



139 East Fourth Street-1303-Main  
Cincinnati, Ohio 45202  
Tel: 513-287-4320  
Fax: 513-287-4385  
Rocco.D'Ascenzo@duke-energy.com

Rocco O. D'Ascenzo  
Deputy General Counsel

**VIA EMAIL DELIVERY**

December 15, 2021

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

RECEIVED  
DEC 15 2021  
PUBLIC SERVICE  
COMMISSION

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. Bridwell:

Enclosed please find Duke Energy Kentucky's financial statements for the end of October 2021, per order by the Commission in the above-referenced case.

If you have any questions regarding the financial statements, please contact Charquele Simien at (980) 373-6856.

Very Truly Yours,

/s/Rocco O. D'Ascenzo

Rocco O. D'Ascenzo

Enclosures

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements  
Balance Sheet - Page 1  
As of October 31, 2021  
(Unaudited)

	Total Company
<u>Assets</u>	
Utility Plant in Service	2,984,517,281
Construction Work in Progress	94,071,616
Less: Accumulated Depreciation	(1,103,307,744)
Net Utility Plant	1,975,281,153
Nonutility Property	1,247,563
Other Investments	1,500
Other Special Funds	15,331,186
Long Term Portion of Derivative Instrument Assets	200,834
Total Other Property & Investments	16,781,083
Cash	5,918,502
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	5,484,297
Other Accounts Receivable	2,044,340
Less: Provision for Uncollectibles	(327,459)
Notes Receivable from Assoc. Co.	8,369,412
Accounts Receivable from Assoc. Co.	419,274
Fuel Stock	24,248,113
Gas Stored Underground Inventory	-
Plant Materials & Operating Supplies	16,465,798
Other Materials & Supplies	-
Stores Expense Undistributed	458,116
Prepayments	1,787,866
Emission Allowances	19,189
Derivative Instrument Assets	4,187,832
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	11,723,620
Accrued Utility Revenue	-
Rents Receivable	15,459
Total Current & Accrued Assets	80,814,359
Unamortized Debt Expense	2,772,878
Other Regulatory Assets	140,833,499
Preliminary Survey & Investigation	388,819
Clearing Accounts	110,848
Temporary Facilities	4,518
Miscellaneous Deferred Debits	2,638,278
Unamortized Loss on Reacquired Debt	414,935
Accumulated Deferred Income Taxes	67,926,045
Unrecovered Purchased Gas Costs	1,971,269
Total Deferred Debits	217,061,089
TOTAL ASSETS AND OTHER DEBITS	2,289,937,684

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements  
Balance Sheet - Page 2  
As of October 31, 2021  
(Unaudited)

	Total Company
<u>Proprietary Capital</u>	
Common Stock Issued	8,779,995
Premium on Capital Stock	18,838,946
Other Paid-in Capital Stock	273,655,189
Retained Earnings	512,979,757
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	814,253,887
<u>Liabilities</u>	
Bonds	756,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(176,082)
Total Long-Term Debt	781,543,918
Obligations Under Capital Leases - Noncurrent	8,433,308
Asset Retirement Obligation	76,028,083
Long-Term Portion of Derivative Instrument Liabilities	3,787,844
Accum. Misc. Operating Provisions	31,337,273
Total Other Noncurrent Liabilities	119,586,508
Accounts Payable	40,849,626
Notes Payable to Assoc. Co.	17,686,000
Accounts Payable to Assoc. Co.	10,361,286
Customer Deposits	9,028,031
Taxes Accrued	14,237,281
Interest Accrued	4,176,970
Tax Collections Payable	1,499,510
Misc. Current & Accrued Liabilities	(1,150,626)
Obligations Under Capital Leases - Current	313,564
Derivative Instrument Liabilities	4,798,931
Less: Long-Term Portion of Derivative Instrument Liabilities	(3,787,844)
Total Current & Accrued Liabilities	98,012,729
Customer Advances for Construction	1,645,439
Accum. Deferred Investment Tax Credits	3,572,154
Other Deferred Credits	14,403,001
Other Regulatory Liabilities	130,934,172
Accumulated Deferred Income Taxes	325,985,876
Total Deferred Credits	476,540,642
 TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	 2,289,937,684

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements  
Income Statement  
For the 12 Months Ended October 31, 2021  
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	152,164,978	71,731,599	223,896,577
Commercial Sales	136,049,758	26,970,731	163,020,489
Industrial Sales	56,982,078	1,870,645	58,852,723
Sales to Public Authorities	10,177,403	760,829	10,938,232
Public Street & Highway Lighting	1,660,111	-	1,660,111
Inter-Departmental Sales	46,594	26,996	73,590
Misc. Service Revenues	813,341	1,094,397	1,907,738
Revenues from Transportation	-	6,835,213	6,835,213
Sales for Resale	17,847,053	-	17,847,053
Rents from Property	1,507,830	-	1,507,830
Other Revenues	8,321,341	63,414	8,384,755
Total Revenues	<u>385,570,487</u>	<u>109,353,824</u>	<u>494,924,311</u>
<u>Operating Expenses</u>			
Operation Expense	218,546,870	54,806,429	273,353,299
Maintenance Expense	31,583,514	2,128,907	33,712,421
Depreciation Expense	51,318,143	17,796,411	69,114,554
Amortization and Depletion	3,521,987	4,336,959	7,858,946
Taxes Other than Income Taxes	15,026,408	4,321,412	19,347,820
Income Taxes - Federal & Other	40,600	650,681	691,281
Provision for Deferred Income Taxes - Net	8,603,926	2,624,748	11,228,674
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	<u>328,641,448</u>	<u>86,665,547</u>	<u>415,306,995</u>
NET OPERATING INCOME	<u>56,929,039</u>	<u>22,688,277</u>	<u>79,617,316</u>
<u>Other Income &amp; Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	1,325,088	-	1,325,088
Less: Expense of Merchandising, Jobbing and Contract Work	(124,748)	-	(124,748)
Revenues from Nonutility Operations	933,878	(3,761)	930,117
Interest & Dividend Income	747,849	212,252	960,101
AFUDC	947,687	407,242	1,354,929
Gain on Disposition of Property	-	-	-
Loss on Disposition of Property	-	-	-
Misc. Income Deductions	(2,631,488)	(929,722)	(3,561,210)
Taxes Other than Income Taxes	(8,911)	(3,236)	(12,147)
Income Taxes - Federal & Other	(1,868,262)	236,223	(1,632,039)
Provision for Deferred Income Taxes - Net	1,418,425	(43,961)	1,374,464
Total Other Income & Deductions	<u>739,518</u>	<u>(124,963)</u>	<u>614,555</u>
<u>Interest Charges</u>			
Interest on Long Term Debt	(18,161,432)	(7,730,879)	(25,892,311)
Amortization of Debt Disc. And Expense	(462,641)	(84,316)	(546,957)
Amortization of Loss on Reacquired Debt	(86,237)	(37,943)	(124,180)
Interest on Debt to Assoc. Co.	(100,825)	(44,195)	(145,020)
Other Interest Expense	(1,308,763)	(5,544)	(1,314,307)
Less: Allowance for Borrowed Fund Used During Construction - Credit	378,763	135,970	514,733
Net interest Charges	<u>(19,741,135)</u>	<u>(7,766,907)</u>	<u>(27,508,042)</u>
Extraordinary Items after Taxes	-	-	-
NET INCOME	<u>37,927,422</u>	<u>14,796,407</u>	<u>52,723,829</u>

