



Ms. Joyce Spear
Rates and Tariffs Division
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, KY 40602-0615

May 15, 2009

**Re: Kentucky Utilities Company - Kentucky Jurisdictional 12-Months
Ended March 31, 2009 Income Statement and Balance Sheet as of
March 31, 2009 (Case Nos. 97-300, 2000-095, and 2001-104)**

Dear Ms. Spear:

Enclosed is Kentucky Utilities Company's ("KU") response to the Commission's Order, dated September 12, 1997, in the Case No. 97-300, wherein the Commission directed KU to submit quarterly Twelve-Month Ended Income Statements and Balance Sheets on a Kentucky Jurisdictional and Other Jurisdictional operations basis. This information is also filed in response to the Commission's Order dated May 15, 2000, in Case No. 2000-095, *Summary of Findings, No. 8 and Appendix B, Reporting Requirements to be filed Quarterly, No. 3*. These commitments were repeated in the Commission's Order dated August 6, 2001, in Case No. 2001-104, *Appendix A, Operations and Financial, No. 1*.

Please confirm your receipt of this filing by placing the File Stamp of your Office with date received on the extra copy and returning it to me in the enclosed envelope.

Should you have any questions regarding the information filed herewith, please call me or Don Harris at (502)627-2021.

Sincerely,

Rick E. Lovekamp

Enclosures

cc: KPSC Division of Financial Analysis

1 | 1

RECEIVED

MAY 15 2009

PUBLIC SERVICE
COMMISSION

E.ON U.S. LLC

State Regulation and Rates
220 West Main Street
PO Box 32010
Louisville, Kentucky 40232
www.eon-us.com

Rick E. Lovekamp
Manager - Regulatory Affairs
T 502-627-3780
F 502-627-3213
rick.lovekamp@eon-us.com

KENTUCKY UTILITIES COMPANY

Balance Sheet
At March 31, 2009
Assets and Other Debits

Title of Account Column A	No. Col B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
<u>Utility Plant</u>				
Utility Plant	101-106	\$ 4,582,665,969	\$ 4,008,491,589	\$ 574,174,380
Plus: Construction Work in Progress	107	<u>1,166,969,937</u>	<u>1,008,962,203</u>	<u>158,007,734</u>
Total Utility Plant		\$ 5,749,635,907	\$ 5,017,453,792	\$ 732,182,115
Less: Accumulated Provision for Depreciation	108,111	<u>2,060,524,104</u>	<u>1,787,087,627</u>	<u>273,436,477</u>
Net Utility Plant		<u>\$ 3,689,111,803</u>	<u>\$ 3,230,366,165</u>	<u>\$ 458,745,638</u>
<u>Other Property and Investments</u>				
Non-Utility Property	121	\$ 179,121	\$ -	\$ 179,121
Less: Accum Prov for Depr and Amortization	122	-	-	-
Investment in Subsidiary Companies	123 1	18,444,643	-	18,444,643
Non-Current Portion of Allowances	158 1	-	-	-
Other Investments	124	411,140	-	411,140
Special Funds	125-128	<u>6,182,077</u>	<u>5,423,660</u>	<u>758,417</u>
Total Other Property and Investments		<u>\$ 25,216,981</u>	<u>\$ 5,423,660</u>	<u>\$ 19,793,321</u>
<u>Current and Accrued Assets</u>				
Cash	131	\$ 2,093,395	\$ 1,836,578	\$ 256,817
Special Deposits	132-134	7,771,550	6,818,136	953,414
Working Funds	135	32,367	28,396	3,971
Temporary Cash Investments	136	269	236	33
Customer Accounts Receivable	142	74,850,788	55,019,507	19,831,281
Other Accounts Receivable	143	22,021,548	19,537,958	2,483,590
Less: Accum Prov for Uncollectable Accts-Credit	144	3,006,315	2,667,263	339,052
Notes Receivable from Associated Companies	145	-	-	-
Accounts Receivable from Associated Companies	146	936,941	835,742	101,199
Fuel	151	85,660,669	74,417,706	11,242,963
Plant Materials and Operating Supplies	154	29,522,038	25,459,215	4,062,823
Allowances	158 1	74,355	64,525	9,830
Less: Non-Current Portion of Allowances	158 1	-	-	-
Stores Expense Undistributed	163	6,314,976	5,445,909	869,067
Prepayments	165	4,536,693	3,980,132	556,561
Interest and Dividends Receivable	171	63,941	56,097	7,844
Accrued Utility Revenues	173	67,959,319	56,638,000	11,321,319
Miscellaneous Current Assets -- Mark to Market	174	4,167,833	3,656,523	511,310
Total Current and Accrued Assets		<u>\$ 303,000,367</u>	<u>\$ 251,127,397</u>	<u>\$ 51,872,970</u>
		\$ (0)		
<u>Deferred Debits</u>				
Unamortized Debt Expense	181	\$ 4,874,238	\$ 4,276,266	\$ 597,972
Unrecovered Plant and Regulatory Costs	182	-	-	-
Other Regulatory Assets	182 3	221,487,094	165,273,774	56,213,320
Preliminary Survey and Inventory	183	4,612,115	4,046,301	565,814
Clearing Accounts	184	(0)	-	(0)
Miscellaneous Deferred Debits	186	41,098,621	35,670,213	5,428,407
Unamortized Loss on Re-Acquired Debt	189	13,361,081	11,721,944	1,639,137
Accumulated Deferred Income Taxes	190	50,599,415	48,756,420	1,842,995
Total Deferred Debits		<u>\$ 336,032,564</u>	<u>\$ 269,744,918</u>	<u>\$ 66,287,645</u>
Total Assets and Other Debits		<u>\$ 4,353,361,715</u>	<u>\$ 3,756,662,140</u>	<u>\$ 596,699,575</u>

KENTUCKY UTILITIES COMPANY

Balance Sheet

At March 31, 2009

Liabilities and Other Credits

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
Proprietary Capital				
Common Stock Issued	201	\$ 308,139,978	\$ 270,337,365	\$ 37,802,613
Preferred Stock Issued	204	-	-	-
Premium on Capital Stock	207	-	-	-
Paid in Capital	208-211	290,711,597	255,047,098	35,664,499
Other Comprehensive Income		-	-	-
Capital Stock Expense	214	(321,289)	(281,873)	(39,416)
Retained Earnings	215-216	1,185,400,699	1,039,975,741	145,424,958
Unappropriated Undistributed Subsidiary Earnings	216 1	16,898,843	-	16,898,843
Total Proprietary Capital		\$ 1,800,829,828	\$ 1,565,078,331	\$ 235,751,497
Long Term Debt				
Bonds	221	\$ 350,779,405	\$ 307,745,788	\$ 43,033,617
Long Term Debt Marked to Market	221200	-	-	-
Long Term Debt To Associated Companies	233006	1,181,000,000	1,036,114,920	144,885,080
Other Long Term Debt	224	-	-	-
Unamortized Premium on Long Term Debt	225	-	-	-
Total Long Term		\$ 1,531,779,405	\$ 1,343,860,708	\$ 187,918,697
Other Non-Current Liabilities				
Accumulated Provision for Property Insurance	228 1	\$ -	\$ -	\$ -
Accumulated Provision for Injuries and Damages	228 2	-	-	-
Accumulated Provision for Pensions and Benefits	228 3	190,917,564	170,296,558	20,621,006
Accumulated Miscellaneous Operating Provision	228 4	-	-	-
Total Other Non-Current Liabilities		\$ 190,917,564	\$ 170,296,558	\$ 20,621,006
Current and Accrued Liabilities				
Notes Payable	231	\$ -	\$ -	\$ -
Accounts Payable	232	211,151,133	188,344,699	22,806,434
Notes Payable to Associated Companies	233	12,820,954	11,248,079	1,572,875
Accounts Payable to Associated Companies	234	23,244,666	-	23,244,666
Customer Deposits	235	21,362,380	20,046,012	1,316,368
Taxes Accrued	236	4,785,458	4,198,378	587,080
Interest Accrued	237	17,063,941	14,970,537	2,093,404
Dividends Declared	238	-	-	-
Matured Long Term Bonds/LTD Due in 1 Year	239	-	-	-
Tax Collections Payable	241	3,104,775	3,233,796	(129,021)
Miscellaneous Current and Accrued Liabilities	242	13,403,344	11,415,210	1,988,134
Total Current and Accrued Liabilities		\$ 306,936,651	\$ 253,456,710	\$ 53,479,941
Deferred Credits				
Customer Advances for Construction	252	\$ 2,469,952	\$ 2,416,126	\$ 53,826
Accumulated Deferred Investment Tax Credits	255	85,276,277	73,221,981	12,054,296
Other Deferred Credits	253	25,323,475	19,559,443	5,764,032
Other Regulatory Liabilities	254	43,751,986	37,563,162	6,188,824
Asset Retirement Obligation	230	33,081,373	28,708,015	4,373,358
Miscellaneous Long Term Liability Due to Associated Companies	234	2,666,310	2,339,207	327,103
Accumulated Deferred Income Taxes	281-283	330,328,894	318,297,243	12,031,651
Total Deferred Credits		\$ 522,898,267	\$ 482,105,177	\$ 40,793,090
Total Liabilities and Other Credits		\$ 4,353,361,715	\$ 3,814,797,484	\$ 538,564,231

KENTUCKY UTILITIES COMPANY

Statement of Income

Twelve Months Ended March 31, 2009

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	KU Retail Jurisdictional Column D	Other Jurisdictional Column E
<u>Utility Operating Income</u>				
Operating Revenues:				
Residential Sales	440	\$ 470,347,876	\$ 442,299,861	\$ 28,048,014
Commercial and Industrial Sales:	442			
Small (or Comm) - Rural Comm & Comm L&P		323,173,233	309,830,712	13,342,521
Large (or Ind) - Industrial & Mine Power		316,781,418	304,887,419	11,893,998
Public Street and Highway Lighting	444	10,303,838	10,020,454	283,384
Other Sales to Public Authorities	445	100,756,725	95,554,688	5,202,036
Total Sales to Ultimate Consumers		\$ 1,221,363,089	\$ 1,162,593,135	\$ 58,769,954
Sales for Resale	447	182,880,410	81,391,448	101,488,936
Total Sales of Electricity		\$ 1,404,243,499	\$ 1,243,984,582	\$ 160,258,890
Less: Provision for Refund	449.1	-	-	-
Total Revenues Net of Provision for Refund		\$ 1,404,243,499	\$ 1,243,984,582	\$ 160,258,890
Other Operating Revenues:				
Miscellaneous Service Revenues	451	1,244,295	1,207,934	36,361
Rent from Electric Property	454	2,165,187	1,996,614	168,573
Other Electric Revenues	456	5,638,613	4,991,555	647,058
Total Other Operating Revenues		\$ 9,048,096	\$ 8,196,104	\$ 851,992
Total Operating Revenue		\$ 1,413,291,595	\$ 1,252,180,686	\$ 161,110,882
Operating Expenses:				
Operation Expenses	401	\$ 908,588,555	\$ 792,365,358	116,223,197
Maintenance Expenses	402	144,807,126	127,322,599	17,484,527
Depreciation Expense	403	132,727,073	116,302,379	16,424,693
Amortization of Limited-Term Electric Plant	404	5,170,469	4,522,867	647,602
Regulatory Credits	407	(2,296,846)	(1,994,165)	(302,681)
Taxes Other than Income Taxes	408.1	21,369,681	19,119,333	2,250,348
Income Taxes - Federal	409.1	15,237,490	Total Income Taxes	
Income Taxes - State	409.1	6,346,212		
Provision for Deferred Income Taxes	410.1	51,151,693		
Provision for Deferred Income Taxes - Credit	411.1	(56,654,560)		
Accretion Expense	411.1	2,001,364	1,737,727	263,637
Investment Tax Credit Adjustment - Net	411.4	27,421,012	23,795,954	3,625,058
Losses/(Gains) from Disposition of Allowances	411.8	(84,765)	(73,559)	(11,206)
Total Utility Operating Expenses		\$ 1,255,784,503	\$ 1,099,569,276	\$ 156,215,227
Net Utility Operating Income		\$ 157,507,092	\$ 152,611,410	\$ 4,895,655

KENTUCKY UTILITIES COMPANYStatement of Income
Twelve Months Ended March 31, 2009

Title of Account Column A	No. Col. B	Total Kentucky Utilities Column C	Other Jurisdictional Column E
Other Income and Deductions are not separated on a jurisdictional basis.			
<u>Other Income and Deductions</u>			
Total Other Income		\$ 35,801,226	
Total Other Income Deductions		(319,201)	
Total Taxes on Other income and Deductions		1,991,325	
Net Other Income and Deductions		\$ 34,129,102	
<u>Interest Charges</u>			
Interest on Long Term Debt	427	\$ 69,447,871	
Amortization of Debt Discount and Expense	428	229,473	
Amortization of Loss on Re-Acquired Debt	428.1	533,495	
Amortization of Premium on Debt - Credit	429	-	
Amortization of Gain on Re-Acquired Debt - Credit	429.1	-	
Interest on Debt to Associated Companies	430	2,031,635	
Other Interest Expense	431	2,797,752	
Allowance for Borrowed Funds Used During Construction	432	(2,081,772)	
Net Interest Charges		\$ 72,958,454	\$ 65,951,691
Cumulative Effect of Accounting Change, Net of Tax		\$ -	\$ 7,006,763
Net Income		\$ 118,677,740	