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Rocco O. D'Ascenzo Deputy General Counsel

# RECEIVED

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PUBLIC SERVICE COMMISSION

**VIA OVERNIGHT DELIVERY** 

August 15, 2019

Ms. Gwen R. Pinson Executive Director Kentucky Public Service Commission 211 Sower Boulevard Frankfort, Kentucky 40602-0615

Re:

Case No. 2011-00124

In the Matter of the Joint Application of Duke Energy Corporation, Cinergy Corp., Duke Energy Ohio, Inc., Duke Energy Kentucky, Inc., Diamond Acquisition Corporation, and Progress Energy, Inc. for Approval of the Indirect Transfer of Control of Duke Energy Kentucky, Inc.

Dear Ms. Pinson:

Enclosed please find Duke Energy Kentucky's financial statements for the end of June 2019, per order by the Commission in the above-referenced case.

Please file-stamp the extra copy of this letter and return to me in the enclosed return-addressed envelope.

If you have any questions regarding the financial statements, please contact Connor S. Buker at 704-382-6245.

Very Truly Yours,

Rocco O. D'Ascenzo

**Enclosures** 

### Duke Energy Kentucky, Inc.

## Monthly Supplemental Financial Statements Balance Sheet - Page 1 As of June 30, 2019 (Unaudited)

	Electric Jurisdictional	Gas Jurisdictional	Non- Jurisdictional	Total Company
<u>Assets</u>				
Utility Plant in Service	1,906,910,416	594,066,099	15,507,176	2,516,483,691
Construction Work in Progress	59,592,291	29,656,256	-	89,248,547
Less: Accumulated Depreciation	(802,307,864)	(175,561,849)	(7,961,333)	(985,831,046)
Net Utility Plant	1,164,194,843	448,160,506	7,545,843	1,619,901,192
Nonutility Property	-	-	1,224,528	1,224,528
Other Investments	-	-	1,500	1,500
Other Special Funds	-	-	8,458,976	8,458,976
Long Term Portion of Derivative Instrument Assets	<u> </u>	-	92,067	92,067
Total Other Property & Investments	<u> </u>	<del></del> .	9,777,071	9,777,071
Cash	1,095,794	449,892	(82,051)	1,463,635
Working Funds	-	-	-	-
Temporary Cash Investments	<u></u>	-	-	-
Customer Accounts Receivable	3,506,735	948,471	-	4,455,206
Other Accounts Receivable	2,666,992	1,094,968	(199,700)	3,562,260
Less: Provision for Uncollectibles	(256,061)	(69,257)	-	(325,318)
Notes Receivable from Assoc. Co.	7,085,943	2,909,223	(530,584)	9,464,582
Accounts Receivable from Assoc. Co.	1,541,770	632,992	(115,445)	2,059,317
Fuel Stock	21,698,455	1,253,722	2,328,338	25,280,515
Gas Stored Underground Inventory	, . -	1,841,540	 -	1,841,540
Plant Materials & Operating Supplies	<sup>'</sup> 17,967,821	244,758	-	18,212,579
Other Materials & Supplies	· · · ·	-	_	· · · -
Stores Expense Undistributed	1,850,281	25,205	_	1,875,486
Prepayments	778,873	368,722	-	1,147,595
Emission Allowances	22,843	· =	=	22,843
Derivative Instrument Assets	6,952,833	-	_	6,952,833
Interest & Dividends Receivable	· · ·	-	-	· · · -
Misc Current and Accrued Assets	6,279,184	-	_	6,279,184
Rents Receivable	3,711	_	=	3,711
Total Current & Accrued Assets	71,195,174	9,700,236	1,400,558	82,295,968
Unamortized Debt Expense	1,732,243	711,194	(129,708)	2,313,729
Other Regulatory Assets	117,661,071	17,979,993	-	135,641,064
Preliminary Survey & Investigation	151,840	62,340	(11,370)	202,810
Clearing Accounts	88,493	24,983	-	113,476
Temporary Facilities		-	_	-
Miscellaneous Deferred Debits	1,846,661	758,170	(138,275)	2,466,556
Unamortized Loss on Reacquired Debt	590,499	. 242,437	(44,2.16)	788,720
Accumulated Deferred Income Taxes	57,656,385	17,205,351	-	74,861,736
Unrecovered Purchased Gas Costs	,,	(5,421,150)	_	(5,421,150)
Total Deferred Debits	179,727,192	31,563,318	(323,569)	210,966,941
TOTAL ASSETS AND OTHER DEBITS	1,415,117,209	489,424,060	18,399,903	1,922,941,172

### <u>Duke Energy Kentucky, Inc.</u>

### Monthly Supplemental Financial Statements Balance Sheet - Page 2 As of June 30, 2019 (Unaudited)

	Electric Jurisdictional	Gas Jurisdictional	Non- Jurisdictional	Total Company
Proprietary Capital				
Common Stock Issued	6,573,407	2,698,795	(492,207)	8,779,995
Premium on Capital Stock	14,104,342	5,790,715	(1,056,111)	18,838,946
Other Paid-in Capital Stock	148,729,167	61,062,632	(11,136,610)	198,655,189
Retained Earnings	295,781,438	60,230,626	40,528,989	396,541,053
Accumulated Other Comprehensive Income				
Total Proprietary Capital	465,188,354	129,782,768	27,844,061	622,815,183
<u>Liabilities</u>				
Bonds	394,344,730	161,903,194	(29,527,924)	526,720,000
Advances from Associated Companies	18,717,000	7,684,500	(1,401,500)	25,000,000
Less: Unamortized Discount on Long-Term Debt	(160,235)	(65,786)	11,998	(214,023)
Total Long-Term Debt	412,901,495	169,521,908	(30,917,426)	551,505,977
Obligations Under Capital Leases - Noncurrent	6,470,875	2,656,660	-	9,127,535
Asset Retirement Obligation	49,874,278	7,984,472	-	57,858,750
Long-Term Portion of Derivative Instrument Liabilities	3,740,729	1,056,062	-	4,796,791
Accum. Misc. Operating Provisions	20,689,220	5,840,862	-	26,530,082
Total Other Noncurrent Liabilities	80,775,102	17,538,056		98,313,158
Accounts Payable	23,419,647	9,615,231	(1,753,627)	31,281,251
Notes Payable to Assoc. Co.	64,152,622	26,338,667	(4,803,649)	85,687,640
Accounts Payable to Assoc. Co.	, 16,774,744	6,887,083	(1,256,067)	22,405,760
Customer Deposits	6,225,329	4,186,662	-	10,411,991
Taxes Accrued	3,476,112	1,539,122	(1,153,748)	3,861,486
Interest Accrued	4,618,909	1,896,351	(345,857)	6,169,403
Tax Collections Payable	1,324,895	410,725	522	1,736,142
Misc. Current & Accrued Liabilities	10,957,813	3,093,549	-	14,051,362
Obligations Under Capital Leases - Current	169,746	69,691	-	239,437
Derivative Instrument Liabilities	4,248,079	1,199,294	-	5,447,373
Less: Long-Term Portion of Derivative Instrument Liabilities	(3,740,729)	(1,056,062)	-	(4,796,791)
Total Current & Accrued Liabilities	131,627,167	54,180,313	(9,312,426)	176,495,054
Customer Advances for Construction	-	1,602,637	-	1,602,637
Accum. Deferred Investment Tax Credits	178,897	469,098	2,839,403	3,487,398
Other Deferred Credits	11,656,862	3,709,420	-	15,366,282
Other Regulatory Liabilities	106,540,476	44,021,937	-	150,562,413
Accumulated Deferred Income Taxes	206,248,856	68,597,923	27,946,291	302,793,070
Total Deferred Credits	324,625,091	118,401,015	30,785,694	473,811,800
TOTAL PROPRIETARY CAPITAL,				
LIABILITIES, AND OTHER DEFERRED CREDITS	1,415,117,209	489,424,060	18,399,903	1,922,941,172

### Duke Energy Kentucky, Inc.

#### Monthly Supplemental Financial Statements Income Statement For the 12 Months Ended June 30, 2019 (Unaudited)

Revenues   142,590,235   68,831,651   211,421,886   Commercial Sales   128,001,842   25,422,452   61,342,494   Indistrial Sales   61,346,766   1,770,802   63,116,756   Sales to Public Authorities   23,385,878   2,420,675   25,806,575   25,806,575   25,806,575   25,806,575   26,806,575   20,101   1,667,503   1,101   1,667,503   1,101   1,667,503   1,101   1,667,503   1,101   1,667,503   1,101   1,667,503   1,101   1,667,503   1,101   1,667,503   1,101   1,667,503   1,101   1,667,503   1,101   1,1		Electric	Gas	Non- Jurisdictional	Total Company
Commercial Sales   128,001,842   25,422,462   153,424,294   163,770,802   33,166,776   348 to Public Authorities   23,385,878   2,420,675   25,806,553   101,011   1667,503   1618-0 Papartmental Sales   70,241   28,546   98,787   98,787   1618-0 Papartmental Sales   70,241   28,546   65,75,864   65,75,864   65,75,864   65,75,864   65,75,864   66,75,864	Revenues				
Industrial Sales   Industrial	Residential Sales	142,590,235	68,831,651		211,421,886
Sales to Public Nuthorillies         23,385,878         2,420,675         25,080,655           Public Street & Highway Upithigh         1,866,602         1,001         1,667,603           Inter-Departmental Sales         70,241         28,546         98,787           Miles Service Revenues         2,814,897         31,524         300,825         3,147,246           Revenues from Transportation         15,415,870         6,575,864         6,575,864           Sales for Resale         15,415,870         15,218,272         (187,841)         15,415,870           Cheris from Property         1,459,868         (187,841)         1,541,5876         11,549,868           Other Revenues         383,934,661         10,884,674         300,825         481,255,60           Oberating Expenses         206,326,669         66,017,763         194,517         272,538,939           Maintenance Expenses         39,946,882         2,887,099         53,954         41,905,925           Operating Expenses         36,526,699         66,017,763         194,517         272,538,939           Maintenance Expense         39,946,882         2,887,099         53,954         41,905,925           Depresition Expense         36,520,609         66,017,763         194,517         272,538,939	Commercial Sales	128,001,842			153,424,294
Public Street & Hightway Lighting   1,666,602   1,001   2,607,603   3,147,246   39,787   31,524   300,825   3,147,246   39,787   31,524   300,825   3,147,246   39,787   31,524   300,825   3,147,246   39,787   31,524   300,825   3,147,246   32,546   32,547,247,246   32,547,247,247,247,247,247,247,247,247,247,2	Industrial Sales	, ,	1,770,802		63,116,678
Inter-Departmental Sales   70,241   28,646   99,878   Misc. Service Revenues   2314,897   31,524   300,825   31,472,446   Revenues from Transportation   6,575,884   6,575,884   15,415,870   15,415,8	Sales to Public Authorities	23,385,878	2,420,675		
Miles: Service Revenues   2,814,897   31,524   300,825   3,147,246   Revenues from Transportation   6,675,886   6,675,886   3,147,246   3,675,886   3,147,246   3,675,886   3,147,246   3,675,886   3,147,246   3,685   3,147,246   3,685   3,147,246   3,685   3,147,246   3,685   3,147,246   3,685   3,147,246   3,685   3,147,246   3,685   3,147,246   3,685   3,147,246   3,685   3,147,246   3,685   3,147,246   3,685   3,147,246   3,685   3,147,246   3,148,146	Public Street & Highway Lighting	1,666,602	1,001		1,667,603
Revenues from Transportation   15.415.870	Inter-Departmental Sales	70,241			
Sales for Resale	Misc. Service Revenues	2,814,897	•	300,825	
Rents from Property   1,459,868   1,169,868   1,169,467   11,994,911	·	-	6,575,864		
11,984,911   11,994,911   11,			-		
Total Revenues	, ,	• •	<u>.</u>		, , , , , , , , , , , , , , , , , , ,
Operating Expenses         206,326,659         66,017,763         194,517         272,538,939           Maintenance Expense         38,964,882         2,887,089         53,954         41,905,925           Depreciation Expense         61,529,833         9,978,160         - 71,507,793           Amortization and Depletion         2,800,191         3,120,714         - 5,720,905           Taxes Other than Income Taxes         11,864,595         3,618,092         4,599         15,285,288           Income Taxes - Federal & Other         (21,749,401)         (1,363,616)         (72,711)         (22,185,728)           Provision for Deferred Income Taxes - Net         29,403,737         6,301,386         (2,536,302)         33,168,821           Investment Tax Credit Adjustment         (53,675)         53,675         7         7         7           Total Operating Expenses         328,740,296         90,503,913         (2,302,268)         416,941,941           NET OPERATING INCOME         60,193,765         14,390,761         2,603,093         77,187,619           Other Income & Deductions         -         964,004         964,004           Revenues from Merchandising, Jobbing and Contract Work         -         -         964,004           Less: Expense of Merchandising, Jobbing and Contract Work					
Operation Expense   206, 326, 659   66,017, FG3   194, 517   272, 538, 939   Maintenance Expense   38,964,882   2,887,089   53,954   41,905,925	Total Revenues	388,934,061	104,894,674	300,825	494,129,560
Maintenance Expense   38,964,882   2,887,089   53,954   41,905,925	· · · · · · · · · · · · · · · · · · ·	202 202 252	00 047 700	404.547	070 500 000
Depreciation Expense	·	· ·		•	
Amortization and Depletion Taxes Other than Income Taxes Income Taxes Federal & Other Income Taxes - Federal & Other Investment Tax Credit Adjustment Interest Charges Interest Cha	•			53,954	
Taxes Other than Income Taxes	·	· · ·		-	
Income Taxes - Federal & Other   (21,749,401)   (1,363,616)   (72,711)   (23,185,728)   Provision for Deferred Income Taxes - Net   (29,403,737   6,301,386   (2,563,602)   33,168,821   (2,563,602)	·	· ·		4 500	
Provision for Deferred Income Taxes - Net					
Nestment Tax Credit Adjustment   Casa Credit					
NET OPERATING INCOME   60,193,765   14,390,761   2,603,093   77,187,619		20,400,707			55,100,021
NET OPERATING INCOME         60,193,765         14,390,761         2,603,093         77,187,619           Other Income & Deductions         Revenues from Merchandising, Jobbing and Contract Work         -         -         964,004         964,004           Less: Expense of Merchandising, Jobbing and Contract Work         -         -         60,737)         (50,737)         (50,737)         (50,737)         (50,737)         Revenues from Nonutility Operations         -         -         993,377         993,377         1993,377         1993,377         1993,377         1993,377         1993,377         1993,377         1993,377         1,797,541         AFUDC         1         708,854         240,512         1,797,541         1,797,541         4,797,541         4,797,541         4,797,541         2,797,541         4,79	-	328 740 296			416 941 941
Other Income & Deductions         Revenues from Merchandising, Jobbing and Contract Work         -         -         964,004         964,004           Less: Expense of Merchandising, Jobbing and Contract Work         -         -         (50,737)         (50,737)           Revenues from Nonutility Operations         -         -         1,797,541         1,797,541         1,797,541           Interest & Dividend Income         1         -         -         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,949,366         Gain on Disposition of Property         -         -         1,798,851         78,681         78	Total Operating Expenses	020,740,200	50,000,010	(2,002,200)	+10,0+1,0+1
Revenues from Merchandising, Jobbing and Contract Work         -         -         964,004         964,004           Less: Expense of Merchandising, Jobbing and Contract Work         -         -         (50,737)         (50,737)           Revenues from Nonutility Operations         -         -         993,377         993,377           Interest & Dividend Income         -         -         1,797,541         1,797,541           AFUDC         1,708,854         240,512         1,949,366           Gain on Disposition of Property         -         -         78,681         78,681           Loss on Disposition of Property         -         -         -         -         -           Misc. Income Deductions         -         -         (3,156,013)         (3,156,013)         (3,156,013)         (3,156,013)         Taxes Other than Income Taxes         -         -         (110,102)         (110,1	NET OPERATING INCOME	60,193,765	14,390,761	2,603,093	77,187,619
Less: Expense of Merchandising, Jobbing and Contract Work         -         -         (50,737)         (50,737)           Revenues from Nonutility Operations         -         -         993,377         993,377         993,377         993,377         993,377         993,377         993,377         993,377         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,797,541         1,794,366         6         240,512         1,949,366         6         1,949,366         6         6         1,760,013         3,156,013         1,786,811         1         -					
Revenues from Nonutility Operations   -   -   993,377   993,377   1   1   1   1   1   1   1   1   1	<u> </u>	=	-		•
Interest & Dividend Income		-	-		
AFUDC Gain on Disposition of Property	• •	-	-	·	•
Gain on Disposition of Property         -         -         78,681         78,681           Loss on Disposition of Property         -         -         -         -         -           Misc. Income Deductions         -         -         -         (3,156,013)         (3,156,013)           Taxes Other than Income Taxes         -         -         (110,102)         (110,102)         (110,102)           Income Taxes - Federal & Other         -         -         (3,107,576)         (3,107,576)         (3,107,576)         (3,107,576)         (3,107,576)         (590,008)         (70,008)         (690,008)         (1,231,467)         (7,235,615)         1,157,584         (20,649,024)         (20,649,024)         (20,649,024)         (20,649,024)         (20,649,024)         (20,649,024)         (20,649,024)         (20,649,024)         (20,649,		1 700 054	240 512	1,797,541	
Loss on Disposition of Property		1,700,004	240,312	70 601	
Misc. Income Deductions         -         -         (3,156,013)         (3,156,013)           Taxes Other than Income Taxes         -         -         (110,102)         (110,102)           Income Taxes - Federal & Other         -         -         -         (3,107,576)         (3,107,576)           Provision for Deferred Income Taxes - Net         -         -         -         (590,008)         (590,008)           Total Other Income & Deductions         1,708,854         240,512         (3,180,833)         (1,231,467)           Interest Charges           Interest On Long Term Debt         (15,459,511)         (6,347,097)         1,157,584         (20,649,024)           Amortization of Debt Disc. And Expense         (259,886)         (106,699)         19,460         (347,125)           Amortization of Loss on Reacquired Debt         (199,504)         (81,909)         14,939         (266,474)           Interest on Debt to Assoc. Co.         (1,545,544)         (634,543)         115,728         (2,064,359)           Other Interest Expense         (1,034,127)         (424,574)         77,434         (1,381,267)           Less: Allowance for Borrowed Fund Used During Construction - Credit         1,603,941         269,207         1,873,148           Net interest Charges		-	-	70,001	70,001
Taxes Other than Income Taxes         -         -         (110,102)         (110,102)           Income Taxes - Federal & Other         -         -         -         (3,107,576)         (3,107,576)           Provision for Deferred Income Taxes - Net         -         -         (590,008)         (590,008)           Total Other Income & Deductions         1,708,854         240,512         (3,180,833)         (1,231,467)           Interest Charges           Interest on Long Term Debt         (15,459,511)         (6,347,097)         1,157,584         (20,649,024)           Amortization of Debt Disc. And Expense         (259,886)         (106,699)         19,460         (347,125)           Amortization of Loss on Reacquired Debt         (199,504)         (81,909)         14,939         (266,474)           Interest on Debt to Assoc. Co.         (1,545,544)         (634,543)         115,728         (2,064,359)           Other Interest Expense         (1,034,127)         (424,574)         77,434         (1,381,267)           Less: Allowance for Borrowed Fund Used During Construction - Credit         1,603,941         269,207         -         1,873,148           Net interest Charges         (16,894,631)         (7,325,615)         1,385,145         (22,835,101)	• • • • • • • • • • • • • • • • • • • •	_	-	(3.156.013)	(3.156.013)
Income Taxes - Federal & Other   -   -   (3,107,576)   (3,107,576)   (3,107,576)   (3,107,576)   (3,107,576)   (3,107,576)   (3,107,576)   (3,107,576)   (3,107,576)   (3,107,576)   (590,008)   (590,008)   (590,008)   (590,008)   (590,008)   (1,231,467)		_	_		• • • • •
Provision for Deferred Income Taxes - Net Total Other Income & Deductions  1,708,854  240,512  (3,180,833)  (1,231,467)  Interest Charges Interest on Long Term Debt Interest on Long Term Debt Amortization of Debt Disc. And Expense Amortization of Loss on Reacquired Debt Interest on Debt to Assoc. Co. (1,545,544) Interest on Debt to Assoc. Co. (1,545,544) Interest Expense Interest Expense Interest Expense Interest Charges  Interest Charges Inter		_	_		
Total Other Income & Deductions         1,708,854         240,512         (3,180,833)         (1,231,467)           Interest Charges           Interest on Long Term Debt         (15,459,511)         (6,347,097)         1,157,584         (20,649,024)           Amortization of Debt Disc. And Expense         (259,886)         (106,699)         19,460         (347,125)           Amortization of Loss on Reacquired Debt         (199,504)         (81,909)         14,939         (266,474)           Interest on Debt to Assoc. Co.         (1,545,544)         (634,543)         115,728         (2,064,359)           Other Interest Expense         (1,034,127)         (424,574)         77,434         (1,381,267)           Less: Allowance for Borrowed Fund Used During Construction - Credit Interest Charges         1,603,941         269,207         -         1,873,148           Net interest Charges         (16,894,631)         (7,325,615)         1,385,145         (22,835,101)		-	-	• • • •	,
Interest on Long Term Debt (15,459,511) (6,347,097) 1,157,584 (20,649,024)  Amortization of Debt Disc. And Expense (259,886) (106,699) 19,460 (347,125)  Amortization of Loss on Reacquired Debt (199,504) (81,909) 14,939 (266,474)  Interest on Debt to Assoc. Co. (1,545,544) (634,543) 115,728 (2,064,359)  Other Interest Expense (1,034,127) (424,574) 77,434 (1,381,267)  Less: Allowance for Borrowed Fund Used During Construction - Credit 1,603,941 269,207 - 1,873,148  Net interest Charges (16,894,631) (7,325,615) 1,385,145 (22,835,101)  Extraordinary Items after Taxes		1,708,854	240,512		
Amortization of Debt Disc. And Expense       (259,886)       (106,699)       19,460       (347,125)         Amortization of Loss on Reacquired Debt       (199,504)       (81,909)       14,939       (266,474)         Interest on Debt to Assoc. Co.       (1,545,544)       (634,543)       115,728       (2,064,359)         Other Interest Expense       (1,034,127)       (424,574)       77,434       (1,381,267)         Less: Allowance for Borrowed Fund Used During Construction - Credit Interest Charges       1,603,941       269,207       -       1,873,148         Net interest Charges       (16,894,631)       (7,325,615)       1,385,145       (22,835,101)	Interest Charges				
Amortization of Loss on Reacquired Debt       (199,504)       (81,909)       14,939       (266,474)         Interest on Debt to Assoc. Co.       (1,545,544)       (634,543)       115,728       (2,064,359)         Other Interest Expense       (1,034,127)       (424,574)       77,434       (1,381,267)         Less: Allowance for Borrowed Fund Used During Construction - Credit       1,603,941       269,207       -       1,873,148         Net interest Charges       (16,894,631)       (7,325,615)       1,385,145       (22,835,101)    Extraordinary Items after Taxes	Interest on Long Term Debt	(15,459,511)	(6,347,097)	1,157,584	(20,649,024)
Interest on Debt to Assoc. Co. (1,545,544) (634,543) 115,728 (2,064,359) Other Interest Expense (1,034,127) (424,574) 77,434 (1,381,267) Less: Allowance for Borrowed Fund Used During Construction - Credit 1,603,941 269,207 - 1,873,148 Net interest Charges (16,894,631) (7,325,615) 1,385,145 (22,835,101)  Extraordinary Items after Taxes	Amortization of Debt Disc. And Expense	(259,886)	(106,699)	19,460	(347,125)
Interest on Debt to Assoc. Co. (1,545,544) (634,543) 115,728 (2,064,359) Other Interest Expense (1,034,127) (424,574) 77,434 (1,381,267) Less: Allowance for Borrowed Fund Used During Construction - Credit 1,603,941 269,207 - 1,873,148 Net interest Charges (16,894,631) (7,325,615) 1,385,145 (22,835,101)  Extraordinary Items after Taxes	Amortization of Loss on Reacquired Debt	(199,504)	(81,909)	14,939	(266,474)
Less: Allowance for Borrowed Fund Used During Construction - Credit       1,603,941       269,207       -       1,873,148         Net interest Charges       (16,894,631)       (7,325,615)       1,385,145       (22,835,101)         Extraordinary Items after Taxes       -       -       -       -		(1,545,544)	(634,543)		
Net interest Charges         (16,894,631)         (7,325,615)         1,385,145         (22,835,101)           Extraordinary Items after Taxes         -	Other Interest Expense	(1,034,127)	(424,574)	77,434	(1,381,267)
Extraordinary Items after Taxes	Less: Allowance for Borrowed Fund Used During Construction - Credit			<del>.</del>	
,	Net interest Charges	(16,894,631)	(7,325,615)	1,385,145	(22,835,101)
NET INCOME 45,007,988 7,305,658 807,405 53,121,051	Extraordinary Items after Taxes				<del>-</del>
	NET INCOME	45,007,988	7,305,658	807,405	53,121,051

#### Duke Energy Kentucky, Inc.

# Monthly Supplemental Financial Statements Capital Structure June 30, 2019 (Unaudited)

	Actual May-19	Activity	Actual Jun-19
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	424,585,824	20,498	424,606,322
Advances from Associated Companies	25,000,000	-	25,000,000
** Obligations under Capital Lease-Noncurrent	9,149,843	(22,308)	9,127,535
Total Long-term debt	458,735,667	(1,810)	458,733,857
Common Stock Equity			
Common Stock	8,779,995	-	8,779,995
Premium On Capital Stock Common	18,838,946	-	18,838,946
Donations Received From Stockholders	143,211,362	-	143,211,362
Donations Received From Stockholders Tax	5,600,021	_	5,600,021
Other Miscellaneous PIC	(156,194)	_	(156,194)
Miscellaneous PIC	50,000,000	-	50,000,000
Unappropriated Retained Earnings Balance	369,949,521	-	369,949,521
Unappropriated Retained Earnings - Current Year Net Income	23,251,707	3,339,825	26,591,532
Common Dividend Declared			
Total Common Stock Equity	619,475,358	3,339,825	622,815,183
		-	
TOTAL CAPITALIZATION	1,078,211,025	3,338,015	1,081,549,040

### NOTE:

<sup>\* &</sup>quot;Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, Unamortized Discount, nor Unamortized Debt Expense.

<sup>\*\*&</sup>quot;Obligations under Capital Lease Noncurrent includes \$9.2M of lease liabilities resulting from the implementation of ASC 842 in January 2019.