



December 20, 2012

Mr. Jeff Derouen  
Executive Director  
Kentucky Public Service Commission  
P.O. Box 615  
211 Sower Boulevard  
Frankfort, KY 40602

RECEIVED  
DEC 20 2012  
PUBLIC SERVICE  
COMMISSION

Dear Mr. Derouen:

Re: East Kentucky Power Cooperative, Inc. Financial Information

In accordance with the Public Service Commission Order in Case No. 2006-00472, please find attached the following:

- Monthly accounting of expenses and revenues in a monthly format and a 12-month ended format
- Monthly budget information for calendar year 2012
- Calculation of TIER and DSC for the 12-month period ended November 30, 2012

If you have any questions, please contact me at (859) 745-9670.

Very truly yours,

A handwritten signature in cursive script that reads 'Ann F. Wood'.

Ann F. Wood  
Director, Regulatory Services

Attachments





**East Kentucky Power Cooperative**

*Budgeted Statement of Operations  
2012*

STATEMENT OF OPERATIONS	January	February	March	April	May	June	July	August	September	October	November	December	Totals
<b>Electric Energy Revenues</b>													
Power Sales-Member Coops - Basic Rate	\$80,280,086	\$71,567,133	\$65,595,911	\$53,656,719	\$54,150,506	\$60,377,618	\$67,131,667	\$66,058,253	\$56,156,302	\$53,899,869	\$63,415,139	\$77,268,048	\$769,557,251
Power Sales-Member Coops - Fuel Clause	1,290,399	1,838,546	(313,683)	(809,713)	(463,282)	(466,784)	485,113	1,022,782	1,863,680	17,966	1,178,271	854,049	6,497,344
Power Sales-Member Coops - Environmental Surcharge	8,531,506	8,856,977	8,797,568	8,948,025	9,156,581	9,144,385	10,422,292	10,511,609	10,495,520	10,705,426	10,817,184	10,850,472	117,237,545
Power Sales-Member Coops - Steam	1,164,637	1,120,421	1,070,618	994,259	1,017,447	951,523	979,325	1,000,752	1,008,529	1,064,609	1,042,642	1,166,647	12,581,409
Power Sales - Off System	1,602,698	1,215,849	1,190,568	1,111,099	911,316	1,178,129	1,873,017	1,753,449	61,124	693,122	367,094	893,625	12,851,090
Wheeling Revenue	205,103	136,004	195,299	160,614	159,283	207,316	210,935	209,754	212,551	175,843	194,613	243,249	2,310,564
Other Operating Revenue - Income	189,642	189,642	189,642	189,642	189,642	189,642	189,642	189,642	189,734	189,734	189,734	189,734	2,276,065
<b>Total Operating Revenue &amp; Patronage Capital</b>	<b>\$93,264,071</b>	<b>\$84,924,572</b>	<b>\$76,725,923</b>	<b>\$64,250,645</b>	<b>\$65,121,493</b>	<b>\$71,581,829</b>	<b>\$81,291,991</b>	<b>\$80,746,241</b>	<b>\$69,987,440</b>	<b>\$66,746,569</b>	<b>\$77,204,677</b>	<b>\$91,465,817</b>	<b>\$923,311,268</b>
<b>Operation Expenses</b>													
Production Costs Excludes Fuel	\$5,944,920	\$5,273,024	\$5,408,725	\$5,210,248	\$5,170,420	\$5,480,215	\$6,351,589	\$6,215,540	\$5,767,444	\$6,050,258	\$5,881,095	\$7,483,513	\$70,236,991
Fuel	38,328,390	34,645,680	32,644,852	27,184,324	27,873,872	31,009,726	36,317,805	36,081,663	28,005,209	27,624,623	31,443,008	35,722,439	386,881,591
Other Power Supply	7,352,621	6,624,080	3,651,299	3,379,356	3,044,828	3,090,094	2,960,570	2,836,495	4,602,982	4,302,957	6,846,158	5,269,446	52,269,446
Transmission	3,584,882	3,446,250	3,541,058	3,246,490	3,298,245	3,766,941	3,424,879	3,470,933	3,456,770	3,781,357	3,653,678	3,991,187	42,662,690
Distribution	114,975	114,995	128,625	111,288	151,140	144,430	126,328	127,912	127,544	122,165	117,903	122,165	1,513,633
Customer Accounts	0	0	0	0	0	0	0	0	0	0	0	0	0
Customer Service & Information	464,856	382,461	580,989	411,810	382,678	388,152	371,844	374,096	387,715	377,214	377,976	366,221	4,886,012
Sales	7,242	3,875	11,860	4,053	3,806	4,095	3,770	3,788	4,183	3,935	3,932	4,147	58,688
Administration and General	3,859,055	3,018,035	3,274,964	2,867,817	3,483,992	2,979,270	4,221,011	2,941,068	1,701,205	1,774,543	2,028,246	1,779,128	33,928,334
<b>Total Operation Expenses</b>	<b>\$59,656,941</b>	<b>\$53,508,400</b>	<b>\$49,242,362</b>	<b>\$42,415,386</b>	<b>\$43,408,983</b>	<b>\$46,862,923</b>	<b>\$53,797,796</b>	<b>\$52,051,495</b>	<b>\$44,053,052</b>	<b>\$43,296,254</b>	<b>\$47,813,067</b>	<b>\$56,330,706</b>	<b>\$592,437,368</b>
<b>Maintenance Expenses</b>													
Production	\$2,575,376	\$3,951,805	\$4,522,589	\$7,284,142	\$6,453,494	\$5,372,479	\$4,149,139	\$4,065,261	\$5,909,997	\$7,697,136	\$6,311,238	\$4,973,704	\$63,266,360
Transmission Expense	377,977	418,476	428,726	419,091	446,491	492,516	506,151	491,151	495,151	502,113	491,801	535,389	5,605,033
Distribution Expense	72,220	90,983	93,733	91,188	91,988	92,863	90,613	90,613	90,738	97,488	90,613	112,078	1,105,118
General Plant	192,400	148,436	122,436	111,936	125,436	171,436	178,955	126,705	97,805	125,418	90,705	114,733	1,605,401
<b>Total Maintenance Expenses</b>	<b>\$3,217,973</b>	<b>\$4,609,700</b>	<b>\$5,167,484</b>	<b>\$7,906,357</b>	<b>\$7,117,409</b>	<b>\$6,129,294</b>	<b>\$4,922,858</b>	<b>\$4,773,730</b>	<b>\$6,593,691</b>	<b>\$8,423,155</b>	<b>\$6,984,357</b>	<b>\$5,735,904</b>	<b>\$71,581,912</b>
<b>Fixed Costs</b>													
Depreciation/Amortization	\$6,253,378	\$6,259,453	\$6,282,321	\$6,300,619	\$6,334,896	\$6,380,360	\$7,635,472	\$7,639,603	\$7,640,070	\$7,661,553	\$7,679,931	\$7,810,194	\$83,877,850
Taxes	0	0	800	0	0	0	0	0	0	0	0	0	800
Interest on Long-Term Debt	10,566,889	10,563,130	10,572,263	10,762,439	10,765,472	10,762,094	10,813,802	10,813,287	10,809,582	10,937,541	10,925,728	10,928,069	129,220,296
Interest During Construction	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Interest Expense	22,167	22,167	22,167	22,167	22,167	22,167	22,167	22,167	22,166	22,166	22,166	22,166	266,000
Asset Retirement Obligation	6,605	6,605	6,605	6,605	6,605	6,605	6,605	6,605	6,605	6,605	6,605	6,605	79,260
Other Deductions	49,975	44,608	138,653	59,371	45,488	173,638	47,534	43,357	169,507	44,974	43,257	216,342	1,075,704
<b>Total Fixed Costs</b>	<b>\$16,899,014</b>	<b>\$16,895,963</b>	<b>\$17,022,809</b>	<b>\$17,148,201</b>	<b>\$17,174,628</b>	<b>\$17,344,864</b>	<b>\$18,525,580</b>	<b>\$18,525,019</b>	<b>\$18,647,930</b>	<b>\$18,672,839</b>	<b>\$18,677,687</b>	<b>\$18,965,376</b>	<b>\$214,519,910</b>
<b>Total Cost of Electric Service</b>	<b>\$79,773,928</b>	<b>\$75,014,063</b>	<b>\$71,432,675</b>	<b>\$67,469,944</b>	<b>\$67,701,020</b>	<b>\$70,337,081</b>	<b>\$77,246,234</b>	<b>\$75,350,244</b>	<b>\$69,294,673</b>	<b>\$70,392,248</b>	<b>\$73,475,111</b>	<b>\$81,051,986</b>	<b>\$878,539,207</b>
<b>Operating Margins</b>	<b>\$13,490,143</b>	<b>\$9,910,509</b>	<b>\$5,293,248</b>	<b>(\$3,219,299)</b>	<b>(\$2,579,527)</b>	<b>\$1,244,748</b>	<b>\$4,045,757</b>	<b>\$5,395,997</b>	<b>\$692,767</b>	<b>(\$3,645,679)</b>	<b>\$3,729,566</b>	<b>\$10,413,831</b>	<b>\$44,772,061</b>
<b>Non-Operating Items</b>													
Interest Income	\$98,999	\$95,694	\$98,837	\$97,681	\$98,674	\$97,518	\$89,136	\$89,054	\$87,897	\$80,866	\$79,710	\$80,711	\$1,094,777
Allowance for Funds used for Construction	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Non-Operating Income	(6,303)	(7,449)	(6,459)	(9,063)	(6,949)	(6,423)	(6,321)	(6,805)	(6,521)	(6,305)	(6,813)	(6,304)	(81,715)
Other Capital Credits/Patronage Dividends	6,250	6,250	6,250	6,250	6,250	6,250	6,250	106,250	6,250	6,250	6,250	6,250	175,000
<b>Total Non-Operating Items</b>	<b>\$98,946</b>	<b>\$94,495</b>	<b>\$98,628</b>	<b>\$94,868</b>	<b>\$97,975</b>	<b>\$97,345</b>	<b>\$89,065</b>	<b>\$188,499</b>	<b>\$87,626</b>	<b>\$80,811</b>	<b>\$79,147</b>	<b>\$80,657</b>	<b>\$1,188,062</b>
<b>Net Patronage Capital &amp; Margins(Deficits)</b>	<b>\$13,589,089</b>	<b>\$10,005,004</b>	<b>\$5,391,876</b>	<b>(\$3,124,431)</b>	<b>(\$2,481,552)</b>	<b>\$1,342,093</b>	<b>\$4,134,822</b>	<b>\$5,584,496</b>	<b>\$780,393</b>	<b>(\$3,564,868)</b>	<b>\$3,808,713</b>	<b>\$10,494,488</b>	<b>\$45,960,123</b>