

OHIO VALLEY ELECTRIC CORPORATION

AND SUBSIDIARY COMPANY

CONSOLIDATING BALANCE SHEETS - MARCH 31, 2023 AND 2022-UNAUDITED

CONSOLIDATING STATEMENTS OF INCOME AND RETAINED EARNINGS
YEAR TO DATE - MARCH 31, 2023 AND 2022-UNAUDITED

CONSOLIDATING STATEMENTS OF CASH FLOWS
YEAR TO DATE - MARCH 31, 2023 AND 2022-UNAUDITED

OHIO VALLEY ELECTRIC CORPORATION

AND SUBSIDIARY COMPANY

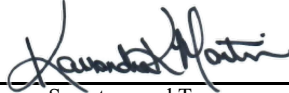
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OFFICER'S CERTIFICATION

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, 2023 and 2022 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, 2023 and 2022, 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 covenents of the current debt agreements.

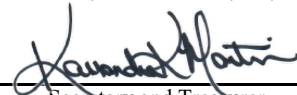


Secretary and Treasurer

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, 2023 was \$36,204,804



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, 2023 AND 2022-UNAUDITED

	2023				2022			
	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	\$ 2,951,399,894	\$ -	\$ 1,474,903,268	\$ 1,476,496,626	\$ 2,892,811,330	\$ -	\$ 1,441,967,678	\$ 1,450,843,652
Less - Accumulated provisions for depreciation	(1,925,263,366)	-	(1,017,705,007)	(907,558,359)	(1,790,714,831)	-	(914,319,257)	(876,395,574)
	1,026,136,528	-	457,198,261	568,938,267	1,102,096,499	-	527,648,421	574,448,078
Construction in progress	118,297,979	-	54,855,381	63,442,598	67,144,283	-	42,358,490	24,785,793
Total electric plant	1,144,434,507	-	512,053,642	632,380,865	1,169,240,782	-	570,006,911	599,233,871
INVESTMENTS AND OTHER:								
Investment in subsidiary company	-	(3,400,000)	3,400,000	-	-	(3,400,000)	3,400,000	-
Advances to subsidiary-construction	-	(567,207,839)	567,207,839	-	-	(539,592,872)	539,592,872	-
Total investments and other	-	(570,607,839)	570,607,839	-	-	(542,992,872)	542,992,872	-
CURRENT ASSETS:								
Cash and cash equivalents	45,292,403	-	45,286,203	6,200	72,241,468	-	72,235,268	6,200
Accounts receivable	40,638,460	-	40,507,691	130,769	29,105,693	-	28,256,536	849,157
Fuel in storage	102,011,069	-	46,326,653	55,684,416	38,054,744	-	14,597,965	23,456,779
Materials and supplies	48,942,149	-	31,785,580	17,156,569	44,092,273	-	28,845,509	15,246,764
Property taxes applicable to future years	2,371,500	-	2,371,500	-	2,318,700	-	2,318,700	-
Emission allowances	-	-	-	-	81,655	-	81,655	-
Prepaid expenses and other	2,839,531	-	1,621,036	1,218,495	4,992,573	-	3,754,229	1,238,344
Total current assets	242,095,112	-	167,898,663	74,196,449	190,887,106	-	150,089,862	40,797,244
REGULATORY ASSETS:								
Unrecognized postemployment benefits	10,567,071	-	3,318,423	7,248,648	8,611,705	-	3,745,912	4,865,793
Unrecognized pension benefits	9,210,770	-	4,956,315	4,254,455	18,796,585	-	10,244,139	8,552,446
Income taxes billable to customers	12,420,763	-	12,420,763	-	13,045,853	-	13,045,853	-
Other	8,082,708	-	7,565,234	517,474	9,262,500	-	9,262,500	-
Total regulatory assets	40,281,312	-	28,260,735	12,020,577	49,716,643	-	36,298,404	13,418,239
DEFERRED CHARGES AND OTHER:								
Unamortized debt expense	1,008,571	-	1,008,571	-	668,073	-	668,073	-
Postretirement benefits	-	-	15,074,869	14,021,578	11,877,835	-	6,260,807	5,617,028
Long-term investments	251,100,702	-	215,820,717	35,279,985	300,029,645	-	238,418,527	61,611,118
Other	1,535	-	551	984	1,535	-	551	984
Total deferred charges and other	281,207,255	-	231,904,708	49,302,547	312,577,088	-	245,347,958	67,229,130
TOTAL	\$ 1,708,018,186	\$ (570,607,839)	\$ 1,510,725,587	\$ 767,900,438	\$ 1,722,421,619	\$ (542,992,872)	\$ 1,544,736,007	\$ 720,678,484

OHIO VALLEY ELECTRIC CORPORATION AND SUBSIDIARY COMPANY

CONSOLIDATING BALANCE SHEETS
AS OF MARCH 31, 2023 AND 2022-UNAUDITED

	2023				2022			
	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 2023 and 2022	\$ 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 2023 and 2022	-	(3,400,000)	-	3,400,000	-	(3,400,000)	-	3,400,000
Long-term debt	897,646,636	-	897,646,636	-	967,252,598	-	967,252,598	-
Line of credit borrowings	110,000,000	-	110,000,000	-	10,000,000	-	10,000,000	-
Retained earnings	26,204,804	-	26,204,804	-	23,451,490	-	23,451,490	-
Total capitalization	1,043,851,440	(3,400,000)	1,043,851,440	3,400,000	1,010,704,088	(3,400,000)	1,010,704,088	3,400,000
CURRENT LIABILITIES:								
Current portion of long-term debt	70,332,150	-	70,332,150	-	132,897,761	-	132,897,761	-
Accounts payable	59,857,585	-	29,485,667	30,371,918	40,185,196	-	15,885,212	24,299,984
Accrued other taxes	8,400,878	-	3,551,100	4,849,778	10,326,306	-	5,344,486	4,981,820
Regulatory liabilities	84,320,085	-	44,126,050	40,194,035	70,534,350	-	48,832,272	21,702,078
Accrued interest and other	26,430,641	-	22,476,672	3,953,969	23,355,058	-	20,185,578	3,169,480
Total current liabilities	249,341,339	-	169,971,639	79,369,700	277,298,671	-	223,145,309	54,153,362
COMMITMENTS AND CONTINGENCIES								
REGULATORY LIABILITIES:								
Postretirement benefits	116,033,927	-	83,569,306	32,464,621	87,640,232	-	64,139,751	23,500,481
Advance billing of debt reserve	120,000,000	-	120,000,000	-	120,000,000	-	120,000,000	-
Decommissioning, demolition and other	9,263,079	-	5,196,965	4,066,114	1,035,440	-	709,411	326,029
Total regulatory liabilities	245,297,006	-	208,766,271	36,530,735	208,675,672	-	184,849,162	23,826,510
OTHER LIABILITIES:								
Pension liability	9,210,770	-	4,956,315	4,254,455	18,796,585	-	10,244,139	8,552,446
Deferred income tax liability	15,267,530	-	14,750,056	517,474	21,705,275	-	21,705,275	-
Asset retirement obligations	131,942,458	-	64,097,283	67,845,175	159,573,299	-	77,328,273	82,245,026
Postretirement benefits obligation	528,669	-	284,477	244,192	5,379,460	-	2,931,806	2,447,654
Postemployment benefits obligation	10,567,071	-	3,318,423	7,248,648	8,611,705	-	3,745,912	4,865,793
Parent advances	-	(567,207,839)	-	567,207,839	-	(539,592,872)	-	539,592,872
Other non-current liabilities	2,011,903	-	729,683	1,282,220	11,676,864	-	10,082,043	1,594,821
Total other liabilities	169,528,401	(567,207,839)	88,136,237	648,600,003	225,743,188	(539,592,872)	126,037,448	639,298,612
TOTAL	\$ 1,708,018,186	\$ (570,607,839)	\$ 1,510,725,587	\$ 767,900,438	\$ 1,722,421,619	\$ (542,992,872)	\$ 1,544,736,007	\$ 720,678,484

OHIO VALLEY ELECTRIC CORPORATION AND SUBSIDIARY COMPANY

CONSOLIDATING STATEMENTS OF INCOME AND RETAINED EARNINGS
YEAR TO DATE AS OF MARCH 31, 2023 AND 2022-UNAUDITED

	2023				2022			
	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	\$ 1,179,639	\$ -	\$ 1,179,639	\$ -	\$ 1,663,425	\$ -	\$ 1,663,425	\$ -
Ohio Valley Electric Corp.	-	(67,848,372)	-	67,848,372	-	(74,505,565)	-	74,505,565
Sponsoring Companies	160,690,033	-	160,690,033	-	157,687,641	-	157,687,641	-
Other	-	-	-	-	-	-	-	-
Total revenues from contracts with customers	161,869,672	(67,848,372)	161,869,672	67,848,372	159,351,066	(74,505,565)	159,351,066	74,505,565
OPERATING EXPENSES:								
Fuel and emission allowances consumed in operation	78,817,315	-	36,327,495	42,489,820	74,080,114	-	29,242,436	44,837,678
Purchased power	1,179,639	(67,848,372)	69,028,011	-	2,681,941	(74,505,565)	77,187,506	-
Other operation	17,631,964	-	10,872,439	6,759,525	18,638,936	-	11,906,959	6,731,977
Maintenance	16,686,176	-	8,607,311	8,078,865	17,687,205	-	8,441,229	9,245,976
Depreciation	30,968,066	-	21,812,708	9,155,358	28,379,257	-	16,082,180	12,297,077
Taxes-other than income taxes	2,979,796	-	1,632,602	1,347,194	2,990,201	-	1,615,815	1,374,386
Total operating expenses	148,262,956	(67,848,372)	148,280,566	67,830,762	144,457,654	(74,505,565)	144,476,125	74,487,094
OPERATING INCOME	13,606,716	-	13,589,106	17,610	14,893,412	-	14,874,941	18,471
OTHER INCOME (EXPENSE)	67,530	-	69,099	(1,569)	4,564	-	5,589	(1,025)
INCOME BEFORE INTEREST CHARGES	13,674,246	-	13,658,205	16,041	14,897,976	-	14,880,530	17,446
INTEREST CHARGES:								
Amortization of debt expense	434,095	-	434,095	-	1,005,048	-	1,005,048	-
Interest expense	12,537,325	-	12,521,284	16,041	13,242,724	-	13,224,978	17,746
Total interest charges	12,971,420	-	12,955,379	16,041	14,247,772	-	14,230,026	17,746
NET INCOME	\$ 702,826	\$ -	\$ 702,826	\$ -	\$ 650,204	\$ -	\$ 650,504	\$ -
RETAINED EARNINGS-Beginning of year	25,501,978	-	25,501,978	-	22,800,986	-	22,800,986	-
RETAINED EARNINGS, MARCH 31	\$ 26,204,804	\$ -	\$ 26,204,804	\$ -	\$ 23,451,490	\$ -	\$ 23,451,490	\$ -

OHIO VALLEY ELECTRIC CORPORATION AND SUBSIDIARY COMPANY

CONSOLIDATING STATEMENTS OF CASH FLOWS
YEAR TO DATE AS OF MARCH 31, 2023 AND 2022-UNAUDITED

	2023				2022			
	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	\$ 702,826	\$ -	\$ 702,826	\$ -	\$ 650,504	\$ -	\$ 650,504	\$ -
Adjustments to reconcile net income to net cash provided by (used in) operating activities:								
Depreciation	30,968,066	-	21,812,708	9,155,358	28,379,257	-	16,082,180	12,297,077
Amortization of debt expense	434,095	-	434,095	-	1,005,048	-	1,005,048	-
(Gain)/loss on marketable securities	-	-	-	-	-	-	-	-
Changes in assets and liabilities:								
Accounts receivable	10,072,898	-	10,069,867	3,031	7,183,773	-	7,907,130	(723,357)
Fuel in storage	(39,636,503)	-	(23,475,639)	(16,160,864)	2,297,928	-	4,058,229	(1,760,301)
Material and supplies	(2,157,918)	-	(1,367,512)	(790,406)	(445,773)	-	(517,978)	72,205
Property taxes applicable to future years	790,500	-	790,500	-	798,000	-	798,000	-
Emission allowances	-	-	-	-	178	-	178	-
Prepaid expenses and other	5,199,380	-	4,303,520	895,860	(562,067)	-	(807,617)	245,550
Other regulatory assets	(1,507,047)	-	(1,507,047)	-	-	-	-	-
Other noncurrent assets	2,865,000	-	2,865,000	-	2,864,999	-	2,864,999	-
Accounts payable	(25,662,579)	-	(3,900,405)	(21,762,174)	(9,330,463)	-	(7,572,256)	(1,758,207)
Accrued taxes	(2,524,659)	-	(3,426,802)	902,143	(790,623)	-	(1,714,927)	924,304
Accrued interest and other	4,796,313	-	4,698,391	97,922	1,218,215	-	2,740,508	(1,522,293)
Decommissioning, demolition and other	9,263,079	-	5,196,965	4,066,114	1,035,440	-	709,411	326,029
Other regulatory liabilities	6,770,034	-	6,029,464	740,570	15,659,796	-	10,894,053	4,765,743
Other liabilities	(268,513)	-	63,998	(332,511)	108,312	-	108,312	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	104,972	-	23,289,929	(23,184,957)	50,072,524	-	37,205,774	12,866,750
INVESTING ACTIVITIES								
Electric plant additions	(23,756,063)	-	(9,736,257)	(14,019,806)	(15,703,935)	-	(6,644,577)	(9,059,358)
Proceeds from sale of long-term investments	279,470,860	-	234,623,071	44,847,789	12,769,373	-	7,818,476	4,950,897
Purchase of long-term investments	(247,002,431)	-	(222,796,747)	(24,205,684)	(18,157,991)	-	(11,108,703)	(7,049,288)
Changes in short-term intercompany lendings	-	16,697,680	(16,697,680)	-	-	(1,581,527)	1,581,527	-
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	8,712,366	16,697,680	(14,607,613)	6,622,299	(21,092,553)	(1,581,527)	(8,353,277)	(11,157,749)
FINANCING ACTIVITIES								
Changes in short-term intercompany borrowings	-	(16,697,680)	-	16,697,680	-	1,581,527	-	(1,581,527)
Repayment of Senior 2006 Notes	(13,663,756)	-	(13,663,756)	-	(12,900,219)	-	(12,900,219)	-
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	(218,437)	-	(83,415)	(135,022)	(205,160)	-	(77,686)	(127,474)
Debt issuance and maintenance costs	(254,962)	-	(254,962)	-	-	-	-	-
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(14,137,155)	(16,697,680)	(14,002,133)	16,562,658	(13,105,379)	1,581,527	(12,977,905)	(1,709,001)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (5,319,817)	\$ -	\$ (5,319,817)	\$ -	\$ 15,874,592	\$ -	\$ 15,874,592	\$ -
CASH AND CASH EQUIVALENTS-Beginning of year	50,612,220	-	50,606,020	6,200	56,366,876	-	56,360,676	6,200
CASH AND CASH EQUIVALENTS-SEPTEMBER 30	\$ 45,292,403	\$ -	\$ 45,286,203	\$ 6,200	\$ 72,241,468	\$ -	\$ 72,235,268	\$ 6,200