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Rocco O. D'Ascenzo
Deputy General Counsel

VIA EMAIL DELIVERY

June 13, 2024

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

RECEIVED

JUN 13 2024

**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 2024, per order by the Commission in the above-referenced case.

If you have any questions regarding the financial statements, please contact Danielle Weatherston at Danielle.Weatherston@duke-energy.com.

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, 2024

(Unaudited)

	<u>Total Company</u>
<u>Assets</u>	
Utility Plant in Service	3,333,048,605
Construction Work in Progress	119,054,724
Less: Accumulated Depreciation	<u>(1,140,775,920)</u>
Net Utility Plant	<u>2,311,327,409</u>
Nonutility Property	1,325,080
Other Investments	1,500
Other Special Funds	19,166,771
Long Term Portion of Derivative Instrument Assets	86,683
Total Other Property & Investments	<u>20,580,034</u>
Cash	2,657,682
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	51,197,853
Other Accounts Receivable	1,884,865
Less: Provision for Uncollectibles	(3,980,309)
Notes Receivable from Assoc. Co.	-
Accounts Receivable from Assoc. Co.	111,036
Fuel Stock	39,005,462
Gas Stored Underground Inventory	-
Plant Materials & Operating Supplies	28,774,486
Other Materials & Supplies	-
Stores Expense Undistributed	1,456,548
Prepayments	1,714,406
Emission Allowances	18,470
Derivative Instrument Assets	455,640
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	5,500,496
Accrued Utility Revenue	25,226,387
Rents Receivable	8,583
Total Current & Accrued Assets	<u>154,031,605</u>
Unamortized Debt Expense	2,444,608
Other Regulatory Assets	111,860,915
Preliminary Survey & Investigation	1,185,503
Clearing Accounts	59,030
Temporary Facilities	23,946
Miscellaneous Deferred Debits	2,681,778
Unamortized Loss on Reacquired Debt	127,679
Accumulated Deferred Income Taxes	81,976,589
Unrecovered Purchased Gas Costs	<u>(5,145,333)</u>
Total Deferred Debits	<u>195,214,715</u>
TOTAL ASSETS AND OTHER DEBITS	<u><u>2,681,153,763</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of April 30, 2024
(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	458,655,189
Retained Earnings	680,764,103
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	1,167,038,233
<u>Liabilities</u>	
Bonds	681,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(145,424)
Total Long-Term Debt	706,574,576
Obligations Under Capital Leases - Noncurrent	5,837,311
Asset Retirement Obligation	91,213,761
Long-Term Portion of Derivative Instrument Liabilities	753,454
Accum. Misc. Operating Provisions	27,183,720
Total Other Noncurrent Liabilities	124,988,246
Accounts Payable	34,874,045
Notes Payable to Assoc. Co.	32,385,000
Accounts Payable to Assoc. Co.	32,975,417
Customer Deposits	8,239,823
Taxes Accrued	29,686,022
Interest Accrued	5,099,570
Tax Collections Payable	1,846,444
Misc. Current & Accrued Liabilities	9,188,994
Obligations Under Capital Leases - Current	293,457
Derivative Instrument Liabilities	895,899
Less: Long-Term Portion of Derivative Instrument Liabilities	(753,454)
Total Current & Accrued Liabilities	154,731,217
Customer Advances for Construction	2,521,642
Accum. Deferred Investment Tax Credits	5,120,973
Other Deferred Credits	15,088,650
Other Regulatory Liabilities	118,391,962
Accumulated Deferred Income Taxes	386,698,264
Total Deferred Credits	527,821,491
 TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	 2,681,153,763

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
As of April 30, 2024
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	184,736,366	84,229,253	268,965,619
Commercial Sales	165,909,655	33,628,618	199,538,273
Industrial Sales	69,511,420	1,828,987	71,340,407
Sales to Public Authorities	24,210,404	2,003,923	26,214,327
Public Street & Highway Lighting	209,215	-	209,215
Inter-Departmental Sales	28,944	34,061	63,005
Misc. Service Revenues	(1,749,112)	22,305	(1,726,807)
Revenues from Transportation	-	11,356,104	11,356,104
Sales for Resale	19,975,560	-	19,975,560
Rents from Property	1,716,547	-	1,716,547
Other Revenues	12,480,548	(444,514)	12,036,034
Total Revenues	<u>477,029,547</u>	<u>132,658,737</u>	<u>609,688,284</u>
<u>Operating Expenses</u>			
Operation Expense	262,728,529	65,603,238	328,331,767
Maintenance Expense	28,480,654	2,029,962	30,510,616
Depreciation Expense	81,719,095	18,163,320	99,882,415
Amortization and Depletion	4,773,241	4,084,608	8,857,849
Taxes Other than Income Taxes	10,306,761	4,600,086	14,906,847
Income Taxes - Federal & Other	17,347,706	(8,811,501)	8,536,205
Provision for Deferred Income Taxes - Net	(6,517,001)	15,406,588	8,889,587
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	<u>398,838,985</u>	<u>101,076,301</u>	<u>499,915,286</u>
NET OPERATING INCOME	<u>78,190,562</u>	<u>31,582,436</u>	<u>109,772,998</u>
<u>Other Income & Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	3,282,267	-	3,282,267
Less: Expense of Merchandising, Jobbing and Contract Work	(131,872)	-	(131,872)
Revenues from Nonutility Operations	747,773	2,052	749,825
Interest & Dividend Income	3,390,134	895,966	4,286,100
Non Operating Rental Income	(632)	(1,176)	(1,808)
AFUDC	746,618	562,897	1,309,515
Gain on Disposition of Property	-	83,825	83,825
Loss on Disposition of Property	(38,130)	(14,717)	(52,847)
Misc. Income Deductions	(5,193,381)	(1,882,060)	(7,075,441)
Taxes Other than Income Taxes	6,867	-	6,867
Income Taxes - Federal & Other	(879,736)	13,193,763	12,314,027
Provision for Deferred Income Taxes - Net	(217,538)	(12,887,111)	(13,104,649)
Total Other Income & Deductions	<u>1,712,370</u>	<u>(46,561)</u>	<u>1,665,809</u>
<u>Interest Charges</u>			
Interest on Long Term Debt	(20,310,405)	(9,516,406)	(29,826,811)
Amortization of Debt Disc. And Expense	(319,465)	(143,608)	(463,073)
Amortization of Loss on Reacquired Debt	(70,625)	(34,650)	(105,275)
Interest on Debt to Assoc. Co.	(3,921,947)	(1,926,350)	(5,848,297)
Other Interest Expense	(2,030,404)	(193,848)	(2,224,252)
Less: Allowance for Borrowed Fund Used During Construction - Credit	2,089,623	1,827,108	3,916,731
Net interest Charges	<u>(24,563,223)</u>	<u>(9,987,754)</u>	<u>(34,550,977)</u>
Extraordinary Items after Taxes	-	-	-
NET INCOME	<u>55,339,709</u>	<u>21,548,121</u>	<u>76,887,830</u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
As of April 30, 2024
(Unaudited)

	Actual March-24	Activity	Actual April-24
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	679,645,196	27,695	679,672,891
Advances from Associated Companies	25,000,000	-	25,000,000
** Obligations under Capital Lease-Noncurrent	7,395,890	(1,558,579)	5,837,311
Total Long-term debt	712,041,086	(1,530,884)	710,510,202
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	310,000,000	-	310,000,000
Unappropriated Retained Earnings Balance	644,082,574	-	644,082,574
Unappropriated Retained Earnings - Current Year Net Income	32,222,879	4,458,650	36,681,529
Total Common Stock Equity	1,162,579,583	4,458,650	1,167,038,233
TOTAL CAPITALIZATION	\$ 1,874,620,669	\$ 2,927,766	\$ 1,877,548,435

NOTE:

* "Long-Term Debt" under Non-Current Liabilities does not include current portion of Long-Term Debt, however it does include Unamortized Discount and Unamortized Debt Expense.

** "Obligations under Capital Lease Noncurrent includes \$8.1M of lease liabilities resulting from the implementation of ASC 842 in January 2019.