

OHIO VALLEY ELECTRIC CORPORATION

AND SUBSIDIARY COMPANY

CONSOLIDATING BALANCE SHEETS - MARCH 31, 2024 AND DECEMBER 31, 2023-UNAUDITED

CONSOLIDATING STATEMENTS OF INCOME AND RETAINED EARNINGS
YEAR TO DATE - MARCH 31, 2024 AND 2023-UNAUDITED

CONSOLIDATING STATEMENTS OF CASH FLOWS
YEAR TO DATE - MARCH 31, 2024 AND 2023-UNAUDITED

OHIO VALLEY ELECTRIC CORPORATION

AND SUBSIDIARY COMPANY

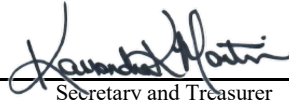
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OFFICER'S CERTIFICATION

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 periods referenced in the above listed financial statements 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 and the results of the operations, thereof, in accordance with generally accepted accounting principles consistently applied throughout the periods. 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.

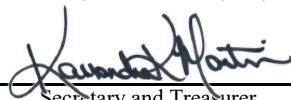


Secretary and Treasurer

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, 2024 was \$39,557,364



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, 2024 AND DECEMBER 31, 2023-UNAUDITED

	2024				2023			
	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	\$ 3,181,000,415	\$ -	\$ 1,566,397,579	\$ 1,614,602,836	\$ 3,181,000,415	\$ -	\$ 1,566,397,579	\$ 1,614,602,836
Less - Accumulated provisions for depreciation	<u>(2,172,678,443)</u>	<u>-</u>	<u>(1,169,341,956)</u>	<u>(1,003,336,487)</u>	<u>(2,145,475,614)</u>	<u>-</u>	<u>(1,149,865,329)</u>	<u>(995,610,285)</u>
	1,008,321,972	-	397,055,623	611,266,349	1,035,524,801	-	416,532,250	618,992,551
Construction in progress	<u>24,987,333</u>	<u>-</u>	<u>12,020,444</u>	<u>12,966,889</u>	<u>17,869,041</u>	<u>-</u>	<u>8,394,454</u>	<u>9,474,587</u>
Total electric plant	<u>1,033,309,305</u>	<u>-</u>	<u>409,076,067</u>	<u>624,233,238</u>	<u>1,053,393,842</u>	<u>-</u>	<u>424,926,704</u>	<u>628,467,138</u>
INVESTMENTS AND OTHER:								
Investment in subsidiary company	-	(3,400,000)	3,400,000	-	-	(3,400,000)	3,400,000	-
Advances to subsidiary-construction	<u>-</u>	<u>(605,055,653)</u>	<u>605,055,653</u>	<u>-</u>	<u>-</u>	<u>(582,815,754)</u>	<u>582,815,754</u>	<u>-</u>
Total investments and other	<u>-</u>	<u>(608,455,653)</u>	<u>608,455,653</u>	<u>-</u>	<u>-</u>	<u>(586,215,754)</u>	<u>586,215,754</u>	<u>-</u>
CURRENT ASSETS:								
Cash and cash equivalents	32,850,521	-	32,844,321	6,200	39,734,708	-	39,728,508	6,200
Accounts receivable	44,518,133	-	44,109,504	408,629	65,061,157	-	60,571,247	4,489,910
Fuel in storage	159,281,998	-	55,640,048	103,641,950	165,654,233	-	66,597,540	99,056,693
Materials and supplies	56,882,689	-	36,043,347	20,839,342	57,450,329	-	36,214,724	21,235,605
Property taxes applicable to future years	2,821,500	-	2,821,500	-	3,762,000	-	3,762,000	-
Regulatory assets	1,643,440	-	1,643,440	-	1,643,440	-	1,643,440	-
Prepaid expenses and other	<u>3,270,443</u>	<u>-</u>	<u>2,273,570</u>	<u>996,873</u>	<u>4,655,934</u>	<u>-</u>	<u>2,809,671</u>	<u>1,846,263</u>
Total current assets	<u>301,268,724</u>	<u>-</u>	<u>175,375,730</u>	<u>125,892,994</u>	<u>337,961,801</u>	<u>-</u>	<u>211,327,130</u>	<u>126,634,671</u>
REGULATORY ASSETS:								
Unrecognized postemployment benefits	8,808,588	-	2,994,015	5,814,573	8,808,588	-	2,994,015	5,814,573
Unrecognized pension benefits	2,178,707	-	1,194,367	984,340	2,178,707	-	1,194,367	984,340
Income taxes billable to customers	33,721,522	-	29,123,602	4,597,920	33,721,522	-	29,123,602	4,597,920
Other	<u>4,004,447</u>	<u>-</u>	<u>4,004,447</u>	<u>-</u>	<u>4,415,307</u>	<u>-</u>	<u>4,415,307</u>	<u>-</u>
Total regulatory assets	<u>48,713,264</u>	<u>-</u>	<u>37,316,431</u>	<u>11,396,833</u>	<u>49,124,124</u>	<u>-</u>	<u>37,727,291</u>	<u>11,396,833</u>
DEFERRED CHARGES AND OTHER:								
Unamortized debt expense	660,324	-	660,324	-	747,151	-	747,151	-
Postretirement benefits	46,589,903	-	24,537,840	22,052,063	46,589,903	-	24,537,840	22,052,063
Long-term investments	209,010,109	-	201,610,919	7,399,190	191,373,359	-	191,126,088	247,271
Other	<u>1,865,000</u>	<u>-</u>	<u>1,865,000</u>	<u>-</u>	<u>2,865,000</u>	<u>-</u>	<u>2,865,000</u>	<u>-</u>
Total deferred charges and other	<u>258,125,336</u>	<u>-</u>	<u>228,674,083</u>	<u>29,451,253</u>	<u>241,575,413</u>	<u>-</u>	<u>219,276,079</u>	<u>22,299,334</u>
TOTAL	<u>\$ 1,641,416,629</u>	<u>\$ (608,455,653)</u>	<u>\$ 1,458,897,964</u>	<u>\$ 790,974,318</u>	<u>\$ 1,682,055,180</u>	<u>\$ (586,215,754)</u>	<u>\$ 1,479,472,958</u>	<u>\$ 788,797,976</u>

OHIO VALLEY ELECTRIC CORPORATION AND SUBSIDIARY COMPANY

CONSOLIDATING BALANCE SHEETS
AS OF MARCH 31, 2024 AND DECEMBER 31, 2023-UNAUDITED

	2024				2023			
	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	799,320,986	-	799,320,986	-	814,322,489	-	814,322,489	-
Line of credit borrowings	140,000,000	-	140,000,000	-	140,000,000	-	140,000,000	-
Retained earnings	29,557,364	-	29,557,364	-	28,429,819	-	28,429,819	-
Total capitalization	978,878,350	(3,400,000)	978,878,350	3,400,000	992,752,308	(3,400,000)	992,752,308	3,400,000
CURRENT LIABILITIES:								
Current portion of long-term debt	99,688,245	-	99,688,245	-	98,831,592	-	98,831,592	-
Current portion of line of credit borrowings	-	-	-	-	10,000,000	-	10,000,000	-
Accounts payable	45,555,777	-	20,210,297	25,345,480	70,075,957	-	22,688,712	47,387,245
Accrued other taxes	16,647,770	-	11,737,270	4,910,500	17,040,414	-	13,049,814	3,990,600
Regulatory liabilities	5,845,755	-	2,947,411	2,898,344	847,054	-	847,054	-
Accrued interest and other	20,128,246	-	18,914,710	1,213,536	21,522,096	-	18,127,942	3,394,154
Total current liabilities	187,865,793	-	153,497,933	34,367,860	218,317,113	-	163,545,114	54,771,999
COMMITMENTS AND CONTINGENCIES								
REGULATORY LIABILITIES:								
Postretirement benefits	136,705,236	-	99,768,581	36,936,655	137,206,331	-	99,616,738	37,589,593
Advance billing of debt reserve	120,000,000	-	120,000,000	-	120,000,000	-	120,000,000	-
Decommissioning, demolition and other	4,187,822	-	3,194,302	993,520	-	-	-	-
Total regulatory liabilities	260,893,058	-	222,962,883	37,930,175	257,206,331	-	219,616,738	37,589,593
OTHER LIABILITIES:								
Pension liability	2,178,707	-	1,194,367	984,340	2,178,707	-	1,194,367	984,340
Deferred income tax liability	22,206,478	-	17,608,558	4,597,920	22,206,478	-	17,608,558	4,597,920
Asset retirement obligations	179,074,720	-	81,182,290	97,892,430	179,074,720	-	81,182,290	97,892,430
Postretirement benefits obligation	-	-	-	-	-	-	-	-
Postemployment benefits obligation	8,808,588	-	2,994,015	5,814,573	8,808,588	-	2,994,015	5,814,573
Parent advances	-	(605,055,653)	-	605,055,653	-	(582,815,754)	-	582,815,754
Other non-current liabilities	1,510,935	-	579,568	931,367	1,510,935	-	579,568	931,367
Total other liabilities	213,779,428	(605,055,653)	103,558,798	715,276,283	213,779,428	(582,815,754)	103,558,798	693,036,384
TOTAL	\$ 1,641,416,629	\$ (608,455,653)	\$ 1,458,897,964	\$ 790,974,318	\$ 1,682,055,180	\$ (586,215,754)	\$ 1,479,472,958	\$ 788,797,976

OHIO VALLEY ELECTRIC CORPORATION AND SUBSIDIARY COMPANY

CONSOLIDATING STATEMENTS OF INCOME AND RETAINED EARNINGS
YEAR TO DATE AS OF MARCH 31, 2024 AND 2023-UNAUDITED

	2024				2023			
	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	\$ 1,007,152	\$ -	\$ 1,007,152	\$ -	\$ 1,179,639	\$ -	\$ 1,179,639	\$ -
Ohio Valley Electric Corp.	-	(80,689,444)	-	80,689,444	-	(67,848,372)	-	67,848,372
Sponsoring Companies	184,079,936	-	184,079,936	-	160,690,033	-	160,690,033	-
Total revenues from contracts with customers	185,087,088	(80,689,444)	185,087,088	80,689,444	161,869,672	(67,848,372)	161,869,672	67,848,372
OPERATING EXPENSES:								
Fuel and emission allowances consumed in operation	99,428,008	-	46,222,180	53,205,828	78,817,315	-	36,327,495	42,489,820
Purchased power	1,007,153	(80,689,444)	81,696,597	-	1,179,639	(67,848,372)	69,028,011	-
Other operation	19,762,577	-	12,163,851	7,598,726	17,631,964	-	10,872,439	6,759,525
Maintenance	18,408,837	-	8,665,331	9,743,506	16,686,176	-	8,607,311	8,078,865
Depreciation	29,231,794	-	20,509,377	8,722,417	30,968,066	-	21,812,708	9,155,358
Taxes-other than income taxes	3,244,098	-	1,845,314	1,398,784	2,979,796	-	1,632,602	1,347,194
Federal income tax	393,379	-	393,379	-	-	-	-	-
Total operating expenses	171,475,846	(80,689,444)	171,496,029	80,669,261	148,262,956	(67,848,372)	148,280,566	67,830,762
OPERATING INCOME	13,611,242	-	13,591,059	20,183	13,606,716	-	13,589,106	17,610
OTHER INCOME (EXPENSE)	492,035	-	494,635	(2,600)	67,530	-	69,099	(1,569)
INCOME BEFORE INTEREST CHARGES	14,103,277	-	14,085,694	17,583	13,674,246	-	13,658,205	16,041
INTEREST CHARGES:								
Amortization of debt expense	414,485	-	414,485	-	434,095	-	434,095	-
Interest expense	12,561,247	-	12,543,664	17,583	12,537,325	-	12,521,284	16,041
Total interest charges	12,975,732	-	12,958,149	17,583	12,971,420	-	12,955,379	16,041
NET INCOME	\$ 1,127,545	\$ -	\$ 1,127,545	\$ -	\$ 702,826	\$ -	\$ 702,826	\$ -
RETAINED EARNINGS-Beginning of year	28,429,819	-	28,429,819	-	25,501,978	-	25,501,978	-
RETAINED EARNINGS, MARCH 31	\$ 29,557,364	\$ -	\$ 29,557,364	\$ -	\$ 26,204,804	\$ -	\$ 26,204,804	\$ -

OHIO VALLEY ELECTRIC CORPORATION AND SUBSIDIARY COMPANY

CONSOLIDATING STATEMENTS OF CASH FLOWS
YEAR TO DATE AS OF MARCH 31, 2024 AND 2023-UNAUDITED

	2024				2023			
	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	\$ 1,127,545	\$ -	\$ 1,127,545	\$ -	\$ 702,826	\$ -	\$ 702,826	\$ -
Adjustments to reconcile net income to net cash provided by (used in) operating activities:								
Depreciation	29,231,794	-	20,509,377	8,722,417	30,968,066	-	21,812,708	9,155,358
Amortization of debt expense	414,485	-	414,485	-	434,095	-	434,095	-
Changes in assets and liabilities:								
Accounts receivable	20,543,024	-	16,461,743	4,081,281	10,072,898	-	10,069,867	3,031
Fuel in storage	6,372,235	-	10,957,492	(4,585,257)	(39,636,503)	-	(23,475,639)	(16,160,864)
Material and supplies	567,640	-	171,377	396,263	(2,157,918)	-	(1,367,512)	(790,406)
Property taxes applicable to future years	940,500	-	940,500	-	790,500	-	790,500	-
Prepaid expenses and other	1,385,491	-	536,101	849,390	5,199,380	-	4,303,520	895,860
Other regulatory assets	410,860	-	410,860	-	(1,507,047)	-	(1,507,047)	-
Other noncurrent assets	1,000,000	-	1,000,000	-	2,865,000	-	2,865,000	-
Accounts payable	(24,520,180)	-	(2,478,415)	(22,041,765)	(25,662,579)	-	(3,900,405)	(21,762,174)
Accrued taxes	(392,644)	-	(1,312,544)	919,900	(2,524,659)	-	(3,426,802)	902,143
Accrued interest and other	(761,354)	-	(1,103,016)	(1,864,370)	4,796,313	-	4,698,391	97,922
Decommissioning, demolition and other	4,187,824	-	3,194,304	993,520	9,263,079	-	5,196,965	4,066,114
Other regulatory liabilities	4,497,606	-	2,252,200	2,245,406	6,770,034	-	6,029,464	740,570
Other liabilities	-	-	-	-	(268,513)	-	63,998	(332,511)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	45,004,826	-	55,288,041	(10,283,215)	104,972	-	23,289,929	(23,184,957)
INVESTING ACTIVITIES								
Electric plant additions	(9,147,257)	-	(4,658,740)	(4,488,517)	(23,756,063)	-	(9,736,257)	(14,019,806)
Changes in long-term investments	(17,636,750)	-	(10,484,831)	(7,151,919)	32,468,429	-	11,826,324	20,642,105
Changes in short-term intercompany lendings	-	22,239,899	(22,239,899)	-	-	16,697,680	(16,697,680)	-
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	(26,784,007)	22,239,899	(37,383,470)	(11,640,436)	8,712,366	16,697,680	(14,607,613)	6,622,299
FINANCING ACTIVITIES								
Changes in short-term intercompany borrowings	-	(22,239,899)	-	22,239,899	-	(16,697,680)	-	16,697,680
Repayment of Senior 2006 Notes	(14,472,510)	-	(14,472,510)	-	(13,663,756)	-	(13,663,756)	-
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	(10,000,000)	-	(10,000,000)	-	-	-	-	-
Principal payments under capital leases	(632,496)	-	(316,248)	(316,248)	(218,437)	-	(83,415)	(135,022)
Debt issuance and maintenance costs	-	-	-	-	(254,962)	-	(254,962)	-
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(25,105,006)	(22,239,899)	(24,788,758)	21,923,651	(14,137,155)	(16,697,680)	(14,002,133)	16,562,658
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	\$ (6,884,187)	\$ -	\$ (6,884,187)	\$ -	\$ (5,319,817)	\$ -	\$ (5,319,817)	\$ -
CASH AND CASH EQUIVALENTS-Beginning of year	39,734,708	-	39,728,508	6,200	50,612,220	-	50,606,020	6,200
CASH AND CASH EQUIVALENTS-MARCH 31	\$ 32,850,521	\$ -	\$ 32,844,321	\$ 6,200	\$ 45,292,403	\$ -	\$ 45,286,203	\$ 6,200