

OHIO VALLEY ELECTRIC CORPORATION

AND SUBSIDIARY COMPANY

CONSOLIDATING BALANCE SHEETS - MARCH 31, 2022 AND 2021-UNAUDITED

CONSOLIDATING STATEMENTS OF INCOME AND RETAINED EARNINGS
YEAR TO DATE - MARCH 31, 2022 AND 2021-UNAUDITED

CONSOLIDATING STATEMENTS OF CASH FLOWS
YEAR TO DATE - MARCH 31, 2022 AND 2021-UNAUDITED

OHIO VALLEY ELECTRIC CORPORATION

AND SUBSIDIARY COMPANY

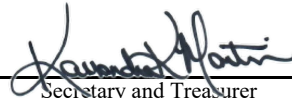
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OFFICER'S CERTIFICATION

A review of the affairs and activities of Ohio Valley Electric Corporation and its wholly-owned subsidiary, Indiana-Kentucky Electric Corporation (the Companies), during the quarters ended March 31, 2022 and 2021 has been made under my supervision, and in my opinion, the unaudited financial statements for these periods present fairly the financial conditions of the Companies as of March 31, 2022 and 2021, and the results of the operations, thereof, in accordance with generally accepted accounting principles consistently applied throughout the period. To the best of my knowledge and belief, there has been no Potential Default, Default, or Event of Default by the Companies and the Companies are in compliance with the covenants of the current debt agreements.

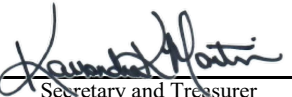


Secretary and Treasurer

OHIO VALLEY ELECTRIC CORPORATION and
INDIANA-KENTUCKY ELECTRIC CORPORATION

CONSOLIDATED NET WORTH

The consolidated net worth of Ohio Valley Electric Corporation and its wholly-owned subsidiary, Indiana-Kentucky Electric Corporation for the quarter ending March 31, 2022 was \$33,451,490.



Secretary and Treasurer

OHIO VALLEY ELECTRIC CORPORATION and
INDIANA-KENTUCKY ELECTRIC CORPORATION

OHIO VALLEY ELECTRIC CORPORATION AND SUBSIDIARY COMPANY

CONSOLIDATING BALANCE SHEETS
AS OF MARCH 31, 2022 AND 2021-UNAUDITED

	2022				2021			
	Consolidated	Eliminations (Deduct)	Ohio Valley Electric Corporation	Indiana- Kentucky Electric Corporation	Consolidated	Eliminations (Deduct)	Ohio Valley Electric Corporation	Indiana- Kentucky Electric Corporation
ASSETS								
ELECTRIC PLANT:								
At original cost	\$ 2,892,811,330	\$ -	\$ 1,441,967,678	\$ 1,450,843,652	\$ 2,869,524,428	\$ -	\$ 1,414,816,873	\$ 1,454,707,555
Less - Accumulated provisions for depreciation	(1,790,714,831)	-	(914,319,257)	(876,395,574)	(1,681,450,603)	-	(839,929,559)	(841,521,044)
	1,102,096,499	-	527,648,421	574,448,078	1,188,073,825	-	574,887,314	613,186,511
Construction in progress	67,144,283	-	42,358,490	24,785,793	22,992,097	-	11,118,249	11,873,848
Total electric plant	1,169,240,782	-	570,006,911	599,233,871	1,211,065,922	-	586,005,563	625,060,359
INVESTMENTS AND OTHER:								
Investment in subsidiary company	-	(3,400,000)	3,400,000	-	-	(3,400,000)	3,400,000	-
Advances to subsidiary-construction	-	(539,592,872)	539,592,872	-	-	(578,243,191)	578,243,191	-
Total investments and other	-	(542,992,872)	542,992,872	-	-	(581,643,191)	581,643,191	-
CURRENT ASSETS:								
Cash and cash equivalents	72,241,468	-	72,235,268	6,200	103,728,962	-	103,722,762	6,200
Accounts receivable	29,105,693	-	28,256,536	849,157	28,428,354	-	28,261,939	166,415
Fuel in storage	38,054,744	-	14,597,965	23,456,779	52,205,430	-	21,177,510	31,027,920
Materials and supplies	44,092,273	-	28,845,509	15,246,764	40,046,548	-	24,807,808	15,238,740
Property taxes applicable to future years	2,318,700	-	2,318,700	-	2,441,250	-	2,441,250	-
Emission allowances	81,655	-	81,655	-	143,887	-	143,887	-
Prepaid expenses and other	4,992,573	-	3,754,229	1,238,344	4,386,274	-	3,656,346	729,928
Total current assets	190,887,106	-	150,089,862	40,797,244	231,380,705	-	184,211,502	47,169,203
REGULATORY ASSETS:								
Unrecognized postemployment benefits	8,611,705	-	3,745,912	4,865,793	6,833,166	-	2,498,432	4,334,734
Unrecognized Pension benefits	18,796,585	-	10,244,139	8,552,446	34,784,688	-	18,599,373	16,185,315
Income taxes billable to customers	13,045,853	-	13,045,853	-	10,751,917	-	10,751,917	-
Other	9,262,500	-	9,262,500	-	-	-	-	-
Total regulatory assets	49,716,643	-	36,298,404	13,418,239	52,369,771	-	31,849,722	20,520,049
DEFERRED CHARGES AND OTHER:								
Unamortized debt expense	668,073	-	668,073	-	306,064	-	306,064	-
Postretirement benefits	11,877,835	-	6,260,807	5,617,028	-	-	-	-
Long-term investments	300,029,645	-	238,418,527	61,611,118	285,746,036	-	231,747,788	53,998,248
Other	1,535	-	551	984	623,586	-	622,602	984
Total deferred charges and other	312,577,088	-	245,347,958	67,229,130	286,675,686	-	232,676,454	53,999,232
TOTAL	\$ 1,722,421,619	\$ (542,992,872)	\$ 1,544,736,007	\$ 720,678,484	\$ 1,781,492,084	\$ (581,643,191)	\$ 1,616,386,432	\$ 746,748,843

OHIO VALLEY ELECTRIC CORPORATION AND SUBSIDIARY COMPANY

CONSOLIDATING BALANCE SHEETS
AS OF MARCH 31, 2022 AND 2021-UNAUDITED

	2022				2021			
	Consolidated	Eliminations (Deduct)	Ohio Valley Electric Corporation	Indiana- Kentucky Electric Corporation	Consolidated	Eliminations (Deduct)	Ohio Valley Electric Corporation	Indiana- Kentucky Electric Corporation
CAPITALIZATION AND LIABILITIES								
CAPITALIZATION:								
Common stock, \$100 par value- Authorized, 300,000 shares; outstanding, 100,000 shares in 2021 and 2020	\$ 10,000,000	\$ -	\$ 10,000,000	\$ -	\$ 10,000,000	\$ -	\$ 10,000,000	\$ -
Common stock, without par value, stated at \$200 per share- Authorized, 100,000 shares; outstanding, 17,000 shares in 2021 and 2020	-	(3,400,000)	-	3,400,000	-	(3,400,000)	-	3,400,000
Long-term debt	967,252,598	-	967,252,598	-	996,995,789	-	996,995,789	-
Line of credit borrowings	10,000,000	-	10,000,000	-	60,000,000	-	60,000,000	-
Retained earnings	23,451,490	-	23,451,490	-	20,774,913	-	20,774,913	-
Total capitalization	1,010,704,088	(3,400,000)	1,010,704,088	3,400,000	1,087,770,702	(3,400,000)	1,087,770,702	3,400,000
CURRENT LIABILITIES:								
Current portion of long-term debt	132,897,761	-	132,897,761	-	195,703,418	-	195,703,418	-
Accounts payable	40,185,196	-	15,885,212	24,299,984	26,780,274	-	16,063,489	10,716,785
Accrued other taxes	10,326,306	-	5,344,486	4,981,820	10,581,325	-	5,620,273	4,961,052
Regulatory liabilities	70,534,350	-	48,832,272	21,702,078	32,601,417	-	18,330,445	14,270,972
Accrued interest and other	23,355,058	-	20,185,578	3,169,480	28,572,732	-	22,959,194	5,613,538
Total current liabilities	277,298,671	-	223,145,309	54,153,362	294,239,166	-	258,676,819	35,562,347
COMMITMENTS AND CONTINGENCIES								
REGULATORY LIABILITIES:								
Postretirement benefits	87,640,232	-	64,139,751	23,500,481	64,587,329	-	47,947,957	16,639,372
Advance billing of debt reserve	120,000,000	-	120,000,000	-	120,000,000	-	120,000,000	-
Decommissioning, demolition and other	1,035,440	-	709,411	326,029	-	-	-	-
Total regulatory liabilities	208,675,672	-	184,849,162	23,826,510	184,587,329	-	167,947,957	16,639,372
OTHER LIABILITIES:								
Pension liability	18,796,585	-	10,244,139	8,552,446	34,784,688	-	18,599,373	16,185,315
Deferred income tax liability	21,705,275	-	21,705,275	-	19,410,815	-	19,410,815	-
Asset retirement obligations	159,573,299	-	77,328,273	82,245,026	138,933,456	-	54,422,328	84,511,128
Postretirement benefits obligation	5,379,460	-	2,931,806	2,447,654	11,995,106	-	6,353,804	5,641,302
Postemployment benefits obligation	8,611,705	-	3,745,912	4,865,793	6,833,166	-	2,498,432	4,334,734
Parent advances	-	(539,592,872)	-	539,592,872	-	(578,243,191)	-	578,243,191
Other non-current liabilities	11,676,864	-	10,082,043	1,594,821	2,937,656	-	706,202	2,231,454
Total other liabilities	225,743,188	(539,592,872)	126,037,448	639,298,612	214,894,887	(578,243,191)	101,990,954	691,147,124
TOTAL	\$ 1,722,421,619	\$ (542,992,872)	\$ 1,544,736,007	\$ 720,678,484	\$ 1,781,492,084	\$ (581,643,191)	\$ 1,616,386,432	\$ 746,748,843

OHIO VALLEY ELECTRIC CORPORATION AND SUBSIDIARY COMPANY

CONSOLIDATING STATEMENTS OF INCOME AND RETAINED EARNINGS
YEAR TO DATE AS OF MARCH 31, 2022 AND 2021-UNAUDITED

	2022				2021			
	Consolidated	Eliminations (Deduct)	Ohio Valley Electric Corporation	Indiana- Kentucky Electric Corporation	Consolidated	Eliminations (Deduct)	Ohio Valley Electric Corporation	Indiana- Kentucky Electric Corporation
REVENUES FROM CONTRACTS WITH CUSTOMERS-Sales of electric energy to:								
Department of Energy	\$ 1,663,425	\$ -	\$ 1,663,425	\$ -	\$ 1,139,021	\$ -	\$ 1,139,021	\$ -
Ohio Valley Electric Corp.	-	(74,505,565)	-	74,505,565	-	(63,917,927)	-	63,917,927
Sponsoring Companies	157,687,641	-	157,687,641	-	152,425,695	-	152,425,695	-
Other	-	-	-	-	1,188,546	-	1,188,546	-
Total revenues from contracts with customers	159,351,066	(74,505,565)	159,351,066	74,505,565	154,753,262	(63,917,927)	154,753,262	63,917,927
OPERATING EXPENSES:								
Fuel and emission allowances consumed in operation	74,080,114	-	29,242,436	44,837,678	74,143,060	-	33,857,749	40,285,311
Purchased power	2,681,941	(74,505,565)	77,187,506	-	1,139,021	(63,917,927)	65,056,948	-
Other operation	18,638,936	-	11,906,959	6,731,977	17,847,972	-	11,606,684	6,241,288
Maintenance	17,686,905	-	8,441,229	9,245,676	15,250,214	-	8,836,444	6,413,770
Depreciation	28,379,257	-	16,082,180	12,297,077	26,810,405	-	17,133,119	9,677,286
Taxes-other than income taxes	2,990,201	-	1,615,815	1,374,386	2,939,564	-	1,628,327	1,311,237
Total operating expenses	144,457,354	(74,505,565)	144,476,125	74,486,794	138,130,236	(63,917,927)	138,119,271	63,928,892
OPERATING INCOME	14,893,712	-	14,874,941	18,771	16,623,026	-	16,633,991	(10,965)
OTHER INCOME (EXPENSE)	4,564	-	5,589	(1,025)	36,836	-	6,198	30,638
INCOME BEFORE INTEREST CHARGES	14,898,276	-	14,880,530	17,746	16,659,862	-	16,640,189	19,673
INTEREST CHARGES:								
Amortization of debt expense	1,005,048	-	1,005,048	-	1,057,652	-	1,057,652	-
Interest expense	13,242,724	-	13,224,978	17,746	14,931,603	-	14,911,930	19,673
Total interest charges	14,247,772	-	14,230,026	17,746	15,989,255	-	15,969,582	19,673
NET INCOME	\$ 650,504	\$ -	\$ 650,504	\$ -	\$ 670,607	\$ -	\$ 670,607	\$ -
RETAINED EARNINGS-Beginning of year	22,800,986	-	22,800,986	-	20,104,306	-	20,104,306	-
RETAINED EARNINGS, MARCH 31	\$ 23,451,490	\$ -	\$ 23,451,490	\$ -	\$ 20,774,913	\$ -	\$ 20,774,913	\$ -

OHIO VALLEY ELECTRIC CORPORATION AND SUBSIDIARY COMPANY

CONSOLIDATING STATEMENTS OF CASH FLOWS
YEAR TO DATE AS OF MARCH 31, 2022 AND 2021-UNAUDITED

	2022				2021			
	Consolidated	Eliminations (Deduct)	Ohio Valley Electric Corporation	Indiana-Kentucky Electric Corporation	Consolidated	Eliminations (Deduct)	Ohio Valley Electric Corporation	Indiana-Kentucky Electric Corporation
OPERATING ACTIVITIES:								
Net income	\$ 650,504	\$ -	\$ 650,504	\$ -	\$ 670,607	\$ -	\$ 670,607	\$ -
Adjustments to reconcile net income to net cash provided by (used in) operating activities:								
Depreciation	28,379,257	-	16,082,180	12,297,077	26,810,405	-	17,133,119	9,677,286
Amortization of debt expense	1,005,048	-	1,005,048	-	1,057,652	-	1,057,652	-
(Gain)/loss on marketable securities	-	-	-	-	(5,070,228)	-	(1,626,739)	(3,443,489)
Changes in assets and liabilities:								
Accounts receivable	7,183,773	-	7,907,130	(723,357)	16,472,194	-	16,362,755	109,439
Fuel in storage	2,297,928	-	4,058,229	(1,760,301)	27,123,222	-	10,094,137	17,029,085
Material and supplies	(445,773)	-	(517,978)	72,205	381,715	-	208,973	172,742
Property taxes applicable to future years	798,000	-	798,000	-	813,750	-	813,750	-
Emission allowances	178	-	178	-	18	-	18	-
Prepaid expenses and other	(562,067)	-	(807,617)	245,550	(354,707)	-	(913,221)	558,514
Other regulatory assets	-	-	-	-	-	-	-	-
Other noncurrent assets	2,864,999	-	2,864,999	-	3,987,308	-	1,712,248	2,275,060
Accounts payable	(9,330,463)	-	(7,572,256)	(1,758,207)	(11,128,032)	-	(1,372,857)	(9,755,175)
Accrued taxes	(790,623)	-	(1,714,927)	924,304	(666,663)	-	(1,615,584)	948,921
Accrued interest and other	1,218,215	-	2,740,508	(1,522,293)	2,195,554	-	4,167,572	(1,972,018)
Decommissioning, demolition and other	1,035,440	-	709,411	326,029	-	-	-	-
Other regulatory liabilities	15,659,796	-	10,894,053	4,765,743	12,054,259	-	8,092,159	3,962,100
Other liabilities	108,312	-	108,312	-	46,995	-	46,995	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	50,072,524	-	37,205,774	12,866,750	74,394,049	-	54,831,584	19,562,465
INVESTING ACTIVITIES								
Electric plant additions	(15,703,935)	-	(6,644,577)	(9,059,358)	(1,507,934)	-	(1,428,195)	(79,739)
Proceeds from sale of long-term investments	12,769,373	-	7,818,476	4,950,897	6,663,310	-	3,342,531	3,320,779
Purchase of long-term investments	(18,157,991)	-	(11,108,703)	(7,049,288)	(13,388,026)	-	(8,574,482)	(4,813,544)
Changes in short-term intercompany lendings	-	(1,581,527)	1,581,527	-	-	(17,978,414)	17,978,414	-
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(21,092,553)	(1,581,527)	(8,353,277)	(11,157,749)	(8,232,650)	(17,978,414)	11,318,268	(1,572,504)
FINANCING ACTIVITIES								
Changes in short-term intercompany borrowings	-	1,581,527	-	(1,581,527)	-	17,978,414	-	(17,978,414)
Repayment of Senior 2006 Notes	(12,900,219)	-	(12,900,219)	-	(12,179,371)	-	(12,179,371)	-
Repayment of Senior 2007 Notes	-	-	-	-	-	-	-	-
Repayment of Senior 2008 Notes	-	-	-	-	-	-	-	-
Repayment of Senior 2017 Notes	-	-	-	-	-	-	-	-
Proceeds from line of credit	-	-	-	-	-	-	-	-
Payments on line of credit	-	-	-	-	-	-	-	-
Principal payments under capital leases	(205,160)	-	(77,686)	(127,474)	(169,972)	-	(158,425)	(11,547)
Debt issuance and maintenance costs	-	-	-	-	(918,153)	-	(918,153)	-
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(13,105,379)	1,581,527	(12,977,905)	(1,709,001)	(13,267,496)	17,978,414	(13,255,949)	(17,989,961)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ 15,874,592	\$ -	\$ 15,874,592	\$ -	\$ 52,893,903	\$ -	\$ 52,893,903	\$ -
CASH AND CASH EQUIVALENTS-Beginning of year	56,366,876	-	56,360,676	6,200	50,835,059	-	50,828,859	6,200
CASH AND CASH EQUIVALENTS-MARCH 31	\$ 72,241,468	\$ -	\$ 72,235,268	\$ 6,200	\$ 103,728,962	\$ -	\$ 103,722,762	\$ 6,200