the Master Retirement Trust (Master Tust) that is held by Duke Energy and, as such. Duke Energy Kenucky is allocated its proportionals being a discussed before. Association tasset in Voluntary Engloyage Banefales tasset. The investment about is to allocated its proportionals being a discussed before. Association tasset in Voluntary Engloyage Banefales Association tasset. The investment about the bankye addicant technis, subject to a protection and outproportionals association association tasset. The investment about the bankye addicant retents, subject to a protection and outproportionals in the outproportion and set proportionals association tasset. The investment about the addition of the Master Tust. Duke Energy constrained and protocol and as a completation and outproport being associate association tasset. The association association association association association association association and outproport being associate associationassociation association association association associationassoci

Ethershier Anging 1, 2024, the marget uncertailocation for the RCDP account estating access, and the larget assess a

Tørget	December 31.	
	we wantimer. a r	
Asset Category Allocation	2923	2022
Gobal equity securities 45 %	45 %	42%
Global private equity securities 2 16	2 ×	2%
Diel and uniform 355 %	35 %	30 <del>4</del>
Return seeding debt securities 7 S	專領	794
Hidge tunda 4 %	4 %	6 %
Real state and ceat	B %	é %
Tetal 140 %	100 %	100 %

The following table includes the target maket sincerivans by asset class at December 31, 2023, and the actual caset allocations for the BELPP pessets.

		Actual Allocation at			
	Target	Describer 31.			
Andra Dategory	Allocátion	2023	7022		
Global équity securities	14,%	14.5	14 %		
Biodeni prista e electrica de la companya de la comp	\$ <b>48</b> .	×	%		
Debt securities	B0 🛸	79 %	60 <del>%</del>		
Return करकेत 9 debi 50 curifies	2.56	2 %	2 %		
Hedge lunds	1,94	2 %	2 7		
Real estado and cash	7 %	3%	2 %		
Tetal	100 \$2	104 %	100 %		

### EMPLOYEE SAVINGS PLAN

Due Energy Karjandy also participates in employee savings plane expansional by Duixe Energy. Most employee's participate in a matching contribution formula where Duite Energy provides a matching contribution generally equal to (100% of employee beforewhere and Roth 401(1)) contributions and, as explorable, effective contributions of up to 8% of eligible pays period. For more not subject row contributions contributions and a section of eligible pays per pay point.

Outso Energy Kontucty's expense rested to the propertionent entries in planta completer contributions and the activities (4% employer contribution) was \$1,264 Westernal and \$1,385 Brossend for the years entries Department 31, 2023, and 2022, respectively.

### BROME TAX EXPENSE

# KyPSC Case No. 2024-00354 FR 16(?)(k) Attachment - FERC Form 2 Page 52 of 193

Single Single							
Scale Sample S					Ernied Decem	ber i i,	
initial control       initial control				2023			202
inf         (100)         (							
Single Signation state         Single Signat         Single Signation state			ŧ			\$	
Shard Source         State         State         State         State         State           State	ភ្លូវជាម						
think         NM         DNM         DNM <thdnm< th=""> <thdnm< th=""></thdnm<></thdnm<>				[12,755]			10,884
bit       7.74       1.01         Displant (all of the second of th							
Name         Name <th< td=""><td>Foreral</td><td></td><td></td><td></td><td></td><td></td><td>-)396</td></th<>	Foreral						-)396
number of the standing         (40         50           1         1.0.2         1         1.0.2         1         0.0.2           1         1.0.2         1         1.0.2         1         0.0.2           1         0.0.2         0.0.	State			7,785			1,713
number of the state o	Total defaned indome tunies <sup>10</sup>			28,225			1,317
Spin Section Se	Investment tax are dia mort and tament						
			ŝ			\$	
Name       Name						·····	
A shady alway have is taken before it to show it to spin is alway have it to spin is alway							
Internation         Year 6 circle of busines (s)         Year 6 circle of busines (s) <thyear (s)<="" 6="" busines="" circle="" of="" th="">         Year 6 circle of</thyear>	analahary fara Reconcilision						
bit bit bit bit bit bit bit bit bit bit	The following table presence a reconculation of income bar experime at the U.S. Articral stability has not a actual tax expense.						
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bis house of effective set of the display and the output of the display and display and the display and the display and t		~~+\/~··					
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Sin Classing         (Edits)							
Socie And National And Socie And							
Sale December         1         14/25         1         12/200           Sale December 21, Stat         130, 3         17, 53         17, 53           EEE PARKS YAXA         100 Among Sale December 21, 1200         100 Among Sale December 21, 1200         100 Among Sale December 21, 1200           In decision of the Sale Sale Sale Sale Sale Sale Sale Sal							
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And Present Price Design Control Status         Yang Control Status           Answer of Disk Status         103         10	ELECTION OF ALL VIEW			18.0 %	,		17.0 %
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alse billing/stand       1,823       2,882         winds, party shared of and registry is barred of			*	<b>^.////////////////////////////////////</b>		2	
a c eVator information         11,761         5,010           sequestion and IOD, control evaluation         2,122         11,701         5,010           sequestion and column of control evaluation         2,122         11,701         5,010           sequestion and column of control evaluation         2,207         10,000         12,227         10,000           Sequestion down of control evaluation         13,92,610         2,207         10,000         (20,000			•			•	7 083
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h hoiseands)  Amount Zt, 2023  Amount Zt			-		#40.139 <i>4</i> )	<u>.</u>	
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42         Indefinite           42 NPCOUNTS         38         257           126 (bx cm/showerd)         5         11/763           NRECOUNTS         5         11/763	Corporate AMT Credita			indefinite			
Jake HOL complement       Jd       Zd37         Lake HOL complement       \$ 11,763         NARECOGNIZED TAX BERKEITTS         In Biddwing Lates presents changes to unrecognized tax benefits.         In Biddwing Lates presents changes to unrecognized tax benefits.         In Biddwing Lates presents changes to unrecognized tax benefits.         In Biddwing Lates presents changes to unrecognized tax benefits.         In Biddwing Lates presents changes to unrecognized tax benefits.         In Biddwing Lates presents changes to unrecognized tax benefits.         In Biddwing Lates presents changes to unrecognized tax benefits.         In Biddwing Lates presents changes to unrecognized tax benefits.         In Biddwing Bidds to the Biddwing Bidds.         Intercognized tax benefits.         Biddwing Bidds induces additax to Presenter 31, 2023.         December 31, 2023.							
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re faltowing late presents changes to vivuogable 3 tar benefit.	Fadenal NOL carrybrivant State NOL carrybrivant			~			
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ng roop raad ba benefit inversees 133 223 reacognized ba benefit inversees 137 1 524 \$ 521 Ta 524 \$ 521 Ta 525 bind information regarding the Unseconder at December 31, 2013, Duke Energy Kentucky does not expert a decrease in surved general tax to refin within the next 12 months.	Federal HOL chryboxean Sale HOL chryboxean Tale by cesife and NSL carryforwards <u>\$</u> UKRECIGNIZED TAX BEREFITS The following lade presents charges to unvecogable of two benefits.		• • • • • • • • • • • • • • • • • • • •	tvers 2	n <b>ied</b> Decemb	er 31,	3022
recorganized lax benefilis - December 31	Federal NOL chrythoward State NOL chrythoward Telei be creatis and NDL chrythowards 5 State NOL chrythowards 5 State process and state process and state process.			Years 2 2023	n <b>ied</b> Decemb		<u>1022</u>
na following toble includes salitabine information regarding the unrecognized tax benefits at December 31, 2013. Dube Energy Kentucky does not expect a decrease unrecognized tax toral for within the next 12 months.	Federal HOL chrythrward State HOL chrythrward Tole iter onelite and NOL carryforwards 5 UNRECOGNIZED TAX BENEFITY The Italianing Late presents charges to survecognited tay benefits.			Years 2 2023 555	inded Decemb		474
December 31, 7823	Federal HOL chrybrikaner Saler HOL chrybrikaner Stale txx creation and NDL carrybrikaner Stale txx creation and NDL carrybrikaner (s) Stale txx creation and			(rers 2 2823 595 53	inded Decemb	· 5	474 27
December 31, 7823	Federal HOL daryboxerd State HOL daryboxerd State HOL daryboxerd State HOL daryboxerd S S S S S S S S S S S S S S S S S S S			(rers 2 2823 595 53	inded Decemb	· 5	474
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	Federal NOL carryborent State NOL carryborent State NOL carryborent URRECOCNIZED TAX BENEFITS The following latte presents changes to unscopped to benefits. (is thousands) URRECOCNIZED TAX BENEFITS (is thousands) (is thousand			Yeers 2 2023 865 83 854		5 5	474 27

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(a) Date Energy Kentucky is unable to estimate the specific emounts that would affect the effective low rate versus the regulatory liability.

OTHER TAX MATTERS

Buke Energy Kentucky recognized no interest income, interest expense or penallies related to income taxes on the Statements of Operations in 2023, or 2022. As of December 31, 2023, and 2022, it is aimunits were recognized on the Belance Theets for interest or penallies related to income taxes.

Duke Energy Keniucky is no longer subject to federal, starts and local income tax examinations by bax subhorities for years before 2018, aside from certain Lax attributes carried ferward for utilization in future years.

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FERC FORM No. 2 (REV 12-07)

Page 122.1

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	, γ, «Ματαγοργατία» ««««»»»»»»»»»»»»»»»»»»»»»»»»»»»»»»»»	r								
		This report is: (1)			l					
Name	) of Respondent:	An Original		Dets of Report:	Year/Period					
	Energy Kentucky, Inc	(2)		04/25/2024	End of: 2023					
		A Resubmission								
	Summi	l ary of Ulibity Plant and Accumulated Provis	lons for De	preciation, Amortization and Deplation						
Lîne	item		Total Company For the Current Quarter/Year					Comman		
No.	(a)			(6)	(c)	(d)	(8)	(11)		
1										
2	In Service	and a second second second second second second second second second second second second second second second	,	يى يى يى يەر يېرىكى يې يې يې يې يې يې يې يې يې يې يې يې يې		<b>_</b>				
3	Plant in Service (Classified)			2,930,717,440	2,068,717,625	817,976,397		44.023,418		
4	Property: Under Capital Leases			7,430,114	≌7,430,114					
5	Plant Furchased or Sold					ļ				
6	Completed Construction not Classified			364,699,106	242,397,572	112,121,705		10,269,829		
7	Experimental Plant Unclassified					<u> </u>		<b></b>		
8	TOTAL Utility Plant (Tobi of lines 3 thru 7)			3,302,846,950	2,318,455,311	930,098,102		54,293,247		
9	Leased to Giners									
10	d for Future Use		265,679		······································			265,679		
11	nstruction Work in Progress		96,655,677		96,865,887		.5 <del>6</del> ,278,990	40,126,059		260,820
12	Acquisition Adjustments									
13	TAL UIBHy Plant (Total of lines 8 thru 12)		3,399,778,228		2,374,734,301	970,489,850		54,554,075		
14	councilated Provisions for Depreciation, Amorization, 8 Depletion			1,125,191,209	880,994,770	217,489,446		26,706,993		
15	Utility Plant (Total of lines 13 and 14) 2,274,587,017		1,453,739,531	753,000,404		27,647,082				
16	DETAIL OF ACCUMULATED PROVISIONS FOR DEPRECIATION, AN	MORTIZATION AND DEPLETION				İ				
17	ไท รอกงัดสะ	MAININGS								
18	Серіссіаїюл			1,060,602,556	858,178,407	198,176,719		4,247,430		
19	Amortization and Depletion of Producing Natural Gas Land and Land	Rights								
20	Amontastion of Underground Storage Land and Land Rights									
21	Amortization of Other Utility Plani			64,589,653	22,816,363	19,312,727		22,459,563		
22	TOTAL In Service (Total of lines 18 thru 21)			1,125,191,209	β <b>80,</b> 994,770	217,489,446		26,706,993		
23	Leased to Others	unin de la deservent de la deservent de la deservent de la deservent de la deservent de la deservent de la des								
24	Depreciation									
25	Amortization anti Depletion	······································			·····					
26,	TOTAL Lessed to Others (Total of lines 24 and 25)									
27	Hold for Future Use:					·····				
2,0	Depreciation									
29	Amortizațion	·						ļ		
30	TOTAL Held for Future Use (Total of lines 29 and 29)	······································								
31	Abandonment of Lessos (Natural Gas)									
	,	Page	200					J		

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Líne No.	ltem (a)	Total Company For the Current Quarter(Year (b)	Electric (c)	Gas (d)	Other (Specify) (e)	Common (f)							
32	Amortization of Plant Acquisition Adjustment												
33	TOTAL Accum. Provisions (Should agree with line 14 above)(Total of lines 22, 26, 30, 31, and 32)	1,125,191,209	880,994,770	217,489,445		26,706,993							
1	Pag	e 200		Page 200									

FERC FORM No. 2 (12-96)

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Name of Respondent:		Date of Report:	Year/Period of Report:
Duke Energy Kentucky, Inc.		04/25/2024	End of: 2023/ Q4
	FQQTNOTE DATA		

(a) Concept: UtilityPlentInServicePropertyUnderCapitalLeases

Property Under Capital Leases includes Met Operating Leases of \$7,430,114. FERC FORM No. 2 (12-96)

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Name of Respondent: Duke Energy Kentucky, Inc (2)		2 An Original		Date of Report 04/25/2024			sànPeriod of Repo nd af: 2023/ Q4	rt:	
	er van de van de van de van de van de van de van de van de van de van de van de van de van de van de van de va	Gas Plant In Service (A	ccounts 101, 10	)2, 103, and 106)			········		
<ol> <li>Report below the original cost of gas plant in service according to the prescribed accounts.</li> <li>In addition to Account 101, Gas Plant in Service (Classified), this page and the next include Account 102, Gas Plant Purchased or Seld, Account 103; Experimental Gas Plant Unclassified, and Account 106; Completed Construct Classified Gas.</li> <li>Include in polyment (c) and (d), as appropriate corrections of additions and refirements for the durant or preceding year.</li> <li>Enclose in parenthesis credit adjustments of plant accounts to indicate the negative effect of such accounts.</li> <li>Classify Account 106 according to prescribed accounts; on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year m column (b). Likewise, if the respondent has a significant amount of plant retirements which have hot been classified to primary accounts at the end of the year, include in column (d) a feature. Include in a count of auditions in column to plant account or accumulated deprication provision. Include also in column (d) reversals of tentative distributions of prior year's unclassified retirements. Include in a footrole, that distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts: Cereful observance of the above instructions and the texts of Account 106 will avoid serious entities of account 100; the additions or reductions of primary account lossifications arising from distribution of such parcental willey plant accounts with respect to accound also in column (d) reversals of functions arising from distribution of amounts: Cereful observance of the above instructions and the texts of Account 106 will avoid serious ensistence of Account 100; include in column (d) the additions or reductions or primary account classifications arising from distribution of such the</li></ol>						of prior year reported in retirements, on an o footpole, the account texts of Account 101 and reded in Account 102. In or credits to primary account ements of these pages.			
Line No.	Account (a)			eginning of Year (b)	Additions (c)	Retirements (d)	Adjuslments (a)	Transfers (I)	Balance at End of Year (9)
1	INTANGIBLE PLANT	deserve and an and a second and a second and a second and a second and a second and a second and a second a sec						]	
2	301 Organization								
3	302 Franchise and Consents			······································				]	
4.	303 MiscellaneousIntangiblePlant		······································	22,656,065	1,749,809				24,405;874
5	Total Intengible Plant (Total of lines 2 thru 4)			22,655,065	1,749,809				24,405,674
6	PRODUCTION PLANT								
7	Natural Gas Erectuction and Gathering Flant						·		
8	325.1 Producing Lands								
9	325.2 Producing Leaseholds								
10	325.3 Gas Rights								
<b>\$1</b>	325.4 Rights-of-Way								
12	325.5 Othor Land and Land Rights				<i></i>				
13	326 Gas Well Structures								
14	327 Field Compressor Station Structures								
15	328 Field Measuring and Regulating Station Structures								
16	329 Other Structuros						the second second second second second second second second second second second second second second second s		
17	350 Producing Gas Wells-Well Construction								
18	331 Producing Gas Wells-Well Equipment						·		
19	332 Field Lines								
-20	333 Field Compressor Station Equipment								
21	334 Field Measuring and Regulating Station Equipment								
			age 204						

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 58 of 193

Line. No,	Account {a}	Balance at Beginning of Year (b)	Additions (t)	Retiremente (d)	Adjustments (e)	Transfeis (f)	Balance at End of Year (9)
22	335 Drilling and Cleaning Equipment						
23	336 Punification Equipment						
24	337 Othor Equipment		1				
25	338 Liasuccessful Exploration and Development Costs						
26	339 Asset Retirement Costs for Natural Gas Production and Gathering Plant				,		
27	Total Production and Gathering Plant (Total of lines 8 dru 26)				/** <b></b>		
28	PRODUCTS EXTRACTION PLANT			/////			
29	-340 Land and Land Rights	**************************************		·····			
30	341 Structures and Improvements						
31	342 Excraction and Refining Equipment	۲. «««»»»»»»»»»»»»»»»»»»»»»»»»»»»»»»»»»»	······································	·····*·	······		99999999999999999999999999999999999999
32	343 Pipe Lines	<b>.</b>			·····		- mainter
33	344 Extracted Products Storage Equipment	5					
34	345 Compressor Equipment						
35	346 Gas Measuring and Regulating Equipment				**************************************		,
36	347 Other equipment			······			· · · · · · · · · · · · · · · · · · ·
37	348 Asset Refirement Costs for Products Extraction Plant	**************************************				nnuhidar	
38	Total Products Extraction Plant (Total of lines 29 thru 37)						
39	Total Natural Gas Production Plant (Total of lines 27 and 38)						
40	Manufactured Gas Production Plant (Submit supplementary Information in a footnote)	(2,991)					(2,991)
41	Total Production Plant (Total of lines 39 and 40)	(2.991)					(7.991)
42	NATURAL GAS STORAGE AND PROCESSING PLANT						
43	Untergrownid storage plant	renesitiki inno meneniniki kerne menenini kiri dara menenini kara menenini kara menenini kara menenini kara me					
44	350.1 Land					·	
45	350.2 Rights-of-Way			1			
46	351 Structures and Improvements						
47	352 Wells	······································		1			
48	352,1 Storage Leaseholds and Rights						
49	352.2 Reservoirs						
50	352.3 Non-recoverable Natural Gos						
51	353 Lines						
52	354 Compressor Station Equipment						
53	355 Measuring and Regulating Equipment						
54	356 Purification Equipment						
66	357 Öther Equipment						
56	358 Asset Refinement Costs for Underground Storage Plant						
57	Total Underground Storage Plant (Total of lines 44 linu 66)						
	P	age 204					

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 59 of 193

Lina No.	Account (a)	Balance at Beginning of Year (b)	Additions (¢)	Retirements (d)	Adjustmenta (#)	Transfere (I)	Belance at End of Year (0)
59	Other Storage Plant						
59	360 Land and Land Rights.						
60	361 Structures and Improvements		İ				
61	362 Gas Holdors						
62	363 Purification Equipment						
63	383.1 Liquétaction Equipment					Ì	
64 -	363.2 Vaporizing Equipment						
55	383.3 Compressor Equipment				and the second se		
66	363.4 Measuring and Regulating Equipment				······································		
67	389.5 Other Equipment	,					112 <sup>1</sup>
68	303.6 Asset Reitrement Costs for Other Storage Plant.			······································	······································		
69	Total Other Storage Plant (Total of lines 56 thru 68)	<u> </u>					
70	Base Load Liquetied Natural Gas Terminaling and Processing Plant						
71	364.1 Lond and Land Rights						₩₩ <b>₽₩₽₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩</b> ₩₩₩₩₩
72	364.2 Structures and Improvements						
73	384,3 LNG Processing Terminal Equipriment	۳۳۵۵۵٬۰۰۰ <u>ـــ الماران (۵</u> ۵۵٬۰۰۰ میں ۱۹۹۵٬۵۵٬۰۰۰ <b>ـــ ۸۵٬۵</b> ۵٬۰۰۰ میر ۱۹۹۵٬۵۵٬۰۰۰ میر ۱۹۹۵٬۵۵٬۰۰۰ میر ۱۹۹۵٬۵۵٬۰۰۰					
.74	384.4 LNG Transportation Equipment						
75	354.5 Measuring and Regulating Equipment						
76	364.6 Compressor Station Equipment	, , , , , , , , , , , , , , , , , , ,					**************************************
77	364,7 Communications Equipment				······································		
78	364.8 Other Equipment						
79	364.9 Asset Retirement Costs for Bose Load Liquefied Natural Ges.	a an an an an an an an an an an an an an					
ao	Total Base Load Liquified Natural Gas., Terminating and Processing Plant (Total of lines 71 thru 79)						W
81	Total Natil Gas Storage and Processing Plant (Total of lines 57, 69, and 60)						
82	TRANSMISSION PLANT	· · · · · · · · · · · · · · · · · · ·		4.************************************			
85	385.1 Land and Land Rights						
84	365.2 Rights-of-Way						######################################
85	366 Structures and Improvements						
86	367 Mains						,
87	369 Compressor Station Equipment.		ļ				
88	369 Measuring and Regulating Station Equipment	······································					
89	370 Communication Equipment						
90	371 Other Equipment						
91	372 Asset Retirement Costs ter Transmission Plant						
92	Total Transmission Plant (Total of #ñe.81 lbru 91)				-		
93	DISTRIBUTION PLANT						
	P	age:204.					

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Line No.	Aecount (a)	Balance at Beginning of Year (b)	Additións (2)	Retirements (d)	Adjushmenta (e)	Transfers (1)	Balance at End of Year (9)
94	374 Land and Land Rights	10,627,268	504,767			I	11,192,035
95	375 Structures and Improvements	6,976,052	65,120	(2,645,251)			9,708,431
96	376 Mains	443,611,279	46;804,048	604,779			489,810,548
97	377 Compressor Station Equipment						
98)	376 Measuring and Regulating Station Equipment-General	70,030,645	23,901,263	3D9,592			93,625,216
98	379 Measuring and Regulating Station Equipment-City Gete	1,614,884	22,853				1,637,717
100	380 Services	218.001.384	6,282,883	332.730		[	223,951,537
101	381 Meters	18;550,405	1,729,292				20,279,787
102	392 Meter Installations	17,606,753	1,107,763			[	18,714,535
103	383 House Regulators	7,567,127	130,485			[	7,597,612
104	-364 House Regulator Installations	6,102,140	11,749			Í	6,113,889
105	385 Industrial Measuring and Regulating Stiztion Equipment	519,818					S19,B18
10 <del>8</del>	396 Other Property on Customers' Premises						
107	387 Other Equipment	B3,070					B3,070
100.	388 Assot Retirement Costs for Distribution Plant	5,961,409	(128,451)	(186,297)			7,019,255
109	Total Distribution Plant (Total of lines 94 thiru 109)	808,252,204	80,511,900	(1,587,447)			880,351,451
İ10	GENERAL PLANT						
111	389 Land and Land Rights						·
112	390 Structures and improvements	· · · · · · · · · · · · · · · · · · ·					
113	391 Office Furniture and Equipment	1,336,836	137,164	112,162			1,361,638
114	392 Transportation Equipment	69,943					69,946
115	393 Stares Equipment		······				
116	394 Tools, Shop, and Derage Equipment	1,845,241	201,289				2,046,530
117	395 Laboratory Equipment						
118	393 Power Operated Equipment	179,975					179,975
119	397 Communication Equipment	11,305,817	370,660				11,685,477
120	398 Miscellaneous Equipment	83,591		83,581			
121	Subtotal (Total of lines 111 thru 120)	14,821,408	718,113	195,753			15, <b>343,7</b> 65
122	309 Other Tangible Property						
123	399.1 Asset Relifement Costs for General Plant						
124	Total General Plant (Totel of lines 121, 122, and 123)	14,821,408	718;113	195,753			15,343,768
125	Total (Accounts 101 and 106)	845,726,685	82,979,722	(1,391,694)			S30,098,102
126	Sas Plant Purchased (See Instruction 8)						
127	(Less) Gas Plant Sold (See Instruction 8)						
128	Experimental gas plant unclassified						
129	Total Gas Plant In Service (Tatal of lines 125 thru 125)	845,726,686 2age 204	62,979,722	(1,391,694)			.930,098,10Ž

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FERC FORM No. 2 (12-96)

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 62 of 193

A COMPANY OF

Name Duke I	of Respondent; Energy Kentucky, inc		This report is: (1) An Original (2) A Resubmission	Dale of Report: 04/25/2024	Year/Period of Report: End of: 2023/ Q4
<u> </u>			Gas Property and Capacity Leased		
1,F 2,F	Report below the information called for concerning gr for all loases in which the average annual lease pay b).	as property and i ment over the ini	capacity leased from others for igas operations. Wal term of the lease exceeds \$500,000, describe in column	(c), if applicable; the property or capacity fee	used. Dosignate associated comparies with an asterisk in column
Line No.	Name of Lessor (a)	(b)	Description of Lease (c)	Lea	se Payments for Current Year (d)
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Líne No.	Name of Lassor (a)	* (b)	Description of Lesse (C)	Lease Payments for Current Year (d)
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FERC FORM No. 2 (12-96)

Pago 212

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 64 of 193

Name Duke	i of Respondent: Energy Kentucky, Inc		This report is:         (1)         Image: An Original         (2)         Image: A Resultanisation		te of Report: Year/Period of Report. 25/2024 End of: 2023/ Q4								
<u> </u>	For all leased in which the supervice leased income own	the initial ferm	Gas Property and Capacity Lease			s clessified as gas plant in service, and is leased to others for							
1	gas operations. 2. In column (d) provide the lease payments received from others. 3. Designate disposited companies with an asleriak in column (b).												
Line No.	Name of Lease (a)	• {b}	Description of Lease (c)		Lease Payments for Current Year (d)								
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Line No,	Name of Lessee (a)	(b)	Description of Lease (c)	Lease Payments for Current Year (d)
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(1 Name of Respondent: Duke Energy Kentucky, Inc (2		This report is: 1) 2] An Original 2) ]] A Resubmission	Date of Report: Year/Period of Report: 04/25/2024 End of: 2023/ Q4								
	Gas Plant Held for Future Use (Account 105)										
2.1	Report separately each property held for future use at end of the year ha For property having an original cost of \$1,000,000 or more previously use and in column (b) the date the original cost was transferred to Account 10	ed in utility operations, now held for future use, give in co	items of property held for future use. Humn (a), in addition to other required informa	lion, the date that utility use	of such properly was discontinued,						
Line No.	Description and Lecation of Property (a)	Date Originally Included in this Account (b)	Date Expected to be Used (c)	in Utility Service	Balance at End of Year (d)						
1	Other Land and Land Rights < \$1M Each (11 liems)				265,679						
45	Total :				265,679						

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Name of Respondent:     Image: Comparison of C			lis: pina) bmission	Date of Report: 04/25/2024	Year/Pariod of Report: End of: 2023/ Q4						
	Amazoni, Alamoni, Amazoni, Amazoni, Alamoni, Alamoni, Santoni, Santoni, Alamoni, A		Construction Work in Progress-Gas	(Account 107)							
2.	1. Report below descriptions and balances at end of year of projects in process of construction (Account 107). 2: Show items relating to "research, development, and demonstration" projects last, under a capiton Research, Development, and Demonstration (see Account 107 of the Uniform System of Accounts). 3. Minor projects (less than \$1,000,003) may be grouped.										
Line No.	Description of Project (a)			gress - Gas (Account 107) b)	Estimated Additional Cost of Project (c)						
1	DISTRIBUTION PLANT										
Z	0										
з	LINE AM07 - PIPELINE REPLACE PH 1			5,650,095							
4	DISTRIBUTION PLANT-CAPITAL ALLOCATIONS			2,674,913							
5	LINE AMO7 PIPELINE REPLACE PHASE 2			2,019,468							
6	EMERGENT-DONALDSON RD-RELOCATION			1,837,365							
7	PROJECTS LESS THAN \$1 MILLION			4,855,896							
8	GENERAL PLANT										
9	0										
10	PROJECTS LESS THAN \$1 MILLION			925,901							
11	INTANGIBLE PLANT										
12	0										
13	PROJECTS LESS THAN \$1 MILLION	_		1,307,199							
14	PRODUCTION PLANT										
15	0										
16	STA 0949 DAYTON VALVE HOUSE			1,412,678	۲۰۰۰						
17	PROJECTS LESS THAN \$1 MILLION			1,527,335							
18	TRANSMISSION PLANT										
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20	LINE AM07- PIPELINE REPLACE PH 1		······································	a,667,039	uu saan san san san sa ay san san san sa ay san san sa ay sa ay san san sa ay sa ay sa ay sa ay sa ay sa ay sa						
21	LINE AM07 PIPELINE REPLACE PHASE 2	·		7,414,753							
22	PROJECTS LESS THAN \$1 MILLION			271,537	۰۰ ۱۹۹۵ - ۲۹۹۹ - ۲۹۹۹ - ۲۹۹۹ - ۲۹۹۹ - ۲۹۹۹ - ۲۹۹۹ - ۲۹۹۹ - ۲۹۹۹ - ۲۹۹۹ - ۲۹۹۹ - ۲۹۹۹ - ۲۹۹۹ - ۲۹۹۹ - ۲۹۹۹ - ۲۹۹۹ -						
46	TOTAL			40,126,059							

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Name of Respondent:       Image: Control of Respondent:       Date of Report:       Year/Period of Report:         Dute Energy Kentucky, inc       Image: Control of Respondent:       Date of Report:       Date of Report:         Dute Energy Kentucky, inc       Image: Control of Respondent:       Date of Report:       Date of Report:         Dute Energy Kentucky, inc       Image: Control of Respondent:       Date of Report:       Date of Report:         Dute Energy Kentucky, inc       Image: Control of Respondent:       Date of Report:       Date of Report:         Dute Energy Kentucky, inc       Image: Control of Respondent:       Date of Report:       Date of Report:         Dute Energy Kentucky, inc       Image: Control of Respondent:       Date of Report:       Date of Report:         Dute Energy Kentucky, inc       Image: Control of Respondent:       Date of Report:       Date of Report:         Dute Energy Kentucky, inc       Image: Control of Respondent:       Date of Report:       Date of Report:         Dute Energy Kentucky, inc       Image: Control of Report:       Date of Report:       Date of Report:         Dute Energy Kentucky, inc       Image: Control of Report:       Date of Report:       Date of Report:         Dute Energy Kentucky, inc       Image: Control of Report:       Date of Report:       Date of Report:         Dute Energy Kentucky,											Statemant). In
13.1	dentify the volum Provide the total of Name of	es received an amounts for as	ki used for any increm ch column. Type of Rate	nental project that	has a separate fuel raid f Accumulated	br that project. Accurrulated Deferred	Operating	bia (ntenan) ce	Depreciation	Other Exponses	Incremental
Line No.	Facility (a)	No. (b)	Treatmont (c)	Service (d)	Depreciation (e)	Income Taxes	Expense (s)	Exponso (h)	Expanse (I)	(including (ares)	Revenues (k)
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KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 69 of 193

Line No.	Name of Facility (a)	CP.Dockei Na, (b)	Type of Rate Treatment (c)	Gas Plant in Service (d)	Accumulated Depreciation (c)	Accumulated Deferred Income Taxes (I)	Operating Expense (9)	Maintenance Expénse (h)	Depreciátion Expenso (i)	Other Expenses (including taxes) (j)	Incremental Revenues (k)
22							· · · · · · · · · · · · · · · · · · ·				
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36				·		· ····				name of the second second second second second second second second second second second second second second s	
37	Gos Plant.In Service										
[					····	Page 217					

FERC FORM No. 2 (NEW 12-07)

KyPSC Case No. 2024-00354 FR 15(7)(k) Attachment - FERC Form 2 Page 70 of 193

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	of Respondent: Energy Kentucky, Inc		This report is: (1) I An Original (2) I A Resubmit		Date of Report: 04/25/2024	Year/Period of Report: End of: 2023/ Q4						
		······	G	Seneral Description of Construction Os	erhead Procedure							
2,	<ol> <li>For each construction overfreed explain: (a) the nature and extent of work, etc., the overhead charges are intended to cover, (b) the general procedure for determining the amount capitalized, (c) the method of distribution to construction jobs, (d) whether different trates are applied to different types of construction, (e) basis of differentiation in rates for different types of construction, and (f) whether different takes are applied to different types of construction, and (f) whether different takes are applied to different types of construction, and (f) whether the overhead is directly assigned.</li> <li>Show below the computation of allowance for funds used during construction rates, in accordance with the provisions of Gas Plant Instructions 3 (17) of the Uniform System of Accounts.</li> <li>Where a net-of-tax rate for borrowed (tinds is used, show the appropriate tax effects.</li> </ol>											
ADMIN	1. CONSTRUCTION OVERHEAD COSTS INCLUDE ENGINEERING AND SUPERVISORY SALAR(ES, ADMINISTRATIVE AND GENERAL SALARIES AND ASSOCIATED PAYROLL TAXES AND BENEFITS AND EMPLOYEE EXPENSES.											
ALL OF	IFRAL, IF ENGINEERS, SUPERVISORS, AND CLERICAL E THEIR TIME TO CAPITAL CONSTRUCTION PROJECTS, T SED DIRECTLY TO THE SPECIFIC CAPITAL CONSTRUCTI	THE SALARIES .	AND RELATED EXFENSE	TALLY Isare								
FROM	OWER DELIVERY, CONSTRUCTION OVERHEAD COSTS / THERE TRANSFERED TO THE SPECIFIC CAPITAL CON INAL AND CONTRACT) WAS CHARGED DURING THE MOX	STRUCTION PR	TO THE ALLOCATION PO IOJECTS WHERE THE LA	ICLS AND BCR								
CONST JULY 1 AUTHO AVERA	WANCE FOR FUNDS UBED DURING CONSTRUCTION (A TRUCTION EXPENDITURES, LESS CERTAIN EXCLUSION 1982, THE RESPONDENT ADOPTED THE PRACTICE OF RIZED BY THE FEDERAL BENERY REGULATORY COMM GEARUDC RATE FOR 2022 WAS 3,46%. THE MONTHLY F COME TAX EFFECT ON THE COST OF DEBT.	S, ON JOBS UN UPDATING THE ISSION IN A LET	DER CONSTRUCTION, EF E AFUDC RATE MONTHLY TTER DATED MAY 27, 199	(AS 12. THE								
1.1	PUTATION OF ALLOWANCE FOR FUNDS USED ( For line (5), column (e) below, enter the rate grante dentify in column (o), the specific entity used as the indicate in column (1), if the reported rate of return is	d in the last ra a scurce for th	sle proceeding. If not a la capital structure figu	ros.								
1. Con	nponents of Formula (Derived from actual book bal	ances and ac	tual cost rates):			и <b>нг - чалний с налигг талий</b> йд талнест - талнес	mmillion - maille - mmilles - mailer - mailer - maile					
Line No.	חות. (a)	Amount (b)	Entity Name (c)	Capitalization Ration ( (d)	percent) Cost	Rate Percanlage (¢)	Rate Indicator (1)					
	(1) Averäge Short-Term Debt	\$					and an an an and a second second second second second second second second second second second second second s					
	(2) Shart-Term Interest				5							
	(3) Long-Term Debt	ð_		<b> </b>	्र इ							
	(4) Preferred Stock	q	initia and a second and a second and a second and a second and a second and a second and a second a second a s	anna a tha anna an ann ann ann ann ann ann ann a	q	www						
	(5) Common Equity	¢.		<u> </u>	E							
	(6) Totel Capitalization											
	(7) Average Construction Work in Progress Balance	w										
(S/W))] 3, Rate 4, Weig	Gross Rate for Borrowed Funds s(S/W) + d'(D/(D+P+C)) (1-											

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 71 of 193

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		[					
		This report is: (1)					
Nam	e of Respondent	An Original	D	ate of Report		Year/Period of Report.	
Duke	Energy Kentucky, Inc.	(2)	<b>P</b> -	V25/2024	End of: 2023/ Q4		
Į		A Resubmission					
<u> </u>		Accumulated Provision for Deprecia		Bir Blane i Zankina i 401		······································	
<u> </u>	Exolain in a footnote any important adjustments during year.	Accumulater Literation Debuge		ity Flats (Account 106)			
2 3 4,	Explain in a footbale any difference between the amount for book cost. The provisions of Account 108 in the Uniform System of Accounts requ which has not been recorded and/or classified to the various reserve fit work in progress at year and in the appropriate functional classification Show separately interest credits under a sixking fund or similar methou At lines 7 and 14, add rows as necessary to report all data. Additional r	ite that refirements of depreciable plant be re inctional classifications, make prefirminary de s. 1 of depreciation accounting,	corded when su sing entries to te	ch plant is removed from servic	ca. If the raca	ondont has a significant a	nount of plant revised at year and
Une No,	Həm (a)	······································	Total (c+d+e) (b)	Gas Plant in Service (c)	Gas Plar	it held for Future Use (d)	Gas Plant Lessed to Others (c)
	Section A. BALANCES AND CHANGES DURING YEAR	uyuu yayaan Annoo ya anaan yuu ayaan ahayoo dagaa ahaa ahaana dahaan Annoo ku ayaa ahaan ya dagaa dagaa dagaa d			[	<b>, , , , , , , , , , , , , , , , , , , </b>	
ï	Balance Beginning of Year	***************************************	183,689,52	1 183(689,521	İ		······································
2	Depreciation Provisions for Year, Charged to					······································	
3	(403) Depreciation Expense		17,492,02	3 17,462,023	·······	**************************************	
4	(403,1) Depreciation Expense for Asset Rethement Costs		·····				
5	(413) Expense of Gas Plant Leased to Others	, sammingan , and annound a sequinant - spannound - a space - pop					
6	Transportation Expenses - Clearing	un h <b>a faire ann an 1997 ann an</b>	4,88	9 4,889			
7	Other Clearing Accounts	**************************************	·····			,	
8	Other Clearing (Specify) (footnote detaile):	ANUUL					
.B.1	Other Cleaning (Specify) (foothote details):	an an an an an an an an an an an an an a	······			IV	
9.2	Common Plant Depreciation		(115,019	(115,018)		- male - nation - mailer - nations	
9,3	ARO Depreciation deferred		181,82	5 161,625			**************************************
10	TOTAL Deprec, Prov. for Year (Total of lines 3 linu 8)		17,543,51	8 17,543,518			
11	Net Charges for Plant Retired;						
12	Book Casl of Plant Retired		1,503,52	1,503,621			
13	Cest of Removal		(4,859,411	) %(4,659,411)			n v
14	Salvage (Credit)		62,21	92,212			
15	TOTAL Net Chrgs for Plant Ret. (Total of lines 12 thru 14)		(3,093,571	) (3,093,571)			
16	Ether Debit or Credit Items (Describe in footnots details)						
17.1	Cliner Debit or Credit items (Describe) (loctnote details).						
17.2	Propane Cavern Adjustments						
17.3	Gain & Less on zale/disposal of assets		(83,625	) (83,825)			
17,4	Asset Location Clean Up						
17:5	Misc. Adjustments		6,05	6,057			
17.6			115,01	115,019			
18	Book Cost of Asset Retirement Costs						
		Pag	a 219	······································			

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Líne No.	Kem (a).	Tolal (c+d+e) (b)	Gas Plant in Service (c)	Gas Plant held for Future Use (d)	Gas Plant Leased to Others (e)
19	Balance End of Year (Total of lines 1,10,15,16 and 18)	198,176,719	198,176,719		
	Section B. BALANCES AT END OF YEAR ACCORDING TO FUNCTIONAL CLASSIFICATIONS				
21	Productions-Manufactured Gas	(556,953)	(556,053)		and a second second second second second second second second second second second second second second second
22	Production and Gathering-Natural Gas				
23	Products Extraction-Natural Gas				
-24	Underground Gas Storage				
25	Other Storage Plant				
28	Base Load LNG Terminaling and Processing Plant				
27	Transmüssion				
29	Distribution	197,430,504	197,438,504		
29	General	1,295,168	1,205,168		
30	TOTAL (Total of lines 21 thru 29)	198,176,710	198,176,719		
	Pàg	e 219		andress	

FERC FORM No. 2 (12-96)

KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 73 of 193

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Narna of Respondent:		Date of Report:	Yaar/Period of Report:						
Duke Energy Kentucky, inc		04/25/2024	End of: 2023/ Q4						
FOOTNOTE DATA									

(a) Concept: CostOfRemovo/OfPlant

Intangible Retirements and General Plant Assets Retirements of \$195,753 not reported on FERC Page 219. FERC FORM No. 2 (12-86)

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Name of Respondent: Duke Energy Kentucky, Inc			This repor (1) ☑ An Ori- (2) □ A Rese		Date of Rej 04/25/2024		Year/Period of Report: End of: 2023/ Q4					
	Gas Stored (Accounts 117.1, 117.2, 117.3, 117.4, 184.1, 164.2, and 184.3)											
2.	<ol> <li>If during the year adjustments were made to the stored gas inventory reported in columns (d), (f), (g), and (h) (such as to correct cumulative inaccuracies of gas measurements), explain in a footnote the reason for the adjustments, the Dth and dollar amount of adjustment, and account charged or credited.</li> <li>Report in (e) all encroachments during the year upon the volumes designated as base gas, column (b), and system balancing gas, column (c), and gas property recordable in the plant accounts.</li> <li>State in a formote the basis of segregation of inventory between current and noncurrent portions. Also, state in a footnote the method used to report storage (i.e., fixed asset method or inventory method).</li> </ol>											
Line No.	Description (a)	(Account 117.1) (b)	(Account 117.2) (C)	Noncurrent (Account 117.3) (d)	(Account 117.4) (8)	Gurrent (Account 154.1) (f)	LNG (Account 164.2) (9)	LNG (Account 164.3) (h)	Total (i)			
1	Balance at Beginning of Year											
2.	Gas Delivered to Storage											
3	Gais Withdrawn from Storage											
4	Other Debits and Credits								1			
5	Balance at End of Year											
6	Dith											
7	Amount Per Dih											

FERC FORM No. 2 (REV 04-04)

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Name of Respondent: Duke Energy Kenlucky, Inc						This report is: (1) I An Original (2) A Resubmission			Date a 04/25/	र्ग Report: 2024	44		Year/Period of Report: End of: 2023/ Q4		
[	Investments (Account 123, 124, and 136)														
3,45,6,	<ol> <li>Report below investments in Accounts 123, Investments in Associated Companies, 124, Other Investments, and 136, Temporary Cosh Investments. List Account number in column (a).</li> <li>Provide a subheading for each account and list therewinder the information called for; (a) Investment in Securities-List and describe each sountly owned, giving name of issuer, date acquired and date of maturity. For bonds, also give principal amount, date of issue, maturity, and interest rate. For capital stock (including capital stock of respondent reacquired under a definite plan for resale pursuant to authorization by the Boord of Directors, and included in Account 124, Other Investments included in Account 136, Temporary Cash Investments, also may be grouped by Classes. (b) Investment for each advances-Report separately for each person or company the amounts of loans or investments may be grouped by classes, investments included in Account 123, Include advances, subject to current repayment in Account 145 and 146. With respect to each advance, show whather the advance is a nate or open account, list oach note, giving date of issuer, maturity date, and specifying wheller note is a renewal. Designate any advances due from officers, directors, stockholders, or employees.</li> <li>Besignate with an esterisk in column (b) any securities, notes or accounts that were pledged, and in a footnote stale the name of pledges and purpose of the pledge.</li> <li>If Commission approval was required for any advances made or security acquired, designate such fact in a footnote stale of authorization, and case or docket number.</li> <li>Report in column (k) interest and dividend revenues from investments including such revenues from securities disposed of during the year.</li> <li>In column (k) report for each investment disposed of during the year the gain or loss represented by the difference between cast of the investment (or the other amount at which carried in the books of account if different from cost) an</li></ol>														
Ling No.	Description of Investment (a)	(b)	Date Acquired (c)	Date Matured (d)	book cost is d respondent, giv	Beginning of Year (If ifferent from cast to re cast to respondent id explain difference) (e)	Purchases or Additions During the Year (f)	Sales or Di Dispositio During Ye (g)	ns	Principal Amount (h)	No. of Shares at End of Year (i)	costi ⊓es respo	est at End of Year (If book s différent from cost to condent, give cost to ndent in a foolnote and explain différence) (j)	Revenues for Year (k)	Gain or Loss from investment Disposed of (i)
1															
2						dillinge challing company to the day							911		
3				L											
4	Tolai investment in Associated Companies														
1	124-9 Campbell County Business Dev. Com		06/18/1962			1,500							1,500		
2	Total Other Investments					1,560							1,500		
1				ļ											
2		<b> </b>		 		,									
3						20	····								
4	Total Temporary Cash Investments					■ +====================================									
1	Total Investments					1,500		ae 222					1,500		

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Duka 1.1 2.1 3.4 5.1 6.7 7.1	Name of Respondent!       Date of Report:       YeanPeriod of Report:         Ukke Energy Kentucky, ino       If An Original       Date of Report:       End Original         Ukke Energy Kentucky, ino       If An Original       Date of Report:       End Original         Ukke Energy Kentucky, ino       If An Original       Date of Report:       End Original         Ukke Energy Kentucky, ino       Investments in Subsidiary Companies,       End Original       End Original         1. Report below investments in Account 123.1, Investment in Subsidiary Companies,       Investment in Subsidiary Companies,       End Original       End Original         2. Provide a subheding for each nonpany and jist thereunder the information called for below Sub-total by company and give a local in columns (e), (f), (g) and (h), (a) Investment in Securities-List end describe each security comied, For bonds give also principal amount, date of issue, maturity, and interest rate, (b) Investment Advances - Report separately the amount entered for Account 418.1.       Second security in undifical describes each security comied, For bonds give also gincipal amount, date of issue maturity date, and specifying wither note is a renewal.         3. Report Separately the equiption and uses, or accounts that were pledged, and state the name of pledges and purpose of the pledge.       Second security in undifical describes of account and subject to repayment. Use which are not subject to carronic second subject in a plan bond, take or adspace in a bold of any advance ince were pledged. and state of issuence, maturity date, and spacifying wither note is a renewal.									
Line Ng.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (c)	Amount of Investment at Beginning of Year (d)	Equity in Subsidian for Year (c)		Revenues for Year (i)	Amount.o	f Investment at End of Year (g)	Gain or Loss from investment Disposed of (h)
1	ς-; <i>ε</i>			₩₩ ₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩	······		ļ		, 2017	**************************************
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Line No.	Description of Investment (a)	Date Acquired (b)	Date of Maturity (¢)	Amount of investment at Beginning of Year (d)	Equity in Subsidiary earnings for Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (9)	Gain or Loss from Investment Disposed of (h)
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40	TOTAL Cost of Account 123.1 \$		Total					
L					Page 224	A/X/A		

FERC FORM No. 2 (12-96)

KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 78 of 193

	e of Respondent: Energy Kentucky, Inc	This report is: (1) 2 An Original (2) 2 A Rosciomission		Date of Report: 04/25/2024	Year/Períod of Report: End of: 2023/ Q4						
	Propayments (Acct 155), Extraordinary Property Lossee (Acct 182.1), Unrecovered Plant and Regulatory Study Costs (Acct 182.2)										
	PREPAYMENTS (ACCOUNT 165)										
1.	Report below the particulars (details) on each prepayment.										
Line No.	Nature of Payment (a)		Balance at End of Year (in dollars) (b)								
1	Prépaid Insurance	······································		un en anna ann an ann ann ann ann ann ann	₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩						
.2	Prepajo Rénts										
Э	Prepaid Taxes										
4	Prepaid Interest										
5	Miscellaneous Prepayments				415,92						
6	TOTAL				415,92						

FERC FORM No. 2 (12-96)

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	a of Respondent: Energy Kentucky, Iric	This report (s; (1) An Original (2) A Resubmission		Date of Report: 14/25/2024		Year/Period of Report: End of: 2023/:04.	rannan e shintar e shintar e sa bhintar e sa	а — талын алар (аранын нуу у - түйлэн				
ļ	Prepayments (Acct 165), Ex	traordinary Property Losses (Acct 1			tory Study Cosis (Acct	182.2) (continued)		www				
	EXTRAORDINARY PROPERTY LOSSES (ACCOUNT 182.1) 1. Include the date of loss, the date of Commission authorization to use Account 182.1 and period of amortization (mo, yr, to mo, yr)). 2. Add rows as necessary to report bill data. Number rows in sequence beginning with the next row number after the last row number used for extraordinary property losses.											
Line. No.	Description of Extraordinary Loss (include the data of loss, the to use Account 187.1 and period of amortization (mo, yr, to mo report all data. (a)	Balance at Beginning of Year (b)	Total Amount of Loss (C)	Losses Recognized Dunng Year {d}	Written off During Year Account Charged (a)	Written off During Year Amount (1)	Balance at End of Year (g)					
7		но и техники и техники и техники и техники и техники и техники и техники и техники. 										
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14		-										
15	TOTAL.											

FERC FORM No. 2 (12-85)

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	e of Respandent: e Energy Kentucky, Inc	This report is: (1) I An Original (2) I A Resubmission	Date of Réport: .04/25/2024			Yee:/Périod of Report: End cf::2023/ Q4			
	Prepayments (Acct 165), Ex	traordinary Property Losses (Acct 182.1), Unrecovered	Plant and Regula	itory Study Cos	ls (Acct 182.2	) (continued)			
		UNRECOVERED PLANT AND REGULATORY STUD	Y COSTS (ACCOL	/NT 182,2)					
	Include in the description of costs, the date of Commission authorization Add rows as necessary to report all data. Number rows in sequence be			inary property lo	5585.				
Lìne No.	Description of Unrecovered Plant and Regulatory Study Cos Commission authorization to use Account 182.2 and period necessary to report all data, Number rows in sequence beginnin used for extraordinary pr (a)	Belance et Beginning of Year (b)	Total Amount of Charges (c)	Costs Recogniz During Ye (d)		Written off During Year Amount (I)	Balance at End of Year (g)		
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26	TOTAL								

FERC FORM.No. 2 (12-96)

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			This report is: (1)						
	of Respondent:		An Original			Dalà of Report: 14/25/2024		v/Period of Report:	
Duke	Energy Kentucky, Inc.		(2)	(2)			i ⊨ri	d of: 2023/-Q4	
<u> </u>				Other Regulatory As:		4 Á TO TI	[		
	Report below the details called for conce	aning short poulding	asects which ne charled into		<u>`</u>		able in other annual	······	
2.	For regulatory assets being amortized, s	intervention of economiza	lion in column (b),		-			oj.	
	Minor items (5% of the Balance at End of Report separately any "Deferred Regula								
	Provide in column (c), for each line item,						immission order, cou	t decision).	
Line No.	Description and Purpose of Other Regulatory Assets (s)	Amoriization Period (b)	Regulatory Citation (c)	Balance at Beginning Current Quarter/Year (d)	Debfis (e)	Written off During Quarter/Year Account Charged	Written off Durin Period Amount Recovered	Amount Deemed Unrecoverable	Balance at End of Current Quarter/Year
1	INCOME TAXES	(- <i>x</i>		5,637,605	1.072.041	(1)	(9)	(h)	0
		······································		[	1,072,041	.262, 203			5,704,645
2	DEMAND SIDE MANAGEMENT COSTS-(Amonized in accordance with rider revenue)		Order #2017-321 Order #2015-368 Order #2014-388	1,436,430	(1,440,003)				(1,573)
з	INTEREST RATE HEDGES	Amortized over life of essociated debt	Örder #2006-563.	1,547,395	(181,823)				1,386,272
4	ESM DEFERRAL-		Order #2017-321	9,130,625	(1,513,369)				7,617,256
5	FTR DEFERRAL		<u> </u>	in the second second second second second second second second second second second second second second second				Armini	
.6	REPS INCREMENTAL COSTS				917				917
7	ARO OTHER REGULATORY ASSET			324,261	572,696				896,977
B	GAS ARO OTHER REGULATORY ASSET			7,550,785	723,636				8,274,421
Ş	ARO CONTRA-REGULATORY ASSET		Order #2017-321	(4,380,021)	1,507,500	· · · · · · · · · · · · · · · · · · ·			(2,712,521)
10	COALASH DEFERRED SPEND-		Order#2015-187	16,844					16,844
11	COALASHARO		Order #2015-187	(18,078,041)	23,808,552				5,728,611
12	COALASH CONTRA EQUITY-		Order #2017-321	(524,650)	94,620				(430,039)
13	SPEND RAAMORTIZATION (NC & MW)-		Order #2017-321	10,697,805		182.3, 407.3, 421, 431	1,635,0	42	9,050,943
14	SPEND RAAMORTIZATION (SC $\Delta$ FL)-		Order #2017-321	6,850,944	12,985,636	407,0	17,508,0	34	2,307,545
15	DEK DEFERRED STORM EXPENSE-		Order \$2018-116	490,491		593	210,2	11	280,280
18	CARBON MANAGEMENT REGULATORY ASSET	120 months beginning May 2018	Order #2017-321-Order #2008-308	1,066,645		497.0	1 <b>99</b> ,5	92	868,649
17	HURRICANE IKE REGULATORY ASSET-	60 months beginning May 2018	Order #2017-321-Order #2008-476	327,512			327,5	12	
18	EAST BEND PLANT O&M DEFERRAL-	120 months beginning May 2018	Order #2017-321-Order #2014-201	23,296,6 <del>6</del> 5	103	407:3, 407.4	3,570,7	80	19,726,278
19	EAST BEND DEPRECIATION DEFERRAL	Remaining Life of Asset	Order #2015-120	9; <b>217,64</b> 9.		403	490,8	18	8,727,031
				Page	232				

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Line No.	Description and Purpose of Other Regulatory Assets (a)	Amortization Period (b)	Regulatory Citation (c)	Balance at Beginning Current Quarter/Year (d)	Debits {e}	Written off During Quarter/Yeat Account Charged (f)	Written off During Period Amount Recovered (g)	Written off During Period Amount Deemed Unrecoverable (h)	Balance at End of Current Quarter/Year (i)
20	Non-AMI Meter NBV	148 months beginning May 2018	Order #2017-321	3,129,861		407.3, 421	368,580		2,761,273
21	Opt-Out IT Modification	50 months beginning May 2018	Order #2017-321-Order #2018-152	10,480		407.3	10,480		
22	Plant Outage Normalization-	60 months beginning October 2023	Order #2017-321; Order 2022-00372	9,557,239	2,478,527	407.3	361,855		1 <b>;,6</b> 71,911
23	Differred Forced Oulage Purchased Power	60 months beginning Detober 2023	Order #2017-321; Order 2022-00372	5,649,974	\$10 <b>,</b> 070	407.3, 657	1,336,329		4,423,715
24	GAB RATE CASE DEFERRAL	60 months beginning April 2019	Order#2018-261	63,790		928	51;031		12,759
.25	DEFERRED GAS INTEGRITY COSTS	120 months beginning April 2018	Order#2018-261Order #2106-159	1,948,502		407.3, 407.4	277,256		1,671,236
25	OTHER REGULATORY ASSETS - GENERAL ACCOUNTING-		FERC Docket A107-1- 000	22,659,650		128, 182.3, 228.3, 925	338,934		22,320,716
27	PENSION POST RETIRE PURCHASE ACCOUNTING - <b>Q</b> -		FERC Docket A107-1- 000	3,240,643		128, 182.3, 228,3, 926	137,316		3,103,327
28	PENSION POST RETIRE PURCHASE ACCOUNTING - NQ-		FERC Docket A107-1- 000	(34,951)	90	926	,		(34,855)
29	PENSION POST RETIRE PURCHASE ACCOUNTING - FAS		FERC Docket A107-1- 000	1,270,068		228.3, 254, 926	149,706		1,129,270
30	Misc/ ST Reg Assets					,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
31	Customer Connect Deferral LT		Order #2021-00190	918,578		407	124,047		794,531
32	Deferred CIS DBM Current		Order #2021-00190	124,047					124,047
33	OPEB FAS 106 - Medical		·····································	na	180,900				180,930
40	TOTAL			103,143,714	40,556,431		27,100,745	······································	116,599,400
				Page	232				

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	e of Respondent: Energy Kentucky, Inc	This report is; (1) [2] An Original (2) [2] A Resubmission	(1) I An Original (2)			Year/Period of Report: End of: 2023/ Q4				
1.	Miscellaneous Deferred Debits (Account 186)									
2.	2. For any deferred dobit being amortized, show period of amortization in column (b). 3. Minor items (less than \$250,000) may be grouped by classes.									
Line No.	Description of Miscellaneous Deferred Debits (a)	Amortization Period (b)	Balance at Beginning of Year (¢)	Debits (d)	Credits Account Cha (e)	arged Credits Amount (1)	Balance at End of Year (9)			
1	Vacation Accrual		1,121,4	33 (9;471)			1,111,962			
2	Straight Line Lease Deferral	amortized 01/20 - 12/38	362,	59 758,634	242	<del>6</del> 97,035	424,358			
з	DEK 2017 Rale Case - Electric	amortized 05/20 - 04/25	177;	64	928	78,890	98,614			
4	DEK 2019 Rate Case - Electric	amartized 05/20 - 04/25	158,	78 0	`92ð	67,834	90,444			
5	DEK 2021 Rate Case - Gas	amortizaci 01/22 - 12/27	180,2	85	<b>92</b> 8	44,939	135,348			
6	Indirect overhead allocation pool undistributed			40 28,047	0.00		102,196			
7	DEK 2022 Rate Case - Electric		302,0	39 460,751	<b>0.00</b>		772,390			
39	Miscellaneous Work in Progress									
40	TOTAL		2,377,0	47 1,246,961		886,098	2,735,31D			

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	·····						,					
l				This report is:		:						
Name	a of Respondent:						Date of Re	port.	v	an/Period of Report:		
				🗹 An Original	EL AIL Oliginal							
Duke	Energy Kentucky, Inc			(2)			04/25/2024		E	nd of: 2023/ Q4		
1				🗆 A Resubmission	A Resubmission							
				Ac	cumulated Deforred In	come Taxes	(Account 1	90)				
2.	At Other (Specify), inclu	ude deferrals relati summary of the ty	miserning the respondent ing to other income and d pe and amount of deferre	aductions,		and end-of-y	ear balance:	s för deferred incorne	taxes that the n	spondent estimates cou	ld be included in the	development
Lìne No,	Account Subdivisions (a)	Balance at Beginning of Year (D)	Changes During Year Amounts Dabited to Account 410,1 {c}	Changes During Year, Amounts Credited to Account 411.1 (d)	Changes During Year Amounts Debited to Account 410.2 (e)	Year A Credited t 41	s During mounts o Account 1,2 1)	Adjustments Debits Account No. (D)	Adjustment Debits Amou (h)		Adjustments Gredits Amount Uj	Balance at End of Year (k)
1	Account 190											
2	Electric	56;936,752	10,082,301	7,440,463	121,576			254	1,278,0	02	#2,530,974	55,425,410
3	Gas	17,519,200	972,876	2,855,125				254	116,5	69		19,284,940
4	Other (Dafine)					l					1	
5	Total (Total of lines 2 thru 4)	74,450,012	1,1,055,177	10,285,588	121,576				1,395,4	71	2,530,974	74,710,350
6	Other (Specify)											
7	TOTAL Account 190 (Total of lines 5 thru 6)	74,456,012	11,055,177	10,295,588	121,576				1,395,4	71	2,530,974	74,710,350
в	Classification of TOTAL											
9	Federal Income Tax	60,297,543	9,359,200	9,675,255	97, <b>3</b> 42				1,075,4	05	2,405,223	61,830,073
10	State income Tax	14,158,469	1,685,977	620,333	24,234	l		······	320,0	65	125,751	12,874,277
11	Local Income Tax											

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Name of Respondent: Duke Energy Kentucky, Inc	This report is: (1) ☑ An Original (2) □ A Resubmission	Dale of Report: 04/25/2024	Year/Period of Report: End.of: 2023/ Q4				
	FOOTNOTE DATA						
(g) Concept: AdjustmentsCrediled TixAccount F5set to account 254 638, 843 Offset to account 255 1:980,126 Total 2.538, 974							

FERC FORM No. 2 (REV 12-07)

	e of Respondent: 9 Energy Kentucky, Inc			() 5 7						Year/Period of Report: End of: 2023/ Q4		
					Capital Stock (	Accounts 201 and	204)					
2 3 4, 5	<ol> <li>Report below the details called for concerning common and preferred stock at and of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock.</li> <li>Entries in column (c) should represent the number of shares authorized by the articles of incorporation as amended to and of year.</li> <li>Give details concerning shares of any class and saries of stock authorized to be issued by a regulatory commission which have not yel been issued.</li> <li>The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or noncumulative.</li> <li>State in a footnote if any capital stock that has been nominally issued is nominally outstanding at end of year.</li> <li>Give particulars (details) in column (a) of any nominally issued capital stock, rencquired stock in sinking and other funds which is pledged, stating name of pledgee and purpose of pledge.</li> </ol>											
Line No.	Class and Series of Stock and Name of Stock Exchange (a)	Number of Shares Authorized by Charter (b)	Par or Stated Value per Share (C)	Call Price at End of Year (d)	Outstanding per Sal. Sheet (tota) amt outstanding without reduction for amts held by respondent) Shares (e)	Outstanding per Bat, Sheet Amount (f)	r Held by Respondent As Reacquired Stock (Acct 217) Shares (0)	Heki by Rø As Reacqui (Acct 21 (h	red Stock 7) Cost	Held by Respondent In Sinking and Other Funds Shares (i)	Held by Respondent In Sinking and Other Funds Amount (i)	
1	Common Stock (Account 201)										<u></u>	
2	Common Stock	1,000,000.00	15.00		565,333.00	8,779,995.0	0					
3												
4						}						
5	Total	1,000,000			585,333	8,779,99	5					
5	Preferred Stock (Account 204)											
7												
B												
9												
10	Total				······································							
11	Total					ļ						

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Name of Respondent:       This report is:         Name of Respondent:       Image: An Original         Duke Energy Kentucky, Inc       Image: An Original         (2)       Image: An Original         Capital Stock: Subscribed, Liability for Conversion, Premium on, and Installine				Date of Report: 94/25/2024 Its Received on (Accts 202, 203, 205, 206, 207, and 212)						
2.	<ol> <li>Show for each of the above accounts the emounts applying to each class and series of capital stock.</li> <li>For Account 202, Common Stock Subscribed, and Account 205, Preferred Stock Subscribed, show the subscription price and the balance due on each class at the end of year.</li> <li>Describe in a footicit the agreement and transactions under which a conversion liability existed under Account 203, Common stock Liability for Conversion, at the end of year.</li> <li>For Premium on Account 207, Capital Stock, designate with an asteriak in column (b), any amounts representing the excess of consideration received over stated values of stocks without par value.</li> </ol>									
Line No.	Name of Account and D (a)	escription of Item	(b)	Number of (c)		Атанті (d)				
1	Common Stock, Subscribed (Account 202)	، « الله الله الله الله الله الله الله ال				€				
2		······································	·····		<u></u>	an Brythinse, Marylinse, makikinse, maidies – maintaes – maintaes – maintaes				
3				1						
4		ten af de Millinden Effe Fellingen og Fellingen Sygnifikeren (M <sup>9</sup> Milden en gympfikeren en gydpfikeren	- all W							
5	Total		·····		#24# A HILL ALL & SHOW OLD ALL & SHOULD ALL & SHOULD ALL & SHOULD ALL & SHOULD ALL & SHOULD ALL & SHOULD ALL & S					
<del>8</del> :	Common Stock, Converted to Liability (Account 203)									
7										
8					₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩	a / <sup>111</sup>				
9										
10	Total									
11	Preferred Stock, Subscribed (Account 205)				<u></u>					
12										
13										
14										
15	Total									
16	Preferred Stock Liability for Conversion (Account 208)									
17										
ÌB										
19	анан алан алан алан алан алан алан алан									
20	Toka)	appyrations, conventional and y more and approximation of more and a more and a more and approximation of the								
21	Prémium en Capital Stock (Account 207)									
22	Premium \$15 per Shara on Capital Stock in 1955	۵۰۰۰۰٬۰۰۰٬۰۰۰٬۰۰۰٬۰۰۰٬۰۰۰٬۰۰۰٬۰۰۰٬۰۰۰	•	······································	62,419	936,287				
23	Premium \$17 per Sharé on Capital Stock in 1957	1172 — TAANSET F TAANNO - TAANAANT TAANNO XII TAANIGU ITTAANG ITTAANG ITTAANG ITTAANG ITTAANG ITTAANG ITTAANG I	•		104,000	1,768,003				
24	Premium 538 per Share on Capital Stock in 1961		*	<u> </u>	69, <b>33</b> 3	2,634,656				
25	Premium \$135 per Share on Capital Stock in 1992	a a damage of the second second second second second second second second second second second second second se	·····		130,000	13,500,000				
26	Total		ļ	335,752.00	18,838,946,00					
27	instellments on Capital Stock (Arcount 212)									
28 28		Page 252		L	······	۱۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰۰				
		1. M <sup>2</sup> 4 70%								

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Line No.	Náme of Account and Deacription of Item (a)	(b)	Number of Shares (c)	Ámovnt (d)
29		1		
30				
31	Total			
40	Total	1	335,752.00	18,038,946.00
	Page 252			

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	af Respondent: Energy Kenlucky, Inc	This report is: (1) I An Original (2) I A Resubmission	Dete of Report: 04/25/2024	Year/Period of Report: End of: 2023/ 0.4						
	Other Paki-In Capital (Accounts 208-211)									
1, Ré recon	1. Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as a total of all accounts for reconciliation with the balance sheet, page 112, Explain changes made in any account during the year and give the accounting entries effecting such change.									
þ, <b>c.</b>	<ul> <li>a. Ubnations Received from Stockholders (Account 208) - State amount and briefly explain the origin and purpose of each donation.</li> <li>b. Reduction in Par or Stated Value of Capital Stock (Account 209) - State amount and briefly explain the capital changes that gave rise to emounts reported under this capital including identification with the class and series of stock to which related.</li> <li>c. Gein or Received from Stock to which related.</li> <li>c. Gein or Received or Cancellation of Recover Capital Stock (Account 210) - Report belance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.</li> </ul>									
, u,	Miscellaneous Pold-In Capital (Account 211) - Classify amounts include	a in no account accounting to captons that, together with	пла ехраналона, опсоре не делога пила	a ni mia nguagenoliz mar. Ba	ve use to the reported amounts.					
Line No.	item Amount (a) (b)									
1	Donations Received from Stockholders (Account 208)									
2	Beginning Balance Amount	eren 1998 - eren 1999 - eren 1999 - eren 1999 - eren 1999 - eren 1995 - eren 19	, a nanu xaya a na kundara - a na kurara - a na kundara - ana kurara sa na kunda na ma na kurara sa na kunda sa		146,811,363					
3.1	Increases (Decreases) from Sales of Donations Received from Slock	ho)ders								
4	Ending Balance Amount	nn 1997, generalanna y teoretalan a style eta hana a general da de antina de antina de generalanna y de antina Antine generalanna y teoretalan a style eta hana a general da da da da da da da da da da da da da	na 4 2007 til den af Stand af Stand af Stand af Standard & Standard & Standard Standard Standard Standard Stand		148,811,383					
5	Reduction in Par or Stated Value of Capital Stock (Account 209)	- mahanik szerendélitt. – endelit V- ezeredő VV- szerendő – ezerendől – szerendél – szerendél – szerendél – sz								
6	Beginning Balance Amount	۲۰۰۱٬۰۰۰ و ۲۰۰۱٬۰۰۰ و ۲۰۰۱٬۰۰۰ و ۲۰۰۱٬۰۰۰ و ۲۰۰۱٬۰۰۰ و ۲۰۰۱٬۰۰۰ و ۲۰۰۱٬۰۰۰ و ۲۰۰۱٬۰۰۰ و ۲۰۰۱٬۰۰۰ و ۲۰۰۱٬۰۰۰ و ۲	<u>na da permuna dan manakana nanak berangkakana nanak kerang di kanana na</u> ngka	åt−						
7.1	Increases (Decreases) Due to Reductions in Par or Stated Value of C	apital Stock	e							
8	Ending Balance Amount	MANU Y	sanna 27 - Maria Eann Chainn 27 - Manna Anna Anna Anna Anna Anna Anna Ann							
9	Gain or Resale or Cancellation of Reacquired Capital Stock (Acco	ount 210)	na szeren elektronik i kelyene szeren elektronik i kelyenek elektronik i kelyenek elektronik i kelyenek elektro							
10	Beginning Balance Amount									
11.1	Increases (Decreases) from Gain or Resale or Cancellation of Reaixy	uired Capital Slock								
12	Ending Balance Amount									
13	Miscellaneous Paid-In Capital (Account 211)									
14	Beginning Balance Amount				124,843,605					
15,1	Increases (Decreases) Due to Miscellaneous Paid-In Capital				185,000,00 <b>0</b>					
16	Ending Balance Amount 309,843,806									
17	Other Paid in Capital									
18	Beginning Baterice Amount									
19.1	Increases (Décréases) in Other Paid-Im Capital									
2D	Ending Balance Amount									
40	Total 456,655,199									

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Duke	a of Respondent: Energy Kentucky, inc. Report the balance at end of year of discount on capital stock for each If any change occurred during the year in the balance with respect to a	This report is: (1) An Original (2) DISCOUNT ON CAPITAL STOCK (A class and series of capital stock. Use as many rows as m ny class or sories of stock, attach a statement giving deta	ecessary to report all data.	Year/Period of Report: End of: 2023/-Q4- ge-off during the year and specify the account charged.					
Line No.	Class and Series of (a)	Stock	Baj	ance at End of Year (b)					
1	(0)		۲۵۶۹ میں سربان میں میں میں میں میں میں میں میں میں میں	(u)					
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3									
4									
5			1999) Anno 2004 (2011) ann a ann an Aonaichtean Ann ann an Ann an Aonaichtean ann an Ann an Ann an Ann an Aonai						
6									
7			- William						
B		۵٬۰۰۰ میلوند. ۲۰۰۰ میلوندی وروند و ۲۰۰۰ میلوند و ۲۰۰۰ میلوند و ۲۰۰۰ میلوند و ۲۰۰۰ میلوند و ۲۰۰۰ میلوند و ۲۰۰۰ م	₩₩₽ <mark>₽₽₩₩</mark> ₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩						
9	9 		₩ <b>₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩</b>	۵					
10	 	1999							
11			######################################						
12									
13			una	nmi. <del>Cay o</del> mi					
14			λ <del>ε που ματαλούν το ματαλούν το ματαλούν το ματαλούν το ματαλούν το ματαλόσου το ματαλούν το ματαλούν το ποιοιοι</del>	<b></b>					
15	Total								
	Page 254								
	Capital Stock Expense (Account 214)								
2.	1. Report the balance at end of year of capital stock expension for each class and series of capital stock. Use as many rows as necessary to report all data. Number the rows in sequence starting from the last row number used for Discount on Capital Stock above. 2. If any change occurred during the year in the balance with respect to any class or series of stock, attach a statement giving details of the change. State the reason for any charge-off of capital stock expense and spacify the account charged.								

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Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
16		
47		
18		
19		
20		
-21		
22		
23		
24		
25		
26		
27		
28		
29	Total	
L	Page 254	

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Name of Respondent: Duke Energy Kenlucky, Inc	This report is: (1) ☑ An Original (2) ☐ A Resubmission	Date of Report: 04/25/2024	Year/Period of Report; End of: 2023/ Q4
	Securities Issued or Assumed and Se	curities Refunded or Retired During the Year	
Commission authorization numbers and dotes. 2. Provide details showing the full accounting for the to gains or losses relating to the securities. Set forth th accounting for such amounts camed in the respond 3. Include in the identification of each class and series the issuance of redemption price and name of the pi 4. Where the accounting for amounts relating to securi accounting method. 5. For securities assumed, give the name of the compa	tal principal amount, par value, or stated value of each class facts of the accounting clearly with regard to redemption pr ent's accounts at the date of the refunding or refinancing tran of security, as appropriate, the interest or dividend rate, nom incipal underwhing firm through which the security transacti ties refunded or retired is other than that specified in General	and series of security issued, assumed, retired, or remiums, unamortized discounts, expenses, and ga sections with respect to securities previously return ina) date of issuance, maturity date, aggregate prin ons were consummated. I instruction 17 of the Uniform System of Accounts, refl as details of the Uniform System of Accounts,	hdpal amount, par value or stated value, and number of shares. Give also s, olle the Commission authorization for the different accounting and state the condent undertook to pay obligations of another company, if any unamortized

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Name of Respondent: Duke Energy Kentucky, Inc 1. Report by Balance Sheel Account the delaris concerning long-toim del 2. For bonds essumed by the respondent, include in column (a) the name 3. For Advances from Associated Companies, report seperately advance received. 4. For receivers conflicates, show in column (a) the name of the court an 5. In a supplemental statement, give explanatory details for Accounts 223 amount, and (c) principal repaid during year. Give Commission authori 6. If the respondent has plaqued any of its long-term debt securifies, give 7. If the respondent has plaqued any of its long-term that have been nominal 8. If interest expense was incurred during the year on any obligations ret Account 427. Interest on Long-Term Debt and Account 420. Interest or 9. Give details concerning any long-term debt authorized by a regulatory			ng-toim debt in (2 (2 (2 (2) (2) (2) (2) (2) (2) (2) (2	A Resubmission Long-Term Debt (Accounts chuled in Account 221, Bonds, 222, Reacquir the issuing campany as well as a description indice and advances on open accounts. Der ate of court order under which such certificat id 224 of net changes during the year. With re on numbers and dates, riculars (celais) in a footnoto, including nam- sued and are nominally outstanding at end of or reacquired before end of year, include au- bit to Associated Companies.	04/2 211, 222, 223, red Bonds, 223, of the bonds, 223, ignate demand es were issued, sepect to long-le typar, describe	D4/25/2024 End of: 523, and 234} 5, 223, and 234} 5, 223, Advances from Associated Companies, and 224 rols, mand notes as such. Include in dolumn (a) names of as supd. long-term advances, shew for each company: (a)pdncip lodgee and puipose of the pledge; scribe such securities in a footnote.			ssocialed companies from which advances were palladvanced during year (b) interest added to principal	
Lina No.	Class and Series of Obligation and Name of Stock Exchange (2)	Nominal Date of Issue (b)	Date of Maturity (°)	Outstanding (Total amound outstanding without reduction for amts held by respondent) (d)	Interest for Year Rate (In %) (e)	interest for Year Amount (f)	Held by Respo Reacquired Bon 222) (9)		Held by Respondent Sinking and Other Funds (h)	Redemption Price per \$100 at End of Year (i)
Ť	Bonds (Account 221)									
2										
3										
4	enninge manifelige ennin uit enniht far enniht far enniht far enniht far enniht far enniht far enniht far ennih									
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10	Subicital					······································	······································			
11	Reecquired Bonds (Account 222)									
32	<b>****</b> ********************************									
13										
14										
15										
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17		·····			······································					
19	₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩		······································							
19										
20	Subiptal									
21	Advances from Associated Companies (Account 223)	maniferra (1997)		Page 2					۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ ۲۰۰۱ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵ - ۲۰۰۵	

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Line No,	Class and Series of Obligation and Name of Stock Exchange (a)	Neminal Date of Issue (b)	Date of Maturity (C)	Outstanding (Total amount cutstanding without reduction for amts held by respondent) (d)	Interest for Year Rate (In %) (0)	Interest for Year Amount (f)	Held by Respondent Reacquired Bonds (Acct 222) (9)	Held by Respondent Sinking and Other Funds (h)	Redemption Price per \$100 at End of Year (i)
22	INTERCOMPANY MONEYPOOL NOTES PAYABLE - LONG TERM	12/15/2014	D3/17/2028	Ż5,000,000	<sup>in</sup> 5.627%	6,162,745			
23	Subtotal			25,000,000		6,162,745			
24	Olher Long Term Debt (Áccount 224)								
25	UNSECURED DEBENTURES 6,20% SERIES & DUE IN 2038	03/10/2005	63/10/2036	55,000,000	G.2%	4,030,000			<sup>ي</sup> ت),30
z6	POLLUTION CONTROL REFUNDING BONDS 2008 SERIES A DUE IN 2027	06/27/2022	08/01/ <b>2</b> 027	50,000,020	3,7%	1,850,000			1.00
27	POLLUTION CONTROL REFUNDING BONDS 2010 SERIES & DUE IN 2027	02/01/2012	<u>00/01/2027</u>	25,729,000	<sup>2</sup> 0,95%	962,940			£1,00
28	UNSECURED DEBENTURES 3,42% DUE IN 2026	01/05/2015	.01/15/2026	45,000,000	3.42%	1,539,000	ya - namiya ke vimaning kan ma		¥0.25
29	UNSECURED DEBENTURES 4.45% DUE IN 2045	D1/35/2016	01/15/2046	<b>50</b> ,020, <b>0</b> 70	4,45%	2,225,000			≌0.50
30	UNSECURED DEBENTURES 3.35% DUE IN 2029	09/07/2017	09/1 <b>5/2</b> 029	30,000,000	3,35%	1,005,000		999944 - 2029 genytett t.t	P0,50
31	UNSECURED DEPENTURES 4,11% DUE IN 2047	09/07/2017	03/15/2047	30,000,000	4.11%	1,233,000			<b>4</b> 0,50
32	UNSECURED DEBENTURES 4,26% DUE IN 2057	00/07/2017	09/15/2047	30,090,000	4.26%	1,278,000		n sensek kilden en en en en en en en en en en en en e	M0.50
33	UNSECURED DEBENTURES 4.01% DUE IN 2023	10/03/201B	10/15/2023	n - Thanna Anna - Thanna - Thankara - Thankara - Thankara - Thankara - Thankara - Thankara - Thankara - Thankar	4.01%	790,881	e en adar e e e a adar dar e e e a adar dar e e e a adar dar e e e e a adar dar e e e e e a adar dar e e e e e	man Yer - cantaifee - cranai Se a - cantaineren	<b>¤</b> 0.50
34	UNSECURED DEBENTURES 4.18% DUE IN 2028	10/03/2018	10/15/2028	40,003,000	4,18%	1,672,000	annik daar an mandataan ay maanaa ay ahaan ahaa ahaan ahaan ahaan ahaan ahaan ahaan ahaan ahaan ahaan ahaan ah		መ0.50
345	UNGECURED DEBENTURES 4:62% DUE IN 2048	12/12/2018	12/15/204B	35,000,000	.4:62%	1,617,000.			.¤0.50
35	UNSECURED DEBENTURES 4:32% DUE IN 2049	07/17/2019	07/15/2049	40,000,000	4,32%	1,728,000			<sup>33</sup> 0.50
37	UNSECURED DEBENTURES 3.23% DUE IN 2025	09/26/2019	10/01/2025	95,000,000	3.23%	3,0\$8,550			₩Q.50
38	UNSECURED DEBENTURES 3.55% DUE IN 2029	Ó9/25/2019	10/01/2029	75,090,000	3,55%	2,670,000			₩0.50
39	UNSECURED DEBENTURES 2,63% DUE IN 2030	09/16/2020	09/15/2030	35,000,000	2.85%	927,500			9,50 <sup>2</sup>
40	UNSECURED DEBENTURES 3,66% DUE IN 2050	09/15/2020	09/15/2050	35,000,000	3.65%	1,281,000	an an an an an an an an an an an an an a		<sup>®</sup> 0,50
41	TERM LOAN DUE IN 2023	10/12/2021	10/12/2023		<sup>106</sup> 5.53%	3,070,948			<sup>4</sup> 0,60
42	Sea Footnote								
28	Subtotal			691,720,000		30,939,749			
40	TOTAL			705,720,000		37,101,494			
				Page 2	56				

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	This report is: (1)						
Name of Respondent	An Original	Date of Report. 04/25/2024	Yeai/Period of Report:				
Duke Energy Kentucky, Inc	(2)	04/25/2024 -	End.of; 2023/ Q4				
	FCOTNOTE DATA						
			······································				
(a) Concept interestRate The interest rate varies on this nate, the interest rate is as of December 3							
(g) Concept: ClassOfSeriesOfObSigationAndNameOfStockExchange	3, 20231		\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\				
Kni December 2, 2022 the Kentucky PSC approved Buke Energy Kentucky's long-te	on financing application authomizing the issuance of up to	\$275 million of secured and/or unsecured not	es, and \$75.72 million of tax-exempt private activity bonds to				
refund existing tax execut bands. Authorization expires 12/31/2024.							
(c).Concept: InterestRate							
The interest rate varies so this sollution control band. The interest rate i [d] Concept InterestRate	s as of December 21, 2023.		лина таліійна талайдага талайтаг таласын таласын таласын 2-а талаш 2-а талаш та талаш жала талаш жала талаш жа Т				
140 Concept numerownen: The interest rate varies on this term load bond. The interest rate is as of Thi December 2023, DE Kentucky paid off the \$75% Term Load; therefore, at yes	December 19, 1923. In October 2023, the DEK \$505 Term Loar	outstanding was increased by \$25H to a total	of \$75% and extended to a new enturity date in April 2024.Next,				
(e) Concept: RedemptionPrice			hter <b>in a second second second second second for a second second second second second second second second second s</b>				
Recemption price of the Debenture is based on the present value of the future This strend is presented in Column [3] and is shown as basis points in percent			ith a saturity similar to the Debenture plug a certain spread,				
1 Concept: RedemptionPrice							
This PCB is redeemable at par (\$100) and is not subject to the redemption ca	leularion,	۵۰۰ میں بر ۲۰۰۰ میں بر ۲۰۰۰ میں بر ۲۰۰۰ میں بر ۲۰۰۰ میں بر ۲۰۰۰ میں بر ۲۰۰۰ میں مرکز میں میں میں میں میں بر ۲۰ ۲۰۰۰ میں بر ۲۰۰۰ میں بر ۲۰۰۰ میں بر ۲۰۰۰ میں بر ۲۰۰۰ میں میں میں میں میں میں میں میں میں میں	๛๛๛๛๚๚๚๚๛๛๛๛๛๛๛๛๛๛๛๚๚๚๚๚๛๛๛๛๛๛๛๛๛๛๛๛๛๛				
(9) Concept: RedemptionPrice							
Redemption price of the Babanture is based on the present value of the futur This spread is presented in Column (i) and is shown as basis points in percent	e interest and principal payments discounted at a rate equinages. The calculated redemption price can never be less	al to the yield of US government securities w than \$100.	ith a maturity siellar to the Debanture plus a certain apread.				
(b) Concept: RecemptionPrice							
Redemption price of the Dahanture is based on the present value of the future This spread is presented in Column (i) and is shown as basis points in perfer	e interest and principal payments discounted at a rate equinages. The calculated rememption price can never be less	el to the yield of US government securities w than \$100.	ith a meturity similar to the Debenture plum a certain appead.				
(i) Concept: RedemptionPrice							
Redemption price of the Debunture is based on the present value of the future This spread is presented in Column (1) Whit is shown as basis points in percen	e interest and principal payments discounted at a rate equi- stages. The calculated redemption price can never ba less	al to the yield of US government securitles w than \$100.	Ith a maturity similar to the Debenture pive a certain spread.				
(j) Concept: RedemptionPrice							
Redenption price of the Orbenture is based on the present value of the future This spread is presented in Column (i) and is shown as basis points in percent			ith a maturity similar to the Debenture plus a certain spread.				
(k) Concept: RedemptionPrice			-				
Recention price of the Debenture 1k based on the present value of the future This spread is presented in Column (i) and is shown as basis points in percen	e interest and principal payments discounted at a rate equi stages. The calculated redemption price can never be less	al to the yield of US government securities w than \$100.	ith a naturity similar to the Debenture plus a certain spread.				
It Concept: RedemptionPrice							
Redemption price of the Debenture is based on the present value of the future This spreed is presented in Calumn (i) and is shown as basis points in percen			ith a haturity similar to the Debenture plus a certain spread.				
(m) Concept: RedemptionPrice							
Audemption price of the Debanture is bailed on the present value of the future This sprwad is presented in follows (i) and is shown as basis points in perter	e Interest and principal payments discounted at a rate equipages. The calculated redenption price can never be less	al to the givid of US government securities within \$200.	ith a maturity similar to the Debenture plus a certain spread,				
(n) Concept: RedemptionPrice							
	Redemption price of the Debenture is based on the present value of the future interest and principal payments discounced at a rate equal to the yield of US government securities with a maturity similar to the Debenture plus a certain spread. This spread is presented in tokume (i) and is shown as basis points in percentages. The calculated redemption price can never be less than \$100.						
(g), Concept: RedemptionPrice							
Redemption price of the Debenture is based on the present value of the future This spread is presented in Column (i) and is shown as basis points in percer	r interest and principal payments discounted at a rate equi tages. The calculated redemption price can never be less	al to the yield of US government securities w than \$100.	the staturity similar to the Depenture plus a section spreed.				
(p) Concept: RedemptionPrice							
ecomption price of the Debenture is based on the present value of the future interest and principal payments discounted at a rate equal to the yield of US government securities with a maturity similar to the Debenture plus a certain spread. his spread is presented in Column (i) and is shown as basis points in percentages. The calculated redemption price can mever be less than \$100.							
(g) Concept: RecomptionPrice							
edesption price of the Bebenture is based on the present value of the future interest and principal payments discounted at a rate equal to the yield of US government securities with a maturity similar to the Debenture plus a certain spread.							

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(r) Concept: RedemptionPrice

Redemption price of the Debenture is based on the present value of the future interest and principal payments discounted at a rate equal to the yield of US government securities with a maturity similar to the Debenture plus a certain spread. This spread is presented in Column (i) and is shown as basis points in percentages. The calculated recemption price can never be less than \$100.

(s) Concept: RedemptionPrice

Recemption price of the bebonture is based on the present value of the future interest and principal payments discounted at a rate equal to the yield of US government securities with a maturity similar to the Debenture plus a certain spread. This spread is presented in Column (i) and is shown as basis points in percentages. The calculated redesption price can never be less than \$100.

(t) Concept: RedemptionPrice:

Redemption price of the behanture is based on the present value of the future interest and principal payments discounted at a rate equal to the yield of US government securities with a maturity similar to the Debenture plus a certain apread. This spread is presented in Column (1) and is shown as basis points in percentages. The calculated redemption price can never be less than \$100. FERC FORM No. 2 (12-86)

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Name of Respondent Duke Energy Kentucky, Inc.			This report is: (1) An Original (2) A Resubmission		Dale of Report: 04/25/2024		End	Year/Period of Report: End of: 2023/ Q4		
loi 2, St 3, (n 4, in 5, Fu 6, id	Unemotized Debt Expense, Premium and Discourt on Long-Term Debt (Accounts 181, 225, 226)  1. Report under separate subheadings for Unamorized Debt Expense, Unamorized Premium on Long-Term Debt and Unamorized Discount on Long-Term Debt, details of expense, premium or discount applicable to each class and series of long-term debt. 2. Show premium amounts by enclosing the figures in parentheses. 3. In column (b) show the principal amount of bonds or other tong-term debt originally issued. 4. In column (c) show the expense, premium or discount with respect to the amount of bonds or other tong-term debt originally issued. 5. Formish in a footnote details regarding the treatment of unamorized dobt expense, premium or discount second associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment of the alment of documents. 6. Identify separately undeposed amounts applicable to issues which were redoemed in prior years. 7. Explain eny debts and credits other than emorization debited to Account 426, Amorization of Debt Discount and Expense, or credited to Account 428, Amorization of Premium on Debt-Credit.									
Line. No.	Designation of Long-Term Debt {a!	Principal Amount of Debt issued (b)	Tcial expense - Pramium; Discount; or Debt issuance Costs (c)	Amortization Pe Date From (d)		Amortization Period Date To (e)	Balance at Beginning of Y (f)	ar During Year (g)	Cradits During Year (h)	Balance al End of Year (i)
	Unamerized Debt Expense (Account 191)			and the second second second second second second second second second second second second second second second			······			
	POLLUTION CONTROL BONDS 2010 SERIES A DUE IN 2027	.25,720,005	935,968	02/01/2012		08/01/2027	82	361 10,207	21,281	71,287
	POLLUTION CONTROL BONDS 2008 SERIES A DUE IN 2027	50,000,000	387,500	06/27/2022		08/01 <b>/202</b> 7	370	745	7B,748	293,997
4	TERM LOAN 5,813% DUE IN 2023	50,000,000	5.505	10/12/2021		10/12/2023	2	851	2,851	
	UNSECURED DEBENTURES 6.20% SERIES & DUE IN 2036	65,000,000	653,550	03/07/2006		03/10/2036	287	385	21,785	265,600
	UNSECURED DEBENTURES 3.42% SERIES A DUE IN 2026	45,000,000	220,191	01/05/2018		01/15/2026	72	359	23,811	48,548
	UNSECURED DEBENTÜRES 4.45% SERIES A DUE IN 2048	56,000,006	247,535	01/05/2018	1	01/15/2046	204	251	8,965	195,395
	UNSECURED DEBENTURES 3.35% SERIES A DUE IN 2029	30,000,000	124,475	08/07/2017		09/15/2023	69	428	10,354	59,074
	UNSECURED DEBENTURES 4.11% SERIES A DUE IN 2047	30,000,000	124,475	09/07/2017		09/15/2047	102	431	4,148	98,285
	UNSECURED DEBENTURES 4.26% SERIES A DUE IN 2067	30,000,000	124,475	09/07/2017		09/15/2057	107	\$39	3,110	104,829
	UNSECURED DEBENTURES 4.01% SERIES A DUE IN 2023	25,000,000	117,522	10/03/2018		10/15/2023	Ð	D74	9,074	ана на на на на на на на на на на на на
	UNSECURED DEBENTURES 4.18% SERIES A DUE IN 2028	40,000,000	158 <sub>.</sub> 522	10/03/2018	ľ	10/15/2028	<b>Ϋ6</b> ,	850 13,449	15,600	74,708
13 5	JNSECURED DEBENTURES 4,62% SERIES À OUE IN 2048	35,000,000	141,522	12/12/2018	T	12/15/2048	110	541 11,758	4,716	117,693
	JNSECURED DEBENTURES 4.92% SERIES A DUE IN 2049	40,000,000	195,082	07/17/2019	1	07/15/2049	182,	964 (9,247)	5,545	167,172
	UNSECURED DEBENTURES 3.23% SERIES A DUE IN 2025	95,000,000	415,D62	69/25/2019		10/01/2025	211,	709 (21,002)	69,021	120,785
	UNSECURED DEBENTURES 3.50% SERIES A DUE IN 2029	75,000,000	.325,082	09/28/2019 Page 258		10/01/2029	243	389 (17,522).	33,462	192,405

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Líne No.	Designation of Long-Term Debt (a)	Principal Amount of Dabt Issued (b)	Total expense - Premium; Discount; or Debt issuance Costs (c)	Amortization Period Date From (d)	Amortization Period Date To (4)	Balance at: Beginning of Year (f)	Debits During Year (9)	Credits During Year (b)	Balance at End of Year (1)
17	UNSECURED DEBENTURES 2,85% SERIES A DUE IN 2030	.35,000,000	127,203	09/15/2020	09/15/2030	124,000	(25,931)	12,728	65,350
18	UNSECURED DEBENTURES 3.66% SERIES A DUE IN 2050	35,000,000	127,283	09/15/2020	09/15/2050	143_479	(25,931)	4,243	113,305
19	MASTER CREDIT FACILITY	er 9,	454,094	11/18/2011	0 <u>\$</u> /16/2027	437,081	\$08,597	104,573	441,085
20	TOTAL 181	756,720,000	₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩			2,838,745	43,488	432,714	2,449,519
21	Premium on Long-Term Debt (Account 225)			nning					
.22									
23									
24									
25	Discount on Long-Term Debt (Account 225)								
26	UNSECURED DEDENTURES 6.20% SERIES & DUE IN 2036	65,000,000	387,900	03/10/2006	03/10/2036	181,775		12,264	149,511
				Page 258					

FERC FORM No. 2 (12-46)

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Name of Respondent: Duké Energy Kentucky, Iric			Year/Period of Report: End of: 2023/ Q4			
FOOTNOTE DATA						

#### (a) Concept: DesignationOfLongTermDebt

In Detohen 2023, the DEK \$50M Term Loan outstanding was increased by \$25M to a total of \$75M and extended to a new maturity date in April 2024.Next; in December 2023, DE Kentucky paid off the \$75M Term Loan; therefore, at year end there was no outstanding DEK Term Loan.

(b) Concept: DesignationOfLongTermDebt

In March 2023, Duke Energy amended its existing Master Credit Facility of \$9 billion to extend the termination date to Aarch 2025. The Duke Energy Engistrants, excluding Progress Energy, have borrowing capacity under the Master Credit Facility up to a specified sublish for each borrower. Duke Energy Kentucky has a \$225 million horrowing limit as of December 31, 2023.

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Name of Respondent: Duke Energy Kentucky, Inc.				Date of Report: 04/25/2024.		Yean/Period of Report: End of: 2023/ Q4				
	Unamortized Loss and Gain on Reacquired Debt (Accounts 109, 257)									
<ol> <li>Report under separate subheadings for Unamonized Loss and Unamonized Gain on Rescquired Debt, details of gain and loss, including maturity date, on reacquisition applicable to each class and series of long-term debt. If gain or resulted from a refunding transaction, include also the maturity date of the new issue.</li> <li>In column (d) show the principal amount of bonds or other long-term debt reacquired.</li> <li>In column (e) show the principal amount of bonds or other long-term debt reacquired.</li> <li>In column (e) show the net gain or net loss realized on each debt reacquired.</li> <li>Show loss amounts by enclosing the figures in parentheses.</li> <li>Explain in a footnote any debts and credits other than amonization debted to Account 428.1, Amonization of Loss on Reacquired Debt, or credited to Account 429.1, Amonization of Gain on Reacquired Debt-Gradit.</li> </ol>							/			
Ļine No.	Designation of Long-Term Debt (a)	Date of Maturity (b)	Date Reacquired (c)	Principa) of Debt Reacqui (d)	red	Net Gain or Loss (e)	Bala	nce at Beginning of Year (f)	Balance at End of Year (9)	
1	Unamorezed Loss (Account 189)									
2	7.05% SERIES		04/06/2006	15,	000,000			(162,331)	(98,393)	
3	5.5% SERIES		09/01/2006	48,	000,000			(38,054)		
4	6.5% SERIES		09/01/2006	12,	720,663					
5	2006A SERIES		12/28/2000	50,	000,000			(71,357)	(55,788)	
6	Unamentized Gain (Account 257)									
7										
8										
9			Balling - Paralles - Include - Include - Include -							

FERC FORM No. 2 (12-95)

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 102 of 193

22Offsite Gas Storage Costs392,86423Regulatory Asset - Carbon Management199,99624Regulatory Asset - Deferred Plant Costs4,061,30525Regulatory Asset - Nan-AMI Metors368,58826Regulatory Asset - Opt Out Tarilt IT Modifications10,48027Regulatory Asset - Vacation Carry Over9,47228Regulatory Asset - Sorm Damage Recovéry327,51229Regulatory Lisbility - Rate Case Expenses67,83430Regulatory Lisbility - RSL & Other Nisc Diri Costis277,266		of Respondent: Energy Kontucky, Inc	This report is:     (1)       Image: An Original     Date of Report:       (2)     04/25/2024       Image: A Resubmission				
Base Standard on Schools Mir of the Same Inform Synk Skaling an examilation only from is to is askel under the by son if abased school for same of a spatial inform were standard in abased.           Control Standard Control State State School State State School State School State State School State School School State School School State School School State School School State School School School State School S	<u> </u>						
Nr.         (n)         (n)           1         National Status Actional Actional Status Actional	2	botail as furnished on Schedule M-1 of the tax return for the year. Subr If the utility is a member of a group that files cansolideted Federal tax n	nite reconcillation over though finare is no taxable income sturn, reconcillo reported net income with taxable net inco	e for the year, indicate clearly the nature of eac me as if a separate return were to be filed, indi	h reconciling am ating, however, i	ount micrompany amounts to be oliminated in such	
Recording terms for the Year         Contribution           Image: Second Sec							
3         1           4         Taxids income Not Reported on Blocks		Net Income for the Yéar (Page 114)		таннА <i>ле с</i> танно <b>и — с</b> танА <b>4</b> е — танноо — тан Алеу — танколо - станблег			
4         Totalis Income Not Reported on Body           5         Combuders in All of Construction         4.411,527           6         Deckoon Recorde on Book Not Dottacted for Rotury         6           10         Edecal A State Income Tax Deckuds of book Not Dottacted for Rotury         6           11         State Income Tax Deckuds of book Not Dottacted for Rotury         6           12         Bedcals         State Income Tax Deckuds of book Not Dottacted for Rotury         6           13         Bio Cobis         State Income Tax Deckuds of book Not Dottacted for Rotury         6           14         Bio Cobis         State Income Tax Deckuds for Book Not Dottacted for Rotury         7           14         Bio Cobis         State Income Tax Deckuds for Book Not Dottacted for Rotury         7           15         State Income Tax Deckuds for Book Not Dottacted for Rotury         7         7           16         Defected Farxien Sintatian         7         7           17         Defected Farxien Sintatian         7         7           18         Cold Ant Spend, Net of Capitalized Partine Sintatian         7         7           19         Defected Farxien Sintatian         7         7           10         Defected Farxien Sintatian         7         7	2	Reconciling Items for the Year	• • • • • • • • • • • • • • • • • • •	,			
8         Controlutions in Ait of Construction         4.411,527           9         Decidents Recorded on Books Not Decident fratura	3		III ULL QUITANIQUIL E CENTIQUIL E QUITANIQUE E EMANYULLE IN UNANIQUE E EMANIQUE E CENTANIQUE E CENTANIQUE E				
8         Totai         A.41.527           9         Decindants Recorded on Books Nat Deducted for Ratury         (1)           10         Federal A. State Income Tax Deducted for Books         (1).098.106           11         State Income Tax Deducted for Books         (2).1428.198           12         State Income Tax Deducted for Books         (2).1428.198           13         State Income Tax Deducted for Books         (2).1428.198           14         Bad Doba         (2).1428.198           15         Sold Depreciation         (2).14.808           16         Cold Ash Spend, Net of Capitaked Parties         (2).14.808           15         Cold Ash Spend, Net of Capitaked Parties         (2).14.808           16         Defense Records         (2).12.17.80           17         Demand Stee Meragemend Defend         (2).12.17.80           18         Lobbying         (2).12.17.80         (2).12.17.80           19         Lobbying         (2).12.17.80         (2).12.17.80           10         Lobbying         (2).12.17.80         (2).12.17.80           11         Lobbying         (2).12.17.80         (2).12.17.80           12         Lobbying         (2).12.17.80         (2).12.17.80           13 <td< td=""><td>4</td><td>Taxable income Not Reported on Books</td><td>~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~</td><td>***************************************</td><td></td><td></td></td<>	4	Taxable income Not Reported on Books	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~	***************************************			
9         Deduction Recorded on Books Not Deducted for Raturn         International State Income Tax Deducted for Routs         Internat Routs         Internation State Income Ta	5	Contributions in Aid of Construction	n de en en antige en en anniée en en antige en en antige en en antige en en antige en en antige en en antige en			4,411,527	
1         Federal & State Income Tax Dedicator for Books         11.000,106           11         State Income Tax Dedicator for Books         21.420,838           12         Bad Dolusi         21.420,838           13         Book Depredator         20.124,826           14         Capitacol Hardword Starbain         20.721,828           15         Cook Ash Spend, Net of Capitalized Ponton         30.808           16         Defred Revenues         20.225,836           17         Defred Revenues         20.225,836           18         Inpelment of Plant Assets         20.803,855           19         Defred Revenues         20.225,836           10         Inpelment of Plant Assets         20.803,855           10         Inpelment of Plant Assets         30.805           10         Defred Revenues         20.803,855           12         Defred Revenues         30.805,856           13         Inpelment of Plant Assets         20.803,855           14         Defred Revenues         30.805,856           15         Defred Revenues         30.805,856           16         Defred Revenues         30.805,856           17         Defred Revenues         30.805,856           16	18	Total		99		4,411,527	
11         Sies Income Tax Deduction         21/420,88           12         Bad Deb/s         2004 Depreciation         21/420,89           13         Book Depreciation         79,783,910           14         Capitalized Hardward/Software         2004 Ash Spind, Net of Capitalized Portion         40,808           15         Coal Ash Spind, Net of Capitalized Portion         214,308,810         40,308,815           16         Deframe Revenue         216,304         216,304           17         Demand Side Management Deford         216,304         216,304           18         Inpelment of Plant Assets         20,000         20,00	9	Deduction's Recorded on Books Not Deducted for Return	₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩		and the second sec		
12         Bad Dabis         214,848           13         Book Deprediation         79,783,310           14         Coptekzon Hardwardsönhäre         60,430,885           15         Cock Ahs Spend, Net of Capitalized Partion         61,430,885           16         Defange Revenue         62,635,845           17         Defange Sice Management Defortal         62,853,846           18         Spend, Net of Capitalized Partion         62,853,846           19         Defange Revenue         62,853,846           19         Lobbying         63,854           19         Lobbying         63,854           10         Lobs an Franzulind Debt         61,717,000           12         Orfsile Gas Strange Casis         63,924           13         Regulatory Asset - Carbon Management         61,924,934           14         Regulatory Asset - Carbon Management         61,934,934           15         Regulatory Asset - Carbon Management         61,934,934           16         Regulatory Asset - Carbon Management         61,934,934           17         Regulatory Asset - Carbon Management         61,934,934           18         Regulatory Asset - Corbon Management         61,934,934           19         Regulatory Asset - C	10	Federal & State Income Tax Deducted for Books	*	nnouth thannouth annound Alaborati annouth annouth annouth annouth annouth annouth annouth annouth annouth anno		11,098,106	
11         Book Depreciation         77,78,310           14         Capitalized Mardware/Software         43,088           15         Cosl Ash Spend, Net of Capitalized Ponton         143,008,455           16         Deferred Revenue         255,046           17         Deferred Revenue         255,046           17         Deferred Revenue         255,046           17         Deferred Revenue         255,046           18         Inpatiment of Plant Assets         255,046           19         Lobbying         265,046           20         Loss an Reaculted Deft         365,056           21         Marks         265,046           22         Ofsile Gas Storage Cosls         261,016           23         Regulatory Asset - Carton Management         362,056           24         Regulatory Asset - Carton Management         363,056           25         Regulatory Asset - Carton Management         363,056           26         Regulatory Asset - Carton Management         363,056           27         Regulatory Asset - Carton Management         363,056           28         Regulatory Asset - Carton Management         363,056           29         Regulatory Asset - Carton Management         363,056	11	State Income Tax Deduction	**************************************	n an an an an an an an an an an an an an		21,420,838	
1         Capitalized Hardware/Software         Added           15         Cod Ash Spend, Net of Capitalized Portion         14/303,845           16         Deformed Revenue         256,046           17         Demond Side Management Deformal         2121,738           18         Impailment of Plant Assets         2012,823           19         Lobbying         2016,83 on Resource         2016,853           10         Lobbying         2016,83 on Resource Deformation         2016,853           10         Lobbying         2016,93 on Resource Deformation         2016,853           12         Lobbying         2016,93 on Resource Deformation         2017,000           20         Loss an Resource Deformation         2017,000         2016,93           21         Ada Social Carbon Management         2019,996         2019,996           22         Pregulatory Asset - Carbon Management         2019,996         2019,996           23         Regulatory Asset - Carbon Management         2019,996         2019,996           24         Regulatory Asset - Carbon Management         2019,996         2019,996           25         Regulatory Asset - Opt Cart Tariff IT Modifications         2019,937         2019,937           26         Regulatory Asset - Opt Cart Tar	12	Bad Debts	saa gynthion awy ffillitaa a Wrffillitaa yn a' million der myffilling = * million afger myffil d'r fan yn Wffer	ς μαρέλλα που τη μαρικά τη ματική τη μαρική τη πολογιατική τη πορογοριατική τη πορογοριατική τη μαρική τη πορο Τα παρική τη πορογοριατική τη μαρική τη πορογοριατική τη πορογοριατική τη πορογοριατική τη πορογοριατική τη πορ		214,848	
11         Coal Ash Spend, Net of Capitalized Portion         14 (303,845           14         Defensed Revenue         226,048           17         Demand Side Managentiant Defengl         201,217,738           18         Impaltment of Plant Assets         360,056           19         Lobbying         360,006           20         Loss on Reacquired Debt         360,006           21         Matis         360,006           22         Offsite Gas Storage Cosis         360,006           23         Regulatory Asset - Carbon Managenent         360,006           24         Regulatory Asset - Carbon Managenent         360,006           25         Regulatory Asset - Carbon Managenent         360,006           26         Regulatory Asset - Carbon Managenent         360,006           27         Regulatory Asset - Carbon Managenent         360,806           28         Regulatory Asset - Carbon Managenent         360,863           29         Regulatory Asset - Carbon Managenent         360,863           20         Regulatory Asset - Carbon Managenent         360,863           27         Regulatory Asset - Carbon Managenent         360,863           28         Regulatory Asset - Carbon Managenent         360,863           29	13	Book Depreciation	nnin av smallutas small az small az s small an small an smallan sand a sand a sand a sand a sand a s			79,783,310	
Image: Provide and Sector and Se	14	Çapitalized Hardware/Software				43,086	
17         Demand Side Management Deferal         2.121,738           18         Impairment of Plant Assets         5.554           19         Lobbying         5.554           20         Lobbying         5.554           20         Lobbying         5.554           21         Mais         5.554           22         Offsite Gas Storage Costs         5.514           23         Regulatory Asset - Carbon Management         6.0001           24         Regulatory Asset - Carbon Management         5.52,864           25         Regulatory Asset - Carbon Management         5.534           26         Regulatory Asset - Carbon Management         5.52,858           27         Regulatory Asset - Carbon Management         5.52,858           28         Regulatory Asset - Carbon Management         5.52,858           29         Regulatory Asset - Opt Out Tarill IT Modifications         5.52,858           21         Regulatory Asset - Opt Out Tarill IT Modifications         5.52,858           22         Regulatory Asset - Opt Out Tarill IT Modifications         5.52,912           23         Regulatory Liabitity - Rato Carbo Carbo Manage Recovéry         5.52,912           24         Regulatory Liabitity - Rato Carbe Expenses         5.72,826	15	Coal Ash Spend, Net of Capitalized Portion				14,303,845	
Impairment of Plant Assets         55.54           19         Lobbying         56.000           20         Loss an Reacquired Debt         118.160           21         Meals         1171.000           22         Offslie Gas Strage Costs         392.884           23         Regulatory Asset- Caction Management         392.884           24         Regulatory Asset- Caction Management         399.999           24         Regulatory Asset- Caction Management         398.888           25         Regulatory Asset - Opt Out Tariff IT Modifications         398.888           26         Regulatory Asset - Opt Out Tariff IT Modifications         394.782           27         Regulatory Asset - Opt Out Tariff IT Modifications         394.782           28         Regulatory Asset - Opt Out Tariff IT Modifications         394.782           29         Regulatory Asset - Storm Damage Recovery         394.722           29         Regulatory Liability - Refe Case Expenses         327.512           20         Regulatory Liability - Refe Case Expenses         327.512           20         Regulatory Liability - Refe Case Expenses         327.512	18	Determed Revenue				256,049	
19LobyingCode (Code	17	Demand Side Management Defemal				2,121,738	
International20Loss an Reacquired Debt21Meals22Offsite Gas Storage Costs23Regulatory Asset - Carbon Management24Regulatory Asset - Deferred Plant Costs25Regulatory Asset - Opt Out Tariff IT Modifications26Regulatory Asset - Opt Out Tariff IT Modifications27Regulatory Asset - Opt Out Tariff IT Modifications28Regulatory Asset - Opt Out Tariff IT Modifications29Regulatory Asset - Storm Damage Recovéry29Regulatory Liability - Reto Case Expenses30Regulatory Liability - REL & Other Misc Diff Costs	18	Impalment of Plant Assets				55,354	
21Meals171,00022Offsite Gas Sterage Costs392,86423Regulatory Asset - Carbon Management199,99624Regulatory Asset - Deferred Plant Costs4,061,30525Regulatory Asset - Opt Out Tarilf IT Modifications368,88826Regulatory Asset - Opt Out Tarilf IT Modifications10,49027Regulatory Asset - Vacation Carryover9,47228Regulatory Asset - Vacation Carryover327,51229Regulatory Lisbitity - Ret Case Expenses67,83430Regulatory Lisbitity - RSLI & Other Misc Diff Costs277,266	19	Lobbying				360,000	
22Offsite Gas Storage Costs392,86423Regulatory Asset - Carbon Management199,99624Regulatory Asset - Deferred Plant Costs4,061,30525Regulatory Asset - Nan-AMI Metors368,58826Regulatory Asset - Opt Out Tarilt IT Modifications10,48027Regulatory Asset - Vacation Carry Over9,47228Regulatory Asset - Sorm Damage Recovéry327,51229Regulatory Lisbility - Rate Case Expenses67,83430Regulatory Lisbility - RSL & Other Nisc Diri Costis277,266	20	Loss on Reacquired Debt				118,160	
23Regulatory Asset - Carbon Management199,99624Regulatory Asset - Deferred Plant Costs4,061,30525Regulatory Asset - Nar-AMI Meters368,58626Regulatory Asset - Opt Out Tarilf IT Modifications10,49027Regulatory Asset - Vacation Carry over9,47228Regulatory Asset - Storm Damage Recovéry327,51229Regulatory Liability - Rate Case Exponses67,83430Regulatory Liability - RSL & Other Nisc Diri Costs277,266	21	Meals	nna a suud funna a suu kanna a suu keena a suu keena a suu keena aa suu keena suu keena suu keena suu keena suu	\$171141111211111111111111111111111111111		171,000	
24       Regulatory Assel - Deferred Plant Costs       4,061,305         25       Regulatory Assel - Nan-AMI Meters       366,888         26       Regulatory Asset - Opt Quit Tarilf IT Madifications       10,480         27       Regulatory Asset - Vacation Carryover       9,472         28       Regulatory Asset - Storm Damage Recovéry       327,512         29       Regulatory Liability - Rete Case Exponses       67,834         30       Regulatory Liability - RSL & Other Nisc Diri Costs       277,265	22	Offsite Gas Storage Costs	۵۵۵٬۰۱۰ ۱۰۰ ۱۰۰ ۱۰۰ ۱۰۰ ۱۰۰ ۱۰۰ ۲۰ ۲۰ ۲۰۰۰ ۱۰۰ ۲۰ ۲۰۰۰ ۱۰۰ ۲۰ ۲۰۰۰ ۱۰۰ ۲۰۰۰ ۲۰۰۰ ۲۰۰۰ ۲۰۰۰ ۲۰۰۰ ۲۰۰۰ ۲۰۰۰ ۲۰۰۰			392,864	
25Regulatory Asset - Nan-AMI Metors368,58825Regulatory Asset - Opt Out Tariff IT Modifications10,49026Regulatory Asset - Opt Out Tariff IT Modifications10,49027Regulatory Asset - Vacation Carry over9,47228Regulatory Asset - Storm Damage Recovery327,51229Regulatory Liability - Rete Case Expenses67,83430Regulatory Liability - RSU & Other Nisc Diri Costs277,265	23	Regulatory Asset - Carbon Management	ter and the second second second second second second second second second second second second second second s			129,996	
26       Regulatory Asset - Opt Out Tarill IT Modifications       10,480         27       Regulatory Asset - Vacation Carry over       9,472         28       Regulatory Asset - Vacation Carry over       327,512         29       Regulatory Liability - Rete Case Expenses       67,834         30       Regulatory Liability - RSU & Other Misc Dirit Costs       277,266	.24	Regulatory Assel - Deferred Plant Costs		er en manne men venant van er en men sen en de Veren venant	······	4,061,305	
Regulatory Asset - Vacation Carry over     9.472       Regulatory Asset - Vacation Carry over     9.472       Regulatory Asset - Storm Damage Recovery     327,512       Regulatory Liability - Rate Case Exponses     67,834       Regulatory Liability - RSL & Other Misc Diri Costs     227,266	25	Regulatory Asset - Non-AMI Metoys				368,588`	
29     Regulatory Asset- Storm Damage Recovéry     327,512       29     Regulatory Liability - Refe Case Exponses     67,834       30     Regulatory Liability - RSU & Other Nicc Diri Costs     277,266	26	Regulatory Asset - Opt Out Tarili IT Modifications	98 1911	, , , , , , , , , , , , , , , , , , ,			
29     Regulatory Liability - Refe Case Expenses     67,834       30     Regulatory Liability - RSU & Other Misc Dirit Costs     277,266	27	Regulatory Asset - Vacation Carryover	99	5445000044 committee (C) #			
30     Regulatory Liebility - RSL & Other Misc Diri Costs     277,266	29	· · · · · · · · · · · · · · · · · · ·					
	29						
Dame D24	30	Regulatory Liebility - RSLI & Other Misc Diff Costs	Page 251	ан		277,266	

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Line No.	Details (a)	Amount. (b)
31	Storn: Cosi Deferral	210,211
32	Yax Interest Capitalized	3,469,517
33	Transportation Benefits	24,000
34	Unbilled Revenue - Fuet	3,895.267
3£	Deferrad Costs - Customer Carriect	124,047
36	Non-Cash Overtead Basis Adjustment	247,459
37	Capitalized 174 R&D Expense	1,000,000
38	Extra Flacility Lighting	18,520
39	Severance Reserve - LT	684,250
40	Workers Com Raservo	245,042
41	Entertainment	19,000
13	Tital	145,598,852
14.	Income Recorded on Books Not Included in Return	A A A A A A A A A A A A A A A A A A A
15	Allowantee for Funds Used During Construction	1,057,191
18	Total	1,057,191
19	Deductions on Return Not Charged Against Book Income	
20	AFUDC Interest	4,117,502
21	Asset Retirement Obligation	79,928
22	Benefits Accurals	3,597,219
23	Cost of Removal	16,495,243
24	Environmental Reserve	29,869
23	Equipmani/T&D Repairs	141,009,370
28	Mark to Market	45,668
27	Regulatory Assist - ESM Deformal	154,131
28	Regulatory Assot - Reto Case Expenses	294,891
29	Regulatory Asset - Transition from MISO to PJM	218,404
30	Regulatory Liability - Outage Costs	.288,412
31	Tex Depreciation/Amorfization	78,200,000
32	Tax Gains/Losses	360,000
33	Unamordized Debt Premium	6,845
34	Property Tax Neserves	7,650,166
35	Rate Refunds	163,539
36	Gas Supplier Refunds	593,615
37	Leaso Adjustments	578,135
38	Régulatory Asact - Defarred Revenue	7,377,203
39	Regulatory Asset - FAS-158	370,459
	Page 261	

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Line No,	Detailis (a)	Amount (b)					
40	Charliable Contribution Carryover	202,194					
41	REPS Incremental Costs	917					
28	Totaj	262,408,711					
.27	Foderal Tax Net Income	(48,293,307)					
28	Show Computation of Tax:						
29	Provision for Federal Income Tax @ 21%	(10,141,594)					
3D	Prior Year Fèderal Tax True Ups	787,096					
31	Coporate Alternative Minimum Tax	ÓOS'BEB					
32	Total Federal Income Tax	(8,486,198)					
	Page 261						

FERC FORM No. 2 (12-96)

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Name of Respondent: Duke Energy Kentucky, Inc	This report is: (1) ☑ An Originat (2) ☑ A Resubmission	Date of Report: 04/25/2024	Year/Period of Report: End pf: 2023/ Q4					
Taxes Accrued, Prepaid and Charged During Year, Distribution of Taxes Charged (Show utility dept where applicable and acct charged)								
<ul> <li>which the laxed material was charged. If the actual or estimated amout</li> <li>2. Include on this page, taxes paid during the year and charged direct to these taxes.</li> <li>3. Include in column (g) taxes charged during the year, taxes charged to paid and charged direct to operations or accounts other than accrued</li> <li>4. List the aggregate of each kind of tax in such manner that the total tax</li> <li>5. If any tax (exclude Federal and State income taxes) covers more than</li> <li>6. Enter all adjustments of the accrued and prepaid tax accounts in column</li> <li>7. Do not include on this page entries with respect to deferred income ta</li> <li>8. Show in column. (b) thru (s) how the taxes accounts were distributed.</li> </ul>	<ol> <li>Give details of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and othar accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts of which the laxed material was charged. If the actual or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or octual amounts.</li> <li>Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepakl or accrued taxes). Enter the amounts in both columns (g) and (h). The balancing of this page is not affected by the inclusion of these taxes.</li> <li>Include in column (g) taxes charged during the year, taxes charged to operations and other accounts through (a) accrued taxes accrued taxes accrued, (b) amounts credited to the portion of prepaid taxes charged to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid fax accounts.</li> <li>List the aggregate of each kind of tax in such manner that the total tox for each State and subdivision can readily be ascertained.</li> <li>If any tax (exclude Federal and State income taxes) covers more than one year, show the required information septorately for each tax year, identifying the year in column (d).</li> <li>Enter all adjustments of the accounts in column (i) and explain each adjustment in a footnote. Designate debit adjustments by parentheses.</li> <li>Do not include on this page entries with respect to deferred income taxes or taxes or defected through payroll deductions or otherwise pending transmitial of such taxes to the taxing authority.</li> <li>Show in columns (b) that (as accounts were distributed. Show both the utility department and onome or derived. For taxes charged to utility plant, show the number of the appropriate balance sheet plant account or otherwise pending transmitical of such taxes accounts were distributed. Show both the</li></ol>							
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.								

10. Items under \$250,000 may be grouped, 11. Report in column (1) the applicable effective state income tax rate.

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Line No,	Kind of Tax (See Instruction 5) (a)	Type of Tax (b)	Tax Jurisdiction (c)	Tar Year (d)	Balance at Beg, of Year Taxes Accrued (8)	Balance at Beg; of Year Prepaid Taxes (f)	Taxes Charged During Year (g)	Taxes Paid During Year (h)	Adjustments (i)	Balanco at End of Year Taxes Accrued (Account 238) ())	Balance at End of Year Propaid Taxes (included in Acct 165) (k)	Electric (Account 408.1, 409.1) (i)
1	Fed Insurance Tax	Føderaj Tax	Federal	2023	(323,425)	0	1,557,979	1,323,284		(88,730)		1,697,587
2					C	0				٥		
3.	Subtotal Federal Tax				(323,425)	0	1,657,979	1,323,264		(88,730)		1,667,587
4	Local Property Tex	Property Tex	ΚÝ	2023	0	0			1			
.5	Property Tax	Property Tax	KY	2023	25,539,901	Ó	10,249,320	14,435,009		24,354,212		10,140,464
6	Subtotal Property Tex				25,539,901	0	13,249;320	14;435,009		24,354,212		10,140,464
7	Subiotal Real Estate Tax				Q	0						
8	Fed Unemployment	Unemployment Tax	Federal	2023	392	0.	7,864	B,095		161		5,711
9	State Unemployment	Unemployment Tax	Various	2023	(13:405)	0		(19)	P13,405	-19		
1D_	OH Unomployment Tax	Unemployment Tax	ең	2023	0	0	1,0 <b>7</b> ,9	17,080		(15,087)		1,457
11	KY Unomployment Tax	Unempidyment Tax	ŔΥ	2023	Ö	0	4,172	5;362	\$ <b>*(13,40</b> 5)	(14,595)		3,080
12	Sublotal Unemployment Tax				(13,013)	Ő	14,009	30,498		(29,502)		10,248
13	KY Salas and Uso Tax	Sales And Use Tax	Various	2023	424,456	٥	2,954,335	2,847; <b>5</b> 53		531,239		(91)
14	OH Sales and Use Tax	Sales And Use Tax	Various	2023	17;736	D	39,706	59,493		3,949		
15	Other Sales and Use Tax	Sales And Use Tax	Vàrinus	2023	99,604	D	14,559			114,183		(57,529)
16	Subtotal Sales And Uso Tax				541,796	a	3,008,601	2,901,048		649,351		(57,620)
17	Income Tax	income Tax	Federal	2023	11,138,840	0	(8,465,198)	22,050,651		(15,368,009)		9,069,528
18	Income Tax	Income Tax	'KY	2023	2,331,794	Ó	(4,289,282)	3;351,182		(5,309,550)		535,181
19	Subtotal Income Tax				13,470,634	a	(12,755,480)	25,411,813		(24,685,659)		9,604,709
20	Subtotal Excise Tax				0	Q	no we want to be a state of the					
21	Sublotal Fuel Tax	-manufacture			D	0						
22	Subtotal Federal Insurance Tax				Ó	۵						
23	State Franchise				۵	0	6,433	6,433				4,688
24	Subtotal Franchise Tax				0	٥	6;433	6,433		D		4,658
25	Miscellansous Tax	Miscalieneaus Other Tax	Various	2023	Ð	٥	(4.979)	(4,979)		D.		
							Page 262 Part 1 of 2					

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3

Line No.	Kind of Tax (See Instruction 6) (u)	Type of Tax (b)	Tax Jurisdiction (C)	Tax Year (d)	Balance at Bog, of Year Taxes Accrued (e)	Balanco at Beg. of Year Prepaid Taxea (1)		Taxes Paid During Year (h)	Adjustments (i)	Balance at End of Year Taxes Accruod (Account 238) U)	Balance at End of Year Prepaid Taxes (Included in Acct 155) (K)	Electric (Account 408.1, 409.1) (1)	
26	Sublotai Miscellaneous Other Tax				O	.O	(4,979)	(4,979)		D			
40	Total				39,215,893		5,075,883	44,103,104		198,672		21,390,076	
	Page 262 Part t of 2												

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 108 of 193

Line No.	Gas (Account 408.1, 409.1) (m)	Other Utility Dept. (Account 408.1, 409.1) (n)	Other Income and Deductions (Account 408.2, 409.2) (0)	Extraordinary Items (Account 409,3) (p)	Other Utility Opn. Income (Account 408.1, 409.1) (q)	Adjustment to Ret. Earnings (Account 439) (r)	Qiher (s)	State/Local Income Tax Rate (t)
1	541,307			in a second second second second second second second second second second second second second second second s			(670,915)	
2			······································					
Э	541,307	na na na historia na na historia na na historia na na historia na na historia na na historia na na historia na	nn mag (), W) danne age gi) ( thinne age gi) ( thinne ag gi) ( Minne ag gi ( Minne ag gi)) 1 thinne ag gi) 		······································	······································	(670,015)	
4								
5	3,197,497						(80,541)	
0	3,197,497						(89,641)	
7		,						
8	2,021						132	
9								
10	516							
11	<b>1,092</b>							
12	3,629						132.	
13	622						2,953,805	
14							39,706	
15	(22,254)						94,342	
16	(21,632)						3,087,053	
17	(7,295,277)		(10,239,449)					
18	(2,275,198)		(2,549,265)					
19	(9,571;475)		(12,788,714)					
20								
21								
22								
23	1,859		(64)					-
24	1,809		(64)					
25	9,6Ò1		(4,079)				(9,501)	
26	9,601		(4.979)			······································	(9,601)	
40	(5, <u>830</u> ,264)		(12,793,757)		ennauvere er ennauttene von maakele en een makke en een makke en een aande en een wettene en met teksen een met		2,318,820	
				Page 262 Part 2 of 2				

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FERC FORM No. 2 (REV 12-07)

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Name of Respondent: Duke Energy Kennucky, inc	This report is; (1) IZI An Original (2) I A Resubmission	Dale of Report: 04/25/2024	Yean/Period of Report: End.of: 2023/ Q4					
	FOOTNOTE DATA							
		and the ground of the second of the						
(a) Concept: TaxAdjustments								
Transfer of balance to line number 11								
(b) Concept: TaxAdjustments								

Transfer of balance from line number 9 FERC FORM No, 2 (REV 12-07)

KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 111 of 193

Name of Respondent: Duke Energy Kentucky, Inc		This report is: (1) An Orlginal (2) A Resubmission	Date of Report: 04/25/2024		Year/Period of Rejudit; End of: 2023/ Q4					
	Miscellaneous Current and Accrued Liabilities (Account 242)									
	1. Describe and report the amount of other current and accrued liabilities at the end of year. 2. Minor items (less than \$250,000) may be grouped under appropriate title.									
Line No,	lten (a)			Bolance at End of Yéar {b}						
1	Deferred Revenue PJM FTR				2,413,256					
2	Other Reserve/Accrual				1,605,598					
3	Vacation Entitlement Reserve			1,483,424						
4	MISO MTEP - Short Term Accrual			879,924						
5	FAS 158 Current Liebilities			483,314						
6.	Wages Payable			352,000						
7	Provision for Incentive Ben Prog			248,388						
8	Retirement Bank Accruai			180,982						
9	Tax Reform				5,730					
10	Native Deferred MTM Liability			1,934						
11	Ratepayer Sharing Provisions			0						
12	Deferred Revenue Poyable - Fuot			σ						
45	Total			7,654,550						

FERC FORM No. 2 (12-56)

KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 112 of 193

	e of Respondent: Energy Kentucky, Inc	This report is: (1) ☑ An Original (2) □ A Resubmission	Date of Report: 04/25/2024			YaanPariod of Report: End of: 2023/ Q4						
[	Other Deferred Credits (Account 253)											
2.	1. Report below the details called for concerning other deferred credits. 2. For any deferred credit being amortized, show the period of amortization. 3. Minor items (less than \$250,000) may be grouped by classes.											
Line No.	Description of Other Deferred Credits (a)	Balance at Beginning of Year (b)	De	bit Contra Account Debit Amount (c) (d)		nt	Credits (e)	Balance et End of Year (1)				
1	MISO MTEP Accruat	11,854.798		· · · · · · · · · · · · · · · · · · ·			(218;404)	11,636,394				
2	Deferred Revanue - Outdoor Lighting	1,608,050		415	37	5,389	633,437	1,866,098				
3	Amort period 10 years over life of contracts											
4	MGP Reserve	617,795				1		617,795				
5	FTR:MTM gains/lossés						03,862	83,802				
6	Gas Refunds	727,030		DOS	49	8,174	(109,441)	131,415				
7	Amort period varies											
8	SCHM Exec Cash Bal Plon											
Ð	Delfared Prepared EF-Lighting						16,520	18,520				
45	TOTAL	14,807,673			86	1,563	407,974	14,354,084				

FERC FORM No. 2 (12-96)

KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 113 of 193

	e of Respondent; Energy Kentucky, Inc			This report is: (1) An Driginal (2) A Resubmission	(1)				Year/Period of Repoit:- End of: 2023/ Q4-			
ļ	Accumulated Deferred Income Taxes-Other Property (Account 282)											
2. 3.	<ol> <li>Repart the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization.</li> <li>At Other (Specify), include deferrals relating to other income and deductions.</li> <li>Provide a stormary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.</li> </ol>											
Líne No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Debited to Account 410.1 (c)	Changes During Year Amounts Credited to Account 411,1 (d)	Changes During Year Amounts Debited to Account 410-2 (e)	Changes During Year Amounts Credited to Account 411.2 (f)	Adjustments Debits Account No. (g)	Adjustments Debits Amoun (h)	Adjustments Credits Account No. (i)	Adjustments Credits Amount (j)	Balance at End of Year (k)	
1	Account 282											
2	Electric	247,110,114	23,908,438	30,412,179	598,082	9,77	7	<sup>⊯</sup> 786,51	Ť:		241,961,189	
3	Gas	80,099,764	36,775.155	18,526,746	12,862,397	49	0 145	3,84	2 182	84,417	111,120,526	
4	Other (Define)											
5	Total (Total of lines 2 Urru 4)	327,209,598	60,683,594	48,938,925	13,460,479	10,26	7	770,35	à.	64,417	353,090,715	
6	Other (Specify)							1				
7	TOTAL Account 282 (Total of lines 5 thru 8)	327,209,898	60, <del>5</del> 83,594	48,938,925	\$3, <b>460,4</b> 79	10,26	7	770,35	3	B4,417	353,090,715	
8	Classification of TOTAL											
9	Federal Income Tax	267,257,097	47,807,554	39,224,340	10,777,306	B,22	o [	616,90		60,753	287,180,447	
10	State Income Tax	59,951,901	12,875,040	9,714,586	2,683,173	2,04	6 [	153,45		23,664	65,924,268	
11	Local Income Tax											

FERC FORM No. 2 (REV 12-07)

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Name of Respondent:	This report is: (1) 2 An Original (2) A Resubmission	Daté of Report: 04/25/2024	Year/Period of Report: End of: 2023/ Q4						
FOOTNOTE DATA									

(a) Concept: AccumulatedDeferredincomeTaxLiabilitiesOtherPropertyAdjustmentsDebitedToAccount

Dffset to account 182 755,561 0ffset to account 148 9,958 Total FERC FORM No. 2 (REV 12-07)

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766,511

#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 115 of 193

				This report is:									
Nom	e of Respondent:			(1) 🗹 An Original			Date of Report:			Year/Period of Report:			
Duke Energy Kentucky, Inc.				(2)	(2)			1	E	nd of: 2023/ 04			
					A Resubmission								
	Accumulated Deferred income Taxes-Other (Account 283)												
2.	<ol> <li>Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.</li> <li>A Other (Specify), include deferrals relating to other income and deductions.</li> <li>Provide in a footiote a summary of the type and amount of deferred income taxes reported in the beginning-of-year and end-of-year balances for deferred income taxes that the respondent estimates could be included in the development of jurisdictional recourse rates.</li> </ol>												
Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Changes During Year Amounts Dabited to Account 410.1 (c)	Changes During Year Amousts Credited to Account 411.1 (d)	Changes During Year Amounts Debited to Account 410.2 (e)	Changes I Year Ame Credited to 411. (f)	ounts Account 2	t Adjustments Adjustmen Debits Account Debits Amor No. (g) (h)			Adjustments Credits Amount {i)	Balance at End of Year (k)	
1	Account 283					1					······································		
2	Electric	18.642,835	10,348,396	4,128,197					<sup>*</sup> 269,5	i95 14G	35,064	25,097,565	
з	Gas	5,320,077	315,692	194,162	7 m - m 6 6 t _ m - m 111 m m 6 11 / m m 6 6 11 w 2 m 111	İ			<sup>10</sup> 25,5	96.	<b>40,285</b>	5,427,118	
4	Other (Define)			rakk rint William and Allian rakes rinks									
5	Totel (Totel of lines 2 Ihru 4)	23,962,912	10,684,288	4,322,359					295,1	91	75,349	30,524,683	
8	Other (Specify)												
7	TOTAL Account 283 (Total of lines 5 thru 0)	23,982,912	10,664,288	4,322,359					295, 1	91	75,349	30,524,583	
B	Classification of TOTAL		minin - chair di - chair de - chair de - chair de - chair	*******									
9	Federal Income Tax	19,500,000	8,539,501	3,460,753					191,3	11	75,348	24,753,710	
10	State Income Tax	4,402,912	2,125,787	861,609	anni <b>tae - minice - minice - minicipe - minicipe</b>				103,8	60		5,770,073	
11	Local income Tax												
	Page 276												

FERC FORM No. 2 (REV 12-07)

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Ì.

Name of Respondent: Duke Energy Kentucky, Inc	en An Cinginai		Ysar/Period of Report: End of: 2023/ Q4						
FOOTNOTE DATA									

(a) Concept: Accumulate	dDefected income TaxLisbilities Cit	erAdjustmentsDebitedToAcco	unt								
Offset to account 182	269;540 Offset to account 146	55 Total	269,\$95								
b) Concept: AccumulatedDcferredIncomeTaxLlabilitiesOtherAdjustmentsDebitedToAccount											
Offset to account 182	25,813 Offset to account 146	81 Total	25,596	, , , , , , , , , , , , , , , , , , ,							
(c) Concept: AccumulatedDefenedincomeTaxLizbilitiesOtherAdjustmentsCreditedToAccount											
Offset to account 182		12,437 Total	49,285								

FERC FORM No. 2 (REV 12-07)

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	e of Respondent: e Energy Kentucky, Inc	(1) 2 Ar (2)	eport is:   Original Rașubinission	Date of Report: 04/25/2024	Year/Period of Re End of: 2023/ Q4	Q071)								
	Other Regulatory Liabilities (Account 254)													
23	Report below the details called for concern For regulatory liabilities being amortized, s Minor Rems (5% of the Batance at End of 1 Provide in a foolnote, for each line item, th	how period of amortization in column rear for Account 254 or amounts less	n (a). s than \$250,000, whichever is less) may	be grouped by classes.		+								
Lîne No.	Description and Purpose of Other Regulatory Lizbilities (a)	Balance at Beginning of Current Quarter/Year (b)	Written off during Quarter/Period Account Credited (c)	Written off During Period Amount Refunded (d)	Written off During Period Amount Deemed Non-Refundable (e)	Credits (1)	Balance at End of Gurrent Quarter/Year (g)							
1	INCOME TAXES	116,498,980	190, 411	5,407,728		583,133	111,674,385							
2	PENSION COSTS	5,835,534	182.3, 228.3, 926	1,410,783		821,357	5,246,108							
3	DSM ENERGY EFFICIENCY	1,594,895				681,734	2,276,629							
4	~Order #2015-00368				an 1979 in an an an an an an an an an an an an an									
5	Tax Regulatory Liab - Reclase	241,055				(241,056)								
6	Open Int Rate Swap Cur Rg Liab					290,474	280,474							
7	Deferred Regulatory Liability					572,974	572,974							
45	Total	124,170,465		6,818,511		2,698,016	120,050;570							

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2

	This report is:								
	(1)								
Name of Respondent:	🛛 🗹 An Original	Dale of Report:	Year/Period of Report:						
Duke Energy Kentucky, Inc		04/25/2024	End of: 2023/ Q4						
	(2)								
	A Resubmission	**							
	Monthly Quantity & Re	evenue Dala by Rate Schedule							
1. Reference to account numbers in the USofA is	provided in parentheses beside applicable data. Quantities must i	not be adjusted for discounts.							
2. Total Quantities and Revenues in whole number		* ••							
<ol> <li>Report revenues and quantities of gas by rate rate schedule.</li> </ol>	schedule. Where transportation services are bundled with storage	services, reflect only transportation Din. When re-	porting storage, report Dth of gas withdrawn from storage and revenues by						
	4. Revenues in Column (c) include transition costs from upstream opelines, Revenue (Other) in Column (e) includes reservation charges received by the pipeline just usage charges, less revenues reflected in Columns (c) and (d). Include in								
Column (e), revenue for Accounts 490-495.									

5, Enter fortholes as appropriate.

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Une No.	tiem (a)	Month 1 Quantity (b)	Month 1 Revenue Costs and Take- or-Pay {c}	Month 1 Revenue (GRI & ACA) (d)	Month 1 Revenue (Other) (v)	Month 1 Revenue (Tolai) (1)	Monuh 2 Quantidy (g)	Month 2 Revenue Costs and Take- or-Pay (h)	Nomh 2 Revenue (GRI & ACA) (i)	Month 2 Revenue (Other) ())	Month 2 Revenue (Total) (K)	Month 3 Quantity (I)	Month 3 Revenue Costs and Take- cr-Pay (m)
1	Total Sales (483-488)	347;890			5,585,463	5,588,463	988,242		İ	11,770,261	11,770,261	1,575,499	
2	Transportation of Gas for Others (489;2 and 489,3)												
3	Rate Case #PR18-27				149,634	145,834				149,634	149,634		
4	Rate FT	247,790			561,605	581,60\$	\$55;877			7,99,762	799,782	320,735	
5	Rate IT	158,328			127,887	127,887	155,438			120,394	120,394	149,262	
6 <b>3</b>	Total Transportation (Other than Gathering)	404,118	Q	٥	859,126	859,126	511,313	0	0	1,069,790	1,069,790	469,998	0
84	Storage (489.4)												
65													
68													[
87													
68													
69													
70		······											
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89													
90	Total Storage	0	a	Ø	٥	٥	Ō	Ŭ	Ô	C	٥.	0	C
91	Galhering (499,1)												
						Pag	e 299 1 of 2			<u> </u>			

KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 120 of 193

Line. No.	ltëm (a)	Month 4 Quantity (b)	Month 1 Rovenue Costs and Take- or-Pay (C)	Monih † Revenue (GR) & ACA) (d)	Month 1 Revenue (Other) (e)	Month 1 Revenue (Total) (1)	Month 2 Quantity (0)	Month 2 Rovenue Costs and Take- or-Pay (h)	Month 2 Revenue (GRI & ACA) (i)	Month 2 Revenue (Other) (j)	Month 2 Revenue (Tatal) (K)	Monih J Quantity (I)	Month 3 Revenue Costs and Take- or-Pay (m)
92	Gathering-Firm												
93	Gathering-Intorruptible												
94	Total Gathering (489.1)	0	Q	D	0	D	0	ŋ	۵	0	0	D	D
05	Additional Revenues												
96 <sup>.</sup>	Products Sales and Extraction (490-492)			-									
07	Rents (403-494)												
:98	(495) Other Gas Revenues				12	12							
99	(496) (Less) Provision for Rale Refunds						_						
100	Total Additional Revenues				12	12							
	Total Operating Revenues (Total of Lines 1,63,90,94 & 100)	752,008			<b>8,447,</b> 501	6,447,001	1,499,555			12;840,051	12,840,051	2,045,497	
ľ	Page 299 Part 1 of 2												

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Line No.	Monih 3 Revenue (BRI & ACA) (4)	Manth 3 Revonue (Other) (a)	Month 3 Revenue (Total) (p)
1		18,234,040	19,234,046
2			
3		149,634	149,634
4	er – endel – ender – ender – ender VII. Handeler – mit der eine der eine der eine der eine dem eine dem eine de	1.218,406	1,218,40B
5		.110,149	110, 148
63		1,478,189	1,478,189
64	a - yanna a sana a sana a sana a sana a sana a sana a sana a sana a sana a sana a sana a sana a sana a sana a s		ter and the second second second second second second second second second second second second second second s
65	na Mahamman Mahamman Li Anaman Mahamman Mahamman Jula manang Akhamman ata kanang Akhamman a Jaman Ang Kanang Ka	<mark>ger 1488 - wy 11 a wear a wear wear wear wear wear wear </mark>	
<u></u>	₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩		¥911-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1-1
87		anin aya kuma ayanin ayan ayan ayan ayan ayan ayan a	
68	<b>y y da na any any any any any any any any any</b>	<b></b>	
es		anser - en anter - en ann ar - manager - en ann - manager en an - mann dar en annou de mann dar en ann dar mann	₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩
70	, and a set of the s	an 1999 - Mahama I	
71	al	ar felden af felden af gerenden af gerenden af gerenden af gerenden af gerenden af gerenden af gerenden af gere Felden af gerenden af gerenden af gerenden af gerenden af gerenden af gerenden af gerenden af gerenden af gerende	anter a contra de la contra de la contra de la contra de la contra de la contra de la contra de la contra de la La contra de la contra de la contra de la contra de la contra de la contra de la contra de la contra de la contr La contra de la contra de la contra de la contra de la contra de la contra de la contra de la contra de la contr
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73	an ann an an an an an an an an an an an		,
74	• ####################################	nnen sy Manmassanya ny masa di Adamants Alexanya - 1 Anna si yanya - 290000 - 200000 - 200000 - 200000 - 20000	na an an ann an Anna a Chuirte an Anna an Anna an Anna an Anna an Anna an Anna an Anna an Anna an Anna an Anna Anna an Anna an Anna an Anna an Anna an Anna an Anna an Anna an Anna an Anna an Anna an Anna an Anna an Anna an
75	999 Marine and Marine and Afrikansan (1994 Marines) of Colombia and Afrikansan (1994 Marines) (19	an an a 1996 an an an 2016 ann an 2017 an ann 2017 Ann an an 2018 Ann an an 2018 Ann an an 2019 Ann an 2017	ՠֈ֎ֈֈֈ՟ՙՙՙ՟՟՟ՠՠֈՠֈ֎ֈֈֈֈֈֈֈֈֈֈֈֈֈֈֈֈֈֈֈֈֈ
76		ana daga mang na barang making na mang kina mang na kina mang kina mang mina mang kina mang kina mang kina mang Ing sa sa sa sa sa sa sa sa sa sa sa sa sa	
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08	,		₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩
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		Page 295 Part 2 of 2	

KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 122 of 193

Line No.	Month 3 Revenue (GRi & ACA) {n}	Manth 3 Rovenue (Other) (0)	Month 3 Revenue (Total) (P)
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100			Û.
101		20,712,235	20,712,235
		Page 299 Part 2 of 2	

KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 123 of 193

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FERC FORM No. 2 (NEW 12-08)

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 124 of 193

Name of Respondenti: Duke Energy Kentucky, Inc 1. Report below natural gas operating revenues for each prescribed a 2. Revenues in columns (b) and (c) include transition costs from upst 3. Other Revenues in columns (f) and (g) include reservation charges 4. If increases or decreases from previous year are not derived from p 5. On Page 108, include information on major charges ching the year				report is: n Original Resubmission	Gas Operating	og Revenues	a of Report. 25/2024		YeanPariod of Report: End of: 2023/ CH			
2. 3. 4. 5.	Revenues in columns (b) and Other Revenues in columns (f) If increases or decreases from	(c) include transition oc n and (g) include reserv n previous year are not tion on major changes i sportation services that	osis from upstream pipell vation charges received b derived from previously / during the year, new sen are bundled with storage	ines. by the pipeline plus u reported figures, exp vice, and important n	isage charges, less r Ilain any inconsistend ate increases or dec	revenues reflect pries in a footnal creases.	Ned in columns (b) throu		iumns (1) and (g) nove	wes for Accounts 48	10-495 <u>.</u>	
Linë No,	Title of Account (a)	Revenues for Transilion Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transaction Costs and Take-or-Pay Amount for Previous Year (C)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Provious Year (c)	Other Revenues Amounit for Current Yea (1)	Amount for	Total Operating Revenues Amount for Current Year (h)	Total Operating Revenues Amount for Previous Year (i)	Dekatherm of Natural Gas Amount for Current Year (j)	Dekotherm of Naturál Gas Amount fór Previous Year {k}	
1	(480) Residential Sales	i				84,141,9	100,157,921	Ð4,141,934	100,157,921	5,643,785	6,752,827	
2	(481) Commercial and Industrial Sales			:		34,233,8	42,850,134	34,233,617	42,850,134	3,114,091	-3,608,552	
3	(462) Other Sales to Public Authorities					2,207,€	3;059,574	2,207;651	3,059,574	210,658	273,200	
4	(483) Sales for Resele											
5	(484) interdepartmental Soles					27;0	)18 :31,215	27,016	31,215	3,105	3,133	
ē	(485) Intracompany Transfers											
7	(487) Fortelled Discounts											
8	(488) Miscellaneous Service Revenues					14,7	45 243,409	14,745	243,409			
9	(499.1) Revenues from Transportation of Gas of Others Through Bathering Facilities											
វព	(489.2) Revenues from Transportation of Gas of Others Through Transmission Facilities					1,795.6	1,395,036	1,795,603	1,395,035			
<b>1</b> 1	(489.3) Revenues from Transportation of Gas of Others Through Distribution Facilities					9,243,5	80 9,712,691	9,243,580	5,712,591	-4,472,922	4,670,094	
12	(489,4) Revenues from Staring Gas of Others										<b>, , , , , , , , , , , , , , , , , , , </b>	
13	(490) Salas of Prod. Ext. from Natural Gas										ada 11 - Adatta Inno - Adatta Inno - Adatta Inno - Adatta Inno - Adatta Inno - Adatta Inno - Adatta Inno - Adat	
14	(491) Revenues from Natural Gas Proc. by Others											
1					Page 3	300						

KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 125 of 193

Líne No.	Title of Account. (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transaction Costs and Take-or-Pay Amount for Previous Year {c}	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)	Other Revenues Amount for Current Yoar (गि	Other Revenues Amount for Previous Year (g)	Total Operating Reventions Amount for Current Year (h)	Total Operating Revenues Amount for Previous Year (i)	Dekatherm of Natural Gas Amount for Current Yaar (i)	Dekatherm of Natural Gas Amount for Previous Yoar (K)
15	(492) Incidental Gasoline and Oil Sales										
18.	(493) Rent from Gas Property										
17	(494) Interdepartmental Rents								Ň		
18	(495) Other Gas Revenues					3,508	52,437	3,506	52,437		
19	Subtotal:					131,667,857	156,502,417	131,667,857	156,502,417		
20	(496) (Less) Provision for Rate Refunds					(52,769)	(54,320)	(52,769)	(54,320)		
21	TOTAL					131,720,626	156,556,737	131,720,626	156,556,737		
	······································				Page	300					

FERC FORM No. 2 (REV 12-07)

#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 126 of 193

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	af Respondent: Erierry Kentucky	ing					Date of Report 04/25/2024		Year/Period of Report: End of: 2023/ Q4		
1	Report revenues. Revenues for per	and Dith of gas delivered t allies including penalties	Rev hrough gathering facilities b for unauthorized ovarions m	y zone of receipt (i.e.	state in which gas ent			count 489,1)			
Líne Na,	Rate Schedule and Zone of Receipt (0)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transaction Costs and Take-or-Pay Amount for Previous Year (C)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (e)	Other Revenues Amount for Current Yea (Л		Total Operating Revenues Amount for Current Year (h)	Total Operating Revenues Amount for Previous Year (i)	Dekatherm of Natural Gas Amount for Curront Year ())	Dekatherm of Natural Gas Amount for Previous Year (k)
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KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 127 of 193

	ame of Respondent: uke Energy Kentuck			This report is: (1) (1) (1) (1) (2) (2) (2) (2) (2) (2) (3) (4) (5) (1) (1) (1) (1) (1) (1) (1) (1			te of Report: (25/2024		Year/Period of Report: End of: 2023/ Q4 ovide (ofals by rate schedule, a columns (b) through (e).		
			Raver	nues from Transport	lation of Gas of Oths	rs Through Transi	mission Facilitles (	Account 489.2)			
	2. Revenues for pe 3. Other Revenues 4. Delivered Dth of 5. Each incrementa	naities including penalties in columns (f) and (g) incl gas must not be adjusted it rate schedule and each i	for unauthorized overruns m ude reservation charges rec	hust be reported on p zived by the pipeline schedule must be sep	age 308. plus usage charges fo arotely reported.	r (mnsportation and					
Li	Zone of Delivery, Rate Schedule. (a)	Revenues for Transition Costs and Take-or-Fay Amount for Current Year (b)	Revenuës for Transaction Costs end Take-or-Pay Amount for Previous Yoar (c)	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Previous Year (9)	Other Revenues Amount for Current Year (f)	Other Revenues Amount for Previous Year (9)	Total Operating Revenues Amount for Current Year (h)	Total Operating Revenues Amount for Previous Year (i)	Dekatherm of Natural Gas Amount for Current Year (j)	Dekatherm of Natural Gas Amount for Previous Year (k)
1			r mandess - r mai <i>less - r mailles</i> - and illess - and illess - and illess - and illess - and illess - and illess			1,795,608	1,395,038	1,795,608	1,395,036	11,798,453	10,869,050
40	Total					1,795,608	1,395,036	1,795,008	1,395,036		

FERC FORM No. 2 (12-96)

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	e of Responde Energy Kenti			This report ia: (1) 2] An Original (2) 			Date of Report. 04/25/2024		Year/Period of Re End of: 2023/ Q4	port;	
ļ					ayenuca from Storing	Gas of Others (	Account 489,4)				
2.	Revenues lor Othe <i>r rev</i> enue Don of gas wit	peneities including penalt es in columns (f) and (g) ir hdrawn from storage mus	twn from storage by Rate Sc les for unauthorized overtun- ndude recervation charges, i t not be adjusted for discoun- led with storage services, re-	s must be reported on feliverability charges, i lifig.	injection and withdraw	al charges, less re	iven.æs rejlected in o	olumns (b) through (a	)		
Line No.	Rate Scheduki (a)	Revenues for Transition Costs and Take-or-Pay Amount for Current Year (b)	Revenues for Transaction Cests and Take-or-Pay Amount for Previous Year {c}	Revenues for GRI and ACA Amount for Current Year (d)	Revenues for GRI and ACA Amount for Pravious Year (e)	Other Revenues Amount for Gurrent Year (1)	Other Revenues Amount for Provious Year (g)	Total Operating Revenues Amount for Current Year (h)	Total Operating Revenues Amount for Provious Year (1)	Dekatherm of Natural Gas Amount for Current Year []]	Dekatherm of Natural Gas Amount for Provious Year (K)
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KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 129 of 193

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Name of Respondent: Duke Energy Kanlucky, Inc		This report is: (1) 2 An Original (2) 3 A Resubmission	Date of Report: 04/25/2024	Year/Period of Report: End of: 2023/ Q4		
ļ	an an an an an an an an an an an an an a	Other Gas Revendes (Accou				
Repo	n below transactions of \$250,000 or more included in Account 495, Dth	ier Gas Revenues, Group all transactions below \$250,000	l in one amount and provide the number of lien	15,		
Líπe No.		Description of Transaction (a)			Amount (in dollars) (b)	
1	1 Commissions on Sale or Distribution of Gas of Others					
2	Compensation for Minor or Incidental Services Provided for Others					
3 Profit or Loss on Sale of Meterial and Supplies not Ordinanity Purchased for Resale						
4	Seles of Stream, Water, of Electricity, including Sales or Transfers to (	Othier Departments				
5	Miscellaneous Royaliles					
Ş	Revenues from Dehydration and Other Processing of Gas of Others a	except as provided for in the Instructions to Account 495				
7	Revonues for Right and/or Benefits Received from Others which are F	Realized Through Research, Development, and Demonsh	alion Ventures			
8	Gains on Seillements of Imbalance Receivables and Payables					
9	Revenues from Penalties earned Pursuant to Tanff Provisions, including Penalties Associated with Cash-out Settlements					
10	Revenue's frum Shipper Supplied Gas					
11	Other revenues (Specify):					
12	Other revenues (Specify):					
13	Gas Losses Damaged Lines					
40. TOTAL					3,506	

FERC FORM No. 2 (12-96)

### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 130 of 193

	Iame of Respondent;       This report is:       Date of Respondent;       Year/Ported of Report:         Date of Respondent;       An Original       Date of Report:       Year/Ported of Report:         Date of Respondent;       An Original       Date of Report:       Year/Ported of Report:         Discounted Rate Services and Negotiated Rate Services       End of: 2023/ O4       End of: 2023/ O4         Discounted Rate Services and Negotiated Rate Services       Services       Services         1. In column b, report the revenues from discounted rate services.       Services       Services         3. In column d, report the revenues from negotiated rate services.       Services       Services							
Line No.	Account (a)	Discounted Rate Services Revenue (b)	Discounted Rate Services Volumes (c)	Negotlated Rata Services Revenus (d)	Negoliated Rate Services Volumes (0)			
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	Page 313							

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Line No.	Account (a)	Discounted Rate Services Revenue (b)	Discounted Rate Services Volumes (c)	Negotiated Rate Services Revenue (d)	Negotiated Rate Services Volumes (8)
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39					
40	Total				
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FERC FORM No. 2 (NEW 12-07)

### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 132 of 193

Name of Respondent Duke Energy Kentucky, Inc				vf Reporti Ye. 2024 Eni		Year/Period of Report: End of: 2023/ Q4	
<u> </u>		Gas Operation and Maintenance	Exectorate		<u> </u>		
Line.	are	OUNT	Суранара	Amount for Current	Yaar	Amount for Pravious Year	
No.				(b)			
1	1. PRODUCTION EXPENSES	مېرىكى بېرىكى بېرىكى بېرىكى بېرىكى بېرىكى بېرىكى بېرىكى بېرىكى بېرىكى بېرىكى بېرىكى بېرىكى بېرىكى بېرىكى بېرىكى					
2	A: Manufactured Gas Production						
3	Manufactured Gas Production (Submit Supplemental Statement)				₽ <b>61,145</b>	1;620;370	
4	B. Natural Gas Production						
5	P1. Natural Gas Production and Gathering						
6	Operation						
7	750 Operation Supervision and Engineering						
8	751 Production Maps and Records						
9	752 Gas Well Expenses	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~					
10	753 Field Lines Expenses						
11	754 Field Compressor Station Expenses	19 hann an gelle an an an an an an an an an an an an an					
12	755 Field Compressor Station Fuel and Power	ar tanın di karan yan taran karan yan karan karan karan karan karan karan karan karan karan karan karan karan k				₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩	
13	766 Field Measuring and Regulating Station Expenses	annel Lovannes - Caantes geminies a vaanse sterminies on an sterst result of an second sterminist of an estate				u - Lanannau - Canannau - La Annau - Channau - Lac nan - Canannau - Canannau - Canannau - Canannau - Canannau -	
14	757 Purification Expenses						
15	758 Gas Well Royallias					999.1	
16	759 Other Expenses	nen an Mazza a an a SV a a an an an an an an an an an an an an		······································		anninget samninget talanniget samninget samninget	
17	760 Rents	ang a lakin ang papamanang palain ang palain ang palain ang palain ang palain ang palain ang palain ang palain		<b>******</b> ******************************		na - 1944 - Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna - Anna - A	
18	TOTAL Operation (Total of lines 7 thru 17)	994		· · · · · · · · · · · · · · · · · · ·		an an an an an an an an an an an an an a	
tu	¥sinien⊴nce	e en character e mante e e e mante e e e e mante e e e e e e e e e e e e e e e e e e				AMU 231	
20	761 Maintenance Supervision and Engineering	ann y - maanleer ymann y - maanleen - ymay wr - ymaanleer ymanie by ymaanlebyr ymanne		mining, embliding emblility embliding embliding			
21	762 Maintenance of Structures and Improvements	an a chuir an an an an an an an an an an an an an		· · · · · · · · · · · · · · · · · · ·		9-111111111111111111111111111111111111	
<b>2</b> 2	763 Maintenance of Producing Gas Wells:	,					
23	764 Maintenance of Field Lines	ne – fel (Hinne – gaf Hinne – gaf felling – gaf feldens – gyf (Hinne – gyf feldens – gyf feldens – gyf feldens		ann st			
24	765 Maintenance of Field Compressor Station Equipment	CC			1	nn	
25.	768 Maintenance of Field Measuring and Regulating Station Equipment		₩₩₽₩₩₽₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩				
25	767 Maintenance of Purification Equipment	an an an an an an an an an an an an an a			ļ		
27	768 Maintenance of Drifling and Cleaning Equipment						
28	759 Maintenance of Other Equipment		·····	ца у — — — — — — — — — — — — — — — — — —		ara	
25	TOTAL Maintenance (Total of lines 20 thru 28)	na se se premi e se se se se se se se se se se se se s					
30	TOTAL Natural Gas Production and Gathering (Total of lines 18 and	29>					
31	B2. Products Extraction				1		
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Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
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33	770 Operation Supervision and Erigineering	ander en en nammen van andre men van ander er en van alle fer en van alle fer en van de fer en en men fer en v F	
34	771. Operation Labor		
35	772 Gas Shrinkage		
36	773 Fuel		
37	774 Power		
38	77.5. Materials		
39	775 Operation Supplies and Expenses	ener endame et anna et anna e e anna e agun dha e e e anna anna e e anna anna e e anna anna e a anna an anna a	
40	777 Gas Processed by Citiéra	Nutries, Martinians als Martinians, Minimans	
41	779 Royalities on Products Extracted	₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩	
42	779 Markeling Expenses		\$1
43	780 Products Purchased for Resale	na an an an an an an an an an an an an a	
44	761 Variation in Products Inventory	an an an an an an an an an an an an an a	
45	(Less) 782 Extracted Products Used by the Ullity-Credit		
46	789 Rents		
47	TOTAL Operation (Total of lines 33 thru 46)		ана соот — а жанунт — дүүний — дүүний — соот у соот у — соот у такжа — соот у долгуу — соот у долгуу — соот у д Чаана соот — а жанунт — дүүний — дүүний — соот у соот у соот у соот у соот у соот у соот у соот у соот у соот у Чаана соот — а жанунт — дүүний — дүүний — соот у соот у соот у соот у соот у соот у соот у соот у соот у соот у
48	Maintenance		
49	784 Meintenance Supervision and Engineering		
50	785 Maintenance of Structures and Improvements	a an an an an an an an an an an an an an	
51	786 Maintenance of Extraction and Refining Equipment.		
52	787 Maintenence of Pipe Lines		
63	788 Maintenance of Extracted Products Storage Equipment		
54	789 Maintenance of Compressor Equipment		
55	790 Maintenance of Gas Measuring and Regulating Equipment		
56	791 Maintenance of Other Equipment		
57	TOTAL Mainténarice (Total of línes 49 thru 56)		
58	TOTAL Products Extraction (Total of lines 47 and 57)		
59	C. Exploration and Development		
60	Operation		
61	709 Delay Remais		
62	796 Nonproductive Well Drilling		
63	797 Abandoned Leases	مېر د د د د د د د د د د د د د د د د د د د	
64	798 Other Exploration		
65	TOTAL Exploration and Davelopment (Total of lines 61 thru 64)	م م المراجع المراجع المراجع المراجع المراجع المراجع المراجع المراجع المراجع المراجع المراجع المراجع المراجع المراجع	
58	D. Other Gas Supply Expenses		
67	Cperation		
	Page 317		

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Line No.	Account (a)	Amount for Current Year {b}	Amount for Previous Year (C)
68	80G Natural Gas Well Head Purchases		
69	800, 1 Natural Gas Well Head Purchases, Intracompany Transfers		
70	B01 Natural Gas Field Line Furchoses	45,247,461	72,476,022
71	802 Netural Gas Gaspline Plant Outlet Purchases		
72.	803 Natural Gas Transmission Line Purchases		
73	804 Natural Gas City Gate Purchases	516	493
74	804.1 Liquefied Natural Gas Purchases	an	nan karan mana karan yan karan karan karan karan karan karan karan karan karan karan karan karan karan karan ka Karan karan karan karan karan karan karan karan karan karan karan karan karan karan karan karan karan karan kara
75	805 Other Gas Purchases	1,589,480	(1,771,471)
76	(Less) 805.1 Purchases Gas Cost Adjustments	af da an ann an Ann an Ann an Ann an Ann an Ann an Ann an Ann an Ann an Ann an Ann an Ann an Ann an Ann an Ann	manaza romulanar ramalumar ramayakar ramalayak romulayakar mahayakar mahayakar mahayakar roma
-77	TOTAL Purchased Gas (Totel of lines 56 thru 75)	47,837,457	70,707,044
78	808 Excharge Gas		
79	Pizchäßed Gas Expenses		1
80	807,1 Well Expense-Purchaged Gas		
8:1	807,2 Operation of Purchased Gas Measuring Stations	221,962	215,027
82	807.3 Maintenance of Purchased Gas Measuring Stations	(59,495)	162,012
83	807.4 Furchasad Gas Calculations Expenses		
64	307.5 Other Purchased Gas Experises	268,478	254,545
85.	TOTAL Purchased Gas Expenses (Total of lites 90 thru 84)	433,945	.631,584
86	8Ge. I Gas Withdrawn (rom Storage-Debit		
87	(Lass) 809.2 Gas Delivered to Storage-Oredit		
88 88	809.1 Withdrawals of Liquefied Netural Gas for Processing-Debil		
80	(Less) 809.2 Delivaries of Natural Gas for Processing-Credit		
90	Gas used in Utility Operation-Credit		
91	810 Gas Lised for Compressor Station Fuel-Credit		
92	811 Gas Used for Products Extraction-Credit		
93	812 Gas Used for Other Utility Operations-Credit		
94	TOTAL Gas Used in Utility Operations-Credit (Total of lines 91 thru \$3)		
95	813 Other Gas Supply Expenses		
96	TOTAL Other Gas Supply Exp. (Total of lines 77,78,85,96 thru 89,94,95)	48,271,402	71,338,628
97	TOTAL Production Expansos (Total of lines 3, 30, 58, 65, and 96)	49,352.546	72,958,998
<u>9</u> 8	2, NATURAL GAS STORAGE, TERMINALING AND PROCESSING EXPENSES	naus	
99 99	A, Underground Storage Expenses	n nga saman ka sa sa sa nga sa sa sa sa sa sa sa sa sa sa sa sa sa	
100	Operation		
101	814 Operation Supervision and Engineering		
102	B15 Maps and Records		
103	E16 Wells Expenses		
	Page 317	······································	

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 135 of 193

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
104	817 Lines Expense		
105	818 Compressor Station Expenses		
106	619 Compressor Station Fuel and Power		
107	920 Méasuring and Regulating Station Expenses		
109	621 Purification Expenses		Nation
109	522 Exploration and Development		
110	B23 Gal Losses	(2).	(2)
111	624 Other Expenses	san san san san san san san san san san	**************************************
112	825 Storaga Well Royatties		, <b>29</b> million - 18 <b>9</b> a ann an 19 million - 18 a ann an 19 million - 19 ann ann an 19 million - 19 ann ann an 19 million - 19 million
113	,828 Renis,		anth <b>e -</b> annound a
114	TOTAL Operation (Totel of lines of 101 thru 113)	(2)	{2}
115	Maintenancé.		Halanin Berne Vilalanie V − Vilalanie V VII v Vilalanie V V VII v Vilalanie V VII v VII v VII v VII v VII v VII V VII v VII v VII v VII v VII v VII v VII v VII v VII v VII v VII v VII v VII v VII v VII v VII v VII v VII v V
116	830 Maintenance Supervisión and Engineering		
117	B31 Maintenance of Structures and Improvements		
118	832 Maintenance of Reservoirs and Wells	· · · · · · · · · · · · · · · · · · ·	,
119	833 Maintenance of Lines		manus ar - manus ar analist of a salitude - calify ar - manus ender an instant - manufar - ma
120	634 Maintenance of Compressor Station Equipment	er	
121	636 Maintenance of Measuring and Regulating Station Equipment		- <b>W</b> - 1997
122	836 Maintenarice of Puntication Equipment	inne - runniv <del>an</del> - unnur unn <del>ur -</del> runnur - runnik runnur runnik ru	<b>V<sup>1</sup> ····································</b>
123	837 Maintenance of Other Equipment		
124	-TOTAL Maintenance (Total of lines 118 thru 123)		ninger vanninger enninger vannger vanner en in de service en inder vannger en inder vannger van inder van inder
125	TOTAL Underground Storage Expenses (Total of lines 114 and 124)	(2)	(2)
125	B. Other Storage Expenses		
127	Operation		
128	840 Operation Supervision and Engineering		
129	841 Operation Labor and Expenses		
13C	842 Rents		
131	342.1 Fud		
132	842.2 Power		
†33	842.3 Gas Losses		
134	TOTAL Operation (Total of lines 128 thru 133)		
135	Majnienance		
136	843,1 Mälittenance Supervision and Enginèering		
137	843.2 Maintenance of Structures		
138	B43,3 Meintenance of Gas Holders		
1 <u>3</u> 8	843,4 Maintenarice of Purification Equipment		
	Page 317		

# KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 136 of 193

Line Na	Account (a)	Amount for Current Year (b)	Amount for Prévious Year (¢)
140	843.5 Maintenance of Liquelociton Equipment		
141	843.0 Maintenarice of Vaporizing Equipment		
142	843.7 Maintenance of Compressor Equipment		
143	843.8. Maintenance of Mezsuring, and Regulating Equipment		
144	843.9 Malintenance of Other Equipment	an an an an an an an an an an an an an a	et hinnes and a france a set this in a second of the second second second second his second
145	TOTAL Maintanance (Total of lines 138 thru (44)	anna ()),	
146	TOTAL Other Storage Expenses (Total of lines 134 and 145)		
147	C. Liquefied Natural Gas Terminaling and Processing Explanses	na se na se na se na se na se na se na se na se na se na se na se na se na se na se na se na se na se na se na	
148	Dperation	n alexa - consulvas	
149	844.1 Operation Supervision and Engineering		, ματοπολογιατικό τη ματική τη ματική τη ματική τη ματική τη ματική τη ματική τη ματική τη ματική τη ματική τη Για προφοριάταται τη ματική τη ματική τη ματική τη ματική τη ματική τη ματική τη ματική τη ματική τη ματική τη μ
150	844.2 LNG Processing Terminal Labor and Expenses		
151	844.3 Liquefaction Processing Labor and Expenses	n====k+y+111 / m=== +2+111 / m=== +2+111 / m=== +2+1+11 / m=== +2+1+11 / m=== +2+2+1+11 / m=== +2+2+1+11 / m=== +2+2+1+11 / m=== +2+2+1+11 / m=== +2+1+11 / m== +2+1+11 / m==	0
152	844;4 Liquefaction Transportation Labor and Expenses	an an an an an an an an an an an an an a	
153	844.5 Measuring and Regulating Labor and Expenses,		
154	844.6 Compressor Station Labor and Expenses		
155	844.7 Communication System Expenses	анна — дуу орно - ре- ница - дани орно - орно - ница - бали - ница - бали - ница - бали - орно - орно - орно -	
156	844,8 System Control and Load Dispetching	ningen van de service and and and and and and and and and and	ron versioner realizer realizer roomaan root vers roommer monitore roomaa
157	345.1 Fuel		
150	845.2 Power		
159	845.3 Renta		
160	845.4 Demurrage Charges		
761.	(less) 545.5 Wharlage Receipts-Credit		
182	845.6 Processing Liquefied or Vaporized Gas by Others		
183	843.1 Gas Losses		
164	848,2 Othor Expenses		
165	TOTAL Operation (Total of lines 149 thru: 184)		
156	Maintenance		
167	847,1 Maintenance Supervision and Engineering		
168	547.2 Maintenance of Structures and Improvements	ֈֈֈՠՠՠ֎֍֎ՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠՠ	
169	847.3 Maintánanca of LNG Processing Terminal Equipment		
170	847.4 Maintenance of LNG Transportation Equipment		
171	847,5 Maintenance of Measuring and Regulating Equipment	**************************************	
17 <u>z</u>	847.6 Maintenance of Compressor Station Equiprient		
173	847.7 Maintenance of Communication Equipment		
174	647.8 Maintenance of Other Equipment		
175	TOTAL Maintenance (Total of linea 167 thru 174)	<mark>ne (y, 1</mark> 11111111111111111111111111111111111	
1	Page 317		

### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 137 of 193

Line No.	Account (a)	Amount for Current Year (D)	Amount for Previous Year (C)
17.8	TOTAL Liquefied Nat Gas Terminating and Proc Exp (Total of lines 165 and 175)		
177	TOTAL Natural Gas Storage (Total of lines 125, 145, and 178)	(2)	(2)
178	3, TRANSMISSION EXPENSES		
179	Operation	······································	
160	850 Operation Supervision and Engineering	2,586	2,522
181	851 System Control and Load Dispatching		a a a a a a a a a a a a a a a a a a a
182	852 Communication System Expenses		un 1997 - En en en en en en en en en en en en en en
193	853 Compressor Station Labor and Expenses		, , , , , , , , , , , , , , , , , , ,
184	854 Gas for Compressor Station Fuel	annan Aranında - Annada - Annada - Annada - Annada - Annada - Annada - Annada - Annada - Annada - Annada - Anna I	na na fallan ana ang sa sa sa sa sa sa sa sa sa sa sa sa sa
185	955 Other Fuel and Power for Compresson Stations		¥YNNESSEE - HENESSE
186	856 Meins Expenses	999 - 1999	re-elle - affile - endde - elliddor - and e - endder - enddar - moddar - moddar - moddar - mod
187	857 Measuring and Regulating Station Expenses	an anna canna anna anna anna annana anna anna anna anna anna anna anna anna anna anna anna anna anna anna anna	
188	858 Transmission and Compression of Gas by Others		,
159	659 Otihar Expenses	3,990	16,264
190	B60 Rents	alan de Star e Hanne of the second star and the second star	
191	TOTAL Operation (Total of lines \$80 thin 190)	6,576	18,786
192	Maimenance		
193	981 Mainteniance Supervision and Engineering	a a construction of the second second second second second second second second second second second second sec	<b>a</b> yının <u>azərdən azərək azərin azərin azərin azərin azərin azərin azərin azərin azərin azərin azərin azərin azərin</u>
194	862 Maintenance of Structures and Improvements		. A 1999
195	863 Maintenance of Mains	179,323	451;B21
196	964 Mainlenance of Compressor Station Equipment	anna a fhlinn a shi a ann a san Alla a san Alla a san Alla an sa an Alla an sa ann Alla a sa	anida — milita i a constanto com militar a ministra com nulle accordina accordina di anti a constitui a constit
107	856 Maintenance of Measuring and Regulating Station Equipment	y y faith an an an an an an an an an an an an an	
198	866 Maletenance of Communication Equipment	₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩	<u></u>
199	867 Meinlanance of Other Equipment	· · · · · · · · · · · · · · · · · · ·	adin adili en endetar encete multirar encetar endeter analar endeter endeter e
200	TOTAL Maintenance (Total of lines 193 Jhn 198)	170,323	451,821
201	TOTAL Transmission Expenses (Total of lines 191 and 200)	176,899	470,607
202	.4. DISTRIBUTION EXPENSES	THE EXCENTION CONTRACT TRACES CONTRACTOR AND CONTRACTOR TRACES	H <b>F YELY MANY UK</b> - FANILLE <u>HE MANINGKO FANILLUK FERNANDUK FERNANDUK FERNANDUK FERNANDUK FERNANDUK FERNAND</u>
203	Operation		
204	870 Operation Supervision and Engineering		AANNE 27 - TANNY 12 - TAANNA 12 - TANNY 12 - TANNY 12 - TAANY 12 - TAANY 12 - TAANY 12 - TAANY 12 - TAANY 12 - T
ZQ5	871 Distribution Load Dispatching	337,062	299,962
205	872 Compressor Station Labor and Expenses		***************************************
207	873 Compressor Station Fuel and Power		nharr - manifester er menskeler - r menskeler - manifester - manifester - remenska r - manifester - remenska - r
208	874 Mains and Services Expenses	1,147,904	1,449,166
20 <u>9</u>	875 Measuring and Regulating Station Expenses-General	208,905	136.207
210	878 Measuring and Regulating Station Expenses-Industrial	48,235	32,835
211	877 Measuring and Regulating Station Expenses-City Gas Check Station		
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Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (¢)
212	878 Meller and House Regulator Expenses	547,643	427,848
213	879 Customer Installations Expenses	1,335,689	1,370,158
214	680 Olher Expenses	1,903,858	1,540;332
215	881 Rents		
216	TOTAL Operation (Total of lines 204 thru 215)	6,523,598	5,264,508
217	Maintenanco		
218	885 Maintenance Supervision and Engineering		₽₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩
219	886 Maintenance of Structuros and Improvements		na na ann an Anna ann an Anna ann an Anna ann an Anna ann an Anna ann an Anna ann an Anna ann an Anna ann an An
220	997 Mainlenance of Mains	942,393	715,212
221	888 Maintenance of Compressor Station Equipment		
222	869 Maintenance of Measuring and Regulating Station Equipment-General	82,499	33,839
723	890 Maintenance of Moos, and Reg. Station Equipment-Industrial		
224	291 Maintonance of Meas, and Reg. Station Equip-City Gato Check Station		ν τα πατοπολογιατικό το προγραφικό το προγραφικό το προγραφικό το προγραφικό το προγραφικό το προγραφικό το προ Γ
225	882 Maintenance of Services	B53,076	958,307
225	893 Maintenance of Meters and House Regulators	49,305	113,732
227	894 Maintenance of Other Equipment	108,995	23,01 <del>6</del>
Z26	TOTAL Maintenance (Total of lines 219 thru 227)	2,135,269	1,844,908
229	TOTAL Distribution Expenses (Total of lines 216 and 228)	7,884,865.	7,109,415
230	5. CUSTOMER ACCOUNTS EXPENSES		
231	Operation		
232	301 Supervision	138,170	167,421
233	902 Meter Reading Expenses	11,204	18,214
234	303 Customer Records and Collection Expenses	2,695,533	2,635,087
235	9D4 UncoBettible Accounts	295,003	43,338
236	905 Miscellaneous Customer Accounts Expenses	89.	\$14
237	TOTAL Customer Accounts Expanses (Total of lines 232 Ibru 236)	3,139,999	2,564,174
238	8, CUSTOMER SERVICE AND INFORMATIONAL EXPENSES		
239	Operation		
240	907 Supervision		
241	908 Customer Assistance Expenses	169,117	170,461
242	S09 Informational and Instructional Expenses	4,106	4.324
243	910 Miscellaneous Customer Service and Informational Expanses	532,875	377,065
244	70TAL Customer Service and Information Expanses (Total of lines 240 thru 243)	80 <del>0</del> ,098	551,B51
245	7. SALES EXPENSES		
246	Operation		
247	D{1 Supervision		
	Page 317		

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Line No.	Account (8)	Amount for Gurrent Year (b)	Amount for Previous Year (c)			
240	B12 Demonstrating and Selling Expenses	73,217	342,661			
249	913 Advertising Expenses	810	7,097			
250	916 Miscellancous Sales Expenses					
251	TOTAL Solve Expenses (Total of lines 247 thru 250)	74,027	349,758			
252	8. ADMINISTRATIVE AND GENERAL EXPENSES					
253	Operation					
254	920 Administrative and General Salades	2,209,961	2,667,009			
255	921 Office Supplies and Expenses	1,495,522	1,552,765			
256	(Less) D22 Administrative Expenses Transferred-Credit					
257	923 Outside Services Employed	715,885	875,6 <b>54</b>			
258	924 Property Insurance	69,755	73,882			
259	925 Injuries and Damages	241,305	<b>\$</b> 9,783			
260	926 Employee Pensions and Benefits	1,296,914	2,348,909			
261	927 Franchise Requirements					
262	928 Regulatory Commission Expenses	270,574	295,007			
263	(Less) 929 Duplicate Charges-Credit	602,115	1,079,826			
264	930, tGeneral Advertising Expenses	47,886	50,570			
265	B30.2Miscellaneous General Expenses	184,932	281,152			
286	933 Rents	856,088	723,702			
267	TOTAL Operation (Total of lines 254 thru 266)	6,804,707	7,695,407			
268	Mainlenance					
269	932 Maintenance of General Flont	39,639	20,974			
270	TO TAL Administrative and General Expenses (Total of lines 207 and 269)	6,844,346	7,918,381			
.271	TOTAL Gas OBM Expenses (Tota) of lines 97,177,201.229,237,244,251, and 270)	67,958,780	02,224,182			
1	Page 317					

FERC FORM No. 2 (12-96)

KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 140 of 193

Name of Respondent: Duke Energy Kenlucky, Inc.	This report is: (1) I An Original (2) A Resubmission	Dale of Repart: 194/25/2024	Year/Period of Report: End of: 2023/ Q4					
	FOOTNOTE DATA							
(g) Concept: ManufacturedGasProduction								
Gas Boller (José Kápánaos     0       Otter Possé Kápánaos     5.721       Ligalide Petroleans Gas     72,198       Ligalide Petroleans Gas     9       Kilso, Praduction Service     9       Kilso, Praduction Service     9       Kilso, Praduction Service     9       Totel Operation:     0       Totel Operation:     81,146	54,232 194,232 33,1583 1,3,725 1,257,303 93,580 0 1,661,588							
Production Edupment D Total Naislenance: D Total Manufactured Gas Production: 81,346	22, 624 28 (604 5,8 26 270							

FERC FORM No. 2 (12-86)

#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment ~ FERC Form 2 Page 141 of 193

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	e of Respondent: Energy Kenzycky, Inc	This report is; (1) An Original (2) A Resubmissio	Π	Date of Rep 04/25/2024		Year/Périòd of Re End of: 2023/.Q4	aport:			
[	Exchange and Imbalance Transactions 1. Report below details by zone and rate schedule concerning the gas quantities and related dollar amount of imbalances associated with system balancing and no-notice service. Also, report certificated natural gas exchange transactions									
	during the year. Provide subtotals fo	r schedule concerning the gas quantities for exchanges. If r imbalance and no-notice quantities for exchanges. If	oonar amayn on moaanoes associate respondent does not have separate zo	ines, provide	n bulancing and no-notice service (stals by rate schedule, Minor exc	hange transaction	icareo natural gas excinange transacions Is (less than 100,000 Dth) may be grouped.			
Line No.	Zone/Rate Schedule (a)	Gas Received from Others Amount (b)	Gas Received from Others (c)	Dıh	Gas Delivered to Others (d)	Amount	Gas Delivered to Others Dth (e)			
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Duke	e of Respondent: Energy Kentucky, Inc Report below details of credits during the year to Accounts B10, B11, a If any natural gas was used by the respondent for which a charge was	nd 812.	Used in Utility Operati	=	Yean/Period of Report: End of: 2023/ 0.4
Line No.	۲۰۰۰ - ۲۰۰۰	witten weiker weiker weiker weiker weiker weiker weiker von	Account Charge		Natural Gas Amount of Credit (in dollars) (d)
1	810 Gas Used for Compressor Station Fuel - Credit	MANNELLET THANKELLET THE NUCLEUM ANNOUS IS BEEN AND LET ANNOUS A COMMON			11
Z	811 Gas Used for Products Extráction - Credit				
3	Gas Shrinkege and Other Usago in Respondent's Own Processing -	Credit			
4	Gas Shrinkage, etc. for Respondent's Gas Processed by Others - Cru	eGt			
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Name Duke	i of Respondeni: Energy Kentucky, Inc	This report is: (1) I An Original (2) A Resubmission	Data of F 04/25/20		Year/Period of Report: End of: 2023/ Q4					
2.	Transmission and Compression of Gas by Others (Account 858)  1. Report below datails concerning gas transported or compressed for respondent by others equaling more than 1,000,000 Dth and amounts of payments for such services during the year. Minor items (less than 1,000,000) Dth may be grouped, Also, include in column (c) amounts paid as transition costs to an upstreem pipeline. 2. In column (a) give name of companies, points of delivery and receipt of delivery and receipt so that they can be identified readily on a map of respondent's pipeline system. 3. Designate associated companies with an astensk in column (b).									
Lîne No.	Name of Company and Description (a)	n of Service Performed	, (b)	Amount of Payment (c)	Dth of Gas Delive (d)	red				
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#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 144 of 193

Name of Respondent:     Duke Energy Kentucky, Inc       (2)     A Resubmis			ther Gas Supply Expenses (Ac	Date of Report: 04/25/2024 count 813)	Year/Period of Report: End of: 2023/ Q4				
·1.	1. Report other gas supply expenses by descriptive titles that clearly indicate the nature of such expenses. Show maintenance expenses, revaluation of monthly encreachments recorded in Account 117.4, and losses on settlements of imbalances and gas losses not associated with storage separately. Indicate the functional classification and purpose of property to which any expenses relate. List separately items of \$250,000 or more.								
Lìnë No,	Description (a)			Amount (in doll: (b)	{zıc				
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24			· · · · · · · · · · · · · · · · · · ·						
25	Total								

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Name of Respondent: Duka Energy Kentucky, Inc		This report is; (1) ☑ An Original (2) ☑ A Resubmission	Date of Report: 04/25/2024	Year/Period of Report: End of: 2023/ Q4					
	Miscellaneous General Expenses (Account 930,2)								
	Provide the information requested below on miscellaneous general exp For Other Expenses, show the (a) purpose, (b) recipient and (c) amount		ore however, amounts less than \$250,000 may	y be grouped if the number of items of so grouped is show	WT1.				
Line No.		Description Amov (a) (b)							
1	Industry association dues.								
2	Experimental and general research expenses								
2a	a. Gas Research Institute (GRI)	Gas Research Institute (GRI)							
2b	b. Olher								
3	Publishing and distributing information and reports to stockholders, th	istoe, registrar, and Iransfer agent fees and expenses, an	t other expenses of servicing outstanding secu	rities of the respondent					
4	Other expenses								
5	Business and Service Company Support			I	89,038				
Ġ	Dues and Subscriptions to Various Organizations				25,191				
7	Director's Fees and Expenses								
8	Shareholder's Communication/Systems 87								
9	Account Analysis Reconciliation Adjustments	Account Analysis Reconciliation Adjustments							
25	TOTAL	AL 194,932							

FERC FORM No. 2 (12-96)

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									No	
				This report is: (1)						
Name	e of Respondent:			🗹 An Origina	4	Date of Report:	Date of Report:		Yeax/Period of Report:	
Duke	Energy Kontucky, Inc			(2)		D4/25/2024		End of: 2023/ Q4		
				A Resubm	ission					
<u> </u>		Depreciatio	on, Depletion and	d Amortization	of Gas Plant (Accts 403, 404.1, 404.2, 4	404.3, 405) (Except Amortization of	Acquisitio	n Adjustnients)		
2.	Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown. Report in Section B; column (b) all depreciable or amortizable plant balances to which rates are applied and show a composite total. (If more desirable, report by plant account, subaccount or functional classifications other than these pre- printed in column (a). Indicate in a footnate the manner in which column (b) balances are obtained. If average balances are used, state the motion of averaging used. For column (c) report available information for each plant functional classification listed in column (a). If composite depreciation accounting is used, report available information called for in columns (b) and (c) on this basis. Where the unit-of-production method is used to determine depreciation charges, show in a footnote any revisions made to estimated gas reserves. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state in a footnote the amounts and nature of the provisions and the plant items to which related. Add rows as necessary to completely report at items to additional rows in sequence as 2.01, 2.02, 3.01, 3.02, etc.									
<u> </u>				Section /	A. Summary of Depreciation, Depletion	, and Amortization Charges		······································		
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Amortization Asset Retire (Accoun (c	ment Costs t 403.1)	Amortization and Depletion of Producing Natural Gas Land and Land Rights (Account 404.1) (d)	Amortization of Underground Storage Land and Land Rights (Account 404.2) (e)	Limite	tization of Other d-term Gas Plant ccount 404.3) (f)	Amortization of Other Gas Plant (Account 405) (9)	Total (b tò g) (h)
1	Intangible plant					3,239,473			· · · · · · · · · · · · · · · · · · ·	3,239,473
2	Production plant, manufactured gas	(13)								(13)
3	Production and Gathering. Plant									
4	Products extraction plant									
5	Underground Gas Storage Plant (focinote details)									
6	Other stornge plant									
7	Base foad LNG terminaling and processing plant									
B	Transmission Plant									
9	Distribution plant	17,297,783								17,297,783
10	General Plant (looIncle details)	100,229				982,135				1,082,363
11	Common plant-gas	94,025								84,025
12	Total	17,492,023				4,221,608				21,713,631

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		This report is:						
Nams	e of Respondent;	An Original		Date of Report:		Yean/Period of Report.		
Duke	Energy Kentucky, Inc	(2)		04/25/2024		End of: 2023/ Q4		
		A Resubmin	5sion					
	Depreciation, Depintion and	Amortization	of Gas Plant (Acets 403, 404.1, 404.2, 40	04.J, 405) (Ex	cept Amorization of Acquisitio	n Adjustments)		
2.	<ol> <li>Report in Section A the amounts of depreciation expense, depletion and amortization for the accounts indicated and classified according to the plant functional groups shown.</li> <li>Report in Section B, column (b) all depreciation or functional classifications other than those pre- printed in column (c). Indicate in a foolnate the manner in which column (b) balances are obtained. If average balances are used, state the method of averaging used. For column (c) report available information for each plant functional classification in column (a). Indicate in a foolnate the manner in which column (b) balances are obtained. If average balances are used, state the method of averaging used. For column (c) report available information for each plant functional classification levels and show a composite total. (c) on this basis. Where the unit-of-production method is used to determine depreciation charges, show in a footnote any revisions made to estimate gas reserves.</li> <li>If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state in a footnote the amounts and nature of the provisions and the plant items to which related.</li> <li>Add rows as necessary to completely report all data. Number the additional rows in sequence as 2.01, 2.02, 3.01, 3.02, etc.</li> </ol>							
		Se	ction 6. Factors Used in Estimating De	preciation Ch	iarges	۲۰۰۰ ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲ ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ - ۲۰۰۰ -		
Line No.	Functional Classification (a)		Plant Bases (in thousands (b)	5)	Applied Da	preciation or Amerization Rates (percent) (c)		
1	Production and Gathering Plant		διατικά το εία χρημικό στο τη χειαί και οι παγχητικά στο εληματικά κατα γρημητικά στο τη Αργαμικά στο τη Αργα Ι			Manter en an anti-anti-anter en anti-anti-anter en anti-anti-anter en anti-anter en anti-anter en anti-anter en		
2	Offshore (footnote details)							
з	Onshore (footnote details)							
4	Underground Gas Storage Plant (footnote details)							
5	Transmission Plant							
6	Offshore (footnote details)							
7	Onstore (feetnote dotails)							
8	General Plant (foolnote details)			4,583		7:29%		
9	Distribution Plant	478,079			2.24%			
10	Other Storage Plant							
11	Intangible Flant			9,654		M0%		
12	Gas - Manufactured Production Flant			7,702		7.9%		

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Name of Respondent: Duke Energy Kentucky, Inc	This report is: (1) ☑ An Original (2) ☑ A Resubmission	Date of Report: 04/25/2024	Yéar/Period of Report: Eridiof: 2023/ D4					
FOOTNOTE DATA								

(a) Concept: AppliedDepreciationOrAmonizationRates

Intangible plant is amortized over 3, 5, 10, and 15 years. FERC FORM No. 2 (12-96)

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	a of Respondent; Energy Kentucky, Inc	This report is; (1) ② An Otiginal (2) □ À Resubmission	Date of Report: 04/25/2024	Yeàr/Period of Report: End of:2823/ Q4						
[		Particulars Concerning Contain Income Deductions a	and Interest Charges Accounts							
1	eport the information spacified below, in the order given, for the respective income deduction and interest charges accounts. a. Misoglaneous Amortization (Account 425)-Describe the nature of items included in this accound, the cointra account charged, the total of amortization charges for the year, and the period of amortization.									
b. c.	<ul> <li>a. Misoplaneous Amortization (Account 420-Describe the nature or mens included in the account, the constra account charged, the total of amortization charges for the year, and the pendit of amortization.</li> <li>b. Misoplaneous income Deductions-Report the nature, payee, and amount of other income deductions for the year as required by Account 426.1, Donations; 426.3, Penalties; 429.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts Antomic of leas than \$250,000 may be grouped by classes within the above accounts.</li> <li>c. Interast on Debt to Associated Companies (Account 430)-For each associated company that incurred interest on debt during the year, indicate the amount and interest me respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (a) other dobt, and total interest, Explain the nature of other debt on which Interest was incurred during the year.</li> <li>c. Other Interest Expense (Account 431) - Report details including the amount and interest rate for other interest charges incurred during the year.</li> </ul>									
L'ma No.		ltem (a)			Amount (b)					
1	Account 425 - Miscellaneous Amortization		dezen - ennen darre - ennen detee - ennen var - ennen lieden - ennen dere - ennen dere - ennen dere - ennen de							
2	an	nnand 98 - manna a San ann an Anger - ann a' san a' ann an Anger - manna Anger - ann an Anger - ann an san an			·····					
3	φοργαλλατική ματική τη πορογιατική που τη πορογιατική του πορογιατική του πορογιατική του πορογιατική του πορο - - -	,	ann - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Thurson - <sup>199</sup> Th	er "YYNNIdaane gyddinaan e r i Malaare e gynnalaar y Yddia						
4										
5	TOTAL Account 425 - Miscellenbous Amontization									
5	Account 426,1 - Donations									
7	Customer Assigtance Programs									
8	literns Under Threshold									
Ó	TOTAL Account 426.1 - Donations				600,957					
10	Account 426,2 - Life Insurance									
11	Life Insurance Expense									
12	TOTAL Account 426,2 - Life Insurance									
13	Account 426:3 - Penalties	nePUIII	···							
14	Settlement Agreement									
15	Items Under Threshold									
16	TOTAL Account 426.3 - Penarties	- 	na an in the second second second second second second second second second second second second second second							
17	Account 426.4 Expenditures for Certain Civic; Political, and Related A	cuvities								
18	Civil, Political & Related Activities	An fa gan an an an an an an an an an an an an a	· · · · · · · · · · · · · · · · · · ·		751,685					
19	Total Ascount 426.4 - Expendities for Certain Civic, Political, and Refe	aled Activities			751,885					
20	20 Account 425.5 - Other Deductions									
21										
22										
23										
24										
25										
26	Money Fool - Duke Energy Kentucky to Duke Energy Corporation				5,715,418					
		Page 340								

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Líne No.	ltem (a)	Amount (b)
27	Money Pool - Duke Energy Kentucky to Duke Energy Progress	80,380
28	Money Pool - Duke Energy Kéntücký to Duke Energy Carolinas	40,027
29	Money Pool - Duke Energy Kentucky to Duke Energy Florida	127,879
30	Money Pool - Duke Energy Kentucky to Pladmont Natural Gas	
31	Money Pool - Dute Energy Kentucky to Duke Energy Indiana	2,564
32	Money Popl - Duke Energy Kentucky to Duke Energy Ohio	196,456
33	liema Under Threshold	1
34	TOTAL Account 430 - Interest on Debt to Associated Companies	6,162,745.
35	Account 431 - Other interesi Expense	
38	Swäp Net Interast	93,970
37	Credit Facility	553,152
30	Interest-Assigned from Service Company	1,306,173
39	Customer Service Deposits @ 65% Annum	.360,314
40	Coat Ash Equity Return	(191,51))
41	liems Under Threshold	92,415
42	TOTAL Account 431 - Other Interest Expense	2,214,513
	Page 340	

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Line         Display Commission of regulatory Commission of the deckt or case in the case in the case intermed wind deckt or case in the case intermed wind deckt or case intermed wind deckt wind wind wind deckt or case in		Name of Respondent: Duke Energy Kentucky, Inc				This report is: (1) 2 An Original (2) A Resubmission					Year/Period of Report: End of⊭2023/ Q4		
2. In Solution (1) and (2), indicide whether fine expensions were accessed by a regulatory body or were otherwise incards (1) of the profile and charmed later.       2. Biochim (1) and (2), indicide whether fine expensions shared being in expension.       2. Biochim (1) (2), and (2) (2), profile and (2), profile						Regulator	y Commission Expens	es (Account 926)					
Line bodyDescriptions regulatory commission under and absorption (b)Expression regulatory (c)Expression top (b)Expression regulatory (c)Expression regulatory (c)Expression regulatory (c)Expression regulatory (c)Expression regulatory (c)Expression 	2. 3. 4. 5.	<ol> <li>in column (b) and (c), indicate whether the expenses were assessed by a regulatory body or were otherwise incurred by the utility.</li> <li>Show in column (k) any expenses incurred in prior years that are being amortized, List in column (a) the period of amortization,</li> <li>Identify separately all ennual charge adjustments (ACA).</li> <li>List in column (b) (g), and (h) expenses incurred during year which were charges currently to income, plant, or other accounts.</li> </ol>											
1       Commission:       Image: Commission:       Image: Commission:       Commission:<		of regulatory commission or body the docket or case number and a description of the case)	Regulatory Commission	of Utility	Expenses to Data	Account 162.3 at Beginning of Year	During Year Charged Currently To Department	incurred During Year Charged Currently To Account No.	Incurred During Year Charged Gurrently To Amount	Incurred During Year Deferred to Account 182:3	During Year Contra Account	During Year Amount	
3       Ragulatory Fee - Electric       576,839       177,504       Electric       928       576,839       177,504       177,504         4       Raguest for Rate increase- Electric Case No. 2017- D0221       78,860       78,860       63,799       Electric       928       78,800 $78,800$ $78,600$ $89,600$ $89,200$ $89,200$ $89,200$ $89,200$ $89,200$ $89,200$ $80,000$ <th< td=""><td>1</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></th<>	1												
Request for Rate Increase - Electric Case No. 2017- D0.21         Request for Rate Increase - Gas Case No. 2017-00241         Request for Rate Increase - Gas Case No. 2017-00241         S1.031         S1.031         S1.69.276         Gas         928         S1.031         S1.031         S1.031         S1.032         S1.031	2	Regulatory Fee - Gas	175,357		175,357		Gas	D28	175,357				
4       Eachtr. Case No. 2017- 0021       78,890       78,890       83,790       Electric       928       79,000       78,000       (15,10)         5       Request for Rate Increase- Electric Case No. 2019- 00271       51,031       51,031       159,276       Gas       928       51,031       51,031       107,24         6       Request for Rate Increase - Electric Case No. 2019- 00271       67,833       180,264       Electric       928       67,833       112,45         7       Request for Rate Increase - Electric Case No. 2019- 00271       67,833       180,264       Electric       928       67,833       67,833       112,45         7       Request for Rate Increase - Electric Case No. 2019- 00271       67,833       144,939       302,639       Gas       928       67,833       112,45         7       Request for Rate Increase - Electric Case No. 2021-00100       44,939       302,639       Gas       928       44,939       24,939       287,70         8       Request for Rate Increase - Electric Case No. 2022- 00372       15,676       15,676       15,676       Electric       928       7,247       469,710       27,359       469,76         9       Mise. Legal Expenses:       10       Gas Other       7,247       Gas       928 <td< td=""><td>Э</td><td>Regulatory Fee - Electric</td><td>576,839</td><td></td><td>576,839</td><td>177,504</td><td>Electric</td><td>928</td><td>575,830</td><td></td><td></td><td></td><td>`177<b>,50</b>4</td></td<>	Э	Regulatory Fee - Electric	576,839		576,839	177,504	Electric	928	575,830				`177 <b>,50</b> 4
3       Gas       Gas       Gas       S1,031       Tad/278       Gas       S28       S1,031 <td>4</td> <td>Electric Case No. 2017-</td> <td></td> <td>78,890</td> <td>78,890</td> <td>63,790</td> <td>Electric</td> <td>928</td> <td>78,890</td> <td></td> <td></td> <td>78,690</td> <td>(15,100)</td>	4	Electric Case No. 2017-		78,890	78,890	63,790	Electric	928	78,890			78,690	(15,100)
6       Electric Case No. 2019- $00271$ 87,833 $67,833$ $180,284$ Electric $928$ $67,833$ $67,833$ $112,45$ 7       Request for Rate Increase - Gas Case No. 2021-00100       44,930 $44,930$ $302,639$ Gas $928$ $44,939$ $44,939$ $44,939$ $44,939$ $44,939$ $44,939$ $44,939$ $44,939$ $257,70$ 8       Request for Rate Increase - Gas Case No. 2021-00100       15,676 $15,676$ $15,676$ $15,676$ $928$ $15,676$ $497,110$ $27,359$ $469,76$ $469,76$ 9       Misc. Legal Expenses: $15,676$ $15,676$ $15,676$ $15,676$ $63s$ $928$ $15,676$ $497,110$ $27,359$ $469,76$ 9       Misc. Legal Expenses: $15,676$ $15,676$ $15,676$ $63s$ $928$ $7,247$ $100$ <td>5</td> <td></td> <td></td> <td>51,031</td> <td>51,031</td> <td>158;278</td> <td>Gas</td> <td>928</td> <td>51,031</td> <td></td> <td></td> <td>51,031</td> <td>107,247</td>	5			51,031	51,031	158;278	Gas	928	51,031			51,031	107,247
1       Gas Case No. 2021-00100       44,930       44,939       302,639       Gas       928       44,939       44,939       257,70         8       Request for Rate Increase - Electric Case No. 2022- 00372       15,676       15,676       15,676       15,676       928       15,676       497,110       27,359       469,76         9       Misc. Legal Expenses:       0 <td< td=""><td>6</td><td>Electric Case No. 2019-</td><td></td><td>67,833</td><td>67,833</td><td>180,284</td><td>Electric</td><td>928</td><td>67,833</td><td></td><td></td><td>67,833</td><td>112,451</td></td<>	6	Electric Case No. 2019-		67,833	67,833	180,284	Electric	928	67,833			67,833	112,451
8       Elactric Dase No. 2022- 00372       15,676       15,676       15,676       15,676       928       15,676       497,110 $27,359$ 469,75         9       Misc. Legal Expenses:  <	7			44,930	44,939	302,639	Gas	928	44,939			44,939	2 <del>5</del> 7,700
Image: Note of the state of the st	8	Electric Dase No. 2022-		15,676	15,676		Eléciric	928	15,676	497,110		27,359	469,753
11         Electric - Transmission         8,030         8,030         Electric         928         8,030         6000 <t< td=""><td>9</td><td>Misc. Legal Expenses:</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>	9	Misc. Legal Expenses:											
12         Electric - Other         (3,724)         (3,724)         Electric         928         (3,724)         (3,724)         (3,724)           25         TOTAL         752,195         269,622         1,022,118         882,495         1,022,118         407,110         270,052         1,109,55	10	Gas - Other		7,247	7,247		Gas	928	7,247				
25 TOTAL 752,185 269,622 1,022,118 882,495 1,022,118 407,110 270,052 1,109,55	11	Electric - Transmission		8,030	6,030		Electric	928	8,030				
	12	Electric - Other		(3,724)	(3,724)		Elecific.	928	(3,724)				·····
	25	TOTAL	752,195	269,922	1,022,118	882,495			1,D22,118	407,110		270,052	1,109,553

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Name of Respondent: Duke Energy Kentucky, Inc		This report is: (1) An Original (2) A Resubmission	Date of Report: 04/25/2024	Year/Period of Report: End of: 2023/ 04			
		Employee Pensions and Banefits (	Account 926)				
	Report below the items contained in Account 928, Employee Pensions	and Benefils.					
Line No.		Expense (a)		Amount (in dollars) (b)			
1	Pensions - defined benafit plans	ar en human an president a se a ferrar de la ferrar de la ferrar de la ferrar de la ferrar de la ferrar de la f		(193,323)			
2	Pensions - other			382,767			
3	Post-retirement benefits other than pansions (PBOP)			(85,708)			
4	Post-employment benefit plans			(48,022)			
5	Other (Specify)						
6	Medical and Dental			435,595			
7	Life Insurance			5,751			
B	Service/Safety Awards			4,554			
9	Other Work/Family Benefits/Tuilion		1,894				
10	Allocated S&E						
11	Benefits Distribution						
12.	Diher 35,						
40	Total		1,296,014				

FERC FORM No. 2 (NEW 12-07)

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<u> </u>		91911					
1		This report is: (1)					
Name of Respondent:		🗹 An Original		Date of Report:		Yean/Feriod of Report	
Duke Energy Kentucky, Inc (2)		(2)		04/25/2024		End of: 2023/ Q4	
		A Resubmission					
<u> </u>	+	Distribution	of Salaries and	Wages			·
Repo	n below the distribution of total salaries and wages for the year, Segreg	ate amounts originally charged to clearing	ig accounts to Úti	illy Departments, Construction,	Plant Removal	a and Other Accounta, and anter such amounts in	lhe
1	priate lines and columns provided. Salaries and wages balled to the Re-						
là dei numb	lermining this segregation of salaties and wages originally charged to cluster and sequentially starting with 75.01, 75.02, etc.	sating accounts, a method of approxima	tion giving substa	antially correct results may be u	sed. When repo	rting detail of other accounts, enter as many rows	as nocessary
Lína	ClassiRcation	Direct Payroli Distribution	Payroll Bille	d by Affiliated Companies	Allocation	of Payroll Charged for Clearing Accounts	Total
Na,	{a}	(b)		(c)		(d)	(e)
1	Elecuid						
2	Operation					24	
3	Freduction	4,653,352		2,662,341		246,356	7,562,049
4	Transmission	4,272		458,602		15,587	478,461
5	Dístribution	639,665		<b>9</b> 96,811		55/108	1,691,584
6	Customer Accounts	93,119		1,555,621	55,521		1,704,261
7	Customer Service and Informational			800,981	20,973		827,954
в	Sales						
9	Administrative and General	(614,421)		8,209,318	255,757		7,850,652
10	TOTAL Operation (Total of lines 3.thm 9)	4,775,987		14,583,672	655,302		20,114,951
11	Maintenance			**************************************		sur™™™™™™™™™™™™™™™™™™™™™™™™™™™™™™™™™™™™	
12	Production	2,217.363		3,077,271	******	1000.09999311100000099999311100000000000	5,294,634
13	Transmission	28,234		175,376			207,610
14	Disinibution	688;476		824,353			1,513,455
15	Administrative and General						
16	TOTAL Maintenance (Total of lines 12 thru 15)	Z,934,073		4,081,630			7,015,703
17	Total Operation and Maintenance						
18	Production (Total of lines 3 and 12)	6,870,715		5,739,612	,	248,356	12,858,683
<u>19</u>	Transmission (Total of lines 4 and 13)	32,505		637,978		15,587	685,071
20	Distribution (Total of lines 5 and 14)	1,329,141		1,821,794	· · · · · · · · · · · · · · · · · · ·	\$5,108	3,205,043
21	Customer Accounts (line 5)	93,119	1,555,821			55.521	1,704,261
22	Customer Service and Informational (line 7)			800,981		28,973	827,954
23	Salas (line 8)						
24	Administrative and General (Total of lines 9 and 15)	(614,421)		8,209,315		255,757	7,850,65Z
25	TOTAL Operation and Maintenance (Total of lines 18 thru 24)	7,710,060	18,765,302		2 655,30		27,130,664
26	Gas						
27	Operation						
28	Production - Manufactured Gas	72,156				315	72,471

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Line Na.	Classification (a)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (5)	Allocation of Payroll Charged for Clearing Accounts (d)	Total. (e)
29	Production - Natural Gas(Including Exploration and Development)				
30	Olher Gas Supply	496	345,832	1,514	347,542
31	Storage, LNG Terminaling and Processing		en musik ker en nusik - musik i en en nuki, - musik / en en dita en en dita en en dita en en dita en en dita en	nn - mhillinn - e mhaire - e Mallinn - e mhairt ann an Airte - e Mallinn - e Mhillinn - e	······································
32	Transmiasion	nn enninker ennehlne enkker enne≜n enner n	anna a' anna an an anna an anna anna an	ο τη ποροχοριά τη ποροχοριά τη ποροχοριά τη ποροχοριά τη ποροχοριά τη ποροχοριά τη ποροχοριά τη ποροχοριά τη πο Τη ποροχοριά τη ποροχοριά τη ποροχοριά τη ποροχοριά τη ποροχοριά τη ποροχοριά τη ποροχοριά τη ποροχοριά τη ποροχ	
33	Distribution	1,249,104	1,577,649	12,358	2,839,111
34	Customer Accounts	39,120	1,156,693	5,228	1,201,038
35	Customer Service and Informational		450,800	1,571	452,771
36	Salos	······································		та на водат и на селото на селото на на на на на на на на на на на на на	
37	Administrative and General	(293,422)	1,607,162	S,618	1,520,358
38	TOTAL Operation (Total of lines 28 thru 37)	1,067,454	5,338,133	28,004	6,433,591
39	Maintenance			**************************************	
4Ó	Production - Manufactured Gas	# y = = = = = = = = = = = = = = = = = =	na a the second second second second second second second second second second second second second second seco		
41	Production - Natural Gas(Including Exploration and Development)	Hann <b>a</b>		ayay Hitima and Witima and Hima and Hitima and Anna and Atom and an an and Atom and Atom and Atom and Atom and	
42	Other Gas Supply		nan e anna airse anna ann ann ann ann ann ann ann ann a	nn 272 - Fahren Mart - Fahren 127 - Fahren 127 - Fahren 127 - Fahren 127 - Fahren 127 - Fahren 127 - Fahren 127	,
43	Stomage, LNG Terminating and Processing	illidaa ah yoo ah yoo ah yoo ah yoo ah yoo ah yoo ah yoo ah yoo ah yoo ah yoo ah yoo ah yoo ah yoo ah yoo ah yo	en en en en en en en en en en en en en e	e - minister - ministra	
44	Transmission				
45	Distribution	243,029	463,217	mmaar <sup>an</sup> 1991 maa ay y 1991 maa ay y 1991 maa ay 1	706,246
46	Administrative and General	21,582	8,377		29,959
47	TOTAL Maintenance (Total of lines 40 libru 46)	264,311	471,594	Marrie	736,205
49	Total Operation and Maintenance		randistr - malake - malast - malast - malastr - malastr - malastr - malastr - malastr	randizer inndeme inndeze anderze inndeze inndeze manger inndeze manger manger manger inndeze andere inndeze man	
\$0	Production:-Manufactured Gas (Total of lines 28 and 40)	72,158	An a sea ann an Anna an Anna ann an Anna an Anna an Anna an Anna an Anna an Anna an Anna an Anna an Anna an Ann	315	72,471
51	Production - Natural Gas (Including Expl. and Dex.)(II. 29 and 41)	ي ماند منه الله الله الله الله الله الله الله ال			
52	Other Gas Supply (Total of lines 30 and 42)	496	345.832	1,514	347,842
53	Storage, LNG Terminaling and Processing (Total of II. 31 and 43)				
54	Transmission (Totel of lines 32 and 44)				
.55	Distribution (Total of lines 33 and 45)	1,492,133	2,040,656	12,355	3,545,357
56	Customer Accounts (Total of line 34)	39,120	1,156,690	5,228	1,201,038
57	Customer Service and Informational (Total of line 35)		.450,600	1,971	452,771
59	Sales (Total of line 36)				
69	Administrative and General (Total of lines 37 and 46)	(271,840)	1.815,639	6,518	1,550,317
60	Total Operation and Maintanance (Total of lines 60 thru 59)	1,332,065	5,809,727	28,004	7,169,796
61	Other Utility Departments				
52	Operation and Maintenance				
63	TOTALALL Utility Dept. (Total of lines 25, 80, and 62)	9,042,125	24,575,029	683,306	34,300,450
64	Utility Plant				
85	Construction (By Utility Departments)				
	, an 1997, and an an an an an an an an an an an an an	f	Page 354		

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Line No.	Classification (ů)	Direct Payroll Distribution (b)	Payroll Billed by Affiliated Companies (c)	Allocation of Payroll Charged for Clearing Accounts {d}	Total (e)
66	Electric Plant	<b>5,656,70</b> 7	8,701,413	722,931	15,060,951
67	Gas Plant	1,140,638	5,821,620	346,303	8,308,641
68	Other				
69	TOTAL Construction (Total of lines 66 linu 58)	6,797,345	15,523,033	1,069,214	23,389,502
70	Plont Removal (By Utility Deportments)				
7.1	Electric Plant	1,121,465	1,236,759		2,358,224
72	Gos Plant	209,367	500,713		710,080
73	Other				
74	TOTAL Plant Removal (Total of lines 71 thru 73)	1,330,832	1,737:472		3,008,304
75.1	Óther Accounts (Spécify)				
75,2	Projects For Duke's Subsidiaries & Merchandising		21,507		21,507
75,3	Other Work in Progress	(3,523,273)	3,774,025		250,752
75,4	Q(her Accounts	126;900	412,237		539,137
76	TOTAL Other Accounts	(3,396,373)	4,207,769		811,395
77	TOTAL SALARIES AND WAGES	<b>13,773,</b> 829	48,043,303	1,752,520	61,569,752
<u> </u>	······································	1	<sup>3</sup> age 354	·····	

FERC FORM No. 2 (REVISED)

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Name of Respondent: Duke Energy Kontucky, Inc		This report is: (1) An Original (2) A Resubmission	Date of Report: 04/25/2024	Year/Period of Report: End of: 2023/ 04				
		Charges for Outside Professional and Other	Consultative Services					
2. 3.	<ol> <li>Report the information specified below for all charges made during the year included in any account (including plant accounts) for outside consultative and other professional services. These services include rate, management, construction, engineering, research, financial, valuation, legal, accounting, purchasing, advertising, tabor relations, end public relations, rendered for the respondent under written or oral arrangement, for which aggregate payments were made during the year to any corporation pathership, organization of any kind, or individual (other than for services as an employee or for payments made for medical and related services) amounting to more than \$250,000, including payments for registrative services, except those which should be reported in Account 426.4 Expenditures for Certain Civic, Political and Related Activities. (a) Name of person or organization rendering services and in the year.</li> <li>Sum under a description "Other", all of the aforementioned services.</li> <li>Total under a description "Total", the total of all of the aforementioned services.</li> <li>Charges for outside professional and other consultative services provided by associated (affiliated) companies should be excluded from this schedule and be reported on Page 358, according to the instructions for that schedule.</li> </ol>							
Line No:		Description (a)		Amount (in dollars) (b)				
1	R B JERGENS CONTRACTORS INC		, , , , , , , , , , , , , , , , , , ,	7,093,230				
2	BURNS & MCDONNELL ENGINEERING CD INC			734,773				
.3.	MCKINSEY & COMPANY INC - UNITED STATES		295,83					
4	OROURKE WRECKING COMPANY		. 287,293					
5	Other		2,289,405					
6	TOTAL		10,700,534					

FERC FORM No. 2 (REVISED)

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Name	s of Respondent:	This report is: (1) 20 An Original	Date of Rep		Year/Period of Re	port;			
Duke	Energy Kentucky, Inc	/m	04/25/2024		End of: 2023/ Q4				
]		(2)			1				
Į	1	······································	1		l	- tull - turk - duk - turk duk - tulka - duka			
<u> </u>		Transactions with Associated (Affilia							
2. 3.	Report below the information called for concerning all goods or services Sum under a description "Other", all of the aforementioned goods and s Total under a description "Total", the total of all of the aforementioned go Where amounts billed to or received from the associated (efficience)	ervices amounting to \$250,000 or less. ods and services.							
Líne No,	Description of the Good or Service (a)	Name of Associated/Affiliated Com (b)	ban À	Account(6) Charged on (6)	Credited	Amount Charged or Credited (d)			
1	Goods or Services Provided by Alfiliated Company								
2	Sorvices Provided by Duke Energy Business Services	Duki Energy Business Services LLC		Vairiotis		107,111,261			
-3	Customer & Market Services	Duke Energy Carolinas, LLC		Various		7.012,863			
4	Generation Services	Duke Energy Carolinas, LLC	×*****	Various		1,021,584			
5	Other Goods and Sarvices	Duke Energy Carolinas, LLC	6/	Various		1,160,583			
6	Transmission and Distribution Services	Duka Energy Carolinas, LLC	Duka Energy Carolinas, LLC		1	1,359,231			
7.	Customer & Market Services	Duke Energy Progross, LLC	Duke Energy Progross, LLC			142,928			
.6	Generation Services	Duke Energy Progress, LLC		Various		139,630			
9	Other Goods and Services	Duke Energy Progress, LLC		Vañous		231,160			
10	Transmission and Distribution Services	Duke Energy Progress, LLC		Various		127,713			
11	Customor & Merket Services	Duke Energy Florida LLC.		Various		249.767			
12	Generation Services	Duke Energy Florida LLC		Vanous		23,156			
13 ·	Other Goods and Services	Duke Energy Florida LLC		≷¥arlau≉		1,174			
14.	Transmission and Distribution Services	Duke Energy Florida LLC		Various		1,451			
15	Customer & Market Sources	Duke Energy Indiana, LLC		Various		167,959			
.16	Generation Services	Duka Energy Indiana, LLC		Vañous		17,943,514			
17	Other Goods and Services	Doke Energy Indiana, LLC		Vanous		193,091			
16	Transmission and Distribution Services	Duke Energy Indiana, LLC		Vañous		<b>51,577</b>			
19	Customer & Markel Services	Duke Energy Ohio, LLC		Various		1,146,950			
20	Gas Distribution Services	Duke Energy Ohio, LLC		Various		1,805,645			
21	Other Goods and Services	Duke Energy Ohio, LLC		Various		1,590;389			
22	Transmission and Distribution Services	Duke Energy Ohic, LLC		Vaijous		8,633,907			
23	Gas Distribution Services	Duke Energy Ohio Com Pawer	و	Various		834			
<u>7</u> 4	Transmission and Distribution Services	Duke Energy Ohio Com Powar		Various		37,567			
25	Gas Distribution Services	Piedmont Naturel Gas Company Inc		Varieus		20,110,670			
26	Other Goods and Services	Duke Energy Commercial Enterprises		Various		142			
27	Officer Goods and Services	Duke Energy Carolinas, LLC		Various					
	Page 358								

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Ling No.	Description of the Good or Service (a)	Name of Associated/Affiliated Company (b)	Account(s) Charged or Credited (c)	Amount Charged or Credited (d)					
28	Ges Distribution Services	Duke Energy Progress, LLC	Various						
29	Transmission and Distribution Services	Duke Energy Business Services LLC	Various '						
19	TOTAL	, ματαγμάταμα τη προστραφική του ματική του που του που του που του που του που του που του που του που που που Το προστραφικό του που του που του που του που του που του που του που του που του που του που του που που που π							
20	Goods or Services Provided for Affiliated Company								
21	Customer and Market Services	Duke Energy Carolinas, LLC	Various	(1,3)					
22	Gas Distribution Services	Duke Energy Czrolinas, LLC	Various	204					
23	Generation Services	Duke Energy Carolines, LLC	Various	1.204					
24	Other Gooda and Services	Duke Energy Carolinas, LLC	Various						
25	Transmission and Distribution Services	Duke Energy Carolinas, LLC	Variqus	3,224					
26	Customer and Market Services	Duke Energy Progress, LLC	Various.	4					
27	Gas Distribution Services	Duke Energy Progress, LLC	Various	an an an an an an an an an an an an an a					
28	Generation Services	Duke Energy Progress, LLC	Various	388					
29	Transmission and Distribution Services	Duke Energy Progress, LLC	Various	2,725					
30	Customer and Market Services	Duke Energy Florida, LLC	Various	4					
31	Generalion Services	Duke Energy Florida, LLC	Various	£98					
32	Olher Goods and Services	Duke Energy Florida, LLC	Various	111					
33	Transmission and Distribution Services	Duke Energy Florida, 山C	Various	125,322					
34	Transmission and Distribution Services	Duke Energy Business Services LLC	Various						
35	Customer and Market Services	Duke Energy Indiana, LLC	Varibus	2					
36	Gas Distribution Services	Duke Energy Indiana, LLC	Various	3,300					
37	Generation Services	Duke Energy Indiana, LLC	Various	695,329					
38	Transmission and Distribution Services	Duke Energy Indiana, LLC	Vənora	50,479					
39	Customer & Market Services	Duke Energy Ohio, Inc	Various	1 <del>96</del> ,151					
40	Gas Distribution Services	Duke Energy Onlo, Inc.	Various	1,132,632					
41	Other Goods and Services	Duke Energy Ohio, Inc	Vañous	313;492					
42	Transmission and Distribution Services	Duke Energy Ohio, inc	Various	1,574,353					
43	Generation Services	Duke Energy Ohia, Inc	¥⊒nons	4,763					
44	Gas Distribution Services	KO Transmission Company	Various	655					
45	Transmission and Distribution Services	Pledmont Natural Gas Company, Inc.	່າ/ບັກ້ວນຮ	58					
46	Gas Distribution Services	Pledmont Netural Gas Company, Inc.	Various	348					
40	TOTAL								
	Page 358								

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Name of Respondent:		Daie of Report:	YeanPeriod of Report:						
Dúke Energy Kentucky, Inc		04/25/2024	End of: 2023/ Q4						
FOOTNOTE DATA									

(a) Concept: DescriptionOfTheGoodOrService

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When an anyloyee of the Service Company performs pervices for a Oliven Company, conts will be directly assisted of distributed or allogation, For allocation, method will be on a casis reasonably related to the service performal. The Service Company Utility Service Agreement prescribes 23 Service Company Americans and approximately 23 elecation methods. Functions and Alicention Mathods; Information Systems Number of Central Processing Unit Seconds Ratio/Millions of Instructions per Second Number of Personal Computer Viorkelations Reto Number of information Systems Servers Ratio hismoler of Employees Ratio Meters Number of Customers Ratio Transportation Number of Employees Ratio Three Factor Formula Sectric System Maintenance Circuit Miles of Electric Transmission Lines Ratio Gitcuit Miles of Electric Distribution Lines Ballo Marketing and Customer Relations and Grid Sciulture Number of Customers Ratio Electric Transmission & Distribution Empireering & Construction Electric Transmission Plant's Construction - Expenditures Relic Electric Distribution Plant's Construction - Expanditures Ratio Power Engineering & Construction Hestric Production Plant's Construction - Expenditoras Ratio Human Resources Number of Employees Ralio Supply Chain Procurament Spansing Ratio liventory Ratio Facilities Square Foolage Rate Accounting Three Factor Formula Generating Unit MW Capability Ratio Power Planning and Operations. Electric Peak Load Ratio Weighted Avg of the Circuit Miles of Electric Distribution Unes Ratio and the Electric Peak Load Ratio Sales Raĉo Weighted Avg of the Circuit Miles of Electric Transmission Lines Ralie and the Electric Peak Load Ratio Generating Unit MW Copublishy Ratio Public Atlairs Three Factor Formula Weighted Avg of Number of Contineners Ratio and Number of Employees Rabo Legal Three Factor Formula Rates Sales Ratio Finance Three Factor Formula **Rights of Way** Circuit Miles of Electric Transmission Lines Ratio Circuit Miss of Electric Distribution Lines Rabo Electric Peak Load Ratio internal Auditing Three Factor Formula Environmental, Health and Salety Three Factor Polissia Sales Ratio Furls Sales Raio Investor Relations Three Factor Formula Planining These Factor Formula Executive Three Pactor Formula FERC FORM No. 2 (NEW 12-07)

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C. A. Same

Name of Respondent:		Date of Report:	Year/Period of Report:					
Duka Energy Kentucky, Inc		04/25/2024	End of: 2023/ Q4					
Compressor Stations								

1. Report below details concerning compressor stations, Use the following subheadings: field compressor stations, products extraction compressor stations, underground storage compressor stations, transmission compressor stations, and other compressor stations.

2. For column (a), indicate the production areas where such stations are used. Group relatively small field compressor stations by production areas. Show the number of stations grouped, identify any station held under a title other than full ownership. State in a footnote the name of owner or co-owner, the nature of respondent's title, and percent of ownership if jointly owned.

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Line No.	Name and Location of Compressor Station (a)	Compressor Type (b)	Number of Units at Compressor Station (C)	Certificated Horsepower for Each Compressor Station (d)	Plant Cost (e)	Expenses (except depreciation and taxes) Fuel (1)	Expenses (except depreciation and laxes) Power (g)	Expenses (except depreciation and faxes) Other (h)	Gas for Compressor Fuel in Dth (i)	Electricity for Compressor Station in KWh U}	Operational Data Total Compressor Hours of Operation During Year (k)
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25	Total										
	Page 508 Part 1 of 2										

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Line No.	Operational Data Number of Compressors Operated at Time of Station Peak (I)	Date of Station Peak (m)
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	Page 508 Part 2 of 2	

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Namu	of Respondent.	2 An Original	Date of Report.	Year/Period of Report:				
Ouke	Energy Kentucky, Inc		04/25/2024	End of: 2023/ Q4				
ļ		(2) D A Resubinission		Ĺ				
	Report injections and withdrawals of gas for all storage projects used i	Gas Storage Projects	۵۰۰ این زیری و در ۲۰۰۰ میزان برزان در ۲۰۰۰ این ۱۹۹۹ میزن و ۲۰۰۰ میلاد میزن و ۲۰۰۰ میلاد میزن و ۲۰۰۰ میلاد می					
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Line No,	Stém (a)	Gas Belonging to Respondent (Dth) (b)	Gas Belonging to (c)	Chiere (Chi)	Tolai Amount (D\h) (d)			
	STORAGE OPERATIONS (In DIII)	ου			······································			
1	Gas Delivered to Storage	┉┉┉╡╪╬╬╬╋╼╺┉┉┑╗╞╌╬╇╼╼╺┈┉ <sub>╡</sub> ╬╫╫╪╧╼╼┈┉ <sub>╞</sub> ╢╏╏╪╡╼╼╍┉┙╬ <u>╢╫╫</u> ╪╧╼╼┉┯ <sub>╝╝</sub> ┆╡╄╾╼╼┈┯ <sub>╝╏</sub> ╠╫┿╼╼┈┉┍╽┟┠╽┾┵╼╴						
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14	TOTAL (Total of lines 2 thru 13)	2011						
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25	October	nanitere - annan a annan a annan a annan ann anna a anna à a	w					
26	Novémber				• ************************************			
	December							
28	TOTAL (Total of lines 16 thru 27)	anna y Million ang a Malana ang ga Million ang ang ang ang ang ang ang ang ang an						

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Name of Respondent: Duke Energy Kentucky, Inc		This report is; (1) I An Original (2) A Resubmission	Date of Report: 04/25/2024	Year/Period of Report: End of: 2023/ Q4	
		Gas Storage Projects			
1. 2.	On line 4, enter the total storage capacity certificated by FERC. Report total amount in Dith or other unit, as applicable on lines 2, 3, 4, 7	7. If quantity is converted from McF to Diff, provide convers	ión faclor in a footnote.		
Line N¤.		ltem (a)		Total Ambunt {b}	
	STORAGE OPERATIONS				
1	Top or Working Gas End of Year				
2	Cushion Gas (Including Native Gas)				
3	Total Gas in Reservoir (Total of line 1 and 2)				
4	Certificated Storage Capacity.				
5	Number of Injection - Withdrawal Wells				
6	Number of Observation Wetts				
7	Maximum Days' Withdrawal from Storage				
8	Date of Maximum Days' Withdrawal	11 - 11 - 1997 - 11 - 11 - 11 - 11 - 11			
9	LNG Terminal Companies (in Oth)				
10	Number of Tanks				
11	Capacity of Tanks		· · · · · · · · · · · · · · · · · · ·		
12	LNG Volume.				
13	Received at "Ship Reif"				
14	Transferred to Tanks				
15	Withdrawn from Tanks			·	
16	"Boil Off" Vaporization Loss				

FERC FORM No. 2 (12-96)

#### KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 168 of 193

Name of Respondent:       This report is:         Duke Energy Kentucky, Inc       Image: Comparison of the second se				umn (d) and				
Line No.	Designation (identification) of Line or Group (a)	of Lines	Stale (b)	Ορ	eration Type (c)	Indication o	f Ownerships (d)	Total Miles of Pipe (a)
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25	TOTAL					[		

## KyPSC Case No. 2024-00354 FR 16(7)(k) Attachment - FERC Form 2 Page 169 of 193

	s of Respondent Energy Kentucky, Inc.	This report is: (1) 2 An Original (2) A Resubmission		Date of Report. 04/25/2024	Year/Period of Report: End of: 2023/ Q4		
1.	Report below the total transmission system defiveries of gas (in Dih), a for which this report is submitted. The season's peak normally will be re Number additional rows 6.01, 6.02, etc.		Transmission System Feak D age, for the period of system pa- e of this report, April 30, which p		onths embracing the heating season over red on this page, Add rows as necessary t	apping the year's end o report all data.	
Lúnie No.	Description (a)	······	Dth of Gas Dellven	ed to Intersiate Pipelines (b)	Dth of Gas Delivered to Others (6)	Total (b) + (c) (d)	
[	SECTION A: SINGLE DAY PEAK DELIVERIES	Y					
1	Date(s):	······································			₩₩₩₩ <u>₩₽₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩₩</u>	[	
2	Volumes of Gas Transported		······································		-read-strees		
3	No-Notice Transportation					1	
4	Other Firm Transportation	**************************************		9982 - 2 - 1 mining - 2 - 2 - 2 - 2 - 2 - 2 - 2 - 2 - 2 -	<b>*************************************</b>	· ·····	
5	Interruptible Transportation						
6	Other (Specily)				y villinkkon a se y y y skolodom a se se se se se se se se se se se se se	·····	
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7	TOTAL.				<b>, 4,000 primesen og en offensen og det en en og en og en og en en og en en og en en en og en en en en en en en en en en en en en </b>	1	
.8	Volumes of gas Withdrawn form Storage under Storage Contract		, , , , , , , , , , , , , , , , , , ,		. 2. 12 million 1		
9	No-Notice'Storage						
10	Other Firm Storage						
11	Interruptible Storage						
12	Other (Specify)						
12.1							
13	TOTAL						
14	Other Operational Activities						
<u>16.</u>	Ges Withdrewn from Storage for System Operations			nuriesere maainteere minaningere - maan zer - minaningere -	rumaningra cumbulgar cumbulariara cumbulusar		
16	Reduction in Line Pack		• • • • • • • • • • • • • • • • • • •		······································		
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18	TOTAL					·······	
19	SECTION B) CONSECUTIVE THREE-DAY PEAK DELIVERIES	medaative		www	~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~~		
20	Date(s):			а			
22	No-Notice Transportation						
23	Other Firm Transportation		······				
24	Interruptible Transportation	<u> </u>	φαιτό				
25	Other (Specify)	<u> </u>				L	
i			Page 518				

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Line No.	Description (a)	Din of Gas Delivered to Interstate Pipelines (b)	Dih of Gas Delivered to Others (C)	Total (b) + (c) (d)
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<b>26</b>	TOTAL			
27	Volumes of gas Wilhdrawn form Storage under Storage Contract			
28	No-Notice Storage			
29	Other Firm Storage			
30	Interruptible Storage			
31	Other (Specify)			
31.1				
32	TOTAL			
33	Other Operational Aditvities			
34	Gas Withdrawn from Storage for System Operations			
35	Reduction in Line Pack			
36	Other (Specify)			
36.1				
37	TOTAL			
		Page 518		

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Name Duke i	Name of Respondent: Duke Energy Kontucky, Inc.			This mport is: (1) 2 An Driginal (2) A Resubmission	Date of Report: 04/25/2024		YeanPeriod of Report: End of: 2023/ Q4	
1 C	apacités. Sr column (d), includé ar é	xclude (as appropriat		peak demands on the respondent's syste parity on February 1 of the heating sease		arground storage pr le year-end for whic		gas installations, gas liquofaction plants, oil gas sets, etc. or other facalities, report the rated maximum dely delivery a separate plant as contemplated by general instruction 12 of
Ň	he Uniform System of Acc	พที่ร.	,,		•			
Line No.	Location of Facility (a)	Type of Facility (b)	Maximum Daih	Delivery Capacity of Facility Dth (c)		ility (in deflars) (d)	Was Facility Ope	ated on Day of Highest Transmission Peak Delivery? (c)
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Line No,	Location of Facility (a)	Type of Facility (b)	Maximum Daily Delivery Capacity of Facility Dth (C)	Cost of Facility (in dollars) (d)	Was Facility Operated on Day of Highest Transmission Peak Delivery? (e)
28					
29					
30					
	2			Page 519	

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Duke	s of Respondent. Energy Kentucky, Inc. The pumpose of this schedule is to account for the quantity of natural or	This report is: (1) An Original (2) A Resubmission : Gas Account		Date of Rep 04/25/2024 s		Year/Period of Report: End of: 2023/ Q4	
2. 3. 4. 5. 6. 7. 8. 8. 9.	The purpose of the restored gas unitized or any mixture of finatura Enter in column (c) the year to date DIh as reported in the schedules in Enter in column (c) the respective quarter's Dih as reported in the sche Infloteite in a footnet the quantities of bundled sales and transportation if the respondent operates two or more systems which are not intercom proton of the reporting pipeline (2) the quantities to commission re- portion of the reporting pipeline (2) the quantities to to Commission re- portion of the reporting pipeline (2) the quantities that the reporting pip- facilities, but not through any of the interstate portion of the reporting pip- pipeline. Indicate in a footnote (1) the system supply quantities of gas that are stored to Also indicate the yournes of pipeline production field sales that are in re-	I and manufactured gas, ditected for the items of receipts and deliveries obtains indicated for the items of receipts and o i gas and specify the line on which such quant necked, submit separate pages for this purpos guidation which did not incurr FERC regulatory o siliation which did not incurr FERC regulatory siliation and the did not incurr of the second pelline, and (3) the gathering fine quantities the or elated to which the aggregate volumes repo- tand by the reporting pipeline, during the repor- tioned by the reporting pipeline, during the reporting ye	ieliverias, illies are listorie, costs by show button facilitie at were not ok orded on line r ording yoer and ear which the	ing (1) the list is or intrasta istined for in ip, 3 relate, i also report reporting pig	ito facilities and which the reportin Iterstate market or thet wore not t ied as sales, transportation and p beling intends to sell or transport i	ig pipeline received through ransported through any inter ompression volumes by the r n a future reporting year, any	gathering facilities of intrastale state parsion of the roporting reparting pipeling during the same d (3) contract storage quantities.
Line No.	(2)			: No. of mi Non. A)	Total Amount of Dth Year to Date (c)		Current Three Months Ended Amount of Dth Quarterty Only (d)
1	Name of System		<b></b>				
2	GAS RECEIVED						••••••••••••••••••••••••••••••••••••
3	Gas Purchases (Accounts 800-605)				······································	9,513,850	
4	Gas of Others Received for Gathering (Account 489.1)		303	1			
.5	Gas of Others Received for Transmission (Account 489,2)		30	š		11,799,453	
8	Gas of Others Received for Distribution (Account 489:3)		.30			4,630,201	
7	Gas of Others Received for Contract Storage (Account 499,4)		30,	,			
8	Gas of Others Received for Production/Extraction/Processing (Accourt	nt 490 and 491)				]	
à	Exchanged Gas Received from Others (Account 606)		328				
10	Gas Received as Imbalances (Account 808)		376				······································
11	Receipts of Respondent's Gas Transported by Others (Account 858)		332	: [			
12	Other Gas Withdrawn from Storage (Explain)	MAA.5				P	
13	Gas Received from Shippers as Compressor Station Fuel						······
14	Gas Received from Shippers as Lost and Unaccounted for						
15	Other Receipts (Specify) (foolnote details)	maaad di beliyoo waxaa ahaa ahaa ahaa ahaa ahaa ahaa aha					
15.1	Other Receipts				an an an an an an an an an an an an an a		and the second states
18	Totel Receipts (Total of fines 3 thn: 15)					26,051,604	
17	GAS DELIVERED	• • • • • • • • • • • • • • • • • • •	\				1 
18	Gas Sales (Accounts 480-484)				······································	8,971,578	
19	Deliveries of Gas Gathered for Others (Account 489.1)		303				
20	Deliveries of Gas Transported for Others (Account 489.2)		305	<u>`</u>		11,798,453	······································
		Page	520				

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Line No:	ltom (a)	Ref. Page No. of (FERC Form Nos. 2/2-A) (b)	Total Amount of Dth Year to Date (c)	Current Three Months Ended Amount of Dih Quarterly Only {d}
21	Deliveries of Gas Distributed for Others (Account 489,3)	301	4,472,922	
22	Deliveries of Contract Storage Gas (Account 489.4)	307		
23	Gas of Dihers Delivered for Production/Extraction/Processing (Account 490 and 491)		· · · · · · · · · · · · · · · · · · ·	,
24	Exchange Gas Delivered to Others (Account 805)	328		
25	Gas Delivered as Imbalances (Account 806)	328		
25	Delivenes of Gas to Others for Transportation (Acocunt 858)	332		
27	Other Gas Delivered to Storage (Explain)			
28	Gas Used for Compressor Station Fuel	509		
29	Other Delivenes and Gas Used for Other Operations			
29.1	Other Delivenes		2,463	
30	Total Deliveries (Total of lines 18 thru 20)		25,245,416	
31	GAS LOSSES AND GAS UNACCOUNTED FOR			
32	Gas Losses and Gas Unaccounted For		B05,198	
33	TOTALS			
34	Total Deliveries, Gas Losses & Linaccounted For (Total of lines 30 and 32)	••••••••••••••••••••••••••••••••••••••	25,051,604	·
	Page	• 520		

FERC FORM No. 2 (REV 01-11)

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Name of Respondent: Duke Energy Kentucky, Inc.	This report (s) (1) ☑ An Original (2) □ A Resubmission	Date of Réport: 04/25/2024	Year/Perind of Report: End of: 2023/ Q4				
uke Energy Kentucky, Inc.       04/25/2024       End of: 2023/ 04         (2)       A Resubmission       04/25/2024       End of: 2023/ 04         Shipper Supplied Gas for the Current Quarter       04/25/2024       End of: 2023/ 04         1. Report monthly (1) shipper supplied gas for the current quarter and gas consumed in pipeline operations, (2) the disposition of any excess, the accounting recognition given to such disposition and the specific account(s) charged or credited, and (3) the source of gas used to meet any deficiency, the accounting recognition given to the gas used to meet any deficiency, the accounting recognition given to the gas used to meet any deficiency, the accounting recognition given to the gas used to meet the deficiency, including the accounting basis of the gas and the specific account(s) charged or credited.         2. On lines 7, 14, 22 and 30 report only the dekatherms of gas provided by shippers under tariff terms and conditions for gathering, production/ extraction/processing, transmission, distribution and storage service and the use of that gas for company has discounted or negotilated rates which should be reported in columns (b) and (c).         3. On lines 7, 14, 22 and 30 report only the dollar amounts of gas provided by shippers under tariff terms and conditions for gathering, production/ extraction/processing, transmission, distribution and storage service and the use of that gas for compressor fuel, other operational purposes and tost and unaccounted or.         3. On lines 7, 14, 22 and 30 report only the dollar amounts of gas provided by shippers under tariff terms and conditions for gathering, production/ extraction/processing, transmission, distribution and storage service and the use of that gas for compressor fuel, ot							
<ul> <li>credited, and (3) the source of gas used to meet any deficiency, the ac</li> <li>2. On lines 7, 14, 22 and 30 report only the dekatherms of gas provided b compressor fuel, other operational purposes and lost and unaccounted company has discounted or negotiated rates which should be reported</li> <li>3. On lines 7, 14, 22 and 30 report only the dollar amounts of gas provide compressor fuel, other operational purposes and bot and unaccounted compressor fuel, other operational purposes and bot and unaccounted company has discounted or negotiated rates which should be reported</li> </ul>	counting recognition given to the gas used to meet the def y shippers under tariff terms and conditions for gathering for. The dekatherms must be broken out by functional cat in columns (b) and (c), if by shippers under tariff terms and conditions for gatherin for. The dollar amounts must be broken out by functional in columns (f) and (g). The accounting should disclose the (f), (g) and (h). or reduced as part of a negotiated role agreement, deficiency in shipper supplied gas broken out by functional re account(s) credited in Column (o) for the dispositions of e account(s) credited in Column (n) for the sources of gas throughput.	Idency, including the accounting basis of the g , production/ extraction/processing, transmissic legories on Lines 2-6, 9-13, 16-21 and 24-28, 1 ng, production/ extraction/processing, transmis categories on Lines 2-6, 9-13, 16-21 and 23-2 a account(s) debited and credited in columns (r al category and whether recourse rate, discour gas listed in column (a).	pas and the spacific account(s) charged or credited. on, distribution and storage service and the use of that gap for The dekatherms must be reported in column (d) unless the ision, distribution and storage service and the use of that gas for 9. The dollar emounts must be reported in column (h) unless the n) and (o).				

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		Month 1							
				[	ł	Amount Collected (Dollars)			
Line No.	Nem (a)	Discounted rate Dth (b)	ate Negotiated Recourse Rate Dth Rate Dth (c) (d)		Total Dth (e)	Discounted Rate, Amount (f)	Negotiated Rate Amount (9)	Recourse rate Amount (h)	Total Amount (i)
1	SHIPPER SUPPLIED GAS (LINES 13 AND 14., PAGE 520)								
2	Gathering								
3	Production/Extraction/Processing								
4	Transmission								
-5	Distribution					f			
6	Storage								
7	Total Shipper Supplied Gas								
	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)								
9	Gathering								
10	Production/Extraction/Processing								
11	Transmission								
12	Distribution								
13	Storage								
14	Total gas used in compressors								
15	LESS GAS USED FOR OTHER DELIVERIES AND GAS USED FOR OTHER OPERATIONS (LINE 29, PAGE 520) (Footnote)								
16	Gathering	T I							
17	Production/Extraction/Processing								
18	Transmission								
19	Distribution								
20	Storage								
21	Other Deliveries (specify) (footnote details)								
22	Total Gas Used For Other Deliveries And Gas Used For Other Operations								
23	LESS GAS LOST AND UNACCOUNTED FOR (LINE 32, PAGE 520)								
24	Gathering								
25	Production/Extraction/Processing								
26	Transmission						•		
27	Distribution								
28	Storage								
29	Other Losses (specify) (footnote details)								
30	Total Gas Lost And Unaccounted For								
30.1	NET EXCESS OR (DEFICIENCY)								
31	Other Losses								
32	Gathering								
	19 192		Page 521-M1 Part 1 of 2						

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		Moniti 1									
				1	1	1	Amount Collected	(Dollars)			
Line No,	liem (a)	Discounted rate Dth (b)	Negotiated Rate Dth (C)	Recourse Rate Dih (d)	Total Dih (e)	Discounted Rate, Amount (1)	Negotialed Rate Amount (9)	Recourse rate Amount (h)	Total Ameunt (i)		
33	Production/Extraction/Processing										
34	Transmíssion			······································	1	1					
35	Distribution		······································		1	1					
35	Storage		and the second		1						
37	Total Net Excess Or (Deficiency)				1						
38	DISPOSITION OF EXCESS GAS:										
39	Gas sold to others										
40	Ges used to meet imbelances				1		· · · · · · · · · · · · · · · · · · ·				
41	Gos added to system gas				1						
42	Gas rolumed to shippers		······				1				
43.1											
43.Z			·····								
43,3					1						
43,4											
43,5											
43.6											
43.7	and are remaining a constant sear constant are constant at the constant at the constant are constant) and const 				1						
43,8	τη πολλημότα μόχο η την πολημική της την πολημάτη μότας την πολληματική ματά την πολλημάτη την πολλημάτη την π Την πολλημάτη ματά την πολληματική την πολληματική ματά την πολληματική την πολλημάτη την πολλημάτη την πολλημάτ Την πολλημάτη ματά την πολληματική την πολληματική πολληματική πολληματική πολληματική πολληματική πολληματική π										
51	Total Diaposition Of Excess Gas			1							
52·	GAS ACQUIRED TO MEET DEFICIENCY:										
53	System gas										
:54	Porchasad gas										
55.1											
56.2											
55.3											
55.d				A					<b>,</b>		
55.5							······				
58,5											
\$6,7											
55.6											
55,9											
65.10											
65	Total Gas Acquired To Meet Deficiency	<u> </u>		<u></u>							
			Page 521-M1 Part 1 of 2								

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		Month 1								
ł.			Volume (in Oth)	Not Collected	- <b>X</b>					
Line No.	tem {a}	Waived Dth D	Discounted Dth (k)	Negotiated Dth (I)	Total Dth (m)	Account(s) Deblied (n)	Account(s) Credited {0}			
1	SHIPPER SUPPLIED GAS (LINES 13 AND 14, PAGE 520)									
2	Gathering				1					
3	Production/Extraction/Processing									
4	Transmission									
5	Distribution	1								
ê	Storaga	1			1	[				
7	Total Shipper Supplied Gas									
	LESS GAS USED FOR COMPRESSOR STATION FUEL (UNE 28, PAGE 520)	1								
9	Gathering			1	1					
10	Production/Extraction/Processing	1					·			
11	Transmission	1								
12	Distribution						1			
13	Storage									
:14	Total gas used in compressors									
´15	LESS GAS USED FOR OTHER DELIVERIES AND GAS USED FOR OTHER OPERATIONS (LINE 29, PAGE 529) (Footnote)	-								
16	Gathering									
17	Production/Extraction/Processing									
18	Transmission				[					
19	Distribution	{								
20	Storage									
21	Other Deliveries (specify) (footnola detalls)									
22	Total Gas Used For Other Delivaties And Gas Used For Other Operations									
-23	LESS GAS LOST AND UNACCOUNTED FOR (LINE 32, PAGE 520)	1								
24	Galhering									
25	Production/Extraction/Processing			······································						
26	Tranemission	1								
27	Distribution									
28	Storage									
29	Other Losses (specify) (footnote details)									
30	Total Gas Lost And Unaccounted For									
30.1	NET EXCESS OR (DEFICIENCY)									
31	Öther Lasses	\$7, ····		• • • • • • • • • • • • • • • • • • •						
32	Gathering									
	Page 521-M1 Part 2 of 2									

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	Edulation and a second se	Τ		1	Month 1		
			Volume (in Dth)	Not Collected			
Line No.	ltem (a)	Waived Dth (i)	Discounted Dth (k)	Negotiated Dth (I)	Total Dth (m)	Account(s) Debited (n)	Account(s) Credited (o)
33	Production/Extraction/Processing						
34	Transmission						
35	Distribution						
36	Storage	<u> </u>					
37	Total Net Excess Or (Deficiency)						
38	DISPOSITION OF EXCESS GAS:						
39 ·	Gas sold to others						
40	Gas used to meet imbalances						
41	Gas added to system gas						
42	Gas returned to shippers						
43.1							
43,2							
43,3							
43.4					ļ		
.43,5							
43.6							
43.7					ļ		
43.8							
51	Total Disposition Of Excess Gas						
52	GAS ACQUIRED TO MEET DEFICIENCY:						
53	System gas						
54	Purchased gas	ļ					
55,1					ļ		
55.2					ļ		
55.3					ļ	<u> </u>	
55,4			1				
55.5			ļ <u>.</u>		<u> </u>		
55,6							
55.7							
55.8		<u> </u>			-	<u> </u>	1
55.9			.		<u> </u>		<u> </u>
55,10		<u>.</u>	.l		1		<u> </u>
65	Total Gas Acquired To Meet Deficiency		<u> </u>			L	<u> </u>
	Page 521-M1 Part 2 of 2			~			

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	SEPARATION OF FORWARDHAUL AND BACKHAUL THROUGHPUT	
Line No.	ltem (a)	Quarter Dth (b)
66	Forwardhaul Volume in Dths for the Quarter	
67	Backhaul Volume in Dths for the Quader	
68	TOTAL (Lines 66 and 67)	

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Name of Respondent: Duke Energy Kentucky, Inc						
	Shipper Supplied Gas for the Cur	rent Quarter				
<ol> <li>Report monthly (1) shipper supplied gas for the current quarter and ga credited, and (3) the source of gas used to meet any deficiency, the ac 2. On lines 7, 14, 22 and 30 report only the dekatherms of gas provided t compressor fuel, other operational purposes and lost and unaccounter company has discounted or negotiated rates which should be reported 3. On lines 7, 14, 22 and 30 report only the dollar amounts of gas provide compressor fuel, other operational purposes and lost and unaccounter company has discounted or negotiated rates which should be reported a discounted or negotiated rates which should be reported company has discounted or negotiated rates which should be reported 4. Indicate in a footnote the basis for valuing the gas reported in Columns 5. Report in columns (1), (k) and (1) the amount of fuel waived, discounted 6. On lines 32-37 report the dekatherms and dollar value of the excess of 7. On lines 53 through 51 report the dekatherms, the dollar amount and t 8. On lines 53 through 56 report the dekatherms, the dollar amount and t 9. On lines 66 and 67, report forwardhaul and backhaul volume in Dths o 10. Where appropriate, provide a full explanation of the allocation process</li> </ol>	counting recognition given to the gas used to meet the de by shippers under tariff terms and conditions for gathering for. The dekatherms must be broken out by functional ca in columns (b) and (c). ad by shippers under tariff terms and conditions for gathering d for. The dollar amounts must be broken out by functional at in columns (i) and (g). The accounting should disclose th s (h, (g) and (h). I or reduced as part of a negotiated rate agreement. r deficiency in shipper supplied gas broken out by function he account(s) credited in Column (o) for the dispositions of he account(s) debited in Column (n) for the sources of gas f throughput.	tronercy, including the accounting basis of the g , production/ extraction/processing, transmission tegories on Lines 2-6, 9-13, 16-21 and 24-29, ng, production/ extraction/processing, transmission categories on Lines 2-6, 9-13, 16-21 and 23-2 e account(s) debited and credited in columns ( al category and whether recourse rate, discoun- f gas listed in column (a).	gas and the specific account(s) charge of bledied, on, distribution and storage service and the use of that gas for The dekatherms must be reported in column (d) unless the ssion, distribution and storage service and the use of that gas for 19. The dollar amounts must be reported in column (h) unless the (n) and (o).			

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2       Suffaring       Image <td< th=""><th></th><th></th><th></th><th></th><th></th><th></th><th>Month 2</th><th></th><th></th><th></th></td<>							Month 2			
Intern     Net     Res     Res     Res     Res     Des     Massert     Massert     Massert       1     Selection (Marcold (Ma					[			Amount Collected	(Dollars)	
2       Gallering       Image <td< th=""><th></th><th></th><th>Dth</th><th>Rate Dth</th><th>Rate Dth</th><th>Dth</th><th>Amount</th><th>Amount</th><th>Amount</th><th>Amount</th></td<>			Dth	Rate Dth	Rate Dth	Dth	Amount	Amount	Amount	Amount
3       Productor/EntractionProcessing       Image <td< td=""><td>1</td><td>SHIPPER SUPPLIED GAS (LINES 13 AND 14 , PAGE 520)</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	1	SHIPPER SUPPLIED GAS (LINES 13 AND 14 , PAGE 520)								
4       Intentiation       Image	2	Gathering								
1       Dishulan       Image	3	Production/Extraction/Processing								
8         Shraqe         Image         Im	<b>4</b>	Transmission								
7       Tetal Shipper Supplied Gala       Image: Supp	5	Distribution								
a       LESS GAS UNED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)       Image: Comparison of the comparis on the comparison of the comparison of the comparis	6	Storage								
9       Calibring       Calibring       Image in the set of the	7	Total Shipper Supplied Gas								
10       Production/Extraction/Processing       Image: Section Sectin Section Section Sectin Section Sectin Section Section Section S	8	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)		<b>4</b> .						
11       Transmission       Image	9	Gathering								
12       Distribution       Image	10	Production/Extraction/Processing								
13       Storage       Image	11	Transmission								
14       Total gas used in compressors       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and the pelluveries and oads USED FOR OTHER       Image: Set of the pelluveries and the pelluveries and oads USED FOR OTHER DELEVING INFORMATION I	12	Distribution	· ·							
LESS GAS USED FOR OTHER DELIVERIES AND GAS USED FOR OTHER       Image: Control of	13	Storage								
9       OPERATIONS (LINE 29, PAGE 520) (Footnote)       Image: Construction (Footnote)       Image: Co	14	Total gas used in compressors								
11       Production/Extraction/Processing       Image: Strateging and Strateg	15									
11       Transmission       Image	16	Gathering								
19       Distribution       Image	17	Production/Extraction/Processing								
20       Storage       Image	18	Transmission								
21       Other Deliveries (specify) (toothote details)       Image: Specify (toothote details)       Image: Specific details)       Image: Specific details)	19	Distribution					<u> </u>			
22       Total Gas Used For Other Deliveries And Gas Used For Other Operations       Image: Control of Co	20	Storage								
23       LESS GAS LOST AND UNACCOUNTED FOR (LINE 32, PAGE 520)       Image: Control of the c	21	Other Deliveries (specify) (footnote details)								
24       Gathering       Image: Sectember 24       Gathering       Image: Sectember 24       Gathering       Image: Sectember 24       Frequencies       Frequenc	22	Total Gas Used For Other Deliveries And Gas Used For Other Operations								
25       Production/Processing       Image: Storage       Image: Sto	23	LESS GAS LOST AND UNACCOUNTED FOR (LINE 32, PAGE 520)								
28       Transmission       Image: Storage	24	Gathering								
27       Distribution       Image	25	Production/Extraction/Processing								
28       Storage       Image: Storage	26	Transmission								
29       Other Losses (specify) (footnote details)       Image: Constraint of the specify) (footnote details)       Image: Constraint of the specify)       Image: Con	27	Distribution								
30       Total Gas Lost And Unaccounted For       Image: Constraint of the second seco	28	Storage								
30.1     NET EXCESS OR (DEFICIENCY)     Image: Constraint of the set of the	29	Other Losses (specify) (footnote details)								ļ
31     Other Losses	30	Total Gas Lost And Unaccounted For								ļ
32         Gathering         Page 521-M2	30.1	NET EXCESS OR (DEFICIENCY)								
Page 521-M2	31	Other Losses								ļ
Page 521-M2 Part 1 of 2	32	Gathering						L	L	
		Annual and the second second second second second second second second second second second second second second		Page 521-M2 Part 1 of 2						

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						Month 2						
							Amount Collected (Dollars)					
Line No,	ltem (a)	Discounted rate Oth (b)	Negotiated Rate Dth (¢)	Recourse Rate Dth (d)	Total Dth (e)	Discounted Rate, Amount (f)	Negotiated Rate Amount (g)	Recourse rate Amount (h)	Total Amoun (I)			
33	Production/Extraction/Processing											
34	Transmission											
35	Distribution											
36	Storage											
37	Total Net Excess Or (Deficiency)											
38	DISPOSITION OF EXCESS GAS:											
39	Gas sold to others											
40	Gas used to meet imbalances											
41	Gas added to system gas											
42	Gas returned to shippers											
43.1												
43.2												
43.3												
43.4												
43.5												
43.6	Na Marana ang Pang Pang Pang Pang Pang Pang Pa											
43.7												
43.8												
51	Total Disposition Of Excess Gas											
52	GAS ACQUIRED TO MEET DEFICIENCY:											
53	System gas											
<u>54</u>	Purchased gas											
55.1												
55.2												
55.3 <sub>.</sub>												
55,4												
55.5												
55,6												
55.7												
55,8												
55,9												
55,10												
65	Total Gas Acquired To Meet Deficiency											

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<u> </u>		T			Month 2		
			Volume (in Dth)	Not Collected			
Line No.	ltem (a)	Waived Dth (i)	Discounted Dth (k)	Negotiated Dth (I)	Total Dth (m)	Account(s) Debited (n)	Account(s) Credited (o)
1	SHIPPER SUPPLIED GAS (LINES 13 AND 14., PAGE 520)						
2	Gathering						
3	Production/Extraction/Processing						
.4	Transmission						
5	Distribution						
6	Ştorage						
7	Total Shipper Supplied Gas						
8	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)						
9	Gathering			-			
10	Production/Extraction/Processing	1					
-11	Transmission						
12	Distribution						
13	Storage						
14	Total gas used in compressors						
15	LESS GAS USED FOR OTHER DELIVERIES AND GAS USED FOR OTHER OPERATIONS (LINE 29, PAGE 520) (Footnote)						
16	Gathering						
17	Production/Extraction/Processing						
18	Transmission						
19	Distribution						
20	Storage	_					
21	Other Deliveries (specify) (footnote details)						
22	Total Gas Used For Other Deliveries And Gas Used For Other Operations						
23	LESS GAS LOST AND UNACCOUNTED FOR (LINE 32, PAGE 520)						
24	Gathéring						
25	Production/Extraction/Processing						
26	Transmission						
27	Distribution						
28	Storage						
29	Other Losses (specify) (footnote details)						
30	Total Gas Lost And Unaccounted For						
30,1	NET EXCESS OR (DEFICIENCY)						
31	Other Losses						
32	Gathering						
	Page 521-M2 Part 2 of 2						

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1					Nonth 2		
			Volume (in Dth)	Not Collected			
Line No,	item (a)	Waived Dth (j)	Discounted Dth (k)	Negotiated Dth (i)	Total Dth (m)	Account(s) Debited (n)	Account(s) Credited (o)
33	Production/Extraction/Processing				<u> </u>		
34	Transmission						
35	Distribution						
36	Storage						
37	Total Net Excess Or (Deficiency)						
38	DISPOSITION OF EXCESS GAS						
-39	Gas sold to others						
40	Ges used to meet imbalances	- = 1.07					
41 <sup>.</sup>	Gas added to system gas						
42	Gas returned to shippers						
43.1							
43,2							
43.3							
43.4							
43.5							
43.6							
43.7							
43. <sup>°</sup> B							
51	Total Disposition Of Excess Gas						
52	GAS ACQUIRED TO MEET DEFICIENCY:						
53	System gas		-				
54	Purchased gas						
55,1							
<b>5</b> 5.2							
55,3							
55.4							
55.5			<u> </u>		<u> </u>		
55,6						ļ	
55,7							
55,8		<u> </u>		<b></b>			<u> </u>
55.9		ļ			ļ	ļ	
55,10							
65	Total Gas Acquired To Meet Deficiency Page 521-M2 Part 2 of 2 Part 2 of 2				<u> </u>		l

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Päge 521-M2

Name of Respondent: Duke Energy Kenlucky, Inc.	This report is: (1) An Original (2) A Resubmission	Date of Report: 04/25/2024	Year/Period of Report: End of: 2023/ Q4
	Shipper Supplied G	as for the Current Quarter	
<ol> <li>Credited, and (3) the source of gas used to mee</li> <li>On lines 7, 14, 22 and 30 report only the dekath compressor fuel, other operational purposes an company has discounted or negotiated rates wh</li> <li>On lines 7, 14, 22 and 30 report only the dollar compressor fuel, other operational purposes an company has discounted or negotiated rates wh</li> <li>Indicate in a footnote the basis for valuing the g</li> <li>Report in columns (j), (k) and (l) the amount of f</li> <li>On lines 32-37 report the dekatherms, and dollar</li> </ol>	It any deficiency, the accounting recognition given to the gas used terms of gas provided by shippers under tariff terms and condition. d lost and unaccounted for. The dekatherms must be broken out b nich should be reported in columns (b) and (c). amounts of gas provided by shippers under tariff terms and conditi d lost and unaccounted for. The dollar amounts must be broken ou tich should be reported in columns (f) and (g). The accounting sho as reported in Columns (f), (g) and (h). uel waived, discounted or reduced as part of a negotiated rate agr value of the excess or deficiency in shipper supplied gas broken he dollar amount and the account(s) debited in Column (o) for the he dollar amount and the account(s) debited in Column (n) for the he dollar amount and the account(s) debited in Column (n) for the he dollar amount and the account(s) debited in Column (n) for the he dollar amount and the account(s) debited in Column (n) for the he dollar amount and the account(s) debited in Column (n) for the for the start of the account (s) debited in Column (n) for the for the start of the account (s) debited in Column (n) for the for the start of the account (s) debited in Column (n) for the for the start of the account (s) debited in Column (n) for the for the form the start of the account (s) debited in Column (n) for the form the start of the account (s) debited in Column (n) for the form the start of the account (s) debited in Column (n) for the form the start of the account (s) debited in Column (n) for the form the start of the account (s) debited in Column (n) for the form the start of the account (s) debited in Column (n) for the form the start of the account (s) debited in Column (n) for the form the start of	to meet the deficiency, including the accountin s for gathering, production/ extraction/process y functional categories on Lines 2-6, 9-13, 16- ons for gathering, production/ extraction/proce it by functional categories on Lines 2-6, 9-13, uld disclose the account(s) debited and credite eement, out by functional category and whether recour- dispositions of gas listed in column (a)	

10. Where appropriate, provide a full explanation of the allocation process used in reported numbers in a footnote.

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						Month 3			
							Amount Collected	(Dollars)	
Line No,	item (a)	Discounted rate Dth (b)	Negotiated Rate Dth (c)	Recourse Rate Dth (d)	Total Dth (e)	Discounted Rate, Amount (1)	Negotiated Rate Amount (g)	Recourse rate Amount (h)	Total Amount (l)
1	SHIPPER SUPPLIED GAS (LINES 13 AND 14 , PAGE 520)				1				-
2	Gathering								
3	Production/Extraction/Processing						······································		
4	Transmission								-
5	Distribution								
6	Storage								
7	Total Shipper Supplied Gas								
8	LESS GAS USED FOR COMPRESSOR STATION FUEL (LINE 28, PAGE 520)								
9	Gathering	-							
10	Production/Extraction/Processing								·
41	Transmission								
12	Distribution								
13	Storage								1
14	Total gas used in compressors								
15	LESS GAS USED FOR OTHER DELIVERIES AND GAS USED FOR OTHER OPERATIONS (LINE 29, PAGE 520) (Footnote)								
16	Gathering								
17	Production/Extraction/Processing								
18	Transmission								
19.	Distribution								
20	Storage			· · · · · · · · · · · · · · · · · · ·			-		
21	Other Deliveries (specify) (footnote details)								
22	Total Gas Used For Other Deliveries And Gas Used For Other Operations								
23	LESS GAS LOST AND UNACCOUNTED FOR (LINE 32, PAGE 520)								
24	Gathering								
25	Production/Extraction/Processing								
26	Transmission		1						
27	Distribution								
28	Storage				ľ				
29	Other Losses (specify) (footnote details)								
30	Total Gas Lost And Unaccounted For								
30,1	NET EXCESS OR (DEFICIENCY)								
31	Other Lösses								
32	Gathering		Ì						
			Page 521-M3 Part 1 of 2						

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						Month 3	×=	********	
							Amount Collected	(Dollars)	
Line No;	ltern (a)	Discounted rate Dth (b)	Negotiated Rate Dth (c)	Recourse Rate Dth (d)	Total Dth (e)	Discounted Rate, Amount (1)	Negotiated Rate Amount (g)	Recourse rate Amount (h)	Total Amount (i)
33	Production/Extraction/Processing		*******		1				
34	Transmission								
35	Distribution								
36	Storage								
37	Total Net Excess Or (Deficiency)		17 Altrease - Lance						
38	DISPOSITION OF EXCESS GAS:		~						
39	Gas sold to others								
40	Gas used to meet imbalances								
41	Gas added to system gas								
42	Gas returned to shippers	· · · · · · · · · · · · · · · · · · ·							
.43.1									
43.2	· ····································								
43.3									
43,4		· · · · · · · · · · · · · · · · · · ·							
43.5									
43.6									
43.7									
43.8									
51	Total Disposition Of Excess Gas								
52	GAS ACQUIRED TO MEET DEFICIENCY;								
-53	System gas								
54	Purchased gas								
55 1									
55.2									
55,3									
55.4									
55.5									
55,6									
55.7									
55.8									
55,9									
55.10									
65	Total Gas Acquired To Meet Deficiency								
			Page 521-M3 Part 1 of 2						

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					Month 3		
			Volume (in Dth)				
Line No.	item (a)		Discounted Dth (k)	Negotiated Dth (I)	Total Dth (m)	Account(s) Debited (n)	Account(s) Credited (o)
1 SHIPPER SUPPLIED GAS (	JNES 13 AND 14 , PAGE 520)						
2 Gathering							l
3 Production/Extraction/Proces	sing						
4 Transmission							
5 Distribution	***************************************						
5 Storage							
7 Total Shipper Supplied Gas							
B LESS GAS USED FOR COM	PRESSOR STATION FUEL (LINE 28, PAGE 520)						
9 Gathering	ρ						
10 Production/Extraction/Proces	sing						
11 Transmission							
12 Distribution							
13 Storage							
14 Total gas used in compresso.	S ·						
15 LESS GAS USED FOR OTH (Footnote)	ER DELIVERIES AND GAS USED FOR OTHER OPERATIONS (LINE 29, PAGE 520)						
16 Gathering							
7 Production/Extraction/Proces	sing						
18 Transmission							
19 Distribution							
20 Storage							
21 Other Deliveries (specify) (for	triote details)						
22 Total Gas Used For Other De	iveries And Gas Used For Other Operations						
23 LESS GAS LOST AND UNAC	COUNTED FOR (LINE 32, PAGE 520)						
24. Gathering							
25 Production/Extraction/Proces	sing						
26 Transmission							
27 Distribution							
8 Storage							
9 Other Losses (specify) (footh	ote details)						
0 Total Gas Lost And Unaccour	ited For						
0.1 NET EXCESS OR (DEFICIE)	NCY)						
31 Other Losses							
32 Gathering							
· ·	Page 521-M3 Part 2 of 2						

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Line					Month 3							
		Volume (in Dth) Not Collected										
No.	ltern (a)	Waived Dth ())	Discounted Dth (k)	Negotiated Dth (i)	Total Dth (m)	Account(s) Debited (n)	Account(s) Credited (o)					
33	Production/Extraction/Processing	1				1						
34	Transmission						[					
35	Distribution											
36	Storage.											
37	Total Net Excess Or (Deficiency)				[							
38	DISPOSITION OF EXCESS GAS:	· · · ·										
39	Gas sold to others											
40	Gas used to meet imbalances											
41	Gas added to system gas											
42	Gas returned to shippers											
43.1												
43.2												
43.3												
43.4												
43;5												
43.6												
43.7												
43,8												
51	Total Disposition Of Excess Gas											
52	GAS ACQUIRED TO MEET DEFICIENCY											
53	System gas											
54	Purchased gas											
.55,1												
55.2												
55,3												
55.4												
55.5												
55,6			•									
55.7												
55,8												
55,9												
55,10												
65	Total Gas Acquired To Meet Deficiency											
·····	Page 521-M3 Part 2 of 2											

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Name of Respondent: Duke Energy Kentucky, Inc.	This report is: (1) An Original A Resubmission	Date of Report: 04/25/2024	Year/Period of Report: End of: 2023/ 04
System Maps			
<ol> <li>Furnish five copies of a system map (one with each filed copy of this report) of the facilities operated by the respondent for the production, gathering, transportation, and sale of natural gas. New maps need not be furnished if no important change has occurred in the facilities operated by the respondent since the date of the maps furnished with a previous year's annual report. If, however, maps are not furnished for this reason, reference should be made in the space below to the year's annual report with which the maps were furnished. (b) Incremental facilities, (c) Location of gathering areas, (d) Location of zones and rate areas, (e) Location of storage fields. (f) Location of natural gas fields. (g) Location of compressor stations. (h) Normal direction of gas flow (indicated by arrows). (i) Size of pipe. (j) Location of products extraction plants, stabilization plants, purification plants, recycling areas, etc. (k) Principal communities necesiving service through the respondent's pipeline.</li> <li>In addition, show on each map: graphic scale of the map; date of the facts the map purports to show; a legend giving all symbols and abbreviations used; designations of facilities leased to or from another company, giving name of such other company.</li> <li>Maps not larger than 24 inches square are desired. If necessary, however, submit larger maps to show essential information. Fold the maps to a size not larger then this report. Bind the maps to the report.</li> </ol>			
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