



139 East Fourth Street-1303-Main
Cincinnati, Ohio 45202
Tel: 513-287-4320
Fax: 513-370-5720
Rocco.D'Ascenzo@duke-energy.com

Rocco O. D'Ascenzo
Deputy General Counsel

VIA EMAIL DELIVERY

June 17, 2022

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

RECEIVED

JUN 17 2022

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 April 2022, per order by the Commission in the above-referenced case.

If you have any questions regarding the financial statements, please contact India Gilliam at (803) 422-5417.

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 April 30, 2022
(Unaudited)

	<u>Total Company</u>
<u>Assets</u>	
Utility Plant in Service	3,012,468,594
Construction Work in Progress	76,982,685
Less: Accumulated Depreciation	(1,053,504,501)
Net Utility Plant	<u>2,035,946,778</u>
Nonutility Property	1,247,563
Other Investments	1,500
Other Special Funds	17,071,486
Long Term Portion of Derivative Instrument Assets	199,276
Total Other Property & Investments	<u>18,519,825</u>
Cash	419,840
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	217,371
Other Accounts Receivable	1,790,535
Less: Provision for Uncollectibles	(318,085)
Notes Receivable from Assoc. Co.	16,936,590
Accounts Receivable from Assoc. Co.	(2,755,573)
Fuel Stock	23,505,413
Gas Stored Underground Inventory	-
Plant Materials & Operating Supplies	18,232,581
Other Materials & Supplies	-
Stores Expense Undistributed	47,939
Prepayments	1,622,958
Emission Allowances	19,060
Derivative Instrument Assets	300,938
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	9,449,883
Accrued Utility Revenue	6,511,810
Rents Receivable	12,064
Total Current & Accrued Assets	<u>75,993,324</u>
Unamortized Debt Expense	2,734,084
Other Regulatory Assets	141,019,099
Preliminary Survey & Investigation	423,033
Clearing Accounts	(17,327)
Temporary Facilities	8,372
Miscellaneous Deferred Debits	2,395,590
Unamortized Loss on Reacquired Debt	353,573
Accumulated Deferred Income Taxes	71,414,445
Unrecovered Purchased Gas Costs	(3,383,737)
Total Deferred Debits	<u>214,947,132</u>
TOTAL ASSETS AND OTHER DEBITS	<u><u>2,345,407,059</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of April 30, 2022
(Unaudited)

	<u>Total Company</u>
<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	548,353,824
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>849,627,954</u>
<u>Liabilities</u>	
Bonds	706,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(169,950)
Total Long-Term Debt	<u>731,550,050</u>
Obligations Under Capital Leases - Noncurrent	8,267,444
Asset Retirement Obligation	93,704,818
Long-Term Portion of Derivative Instrument Liabilities	2,391,708
Accum. Misc. Operating Provisions	31,148,764
Total Other Noncurrent Liabilities	<u>135,512,734</u>
Accounts Payable	41,971,375
Notes Payable to Assoc. Co.	47,066,000
Accounts Payable to Assoc. Co.	12,324,409
Customer Deposits	9,167,012
Taxes Accrued	24,856,972
Interest Accrued	4,164,004
Tax Collections Payable	1,358,049
Misc. Current & Accrued Liabilities	(2,821,397)
Obligations Under Capital Leases - Current	326,434
Derivative Instrument Liabilities	3,131,677
Less: Long-Term Portion of Derivative Instrument Liabilities	(2,391,708)
Total Current & Accrued Liabilities	<u>139,152,827</u>
Customer Advances for Construction	1,819,024
Accum. Deferred Investment Tax Credits	3,543,256
Other Deferred Credits	14,860,483
Other Regulatory Liabilities	128,673,670
Accumulated Deferred Income Taxes	340,667,061
Total Deferred Credits	<u>489,563,494</u>
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	<u><u>2,345,407,059</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
As of April 30, 2022
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	170,810,588	88,404,219	259,214,807
Commercial Sales	141,895,633	35,719,566	177,615,199
Industrial Sales	61,564,317	2,245,302	63,809,619
Sales to Public Authorities	19,198,384	2,484,676	21,683,060
Public Street & Highway Lighting	1,581,964	-	1,581,964
Inter-Departmental Sales	134,021	26,823	160,844
Misc. Service Revenues	(18,683)	894,864	876,181
Revenues from Transportation	-	7,592,357	7,592,357
Sales for Resale	20,669,677	-	20,669,677
Rents from Property	1,475,638	-	1,475,638
Other Revenues	6,868,797	70,510	6,939,307
Total Revenues	<u>424,180,336</u>	<u>137,438,317</u>	<u>561,618,653</u>
<u>Operating Expenses</u>			
Operation Expense	247,587,341	77,884,879	325,472,220
Maintenance Expense	37,642,350	2,081,549	39,723,899
Depreciation Expense	54,520,173	18,090,935	72,611,108
Amortization and Depletion	3,535,108	4,199,566	7,734,664
Taxes Other than Income Taxes	16,422,192	4,664,980	21,087,172
Income Taxes - Federal & Other	(8,395,633)	2,568,789	(5,826,844)
Provision for Deferred Income Taxes - Net	14,451,205	2,222,779	16,673,984
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	<u>365,762,736</u>	<u>111,713,467</u>	<u>477,476,203</u>
NET OPERATING INCOME	<u>58,417,600</u>	<u>25,724,850</u>	<u>84,142,450</u>
<u>Other Income & Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	1,289,103	-	1,289,103
Less: Expense of Merchandising, Jobbing and Contract Work	(101,825)	-	(101,825)
Revenues from Nonutility Operations	876,884	(5,397)	871,487
Interest & Dividend Income	799,144	221,350	1,020,494
AFUDC	1,061,664	299,337	1,361,001
Gain on Disposition of Property	-	105,042	105,042
Loss on Disposition of Property	(13,784)	(105,042)	(118,826)
Misc. Income Deductions	(2,877,692)	(2,023,839)	(4,901,531)
Taxes Other than Income Taxes	(3,202)	-	(3,202)
Income Taxes - Federal & Other	(1,682,684)	456,644	(1,226,040)
Provision for Deferred Income Taxes - Net	1,359,050	(20,041)	1,339,009
Total Other Income & Deductions	<u>706,658</u>	<u>(1,071,946)</u>	<u>(365,288)</u>
<u>Interest Charges</u>			
Interest on Long Term Debt	(17,796,015)	(8,013,112)	(25,809,127)
Amortization of Debt Disc. And Expense	(498,150)	13,169	(484,981)
Amortization of Loss on Reacquired Debt	(84,099)	(38,624)	(122,723)
Interest on Debt to Assoc. Co.	(125,301)	(59,048)	(184,349)
Other Interest Expense	(1,145,750)	(6,537)	(1,152,287)
Less: Allowance for Borrowed Fund Used During Construction - Credit	414,429	98,010	512,439
Net interest Charges	<u>(19,234,886)</u>	<u>(8,006,142)</u>	<u>(27,241,028)</u>
Extraordinary Items after Taxes	-	-	-
NET INCOME	<u>39,889,372</u>	<u>16,646,762</u>	<u>56,536,134</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
As of April 30, 2022
(Unaudited)

	Actual 3/31/2022	Activity	Actual 4/30/2022
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	704,298,211	23,962	704,322,173
Advances from Associated Companies	25,000,000	-	25,000,000
** Obligations under Capital Lease-Noncurrent	8,295,548	(28,104)	8,267,444
Total Long-term debt	737,593,759	(4,142)	737,589,617
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	125,000,000	-	125,000,000
Unappropriated Retained Earnings Balance	520,368,340	-	520,368,340
Unappropriated Retained Earnings - Current Year Net Income	24,498,633	3,486,851	27,985,484
Total Common Stock Equity	846,141,103	3,486,851	849,627,954
TOTAL CAPITALIZATION	1,583,734,862	3,482,709	1,587,217,571

NOTE:

* "Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, Unamortized Discount, nor Unamortized Debt Expense.

** "Obligations under Capital Lease Noncurrent includes \$9.2M of lease liabilities resulting from the implementation of ASC 842 in January 2019.