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VIA ELECTRONIC DELIVERY

July 17, 2025

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

RECEIVED

JUL 17 2025

**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, Inc.'s financial statements for the end of May 2025, 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 D'Ascenzo

Rocco O. D'Ascenzo

Enclosures: As stated

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements

Balance Sheet - Page 1

As of May 31, 2025

(Unaudited)

	Total Company
<u>Assets</u>	
Utility Plant in Service	3,530,358,650
Construction Work in Progress	117,629,731
Less: Accumulated Depreciation	(1,181,061,469)
Net Utility Plant	2,466,926,912
Nonutility Property	1,328,228
Other Investments	1,500
Other Special Funds	19,220,496
Long Term Portion of Derivative Instrument Assets	-
Total Other Property & Investments	20,550,224
Cash	7,627,153
Working Funds	-
Temporary Cash Investments	-
Customer Accounts Receivable	47,721,291
Other Accounts Receivable	1,115,895
Less: Provision for Uncollectibles	(3,612,727)
Notes Receivable from Assoc. Co.	38,451,000
Accounts Receivable from Assoc. Co.	362,771
Fuel Stock	30,745,644
Gas Stored Underground Inventory	-
Plant Materials & Operating Supplies	23,292,194
Other Materials & Supplies	-
Stores Expense Undistributed	755,156
Prepayments	1,072,661
Emission Allowances	17,470
Derivative Instrument Assets	1,989,934
Interest & Dividends Receivable	-
Misc Current and Accrued Assets	6,800,747
Accrued Utility Revenue	21,556,104
Rents Receivable	11,827
Total Current & Accrued Assets	177,907,120
Unamortized Debt Expense	3,110,639
Other Regulatory Assets	102,992,068
Preliminary Survey & Investigation	1,698,297
Clearing Accounts	98,984
Temporary Facilities	37,039
Miscellaneous Deferred Debits	3,226,022
Unamortized Loss on Reacquired Debt	41,547
Accumulated Deferred Income Taxes	89,467,838
Unrecovered Purchased Gas Costs	(3,824,541)
Total Deferred Debits	196,847,893
TOTAL ASSETS AND OTHER DEBITS	2,862,232,149

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Balance Sheet - Page 2
As of May 31, 2025
(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	474,372,496
Retained Earnings	645,835,189
Accumulated Other Comprehensive Income	-
Total Proprietary Capital	<u>1,147,826,626</u>
<u>Liabilities</u>	
Bonds	906,720,000
Advances from Associated Companies	25,000,000
Less: Unamortized Discount on Long-Term Debt	(132,138)
Total Long-Term Debt	<u>931,587,862</u>
Obligations Under Capital Leases - Noncurrent	3,733,866
Asset Retirement Obligation	86,764,054
Long-Term Portion of Derivative Instrument Liabilities	551,889
Accum. Misc. Operating Provisions	28,341,185
Total Other Noncurrent Liabilities	<u>119,390,994</u>
Accounts Payable	39,410,774
Notes Payable to Assoc. Co.	-
Accounts Payable to Assoc. Co.	39,828,928
Customer Deposits	9,137,242
Taxes Accrued	17,507,279
Interest Accrued	12,410,664
Tax Collections Payable	4,203,763
Misc. Current & Accrued Liabilities	9,261,570
Obligations Under Capital Leases - Current	269,970
Derivative Instrument Liabilities	863,426
Less: Long-Term Portion of Derivative Instrument Liabilities	(551,889)
Total Current & Accrued Liabilities	<u>132,341,727</u>
Customer Advances for Construction	1,668,199
Accum. Deferred Investment Tax Credits	5,135,705
Other Deferred Credits	15,256,781
Other Regulatory Liabilities	108,449,830
Accumulated Deferred Income Taxes	400,574,425
Total Deferred Credits	<u>531,084,940</u>
TOTAL PROPRIETARY CAPITAL, LIABILITIES, AND OTHER DEFERRED CREDITS	<u><u>2,862,232,149</u></u>

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Income Statement
As of May 31, 2025
(Unaudited)

	Electric	Gas	Total Company
<u>Revenues</u>			
Residential Sales	203,968,932	99,071,666	303,040,598
Commercial Sales	173,522,465	37,708,433	211,230,898
Industrial Sales	69,650,317	1,800,361	71,450,678
Sales to Public Authorities	25,656,103	2,087,742	27,743,845
Public Street & Highway Lighting	470,606	-	470,606
Inter-Departmental Sales	15,851	26,992	42,843
Misc. Service Revenues	1,897,902	16,788	1,914,690
Revenues from Transportation	-	11,988,465	11,988,465
Sales for Resale	22,398,428	-	22,398,428
Rents from Property	1,611,781	-	1,611,781
Other Revenues	15,820,540	2,424,270	18,244,810
Total Revenues	515,012,925	155,124,717	670,137,642
<u>Operating Expenses</u>			
Operation Expense	292,652,108	77,727,307	370,379,415
Maintenance Expense	19,927,229	2,374,782	22,302,011
Depreciation Expense	80,627,317	20,156,274	100,783,591
Amortization and Depletion	2,821,042	3,787,325	6,608,367
Taxes Other than Income Taxes	10,747,048	4,422,781	15,169,829
Income Taxes - Federal & Other	16,819,274	10,559,454	27,378,728
Provision for Deferred Income Taxes - Net	(1,049,563)	(3,768,933)	(4,818,496)
Gains from Disposition of Environmental Credits	(59,004)	-	(59,004)
Investment Tax Credit Adjustment	-	-	-
Total Operating Expenses	422,485,451	115,258,990	537,744,441
NET OPERATING INCOME	92,527,474	39,865,727	132,393,201
<u>Other Income & Deductions</u>			
Revenues from Merchandising, Jobbing and Contract Work	2,915,399	-	2,915,399
Less: Expense of Merchandising, Jobbing and Contract Work	(207,929)	-	(207,929)
Revenues from Nonutility Operations	595,031	(1,441)	593,590
Interest & Dividend Income	2,607,268	1,194,057	3,801,325
Non Operating Rental Income	(2,241)	(2,275)	(4,516)
AFUDC	3,613,167	1,767,656	5,380,823
Gain on Disposition of Property	10,216	4,035	14,251
Loss on Disposition of Property	(54,841)	(2,899)	(57,740)
Misc. Income Deductions	(1,051,292)	(599,549)	(1,650,841)
Taxes Other than Income Taxes	-	-	-
Income Taxes - Federal & Other	(5,046,905)	7,499,217	2,452,312
Provision for Deferred Income Taxes - Net	3,422,185	(7,908,568)	(4,486,383)
Total Other Income & Deductions	6,800,058	1,950,233	8,750,291
<u>Interest Charges</u>			
Interest on Long Term Debt	(26,120,572)	(13,378,361)	(39,498,933)
Amortization of Debt Disc. And Expense	(369,159)	(188,107)	(557,266)
Amortization of Loss on Reacquired Debt	(51,973)	(27,533)	(79,506)
Interest on Debt to Assoc. Co.	(874,159)	(461,630)	(1,335,789)
Other Interest Expense	(2,021,477)	(101,175)	(2,122,652)
Less: Allowance for Borrowed Fund Used During Construction - Credit	1,441,024	745,516	2,186,540
Net interest Charges	(27,996,316)	(13,411,290)	(41,407,606)
Extraordinary Items after Taxes	-	-	-
NET INCOME	71,331,216	28,404,670	99,735,886

Duke Energy Kentucky, Inc.

Monthly Supplemental Financial Statements
Capital Structure
As of May 31, 2025
(Unaudited)

	Actuals April-25	Activity	Actuals May-25
Liabilities and Shareholders' Equity			
Non-Current Liabilities			
* Long-term debt	904,117,404	29,203	904,146,607
Advances from Associated Companies	25,000,000	-	25,000,000
** Obligations under Capital Lease-Noncurrent	3,757,249	(23,383)	3,733,866
Total Long-term debt	932,874,653	5,820	932,880,473
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	325,717,307	-	325,717,307
Unappropriated Retained Earnings Balance	605,524,394	-	605,524,394
Unappropriated Retained Earnings - Current Year Net Income	36,989,299	3,321,496	40,310,795
Total Common Stock Equity	1,144,505,130	3,321,496	1,147,826,626
 TOTAL CAPITALIZATION	 \$ 2,077,379,783	 \$ 3,327,316	 \$ 2,080,707,099

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 \$3.8M of lease liabilities resulting from the implementation of ASC 842 in January 2019.