

DORSEY, KING, GRAY, NORMENT & HOPGOOD

ATTORNEYS-AT-LAW

318 SECOND STREET

HENDERSON, KENTUCKY 42420

JOHN DORSEY (1920-1986)
FRANK N KING, JR
STEPHEN D GRAY
WILLIAM B. NORMENT, JR
J CHRISTOPHER HOPGOOD
S MADISON GRAY

TELEPHONE
(270) 826-3965
TELEFAX
(270) 826-6672
www.dkgnlaw.com

February 28, 2011

FEDERAL EXPRESS

Mr. Jeff Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40601

RECEIVED

MAR 01 2011

PUBLIC SERVICE
COMMISSION

Re: Kenergy Corp.
Case No. 2011-00035

Dear Mr. Derouen:

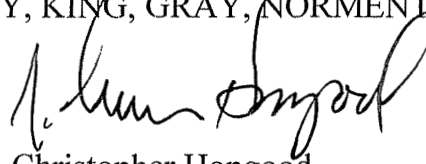
Enclosed for filing please find the original and ten (10) copies of the Application.

Your assistance in this matter is appreciated.

Very truly yours,

DORSEY, KING, GRAY, NORMENT & HOPGOOD

By



J. Christopher Hopgood
Attorney for Kenergy Corp.

JCH/cds

Encls.

COPY/w/encls.

Office of Attorney General, Utility and Rate Intervention
Division
Steve Thompson, Kenergy Corp.

RECEIVED

MAR 01 2011

PUBLIC SERVICE
COMMISSION

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:)
)
THE APPLICATION OF KENERGY CORP.) CASE No. 2011-00035
FOR AN ADJUSTMENT IN EXISTING)
RATES)

APPLICATION

The application of **KENERGY CORP.** (“Kenergy”) respectfully shows:

(a) Kenergy is a nonprofit electric cooperative organized under KRS Chapter 279 and is engaged in the business of distributing retail electric power to member customers in the Kentucky counties of Daviess, Hancock, Henderson, Hopkins, McLean, Muhlenberg, Ohio, Webster, Breckinridge, Union, Crittenden, Caldwell, Lyon, and Livingston.

(b) The post office address of Kenergy is Post Office Box 18, Henderson, Kentucky 42419-018. The street address of Kenergy is 6402 Old Corydon Road, Henderson, Kentucky 42420.

(c) Kenergy is revising its retail electric rates due to the pending revision in the wholesale electric rates of Big Rivers Electric Corporation (“BREC”) in Case No. 2011-00036 (807 KAR 5:001 Section 10(1)(a)(1)). This portion of the proposed adjustment to its retail electric rates is to flow-through to

Kenergy's customers the proposed wholesale power expense increase of \$23,464,713 or 5.9%. Additionally, Kenergy requests an adjustment in existing rates that will result in additional annual revenues in the amount of \$2,000,614. This will be a .5% increase in total annual revenues and will result in a TIER of approximately 2.0. Kenergy needs this additional revenue to offset increased costs it is incurring, principally because of depreciation expense and labor-related overheads. Kenergy's depreciation study filed herewith increases the composite depreciation rate from 3.6% to 3.8%, or \$592,586 on an annualized basis. See 807 KAR 5:001, Section 10(1)(b)1.

(d) The annual reports of Kenergy are on file with the Commission in accordance with 807 KAR 5:006, Section 3(1). See 807 KAR 5:001, Section 10(1)(b)2.

(e) Kenergy is the consolidation successor of Green River Electric Corporation and Henderson Union Electric Cooperative Corp. A copy of the articles of consolidation is filed in Case No. 99-136. See 807 KAR 5:001, Section 10(1)(b)3.

(f) A certificate of good standing (Certificate of Existence) is attached as "Exhibit 1." See 807 KAR 5:001, Section 10(1)(b)5.

(g) A certificate of assumed name for Kenergy Corp., adopting the name Kenergy, has been filed in the Office of the Kentucky Secretary of State, the county clerk's offices of all counties in Kenergy's service territory,

and the office of Franklin County Clerk. A copy is attached as “Exhibit 2.” See 807 KAR 5:001, Section 10(1)(b)6.

(h) The proposed tariff in a form that complies with 807 KAR 5:011 is attached as “Exhibit 3A.” See 807 KAR 5:001, Section 10(1)(b)7.

(i) The proposed tariff as compared to the existing tariff is shown in attached “Exhibit 3B.” See 807 KAR 5:001, Section 10(1)(b)8.

(j) All affected customers will be notified of the filing of this application by publishing a notice as required under 807 KAR 5:001, Section 10(4)(c)3. The notice includes the information required under 807 KAR 5:001, Section 10(3) and the subparts thereof, and a copy of the notice is attached as “Exhibit 4.” Affidavits from the publishers verifying that the notice was published will be filed with the Commission no later than 45 days of the file date hereof.

(k) Attached as “Exhibit 5” is Adjusted Income Statement with Proposed Adjustments for the 12 months ending June 30, 2010. This statement provides 12 month historical test period information and includes pro forma adjustments for known and measurable changes. See 807 KAR 5:001, Section 10(6)(a).

(l) The prepared testimonies of Sanford Novick, Kenergy’s President and CEO, Steve Thompson, Kenergy’s Vice President of Finance and Accounting, Jack D. Gaines, rate analyst with JDG Consulting LLC, and Robert N. Welsh, depreciation and accounting consultant with Welsh Group, LLC, are

attached as “Exhibit 6,” “Exhibit 7,” “Exhibit 8” and “Exhibit 9,” respectively.
See 807 KAR 5:001, Section 10(6)(b).

(m) The impact on Kenergy’s overall revenues is explained in the prepared testimony of Steve Thompson in “Exhibit 7.” See 807 KAR 5:001, Section 10(6)(d).

(n) The impact on the average customer bill is explained in the prepared testimony of Steve Thompson in “Exhibit 7”. See 807 KAR 5:001, Section 10(6)(e).

(o) An analysis of customers’ bills as required by 807 KAR 5:001, Section 10(6)(g) is attached as “Exhibit 10.”

(p) Kenergy utilized interest coverage to determine its revenue requirements. See prepared testimony of Steve Thompson attached hereto as “Exhibit 7” and attached “Exhibit 5,” page 1, line 44. See 807 KAR 5:001, Section 10(6)(h).

(q) The information required to be submitted pursuant to 807 KAR 5:001, Section 10(6)(i) is not applicable because Kenergy utilized interest coverage to determine its revenue requirements, and a deviation therefrom is requested.

(r) A current chart of accounts is attached as “Exhibit 11.”
See 807 KAR 5:001, Section 10(6)(j).

(s) An independent auditor's annual opinion report is attached as "Exhibit 12." See 807 KAR 5:001, Section 10(6)(k).

(t) Kenergy is not regulated by the Federal Energy Regulatory Commission or Federal Communication Commission and therefore has no audit reports from these agencies. See 807 KAR 5:001, Section 10(6)(l) and (m).

(u) Kenergy's depreciation study prepared by Welsh Group, LLC is filed herewith in a separate binder as "Exhibit 13." The depreciation rate Narrative summarizes this study. See 807 KAR 5:001, Section 10(6)(n).

(v) Following is a list of all commercially available or in-house developed computer software, programs and models used in the development of the schedules and work papers associated with this filing:

Commercial software Microsoft Word and Microsoft Excel were used in the preparation of the Application, exhibits and depreciation and cost of service studies.

Welsh Group LLC used the following additional software to prepare the depreciation study:

- CADLAS (Computer Assisted Depreciation and Life Analysis System) which is a complete depreciation system designed by the Surface Transportation Board. This system is comprised of 12 separate programs that run under Microsoft operating systems (DOS). For this study only the SPR (Simulated Plant Record) module was used.
- UltraEdit-32 which is a text editor from IDM Computer Solutions that was used to re-format the SPR output into a more user-friendly format. UltraEdit-32 runs under Microsoft operating systems.
- DMS (Depreciation Management System) which is a complete depreciation system designed by Capital Software, Inc. The system

provides a means to analyze service lives and salvage values and to calculate depreciation rates. For this study only the chart plotting portion was used. DMS runs under the Microsoft operating systems and requires a copy of Microsoft SQL Server to run.

JDG Consulting LLC developed in-house Unbundled Cost of Service Model for use in preparing the cost of service study.

See 807 KAR 5:001, Section 10 (6)(o).

(w) Annual reports to members for the two (2) most recent years are attached as “Exhibit 14.” See 807 KAR 5:001, Section 10(6)(q). Kenergy, as a cooperative, has no bond or stock offering prospectuses. See 807 KAR 5:001, Section 10(6)(p).

(x) Monthly managerial reports providing financial results of operations of Kenergy for the 12 months in the test period are attached as “Exhibit 15A.” Operating Budgets for the 12 months in the test period (2011, 2010 and 2009) are attached as “Exhibit 15B.” See 807 KAR 5:001, Sections 10(6)(r) and 10(7)(d).

(y) Kenergy has not had any amounts charged or allocated to it by an affiliate or general or home office or paid any monies to an affiliate or general or home office during the test period or during the previous three (3) calendar years. See 807 KAR 5:001, Section 10(6)(t).

(z) Cost of service study of JDG Consulting, LLC is filed herewith in a separate binder as “Exhibit 16” to this Application. See 807 KAR 5:001 Section 10(6)(u).

(aa) With respect to the requirements of 807 KAR 5:001, Section 10(7) applicant states: The detailed income statement required under subpart (a) is included in “Exhibit 5” (no adjustments are proposed for the balance sheet); subparts (b) and (c) do not apply as there are no adjustments for plant additions; the operating budget required under subpart (d) is included in “Exhibit 15B;” and the information concerning number of customers required under subpart (e) is included in “Exhibit 10”.

(ab) Kenergy Corp. requests that the rate adjustments proposed by it herein be allowed to become effective as contemplated by this filing and that the “flow-through” portion of the proposed rate adjustment be ordered into effect no later than the effective date of the tariff revisions proposed by Big Rivers in P.S.C Case No. 2011-00036.

(ac) Kenergy Corp. requests that a copy of any document served in this matter be served upon each of the following persons:

Mr. Sanford Novick
Kenergy Corp.
6402 Old Corydon Road
P. O. Box 18
Henderson, KY 42419-0018

Mr. J. Christopher Hopgood
Dorsey, King, Gray, Norment & Hopgood
318 Second Street
Henderson, KY 42420

WHEREFORE, applicant asks that the Public Service Commission of the Commonwealth of Kentucky make its order as follows:

1. Approving the requested adjustments in existing rates and approving the proposed tariff schedules filed herewith.
2. That the rate adjustments proposed by Kenergy Corp. herein be allowed to become effective as contemplated by this filing and that the “flow-through” portion of the proposed rate adjustment be ordered into effect no later than the effective date of the tariff revisions proposed by Big Rivers in P.S.C. Case No. 2011-00036.
3. Granting to Kenergy all proper relief.

Dated:

February 28, 2011
Sanford Novick
Sanford Novick, President & CEO

Counsel:

DORSEY, KING, GRAY, NORMENT & HOPGOOD
318 Second Street
Henderson, Kentucky 42420
(270) 826-3965 Telephone
(270) 826-6672 Telefax
Attorneys for Applicant

By

J. Christopher Hopgood
J. Christopher Hopgood

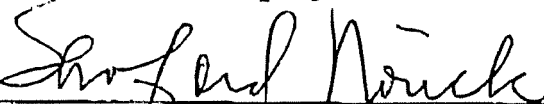
I hereby certify that the foregoing has been served upon the Attorney General of Kentucky, Office of Rate Intervention, 1024 Capital Center Drive, Frankfort, Kentucky 40601, by mailing a true and correct copy of same to that office, and upon intervenor Kentucky Industrial Utility Customers, Inc., by mailing a true and correct copy of same to Hon. Michael L. Kurtz, Boehm, Kurtz & Lowry, 36 East Seventh Street, Suite 1510, Cincinnati, Ohio 45202, on this 28th day of February, 2011.

J. Christopher Hopgood
J. Christopher Hopgood

CASE NO. 2011-00035

VERIFICATION

I verify, state and affirm that the testimony filed with this verification and for which I am listed as a witness is true and correct to the best of my knowledge, information and belief formed after a reasonable inquiry.



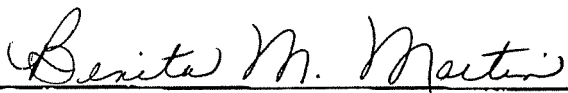
Sanford Novick, President and CEO

STATE OF KENTUCKY

COUNTY OF: DAVIESS

The foregoing was signed, acknowledged and sworn to before me by Sanford Novick, this 26th day of February, 2011.

My commission expires Oct. 16, 2012




Notary Public

(seal)

CASE NO. 2011-00035

VERIFICATION

I verify, state and affirm that the testimony filed with this application and for which I am listed as a witness is true and correct to the best of my knowledge, information and belief formed after a reasonable inquiry.



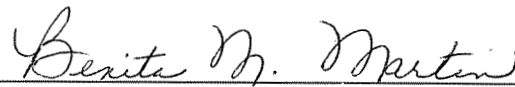
Steve Thompson, Vice President - Finance

STATE OF KENTUCKY

COUNTY OF: DAVIESS

The foregoing was signed, acknowledged and sworn to before me by Steve Thompson, this 25th day of February, 2011.

My commission expires Oct. 16, 2012



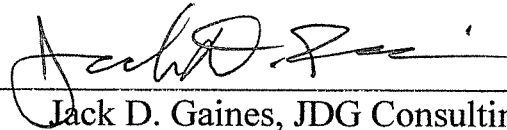
Notary Public

(seal)

CASE NO. 2011-00035

VERIFICATION

I verify, state and affirm that the testimony filed with this verification and for which I am listed as a witness is true and correct to the best of my knowledge, information and belief formed after a reasonable inquiry.



Jack D. Gaines, JDG Consulting, LLC

STATE OF GEORGIA


COUNTY OF: FULTON

The foregoing was signed, acknowledged and sworn to before me by Jack D. Gaines, this 26th day of February, 2011.

My commission expires 9/26/2012



(seal)

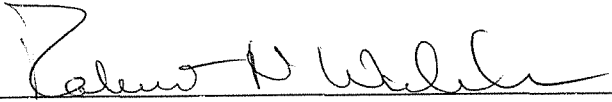


Notary Public

CASE NO. 2011-00035

VERIFICATION

I verify, state and affirm that the testimony filed with this application and for which I am listed as a witness is true and correct to the best of my knowledge, information and belief formed after a reasonable inquiry.

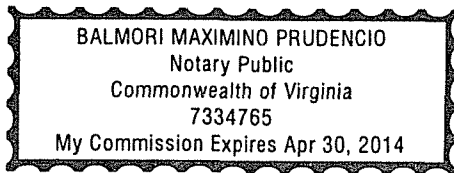

Robert N. Welsh, Welsh Group, LLC

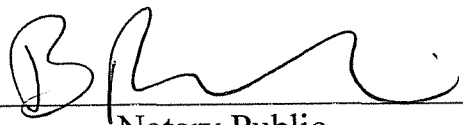
COMMONWEATH OF VIRGINIA

COUNTY OF: LOUDOUN

The foregoing was signed, acknowledged and sworn to before me by Robert N. Welsh, this 26th day of February, 2011.

My commission expires 4-30-2014




Notary Public

(seal)

**KENERGY CORP.
2011 RATE APPLICATION**

**THE APPLICATION OF KENERGY CORP.
FOR AN ADJUSTMENT IN EXISTING RATES**

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| Exhibit 16 | Cost of Service Study (Separate Binder) |

Commonwealth of Kentucky
Trey Grayson, Secretary of State

Trey Grayson
Secretary of State
P. O. Box 718
Frankfort, KY 40602-0718
(502) 564-3490
<http://www.sos.ky.gov>

Certificate of Existence

Authentication number: 109390
Visit <http://apps.sos.ky.gov/business/obdb/certvalidate.aspx> to authenticate this certificate.

I, Trey Grayson, Secretary of State of the Commonwealth of Kentucky, do hereby certify that according to the records in the Office of the Secretary of State,

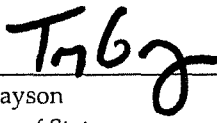
KENERGY CORP.

is a corporation duly incorporated and existing under KRS Chapter 14A and KRS Chapter 273, whose date of incorporation is June 22, 1999 and whose period of duration is perpetual.

I further certify that all fees and penalties owed to the Secretary of State have been paid; that Articles of Dissolution have not been filed; and that the most recent annual report required by KRS 273.3671 has been delivered to the Secretary of State.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal at Frankfort, Kentucky, this 27th day of January, 2011, in the 219th year of the Commonwealth.




Trey Grayson
Secretary of State
Commonwealth of Kentucky
109390/0471117

Visit <http://www.kysos.com>
for instructions on filing this
renewal over the Internet

Trey Grayson
Secretary of State
P.O. Box 718
Frankfort, KY 40602-0718

0471117

0471117.04

dcornish
C227

Trey Grayson
Secretary of State
Received and Filed
01/21/2009 2:41:11 PM
Fee Receipt: \$20.00

KENERGY CORP.
P O BOX 18
HENDERSON KY, 42419-0018

Your certificate of assumed name for the name KENERGY will expire on July 7, 2009, unless renewed by signing and filing the renewal certificate below and one copy in accordance with KRS 365.015(4), along with a \$20.00 filing fee. Make checks payable to "Kentucky State Treasurer". If filed, the renewal certificate is effective for a term of five years. If you have any questions, please call (502)-564-2848, press 2, then press 5.

Commonwealth of Kentucky
Trey Grayson
Secretary of State



Renewal Certificate of Assumed Name

This certifies that the assumed name of

KENERGY

is hereby renewed by

KENERGY CORP.

, a domestic corporation organized and existing in the state of Kentucky.

The certificate of assumed name was filed with the Secretary of State on July 7, 1999.

This renewal certificate is executed by:

Steve Thompson
Signature:
Steve Thompson VP Finance
Print or type name and title
1/9/2009
Date



JOHN Y. BROWN III
SECRETARY OF STATE
CERTIFICATE OF ASSUMED NAME

RECEIVED & FILED
JUL 7 10 48 AM '99
JOHN Y. BROWN III
SECRETARY OF STATE
COMMONWEALTH OF KENTUCKY

This certifies that the assumed name of KENERGY
[Name under which the business will be conducted]
has been adopted by KENERGY CORP.

[Real name - KRS 365.015(1)]
which is the "real name" of [YOU MUST CHECK ONE]
 a Domestic General Partnership a Foreign General Partnership
 a Domestic Limited Partnership a Foreign Limited Partnership
 a Domestic Business Trust a Foreign Business Trust
 a Domestic Corporation a Foreign Corporation
 a Joint Venture

organized and existing in the state of KENTUCKY, and whose address is
6402 Old Corydon Road, Henderson, Kentucky 42420
(Street address, if any) (City) (State) (Zip Code)

This Certificate of Assumed Name is executed by:
Dean Stanley DEAN STANLEY, PRESIDENT and CEO
Signature Print or type name and title

Signature Print or type name and title

Signature Print or type name and title

Signature Print or type name and title

Signature Print or type name and title

ACKNOWLEDGMENT

State of KENTUCKY
County of HENDERSON
The foregoing instrument was acknowledged before me this 1st day of July, 19 99
by DEAN STANLEY
on behalf of KENERGY CORP.
a ~~General Partnership~~ ~~Limited Partnership~~ ~~Business Trust~~ ~~Corporation~~ ~~Joint Venture~~

Charles Smithhart
(Notary Public Signature)
State of Kentucky at Large
My Commission expires:
September 29 ~~X~~2001

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Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 1

CANCELLING PSC NO. 2

First Revised SHEET NO. 1

CLASSIFICATION OF SERVICE
Schedule 1 - Residential Service (Single Phase & Three-Phase)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for single and three-phase single family residential service. Residential electric service is available for uses customarily associated with residential occupation, including lighting, cooking, heating, cooling, refrigeration, household appliances and other domestic purposes.

Residential rates are based on service to single family units and are not applicable to multi-family dwellings served through a single meter. Where two or more families occupy a residential building, Kenergy may require, as a condition precedent to the application of the residential rate, the wiring in the building be so arranged as to permit each family to be served through a separate meter. In those cases where such segregation of wiring would involve undue expense to the Member, at the Member's option in lieu of the foregoing, electric service rendered to a multi-family residential building through a single meter will be classified as commercial and billed on the basis of service to a Member at an appropriate non-residential rate.

If a separate meter is used to measure the consumption to remotely located buildings, such as garages, barns, pump houses, grain bins or other outbuildings, or facilities, such as electric fences, it will be considered a separate service and be billed as a separate service at the applicable non-residential rate.

RATE

I Customer Charge per delivery point\$13.00 per month

Plus:

I Energy Charge per KWH\$0.067780

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY Sanford Houch
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 1A

CANCELLING PSC NO. 2

First Revised SHEET NO. 1A

CLASSIFICATION OF SERVICE
Schedule 1 - Residential Service (Single Phase & Three-Phase)

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table with 2 columns: Rider Name and Sheet No. Includes Renewable Resource Energy Service Rider, Fuel Adjustment Rider, Environmental Surcharge Rider, etc.

N

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

TERMS OF PAYMENT

The above rates are net, the gross rate being five percent (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date bill was rendered, the gross rate shall apply.

The gross rate charge shall be forgiven on one bill each calendar year on all customers in this class of service.

Customers 65 years of age and older who have submitted proof of age to Kenergy will not be charged the gross rate on the current monthly bill at their primary residence. If payment is not received within 30 days from the date the bill was rendered, the gross rate shall apply.

ALL OTHER RULES AND REGULATIONS

Service will be furnished under Kenergy's rules and regulations applicable hereto.

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 3

CANCELLING PSC NO. 2

First Revised SHEET NO. 3

CLASSIFICATION OF SERVICE
Schedule 3 - All Non-Residential Single Phase

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for all non-residential single phase service.

Three-phase service under this rate schedule is restricted to those customers being billed on this rate schedule as of its effective date of June 14, 2005.

RATE

- I Customer Charge per delivery point \$17.00 per month
Plus:
I Energy Charge per KWH.....\$0.066900

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Renewable Resource Energy Service Rider Sheets No. 23 - 23D
Fuel Adjustment Rider Sheets No. 24 - 24A
Environmental Surcharge Rider Sheets No. 25 - 25A
Unwind Surcredit Adjustment Rider Sheets No. 26 - 26A
Rebate Adjustment Rider Sheets No. 27 - 27A
Member Rate Stability Mechanism Rider Sheets No. 28 - 28A
Rural Economic Reserve Adjustment Rider Sheet No. 29
N Non-FAC Purchased Power Adjustment Rider Sheets No. 30 - 30A

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

DATE OF ISSUE March 1, 2011

Month / Date / Year

DATE EFFECTIVE April 1, 2011

Month / Date / Year

ISSUED BY [Signature]

(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 5

CANCELLING PSC NO. 2

Original SHEET NO. 5

CLASSIFICATION OF SERVICE
Schedule 5 - Three-Phase Demand (Non-Residential)
Non-Dedicated Delivery Points (0 - 1,000 KW)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for three-phase customers (non-residential) with a metered demand 0 - 1,000 KW for all uses served from non-dedicated delivery points.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase, 60 cycle, alternating current at available nominal voltage.

AGREEMENT

T An "Agreement for Purchase of Power" may be required of the customer for service under this schedule, in accordance with investment to serve and as mutually agreed to by both parties. For any type of service that is not considered permanent, see tariff Sheet No. 138.

RATE

I Customer Charge per Delivery Point..... \$35.00 per month

Plus:

Demand Charge of:

I Per KW of billing demand in the month..... \$ 4.50

Plus:

Energy Charges of:

I First 200 KWH per KW, per KWH..... \$0.05747

I Next 200 KWH per KW, per KWH..... \$0.04157

I All Over 400 KWH per KW, per KWH.....\$0.03557

DATE OF ISSUE March 1, 2011

Month / Date / Year

DATE EFFECTIVE April 1, 2011

Month / Date / Year

ISSUED BY [Signature]

(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 5A

CANCELLING PSC NO. 2

First Revised SHEET NO. 5A

CLASSIFICATION OF SERVICE
Schedule 5 - Three-Phase Demand (Non-Residential)
Non-Dedicated Delivery Points (0 - 1,000 KW)

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table with 2 columns: Rider Name and Sheet No. Includes items like Renewable Resource Energy Service Rider, Fuel Adjustment Rider, etc.

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Tax added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt load used by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter.

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 7
CANCELLING PSC NO. 2
Original SHEET NO. 7

CLASSIFICATION OF SERVICE
Schedule 7 - Three-Phase Demand - 1,001 KW and Over
(Non-Dedicated Delivery Points)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for all three-phase customers with a metered or contract demand 1,001 KW & Over served from a non-dedicated delivery point.

Any service provided under this tariff shall be for a minimum of twelve (12) consecutive months, whereby the customer will be billed a minimum of 1,001 KW for next twelve (12) months.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase, 60 cycle, alternating current at available nominal voltage.

RATE

Option A - High Load Factor (above 50%):

I Customer Charge per Delivery Point..... \$750.00 per month

Plus:

Demand Charge of:

I Per KW of Billing Demand in the month..... \$9.50

Plus:

Energy Charges of:

I First 200 KWH per KW, per KWH..... \$0.0299

I Next 200 KWH per KW, per KWH..... \$0.0266

I All Over 400 KWH per KW, per KWH..... \$0.0246

Primary Service Discount.....\$.50 per KW

Option B - Low Load Factor (below 50%):

I Customer Charge per Delivery Point..... \$750.00 per month

Plus:

Demand Charge of:

I Per KW of Billing Demand in the month..... \$5.35

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 7A

CANCELLING PSC NO. 2

First Revised SHEET NO. 7A

CLASSIFICATION OF SERVICE
Schedule 7 - Three-Phase Demand - 1,001 KW and Over
(Non-Dedicated Delivery Points)

Plus:

Energy Charges of:

- I First 150 KWH per KW, per KWH \$0.0456
I Over 150 KWH per KW, per KWH \$0.0386
Primary Service Discount \$.50 per KW

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Renewable Resource Energy Service Rider Sheets No. 23 - 23D
Fuel Adjustment Rider Sheets No. 24 - 24A
Environmental Surcharge Rider Sheets No. 25 - 25A
Unwind Surcredit Adjustment Rider Sheets No. 26 - 26A
Rebate Adjustment Rider Sheets No. 27 - 27A
Member Rate Stability Mechanism Rider Sheets No. 28 - 28A
Rural Economic Reserve Adjustment Rider Sheet No. 29
Price Curtailable Service Rider Sheet No. 42
N Non-FAC Purchased Power Adjustment Rider Sheets No. 30 - 30A

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Tax added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

AGREEMENT

An "Agreement for Purchase of Power" shall be executed by the customer for service under this schedule. The minimum monthly charge shall be in accordance with investment to serve and as mutually agreed to by both parties. Should the provisions of the expansion rate contained on Sheets 41 - 41F apply, additional language incorporating those provisions will be added to the agreement. For any type of service that is not considered permanent, see tariff Sheet No. 138.

DATE OF ISSUE March 1, 2011

Month / Date / Year

DATE EFFECTIVE April 1, 2011

Month / Date / Year

ISSUED BY Sanford M. ...

(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 15
CANCELLING PSC NO. 2
Original SHEET NO. 15

CLASSIFICATION OF SERVICE
Schedule 15 - Private Outdoor Lighting

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Service under this schedule is offered, under the conditions set out hereinafter, for lighting applications on private property such as, but not limited to, residential, commercial and industrial plant site or parking lot, other commercial area lighting, etc. to customers now receiving electric service from Kenergy at the same location. Service will be provided under written contract signed by customer prior to service commencing, when facilities are required other than fixture(s).

Standard (Served Overhead)

Table with 5 columns: Type Light, Watts, Approx. Lumens, Avg. Monthly Energy (KWH), and Rates (per lamp per month). Rows include Mercury Vapor and High Pressure Sodium lamps, with a note about replacements after April 1, 2011.

In the event existing facilities cannot be utilized, customer will be required to make an advance contribution equal to the estimated cost of labor and materials in excess of the cost to install the lighting unit on existing facilities.

Customer shall be responsible for losses due to vandalism.

1Inadvertently left off tariff sheet in Case No. 2008-00323.

DATE OF ISSUE March 1, 2011
DATE EFFECTIVE April 1, 2011
ISSUED BY Sanford W. Birch
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 15A

CANCELLING PSC NO. 2

Original SHEET NO. 15A

CLASSIFICATION OF SERVICE
Schedule 15 - Private Outdoor Lighting

Commercial and Industrial Lighting
(Available to all classes except residential)

Table with columns: Type Light, Watts, Approx. Lumens, Avg. Monthly Energy (KWH), (per lamp per month) Rates. Includes sections for Flood Lighting Fixture, Contemporary (Shoebox) Lighting Fixture, and Decorative Lighting Fixtures.

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY Sanford Novick
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 15B

CANCELLING PSC NO. 2

First Revised SHEET NO. 15B

CLASSIFICATION OF SERVICE
Schedule 15 - Private Outdoor Lighting

Rate Per Month

Pedestal Mounted Pole

T Not Available for New Installations after April 1, 2011:

- I Steel, 25 ft. - per pole \$ 7.03
I Steel, 30 ft. - per pole \$ 7.92
I Steel, 39 ft. - per pole \$13.31

Direct Burial Pole

T Available for New Installations after April 1, 2011:

- I Wood, 30 ft. - per pole \$ 4.41
I Aluminum, 28 ft. - per pole \$ 9.06

T Not Available for New Installations after April 1, 2011:

- I Fluted Fiberglass, 15 ft. - per pole \$ 9.68
I Fluted Aluminum, 14 ft. - per pole \$10.63

Kenergy will furnish facilities and electric service for commercial/industrial exterior lighting applications in accordance with an appropriate lease lighting agreement.

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Renewable Resource Energy Service Rider Sheets No. 23 - 23D
Fuel Adjustment Rider Sheets No. 24 - 24A
Environmental Surcharge Rider Sheets No. 25 - 25A
Unwind Surcredit Adjustment Rider Sheets No. 26 - 26A
Rebate Adjustment Rider Sheets No. 27 - 27A
Member Rate Stability Mechanism Rider Sheets No. 28 - 28A
Rural Economic Reserve Adjustment Rider Sheet No. 29
N Non-FAC Purchased Power Adjustment Rider Sheets No. 30 - 30A

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Tax added if applicable.

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY Sanford North
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 16
CANCELLING PSC NO. 2
Original SHEET NO. 16

CLASSIFICATION OF SERVICE
Schedule 16 - Street Lighting Service

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To governmental units, lighting districts, or similar entities organized under KRS 179.470 located within the territory served by Kenergy. Service to the subdivisions of Baskett, Meadow Hills and Spottsville under a shared service agreement is restricted to those customers being billed under the special rate as of its effective date of June 14, 2005.

CONDITIONS OF SERVICE - STANDARD

Normally, street lighting fixtures and facilities are furnished and maintained by Kenergy at the rates specified below. However, special situations may require that service terms and conditions be negotiated individually and mutually agreed upon.

Street lighting for subdivision street lighting districts or similar entities created by a county fiscal court pursuant to KRS 179.470 will be coordinated with the appropriate county fiscal court. The rates for such service shall be in accordance with those specified below. Agreements for street lighting service with a county fiscal court and a street lighting district may (1) provide for advance collection of charges for street lighting service and (2) provide that service to a street lighting district will not be disconnected for nonpayment as long as the fiscal court of the county in which the street lighting district is located agrees to pay for the expense of street lighting on the terms provided in this tariff, collects the assessment in accordance with the customary procedures for collecting county ad valorem real property taxes, and within a reasonable time, pays Kenergy any amounts so collected.

RATE

Table with 5 columns: Type Light, Watts, Approx. Lumens, Avg. Monthly Energy (KWH), and Rates (per light per month). Rows include 'Not Available for New Installations after April 1, 2011' and various fixture types like Mercury Vapor and High Pressure Sodium.

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY [Signature]
(Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 16A
CANCELLING PSC NO. 2
Original SHEET NO. 16A

CLASSIFICATION OF SERVICE
Schedule 16 - Street Lighting Service

UNDERGROUND SERVICE WITH NON-STANDARD POLE

I For service to governmental entities and street lighting districts with underground service on aluminum or fiberglass poles, an additional charge of \$5.67 per month per pole will be added to the standard charges for street lighting.

OVERHEAD SERVICE TO STREET LIGHTING DISTRICTS SERVED PURSUANT TO KRS 179.470

I For service to street lighting districts utilizing standard overhead facilities, an additional charge of \$2.36 per month per pole will be added to the standard charges for street lighting.

CONDITIONS OF SERVICE - DECORATIVE UNDERGROUND

Area lighting will be installed using underground service, with lights in each individual subdivision or lighting district having an average accessible service circuit of seventy-five (75) feet (i.e., distance from existing source of secondary electric service to light equals 75 feet average). For light locations in excess of seventy-five (75) feet average, or services requiring conductor sizes greater than the standard #12-2 AZ conductor, customer shall be required to pay these costs in advance of receiving service.

Table with 5 columns: Type Light, Watts, Approx. Lumens, Avg. Monthly Energy (KWH), Rates (per lamp per month). Rows include 'Not Available for New Installations after April 1, 2011' and 'Available for New Installations after April 1, 2011' with various fixture types and costs.

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY [Signature]
(Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Second Revised SHEET NO. 16B
CANCELLING PSC NO. 2
First Revised SHEET NO. 16B

CLASSIFICATION OF SERVICE
Schedule 16 - Street Lighting Service

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table with 2 columns: Rider Name and Sheet No. Includes: Renewable Resource Energy Service Rider (23-23D), Fuel Adjustment Rider (24-24A), Environmental Surcharge Rider (25-25A), Unwind Surcredit Adjustment Rider (26-26A), Rebate Adjustment Rider (27-27A), Member Rate Stability Mechanism Rider (28-28A), Rural Economic Reserve Adjustment Rider (29), Non-FAC Purchased Power Adjustment Rider (30-30A)

N

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

TERMS OF PAYMENT

The above rates are net, the gross rate being five (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date the bill was rendered, the gross rate will apply.

ALL OTHER RULES AND REGULATIONS

Service will be furnished under Kenergy's rules and regulations applicable hereto.

DATE OF ISSUE March 1, 2011
DATE EFFECTIVE April 1, 2011
ISSUED BY Sanford Novick
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 23A
CANCELLING PSC NO. 2
Original SHEET NO. 23A

CLASSIFICATION OF SERVICE
Schedule 23 - Renewable Resource Energy Service Rider

MONTHLY RATE

(1) The rate for Renewable Resource Energy is the rate schedule applicable to service to a customer, plus a premium per kilowatt hour of Renewable Resource Energy contracted for as follows, subject to any adjustment, surcharge or surcredit that is or may become applicable under the customer's rate schedule:

Table with 2 columns: Rate Schedule and A Per Kilowatt Hour Premium Of. Includes entries for Residential, Non-Residential Single Phase, Three-Phase Demand, Private Outdoor Lighting, Street Lighting Service, Dedicated Delivery Point Customers, Large Industrial Customers, and Large Industrial Customers Expansion Rate.

(2) Renewable Resource Energy purchased by a customer in any month will be conclusively presumed to be the first kilowatt hours delivered to that Customer in that month.

DATE OF ISSUE March 1, 2011
DATE EFFECTIVE April 1, 2011
ISSUED BY Sanford North (Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 23D

CANCELLING PSC NO. 2

Original SHEET NO. 23D

CLASSIFICATION OF SERVICE
Schedule 23 - Renewable Resource Energy Service Rider

DETERMINATION OF KWH ADDER

Table with 3 columns: Description, Non-Dedicated Delivery Points Rate Schedules 1-7 & 15-16, Direct Served Large Industrials Schedules 31, 32, 33 and 41. Rows include Charge from Wholesale Electric Supplier, Less Charge from Wholesale Electric Supplier, Subtotal, 1 - Twelve-Month Line Loss of 5.4577%, and KWH Adder - Renewable Energy Tariff Rider.

Schedule 1 Twelve Month Actual Line Loss %

Table with 5 columns: Description, KWH PURCHASED/PAID, KWH BILLED, OFFICE USE, KWH LOSSES. Rows include Test Year Ending 6/30/10 (Billed) and Twelve Month Ratio.

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 30

CANCELLING PSC NO. 2

Original SHEET NO. 30

CLASSIFICATION OF SERVICE

Schedule 30 - Non-FAC Purchased Power Adjustment (PPA) Rider

N

APPLICABLE

In all territory served.

NON-FAC PURCHASED POWER ADJUSTMENT RATE

SECTION 1

BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS

Billings computed pursuant to rate schedules to which this section is applicable shall be adjusted based on the following formula where all references to costs and revenues will exclude amounts associated with customers served from Dedicated Delivery Points.

The non-FAC purchased power adjustment rate applicable to KWH sold in the current month under each rate to which this section applies shall be based upon the following formula:

$$PPA = \frac{W_PPA - O + U}{P(m) \times L} - PPA(b)$$

Where;

- PPA = the non-FAC purchased power adjustment rate per KWH for the current month
- W_PPA = the non-FAC PPA adjustment amount charged by Kenergy's wholesale power supplier on the power bill for the second month preceding the month in which PPA is applied.
- P(m) = the KWH purchased in the second month preceding the month in which PPA is applied.
- L = One minus the percent system energy losses equal to the rolling twelve month average not to exceed ten percent (10%).
- O = any over recovery amount from the second preceding month.
- U = any under recovery amount from the second preceding month.
- PPA(b) = Base purchased power adjustment factor of \$.00000 per KWH.

DATE OF ISSUE March 1, 2011

Month / Date / Year

DATE EFFECTIVE April 1, 2011

Month / Date / Year

ISSUED BY Stanford Novak

(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 30A

CANCELLING PSC NO. 2

Original SHEET NO. 30A

CLASSIFICATION OF SERVICE

Schedule 30 - Non-FAC Purchased Power Adjustment (PPA) Rider

N

SECTION 2

BILLINGS TO CUSTOMERS SERVED FROM DEDICATED DELIVERY POINTS (NO LINE LOSSES TO KENERGY)

Billings computed pursuant to rate schedules or special contracts to which this section is applicable shall be increased or decreased during the month equal to the amount charged or credited to Kenergy by the wholesale power supplier for the customer's dedicated delivery point.

RATE APPLICATION

Section 1 of this rider shall apply to rate schedules (1) Residential Single Phase & Three-Phase, (3) all Non-Residential Single Phase, (5) Three-Phase Demand (Non-Residential) Non-Dedicated Delivery Points (0-1000 KW), (7) Three-Phase Demand Non-Dedicated Delivery Points (1,001 KW & Over), (15) Private Outdoor Lighting, (16) Street Lighting Service. Section 2 of this rider shall apply to smelter sales pursuant to the Smelter Agreements and to rate schedules for service to customers when the wholesale rate paid by Kenergy for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.



DATE OF ISSUE March 1, 2011 Month / Date / Year

DATE EFFECTIVE April 1, 2011 Month / Date / Year

ISSUED BY Sanford Herick (Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 31

CANCELLING PSC NO. 2

First Revised SHEET NO. 31

| |
|----------------------------------|
| CLASSIFICATION OF SERVICE |
| |

FUTURE USE

DATE OF ISSUE March 1, 2011

Month / Date / Year

DATE EFFECTIVE April 1, 2011

Month / Date / Year

ISSUED BY Sanford Nozick

(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 32

CANCELLING PSC NO. 2

Original SHEET NO. 30

CLASSIFICATION OF SERVICE

Schedule 32 – Special Charges

T

In accordance with 807 KAR 5:006 Section 8, Kenergy will make the following special nonrecurring charges to recover customer-specific costs incurred, which would otherwise result in monetary loss to the utility or increased rates to other customers to whom no benefits accrue from the service provided or action taken. These special charges are calculated on the attached Sheets 30 Exhibit A and 30 Exhibit B and are designed to yield only enough revenue to pay the expenses incurred in rendering the service.

- (a) Turn-on Charge \$32.00 (overtime \$95.00) – A turn-on charge will be assessed for a seasonal or temporary service.
- I (b) Reconnect Charge - \$32.00 (overtime \$95.00) – A reconnect charge will be assessed to reconnect a service which has been terminated for nonpayment of bills or violation of Kenergy’s rules or Kentucky Public Service Commission administrative regulations. This charge will also be assessed when a Kenergy representative makes a trip to the premises of a customer due to service interruption, and the problem is on the customer’s part. Customer’s qualifying for service reconnection under Section 15 of 807 KAR 5:006 will be exempt from reconnect charges.
- I (c) Termination or Field Collection Charge - \$32.00 (overtime \$95.00) – This charge will be assessed when a Kenergy representative makes a trip to the premises of a customer for the purpose of terminating service. The charge will be assessed if a Kenergy representative actually terminates service or if, in the course of the trip, the customer pays the delinquent bill to avoid termination. The charge may also be made if Kenergy’s representative agrees to delay termination based on the customer’s agreement to pay the delinquent bill by a specific date. Kenergy may make a field collection charge only once in any billing period. Termination of service will occur during normal business hours unless circumstances dictate otherwise, i.e. safety issues, illegal reconnect or meter is inaccessible.
- I (d) Special Meter Reading Charge - \$32.00 – This charge may be assessed when a customer requests that a meter be re-read, and the second reading shows the original reading was correct. No charge shall be assessed if the original reading was incorrect. This charge may also be assessed when a customer who reads his own meter fails to read the meter for six (6) consecutive months, and it is necessary for a Kenergy representative to make a trip to read the meter.

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY Sanford Houch
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Second Revised SHEET NO. 32A
CANCELLING PSC NO. 2
Original SHEET NO. 30A

T

CLASSIFICATION OF SERVICE
Schedule 32 - Special Charges

- (e) Meter Test Charge - \$50.00 - This charge will be assessed if a customer requests the meter be tested and the test shows the meter is not more than two (2) percent fast. No charge shall be made if the test shows the meter is more than two (2) percent fast.
(f) Returned Check Charge \$12.00 - A returned check charge will be assessed if a check accepted for payment of a bill is not honored by the customer's financial institution.

Kenergy shall have the right to refuse to accept checks in payment of an account from any customer who has demonstrated poor credit risk by having two or more checks returned unpaid from a bank for any reason.

Kenergy shall not accept a check to pay for and redeem another check or accept a two-party check for cash or payment of an account.

When a customer has been mailed a notice of termination for non-payment and subsequently presents an insufficient check as payment, the original termination date will remain unchanged. The presentation of an insufficient funds check does not constitute payment of the account.

(g) Late Payment Kenergy Charge - A 5% charge will be assessed if a customer fails to pay a bill for services within (20) days from the date the bill was rendered. The charge will be assessed only once on any bill for rendered services. Any payment received shall first be applied to the bill for service rendered. Additional charges shall not be assessed on unpaid charges.

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Sanford Nouch
(Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Original SHEET NO. 32 (Exh. A)

CANCELLING PSC NO. 2

Original SHEET NO. 30 (Exh. A)

CLASSIFICATION OF SERVICE

Schedule 32 – Special Charges

Special Charges:

Non-Worked Hours:

| | <u>Hours</u> | <u>Percent</u> |
|------------------|--------------|----------------|
| Total Hours | 2,080 | 100.00% |
| Average Vacation | 120 | 5.77% |
| Holidays | 64 | 3.08% |
| Sick Leave Days | 32 | 1.54% |
| Hours Worked | 1,864 | 89.61% |

For every \$100 of labor paid, \$89.61 is paid for work and \$10.39 is paid for non-working hours. The allocation for Office and Service employees is as follows:

| | <u>Hourly Rate</u> | <u>Percent</u> | <u>Non-Working Hourly Amount</u> |
|------------------------|--------------------|----------------|----------------------------------|
| I Meter Reader/Service | \$22.11 | 10.39% | \$2.30 |
| I Office/Clerical | \$21.37 | 10.39% | \$2.22 |

Other Costs Based on Regular Labor Worked:

% of Regular Labor Worked

Test Yr. Ending June 30, 2010

| | | | |
|----------------------------|-------------|---|---------------|
| I Regular Wages | \$9,515,251 | - | |
| I Health, Life, Disability | \$2,414,683 | - | 25.38% |
| I Pension | \$1,705,396 | - | 17.92% |
| I Payroll Taxes | \$ 795,180 | - | 8.36% |
| I Workers Comp., | \$ 281,216 | - | 2.96% |
| I | | | <u>54.62%</u> |

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY Shirley A. Nix
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Original SHEET NO. 32 (Exh. B)

CANCELLING PSC NO. 2

Original SHEET NO. 32 (Exh. B)

CLASSIFICATION OF SERVICE

Schedule 32 – Special Charges

T

| | Est. Hours | Per Hour | Amount |
|---|------------|----------|---|
| <u>Return Check Charge</u> | | | |
| No. of Hours Worked | 0.25 | | |
| I Direct Labor Charge | 0.25 | \$21.37 | \$ 5.34 |
| I Non-Worked Overhead | 0.25 | \$ 2.22 | \$ 0.56 |
| I Other Cost Based on Reg. Labor Worked | \$21.37 | 54.62% | \$ 2.92 |
| Bank Charge | | | \$ 3.00 |
| I Total Charges | | | Total <u>\$11.82</u> <u>Use \$12.00</u> |

Turn-On, Reconnect, Termination, Special Meter Reading, Meter Test

| | Per Hour | Turn-On, Reconnect, Termination | Meter Reading | Overtime | Meter Tests |
|---------------------------------------|------------|---------------------------------------|------------------|----------------------|-----------------|
| Meter Reader/Service: | | | | | |
| No. of Hours | | 0.5 | 0.5 | 2 | 1 |
| Direct Labor Charge | \$22.11 | \$ 11.06 | \$ 11.06 | \$66.33 ¹ | \$22.11 |
| Non-Worked Overhead | \$ 2.30 | \$ 1.15 | \$ 1.15 | N/A | \$ 2.30 |
| Other Cost Based on Reg. Labor Worked | 54.62% | \$ 6.04 | \$ 6.04 | \$ 9.23 ² | \$12.07 |
| | Per Mile | | | | |
| Mileage | 10 \$ 0.51 | \$ 5.10 | \$ 5.10 | | \$ 5.10 |
| | 20 \$ 0.51 | | | \$10.20 | |
| Office Clerical: | | | | | |
| No. of Hours | | 0.25 | 0.25 | 0.25 | 0.25 |
| Direct Labor Charge | \$21.37 | \$ 5.34 | \$ 5.34 | \$ 5.34 | \$ 5.34 |
| Non-Worked Overhead | \$ 2.22 | \$ 0.56 | \$ 0.56 | \$ 0.56 | \$ 0.56 |
| Other Cost Based on Reg. Labor Worked | 54.62% | \$ 2.92 | \$ 2.92 | \$ 2.92 | \$ 2.92 |
| Total | | <u>\$32.17</u> | <u>\$32.17</u> | <u>\$94.58</u> | <u>\$ 50.40</u> |
| Charge | | <u>\$32.00</u> | <u>\$32.00</u> | <u>\$95.00</u> | <u>\$ 50.00</u> |

I ¹ 2 hrs. x \$22.11 x 1.5
 I ² 2 hrs. x \$22.11 x 20.88% (17.92% + 2.96%)

DATE OF ISSUE March 1, 2011
 Month / Date / Year

DATE EFFECTIVE April 1, 2011
 Month / Date / Year

ISSUED BY Sanford Weirich
 (Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 33

CANCELLING PSC NO. 2

First Revised SHEET NO. 31

CLASSIFICATION OF SERVICE

Schedule 33 – Smelter Customers Served Under Special Contracts - Class A

T

The Kenergy Corp. Smelter Tariffs for service to (i) Alcan Primary Products Corporation, shall consist of the Retail Electric Service Agreement, dated as of July 1, 2009 between Kenergy Corp. and Alcan Primary Products Corporation and (ii) Century Aluminum of Kentucky General Partnership shall consist of the Retail Electric Service Agreement, dated as of July 1, 2009, between Kenergy Corp. and Century Aluminum of Kentucky General Partnership. Such agreements are hereby incorporated by reference as though fully set out herein. Alcan Primary Products Corporation and Century Aluminum of Kentucky General Partnership shall each respectively be obligated to pay in accordance with the rates, charges and other terms and conditions set forth in said agreements, including the applicable retail fee.

DATE OF ISSUE March 1, 2011

Month / Date / Year

DATE EFFECTIVE April 1, 2011

Month / Date / Year

ISSUED BY [Signature] (Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 34
CANCELLING PSC NO. 2
First Revised SHEET NO. 32

T

CLASSIFICATION OF SERVICE
Schedule 34 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class B)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To existing customers, Aleris and Kimberly Clark, and new customers executing special contracts approved by the Kentucky Public Service Commission.

RATE:

R

I

Customer Charge.....\$1,028 per Month
Plus Demand Charge of:
per KW of Billing Demand in Month.....\$10.8975
Plus Energy Charge of:
per KWH.....\$0.015051

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

N

Table with 2 columns: Rider Name and Sheet No. Includes Renewable Resource Energy Service Rider, Fuel Adjustment Rider, Environmental Surcharge Rider, Unwind Surcredit Adjustment Rider, Rebate Adjustment Rider, Member Rate Stability Mechanism Rider, Price Curtailable Service Rider, and Non-FAC Purchased Power Adjustment Rider.

AGREEMENT

An "agreement for purchase of power" shall be signed by any new customer prior to service under the rate. Should the provisions of the expansion rate contained on Sheets No. 41 - 41G apply, additional language incorporating those provisions will be added to the agreement.

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY [Signature]
(Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Original SHEET NO. 34A

CANCELLING PSC NO. 2

First Revised SHEET NO. 32A

CLASSIFICATION OF SERVICE

Schedule 34 - Large Industrial Customers Served Under Special Contract (Dedicated Delivery Points) - Class B With Self-Generation

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To existing customer, Domtar, and new customers executing special contracts approved by the Kentucky Public Service Commission.

RATE:

Customer Charge.....\$1,028 per Month

Plus:

Demand Charge of:

per KW of Firm Billing Demand in Month.....\$10.8975

Plus:

Energy Charge of:

per KWH Sold by Kenergy to Domtar.....\$0.015051

NOTE: Charges for backup and replacement power are billed per contract, which includes a \$0.000166 retail adder per KWH Consumed At Site.

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table with 2 columns: Rider Name and Sheet No. Range. Includes Renewable Resource Energy Service Rider, Fuel Adjustment Rider, Environmental Surcharge Rider, Unwind Surcredit Adjustment Rider, Rebate Adjustment Rider, Member Rate Stability Mechanism Rider, Price Curtailable Service Rider, and Non-FAC Purchased Power Adjustment Rider.

DATE OF ISSUE March 1, 2011

Month / Date / Year

DATE EFFECTIVE April 1, 2011

Month / Date / Year

ISSUED BY [Signature]

(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Original SHEET NO. 34B

CANCELLING PSC NO. 2

First Revised SHEET NO. 32B

CLASSIFICATION OF SERVICE

Schedule 34 – Large Industrial Customers Served Under Special Contract (Dedicated Delivery Points) – Class B With Self-Generation

T

AGREEMENT

An "agreement for purchase of power" shall be signed by any new customer prior to service under the rate. Should the provisions of the expansion rate contained on Sheets No. 41 – 41G apply, additional language incorporating those provisions will be added to the agreement.

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 35
CANCELLING PSC NO. 2
Original SHEET NO. 33

CLASSIFICATION OF SERVICE

Schedule 35 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

T

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This rate shall apply to existing large customers where service is provided through a dedicated delivery point connected to the transmission system of Big Rivers or other accessible system classified as Class C customers, or new customers executing special contracts approved by the Kentucky Public Service Commission.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase sixty cycle, alternating current at available nominal voltage.

RATE

Customer Charge per Delivery Point \$100.00 per Month
Plus:
J Demand Charge per KW of Billing Demand in Month \$ 10.8975
Plus:
I Energy Charges:
Per KWH \$0.017885
I Facilities Charge 1.38%
(times assigned dollars of Kenergy investment for facilities per month-see Sheet No.35B)

DETERMINATION OF BILLING DEMAND

The Billing Demand in kilowatts shall be the higher of: a) The customer's maximum integrated thirty-minute demand at such delivery point during each billing month, determined by meters which record at the end of each thirty-minute period the integrated kilowatt demand during the preceding thirty minutes; or b) the Contract Demand.

POWER FACTOR ADJUSTMENT

The customer agrees to maintain a power factor as nearly as practical to unity. Kenergy will permit the use of apparatus that shall result, during normal operation, in a power factor not lower than 90%. At Kenergy's option, in lieu of the customers providing the above corrective equipment when power factor is less than 90%, Kenergy may adjust the maximum measured demand for billing purposes in accordance with the following formula:

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY [Signature]
(Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Original SHEET NO. 35A

CANCELLING PSC NO. 2

First Revised SHEET NO. 33A

CLASSIFICATION OF SERVICE

Schedule 35 - Large Industrial Customers Served Under Special Contract (Dedicated Delivery Points) - (Class C)

Max. Measured KW x 90% Power Factor (%)

The power factor shall be measured at time of maximum load.

METERING

Electrical usage will be metered at the transmission voltage supplied or at the customer's secondary voltage with a 1.% adder to the metered KWH to account for transformer losses, as determined by Kenergy.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table with 2 columns: Rider Name and Sheets No. Includes Renewable Resource Energy Service Rider, Fuel Adjustment Rider, Environmental Surcharge Rider, Unwind Surcredit Adjustment Rider, Rebate Adjustment Rider, Member Rate Stability Mechanism Rider, Price Curtailable Service Rider, and Non-FAC Purchased Power Adjustment Rider.

AGREEMENT

An "agreement for purchase of power" shall be signed by any new customer prior to service under the rate. Should the provisions of the expansion rate contained on Sheets No. 41-41G apply, additional language incorporating those provisions will be added to the agreement.

TAXES AND FEES

School Taxes added if applicable. Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105

TERMS OF PAYMENT

The above rates are net, the gross rate being five percent (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date the bill was rendered, the gross rate will apply.

DATE OF ISSUE March 1, 2011 Month / Date / Year

DATE EFFECTIVE April 1, 2011 Month / Date / Year

ISSUED BY [Signature] (Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 35B

CANCELLING PSC NO. 2

Original SHEET NO. 33B

CLASSIFICATION OF SERVICE

Schedule 35 - Large Industrial Customers Served Under Special Contract (Dedicated Delivery Points) - (Class C)

T

DETERMINATION OF FACILITIES CHARGE RATE

Table with columns: Line No., Item, Total. Rows 1-38 detailing various costs and factors like Distribution O&M Expense, General Plant @ Year End, etc.

I ↓

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DATE EFFECTIVE April 1, 2011 Month / Date / Year

ISSUED BY [Signature] (Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 36 - 40

CANCELLING PSC NO. 2

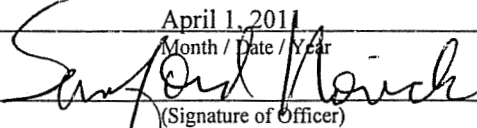
Original SHEET NO. 34 - 40

| |
|----------------------------------|
| CLASSIFICATION OF SERVICE |
| |

FOR FUTURE USE

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 41A

CANCELLING PSC NO. 2

First Revised SHEET NO. 41A

CLASSIFICATION OF SERVICE

**Schedule 41 – Large Industrial Customers Served Under Special Contract for All Loads
Subject to the Big Rivers Large Industrial Customer Expansion Rate**

C. Adjustment Clauses:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

| | |
|--|---------------------|
| Renewable Resource Energy Service Rider | Sheets No. 23 - 23D |
| Fuel Adjustment Rider | Sheets No. 24 - 24A |
| Environmental Surcharge Rider | Sheets No. 25 - 25A |
| Unwind Surcredit Adjustment Rider | Sheets No. 26 - 26A |
| Rebate Adjustment Rider | Sheets No. 27 - 27A |
| Member Rate Stability Mechanism Rider | Sheets No. 28 - 28A |
| Non-FAC Purchased Power Adjustment Rider | Sheets No. 30 - 30A |
| Price Curtailable Service Rider | Sheets No. 42 - 42C |

N

School Taxes added if applicable.

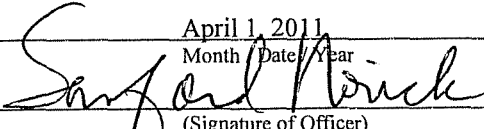
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY 
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Second Revised SHEET NO. 43
CANCELLING PSC NO. 2
First Revised SHEET NO. 43

CLASSIFICATION OF SERVICE
Schedule 43 - Small Power Production or Cogeneration (100 KW or Less)
(Customer Sells Power to Kenergy)

AVAILABLE

Available only to qualifying small power production or cogeneration facilities, 100 KW or below, which have executed an "Agreement for Purchase of Electric Energy" with Kenergy.

RATE SCHEDULE

D Base payment of \$0.019524 per KWH, plus

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Fuel Adjustment Rider Sheets No. 24 - 24A
Environmental Surcharge Rider Sheets No. 25 - 25A
Unwind Surcredit Adjustment Rider Sheets No. 26 - 26A
Rebate Adjustment Rider Sheets No. 27 - 27A
Member Rate Stability Mechanism Rider Sheets No. 28 - 28A
Rural Economic Reserve Adjustment Rider Sheet No. 29
N Non-FAC Purchased Power Adjustment Rider Sheets No. 30 - 30A

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Sanford Houch
(Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 45F

CANCELLING PSC NO. 2

First Revised SHEET NO. 45F

| |
|---|
| CLASSIFICATION OF SERVICE |
| Schedule 45 – Small Power and Cogeneration (Over 100 KW) |
| (Customer Buys Power from Kenergy) |

The charges for On-peak Maintenance Service shall be the greater of:

- I (1) \$2.351 per KW of Scheduled Maintenance Demand per week, plus
- R \$0.0195240 per KWH of Maintenance Energy; or
- (2) 110% of the price at the time of scheduling of a block of energy obtainable by Big Rivers in the futures market which is sufficient to meet the Member Cooperative's scheduled Maintenance Service requirements.

The charges for Off-peak Maintenance Service shall be:

- I \$2.351 per KW of Scheduled Maintenance Demand per week.

According to schedule C.4.d. (2) per KWH of maintenance energy shall be the amount of energy purchased by the Member Cooperative for the QF Member in each hour during Scheduled Maintenance Service up to but not exceeding the Scheduled Maintenance Demand in each hour.

- (4) Excess Demand:

Excess Demand is the amount in any hour by which the actual demand, less any Maintenance Demand, exceeds the previously established Maximum Unscheduled Capacity. Charges for Excess Demand shall be in addition to the charges for Supplementary Service and shall be either:

- (i) One hundred-ten percent (110%) of Big Rivers' actual cost, including transmission service, to import energy from a Third Party supplier to supply the Excess Demand of the Member Cooperative for the QF Member; or
- (ii) If it is not necessary for Big Rivers to import energy from a Third Party Supplier, charges for Excess Demand shall be the greater of: a) \$10.1890 per KW times the highest Excess Demand recorded during the month; or b) 110% of the highest price received by Big Rivers during an Off-System Sales

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY Steve Thompson
(Signature of Officer)

TITLE Vice President - Finance

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 76

CANCELLING PSC NO. 2

Original SHEET NO. 76

CLASSIFICATION OF SERVICE
Schedule 76 - Cable Television Attachment Tariff

APPLICABLE

To entire territory served by Kenergy and on poles owned and used by Kenergy for its electric plant.

AVAILABLE

To all qualified CATV operators having the right to receive service.

RENTAL CHARGE

The annual rental charges shall be as follows:

Table with 2 columns: Attachment Type and Price. Includes Two-Party Pole Attachment (\$6.30), Three-Party Pole Attachment (\$4.89), Two-Party Anchor Attachment (\$13.30), and Three-Party Anchor Attachment (\$8.86).

BILLING

Rental charges shall be billed annually, in succeeding year, based on the total number of pole attachments and anchors in place as of end of the preceding calendar year, and shall be due and payable on or before the date specified thereon.

SPECIFICATIONS

A. The attachment to poles covered by this tariff shall at all times conform to the requirements of the National Electrical Safety Code, current edition, and subsequent revisions thereof, except where the lawful requirements of public authorities may be more stringent, in which case the latter will govern.

B. The strength of poles covered by this agreement shall meet the design requirements specified by the National Electrical Safety Code.

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY Sanford Hinkle
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 76E
CANCELLING PSC NO. 2
Original SHEET NO. 76E

CLASSIFICATION OF SERVICE
Schedule 76 - Cable Television Attachment Tariff

ABANDONMENT

T A. Should Kenergy at any time decide to abandon any facilities which CATV operator is utilizing, Kenergy shall, as soon as possible, give the CATV operator written or electronic notice to that effect, but not less than thirty (30) days prior to the date it intends to abandon such pole. If, at the expiration of said period, Kenergy has no attachments on such facilities, but the CATV operator shall not have removed all of its attachments therefrom, such pole shall thereupon become the property of the CATV operator, and the CATV operator shall assume and save harmless Kenergy from all obligation, liability, damages, cost, expenses or charges incurred thereafter; and shall pay Kenergy for such facilities an amount equal to Kenergy's depreciated cost thereof. Kenergy shall further evidence transfer to the CATV operator of title to facilities by means of a bill of sale.

B. The CATV operator may at any time abandon the use of the attached facilities by giving due notice thereof in writing to Kenergy and by removing therefrom any and all attachments it may have thereon. The CATV operator shall in such case be responsible for payment to Kenergy of the rental for said facilities for the then current billing period.

C. A CATV operator shall not assign, transfer, sublease or resell the rights of attachment hereby granted to it, or the right to use the facilities so attached to Kenergy's poles, without prior consent in writing of Kenergy. Upon notice, Kenergy may, at its discretion, conduct a field investigation of all CATV attachments to determine compliance. Transfer will not be approved by Kenergy until deficiencies are corrected.

RIGHTS OF OTHERS

A. Upon notice from Kenergy to the CATV operator that the use of any facilities is forbidden by municipal or other public authorities or by property owners, the permit governing the use of such facilities shall immediately terminate and the CATV operator shall remove its facilities from Kenergy's affected facilities at once. No refund of annual rental will be made under these circumstances.

PAYMENT OF TAXES

Each party shall pay all taxes and assessments lawfully levied on its own property upon said attached facilities, but any tax, fee, or charge levied on Kenergy's facilities solely because of their use by the CATV operator shall be paid by the CATV operator.

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Sanford Kouch
(Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 76 (Exh. A)
(PAGE 1 OF 3)
CANCELLING PSC NO. 2
Original SHEET NO. 76 (Exh. A)
(PAGE 1 OF 3)

CLASSIFICATION OF SERVICE
Schedule 76 - Cable Television Attachment Tariff

CALCULATION OF ANNUAL POLE ATTACHMENT CHARGE

1. Annual Attachment Charge - Two-Party Pole

Annual Charge = [weighted avg. cost x .85 - n/a] x annual carrying charge x .1224
Annual Charge = \$395.09 x .85 x 15.32% x .1224
Annual Charge = \$6.30

2. Annual Attachment Charge - Three-Party Pole

Annual Charge = [weighted avg. cost x .85 - n/a] x annual carrying charge x .0759
Annual Fixed = \$494.25 x .85 x 15.32% x .0759
Annual Charge = \$4.89

/1 Weighted Average Cost for Poles Determined as follows:

35'-40' Poles = installed plant cost at 6/30/10 of \$28,432,367 ÷ 71,965 poles; or an average cost of \$395.09 per pole
40'-45' Poles = installed plant cost at 6/30/10 of \$25,562,776 ÷ 51,720 poles; or an average cost of \$494.25 per pole.

- /2 Reduction factor for lesser appurtenances included in pole accounts per Page 8 of PSC Order in Case No. 251.
/3 Ground wire cost is not included in pole cost records, therefore, subject reduction is not applicable.
/4 See Sheet 76, Exhibit A, page 3 of 3.
/5 Usable space factor per Page 13 of PSC Order in Case No. 251.

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY [Signature]
(Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
 First Revised _____ SHEET NO. 76 (Exh. A)
 (Page 2 of 3)
 CANCELLING PSC NO. 2
 Original _____ SHEET NO. 76 (Exh. A)
 (Page 2 of 3)

| |
|---|
| CLASSIFICATION OF SERVICE |
| Schedule 76 – Cable Television Attachment Tariff |

I CALCULATION OF ANNUAL ANCHOR ATTACHMENT CHARGE

1. Annual Attachment Charge – Two-Party Anchor

$$\text{Annual Charge} = \frac{\text{weighted average cost} \times \text{annual carrying charge}}{2}$$

$$\text{Annual Charge} = \frac{\$173.57 \times 15.32\%}{2}$$

$$\text{Annual Charge} = \$13.30$$

2. Annual Attachment Charge – Three-Party Anchor

$$\text{Annual Charge} = \frac{\text{weighted average cost} \times \text{annual carrying charge}}{3}$$

$$\text{Annual Charge} = \frac{\$173.57 \times 15.32\%}{3}$$

$$\text{Annual Charge} = \$8.86$$

/1 Weighted Average Cost for Anchors Determined as follows:

Installed plant cost of all anchors \$17,793,230 ÷ 102,513 anchors; or an average cost of \$173.57 per anchor as of 6/30/10.

/2 See Sheet 76, Exhibit A, page 3 of 3.

DATE OF ISSUE March 1, 2011
 Month / Date / Year
 DATE EFFECTIVE April 1, 2011
 Month / Date / Year
 ISSUED BY *Stanford Novick*
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
First Revised SHEET NO. 76 (Exh. A)
 (Page 3 of 3)
 CANCELLING PSC NO. 2
Original SHEET NO. 76 (Exh. A)
 (Page 3 of 3)

| |
|---|
| CLASSIFICATION OF SERVICE |
| Schedule 76 – Cable Television Attachment Tariff |

PSC ADMINISTRATIVE CASE NO. 251

| | | <u>Percent</u> | Proforma Margins | Proforma Interest |
|----|---|----------------|--------------------------------|----------------------|
| 1. | Cost of Money: | | | |
| | Rate of Return as per Case No. 2008-00323 | 6.92% | <u>(6,043,729 + 6,043,729)</u> | |
| | Times Net-to-Gross Ratio | <u>.73*</u> | \$174,605,310 = 6.92% | |
| I | Adjusted Rate of Return | <u>5.05%</u> | Net Investment Rate Base | |
| 2. | Proforma Operations and Maintenance Expense per Exhibit 5, Page 1, Lines 23 & 24, Col. h: | | | |
| I | $\frac{\$13,162,562}{\$244,223,858} \times 100 =$ | 5.39% | | |
| 3. | Proforma Depreciation Expense per Exhibit 5, Page 1, Line 29, Col. h: | | | |
| I | $\frac{\$8,874,587}{\$244,223,858} \times 100 =$ | 3.63% | | |
| 4. | Proforma General Administrative Expense per Exhibit 5, Page 1, Line 28, Col. h: | | | |
| R | $\frac{\$3,060,642}{\$244,223,858} \times 100 =$ | 1.25% | | |
| I | Annual Carrying Charges | 15.32% | | |
| * | Net Plant Investment $\frac{\$178,613,465}{\$244,223,858} = 73\%$ | | | |
| I | Gross Plant Investment \$244,223,858 (June 30, 2010) | | | |

DATE OF ISSUE March 1, 2011
 Month / Date / Year
 DATE EFFECTIVE April 1, 2011
 Month / Date / Year
 ISSUED BY Stanford Novick
 (Signature of Officer)
 TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 137

CANCELLING PSC NO. 2

Original SHEET NO. 137

RULES AND REGULATIONS
Schedule 137 – Distribution Line Extensions to Mobile Homes

- T (1) All extensions of up to 300 feet from the nearest facility shall be made without charge, excluding service drop to customer premise from the distribution line at the last pole.
- T (2) For extensions greater than 300 feet and less than 1,000 feet from the nearest facility, excluding service drop, the utility may charge an advance equal to the reasonable costs incurred by it for that portion of the service beyond 300 feet. Beyond 1,000 feet, the extension policies set forth in 807 KAR 5:041, Section 11 shall apply.
 - (a) This advance shall be refunded to the customer over a four (4) year period in equal amounts for each year the service is continued.
 - (b) If the service is discontinued for a period of sixty (60) days, or should the mobile home be removed and another does not take its place within sixty (60) days, or be replaced by a permanent structure, the remainder of the advance shall be forfeited.
 - (c) No refunds shall be made to any customer who did not make the advance originally, or has not been subsequently approved by Kenergy Corp. to receive a refund.

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Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY *Sanford Brock*
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 138
CANCELLING PSC NO. 2
Original SHEET NO. 138

RULES AND REGULATIONS
Schedule 138 -- Temporary, Seasonal or Services of Questionable Tenure

Temporary, seasonal or services of questionable tenure shall be construed to mean a party or establishment whose need for electric service, both as to amount and permanency, cannot be reasonably assured and same shall include, but not limited to, oil and coal facilities, farming operations, lakes, and summer cottages, recreational areas, campsites and construction sites, etc. A customer requesting such service will be required to pay an advance contribution in aid of construction equal to the cost of construction, excluding service drop, transformer(s) and metering. Based upon Kenergy's determination of the minimum annual KWH usage required to amortize the cost of such facilities over a ten-year period, customer's advance contribution will be refunded annually over a ten-year period, in ten equal amounts, for each year service is continued. The annual refund amount shall, however, be reduced to the extent that customer may fail to satisfy its designated minimum annual KWH usage. Should said service be discontinued for a period of 60 consecutive days, consumer shall forfeit any then remaining contribution which may be subject to refund.

Transformers and meters will be furnished by Kenergy except where requirements may be contrary to standard voltages, and in which case the transformer cost will be considered as materials as referred to above. Kenergy shall retain ownership of these facilities and provide necessary maintenance thereof.

A service charge of \$32.00 shall be applicable to any disconnecting or reconnecting of seasonal and temporary services.

When more than one customer requests service from the same distribution extension at the same time, a mutual agreement of shared cost between the customers may be approved by Kenergy. Costs incurred for the construction of temporary services in which all or a part of the facilities will be used for permanent service will then be based on the type of permanent service ultimately connected.

Special situations may arise for a special type of service, and in which case the service will be negotiated on an individual basis as to voltage, contribution, contract, etc.

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Sanford Novick
(Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 139
CANCELLING PSC NO. 2
Original SHEET NO. 139

RULES AND REGULATIONS
Schedule 139 - Extensions to Permanent Underground Service

Kenergy will extend underground electric distribution systems for all new customers and subdivisions in accordance with Kentucky Public Service Commission Regulation 807 KAR 5:041, Section 21, and the following conditions:

- (a) Right of Way and Easements - Applicants shall furnish suitable right of way and easements for Kenergy's underground facilities within a reasonable time to meet service requirements. Applicants shall perform such services as necessary to facilitate construction and accessibility by Kenergy to the area, including approximation of final grade.
T Land Rights - Land rights granted to Kenergy as part of a service application process obligates the applicant and any subsequent property owners to provide continuing access to Kenergy suitable for the operation, maintenance and/or replacement of its facilities, and to prevent any encroachments upon Kenergy's easement or any substantial change in grade or elevation.
(b) Contractual Agreements - Individual contractual agreements may be required with respect to individual service applications, including but not limited to subdivisions, commercial or business services, or unusual cases.
(c) Customer Responsibility - Customer shall install trench and conduit as per Kenergy specifications for all services as well as any needed primary distribution system extensions. In the event customer is unable to provide such installation and Kenergy agrees to perform or have performed same on customer's behalf, applicants shall pay a non-refundable "cost differential charge" equal to the cost differential of Kenergy's cost of underground with trenching versus Kenergy's cost of underground without trenching as per Section (d) of this Schedule 139.
T
T

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Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY [Signature]
(Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 139A
CANCELLING PSC NO. 2
Original SHEET NO. 139A

RULES AND REGULATIONS
Schedule 139 - Extensions to Permanent Underground Service

(d) Underground Vs. Overhead Cost Differential

The following cost estimates are prepared from the unit cost information filed with the Kentucky Public Service Commission annually and are available for review upon request:

- R Underground Cost Per Foot..... \$12.37
I Overhead Cost Per Foot..... \$13.28
Differential (customer installed trench and conduit) Cost Per Foot.....None
T Differential, trenching by contractor (\$8/ft. for trench, plus conduit at actual Kenergy cost)
T Differential, trenching by Kenergy (\$12/ft. for trench, plus conduit at actual Kenergy cost)

If substantial rock is encountered and Kenergy has agreed to install the trench and conduit, customer will reimburse Kenergy for any additional costs.

D

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Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Sanford Novick
(Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 152
CANCELLING PSC NO. 2
Original SHEET NO. 152

RULES AND REGULATIONS
Schedule 152 - Meter Readings

- (a) Meters shall be easily accessible for reading, testing and making necessary adjustments and repairs...
I (b) Kenergy reserves the right to charge a customer a fee of \$32.00 for each trip required to read a meter...
T (c) Registration of each meter shall read in the same units as used for billing unless a conversion factor is shown on the billing form.

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Month / Date / Year
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Month / Date / Year
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BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 153
CANCELLING PSC NO. 2
Original SHEET NO. 153

RULES AND REGULATIONS
Schedule 153 - Meter Tests

I T I All new meters shall be checked for accuracy before installation. Kenergy will, at its own expense, make periodic tests and inspections of its meters in order to maintain a high standard of accuracy and to conform with the regulations of the Kentucky Public Service Commission. Kenergy will make additional test of meters at the request of the member upon payment of a \$50.00 fee. When the test is made at the customer's request and it shows the meter is accurate, within 2% slow or fast, no adjustment will be made to the customer's bill and the fee paid will be forfeited to help cover cost of the requested test. When the test shows the meter to be in excess of 2% slow or fast, appropriate adjustments will be made to the customer's bill. Refunds will be made in accordance with the Kentucky Public Service Commission General Rules 807 KAR 5:006 Section 10(2). If the test shows the meter to be more than 2% fast the \$50.00 fee paid by the customer shall be refunded.

FAILURE OF METER TO REGISTER OR METER TEST RESULTS ARE FAST OR SLOW

In the event a customer's meter should fail to register, the customer shall be billed from the date of such failure in accordance with 807 KAR 5:006, Section 10(2). If test results on a customer's meter show an average error greater than two percent (2%) fast or slow, or if a customer has been incorrectly billed for any other reason, except in an instance where Kenergy has filed a verified complaint with the appropriate law enforcement agency alleging fraud or theft by a customer, Kenergy shall immediately determine the period during which the error has existed, and shall recompute and adjust the customer's bill to either provide a refund to the customer or collect an additional amount of revenue from the under billed customer. Kenergy shall readjust the account based upon the period during which the error is known to have existed. If the period during which the error existed cannot be determined with reasonable precision, the time period shall be estimated using such data as elapsed time since the last meter test, if applicable, and historical usage data for the customer. If that data is not available, the average usage of similar customer loads shall be used for comparison purposes in calculating the time period. If the customer and Kenergy are unable to agree on an estimate of the time period during which the error existed, the Kentucky Public Service Commission shall determine the issue. In all instances of customer over billing, the member's account shall be credited or the over billed amount refunded at the discretion of the customer within thirty (30) days after final meter test results. Kenergy shall not require customer repayment of any under billing to be made over a period shorter than a period coextensive with the under billing.

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Month / Date / Year
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Month / Date / Year
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(Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 162A

CANCELLING PSC NO. 2

Original SHEET NO. 162A

RULES AND REGULATIONS

Schedule 162 -- Deposits

(Excluding Three-Phase Over 1,000 KW & Special Contracts)

Residential deposits will be retained for a period not to exceed twelve (12) months, provided the customer has met satisfactory payment and credit criteria. Non-residential deposits will be maintained as long as the customer remains on service.

If a deposit is held longer than eighteen (18) months, the deposit will be recalculated at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, Kenergy may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculations.

DEPOSIT AMOUNT

I Residential customers, as defined under Sheet No. 1, will pay a deposit in the amount of \$217.00, which is calculated in accordance with 807 KAR 5:006, Section 7(1)(b).

Non-residential and three-phase customers' under 1,000 KW deposits shall be based upon actual usage of the customer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the load information provided by customer. The deposit amount shall not exceed 2/12th's of the customer's actual or estimated annual bill where bills are rendered monthly.

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Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY *Sanford Nichols*
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 164

CANCELLING PSC NO. 2

First Revised SHEET NO. 164

Monthly Billing Format

248567000 1 0 155 888B 0000030080



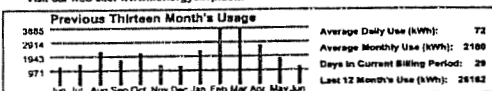
6402 Old Corydon Rd. - P.O. Box 18
Henderson, Kentucky 42419-0018

| | DATE DUE | AMOUNT DUE |
|-----------|----------|------------|
| | 06/19/11 | 118.64 |
| DUE AFTER | 06/23/11 | 124.40 |

IMPORTANT INFORMATION

Kenergy Corp. is among the first utilities in the state to offer a new communications technology that allows co-op members to view real-time information about outages online. On the co-op Web site at www.kenergycorp.com, members can access an outage map by clicking on the Outage Information/Map button on the home page. The outage map refreshes every 15 minutes, providing the most up-to-date information possible. If you have questions about this new technology, please contact Renee Beasley Jones at 800-844-4832, extension 6163.

Visit our web site: www.kenergycorp.com



ACCOUNT INFORMATION

Account Number:
Customer Name:

Home Phone:
Work Phone:
E-mail Address:

ACCOUNT SUMMARY

| | |
|------------------------------|---------------|
| Previous Balance | 128.68 |
| Payment - Thank You 05/10/11 | 128.68 CR |
| Electric | 115.18 |
| Taxes & Fees | 3.46 |
| Amount Due | 118.64 |

METER INFORMATION

| | | | |
|------------------|----------|------|-------|
| METER NUMBER | 17718296 | | |
| CURRENT READING | 4926 | DATE | 05/06 |
| PREVIOUS READING | 3557 | | 04/07 |
| MULT | 1 | | |
| KWH USAGE | 1,369 | | |

SUMMARY OF CHARGES

| SERVICE | CHARGES |
|--|---------------|
| Balance After Payment | 0.00 |
| ELECTRIC | |
| Rate Type: RESIDENTIAL | |
| Customer Charge | 13.00 |
| KWH Charge 1,369 (KWH) X .0679900 | 93.08 |
| Light Charge 44 (KWH) 1-9500 Lumen-100W High Pressure Sodium | 7.65 |
| Power Supply Adjustment Factors: | |
| Fuel Adjustment 1413 (KWH) x .019686000=\$ | 27.82 |
| Environmental Surcharge 1413 (KWH) x -.000514000=\$ | -.73 |
| Unwind Surcredit Adjustment 1413 (KWH) x -.004194000=\$ | 5.93CR |
| Rebate Adjustment 1413 (KWH) x -.000262000=\$ | -.37CR |
| Member Rate Stability Mechanism 1413 (KWH) x -.013715000=\$ | 19.38CR |
| Rural Econ. Reserve Adjustment 1413 (KWH) x .000000000=\$ | .00 |
| Non FAC PPA Rider 1413 (KWH) x -.001005000=\$ | 1.42CR |
| Subtotal | 1.45 |
| TOTAL ELECTRIC CHARGES | 115.18 |
| TAXES & FEES | |
| Rate Increase for 3% School Tax | 3.46 |
| Total Taxes & Fees | 3.46 |

PLEASE RETURN ENTIRE BILL WHEN PAYING BY PERSON. PLEASE RETURN LOWER PORTION WHEN PAYING BY MAIL.



6402 Old Corydon Rd. - P.O. Box 18
Henderson, Kentucky 42419-0018

If Your Account Information is Incorrect
Please Check Here And Complete The Reverse Side



| Meter Number | Account Number |
|----------------------------|--------------------|
| 4926 | 03 |
| Previous Balance: | 0.00 |
| Payment Due: 06/19/11 | Amount Due: 118.64 |
| Delinquent After: 06/23/11 | Amount Due: 124.40 |
| (2) Current Meter Reading: | |
| Date Read: | |



KENERGY CORP
P.O. Box 73
Hartford, KY 42347-0073

I am voluntarily donating \$ _____
to my payment for Winter Care.

813321118021 000009119 000009562 0065390 0069390

DATE OF ISSUE March 1, 2011

Month / Date / Year

DATE EFFECTIVE April 1, 2011

Month / Date / Year

ISSUED BY Sanford Knick

(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 180A
CANCELLING PSC NO. 2
Original SHEET NO. 180A

RULES AND REGULATIONS
Schedule 180 - Capacity and Energy Emergency Plan

APPENDIX "A"
ESSENTIAL HEALTH AND SAFETY USES

Essential health and safety uses given special consideration in these procedures shall, insofar as the situation permits, include the following types of use and such other uses that the Kentucky Public Service Commission may subsequently identify:

- T a. "Hospitals", and other institutions such as nursing homes that provide medical care to patients and facilities that provide life support equipment.
b. "Police Stations and Government Detention Institutions", which shall be limited to essential uses required for police activities and the operation of facilities used for the detention of persons.
c. "Fire Stations", which shall be limited to facilities housing mobile fire-fighting apparatus.
d. "Communications Services", which shall be limited to essential uses required for the supply of water to a community, flood pumping and sewage disposal.
e. "Transportation and Defense-Related Services", which shall be limited to essential uses required for the operation, guidance control and navigation of air transit systems, including those uses essential to the national defense and operation of state and local emergency services.

Although these types of uses will be given special consideration when implementing the manual load-shedding provisions of this section, these customers are encouraged to install emergency generation equipment if continuity of service is essential.

DATE OF ISSUE March 1, 2011
DATE EFFECTIVE April 1, 2011
ISSUED BY Sanford Nivick
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 180D

CANCELLING PSC NO. 2

Original SHEET NO. 180D

RULES AND REGULATIONS
Schedule 180 – Capacity and Energy/Emergency Plan

APPENDIX "D"
VOLTAGE REDUCTION PROCEDURE

Objective:

To reduce demand on Kenergy's system over the period during which an electric energy shortage is anticipated by utilizing SCADA equipment to reduce the system voltage by up to 4.5 volts at the substation voltage regulators.

Criteria:

T This procedure is implemented when requested by BREC Energy Control Center.

Procedure:

Kenergy will immediately, through its System Control Center personnel or the manager of Planning & Design, utilize SCADA equipment to reduce voltage set points on substation regulators while also considering the requirement to maintain minimum voltage requirements as prescribed by the Kentucky Public Service Commission.

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Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY *Stanford Nevich*
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 180F

CANCELLING PSC NO. 2

Original SHEET NO. 180F

RULES AND REGULATIONS

Schedule 180 – Capacity and Energy Emergency Plan

APPENDIX "F"

MANDATORY LOAD CURTAILMENT PROCEDURE

Objective:

To reduce demand on Kenergy’s system over the period during which an electric energy shortage is anticipated by interrupting firm consumer load as requested by BREC Energy Control Center.

Criteria:

This procedure is implemented when requested by BREC.

Procedures:

- T Kenergy will immediately utilize System Control Center personnel or the manager of Planning & Design and SCADA equipment to interrupt service to customer loads to achieve the reduction requested by BREC. Reduction may be achieved by interrupting services through the use of rotating outages to various substation feeder circuits. Kenergy shall advise customers of the nature of the mandatory load curtailment procedures as soon as practical through the use of radio and television announcements and/or direct contact.

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Month / Date / Year

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Month / Date / Year

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(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED _____

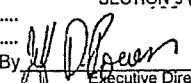
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| | | |
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PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/17/2009
PURSUANT TO 2007 KAR 5:011
SECTION 9 (1)

By 
Executive Director

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| | 44. | Small Power Production or Cogeneration (Over 100 KW) | 44 – 44D (Customer Sells Power to Big Rivers) |
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PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 7/17/2009
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 SECTION 9 (1)

By  Executive Director



FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 1
CANCELLING PSC NO. 2
Original SHEET NO. 1

CLASSIFICATION OF SERVICE
Schedule 1 – Residential Service (Single Phase & Three-Phase)

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE
Available for single and three-phase single family residential service. Residential electric service is available for uses customarily associated with residential occupation, including lighting, cooking, heating, cooling, refrigeration, household appliances and other domestic purposes.

Residential rates are based on service to single family units and are not applicable to multi-family dwellings served through a single meter. Where two or more families occupy a residential building, Kenergy may require, as a condition precedent to the application of the residential rate, the wiring in the building be so arranged as to permit each family to be served through a separate meter. In those cases where such segregation of wiring would involve undue expense to the Member, at the Member's option in lieu of the foregoing, electric service rendered to a multi-family residential building through a single meter will be classified as commercial and billed on the basis of service to a Member at an appropriate non-residential rate.

If a separate meter is used to measure the consumption to remotely located buildings, such as garages, barns, pump houses, grain bins or other outbuildings, or facilities, such as electric fences, it will be considered a separate service and be billed as a separate service at the applicable non-residential rate.

RATE
Customer Charge per delivery point\$10.50 per month
Plus:
Energy Charge per KWH\$0.062327

T

DATE OF ISSUE July 31, 2009
Month / Date / Year
DATE EFFECTIVE July 17, 2009
Month / Date / Year
ISSUED BY [Signature]
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00009 DATED December 12, 2008

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/17/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By [Signature]
Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Second Revised SHEET NO. 1
CANCELLING PSC NO. 2
First Revised SHEET NO. 1

CLASSIFICATION OF SERVICE
Schedule 1 – Residential Service (Single Phase & Three-Phase)

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE
Available for single and three-phase single family residential service. Residential electric service is available for uses customarily associated with residential occupation, including lighting, cooking, heating, cooling, refrigeration, household appliances and other domestic purposes.

Residential rates are based on service to single family units and are not applicable to multi-family dwellings served through a single meter. Where two or more families occupy a residential building, Kenergy may require, as a condition precedent to the application of the residential rate, the wiring in the building be so arranged as to permit each family to be served through a separate meter. In those cases where such segregation of wiring would involve undue expense to the Member, at the Member's option in lieu of the foregoing, electric service rendered to a multi-family residential building through a single meter will be classified as commercial and billed on the basis of service to a Member at an appropriate non-residential rate.

If a separate meter is used to measure the consumption to remotely located buildings, such as garages, barns, pump houses, grain bins or other outbuildings, or facilities, such as electric fences, it will be considered a separate service and be billed as a separate service at the applicable non-residential rate.

RATE
I Customer Charge per delivery point\$13.00 per month
Plus:
I Energy Charge per KWH\$0.067780

DATE OF ISSUE March 1, 2011
Month / Date / Year
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Month / Date / Year
ISSUED BY [Signature]
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
Second Revised SHEET NO. 1A
 CANCELLING PSC NO. 2
First Revised SHEET NO. 1A



FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
First Revised SHEET NO. 1A
 CANCELLING PSC NO. 2
Original SHEET NO. 1A

CLASSIFICATION OF SERVICE
 Schedule 1 – Residential Service (Single Phase & Three-Phase)

CLASSIFICATION OF SERVICE
 Schedule 1 – Residential Service (Single Phase & Three-Phase)

T ADJUSTMENT CLAUSES:
 The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

N

| | |
|---|---------------------|
| Renewable Resource Energy Service Rider | Sheets No. 23 - 23D |
| Fuel Adjustment Rider | Sheets No. 24 - 24A |
| Environmental Surcharge Rider | Sheets No. 25 - 25A |
| Unwind Surcredit Adjustment Rider | Sheets No. 26 - 26A |
| Rebate Adjustment Rider | Sheets No. 27 - 27A |
| Member Rate Stability Mechanism Rider | Sheets No. 28 - 28A |
| Rural Economic Reserve Adjustment Rider | Sheet No. 29 |

ADJUSTMENT CLAUSES:
 The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

N

| | |
|--|---------------------|
| Renewable Resource Energy Service Rider | Sheets No. 23 - 23D |
| Fuel Adjustment Rider | Sheets No. 24 - 24A |
| Environmental Surcharge Rider | Sheets No. 25 - 25A |
| Unwind Surcredit Adjustment Rider | Sheets No. 26 - 26A |
| Rebate Adjustment Rider | Sheets No. 27 - 27A |
| Member Rate Stability Mechanism Rider | Sheets No. 28 - 28A |
| Rural Economic Reserve Adjustment Rider | Sheet No. 29 |
| Non-FAC Purchased Power Adjustment Rider | Sheets No. 30 - 30A |

T TAXES AND FEES
 School Taxes added if applicable.
 Kentucky Sales Taxes added if applicable.

TAXES AND FEES
 School Taxes added if applicable.
 Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE
 The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

FRANCHISE CHARGE
 The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

TERMS OF PAYMENT
 The above rates are net, the gross rate being five percent (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date bill was rendered, the gross rate shall apply.
 The gross rate charge shall be forgiven on one bill each calendar year on all customers in this class of service.
 Customers 65 years of age and older who have submitted proof of age to Kenergy will not be charged the gross rate on the current monthly bill at their primary residence. If payment is not received within 30 days from the date the bill was rendered, the gross rate shall apply.

TERMS OF PAYMENT
 The above rates are net, the gross rate being five percent (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date bill was rendered, the gross rate shall apply.
 The gross rate charge shall be forgiven on one bill each calendar year on all customers in this class of service.
 Customers 65 years of age and older who have submitted proof of age to Kenergy will not be charged the gross rate on the current monthly bill at their primary residence. If payment is not received within 30 days from the date the bill was rendered, the gross rate shall apply.

ALL OTHER RULES AND REGULATIONS

ALL OTHER RULES AND REGULATIONS
 Service will be furnished under Kenergy's rules and regulations applicable hereto.

DATE OF ISSUE July 31, 2009
 Month / Date / Year
 DATE EFFECTIVE July 17, 2009
 Month / Date / Year
 ISSUED BY Sanford Hirsch
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2008-00009 DATED December 12, 2008

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 7/17/2009
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)
 By [Signature]
 Executive Director

DATE OF ISSUE March 1, 2011
 Month / Date / Year
 DATE EFFECTIVE April 1, 2011
 Month / Date / Year
 ISSUED BY Sanford Hirsch
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 3
CANCELLING PSC NO. 2
Original SHEET NO. 3



FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Second Revised SHEET NO. 3
CANCELLING PSC NO. 2
 SHEET NO. 3

CLASSIFICATION OF SERVICE
Schedule 3 – All Non-Residential Single Phase

CLASSIFICATION OF SERVICE
Schedule 3 – All Non-Residential Single Phase

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for all non-residential single phase service.

Three-phase service under this rate schedule is restricted to those customers being billed on this rate schedule as of its effective date of June 14, 2005.

RATE

Customer Charge per delivery point..... \$16.00 per month

Plus:
Energy Charge per KWH.....\$0.060740

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

N
↓

| | |
|---|---------------------|
| Renewable Resource Energy Service Rider | Sheets No. 23 - 23D |
| Fuel Adjustment Rider | Sheets No. 24 - 24A |
| Environmental Surcharge Rider | Sheets No. 25 - 25A |
| Unwind Surcredit Adjustment Rider | Sheets No. 26 - 26A |
| Rebate Adjustment Rider | Sheets No. 27 - 27A |
| Member Rate Stability Mechanism Rider | Sheets No. 28 - 28A |
| Rural Economic Reserve Adjustment Rider | Sheet No. 29 |

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

DATE OF ISSUE July 31, 2009
Month / Date / Year
DATE EFFECTIVE July 17, 2009
Month / Date / Year
ISSUED BY Sanford Horch
(Signature of Officer)
TITLE President and CEO

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/17/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By W. D. Green
Executive Director

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00009 DATED December 12, 2008

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for all non-residential single phase service.

Three-phase service under this rate schedule is restricted to those customers being billed on this rate schedule as of its effective date of June 14, 2005.

RATE

I Customer Charge per delivery point \$17.00 per month

Plus:

I Energy Charge per KWH.....\$0.066900

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

| | |
|--|---------------------|
| Renewable Resource Energy Service Rider | Sheets No. 23 - 23D |
| Fuel Adjustment Rider | Sheets No. 24 - 24A |
| Environmental Surcharge Rider | Sheets No. 25 - 25A |
| Unwind Surcredit Adjustment Rider | Sheets No. 26 - 26A |
| Rebate Adjustment Rider | Sheets No. 27 - 27A |
| Member Rate Stability Mechanism Rider | Sheets No. 28 - 28A |
| Rural Economic Reserve Adjustment Rider | Sheet No. 29 |
| Non-FAC Purchased Power Adjustment Rider | Sheets No. 30 - 30A |

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Sanford Horch
(Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
Original SHEET NO. 5
 CANCELLING PSC NO. 1
 SHEET NO. _____

CLASSIFICATION OF SERVICE

Schedule 5 – Three-Phase Demand (Non-Residential)
 Non-Dedicated Delivery Points (0 – 1,000 KW)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for three-phase customers (non-residential) with a metered demand 0 – 1,000 KW for all uses served from non-dedicated delivery points.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase, 60 cycle, alternating current at available nominal voltage.

AGREEMENT

An "Agreement for Purchase of Power" may be required of the customer for service under this schedule, in accordance with investment to serve and as mutually agreed to by both parties.

RATE

T&I Customer Charge per Delivery Point..... \$30.00 per month

Plus:

Demand Charge of:
 Per KW of billing demand in the month..... \$ 4.05

Plus:

Energy Charges of:
 First 200 KWH per KW, per KWH.....\$0.05320
 Next 200 KWH per KW, per KWH..... \$0.038
 All Over 400 KWH per KW, per KWH..... \$0.033



FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
First Revised SHEET NO. 5
 CANCELLING PSC NO. 2
Original SHEET NO. 5

CLASSIFICATION OF SERVICE

Schedule 5 – Three-Phase Demand (Non-Residential)
 Non-Dedicated Delivery Points (0 – 1,000 KW)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for three-phase customers (non-residential) with a metered demand 0 – 1,000 KW for all uses served from non-dedicated delivery points.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase, 60 cycle, alternating current at available nominal voltage.

AGREEMENT

An "Agreement for Purchase of Power" may be required of the customer for service under this schedule, in accordance with investment to serve and as mutually agreed to by both parties. For any type of service that is not considered permanent, see tariff Sheet No. 138.

RATE

I Customer Charge per Delivery Point..... \$35.00 per month

Plus:

Demand Charge of:
 I Per KW of billing demand in the month..... \$ 4.50

Plus:

Energy Charges of:
 I First 200 KWH per KW, per KWH..... \$0.05747
 I Next 200 KWH per KW, per KWH..... \$0.04157
 I All Over 400 KWH per KW, per KWH.....\$0.03557

DATE OF ISSUE January 29, 2009
 Month / Date / Year

DATE EFFECTIVE February 1, 2009
 Month / Date / Year

ISSUED BY Samford H. Hinch
 (Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 2/1/2009
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)

By J. D. Green
 Executive Director

DATE OF ISSUE March 1, 2011
 Month / Date / Year

DATE EFFECTIVE April 1, 2011
 Month / Date / Year

ISSUED BY Samford H. Hinch
 (Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 5A
CANCELLING PSC NO. 2
Original SHEET NO. 5A

CLASSIFICATION OF SERVICE

Schedule 5 - Three-Phase Demand (Non-Residential)
Non-Dedicated Delivery Points (0 - 1,000 KW)

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table listing various riders and their corresponding sheet numbers: Renewable Resource Energy Service Rider (23-23D), Fuel Adjustment Rider (24-24A), Environmental Surcharge Rider (25-25A), Unwind Surcredit Adjustment Rider (26-26A), Rebate Adjustment Rider (27-27A), Member Rate Stability Mechanism Rider (28-28A), Rural Economic Reserve Adjustment Rider (29).

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Tax added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt load used by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter.

DATE OF ISSUE July 31, 2009
DATE EFFECTIVE July 17, 2009
ISSUED BY Sanford Houch
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00009 DATED December 12, 2008

PUBLIC SERVICE COMMISSION OF KENTUCKY
EFFECTIVE 7/17/2009
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
By [Signature] Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Second Revised SHEET NO. 5A
CANCELLING PSC NO. 2
First Revised SHEET NO. 5A

CLASSIFICATION OF SERVICE

Schedule 5 - Three-Phase Demand (Non-Residential)
Non-Dedicated Delivery Points (0 - 1,000 KW)

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table listing various riders and their corresponding sheet numbers: Renewable Resource Energy Service Rider (23-23D), Fuel Adjustment Rider (24-24A), Environmental Surcharge Rider (25-25A), Unwind Surcredit Adjustment Rider (26-26A), Rebate Adjustment Rider (27-27A), Member Rate Stability Mechanism Rider (28-28A), Rural Economic Reserve Adjustment Rider (29), Non-FAC Purchased Power Adjustment Rider (30-30A).

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Tax added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

DETERMINATION OF BILLING DEMAND

The billing demand shall be the maximum kilowatt load used by the customer for any period of fifteen (15) consecutive minutes during the month for which the bill is rendered as indicated or recorded by a demand meter.

DATE OF ISSUE March 1, 2011
DATE EFFECTIVE April 1, 2011
ISSUED BY Sanford Houch
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 7
CANCELLING PSC NO. 1
SHEET NO.

CLASSIFICATION OF SERVICE

Schedule 7 - Three-Phase Demand - 1,001 KW and Over
(Non-Dedicated Delivery Points)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for all three-phase customers with a metered or contract demand 1,001 KW & Over served from a non-dedicated delivery point.

Any service provided under this tariff shall be for a minimum of twelve (12) consecutive months, whereby the customer will be billed a minimum of 1,001 KW for next twelve (12) months.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase, 60 cycle, alternating current at available nominal voltage.

RATE

Option A - High Load Factor (above 50%):

Customer Charge per Delivery Point..... \$575.00 per month

Plus:

Demand Charge of:

Per KW of Billing Demand in the month..... \$8.65

Plus:

Energy Charges of:

First 200 KWH per KW, per KWH..... \$0.0275

Next 200 KWH per KW, per KWH..... \$0.0250

All Over 400 KWH per KW, per KWH..... \$0.0230

Primary Service Discount..... \$.50 per KW

Option B - Low Load Factor (below 50%):

Customer Charge per Delivery Point..... \$575.00 per month

Plus:

Demand Charge of:

Per KW of Billing Demand in the month..... \$4.80



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 7
CANCELLING PSC NO. 2
Original SHEET NO. 7

CLASSIFICATION OF SERVICE

Schedule 7 - Three-Phase Demand - 1,001 KW and Over
(Non-Dedicated Delivery Points)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Available for all three-phase customers with a metered or contract demand 1,001 KW & Over served from a non-dedicated delivery point.

Any service provided under this tariff shall be for a minimum of twelve (12) consecutive months, whereby the customer will be billed a minimum of 1,001 KW for next twelve (12) months.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase, 60 cycle, alternating current at available nominal voltage.

RATE

Option A - High Load Factor (above 50%):

Customer Charge per Delivery Point..... \$750.00 per month

Plus:

Demand Charge of:

Per KW of Billing Demand in the month..... \$9.50

Plus:

Energy Charges of:

First 200 KWH per KW, per KWH..... \$0.0299

Next 200 KWH per KW, per KWH..... \$0.0266

All Over 400 KWH per KW, per KWH..... \$0.0246

Primary Service Discount..... \$.50 per KW

Option B - Low Load Factor (below 50%):

Customer Charge per Delivery Point..... \$750.00 per month

Plus:

Demand Charge of:

Per KW of Billing Demand in the month..... \$5.35

DATE OF ISSUE January 29, 2009
Month / Date / Year

DATE EFFECTIVE February 1, 2009
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By [Signature]
Executive Director

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY [Signature]
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 7A
CANCELLING PSC NO. 2
Original SHEET NO. 7A



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Second Revised SHEET NO. 7A
CANCELLING PSC NO. 2
First Revised SHEET NO. 7A

CLASSIFICATION OF SERVICE
Schedule 7 – Three-Phase Demand – 1,001 KW and Over
(Non-Dedicated Delivery Points)

CLASSIFICATION OF SERVICE
Schedule 7 – Three-Phase Demand – 1,001 KW and Over
(Non-Dedicated Delivery Points)

Plus:
Energy Charges of:
First 150 KWH per KW, per KWH..... \$0.0420
Over 150 KWH per KW, per KWH \$0.036
Primary Service Discount.....\$.50 per KW

Plus:
Energy Charges of:
I First 150 KWH per KW, per KWH..... \$0.0456
I Over 150 KWH per KW, per KWH \$0.0386
Primary Service Discount.....\$.50 per KW

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

| | |
|---|---------------------|
| Renewable Resource Energy Service Rider | Sheets No. 23 - 23D |
| Fuel Adjustment Rider | Sheets No. 24 - 24A |
| Environmental Surcharge Rider | Sheets No. 25 - 25A |
| Unwind Surcredit Adjustment Rider | Sheets No. 26 - 26A |
| Rebate Adjustment Rider | Sheets No. 27 - 27A |
| Member Rate Stability Mechanism Rider | Sheets No. 28 - 28A |
| Rural Economic Reserve Adjustment Rider | Sheet No. 29 |
| Price Curtailable Service Rider | Sheet No. 42 |

| | |
|--|---------------------|
| Renewable Resource Energy Service Rider | Sheets No. 23 - 23D |
| Fuel Adjustment Rider | Sheets No. 24 - 24A |
| Environmental Surcharge Rider | Sheets No. 25 - 25A |
| Unwind Surcredit Adjustment Rider | Sheets No. 26 - 26A |
| Rebate Adjustment Rider | Sheets No. 27 - 27A |
| Member Rate Stability Mechanism Rider | Sheets No. 28 - 28A |
| Rural Economic Reserve Adjustment Rider | Sheet No. 29 |
| Price Curtailable Service Rider | Sheet No. 42 |
| Non-FAC Purchased Power Adjustment Rider | Sheets No. 30 - 30A |

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Tax added if applicable.

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Tax added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

AGREEMENT

An "Agreement for Purchase of Power" shall be executed by the customer for service under this schedule. The minimum monthly charge shall be in accordance with investment to serve and as mutually agreed to by both parties. Should the provisions of the expansion rate contained on Sheets 41 – 41F apply, additional language incorporating those provisions will be added to the agreement.

AGREEMENT

An "Agreement for Purchase of Power" shall be executed by the customer for service under this schedule. The minimum monthly charge shall be in accordance with investment to serve and as mutually agreed to by both parties. Should the provisions of the expansion rate contained on Sheets 41 – 41F apply, additional language incorporating those provisions will be added to the agreement. For any type of service that is not considered permanent, see tariff Sheet No. 138.

DATE OF ISSUE July 31, 2009
Month / Date / Year
DATE EFFECTIVE July 17, 2009
Month / Date / Year
ISSUED BY Samford Henick
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00009 DATED December 12, 2008

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/17/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By [Signature]
Executive Director

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Samford Henick
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
Original SHEET NO. 15
 CANCELLING PSC NO. 1
 SHEET NO. _____

CLASSIFICATION OF SERVICE
 Schedule 15 – Private Outdoor Lighting

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Service under this schedule is offered, under the conditions set out hereinafter, for lighting applications on private property such as, but not limited to, residential, commercial and industrial plant site or parking lot, other commercial area lighting, etc. to customers now receiving electric service from Kenergy at the same location. Service will be provided under written contract signed by customer prior to service commencing, when facilities are required other than fixture(s).

Standard (Served Overhead)

| Type Light | Watts | Approx. Lumens | Avg. Monthly Energy (KWH) | (per lamp per month) Rates |
|----------------------------------|-------|----------------|---------------------------|----------------------------|
| Mercury Vapor | 175 | 7,000 | 70 | \$ 7.16 |
| Mercury Vapor | 250 | 12,000 | 97 | \$ 8.45 |
| Mercury Vapor | 400 | 20,000 | 155 | \$ 9.98 |
| High Pressure Sodium | 100 | 9,500 | 44 | \$ 6.95 |
| High Pressure Sodium | 250 | 27,000 | 101 | \$ 9.98 |
| High Pressure Sodium-Flood Light | 400 | 61,000 | 159 | \$11.39 |
| Metal Halide | 100 | 9,000 | 42 | \$ 6.53 |
| Metal Halide | 400 | 24,000 | 156 | \$13.45 |

In the event existing facilities cannot be utilized, customer will be required to make an advance contribution equal to the estimated cost of labor and materials in excess of the cost to install the lighting unit on existing facilities.

Customer shall be responsible for losses due to vandalism.

DATE OF ISSUE January 29, 2009
 Month / Date / Year
 DATE EFFECTIVE February 1, 2009
 Month / Date / Year
 ISSUED BY Sanford Houch
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 2/1/2009
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)
 By J. D. Brown
 Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
First Revised SHEET NO. 15
 CANCELLING PSC NO. 2
Original SHEET NO. 15

CLASSIFICATION OF SERVICE
 Schedule 15 – Private Outdoor Lighting

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

Service under this schedule is offered, under the conditions set out hereinafter, for lighting applications on private property such as, but not limited to, residential, commercial and industrial plant site or parking lot, other commercial area lighting, etc. to customers now receiving electric service from Kenergy at the same location. Service will be provided under written contract signed by customer prior to service commencing, when facilities are required other than fixture(s).

Standard (Served Overhead)

| Type Light | Watts | Approx. Lumens | Avg. Monthly Energy (KWH) | (per lamp per month) Rates |
|---|-------|----------------|---------------------------|----------------------------|
| <i>Not Available for New Installations after April 1, 2011 - will be replaced with the nearest equivalent lumen fixture</i> | | | | |
| Mercury Vapor | 175 | 7,000 | 70 | \$ 7.87 |
| Mercury Vapor | 250 | 12,000 | 97 | \$ 9.27 |
| Mercury Vapor | 400 | 20,000 | 155 | \$10.91 |
| <i>Available for New Installations after April 1, 2011:</i> | | | | |
| High Pressure Sodium | 100 | 9,500 | 44 | \$ 7.65 |
| High Pressure Sodium ¹ | 200 | 20,000 | 75 | \$10.66 |
| High Pressure Sodium | 250 | 27,000 | 101 | \$10.96 |
| High Pressure Sodium-Flood Light | 400 | 61,000 | 159 | \$12.47 |
| Metal Halide | 100 | 9,000 | 42 | \$ 7.19 |
| Metal Halide | 400 | 24,000 | 156 | \$14.75 |

In the event existing facilities cannot be utilized, customer will be required to make an advance contribution equal to the estimated cost of labor and materials in excess of the cost to install the lighting unit on existing facilities.

Customer shall be responsible for losses due to vandalism.

¹Inadvertently left off tariff sheet in Case No. 2008-00323.

DATE OF ISSUE March 1, 2011
 Month / Date / Year
 DATE EFFECTIVE April 1, 2011
 Month / Date / Year
 ISSUED BY Sanford Houch
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 15A
CANCELLING PSC NO. 1
SHEET NO.

CLASSIFICATION OF SERVICE
Schedule 15 - Private Outdoor Lighting

Commercial and Industrial Lighting
(Available to all classes except residential)

Table with columns: Type Light, Watts, Approx. Lumens, Avg. Monthly Energy (KWH), (per lamp per month) Rates. Includes categories: Flood Lighting Fixture, Contemporary (Shoebox) Lighting Fixture, and Decorative Lighting Fixtures.

DATE OF ISSUE January 29, 2009
DATE EFFECTIVE February 1, 2009
ISSUED BY Sanford Nozick
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE 2/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By J. D. Brown
Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 15A
CANCELLING PSC NO. 2
Original SHEET NO. 15A

CLASSIFICATION OF SERVICE
Schedule 15 - Private Outdoor Lighting

Commercial and Industrial Lighting
(Available to all classes except residential)

Table with columns: Type Light, Watts, Approx. Lumens, Avg. Monthly Energy (KWH), (per lamp per month) Rates. Includes categories: Flood Lighting Fixture, Contemporary (Shoebox) Lighting Fixture, and Decorative Lighting Fixtures.

DATE OF ISSUE March 1, 2011
DATE EFFECTIVE April 1, 2011
ISSUED BY Sanford Nozick
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 15B
CANCELLING PSC NO. 2
Original SHEET NO. 15B



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Second Revised SHEET NO. 15B
CANCELLING PSC NO. 2
First Revised SHEET NO. 15B

CLASSIFICATION OF SERVICE
Schedule 15 - Private Outdoor Lighting

CLASSIFICATION OF SERVICE
Schedule 15 - Private Outdoor Lighting

Table with 2 columns: Item description and Rate Per Month. Includes Pedestal Mounted Pole (Steel 25, 30, 39 ft) and Direct Burial Pole (Wood, Aluminum, Fluted Fiberglass, Fluted Aluminum).

Kenergy will furnish facilities and electric service for commercial/industrial exterior lighting applications in accordance with an appropriate lease lighting agreement.

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table listing adjustment riders and their corresponding sheet numbers: Renewable Resource Energy Service Rider (23-23D), Fuel Adjustment Rider (24-24A), Environmental Surcharge Rider (25-25A), Unwind Surcredit Adjustment Rider (26-26A), Rebate Adjustment Rider (27-27A), Member Rate Stability Mechanism Rider (28-28A), Rural Economic Reserve Adjustment Rider (29).

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Tax added if applicable.

DATE OF ISSUE July 31, 2009
DATE EFFECTIVE July 17, 2009
ISSUED BY Sanford Weirch
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00009 DATED December 12, 2008

PUBLIC SERVICE COMMISSION OF KENTUCKY
EFFECTIVE 7/17/2009
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
By [Signature] Executive Director

Rate Per Month

Table with 2 columns: Item description and Rate Per Month. Includes Pedestal Mounted Pole (Not Available, Steel 25, 30, 39 ft) and Direct Burial Pole (Available, Wood, Aluminum; Not Available, Fluted Fiberglass, Fluted Aluminum).

Kenergy will furnish facilities and electric service for commercial/industrial exterior lighting applications in accordance with an appropriate lease lighting agreement.

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Table listing adjustment riders and their corresponding sheet numbers: Renewable Resource Energy Service Rider (23-23D), Fuel Adjustment Rider (24-24A), Environmental Surcharge Rider (25-25A), Unwind Surcredit Adjustment Rider (26-26A), Rebate Adjustment Rider (27-27A), Member Rate Stability Mechanism Rider (28-28A), Rural Economic Reserve Adjustment Rider (29), Non-FAC Purchased Power Adjustment Rider (30-30A).

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Tax added if applicable.

DATE OF ISSUE March 1, 2011
DATE EFFECTIVE April 1, 2011
ISSUED BY [Signature]
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 16
CANCELLING PSC NO. 1
SHEET NO. _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 16
CANCELLING PSC NO. 2
Original SHEET NO. 16

CLASSIFICATION OF SERVICE
Schedule 16 - Street Lighting Service

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE
To governmental units, lighting districts, or similar entities organized under KRS 179.470 located within the territory served by Kenergy. Service to the subdivisions of Baskett, Meadow Hills and Spotsville under a shared service agreement is restricted to those customers being billed under the special rate as of its effective date of June 14, 2005.

CONDITIONS OF SERVICE - STANDARD
Normally, street lighting fixtures and facilities are furnished and maintained by Kenergy at the rates specified below. However, special situations may require that service terms and conditions be negotiated individually and mutually agreed upon.

Street lighting for subdivision street lighting districts or similar entities created by a county fiscal court pursuant to KRS 179.470 will be coordinated with the appropriate county fiscal court. The rates for such service shall be in accordance with those specified below. Agreements for street lighting service with a county fiscal court and a street lighting district may (1) provide for advance collection of charges for street lighting service and (2) provide that service to a street lighting district will not be disconnected for nonpayment as long as the fiscal court of the county in which the street lighting district is located agrees to pay for the expense of street lighting on the terms provided in this tariff, collects the assessment in accordance with the customary procedures for collecting county ad valorem real property taxes, and within a reasonable time, pays Kenergy any amounts so collected.

| <u>RATE</u> | | | | |
|----------------------|--------------|-----------------------|----------------------------------|------------------------------------|
| <u>Type Light</u> | <u>Watts</u> | <u>Approx. Lumens</u> | <u>Avg. Monthly Energy (KWH)</u> | <u>(per light per month) Rates</u> |
| Mercury Vapor | 175 | 7,000 | 70 | \$ 7.16 |
| Mercury Vapor | 400 | 20,000 | 155 | \$ 10.02 |
| High Pressure Sodium | 100 | 9,500 | 43 | \$ 6.95 |
| High Pressure Sodium | 250 | 27,000 | 85 | \$ 10.10 |
| Metal Halide | 100 | 9,000 | 42 | \$ 6.53 |
| Metal Halide | 400 | 24,000 | 156 | \$ 13.24 |

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By J. D. Brown
Executive Director

DATE OF ISSUE January 29, 2009
Month / Date / Year
DATE EFFECTIVE February 1, 2009
Month / Date / Year
ISSUED BY Samford Nowick
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

CLASSIFICATION OF SERVICE
Schedule 16 - Street Lighting Service

APPLICABLE
In all territory served.

AVAILABILITY OF SERVICE
To governmental units, lighting districts, or similar entities organized under KRS 179.470 located within the territory served by Kenergy. Service to the subdivisions of Baskett, Meadow Hills and Spotsville under a shared service agreement is restricted to those customers being billed under the special rate as of its effective date of June 14, 2005.

CONDITIONS OF SERVICE - STANDARD
Normally, street lighting fixtures and facilities are furnished and maintained by Kenergy at the rates specified below. However, special situations may require that service terms and conditions be negotiated individually and mutually agreed upon.

Street lighting for subdivision street lighting districts or similar entities created by a county fiscal court pursuant to KRS 179.470 will be coordinated with the appropriate county fiscal court. The rates for such service shall be in accordance with those specified below. Agreements for street lighting service with a county fiscal court and a street lighting district may (1) provide for advance collection of charges for street lighting service and (2) provide that service to a street lighting district will not be disconnected for nonpayment as long as the fiscal court of the county in which the street lighting district is located agrees to pay for the expense of street lighting on the terms provided in this tariff, collects the assessment in accordance with the customary procedures for collecting county ad valorem real property taxes, and within a reasonable time, pays Kenergy any amounts so collected.

| <u>RATE</u> | | | | |
|---|--------------|-----------------------|----------------------------------|------------------------------------|
| <u>Type Light</u> | <u>Watts</u> | <u>Approx. Lumens</u> | <u>Avg. Monthly Energy (KWH)</u> | <u>(per light per month) Rates</u> |
| <i>Not Available for New Installations after April 1, 2011 - will be replaced with the nearest equivalent lumen fixture</i> | | | | |
| Mercury Vapor | 175 | 7,000 | 70 | \$ 7.87 |
| Mercury Vapor | 400 | 20,000 | 155 | \$ 10.96 |
| <i>Available for New Installations after April 1, 2011:</i> | | | | |
| High Pressure Sodium | 100 | 9,500 | 43 | \$ 7.65 |
| High Pressure Sodium | 250 | 27,000 | 85 | \$ 11.10 |
| <i>Not Available for New Installations after April 1, 2011 - will be replaced with the nearest equivalent lumen fixture</i> | | | | |
| Metal Halide | 100 | 9,000 | 42 | \$ 7.19 |
| Metal Halide | 400 | 24,000 | 156 | \$ 14.52 |

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Samford Nowick
(Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 16A
CANCELLING PSC NO. 1
SHEET NO.



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 16A
CANCELLING PSC NO. 2
Original SHEET NO. 16A

CLASSIFICATION OF SERVICE
Schedule 16 - Street Lighting Service

CLASSIFICATION OF SERVICE
Schedule 16 - Street Lighting Service

UNDERGROUND SERVICE WITH NON-STANDARD POLE

For service to governmental entities and street lighting districts with underground service on aluminum or fiberglass poles, an additional charge of \$5.12 per month per pole will be added to the standard charges for street lighting.

OVERHEAD SERVICE TO STREET LIGHTING DISTRICTS SERVED PURSUANT TO KRS 179.470

For service to street lighting districts utilizing standard overhead facilities, an additional charge of \$2.13 per month per pole will be added to the standard charges for street lighting.

CONDITIONS OF SERVICE - DECORATIVE UNDERGROUND

Area lighting will be installed using underground service, with lights in each individual subdivision or lighting district having an average accessible service circuit of seventy-five (75) feet (i.e., distance from existing source of secondary electric service to light equals 75 feet average). For light locations in excess of seventy-five (75) feet average, or services requiring conductor sizes greater than the standard #12-2 AZ conductor, customer shall be required to pay these costs in advance of receiving service.

Table with 5 columns: Type Light, Watts, Approx. Lumens, Avg. Monthly Energy (KWH), Rates. Rows include High Pressure Sodium Fixture with White Acorn Style Globe, High Pressure Sodium Fixture with Lantern Style Globe, Two High Pressure Sodium Fixtures with either Acorn or Lantern Style Globes, and High Pressure Sodium Fixture with White Acorn Style Globe on 14ft decorative pole.

UNDERGROUND SERVICE WITH NON-STANDARD POLE

For service to governmental entities and street lighting districts with underground service on aluminum or fiberglass poles, an additional charge of \$5.67 per month per pole will be added to the standard charges for street lighting.

OVERHEAD SERVICE TO STREET LIGHTING DISTRICTS SERVED PURSUANT TO KRS 179.470

For service to street lighting districts utilizing standard overhead facilities, an additional charge of \$2.36 per month per pole will be added to the standard charges for street lighting.

CONDITIONS OF SERVICE - DECORATIVE UNDERGROUND

Area lighting will be installed using underground service, with lights in each individual subdivision or lighting district having an average accessible service circuit of seventy-five (75) feet (i.e., distance from existing source of secondary electric service to light equals 75 feet average). For light locations in excess of seventy-five (75) feet average, or services requiring conductor sizes greater than the standard #12-2 AZ conductor, customer shall be required to pay these costs in advance of receiving service.

Table with 5 columns: Type Light, Watts, Approx. Lumens, Avg. Monthly Energy (KWH), Rates. Rows include High Pressure Sodium Fixture with White Acorn Style Globe, High Pressure Sodium Fixture with Lantern Style Globe, Two High Pressure Sodium Fixtures with either Acorn or Lantern Style Globes, and High Pressure Sodium Fixture with White Acorn Style Globe on 14ft decorative pole.

DATE OF ISSUE January 29, 2009
DATE EFFECTIVE February 1, 2009
ISSUED BY Sanford Houch
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE 2/1/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1) By [Signature] Executive Director

DATE OF ISSUE March 1, 2011
DATE EFFECTIVE April 1, 2011
ISSUED BY [Signature]
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
 First Revised SHEET NO. 16B
 CANCELLING PSC NO. 2
 Original SHEET NO. 16B

CLASSIFICATION OF SERVICE
 Schedule 16 - Street Lighting Service

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

| | |
|---|---------------------|
| Renewable Resource Energy Service Rider | Sheets No. 23 - 23D |
| Fuel Adjustment Rider | Sheets No. 24 - 24A |
| Environmental Surcharge Rider | Sheets No. 25 - 25A |
| Unwind Surcredit Adjustment Rider | Sheets No. 26 - 26A |
| Rebate Adjustment Rider | Sheets No. 27 - 27A |
| Member Rate Stability Mechanism Rider | Sheets No. 28 - 28A |
| Rural Economic Reserve Adjustment Rider | Sheet No. 29 |

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

TERMS OF PAYMENT

The above rates are net, the gross rate being five (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date the bill was rendered, the gross rate will apply.

ALL OTHER RULES AND REGULATIONS

Service will be furnished under Kenergy's rules and regulations applicable hereto.

DATE OF ISSUE July 31, 2009
 Month / Date / Year
 DATE EFFECTIVE July 17, 2009
 Month / Date / Year
 ISSUED BY Sanford Novick
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2008-00009 DATED December 12, 2008

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 7/17/2009
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)
 By [Signature]
 Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
 Second Revised SHEET NO. 16B
 CANCELLING PSC NO. 2
 First Revised SHEET NO. 16B

CLASSIFICATION OF SERVICE
 Schedule 16 - Street Lighting Service

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

| | |
|--|---------------------|
| Renewable Resource Energy Service Rider | Sheets No. 23 - 23D |
| Fuel Adjustment Rider | Sheets No. 24 - 24A |
| Environmental Surcharge Rider | Sheets No. 25 - 25A |
| Unwind Surcredit Adjustment Rider | Sheets No. 26 - 26A |
| Rebate Adjustment Rider | Sheets No. 27 - 27A |
| Member Rate Stability Mechanism Rider | Sheets No. 28 - 28A |
| Rural Economic Reserve Adjustment Rider | Sheet No. 29 |
| Non-FAC Purchased Power Adjustment Rider | Sheets No. 30 - 30A |

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

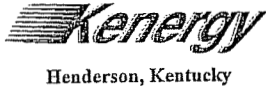
TERMS OF PAYMENT

The above rates are net, the gross rate being five (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date the bill was rendered, the gross rate will apply.

ALL OTHER RULES AND REGULATIONS

Service will be furnished under Kenergy's rules and regulations applicable hereto.

DATE OF ISSUE March 1, 2011
 Month / Date / Year
 DATE EFFECTIVE April 1, 2011
 Month / Date / Year
 ISSUED BY Sanford Novick
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 23A
CANCELLING PSC NO. 1
SHEET NO. _____

CLASSIFICATION OF SERVICE
Schedule 23 – Renewable Resource Energy Service Rider

MONTHLY RATE

- (1) The rate for Renewable Resource Energy is the rate schedule applicable to service to a customer, plus a premium per kilowatt hour of Renewable Resource Energy contracted for as follows, subject to any adjustment, surcharge or surcredit that is or may become applicable under the customer's rate schedule:

| | <u>A Per Kilowatt Hour Premium Of</u> |
|--|---------------------------------------|
| Rate Schedule 1 – Residential | \$0.0363 |
| Rate Schedule 3 – All Non-Residential Single Phase | \$0.0363 |
| Rate Schedule 5 – Three-Phase Demand (0 - 1,000 Over KW) | \$0.0363 |
| Rate Schedule 7 – Three-Phase Demand (1,001 & Over KW) | \$0.0363 |
| Rate Schedule 15 – Private Outdoor Lighting | \$0.0363 |
| Rate Schedule 16 – Street Lighting Service | \$0.0363 |
| Rate Schedule 32 – Dedicated Delivery Point Customers (Class B) | \$0.041285 |
| Rate Schedule 33 – Large Industrial Customers Served Under Special Contract (Dedicated Delivery Points) Class C | \$0.041285 |
| Rate Schedule 41 – Large Industrial Customers Served Under Special Contract for All Load Subject to the Big Rivers Large Industrial Expansion Rate | \$0.041285 |

- (2) Renewable Resource Energy purchased by a customer in any month will be conclusively presumed to be the first kilowatt hours delivered to that Customer in that month.



FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 23A
CANCELLING PSC NO. 2
Original SHEET NO. 23A

CLASSIFICATION OF SERVICE
Schedule 23 – Renewable Resource Energy Service Rider

MONTHLY RATE

- (1) The rate for Renewable Resource Energy is the rate schedule applicable to service to a customer, plus a premium per kilowatt hour of Renewable Resource Energy contracted for as follows, subject to any adjustment, surcharge or surcredit that is or may become applicable under the customer's rate schedule:

| | <u>A Per Kilowatt Hour Premium Of</u> |
|--|---------------------------------------|
| I Rate Schedule 1 – Residential | \$0.037523 |
| Rate Schedule 3 – All Non-Residential Single Phase | \$0.037523 |
| Rate Schedule 5 – Three-Phase Demand (0 - 1,000 Over KW) | \$0.037523 |
| Rate Schedule 7 – Three-Phase Demand (1,001 & Over KW) | \$0.037523 |
| Rate Schedule 15 – Private Outdoor Lighting | \$0.037523 |
| Rate Schedule 16 – Street Lighting Service | \$0.037523 |
| Rate Schedule 32 – Dedicated Delivery Point Customers (Class B) | \$0.040115 |
| Rate Schedule 33 – Large Industrial Customers Served Under Special Contract (Dedicated Delivery Points) Class C | \$0.040115 |
| Rate Schedule 41 – Large Industrial Customers Served Under Special Contract for All Load Subject to the Big Rivers Large Industrial Expansion Rate | \$0.040115 |

- (2) Renewable Resource Energy purchased by a customer in any month will be conclusively presumed to be the first kilowatt hours delivered to that Customer in that month.

DATE OF ISSUE January 29, 2009
Month / Date / Year
DATE EFFECTIVE February 1, 2009
Month / Date / Year
ISSUED BY Samford Houch
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By [Signature]
Executive Director

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Samford Houch
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 23D
CANCELLING PSC NO. 1
SHEET NO.

CLASSIFICATION OF SERVICE

Schedule 23 - Renewable Resource Energy Service Rider

DETERMINATION OF KWH ADDER

Table with 3 columns: Description, Non-Dedicated Delivery Points Rate Schedules 1-7 & 15-16, Direct Served Large Industrials Schedules 31, 32, 33 and 41. Rows include Charge from Wholesale Electric Supplier, Less Charge from Wholesale Electric Supplier, Subtotal, 1 - Twelve-Month Line Loss of 4.7526%, and KWH Adder - Renewable Energy Tariff Rider (3.46¢/.95247).

Schedule 1 Twelve Month Actual Line Loss %

Table with 5 columns: Description, KWH PURCHASED/PAID, KWH BILLED, OFFICE USE, KWH LOSSES. Rows include 2007 Calendar Year (Billed and Paid) and Twelve Month Ratio (4.7526%).

DATE OF ISSUE January 29, 2009
DATE EFFECTIVE February 1, 2009
ISSUED BY Sanford Weirich (Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION OF KENTUCKY EFFECTIVE 2/1/2009 PURSUANT TO 807 KAR 5:011 SECTION 9 (1) By [Signature] Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 23D
CANCELLING PSC NO. 2
Original SHEET NO. 23D

CLASSIFICATION OF SERVICE

Schedule 23 - Renewable Resource Energy Service Rider

DETERMINATION OF KWH ADDER

Table with 3 columns: Description, Non-Dedicated Delivery Points Rate Schedules 1-7 & 15-16, Direct Served Large Industrials Schedules 31, 32, 33 and 41. Rows include Charge from Wholesale Electric Supplier, Less Charge from Wholesale Electric Supplier, Subtotal, 1 - Twelve-Month Line Loss of 5.4577%, and KWH Adder - Renewable Energy Tariff Rider (3.46¢/.945423).

Schedule 1 Twelve Month Actual Line Loss %

Table with 5 columns: Description, KWH PURCHASED/PAID, KWH BILLED, OFFICE USE, KWH LOSSES. Rows include Test Year Ending 6/30/10 (Billed) and Twelve Month Ratio (5.4577%).

DATE OF ISSUE March 1, 2011
DATE EFFECTIVE April 1, 2011
ISSUED BY Sanford Weirich (Signature of Officer)
TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 30
CANCELLING PSC NO. 2
Original SHEET NO. 30

| |
|--|
| CLASSIFICATION OF SERVICE |
| Schedule 30 - Non-FAC Purchased Power Adjustment (PPA) Rider |

N APPLICABLE

In all territory served.

NON-FAC PURCHASED POWER ADJUSTMENT RATE

SECTION 1

BILLINGS TO CUSTOMERS SERVED FROM NON-DEDICATED DELIVERY POINTS

Billings computed pursuant to rate schedules to which this section is applicable shall be adjusted based on the following formula where all references to costs and revenues will exclude amounts associated with customers served from Dedicated Delivery Points.

The non-FAC purchased power adjustment rate applicable to KWH sold in the current month under each rate to which this section applies shall be based upon the following formula:

$$PPA = \frac{W_{PPA} - O + U}{P(m) \times L} - PPA(b)$$

Where;

- PPA = the non-FAC purchased power adjustment rate per KWH for the current month
- W_{PPA} = the non-FAC PPA adjustment amount charged by Kenergy's wholesale power supplier on the power bill for the second month preceding the month in which PPA is applied.
- P(m) = the KWH purchased in the second month preceding the month in which PPA is applied.
- L = One minus the percent system energy losses equal to the rolling twelve month average not to exceed ten percent (10%).
- O = any over recovery amount from the second preceding month.
- U = any under recovery amount from the second preceding month.
- PPA(b) = Base purchased power adjustment factor of \$.00000 per KWH.

CURRENT SHEET 30 IS NOW SHEET 32

PROPOSED SHEET 30 IS NEW NON-FAC PPA RIDER

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY *Shirley A. Noveck*
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

First Revised SHEET NO. 30A

CANCELLING PSC NO. 2

Original SHEET NO. 30A

CLASSIFICATION OF SERVICE

Schedule 30 - Non-FAC Purchased Power Adjustment (PPA) Rider

N

SECTION 2

BILLINGS TO CUSTOMERS SERVED FROM DEDICATED DELIVERY POINTS
(NO LINE LOSSES TO KENERGY)

Billings computed pursuant to rate schedules or special contracts to which this section is applicable shall be increased or decreased during the month equal to the amount charged or credited to Kenergy by the wholesale power supplier for the customer's dedicated delivery point.

RATE APPLICATION

Section 1 of this rider shall apply to rate schedules (1) Residential Single Phase & Three-Phase, (3) all Non-Residential Single Phase, (5) Three-Phase Demand (Non-Residential) Non-Dedicated Delivery Points (0-1000 KW), (7) Three-Phase Demand Non-Dedicated Delivery Points (1,001 KW & Over), (15) Private Outdoor Lighting, (16) Street Lighting Service. Section 2 of this rider shall apply to smelter sales pursuant to the Smelter Agreements and to rate schedules for service to customers when the wholesale rate paid by Kenergy for the load provided to the customer is either the Big Rivers Large Industrial Tariff or the Big Rivers Large Industrial Expansion Tariff.

CURRENT SHEET 30 IS NOW SHEET 32

PROPOSED SHEET 30 IS NEW NON-FAC PPA RIDER

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY Sanford M. ...
(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED

Community, Town or City

PSC NO. 2

Second Revised SHEET NO. 31

CANCELLING PSC NO. 2

First Revised SHEET NO. 31

| |
|---------------------------|
| CLASSIFICATION OF SERVICE |
|---------------------------|

FUTURE USE

CURRENT SHEET 31 IS NOW SHEET 33

PROPOSED SHEET 31 IS FOR FUTURE USE

DATE OF ISSUE March 1, 2011

Month / Date / Year

DATE EFFECTIVE April 1, 2011

Month / Date / Year

ISSUED BY Samford Nozick

(Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. 2011-00035 DATED _____



FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
 Original SHEET NO. 30
 CANCELLING PSC NO. 1
 SHEET NO. _____

CLASSIFICATION OF SERVICE
Schedule 30 – Special Charges

In accordance with 807 KAR 5:006 Section 8, Kenergy will make the following special nonrecurring charges to recover customer-specific costs incurred, which would otherwise result in monetary loss to the utility or increased rates to other customers to whom no benefits accrue from the service provided or action taken. These special charges are calculated on the attached Sheets 30 Exhibit A and 30 Exhibit B and are designed to yield only enough revenue to pay the expenses incurred in rendering the service.

- (a) Turn-on Charge \$30.00 (overtime \$90.00) – A turn-on charge will be assessed for a seasonal or temporary service.
- T I (b) Reconnect Charge - \$30.00 (overtime \$90.00) – A reconnect charge will be assessed to reconnect a service which has been terminated for nonpayment of bills or violation of Kenergy’s rules or Kentucky Public Service Commission administrative regulations. This charge will also be assessed when a Kenergy representative makes a trip to the premises of a customer due to service interruption, and the problem is on the customer’s part. Customer’s qualifying for service reconnection under Section 15 of 807 KAR 5:006 will be exempt from reconnect charges.
- T I (c) Termination or Field Collection Charge - \$30.00 (overtime \$90.00) – This charge will be assessed when a Kenergy representative makes a trip to the premises of a customer for the purpose of terminating service. The charge will be assessed if a Kenergy representative actually terminates service or if, in the course of the trip, the customer pays the delinquent bill to avoid termination. The charge may also be made if Kenergy’s representative agrees to delay termination based on the customer’s agreement to pay the delinquent bill by a specific date. Kenergy may make a field collection charge only once in any billing period. Termination of service will occur during normal business hours unless circumstances dictate otherwise, i.e. safety issues, illegal reconnect or meter is inaccessible.
- (d) Special Meter Reading Charge - \$30.00 – This charge may be assessed when a customer requests that a meter be re-read, and the second reading shows the original reading was correct. No charge shall be assessed if the original reading was incorrect. This charge may also be assessed when a customer who reads his own meter fails to read the meter for three (3) consecutive months, and it is necessary for a Kenergy representative to make a trip to read the meter.

DATE OF ISSUE January 29, 2009
 Month / Date / Year
 DATE EFFECTIVE February 1, 2009
 Month / Date / Year
 ISSUED BY Sanford Houch
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 2/1/2009
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)
 By [Signature]
 Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
 Second Revised SHEET NO. 32
 CANCELLING PSC NO. 2
 Original SHEET NO. 30

CLASSIFICATION OF SERVICE
Schedule 32 – Special Charges

In accordance with 807 KAR 5:006 Section 8, Kenergy will make the following special nonrecurring charges to recover customer-specific costs incurred, which would otherwise result in monetary loss to the utility or increased rates to other customers to whom no benefits accrue from the service provided or action taken. These special charges are calculated on the attached Sheets 30 Exhibit A and 30 Exhibit B and are designed to yield only enough revenue to pay the expenses incurred in rendering the service.

- (a) Turn-on Charge \$32.00 (overtime \$95.00) – A turn-on charge will be assessed for a seasonal or temporary service.
- I (b) Reconnect Charge - \$32.00 (overtime \$95.00) – A reconnect charge will be assessed to reconnect a service which has been terminated for nonpayment of bills or violation of Kenergy’s rules or Kentucky Public Service Commission administrative regulations. This charge will also be assessed when a Kenergy representative makes a trip to the premises of a customer due to service interruption, and the problem is on the customer’s part. Customer’s qualifying for service reconnection under Section 15 of 807 KAR 5:006 will be exempt from reconnect charges.
- I (c) Termination or Field Collection Charge - \$32.00 (overtime \$95.00) – This charge will be assessed when a Kenergy representative makes a trip to the premises of a customer for the purpose of terminating service. The charge will be assessed if a Kenergy representative actually terminates service or if, in the course of the trip, the customer pays the delinquent bill to avoid termination. The charge may also be made if Kenergy’s representative agrees to delay termination based on the customer’s agreement to pay the delinquent bill by a specific date. Kenergy may make a field collection charge only once in any billing period. Termination of service will occur during normal business hours unless circumstances dictate otherwise, i.e. safety issues, illegal reconnect or meter is inaccessible.
- I (d) Special Meter Reading Charge - \$32.00 – This charge may be assessed when a customer requests that a meter be re-read, and the second reading shows the original reading was correct. No charge shall be assessed if the original reading was incorrect. This charge may also be assessed when a customer who reads his own meter fails to read the meter for six (6) consecutive months, and it is necessary for a Kenergy representative to make a trip to read the meter.

DATE OF ISSUE March 1, 2011
 Month / Date / Year
 DATE EFFECTIVE April 1, 2011
 Month / Date / Year
 ISSUED BY Sanford Houch
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 30A
CANCELLING PSC NO. 1
SHEET NO. _____

CLASSIFICATION OF SERVICE
Schedule 30 – Special Charges

(e) Meter Test Charge - \$45.00 – This charge will be assessed if a customer requests the meter be tested and the test shows the meter is not more than two (2) percent fast. No charge shall be made if the test shows the meter is more than two (2) percent fast.

(f) Returned Check Charge \$10.00 – A returned check charge will be assessed if a check accepted for payment of a bill is not honored by the customer's financial institution.

T Kenergy shall have the right to refuse to accept checks in payment of an account from any customer who has demonstrated poor credit risk by having two or more checks returned unpaid from a bank for any reason.

T Kenergy shall not accept a check to pay for and redeem another check or accept a two-party check for cash or payment of an account.

T When a customer has been mailed a notice of termination for non-payment and subsequently presents an insufficient check as payment, the original termination date will remain unchanged. The presentation of an insufficient funds check does not constitute payment of the account.

T (g) Late Payment Kenergy Charge – A 5% charge will be assessed if a customer fails to pay a bill for services within (20) days from the date the bill was rendered. The charge will be assessed only once on any bill for rendered services. Any payment received shall first be applied to the bill for service rendered. Additional charges shall not be assessed on unpaid charges.

DATE OF ISSUE January 29, 2009
Month / Date / Year
DATE EFFECTIVE February 1, 2009
Month / Date / Year
ISSUED BY Stanford Noick
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By J. D. Brown
Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Second Revised SHEET NO. 32A
CANCELLING PSC NO. 2
Original SHEET NO. 30A

CLASSIFICATION OF SERVICE
Schedule 32 – Special Charges

I (e) Meter Test Charge - \$50.00 – This charge will be assessed if a customer requests the meter be tested and the test shows the meter is not more than two (2) percent fast. No charge shall be made if the test shows the meter is more than two (2) percent fast.

I (f) Returned Check Charge \$12.00 – A returned check charge will be assessed if a check accepted for payment of a bill is not honored by the customer's financial institution.

Kenergy shall have the right to refuse to accept checks in payment of an account from any customer who has demonstrated poor credit risk by having two or more checks returned unpaid from a bank for any reason.

Kenergy shall not accept a check to pay for and redeem another check or accept a two-party check for cash or payment of an account.

When a customer has been mailed a notice of termination for non-payment and subsequently presents an insufficient check as payment, the original termination date will remain unchanged. The presentation of an insufficient funds check does not constitute payment of the account.

(g) Late Payment Kenergy Charge – A 5% charge will be assessed if a customer fails to pay a bill for services within (20) days from the date the bill was rendered. The charge will be assessed only once on any bill for rendered services. Any payment received shall first be applied to the bill for service rendered. Additional charges shall not be assessed on unpaid charges.

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Stanford Noick
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 30 (Exh. A)
CANCELLING PSC NO. 1
SHEET NO.

CLASSIFICATION OF SERVICE
Schedule 30 - Special Charges

Special Charges:

Non-Worked Hours:

Hours Percent

Table with 2 columns: Description, Hours, Percent. Rows include Total Hours (2,080), Average Vacation (120), Holidays (64), Sick Leave Days (32), and Hours Worked (1,864).

R For every \$100 of labor paid, \$89.61 is paid for work and \$10.39 is paid for non-working hours. The allocation for Office and Service employees is as follows:

Table with 4 columns: Description, Hourly Rate, Percent, Non-Working Hourly Amount. Rows include Meter Reader/Service and Office/Clerical.

Other Costs Based on Regular Labor Worked: % of Regular Labor Worked

Table for 2007 costs: Regular Wages, Health, Life, Disability, Pension, Payroll Taxes, Workers Comp., and a total of 45.65%.

DATE OF ISSUE January 29, 2009
DATE EFFECTIVE February 1, 2009
ISSUED BY Sanford Houch
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE 2/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By [Signature] Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 32 (Exh. A)
CANCELLING PSC NO. 2
Original SHEET NO. 30 (Exh. A)

CLASSIFICATION OF SERVICE
Schedule 32 - Special Charges

T

Special Charges:

Non-Worked Hours:

Hours Percent

Table with 2 columns: Description, Hours, Percent. Rows include Total Hours (2,080), Average Vacation (120), Holidays (64), Sick Leave Days (32), and Hours Worked (1,864).

For every \$100 of labor paid, \$89.61 is paid for work and \$10.39 is paid for non-working hours. The allocation for Office and Service employees is as follows:

Table with 4 columns: Description, Hourly Rate, Percent, Non-Working Hourly Amount. Rows include Meter Reader/Service and Office/Clerical.

Other Costs Based on Regular Labor Worked: % of Regular Labor Worked

Table for Test Yr. Ending June 30, 2010: Regular Wages, Health, Life, Disability, Pension, Payroll Taxes, Workers Comp., and a total of 54.62%.

DATE OF ISSUE March 1, 2011
DATE EFFECTIVE April 1, 2011
ISSUED BY [Signature]
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 30 (Exh. B)
CANCELLING PSC NO. 1
SHEET NO. _____

CLASSIFICATION OF SERVICE
Schedule 30 - Special Charges

| | Est. Hours | Per Hour | Amount |
|---|------------|----------|-----------------------------------|
| <u>Return Check Charge</u> | | | |
| No. of Hours Worked | 0.25 | | |
| I Direct Labor Charge | 0.25 | \$20.47 | \$ 5.12 |
| R Non-Worked Overhead | 0.25 | \$ 2.13 | \$ 0.53 |
| R Other Cost Based on Reg. Labor Worked | \$20.47 | 45.65% | \$ 2.34 |
| Bank Charge | | | <u>\$ 3.00</u> |
| Total Charges | | Total | <u>\$10.99</u> Use <u>\$10.00</u> |

Turn-On, Reconnect, Termination, Special Meter Reading, Meter Test

| | Per Hour | Turn-On, Reconnect, Termination | Meter Reading | Overtime | Meter Tests |
|---|----------|---------------------------------|----------------|----------------------|-----------------|
| Meter Reader/Service: No. of Hours | | 0.5 | 0.5 | 2 | 1 |
| I Direct Labor Charge | \$21.05 | \$ 10.53 | \$ 10.53 | \$63.15 ¹ | \$21.05 |
| R Non-Worked Overhead | \$ 2.19 | \$ 1.10 | \$ 1.10 | N/A | \$ 2.19 |
| R Other Cost Based on Reg. Labor Worked | 45.65% | \$ 4.80 | \$ 4.80 | \$ 6.46 ² | \$9.61 |
| | Per Mile | | | | |
| I Mileage | 10 | \$ 0.585 | \$ 5.85 | | \$ 5.85 |
| I | 20 | \$ 0.585 | | \$ 11.70 | |
| Office Clerical: No. of Hours | | 0.25 | 0.25 | 0.25 | 0.25 |
| R Direct Labor Charge | \$20.47 | \$ 5.12 | \$ 5.12 | \$ 5.12 | \$ 5.12 |
| R Non-Worked Overhead | \$ 2.13 | \$ 0.53 | \$ 0.53 | \$ 0.53 | \$ 0.53 |
| R Other Cost Based on Reg. Labor Worked | 45.65% | \$ 2.34 | \$ 2.34 | \$ 2.34 | \$ 2.34 |
| Total | | <u>\$30.27</u> | <u>\$30.27</u> | <u>\$89.30</u> | <u>\$ 46.69</u> |
| Charge | | <u>\$30.00</u> | <u>\$30.00</u> | <u>\$90.00</u> | <u>\$ 45.00</u> |

¹ 2 hrs. x \$21.05 x 1.5
² 2 hrs. x \$21.05 x 15.34% (13.20% + 2.14%)

DATE OF ISSUE January 29, 2009
Month / Date / Year
DATE EFFECTIVE February 1, 2009
Month / Date / Year
ISSUED BY Shirley Hark
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By J.P. Brown
Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 32 (Exh. B)
CANCELLING PSC NO. 2
Original SHEET NO. 32 (Exh. B)

CLASSIFICATION OF SERVICE
Schedule 32 - Special Charges

| | Est. Hours | Per Hour | Amount |
|---|------------|----------|-----------------------------------|
| <u>Return Check Charge</u> | | | |
| No. of Hours Worked | 0.25 | | |
| I Direct Labor Charge | 0.25 | \$21.37 | \$ 5.34 |
| I Non-Worked Overhead | 0.25 | \$ 2.22 | \$ 0.56 |
| I Other Cost Based on Reg. Labor Worked | \$21.37 | 54.62% | \$ 2.92 |
| Bank Charge | | | <u>\$ 3.00</u> |
| Total Charges | | Total | <u>\$11.82</u> Use <u>\$12.00</u> |

Turn-On, Reconnect, Termination, Special Meter Reading, Meter Test

| | Per Hour | Turn-On, Reconnect, Termination | Meter Reading | Overtime | Meter Tests |
|---|----------|---------------------------------|----------------|----------------------|-----------------|
| Meter Reader/Service: No. of Hours | | 0.5 | 0.5 | 2 | 1 |
| I Direct Labor Charge | \$22.11 | \$ 11.06 | \$ 11.06 | \$66.33 ¹ | \$22.11 |
| R Non-Worked Overhead | \$ 2.30 | \$ 1.15 | \$ 1.15 | N/A | \$ 2.30 |
| R Other Cost Based on Reg. Labor Worked | 54.62% | \$ 6.04 | \$ 6.04 | \$ 9.23 ² | \$12.07 |
| | Per Mile | | | | |
| Mileage | 10 | \$ 0.51 | \$ 5.10 | | \$ 5.10 |
| I | 20 | \$ 0.51 | | \$10.20 | |
| Office Clerical: No. of Hours | | 0.25 | 0.25 | 0.25 | 0.25 |
| R Direct Labor Charge | \$21.37 | \$ 5.34 | \$ 5.34 | \$ 5.34 | \$ 5.34 |
| R Non-Worked Overhead | \$ 2.22 | \$ 0.56 | \$ 0.56 | \$ 0.56 | \$ 0.56 |
| R Other Cost Based on Reg. Labor Worked | 54.62% | \$ 2.92 | \$ 2.92 | \$ 2.92 | \$ 2.92 |
| Total | | <u>\$32.17</u> | <u>\$32.17</u> | <u>\$94.58</u> | <u>\$ 50.40</u> |
| Charge | | <u>\$32.00</u> | <u>\$32.00</u> | <u>\$95.00</u> | <u>\$ 50.00</u> |

¹ 2 hrs. x \$22.11 x 1.5
² 2 hrs. x \$22.11 x 20.88% (17.92% + 2.96%)

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Shirley Hark
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
 First Revised SHEET NO. 31
 CANCELLING PSC NO. 2
 Original SHEET NO. 31



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
 First Revised SHEET NO. 33
 CANCELLING PSC NO. 2
 First Revised SHEET NO. 31

CLASSIFICATION OF SERVICE
 Schedule 31 – Smelter Customers Served Under Special Contracts - Class A

CLASSIFICATION OF SERVICE
 Schedule 33 – Smelter Customers Served Under Special Contracts - Class A

T The Kenergy Corp. Smelter Tariffs for service to (i) Alcan Primary Products Corporation, shall consist of the Retail Electric Service Agreement, dated as of July 1, 2009 between Kenergy Corp. and Alcan Primary Products Corporation and (ii) Century Aluminum of Kentucky General Partnership shall consist of the Retail Electric Service Agreement, dated as of July 1, 2009, between Kenergy Corp. and Century Aluminum of Kentucky General Partnership. Such agreements are hereby incorporated by reference as though fully set out herein. Alcan Primary Products Corporation and Century Aluminum of Kentucky General Partnership shall each respectively be obligated to pay in accordance with the rates, charges and other terms and conditions set forth in said agreements, including the applicable retail fee.

T The Kenergy Corp. Smelter Tariffs for service to (i) Alcan Primary Products Corporation, shall consist of the Retail Electric Service Agreement, dated as of July 1, 2009 between Kenergy Corp. and Alcan Primary Products Corporation and (ii) Century Aluminum of Kentucky General Partnership shall consist of the Retail Electric Service Agreement, dated as of July 1, 2009, between Kenergy Corp. and Century Aluminum of Kentucky General Partnership. Such agreements are hereby incorporated by reference as though fully set out herein. Alcan Primary Products Corporation and Century Aluminum of Kentucky General Partnership shall each respectively be obligated to pay in accordance with the rates, charges and other terms and conditions set forth in said agreements, including the applicable retail fee.

DATE OF ISSUE July 31, 2009
 Month / Date / Year
 DATE EFFECTIVE July 17, 2009
 Month / Date / Year
 ISSUED BY Stanford Morick
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2008-00009 DATED December 12, 2008

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 7/17/2009
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)
 By [Signature]
 Executive Director

DATE OF ISSUE March 1, 2011
 Month / Date / Year
 DATE EFFECTIVE April 1, 2011
 Month / Date / Year
 ISSUED BY Stanford Morick
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 32
CANCELLING PSC NO. 2
Original SHEET NO. 32



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 34
CANCELLING PSC NO. 2
First Revised SHEET NO. 32

CLASSIFICATION OF SERVICE
Schedule 32 – Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) – (Class B)

CLASSIFICATION OF SERVICE
Schedule 34 – Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) – (Class B)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To existing customers, Aleris and Kimberly Clark, and new customers executing special contracts approved by the Kentucky Public Service Commission.

RATE:

Customer Charge.....\$1,028 per Month
Plus Demand Charge of:
per KW of Billing Demand in Month.....\$10.15
Plus Energy Charge of:
per KWH.....\$0.013881

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

| | |
|---|---------------------|
| Renewable Resource Energy Service Rider | Sheets No. 23 - 23D |
| Fuel Adjustment Rider | Sheets No. 24 - 24A |
| Environmental Surcharge Rider | Sheets No. 25 - 25A |
| Unwind Surcredit Adjustment Rider | Sheets No. 26 - 26A |
| Rebate Adjustment Rider | Sheets No. 27 - 27A |
| Member Rate Stability Mechanism Rider | Sheets No. 28 - 28A |
| Price Curtailable Service Rider | Sheets No. 42 - 42C |

AGREEMENT

An "agreement for purchase of power" shall be signed by any new customer prior to service under the rate. Should the provisions of the expansion rate contained on Sheets No. 41 – 41G apply, additional language incorporating those provisions will be added to the agreement.

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

DATE OF ISSUE July 31, 2009
Month / Date / Year
DATE EFFECTIVE July 17, 2009
Month / Date / Year
ISSUED BY Sanford Norick
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00009 DATED December 12, 2008

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/17/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By [Signature]
Executive Director

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To existing customers, Aleris and Kimberly Clark, and new customers executing special contracts approved by the Kentucky Public Service Commission.

RATE:

Customer Charge.....\$1,028 per Month
Plus Demand Charge of:
per KW of Billing Demand in Month.....\$10.8975
Plus Energy Charge of:
per KWH.....\$0.015051

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

| | |
|--|---------------------|
| Renewable Resource Energy Service Rider | Sheets No. 23 - 23D |
| Fuel Adjustment Rider | Sheets No. 24 - 24A |
| Environmental Surcharge Rider | Sheets No. 25 - 25A |
| Unwind Surcredit Adjustment Rider | Sheets No. 26 - 26A |
| Rebate Adjustment Rider | Sheets No. 27 - 27A |
| Member Rate Stability Mechanism Rider | Sheets No. 28 - 28A |
| Price Curtailable Service Rider | Sheets No. 42 - 42C |
| Non-FAC Purchased Power Adjustment Rider | Sheets No. 30 - 30A |

AGREEMENT

An "agreement for purchase of power" shall be signed by any new customer prior to service under the rate. Should the provisions of the expansion rate contained on Sheets No. 41 – 41G apply, additional language incorporating those provisions will be added to the agreement.

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Sanford Norick
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 32A
CANCELLING PSC NO. 2
Original SHEET NO. 32A

CLASSIFICATION OF SERVICE
Schedule 32 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - Class B With Self-Generation

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To existing customer, Domtar, and new customers executing special contracts approved by the Kentucky Public Service Commission.

RATE:

Customer Charge.....\$1,028 per Month
Plus:
Demand Charge of:
per KW of Firm Billing Demand in Month.....\$10.15
Plus:
Energy Charge of:
per KWH Sold by Kenergy to Domtar.....\$0.013881

NOTE: Charges for backup and replacement power are billed per contract, which includes a \$0.000166 retail adder per KWH Consumed At Site.

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Renewable Resource Energy Service Rider Sheets No. 23 - 23D
Fuel Adjustment Rider Sheets No. 24 - 24A
Environmental Surcharge Rider Sheets No. 25 - 25A
Unwind Surcredit Adjustment Rider Sheets No. 26 - 26A
Rebate Adjustment Rider Sheets No. 27 - 27A
Member Rate Stability Mechanism Rider Sheets No. 28 - 28A
Price Curtailable Service Rider Sheets No. 42 - 42C



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 34A
CANCELLING PSC NO. 2
First Revised SHEET NO. 32A

CLASSIFICATION OF SERVICE
Schedule 34 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - Class B With Self-Generation

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

To existing customer, Domtar, and new customers executing special contracts approved by the Kentucky Public Service Commission.

RATE:

Customer Charge.....\$1,028 per Month
Plus:
Demand Charge of:
per KW of Firm Billing Demand in Month.....\$10.8975
Plus:
Energy Charge of:
per KWH Sold by Kenergy to Domtar.....\$0.015051

NOTE: Charges for backup and replacement power are billed per contract, which includes a \$0.000166 retail adder per KWH Consumed At Site.

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

Renewable Resource Energy Service Rider Sheets No. 23 - 23D
Fuel Adjustment Rider Sheets No. 24 - 24A
Environmental Surcharge Rider Sheets No. 25 - 25A
Unwind Surcredit Adjustment Rider Sheets No. 26 - 26A
Rebate Adjustment Rider Sheets No. 27 - 27A
Member Rate Stability Mechanism Rider Sheets No. 28 - 28A
Price Curtailable Service Rider Sheets No. 42 - 42C
Non-FAC Purchased Power Adjustment Rider Sheets No. 30 - 30A

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DATE OF ISSUE July 31, 2009
DATE EFFECTIVE July 17, 2009
ISSUED BY Sanford Horvath
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00009 DATED December 12, 2008

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/17/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By [Signature] Executive Director

DATE OF ISSUE March 1, 2011
DATE EFFECTIVE April 1, 2011
ISSUED BY [Signature]
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
 First Revised SHEET NO. 32B
 CANCELLING PSC NO. 2
 Original SHEET NO. 32B



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
 Original SHEET NO. 34B
 CANCELLING PSC NO. 2
 First Revised SHEET NO. 32B

CLASSIFICATION OF SERVICE
 Schedule 32 – Large Industrial Customers Served Under Special Contract
 (Dedicated Delivery Points) – Class B With Self-Generation

CLASSIFICATION OF SERVICE
 Schedule 34 – Large Industrial Customers Served Under Special Contract
 (Dedicated Delivery Points) – Class B With Self-Generation

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AGREEMENT

An "agreement for purchase of power" shall be signed by any new customer prior to service under the rate. Should the provisions of the expansion rate contained on Sheets No. 41 – 41G apply, additional language incorporating those provisions will be added to the agreement.

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

AGREEMENT

An "agreement for purchase of power" shall be signed by any new customer prior to service under the rate. Should the provisions of the expansion rate contained on Sheets No. 41 – 41G apply, additional language incorporating those provisions will be added to the agreement.

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

DATE OF ISSUE July 31, 2009
 Month / Date / Year
 DATE EFFECTIVE July 17, 2009
 Month / Date / Year
 ISSUED BY Stanford Henick
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2008-0009 DATED December 12, 2008

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 7/17/2009
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)
 By [Signature]
 Executive Director

DATE OF ISSUE March 1, 2011
 Month / Date / Year
 DATE EFFECTIVE April 1, 2011
 Month / Date / Year
 ISSUED BY Stanford Henick
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 33
CANCELLING PSC NO. 1
SHEET NO.

CLASSIFICATION OF SERVICE

Schedule 33 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This rate shall apply to existing large customers where service is provided through a dedicated delivery point connected to the transmission system of Big Rivers or other accessible system classified as Class C customers, or new customers executing special contracts approved by the Kentucky Public Service Commission.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase sixty cycle, alternating current at available nominal voltage.

RATE

Customer Charge per Delivery Point \$100.00 per Month

Plus: Demand Charge per KW of Billing Demand in Month \$ 10.15

Plus: Energy Charges: Per KWH \$0.016715

R Facilities Charge 1.30% (times assigned dollars of Kenergy investment for facilities per month-see Sheet No.33B)

DETERMINATION OF BILLING DEMAND

The Billing Demand in kilowatts shall be the higher of: a) The customer's maximum integrated thirty-minute demand at such delivery point during each billing month, determined by meters which record at the end of each thirty-minute period the integrated kilowatt demand during the preceding thirty minutes; or b) the Contract Demand.

POWER FACTOR ADJUSTMENT

The customer agrees to maintain a power factor as nearly as practical to unity. Kenergy will permit the use of apparatus that shall result, during normal operation, in a power factor not lower than 90%. At Kenergy's option, in lieu of the customers providing the above corrective equipment when power factor is less than 90%, Kenergy may adjust the maximum measured demand for billing purposes in accordance with the following formula:

DATE OF ISSUE January 29, 2009
Month / Date / Year
DATE EFFECTIVE February 1, 2009
Month / Date / Year
ISSUED BY [Signature]
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By [Signature]
Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 35
CANCELLING PSC NO. 2
Original SHEET NO. 33

CLASSIFICATION OF SERVICE

Schedule 35 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

APPLICABLE

In all territory served.

AVAILABILITY OF SERVICE

This rate shall apply to existing large customers where service is provided through a dedicated delivery point connected to the transmission system of Big Rivers or other accessible system classified as Class C customers, or new customers executing special contracts approved by the Kentucky Public Service Commission.

TYPE OF SERVICE

The electric service furnished under this schedule will be three-phase sixty cycle, alternating current at available nominal voltage.

RATE

Customer Charge per Delivery Point \$100.00 per Month

Plus: Demand Charge per KW of Billing Demand in Month \$ 10.8975

Plus: Energy Charges: Per KWH \$0.017885

I Facilities Charge 1.38% (times assigned dollars of Kenergy investment for facilities per month-see Sheet No.35B)

DETERMINATION OF BILLING DEMAND

The Billing Demand in kilowatts shall be the higher of: a) The customer's maximum integrated thirty-minute demand at such delivery point during each billing month, determined by meters which record at the end of each thirty-minute period the integrated kilowatt demand during the preceding thirty minutes; or b) the Contract Demand.

POWER FACTOR ADJUSTMENT

The customer agrees to maintain a power factor as nearly as practical to unity. Kenergy will permit the use of apparatus that shall result, during normal operation, in a power factor not lower than 90%. At Kenergy's option, in lieu of the customers providing the above corrective equipment when power factor is less than 90%, Kenergy may adjust the maximum measured demand for billing purposes in accordance with the following formula:

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY [Signature]
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 33A
CANCELLING PSC NO. 2
Original SHEET NO. 33A

CLASSIFICATION OF SERVICE
Schedule 33 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

Max. Measured KW x 90%
Power Factor (%)

The power factor shall be measured at time of maximum load.

METERING

Electrical usage will be metered at the transmission voltage supplied or at the customer's secondary voltage with a 1.0% adder to the metered KWH to account for transformer losses, as determined by Kenergy.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

| | |
|---|---------------------|
| Renewable Resource Energy Service Rider | Sheets No. 23 - 23D |
| Fuel Adjustment Rider | Sheets No. 24 - 24A |
| Environmental Surcharge Rider | Sheets No. 25 - 25A |
| Unwind Surcredit Adjustment Rider | Sheets No. 26 - 26A |
| Rebate Adjustment Rider | Sheets No. 27 - 27A |
| Member Rate Stability Mechanism Rider | Sheets No. 28 - 28A |
| Price Curtailable Service Rider | Sheets No. 42 - 42C |

AGREEMENT

An "agreement for purchase of power" shall be signed by any new customer prior to service under the rate. Should the provisions of the expansion rate contained on Sheets No. 41-41G apply, additional language incorporating those provisions will be added to the agreement.

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105

TERMS OF PAYMENT

The above rates are net, the gross rate being five percent (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date the bill was rendered, the gross rate will apply.

DATE OF ISSUE July 31, 2009
Month / Date / Year
DATE EFFECTIVE July 17, 2009
Month / Date / Year
ISSUED BY Sanford Nivick
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00009 DATED December 12, 2008

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/17/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By [Signature]
Executive Director



FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 35A
CANCELLING PSC NO. 2
First Revised SHEET NO. 33A

CLASSIFICATION OF SERVICE
Schedule 35 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

Max. Measured KW x 90%
Power Factor (%)

The power factor shall be measured at time of maximum load.

METERING

Electrical usage will be metered at the transmission voltage supplied or at the customer's secondary voltage with a 1.0% adder to the metered KWH to account for transformer losses, as determined by Kenergy.

ADJUSTMENT CLAUSES

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

| | |
|--|---------------------|
| Renewable Resource Energy Service Rider | Sheets No. 23 - 23D |
| Fuel Adjustment Rider | Sheets No. 24 - 24A |
| Environmental Surcharge Rider | Sheets No. 25 - 25A |
| Unwind Surcredit Adjustment Rider | Sheets No. 26 - 26A |
| Rebate Adjustment Rider | Sheets No. 27 - 27A |
| Member Rate Stability Mechanism Rider | Sheets No. 28 - 28A |
| Price Curtailable Service Rider | Sheets No. 42 - 42C |
| Non-FAC Purchased Power Adjustment Rider | Sheets No. 30 - 30A |

AGREEMENT

An "agreement for purchase of power" shall be signed by any new customer prior to service under the rate. Should the provisions of the expansion rate contained on Sheets No. 41-41G apply, additional language incorporating those provisions will be added to the agreement.

TAXES AND FEES

School Taxes added if applicable.
Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105

TERMS OF PAYMENT

The above rates are net, the gross rate being five percent (5%) greater. In the event the current monthly bill is not paid within twenty (20) days from the date the bill was rendered, the gross rate will apply.

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Sanford Nivick
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 33B
CANCELLING PSC NO. 1
SHEET NO.

CLASSIFICATION OF SERVICE

Schedule 33 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

DETERMINATION OF FACILITIES CHARGE RATE

Table with columns: Line No., Item, Total. Rows include Distribution O&M Expense, Distribution Plant @ Year End, Dist. Exp. Cost Factor, Test Year A&G Acct. Expense, Test Year O&M Expense Excluding A&G, Line 5/Line 6, Dist. Expense Carrying Cost Factor (Line 3) x A&G Cost Factor (Line 7 x Line 8), Distribution Plant Depreciation Rate, Cost of Capital, Amortization Factor, General Plant Factor, General Plant @ Year End, General Plant Depreciation Rate, Not Used, Amortization Factor, General Plant Fixed Charge Rate (Line 17 + 19), General Plant Fixed Charges, Total Utility Plant, Percent of TUP - General Plant Factor (Line 22/23), SUMMARY: O&M Factor (Line 3), A&G Factor (Line 9), Depreciation Expense (Line 11), Levelized Rate of Return, General Plant Factor (Line 24), Total Annual Carrying Cost (Line 26 - 30), PSC Assessment, Adjustment Annual Carrying Cost (Line 32 x Line 35), Monthly Facilities Rate Charge.

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)

By Sanford Mouch
Executive Director

DATE OF ISSUE January 29, 2009
Month / Date / Year
DATE EFFECTIVE February 1, 2009
Month / Date / Year
ISSUED BY Sanford Mouch
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 35B
CANCELLING PSC NO. 2
Original SHEET NO. 33B

CLASSIFICATION OF SERVICE

Schedule 35 - Large Industrial Customers Served Under Special Contract
(Dedicated Delivery Points) - (Class C)

DETERMINATION OF FACILITIES CHARGE RATE

Table with columns: Line No., Item, Total. Rows include Distribution O&M Expense (Sub, Primary, Transf. & Sec.), Distribution Plant @ Year End (Sub, Primary, Transf. & Sec.) +, Dist. Exp. Cost Factor (Line1/Line2), Test Year A&G Acct. Expense, Test Year O&M Expense Excluding A&G, Line 5/Line 6, Dist. Expense Carrying Cost Factor (Line 3) x, A&G Cost Factor (Line 7 x Line 8), Distribution Plant Depreciation Rate, Cost of Capital, Amortization Factor, Replacement Cost Factor x, Capital Recovery Factor, General Plant Factor, General Plant @ Year End, General Plant Depreciation Rate, Not Used, Amortization Factor, General Plant Fixed Charge Rate, General Plant Fixed Charges, Total Utility Plant, Percent of TUP - General Plant Factor (Line 24 + 25), SUMMARY: O&M Factor, A&G Factor, Capital Recovery Factor, General Plant Factor, Total Annual Carrying Cost, PSC Assessment, Adjustment Annual Carrying Cost, Monthly Fixed Charge Rate Charge.

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Sanford Mouch
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED

T



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
Original SHEET NO. 34 - 40
 CANCELLING PSC NO. 1
 SHEET NO. _____

CLASSIFICATION OF SERVICE

FOR FUTURE USE

DATE OF ISSUE January 29, 2009
Month / Date / Year

DATE EFFECTIVE February 1, 2009
Month / Date / Year

ISSUED BY Sanford Houch
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 2/1/2009
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)
 By J. D. Brown
 Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
First Revised SHEET NO. 36 - 40
 CANCELLING PSC NO. 2
Original SHEET NO. 34 - 40

CLASSIFICATION OF SERVICE

FOR FUTURE USE

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY Sanford Houch
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 41A
CANCELLING PSC NO. 2
Original SHEET NO. 41A

CLASSIFICATION OF SERVICE

Schedule 41 - Large Industrial Customers Served Under Special Contract for All Loads
Subject to the Big Rivers Large Industrial Customer Expansion Rate

C. Adjustment Clauses:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Renewable Resource Energy Service Rider Sheets No. 23 - 23D
Fuel Adjustment Rider Sheets No. 24 - 24A
Environmental Surcharge Rider Sheets No. 25 - 25A
Unwind Surcredit Adjustment Rider Sheets No. 26 - 26A
Rebate Adjustment Rider Sheets No. 27 - 27A
Member Rate Stability Mechanism Rider Sheets No. 28 - 28A
Price Curtailable Service Rider Sheets No. 42 - 42C

School Taxes added if applicable.

Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

DATE OF ISSUE July 31, 2009
DATE EFFECTIVE July 17, 2009
ISSUED BY Sanford H. Hinkle
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00009 DATED December 12, 2008

PUBLIC SERVICE COMMISSION OF KENTUCKY
EFFECTIVE 7/17/2009
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
By [Signature] Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Second Revised SHEET NO. 41A
CANCELLING PSC NO. 2
First Revised SHEET NO. 41A

CLASSIFICATION OF SERVICE

Schedule 41 - Large Industrial Customers Served Under Special Contract for All Loads
Subject to the Big Rivers Large Industrial Customer Expansion Rate

C. Adjustment Clauses:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- Renewable Resource Energy Service Rider Sheets No. 23 - 23D
Fuel Adjustment Rider Sheets No. 24 - 24A
Environmental Surcharge Rider Sheets No. 25 - 25A
Unwind Surcredit Adjustment Rider Sheets No. 26 - 26A
Rebate Adjustment Rider Sheets No. 27 - 27A
Member Rate Stability Mechanism Rider Sheets No. 28 - 28A
Non-FAC Purchased Power Adjustment Rider Sheets No. 30 - 30A
Price Curtailable Service Rider Sheets No. 42 - 42C

School Taxes added if applicable.

Kentucky Sales Taxes added if applicable.

FRANCHISE CHARGE

The rate herein provided shall include, where applicable, an additional charge for local government franchise payment determined in accordance with the Franchise Billing Plan as set forth on Sheet No. 105.

DATE OF ISSUE March 1, 2011
DATE EFFECTIVE April 1, 2011
ISSUED BY Sanford H. Hinkle
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised 2 SHEET NO. 43
CANCELLING PSC NO. 2
Original 2 SHEET NO. 43



FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Second Revised 2 SHEET NO. 43
CANCELLING PSC NO. 2
First Revised 2 SHEET NO. 43

CLASSIFICATION OF SERVICE
Schedule 43 - Small Power Production or Cogeneration (100 KW or Less)
(Customer Sells Power to Kenergy)

CLASSIFICATION OF SERVICE
Schedule 43 - Small Power Production or Cogeneration (100 KW or Less)
(Customer Sells Power to Kenergy)

AVAILABLE

Available only to qualifying small power production or cogeneration facilities, 100 KW or below, which have executed an "Agreement for Purchase of Electric Energy" with Kenergy.

RATE SCHEDULE

Base payment of \$.0204 per KWH, plus

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- | | |
|---|---------------------|
| Fuel Adjustment Rider | Sheets No. 24 - 24A |
| Environmental Surcharge Rider | Sheets No. 25 - 25A |
| Unwind Surcredit Adjustment Rider | Sheets No. 26 - 26A |
| Rebate Adjustment Rider | Sheets No. 27 - 27A |
| Member Rate Stability Mechanism Rider | Sheets No. 28 - 28A |
| Rural Economic Reserve Adjustment Rider | Sheet No. 29 |

AVAILABLE

Available only to qualifying small power production or cogeneration facilities, 100 KW or below, which have executed an "Agreement for Purchase of Electric Energy" with Kenergy.

RATE SCHEDULE

D Base payment of \$0.019524 per KWH, plus

ADJUSTMENT CLAUSES:

The bill amount computed at the charges specified above shall be increased or decreased in accordance with the following:

- | | |
|--|---------------------|
| Fuel Adjustment Rider | Sheets No. 24 - 24A |
| Environmental Surcharge Rider | Sheets No. 25 - 25A |
| Unwind Surcredit Adjustment Rider | Sheets No. 26 - 26A |
| Rebate Adjustment Rider | Sheets No. 27 - 27A |
| Member Rate Stability Mechanism Rider | Sheets No. 28 - 28A |
| Rural Economic Reserve Adjustment Rider | Sheet No. 29 |
| Non-FAC Purchased Power Adjustment Rider | Sheets No. 30 - 30A |

DATE OF ISSUE July 31, 2009
Month / Date / Year
DATE EFFECTIVE July 17, 2009
Month / Date / Year
ISSUED BY Sanford March
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00009 DATED December 12, 2008

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/17/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By [Signature]
Executive Director

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Sanford March
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 45F
CANCELLING PSC NO. 2
Original SHEET NO. 45F

CLASSIFICATION OF SERVICE
Schedule 45 - Small Power and Cogeneration (Over 100 KW)
(Customer Buys Power from Kenergy)

T The charges for On-peak Maintenance Service shall be the greater of:

- (1) \$1.835 per KW of Scheduled Maintenance Demand per week, plus \$0.0204 per KWH of Maintenance Energy; or
- (2) 110% of the price at the time of scheduling of a block of energy obtainable by Big Rivers in the futures market which is sufficient to meet the Member Cooperative's scheduled Maintenance Service requirements.

The charges for Off-peak Maintenance Service shall be:
\$1.835 per KW of Scheduled Maintenance Demand per week.

According to schedule C.4.d. (2) per KWH of maintenance energy shall be the amount of energy purchased by the Member Cooperative for the QF Member in each hour during Scheduled Maintenance Service up to but not exceeding the Scheduled Maintenance Demand in each hour.

(4) Excess Demand:

Excess Demand is the amount in any hour by which the actual demand, less any Maintenance Demand, exceeds the previously established Maximum Unscheduled Capacity. Charges for Excess Demand shall be in addition to the charges for Supplementary Service and shall be either:

- (i) One hundred-ten percent (110%) of Big Rivers' actual cost, including transmission service, to import energy from a Third Party supplier to supply the Excess Demand of the Member Cooperative for the QF Member; or
- (ii) If it is not necessary for Big Rivers to import energy from a Third Party Supplier, charges for Excess Demand shall be the greater of: a) \$7.37 per KW times the highest Excess Demand recorded during the month; or b) 110% of the highest price received by Big Rivers during an Off-System Sales

DATE OF ISSUE July 31, 2009
Month / Date / Year
DATE EFFECTIVE July 17, 2009
Month / Date / Year
ISSUED BY Stanford Nurch
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00009 DATED December 12, 2008

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
7/17/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By [Signature]
Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Second Revised SHEET NO. 45F
CANCELLING PSC NO. 2
First Revised SHEET NO. 45F

CLASSIFICATION OF SERVICE
Schedule 45 - Small Power and Cogeneration (Over 100 KW)
(Customer Buys Power from Kenergy)

The charges for On-peak Maintenance Service shall be the greater of:

- I (1) \$2.351 per KW of Scheduled Maintenance Demand per week, plus
R \$0.0195240 per KWH of Maintenance Energy; or
- (2) 110% of the price at the time of scheduling of a block of energy obtainable by Big Rivers in the futures market which is sufficient to meet the Member Cooperative's scheduled Maintenance Service requirements.

The charges for Off-peak Maintenance Service shall be:
I \$2.351 per KW of Scheduled Maintenance Demand per week.

According to schedule C.4.d. (2) per KWH of maintenance energy shall be the amount of energy purchased by the Member Cooperative for the QF Member in each hour during Scheduled Maintenance Service up to but not exceeding the Scheduled Maintenance Demand in each hour.

(4) Excess Demand:

Excess Demand is the amount in any hour by which the actual demand, less any Maintenance Demand, exceeds the previously established Maximum Unscheduled Capacity. Charges for Excess Demand shall be in addition to the charges for Supplementary Service and shall be either:

- I (i) One hundred-ten percent (110%) of Big Rivers' actual cost, including transmission service, to import energy from a Third Party supplier to supply the Excess Demand of the Member Cooperative for the QF Member; or
- (ii) If it is not necessary for Big Rivers to import energy from a Third Party Supplier, charges for Excess Demand shall be the greater of: a) \$10.1890 per KW times the highest Excess Demand recorded during the month; or b) 110% of the highest price received by Big Rivers during an Off-System Sales

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY [Signature]
(Signature of Officer)
TITLE Vice President - Finance
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
 Original SHEET NO. 76
 CANCELLING PSC NO. 1
 SHEET NO. _____



FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
 First Revised SHEET NO. 76
 CANCELLING PSC NO. 2
 Original SHEET NO. 76

CLASSIFICATION OF SERVICE
 Schedule 76 – Cable Television Attachment Tariff

CLASSIFICATION OF SERVICE
 Schedule 76 – Cable Television Attachment Tariff

APPLICABLE

To entire territory served by Kenergy and on poles owned and used by Kenergy for its electric plant.

AVAILABLE

To all qualified CATV operators having the right to receive service.

RENTAL CHARGE

The annual rental charges shall be as follows:

| | | |
|---|------------------------------------|---------|
| I | Two-Party Pole Attachment | \$ 5.24 |
| ↓ | Three-Party Pole Attachment | \$ 4.12 |
| | Two-Party Anchor Attachment..... | \$10.25 |
| ↓ | Three-Party Anchor Attachment..... | \$ 6.83 |

BILLING

Rental charges shall be billed annually, in succeeding year, based on the total number of pole attachments and anchors in place as of end of the preceding calendar year, and shall be due and payable on or before the date specified thereon. The rental charges are net, the gross being five percent (5%) greater. Failure to pay when due shall require the issuance of a notice of intent to discontinue service. Failure of the CATV operator to receive a bill or a correctly calculated bill shall not relieve the CATV operator of its obligation to pay for the service it has received.

SPECIFICATIONS

- A. The attachment to poles covered by this tariff shall at all times conform to the requirements of the National Electrical Safety Code, current edition, and subsequent revisions thereof, except where the lawful requirements of public authorities may be more stringent, in which case the latter will govern.
- B. The strength of poles covered by this agreement shall meet the design requirements specified by the National Electrical Safety Code.

DATE OF ISSUE January 29, 2009
 Month / Date / Year
 DATE EFFECTIVE February 1, 2009
 Month / Date / Year
 ISSUED BY [Signature]
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 2/1/2009
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)
 By [Signature]
 Executive Director

APPLICABLE

To entire territory served by Kenergy and on poles owned and used by Kenergy for its electric plant.

AVAILABLE

To all qualified CATV operators having the right to receive service.

RENTAL CHARGE

The annual rental charges shall be as follows:

| | | |
|---|------------------------------------|---------|
| I | Two-Party Pole Attachment | \$ 6.30 |
| ↓ | Three-Party Pole Attachment | \$ 4.89 |
| | Two-Party Anchor Attachment..... | \$13.30 |
| ↓ | Three-Party Anchor Attachment..... | \$ 8.86 |

BILLING

Rental charges shall be billed annually, in succeeding year, based on the total number of pole attachments and anchors in place as of end of the preceding calendar year, and shall be due and payable on or before the date specified thereon. The rental charges are net, the gross being five percent (5%) greater. Failure to pay when due shall require the issuance of a notice of intent to discontinue service. Failure of the CATV operator to receive a bill or a correctly calculated bill shall not relieve the CATV operator of its obligation to pay for the service it has received.

SPECIFICATIONS

- A. The attachment to poles covered by this tariff shall at all times conform to the requirements of the National Electrical Safety Code, current edition, and subsequent revisions thereof, except where the lawful requirements of public authorities may be more stringent, in which case the latter will govern.
- B. The strength of poles covered by this agreement shall meet the design requirements specified by the National Electrical Safety Code.

DATE OF ISSUE March 1, 2011
 Month / Date / Year
 DATE EFFECTIVE April 1, 2011
 Month / Date / Year
 ISSUED BY [Signature]
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 76E
CANCELLING PSC NO. 1
SHEET NO.



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 76E
CANCELLING PSC NO. 2
Original SHEET NO. 76E

CLASSIFICATION OF SERVICE
Schedule 76 - Cable Television Attachment Tariff

ABANDONMENT

A. Should Kenergy at any time decide to abandon any facilities which CATV operator is utilizing, Kenergy shall, as soon as possible, give the CATV operator written notice to that effect, but not less than thirty (30) days prior to the date it intends to abandon such pole.

B. The CATV operator may at any time abandon the use of the attached facilities by giving due notice thereof in writing to Kenergy and by removing therefrom any and all attachments it may have thereon.

C. A CATV operator shall not assign, transfer, sublease or resell the rights of attachment hereby granted to it, or the right to use the facilities so attached to Kenergy's poles, without prior consent in writing of Kenergy.

RIGHTS OF OTHERS

A. Upon notice from Kenergy to the CATV operator that the use of any facilities is forbidden by municipal or other public authorities or by property owners, the permit governing the use of such facilities shall immediately terminate and the CATV operator shall remove its facilities from Kenergy's affected facilities at once.

PAYMENT OF TAXES

Each party shall pay all taxes and assessments lawfully levied on its own property upon said attached facilities, but any tax, fee, or charge levied on Kenergy's facilities solely because of their use by the CATV operator shall be paid by the CATV operator.

DATE OF ISSUE January 29, 2009
DATE EFFECTIVE February 1, 2009
ISSUED BY [Signature]
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By [Signature]
Executive Director

CLASSIFICATION OF SERVICE
Schedule 76 - Cable Television Attachment Tariff

ABANDONMENT

A. Should Kenergy at any time decide to abandon any facilities which CATV operator is utilizing, Kenergy shall, as soon as possible, give the CATV operator written or electronic notice to that effect, but not less than thirty (30) days prior to the date it intends to abandon such pole.

B. The CATV operator may at any time abandon the use of the attached facilities by giving due notice thereof in writing to Kenergy and by removing therefrom any and all attachments it may have thereon.

C. A CATV operator shall not assign, transfer, sublease or resell the rights of attachment hereby granted to it, or the right to use the facilities so attached to Kenergy's poles, without prior consent in writing of Kenergy.

RIGHTS OF OTHERS

A. Upon notice from Kenergy to the CATV operator that the use of any facilities is forbidden by municipal or other public authorities or by property owners, the permit governing the use of such facilities shall immediately terminate and the CATV operator shall remove its facilities from Kenergy's affected facilities at once.

PAYMENT OF TAXES

Each party shall pay all taxes and assessments lawfully levied on its own property upon said attached facilities, but any tax, fee, or charge levied on Kenergy's facilities solely because of their use by the CATV operator shall be paid by the CATV operator.

DATE OF ISSUE March 1, 2011
DATE EFFECTIVE April 1, 2011
ISSUED BY [Signature]
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City

PSC NO. 2

Original SHEET NO. 76 (Exh. A)
(Page 1 of 3)

CANCELLING PSC NO. 1

SHEET NO. _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City

PSC NO. 2

First Revised SHEET NO. 76 (Exh. A)
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CANCELLING PSC NO. 2

Original SHEET NO. 76 (Exh. A)
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CLASSIFICATION OF SERVICE
Schedule 76 – Cable Television Attachment Tariff

CLASSIFICATION OF SERVICE
Schedule 76 – Cable Television Attachment Tariff

CALCULATION OF ANNUAL POLE ATTACHMENT CHARGE

- Annual Attachment Charge – Two-Party Pole

$$\text{Annual Charge} = [\text{weighted avg. cost} \times .85 - n/a] \times \text{annual carrying charge} \times .1224$$

$$\text{Annual Charge} = \$359.64 \times .85 \times 14.01\% \times .1224$$

$$\text{Annual Charge} = \$5.24$$
 - Annual Attachment Charge – Three-Party Pole

$$\text{Annual Charge} = [\text{weighted avg. cost} \times .85 - n/a] \times \text{annual carrying charge} \times .0759$$

$$\text{Annual Fixed} = \$455.33 \times .85 \times 14.01\% \times .0759$$

$$\text{Annual Charge} = \$4.12$$
- 1 Weighted Average Cost for Poles Determined as follows:
- 35'-40' Poles = installed plant cost at 12/31/07 of \$25,722,873 ÷ 71,524 poles; or an average cost of \$359.64 per pole
 - 40'-45' Poles = installed plant cost at 12/31/07 of \$22,827,781 ÷ 50,135 poles; or an average cost of \$455.33 per pole.
- 2 Reduction factor for lesser appurtenances included in pole accounts per Page 8 of PSC Order in Case No. 251.
 - 3 Ground wire cost is not included in pole cost records, therefore, subject reduction is not applicable.
 - 4 See Sheet 76, Exhibit A, page 3 of 3.
 - 5 Usable space factor per Page 13 of PSC Order in Case No. 251.

CALCULATION OF ANNUAL POLE ATTACHMENT CHARGE

- Annual Attachment Charge – Two-Party Pole

$$\text{Annual Charge} = [\text{weighted avg. cost} \times .85 - n/a] \times \text{annual carrying charge} \times .1224$$

$$\text{Annual Charge} = \$395.09 \times .85 \times 15.32\% \times .1224$$

$$\text{Annual Charge} = \$6.30$$
 - Annual Attachment Charge – Three-Party Pole

$$\text{Annual Charge} = [\text{weighted avg. cost} \times .85 - n/a] \times \text{annual carrying charge} \times .0759$$

$$\text{Annual Fixed} = \$494.25 \times .85 \times 15.32\% \times .0759$$

$$\text{Annual Charge} = \$4.89$$
- 1 Weighted Average Cost for Poles Determined as follows:
- 35'-40' Poles = installed plant cost at 6/30/10 of \$28,432,367 ÷ 71,965 poles; or an average cost of \$395.09 per pole
 - 40'-45' Poles = installed plant cost at 6/30/10 of \$25,562,776 ÷ 51,720 poles; or an average cost of \$494.25 per pole.
- 2 Reduction factor for lesser appurtenances included in pole accounts per Page 8 of PSC Order in Case No. 251.
 - 3 Ground wire cost is not included in pole cost records, therefore, subject reduction is not applicable.
 - 4 See Sheet 76, Exhibit A, page 3 of 3.
 - 5 Usable space factor per Page 13 of PSC Order in Case No. 251.

DATE OF ISSUE January 29, 2009
Month / Date / Year

DATE EFFECTIVE February 1, 2009
Month / Date / Year

ISSUED BY Sanford Brick
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/1/2009
PURSUANT TO 807 KAR 5.011
SECTION 9 (1)

By [Signature]
Executive Director

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY Sanford Brick
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
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 SHEET NO. _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
 First Revised _____ SHEET NO. 76 (Exh. A)
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Original SHEET NO. 76 (Exh. A)
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CLASSIFICATION OF SERVICE
 Schedule 76 – Cable Television Attachment Tariff

CALCULATION OF ANNUAL ANCHOR ATTACHMENT CHARGE

1. Annual Attachment Charge – Two-Party Anchor

$$\text{Annual Charge} = \frac{\text{weighted average cost} \times \text{annual carrying charge}}{2}$$

$$\text{Annual Charge} = \frac{\$146.28 \times 14.01\%}{2}$$

$$\text{Annual Charge} = \$10.25$$

2. Annual Attachment Charge – Three-Party Anchor

$$\text{Annual Charge} = \frac{\text{weighted average cost} \times \text{annual carrying charge}}{3}$$

$$\text{Annual Charge} = \frac{\$146.28 \times 14.01\%}{3}$$

$$\text{Annual Charge} = \$6.83$$

1 Weighted Average Cost for Anchors Determined as follows:

Installed plant cost of all anchors \$14,797,194 ÷ 101,155 anchors; or an average cost of \$146.28 per anchor as of 12/31/07.

2 See Sheet 76, Exhibit A, page 3 of 3.

DATE OF ISSUE January 29, 2009
 Month / Date / Year
 DATE EFFECTIVE February 1, 2009
 Month / Date / Year
 ISSUED BY Samford Norick
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 2/1/2009
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)
 By [Signature]
 Executive Director

CLASSIFICATION OF SERVICE
 Schedule 76 – Cable Television Attachment Tariff

CALCULATION OF ANNUAL ANCHOR ATTACHMENT CHARGE

i. Annual Attachment Charge – Two-Party Anchor

$$\text{Annual Charge} = \frac{\text{weighted average cost} \times \text{annual carrying charge}}{2}$$

$$\text{Annual Charge} = \frac{\$173.57 \times 15.32\%}{2}$$

$$\text{Annual Charge} = \$13.30$$

2. Annual Attachment Charge – Three-Party Anchor

$$\text{Annual Charge} = \frac{\text{weighted average cost} \times \text{annual carrying charge}}{3}$$

$$\text{Annual Charge} = \frac{\$173.57 \times 15.32\%}{3}$$

$$\text{Annual Charge} = \$8.86$$

1 Weighted Average Cost for Anchors Determined as follows:

Installed plant cost of all anchors \$17,793,230 ÷ 102,513 anchors; or an average cost of \$173.57 per anchor as of 6/30/10.

2 See Sheet 76, Exhibit A, page 3 of 3.

DATE OF ISSUE March 1, 2011
 Month / Date / Year
 DATE EFFECTIVE April 1, 2011
 Month / Date / Year
 ISSUED BY Samford Norick
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 76 (Exh. A)
(Page 3 of 3)
CANCELLING PSC NO. 1
SHEET NO. _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 76 (Exh. A)
(Page 3 of 3)
CANCELLING PSC NO. 2
Original SHEET NO. 76 (Exh. A)
(Page 3 of 3)

CLASSIFICATION OF SERVICE
Schedule 76 - Cable Television Attachment Tariff

PSC ADMINISTRATIVE CASE NO. 251

| | Percent | Proforma Margins | Proforma Interest |
|--|--|---|-------------------|
| 1. Cost of Money: | | | |
| Rate of Return as per Case No. 2006-00369 | 5.34% | (3,841,456 + 5,111,996) | |
| Times Net-to-Gross Ratio | .76* | \$167,687,892 | = 5.34% |
| Adjusted Rate of Return | 4.06% | Net Investment Rate Base | |
| 2. Operations and Maintenance Expense Per 2007 Income Statement: | | | |
| | | $\frac{\$12,044,556}{\$224,786,800} \times 100 =$ | 5.36% |
| 3. Depreciation Expense: | | | |
| | | $\frac{\$7,415,079}{\$224,786,800} \times 100 =$ | 3.30% |
| 4. General Administrative Expense: | | | |
| | | $\frac{\$2,903,160}{\$224,786,800} \times 100 =$ | 1.29% |
| Annual Carrying Charges | 14.01% | | |
| * Net Plant Investment | $\frac{\$171,467,259}{\$224,786,800} = 76\%$ | | |
| Gross Plant Investment | \$224,786,800 (December 31, 2007) | | |

CLASSIFICATION OF SERVICE
Schedule 76 - Cable Television Attachment Tariff

PSC ADMINISTRATIVE CASE NO. 251

| | Percent | Proforma Margins | Proforma Interest |
|--|--|---|-------------------|
| 1. Cost of Money: | | | |
| Rate of Return as per Case No. 2008-00323 | 6.92% | (6,043,729 + 6,043,729) | |
| Times Net-to-Gross Ratio | .73* | \$174,605,310 | = 6.92% |
| Adjusted Rate of Return | 5.05% | Net Investment Rate Base | |
| 2. Proforma Operations and Maintenance Expense per Exhibit 5, Page 1, Lines 23 & 24, Col. h: | | | |
| | | $\frac{\$13,162,562}{\$244,223,858} \times 100 =$ | 5.39% |
| 3. Proforma Depreciation Expense per Exhibit 5, Page 1, Line 29, Col. h: | | | |
| | | $\frac{\$8,874,587}{\$244,223,858} \times 100 =$ | 3.63% |
| 4. Proforma General Administrative Expense per Exhibit 5, Page 1, Line 28, Col. h: | | | |
| | | $\frac{\$3,060,642}{\$244,223,858} \times 100 =$ | 1.25% |
| Annual Carrying Charges | 15.32% | | |
| * Net Plant Investment | $\frac{\$178,613,465}{\$244,223,858} = 73\%$ | | |
| Gross Plant Investment | \$244,223,858 (June 30, 2010) | | |

DATE OF ISSUE January 29, 2009
Month / Date / Year
DATE EFFECTIVE February 1, 2009
Month / Date / Year
ISSUED BY Stanford Novick
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By [Signature]
Executive Director

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Stanford Novick
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
Original SHEET NO. 137
 CANCELLING PSC NO. 1
 SHEET NO. _____

RULES AND REGULATIONS

Schedule 137 – Distribution Line Extensions to Mobile Homes

- (1) All extensions of up to 300 feet from the nearest facility shall be made without charge.
- (2) For extensions greater than 300 feet and less than 1,000 feet from the nearest facility, the utility may charge an advance equal to the reasonable costs incurred by it for that portion of the service beyond 300 feet. Beyond 1,000 feet, the extension policies set forth in 807 KAR 5:041, Section 11 shall apply.
 - (a) This advance shall be refunded to the customer over a four (4) year period in equal amounts for each year the service is continued.
 - (b) If the service is discontinued for a period of sixty (60) days, or should the mobile home be removed and another does not take its place within sixty (60) days, or be replaced by a permanent structure, the remainder of the advance shall be forfeited.
 - (c) No refunds shall be made to any customer who did not make the advance originally, or has not been subsequently approved by Kenergy Corp. to receive a refund.



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
First Revised SHEET NO. 137
 CANCELLING PSC NO. 2
Original SHEET NO. 137

RULES AND REGULATIONS

Schedule 137 – Distribution Line Extensions to Mobile Homes

- T (1) All extensions of up to 300 feet from the nearest facility shall be made without charge, excluding service drop to customer premise from the distribution line at the last pole.
- T (2) For extensions greater than 300 feet and less than 1,000 feet from the nearest facility, excluding service drop, the utility may charge an advance equal to the reasonable costs incurred by it for that portion of the service beyond 300 feet. Beyond 1,000 feet, the extension policies set forth in 807 KAR 5:041, Section 11 shall apply.
 - (a) This advance shall be refunded to the customer over a four (4) year period in equal amounts for each year the service is continued.
 - (b) If the service is discontinued for a period of sixty (60) days, or should the mobile home be removed and another does not take its place within sixty (60) days, or be replaced by a permanent structure, the remainder of the advance shall be forfeited.
 - (c) No refunds shall be made to any customer who did not make the advance originally, or has not been subsequently approved by Kenergy Corp. to receive a refund.

DATE OF ISSUE January 29, 2009
 Month / Date / Year
 DATE EFFECTIVE February 1, 2009
 Month / Date / Year
 ISSUED BY Sanford Brick
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 2/1/2009
 PURSUANT TO 807 KAR 5:011
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 By [Signature]
 Executive Director

DATE OF ISSUE March 1, 2011
 Month / Date / Year
 DATE EFFECTIVE April 1, 2011
 Month / Date / Year
 ISSUED BY Sanford Brick
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 138
CANCELLING PSC NO. 1
SHEET NO. _____

RULES AND REGULATIONS

Schedule 138 – Temporary, Seasonal or Services of Questionable Tenure

Temporary, seasonal or services of questionable tenure shall be construed to mean a party or establishment whose need for electric service, both as to amount and permanency, cannot be reasonably assured and same shall include, but not limited to, oil and coal facilities, farming operations, lakes, and summer cottages, recreational areas, campsites and construction sites, etc. A customer requesting such service will be required to pay an advance contribution in aid of construction equal to the cost of construction and removal of the facilities, excluding service drop, transformer(s) and metering. Based upon Kenergy's determination of the minimum annual KWH usage required to amortize the cost of such facilities over a ten-year period, customer's advance contribution will be refunded annually over a ten-year period, in ten equal amounts, for each year service is continued. The annual refund amount shall, however, be reduced to the extent that customer may fail to satisfy its designated minimum annual KWH usage. Should said service be discontinued for a period of 60 consecutive days, consumer shall forfeit any then remaining contribution which may be subject to refund.

Transformers and meters will be furnished by Kenergy except where requirements may be contrary to standard voltages, and in which case the transformer cost will be considered as materials as referred to above. Kenergy shall retain ownership of these facilities and provide necessary maintenance thereof.

A service charge of \$30.00 shall be applicable to any disconnecting or reconnecting of seasonal and temporary services.

When more than one customer requests service from the same distribution extension at the same time, a mutual agreement of shared cost between the customers may be approved by Kenergy. Costs incurred for the construction of temporary services in which all or a part of the facilities will be used for permanent service will then be based on the type of permanent service ultimately connected.

Special situations may arise for a special type of service, and in which case the service will be negotiated on an individual basis as to voltage, contribution, contract, etc.



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 138
CANCELLING PSC NO. 2
Original SHEET NO. 138

RULES AND REGULATIONS

Schedule 138 – Temporary, Seasonal or Services of Questionable Tenure

Temporary, seasonal or services of questionable tenure shall be construed to mean a party or establishment whose need for electric service, both as to amount and permanency, cannot be reasonably assured and same shall include, but not limited to, oil and coal facilities, farming operations, lakes, and summer cottages, recreational areas, campsites and construction sites, etc. A customer requesting such service will be required to pay an advance contribution in aid of construction equal to the cost of construction, excluding service drop, transformer(s) and metering. Based upon Kenergy's determination of the minimum annual KWH usage required to amortize the cost of such facilities over a ten-year period, customer's advance contribution will be refunded annually over a ten-year period, in ten equal amounts, for each year service is continued. The annual refund amount shall, however, be reduced to the extent that customer may fail to satisfy its designated minimum annual KWH usage. Should said service be discontinued for a period of 60 consecutive days, consumer shall forfeit any then remaining contribution which may be subject to refund.

Transformers and meters will be furnished by Kenergy except where requirements may be contrary to standard voltages, and in which case the transformer cost will be considered as materials as referred to above. Kenergy shall retain ownership of these facilities and provide necessary maintenance thereof.

A service charge of \$32.00 shall be applicable to any disconnecting or reconnecting of seasonal and temporary services.

When more than one customer requests service from the same distribution extension at the same time, a mutual agreement of shared cost between the customers may be approved by Kenergy. Costs incurred for the construction of temporary services in which all or a part of the facilities will be used for permanent service will then be based on the type of permanent service ultimately connected.

Special situations may arise for a special type of service, and in which case the service will be negotiated on an individual basis as to voltage, contribution, contract, etc.

DATE OF ISSUE January 29, 2009
Month / Date / Year
DATE EFFECTIVE February 1, 2009
Month / Date / Year
ISSUED BY Sanford Novik
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/1/2009
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By [Signature]
Executive Director

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Sanford Novik
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
Original SHEET NO. 139
 CANCELLING PSC NO. 1
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RULES AND REGULATIONS
Schedule 139 – Extensions to Permanent Underground Service

Kenergy will extend underground electric distribution systems for all new customers and subdivisions in accordance with Kentucky Public Service Commission Regulation 807 KAR 5:041, Section 21, and the following conditions:

- (a) **Right of Way and Easements** – Applicants shall furnish suitable right of way and easements for Kenergy’s underground facilities within a reasonable time to meet service requirements. Applicants shall perform such services as necessary to facilitate construction and accessibility by Kenergy to the area, including approximation of final grade.

Land Rights – Suitable land rights shall be granted to Kenergy, obligating the applicant and any subsequent property owners to provide continuing access to Kenergy for the operation, maintenance and/or replacement of its facilities, and to prevent any encroachments upon Kenergy’s easement or any substantial change in grade or elevation.

- (b) **Contractual Agreements** – Individual contractual agreements may be required with respect to individual service applications, including but not limited to subdivisions, commercial or business services, or unusual cases.

- (c) **Customer Responsibility** – Customer shall install trench and conduit as per Kenergy specifications for all services as well as any needed primary distribution system extensions. In the event customer is unable to provide such installation and Kenergy agrees to perform or have performed same on customer’s behalf, applicants shall pay a non-refundable “cost differential charge” equal to the cost differential of Kenergy’s cost of underground versus the cost of overhead as per Section (d) of this Schedule 139.

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D

DATE OF ISSUE January 29, 2009
 Month / Date / Year
 DATE EFFECTIVE February 1, 2009
 Month / Date / Year
 ISSUED BY Stanford Noick
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 2/1/2009
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)
 By [Signature]
 Executive Director



FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
First Revised SHEET NO. 139
 CANCELLING PSC NO. 2
Original SHEET NO. 139

RULES AND REGULATIONS
Schedule 139 – Extensions to Permanent Underground Service

Kenergy will extend underground electric distribution systems for all new customers and subdivisions in accordance with Kentucky Public Service Commission Regulation 807 KAR 5:041, Section 21, and the following conditions:

- (a) **Right of Way and Easements** – Applicants shall furnish suitable right of way and easements for Kenergy’s underground facilities within a reasonable time to meet service requirements. Applicants shall perform such services as necessary to facilitate construction and accessibility by Kenergy to the area, including approximation of final grade.

Land Rights – Land rights granted to Kenergy as part of a service application process obligates the applicant and any subsequent property owners to provide continuing access to Kenergy suitable for the operation, maintenance and/or replacement of its facilities, and to prevent any encroachments upon Kenergy’s easement or any substantial change in grade or elevation.

- (b) **Contractual Agreements** – Individual contractual agreements may be required with respect to individual service applications, including but not limited to subdivisions, commercial or business services, or unusual cases.

(c) **Customer Responsibility** – Customer shall install trench and conduit as per Kenergy specifications for all services as well as any needed primary distribution system extensions. In the event customer is unable to provide such installation and Kenergy agrees to perform or have performed same on customer’s behalf, applicants shall pay a non-refundable “cost differential charge” equal to the cost differential of Kenergy’s cost of underground with trenching versus Kenergy’s cost of underground without trenching as per Section (d) of this Schedule 139.

DATE OF ISSUE March 1, 2011
 Month / Date / Year
 DATE EFFECTIVE April 1, 2011
 Month / Date / Year
 ISSUED BY Stanford Noick
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
Original SHEET NO. 139A
 CANCELLING PSC NO. 1
 SHEET NO. _____

RULES AND REGULATIONS

Schedule 139 – Extensions to Permanent Underground Service

(d) Underground Vs. Overhead Cost Differential

The following cost estimates are prepared from the unit cost information filed with the Kentucky Public Service Commission annually and are available for review upon request:

Underground Cost Per Foot..... \$14.92
 Overhead Cost Per Foot..... \$11.38
 Differential (underground minus overhead)Cost Per Foot..... \$ 3.54
 Differential (customer installed trench and conduit)Cost Per Foot.. None

If substantial rock is encountered and Kenergy has agreed to install the trench and conduit, customer will reimburse Kenergy for any additional costs.

For installations that Kenergy determines underground service is the most economically feasible method of providing service to the applicant, any cost differential charge that would have resulted from Kenergy performing work normally done by the customer will be waived.



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
First Revised SHEET NO. 139A
 CANCELLING PSC NO. 2
Original SHEET NO. 139A

RULES AND REGULATIONS

Schedule 139 – Extensions to Permanent Underground Service

(d) Underground Vs. Overhead Cost Differential

The following cost estimates are prepared from the unit cost information filed with the Kentucky Public Service Commission annually and are available for review upon request:

Underground Cost Per Foot..... \$12.37
 Overhead Cost Per Foot..... \$13.28
 Differential (customer installed trench and conduit) Cost Per Foot.....None

Differential, trenching by contractor
(\$8/ft. for trench, plus conduit at actual Kenergy cost)

Differential, trenching by Kenergy
(\$12/ft. for trench, plus conduit at actual Kenergy cost)

If substantial rock is encountered and Kenergy has agreed to install the trench and conduit, customer will reimburse Kenergy for any additional costs.

DATE OF ISSUE January 29, 2009
Month / Date / Year

DATE EFFECTIVE February 1, 2009
Month / Date / Year

ISSUED BY Sanford Norick
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 2/1/2009
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)

By J. D. Brown
Executive Director

DATE OF ISSUE March 1, 2011
Month / Date / Year

DATE EFFECTIVE April 1, 2011
Month / Date / Year

ISSUED BY Sanford Norick
(Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
Original SHEET NO. 152
 CANCELLING PSC NO. 1
 SHEET NO. _____

RULES AND REGULATIONS
Schedule 152 – Meter Readings

T&N (a) Meters shall be easily accessible for reading, testing and making necessary adjustments and repairs and shall be located at the site designated by Kenergy Corp. personnel. Meters with demand devices shall be read monthly by Kenergy personnel. Unless otherwise agreed to by Kenergy, all other meters shall be read by the customer and readings supplied by the customer on the form provided. Such reading shall accompany customer's monthly payment and shall serve as the basis of the subsequent month's billing. Kenergy will read each customer-read meter at least once during each calendar year.

(b) Kenergy reserves the right to charge a customer a fee of \$30.00 for each trip required to read a meter when the customer has failed to correctly read the meter for three (3) consecutive billing periods and which fee shall appear on customer's subsequent monthly billing.

(c) Registration of each meter shall read in the same units as used for billing unless a conversion factor is shown on the billing form.



FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
First Revised SHEET NO. 152
 CANCELLING PSC NO. 2
Original SHEET NO. 152

RULES AND REGULATIONS
Schedule 152 – Meter Readings

(a) Meters shall be easily accessible for reading, testing and making necessary adjustments and repairs and shall be located at the site designated by Kenergy Corp. personnel. Meters with demand devices shall be read monthly by Kenergy personnel. Unless otherwise agreed to by Kenergy, all other meters shall be read by the customer and readings supplied by the customer on the form provided. Such reading shall accompany customer's monthly payment and shall serve as the basis of the subsequent month's billing. Kenergy will read each customer-read meter at least once during each calendar year.

I (b) Kenergy reserves the right to charge a customer a fee of \$32.00 for each trip required to read
 T a meter when the customer has failed to correctly read the meter for six (6) consecutive billing periods and which fee shall appear on customer's subsequent monthly billing.

(c) Registration of each meter shall read in the same units as used for billing unless a conversion factor is shown on the billing form.

DATE OF ISSUE January 29, 2009
 Month / Date / Year
 DATE EFFECTIVE February 11, 2009
 Month / Date / Year
 ISSUED BY Sanford Nowick
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 2/1/2009
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)
 By [Signature]
 Executive Director

DATE OF ISSUE March 1, 2011
 Month / Date / Year
 DATE EFFECTIVE April 1, 2011
 Month / Date / Year
 ISSUED BY Sanford Nowick
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 153
CANCELLING PSC NO. 1
SHEET NO. _____

RULES AND REGULATIONS
Schedule 153 – Meter Tests

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All new meters shall be checked for accuracy before installation. Kenergy will, at its own expense, make periodic tests and inspections of its meters in order to maintain a high standard of accuracy and to conform with the regulations of the Kentucky Public Service Commission. Kenergy will make additional test of meters at the request of the member upon payment of a \$45.00 fee if the meter has been tested within the past eight years. If the meter has not been tested within the past eight years, there will be no charge for the meter test. When the test is made at the customer's request and it shows the meter is accurate, within 2% slow or fast, no adjustment will be made to the customer's bill and the fee paid will be forfeited to help cover cost of the requested test. When the test shows the meter to be in excess of 2% slow or fast, appropriate adjustments will be made to the customer's bill. Refunds will be made in accordance with the Kentucky Public Service Commission General Rules 807 KAR 5:006 Section 10(2). If the test shows the meter to be more than 2% fast the \$45.00 fee paid by the customer shall be refunded.

FAILURE OF METER TO REGISTER OR METER TEST RESULTS ARE FAST OR SLOW

T&N

In the event a customer's meter should fail to register, the customer shall be billed from the date of such failure in accordance with 807 KAR 5:006, Section 10(2). If test results on a customer's meter show an average error greater than two percent (2%) fast or slow, or if a customer has been incorrectly billed for any other reason, except in an instance where Kenergy has filed a verified complaint with the appropriate law enforcement agency alleging fraud or theft by a customer, Kenergy shall immediately determine the period during which the error has existed, and shall recompute and adjust the customer's bill to either provide a refund to the customer or collect an additional amount of revenue from the under billed customer. Kenergy shall readjust the account based upon the period during which the error is known to have existed. If the period during which the error existed cannot be determined with reasonable precision, the time period shall be estimated using such data as elapsed time since the last meter test, if applicable, and historical usage data for the customer. If that data is not available, the average usage of similar customer loads shall be used for comparison purposes in calculating the time period. If the customer and Kenergy are unable to agree on an estimate of the time period during which the error existed, the Kentucky Public Service Commission shall determine the issue. In all instances of customer over billing, the member's account shall be credited or the over billed amount refunded at the discretion of the customer within thirty (30) days after final meter test results. Kenergy shall not require customer repayment of any under billing to be made over a period shorter than a period coextensive with the under billing.

DATE OF ISSUE January 29, 2009
Month / Date / Year
DATE EFFECTIVE February 1, 2009
Month / Date / Year
ISSUED BY Samford Hauck
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By J. D. Brown
Executive Director



FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 153
CANCELLING PSC NO. 2
Original SHEET NO. 153

RULES AND REGULATIONS
Schedule 153 – Meter Tests

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I

All new meters shall be checked for accuracy before installation. Kenergy will, at its own expense, make periodic tests and inspections of its meters in order to maintain a high standard of accuracy and to conform with the regulations of the Kentucky Public Service Commission. Kenergy will make additional test of meters at the request of the member upon payment of a \$50.00 fee. When the test is made at the customer's request and it shows the meter is accurate, within 2% slow or fast, no adjustment will be made to the customer's bill and the fee paid will be forfeited to help cover cost of the requested test. When the test shows the meter to be in excess of 2% slow or fast, appropriate adjustments will be made to the customer's bill. Refunds will be made in accordance with the Kentucky Public Service Commission General Rules 807 KAR 5:006 Section 10(2). If the test shows the meter to be more than 2% fast the \$50.00 fee paid by the customer shall be refunded.

FAILURE OF METER TO REGISTER OR METER TEST RESULTS ARE FAST OR SLOW

In the event a customer's meter should fail to register, the customer shall be billed from the date of such failure in accordance with 807 KAR 5:006, Section 10(2). If test results on a customer's meter show an average error greater than two percent (2%) fast or slow, or if a customer has been incorrectly billed for any other reason, except in an instance where Kenergy has filed a verified complaint with the appropriate law enforcement agency alleging fraud or theft by a customer, Kenergy shall immediately determine the period during which the error has existed, and shall recompute and adjust the customer's bill to either provide a refund to the customer or collect an additional amount of revenue from the under billed customer. Kenergy shall readjust the account based upon the period during which the error is known to have existed. If the period during which the error existed cannot be determined with reasonable precision, the time period shall be estimated using such data as elapsed time since the last meter test, if applicable, and historical usage data for the customer. If that data is not available, the average usage of similar customer loads shall be used for comparison purposes in calculating the time period. If the customer and Kenergy are unable to agree on an estimate of the time period during which the error existed, the Kentucky Public Service Commission shall determine the issue. In all instances of customer over billing, the member's account shall be credited or the over billed amount refunded at the discretion of the customer within thirty (30) days after final meter test results. Kenergy shall not require customer repayment of any under billing to be made over a period shorter than a period coextensive with the under billing.

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Samford Hauck
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
Original SHEET NO. 162A
 CANCELLING PSC NO. 1
 SHEET NO. _____

RULES AND REGULATIONS

Schedule 162 - Deposits
 (Excluding Three-Phase Over 1,000 KW & Special Contracts)

T

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Residential deposits will be retained for a period not to exceed twelve (12) months, provided the customer has met satisfactory payment and credit criteria. Non-residential deposits will be maintained as long as the customer remains on service.

If a deposit is held longer than eighteen (18) months, the deposit will be recalculated at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, Kenergy may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculations.

DEPOSIT AMOUNT

I

Residential customers, as defined under Sheet No. 1, will pay a deposit in the amount of \$190.00, which is calculated in accordance with 807 KAR 5:006, Section 7(1)(b).

Non-residential and three-phase customers' under 1,000 KW deposits shall be based upon actual usage of the customer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the load information provided by customer. The deposit amount shall not exceed 2/12ths of the customer's actual or estimated annual bill where bills are rendered monthly.



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
First Revised SHEET NO. 162A
 CANCELLING PSC NO. 2
Original SHEET NO. 162A

RULES AND REGULATIONS

Schedule 162 - Deposits
 (Excluding Three-Phase Over 1,000 KW & Special Contracts)

Residential deposits will be retained for a period not to exceed twelve (12) months, provided the customer has met satisfactory payment and credit criteria. Non-residential deposits will be maintained as long as the customer remains on service.

If a deposit is held longer than eighteen (18) months, the deposit will be recalculated at the customer's request based on the customer's actual usage. If the deposit on account differs from the recalculated amount by more than \$10.00 for a residential customer or 10 percent for a non-residential customer, Kenergy may collect any underpayment and shall refund any overpayment by check or credit to the customer's bill. No refund will be made if the customer's bill is delinquent at the time of the recalculations.

DEPOSIT AMOUNT

I

Residential customers, as defined under Sheet No. 1, will pay a deposit in the amount of \$217.00, which is calculated in accordance with 807 KAR 5:006, Section 7(1)(b).

Non-residential and three-phase customers' under 1,000 KW deposits shall be based upon actual usage of the customer at the same or similar premises for the most recent 12-month period, if such information is available. If usage information is not available, the deposit will be based on the load information provided by customer. The deposit amount shall not exceed 2/12ths of the customer's actual or estimated annual bill where bills are rendered monthly.

DATE OF ISSUE January 29, 2009
 Month / Date / Year
 DATE EFFECTIVE February 1, 2009
 Month / Date / Year
 ISSUED BY Sanford Hirsch
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
 OF KENTUCKY
 EFFECTIVE
 2/1/2009
 PURSUANT TO 807 KAR 5:011
 SECTION 9 (1)
 By J. D. Green
 Executive Director

DATE OF ISSUE March 1, 2011
 Month / Date / Year
 DATE EFFECTIVE April 1, 2011
 Month / Date / Year
 ISSUED BY Sanford Hirsch
 (Signature of Officer)
 TITLE President and CEO
 BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
 First Revised SHEET NO. 164
 CANCELLING PSC NO. 2
 Original SHEET NO. 164

RULES AND REGULATIONS
Monthly Billing Format



5402 Old Corydon Rd. - P.O. Box 18
 Henderson, Kentucky 42418-0018

IMPORTANT INFORMATION
 Protect your home from damaging surges for less than 17 cents per day. For information, call 1-800-844-6022, 818-3891 or 818-1411, or visit our website at www.kenergy.com today.
IMPORTANT OUTAGE INFORMATION
 Kenergy uses your phone number to identify your home in the event of an outage. Please review your home phone number in the account information box to the right. If your phone number or other information is incorrect, please check out at bottom of bill and make changes on back of bill.

| DATE DUE | AMOUNT DUE |
|--------------------|------------|
| 06/18/09 | 98.81 |
| DUE AFTER 06/23/09 | 103.81 |

ACCOUNT INFORMATION
 Account Number:
 Customer Name:
 Home Phone:
 Work Phone:
 E-mail Address:

Visit our web site: www.kenergy.com

| Previous Thirteen Month's Usage | |
|---------------------------------|-----------------------------------|
| 3248 | Average Daily Use (kWh) 29 |
| 3343 | Average Monthly Use (kWh) 847 |
| 1782 | Days in Current Billing Period 29 |
| 481 | Last 13 months time (hours) 1448 |

| ACCOUNT SUMMARY | |
|------------------------------|-----------|
| Previous Balance | 137.02 |
| Payment - Thank You 05/08/09 | 137.02 CR |
| Electric | 85.82 |
| Taxes & Fees | 2.98 |
| Amount Due | 98.81 |

| METER INFORMATION | |
|------------------------|------------|
| METER NUMBER 1711328 | |
| CURRENT READING 38228 | DATE 05/07 |
| PREVIOUS READING 37972 | DATE 04/10 |
| MULT 1 | |
| KWH USAGE 1,236 | |

| SUMMARY OF CHARGES | | CHARGE |
|-----------------------------------|---|---------|
| Balance After Payment | | 00.00 |
| ELECTRIC | | |
| Rate Type: RESIDENTIAL | | |
| Customer Charge | 1,236(KWH) @ .0623279 | 10.30 |
| KWH Charge | 1,236(KWH) @ .0623279 | 78.28 |
| Light Charge | 700(KWH) 001-7000 Lumen-173W Mercury Vapor Yard Light | 7.16 |
| Power Supply Adjustment Factors | | |
| Fuel Adjustment | 1326 (KWH) @ .019666000 = \$ | 26.10 |
| Developmental Surcharges | 1326 (KWH) @ .000514000 = \$ | .68 |
| Unwind Surcharges Adjustment | 1326 (KWH) @ -.004194000 = \$ | -5.56CR |
| Release Adjustment | 1326 (KWH) @ -.002362000 = \$ | -3.13CR |
| Member Rate Stability Mechanism | 1326 (KWH) @ -.002244000 = \$ | -2.94CR |
| Rural Economic Reserve Adjustment | 1326 (KWH) @ -.012500000 = \$ | 17.00CR |
| Subtotal | | 0.01CR |
| Total Electric Charge | | 95.52 |
| TAXES & FEES | | |
| Rate Increase for 3% School Tax | | 2.88 |
| Total Taxes & Fees | | 2.88 |



5402 Old Corydon Rd. - P.O. Box 18
 Henderson, Kentucky 42418-0018

| Meter Number | Account Number |
|-------------------|-----------------------------|
| 1711328 | 000003828 |
| Previous Balance: | 0.00 |
| Payment Due: | 06/19/09 Amount Due: 98.81 |
| Delinquent After: | 06/23/09 Amount Due: 103.81 |

I am voluntarily donating \$ _____ to my payment for Winter Care.

KENERGY CORP
 P.O. Box 99
 Henderson, KY 42418-0099

PUBLIC SERVICE COMMISSION OF KENTUCKY
 EFFECTIVE 7/17/2009
 PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
 By *W. D. Brown*
 Executive Director

DATE OF ISSUE July 31, 2009
 Month / Date / Year

DATE EFFECTIVE July 17, 2009
 Month / Date / Year

ISSUED BY *Sanford Hinkle*
 (Signature of Officer)

TITLE President & CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2008-00009 DATED December 12, 2008



Henderson, Kentucky

FOR ALL TERRITORY SERVED
 Community, Town or City
 PSC NO. 2
 Second Revised SHEET NO. 164
 CANCELLING PSC NO. 2
 First Revised SHEET NO. 164

Monthly Billing Format

21844000 1 0 155 6888 000039080



5402 Old Corydon Rd. - P.O. Box 18
 Henderson, Kentucky 42418-0018

| DATE DUE | AMOUNT DUE |
|--------------------|------------|
| 06/18/11 | 118.84 |
| DUE AFTER 06/23/11 | 124.40 |

IMPORTANT INFORMATION
 Kenergy Corp. is among the first utilities in the state to offer a new communications technology that allows co-op members to view real-time information about usage online. On the Kenergy Web site at www.kenergy.com, members can access an outage map by clicking on the Outage Information Map button on the home page. The outage map updates every 15 minutes, providing the most up-to-date information possible. If you have questions about this new technology, please contact Kenergy Energy Services at 800-844-6022, extension 6102.

ACCOUNT INFORMATION
 Account Number:
 Customer Name:
 Home Phone:
 Work Phone:
 E-mail Address:

Visit our web site: www.kenergy.com

| Previous Thirteen Month's Usage | |
|---------------------------------|-----------------------------------|
| 3248 | Average Daily Use (kWh) 29 |
| 3343 | Average Monthly Use (kWh) 847 |
| 1782 | Days in Current Billing Period 29 |
| 481 | Last 13 months time (hours) 1448 |

| ACCOUNT SUMMARY | |
|------------------------------|-----------|
| Previous Balance | 128.58 |
| Payment - Thank You 05/01/11 | 128.58 CR |
| Electric | 115.19 |
| Taxes & Fees | 3.46 |
| Amount Due | 118.84 |

| METER INFORMATION | |
|-----------------------|------------|
| METER NUMBER 1711328 | |
| CURRENT READING 4828 | DATE 05/08 |
| PREVIOUS READING 3547 | DATE 04/07 |
| MULT 1 | |
| KWH USAGE 1,281 | |

| SUMMARY OF CHARGES | | CHARGE |
|--|------------------------------|---------|
| Balance After Payment | | 0.00 |
| ELECTRIC | | |
| Customer Charge | 1,281(KWH) @ .0679900 | 87.08 |
| Light Charge 481(kwh) 1-9500 Lumen-100W High Pressure Sodium | | 7.43 |
| Power Supply Adjustment Factors | | |
| Fuel Adjustment | 1281(KWH) @ .019666000 = \$ | 25.22 |
| Developmental Surcharges | 1281(KWH) @ .000514000 = \$ | .66 |
| Unwind Surcharges Adjustment | 1281(KWH) @ -.004194000 = \$ | -5.37CR |
| Release Adjustment | 1281(KWH) @ -.002362000 = \$ | -3.02CR |
| Member Rate Stability Mechanism | 1281(KWH) @ -.002244000 = \$ | -2.87CR |
| Rural Econ. Reserve Adjustment | 1281(KWH) @ -.012500000 = \$ | 16.02CR |
| Subtotal | | 0.01CR |
| Total Electric Charge | | 115.19 |
| TAXES & FEES | | |
| Rate Increase for 3% School Tax | | 3.46 |
| Total Taxes & Fees | | 3.46 |

PLEASE RETURN EXPIRED BILLS UNPAID TO: PLEASE RETURN LOST OR STOLEN METER TO: 800-844-6022

| Meter Number | Account Number |
|------------------------|-----------------------------|
| 1711328 | 000003828 |
| Previous Balance: | 0.00 |
| Payment Due: | 06/19/11 Amount Due: 118.84 |
| Delinquent After: | 06/23/11 Amount Due: 124.40 |
| Current Meter Reading: | |
| Date Read: | |



5402 Old Corydon Rd. - P.O. Box 18
 Henderson, Kentucky 42418-0018

| Meter Number | Account Number |
|------------------------|-----------------------------|
| 1711328 | 000003828 |
| Previous Balance: | 0.00 |
| Payment Due: | 06/19/11 Amount Due: 118.84 |
| Delinquent After: | 06/23/11 Amount Due: 124.40 |
| Current Meter Reading: | |
| Date Read: | |

I am voluntarily donating \$ _____ to my payment for Winter Care.

KENERGY CORP
 P.O. Box 73
 Henderson, KY 42418-0073

DATE OF ISSUE March 1, 2011
 Month / Date / Year

DATE EFFECTIVE April 1, 2011
 Month / Date / Year

ISSUED BY *Sanford Hinkle*
 (Signature of Officer)

TITLE President and CEO

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
 IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 180A
CANCELLING PSC NO. 1
SHEET NO.

RULES AND REGULATIONS

Schedule 180 - Capacity and Energy Emergency Plan

APPENDIX "A"

ESSENTIAL HEALTH AND SAFETY USES

Essential health and safety uses given special consideration in these procedures shall, insofar as the situation permits, include the following types of use and such other uses that the Kentucky Public Service Commission may subsequently identify:

- a. "Hospitals", and other institutions such as nursing homes that provide medical care to patients.
b. "Life Support Equipment", which shall be limited to kidney machines, respirators, and similar equipment used to sustain the life of a person.
c. "Police Stations and Government Detention Institutions", which shall be limited to essential uses required for police activities and the operation of facilities used for the detention of persons.
d. "Fire Stations", which shall be limited to facilities housing mobile fire-fighting apparatus.
e. "Communications Services", which shall be limited to essential uses required for the supply of water to a community, flood pumping and sewage disposal.
g. "Transportation and Defense-Related Services", which shall be limited to essential uses required for the operation, guidance control and navigation of air transit systems, including those uses essential to the national defense and operation of state and local emergency services.

Although these types of uses will be given special consideration when implementing the manual load-shedding provisions of this section, these customers are encouraged to install emergency generation equipment if continuity of service is essential.

DATE OF ISSUE January 29, 2009
DATE EFFECTIVE February 1, 2009
ISSUED BY [Signature]
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION OF KENTUCKY
EFFECTIVE 2/1/2009
PURSUANT TO 807 KAR 5:011 SECTION 9 (1)
By [Signature] Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 180A
CANCELLING PSC NO. 2
Original SHEET NO. 180A

RULES AND REGULATIONS

Schedule 180 - Capacity and Energy Emergency Plan

APPENDIX "A"

ESSENTIAL HEALTH AND SAFETY USES

Essential health and safety uses given special consideration in these procedures shall, insofar as the situation permits, include the following types of use and such other uses that the Kentucky Public Service Commission may subsequently identify:

- a. "Hospitals", and other institutions such as nursing homes that provide medical care to patients and facilities that provide life support equipment.
b. "Police Stations and Government Detention Institutions", which shall be limited to essential uses required for police activities and the operation of facilities used for the detention of persons.
c. "Fire Stations", which shall be limited to facilities housing mobile fire-fighting apparatus.
d. "Communications Services", which shall be limited to essential uses required for the supply of water to a community, flood pumping and sewage disposal.
e. "Transportation and Defense-Related Services", which shall be limited to essential uses required for the operation, guidance control and navigation of air transit systems, including those uses essential to the national defense and operation of state and local emergency services.

Although these types of uses will be given special consideration when implementing the manual load-shedding provisions of this section, these customers are encouraged to install emergency generation equipment if continuity of service is essential.

DATE OF ISSUE March 1, 2011
DATE EFFECTIVE April 1, 2011
ISSUED BY [Signature]
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED



FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 180D
CANCELLING PSC NO. 1
SHEET NO. _____

RULES AND REGULATIONS

Schedule 180 – Capacity and Energy/Emergency Plan

APPENDIX "D"
VOLTAGE REDUCTION PROCEDURE

Objective:

To reduce demand on Kenergy's system over the period during which an electric energy shortage is anticipated by utilizing SCADA equipment to reduce the system voltage by up to 4.5 volts at the substation voltage regulators.

Criteria:

This procedure is implemented when requested by BREC Dispatch Center.

Procedure:

Kenergy will immediately, through its Dispatch Center personnel, utilize SCADA equipment to reduce voltage set points on substation regulators while also considering the requirement to maintain minimum voltage requirements as prescribed by the Kentucky Public Service Commission.



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 180D
CANCELLING PSC NO. 2
Original SHEET NO. 180D

RULES AND REGULATIONS

Schedule 180 – Capacity and Energy/Emergency Plan

APPENDIX "D"
VOLTAGE REDUCTION PROCEDURE

Objective:

To reduce demand on Kenergy's system over the period during which an electric energy shortage is anticipated by utilizing SCADA equipment to reduce the system voltage by up to 4.5 volts at the substation voltage regulators.

Criteria:

T This procedure is implemented when requested by BREC Energy Control Center.

Procedure:

T Kenergy will immediately, through its System Control Center personnel or the manager of Planning & Design, utilize SCADA equipment to reduce voltage set points on substation regulators while also considering the requirement to maintain minimum voltage requirements as prescribed by the Kentucky Public Service Commission.

DATE OF ISSUE January 29, 2009
Month / Date / Year
DATE EFFECTIVE February 11, 2009
Month / Date / Year
ISSUED BY Stanford Novick
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By J. D. Green
Executive Director

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY Stanford Novick
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED _____



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
Original SHEET NO. 180F
CANCELLING PSC NO. 1
SHEET NO.

RULES AND REGULATIONS

Schedule 180 - Capacity and Energy Emergency Plan

APPENDIX "F"

MANDATORY LOAD CURTAILMENT PROCEDURE

Objective:

To reduce demand on Kenergy's system over the period during which an electric energy shortage is anticipated by interrupting firm consumer load as requested by BREC Energy Control Center.

Criteria:

This procedure is implemented when requested by BREC.

Procedures:

Kenergy will immediately utilize Dispatch Center Personnel and SCADA equipment to interrupt service to customer loads to achieve the reduction requested by BREC. Reduction may be achieved by interrupting services through the use of rotating outages to various substation feeder circuits. Kenergy shall advise customers of the nature of the mandatory load curtailment procedures as soon as practical through the use of radio and television announcements and/or direct contact.

DATE OF ISSUE January 29, 2009
Month / Date / Year
DATE EFFECTIVE February 1, 2009
Month / Date / Year
ISSUED BY [Signature]
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2008-00323 DATED January 29, 2009

PUBLIC SERVICE COMMISSION
OF KENTUCKY
EFFECTIVE
2/1/2009
PURSUANT TO 807 KAR 5:011
SECTION 9 (1)
By [Signature]
Executive Director



Henderson, Kentucky

FOR ALL TERRITORY SERVED
Community, Town or City
PSC NO. 2
First Revised SHEET NO. 180F
CANCELLING PSC NO. 2
Original SHEET NO. 180F

RULES AND REGULATIONS

Schedule 180 - Capacity and Energy Emergency Plan

APPENDIX "F"

MANDATORY LOAD CURTAILMENT PROCEDURE

Objective:

To reduce demand on Kenergy's system over the period during which an electric energy shortage is anticipated by interrupting firm consumer load as requested by BREC Energy Control Center.

Criteria:

This procedure is implemented when requested by BREC.

Procedures:

Kenergy will immediately utilize System Control Center personnel or the manager of Planning & Design and SCADA equipment to interrupt service to customer loads to achieve the reduction requested by BREC. Reduction may be achieved by interrupting services through the use of rotating outages to various substation feeder circuits. Kenergy shall advise customers of the nature of the mandatory load curtailment procedures as soon as practical through the use of radio and television announcements and/or direct contact.

DATE OF ISSUE March 1, 2011
Month / Date / Year
DATE EFFECTIVE April 1, 2011
Month / Date / Year
ISSUED BY [Signature]
(Signature of Officer)
TITLE President and CEO
BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. 2011-00035 DATED

PUBLIC NOTICE
CASE NO. 2011-00035

THE APPLICATION OF KENERGY CORP.
FOR AN ADJUSTMENT IN EXISTING RATES

Kenergy Corp., 6402 Old Corydon Road, Henderson, KY 42420, filed an application for an adjustment in existing rates with the Kentucky Public Service Commission in Case No. 2011-00035. The proposed changes are designed to flow-through to Kenergy's customers the wholesale power expense increase of \$23,464,713, which will result from the rate increase Big Rivers Electric Corporation proposes in Case No. 2011-00036 and to produce revenues to cover the \$2,000,614 increase in Kenergy's other costs. The rates contained in this notice, which are the rates contained in the application, are rates proposed by Kenergy Corp.; however, the Kentucky Public Service Commission may order rates to be charged that differ from the rates contained therein.

The present and proposed rates are as follows:

| | <u>Present Rate Schedule</u> | | <u>Proposed Rate Schedule</u> | | | |
|---|------------------------------|------------|-------------------------------|----|------------|-----------|
| Residential Service (Single & Three-Phase): | | | | | | |
| Customer Charge per Delivery Point | \$ | 10.50 | per month | \$ | 13.00 | per month |
| Energy Charge per KWH | | \$0.062327 | | | \$0.067780 | |
| All Non-Residential Single Phase: | | | | | | |
| Customer Charge per Delivery Point | \$ | 16.00 | per month | \$ | 17.00 | per month |
| Energy Charge per KWH | | \$0.060740 | | | \$0.066900 | |
| Three-Phase Demand | | | | | | |
| Non-Dedicated Delivery Points (0 - 1,000 KW): | | | | | | |
| Customer Charge per Delivery Point | \$ | 30.00 | per month | \$ | 35.00 | per month |
| Demand Charge: | | | | | | |
| KW During Month | \$ | 4.05 | | \$ | 4.50 | |
| Energy Charge: | | | | | | |
| First 200 KWH per KW, per KWH | \$ | 0.0532 | | \$ | 0.05747 | |
| Next 200 KWH per KW, per KWH | \$ | 0.0380 | | \$ | 0.04157 | |
| All Over 400 KWH per KW, per KWH | \$ | 0.0330 | | \$ | 0.03557 | |
| Three-Phase Demand | | | | | | |
| Non-Dedicated Delivery Points (1,001 KW & Over): | | | | | | |
| Option A - High Load Factor (above 50%) | | | | | | |
| Customer Charge per Delivery Point | \$ | 575.00 | per month | \$ | 750.00 | per month |
| Demand Charge: | | | | | | |
| All KW During Month | \$ | 8.65 | | \$ | 9.50 | |
| Energy Charge: | | | | | | |
| First 200 KWH per KW, per KWH | \$ | 0.0275 | | \$ | 0.0299 | |
| Next 200 KWH per KW, per KWH | \$ | 0.0250 | | \$ | 0.0266 | |
| All Over 400 KWH per KW, per KWH | \$ | 0.0230 | | \$ | 0.0246 | |
| Option B - Low Load Factor (below 50%) | | | | | | |
| Customer Charge per Delivery Point | \$ | 575.00 | per month | \$ | 750.00 | per month |
| Demand Charge: | | | | | | |
| All KW During Month | \$ | 4.80 | | \$ | 5.35 | |
| Energy Charge: | | | | | | |
| First 150 KWH per KW, per KWH | \$ | 0.0420 | | \$ | 0.0456 | |
| Over 150 KWH per KW, per KWH | \$ | 0.0360 | | \$ | 0.0386 | |

Present Rate Schedule

Proposed Rate Schedule

Private Outdoor Lighting (per month)

Standard (served overhead)

Not Available for New Installations after April 1, 2011 - Existing Fixture will be Replaced with the Nearest

Equivalent Lumen Fixture upon Failure:

| | | | | |
|--------------------------------|----|------|----|-------|
| 7000 LUMEN-175W-MERCURY VAPOR | \$ | 7.16 | \$ | 7.87 |
| 12000 LUMEN-250W-MERCURY VAPOR | \$ | 8.45 | \$ | 9.27 |
| 20000 LUMEN-400W-MERCURY VAPOR | \$ | 9.98 | \$ | 10.91 |

Available for New Installations after April 1, 2011:

| | | | | |
|---|----|-------|----|-------|
| 9500 LUMEN-100W-High Pressure Sodium(HPS) | \$ | 6.95 | \$ | 7.65 |
| 27000 LUMEN-250W- HPS | \$ | 9.98 | \$ | 10.96 |
| 61000 LUMEN-400W-HPS-FLOOD LGT | \$ | 11.39 | \$ | 12.47 |
| 9000 LUMEN-100W METAL HALIDE(MH) | \$ | 6.53 | \$ | 7.19 |
| 24000 LUMEN-400W MH | \$ | 13.45 | \$ | 14.75 |
| 20000 LUMEN-200W-HPS | \$ | 9.69 | \$ | 10.66 |

Commercial and Industrial Lighting

Available for New Installations after April 1, 2011:

Flood Lighting Fixture

| | | | | |
|----------------------------------|----|-------|----|-------|
| 10000 LUMEN HPS-250W-FLOOD LGT | \$ | 8.99 | \$ | 9.86 |
| 61000 LUMEN-400W-HPS-FLOOD LGT | \$ | 11.39 | \$ | 12.47 |
| 140000 LUMEN-1000W-HPS-FLOOD LGT | \$ | 26.17 | \$ | 28.64 |
| 19500 LUMEN-250W-MH-FLOOD LGT | \$ | 8.69 | \$ | 9.53 |
| 32000 LUMEN-400W-MH-FLOOD LGT | \$ | 11.36 | \$ | 12.44 |
| 107000 LUMEN-1000W-MH-FLOOD LGT | \$ | 26.17 | \$ | 28.64 |

Not Available for New Installations after April 1, 2011:

Contemporary (Shoebox)

| | | | | |
|--------------------------------|----|-------|----|-------|
| 28000 LUMEN-250W-HPS SHOEBOX | \$ | 10.27 | \$ | 11.29 |
| 61000 LUMEN-400W-HPS SHOEBOX | \$ | 12.75 | \$ | 13.97 |
| 107000 LUMENS-100W-MH SHOEBOX | \$ | 26.17 | \$ | 28.64 |
| 19500 LUMEN-250W-MH SHOEBOX | \$ | 9.91 | \$ | 10.88 |
| 32000 LUMENS-400W-MH SHOEBOX | \$ | 12.50 | \$ | 13.71 |
| 107000 LUMENS-1000W-MH SHOEBOX | \$ | 26.17 | \$ | 28.64 |

Not Available for New Installations after April 1, 2011:

Decorative Lighting

| | | | | |
|-----------------------------------|----|-------|----|-------|
| 9000 LUMEN MH ACORN GLOBE | \$ | 9.67 | \$ | 10.67 |
| 16600 LUMEN-175W-MH ACORN GLOBE | \$ | 11.74 | \$ | 12.94 |
| 9000 LUMEN-175W-MH ROUND GLOBE | \$ | 9.48 | \$ | 10.46 |
| 16600 LUMEN-175W-MH ROUND GLOBE | \$ | 10.84 | \$ | 11.95 |
| 10000 LUMEN-175W-MH LANTERN GLOBE | \$ | 10.96 | \$ | 12.08 |
| 20000 LUMEN - HPS ACORN GLOBE | \$ | 10.95 | \$ | 12.09 |

Present Rate Schedule

Proposed Rate Schedule

t Available for New Installations after April 1, 2011:

Pedestal Mounted Pole

| | | | | |
|------------------------------|----|-------|----|-------|
| STEEL 25 FT PEDESTAL MT POLE | \$ | 6.35 | \$ | 7.03 |
| STEEL 30 FT PEDESTAL MT POLE | \$ | 7.15 | \$ | 7.92 |
| STEEL 39 FT PEDESTAL MT POLE | \$ | 12.02 | \$ | 13.31 |

Available for New Installations after April 1, 2011:

| | | | | |
|-------------------------------|----|------|----|------|
| WOOD 30 FT DIRECT BURIAL POLE | \$ | 3.98 | \$ | 4.41 |
| ALUMINUM 28 FT DIRECT BURIAL | \$ | 8.18 | \$ | 9.06 |

Not Available for New Installations after April 1, 2011:

| | | | | |
|------------------------------|----|------|----|-------|
| FLUTED FIBERGLASS 15 FT POLE | \$ | 8.74 | \$ | 9.68 |
| FLUTED ALUMINUM 14FT POLE | \$ | 9.60 | \$ | 10.63 |

Street Lighting Service(per month)

Not available for New Installations after April 1, 2011 - Existing Fixture will be Replaced with the Nearest

Equivalent Lumen Fixture upon Failure:

| | | | | |
|--------------------------------|----|-------|----|-------|
| 7000 LUMEN-175W-MERCURY VAPOR | \$ | 7.16 | \$ | 7.87 |
| 20000 LUMEN-400W-MERCURY VAPOR | \$ | 10.02 | \$ | 10.96 |

Available for New Installations after April 1, 2011:

| | | | | |
|--------------------------------|----|-------|----|-------|
| 7500 LUMEN-100W-HPS STREET LGT | \$ | 6.95 | \$ | 7.65 |
| 10000 LUMEN-250W-HPS ST LIGHT | \$ | 10.10 | \$ | 11.10 |

Not Available for New Installations after April 1, 2011 - Existing Fixture will be Replaced with the Nearest

Equivalent Lumen Fixture upon Failure:

| | | | | |
|---------------------|----|-------|----|-------|
| 9000 LUMEN-100W MH | \$ | 6.53 | \$ | 7.19 |
| 24000 LUMEN-400W MH | \$ | 13.24 | \$ | 14.52 |

Underground Service with Non-Std. Pole

| | | | | |
|---------------------------------|----|------|----|------|
| UG NON-STD POLE-GOVT & DISTRICT | \$ | 5.12 | \$ | 5.67 |
|---------------------------------|----|------|----|------|

Overhead Service to Street Lighting Districts

| | | | | |
|------------------------------|----|------|----|------|
| OH FAC-STREET LIGHT DISTRICT | \$ | 2.13 | \$ | 2.36 |
|------------------------------|----|------|----|------|

Decorative Underground Service

Not Available for New Installations after April 1, 2011:

| | | | | |
|----------------------------------|----|-------|----|-------|
| 6300 LUMEN-DECOR-70W-HPS ACORN | \$ | 9.83 | \$ | 10.86 |
| 6300 LUMEN DECOR-70W-HPS LANTERN | \$ | 9.83 | \$ | 10.86 |
| 12600 LUMEN HPS-70W-2 DECOR FIX | \$ | 17.36 | \$ | 19.18 |

Available for New Installations after April 1, 2011:

| | | | | |
|---------------------------------------|----|-------|----|-------|
| 28000 LUMEN - HPS ACORN GL 14 FT POLE | \$ | 18.98 | \$ | 20.99 |
|---------------------------------------|----|-------|----|-------|

Special Street Lighting Districts

Not Available for New Installations after April 1, 2011:

| | | | | |
|-----------------------------|----|------|----|------|
| RASKETT STREET LIGHTING | \$ | 2.49 | \$ | 2.73 |
| ADOW HILL STREET LIGHTING | \$ | 2.25 | \$ | 2.47 |
| SPOTTSVILLE STREET LIGHTING | \$ | 2.83 | \$ | 3.12 |

Present Rate Schedule

Proposed Rate Schedule

Renewable Resource Energy Service Rider

n-Direct Served Customers:

| | | | |
|---|------------|----|----------|
| per Kilowatt Hour Premium of | \$0.0363 | \$ | 0.037523 |
| Direct Served Customers (excluding Class A) | \$0.041285 | \$ | 0.040115 |

New Riders Proposed:

| | | | |
|---|-----|--|--------------|
| Non- Fuel Adjustment Charge Purchased Power Adjustment per KWH: | n/a | | -0.001005024 |
|---|-----|--|--------------|

Note: Rate will amortize the non-smelter regulatory account balance over two years, and similarly amortize additional amounts annually thereafter.

Special Charges:(per trip)

| | | | | |
|--|----|-------|----|-------|
| Turn on Service Charge | \$ | 30.00 | \$ | 32.00 |
| Reconnect Charge - Regular | \$ | 30.00 | \$ | 32.00 |
| Reconnect Charge - After hours | \$ | 90.00 | \$ | 95.00 |
| Terminate Service Charge | \$ | 30.00 | \$ | 32.00 |
| After Reading Charge | \$ | 30.00 | \$ | 32.00 |
| Meter Test Charge | \$ | 45.00 | \$ | 50.00 |
| Revenue - Returned Check Charge | \$ | 10.00 | \$ | 12.00 |
| Revenue- Unnecessary Trip- Regular | \$ | 30.00 | \$ | 32.00 |
| Revenue- Unnecessary Trip- After hours | \$ | 90.00 | \$ | 95.00 |

Large Industrial Customers Served Under Special Contract

Dedicated Delivery Points (Class A)

| | | | | |
|----------------------------|----|----------|----|----------|
| Base Energy Charge per KWH | \$ | 0.028198 | \$ | 0.030413 |
|----------------------------|----|----------|----|----------|

Dedicated Delivery Points (Class B)

| | | | | |
|-----------------------|----|----------|----|----------|
| Demand Charge per KW | \$ | 10.15 | \$ | 10.8975 |
| Energy Charge per KWH | | 0.013881 | | 0.015051 |

Dedicated Delivery Points (Class C)

| | | | | |
|-----------------------|----|----------|----|----------|
| Demand Charge per KW | \$ | 10.15 | \$ | 10.8975 |
| Energy Charge per KWH | | 0.016715 | | 0.017885 |

| | | | | |
|--|-------|-----------|-------|-----------|
| Utilities Charge per Assigned Dollars of | 1.30% | per month | 1.38% | per month |
| Kenenergy Investment for Facilities | | | | |

Present Rate Schedule

Proposed Rate Schedule

Small Power Production or Cogeneration (100 KW or less):

(Customer Sells Power to Kenergy)

| | | | | |
|----------------------|----|--------|----|-----------|
| Base Payment per KWH | \$ | 0.0204 | \$ | 0.0195240 |
|----------------------|----|--------|----|-----------|

Small Power Production or Cogeneration(Over 100KW):

(Customer Buys Power from Kenergy)

The Charges for On-Peak Maintenance Service shall be the greater of:

| | | | | |
|---|----|--------|----|-----------|
| (1) per KW of Scheduled Demand per Week | \$ | 1.835 | \$ | 2.351 |
| per KWH of Maintenance Energy | \$ | 0.0204 | \$ | 0.0195240 |

or

| | | |
|-----------------------|------|------|
| (2) % of Market Price | 110% | 110% |
|-----------------------|------|------|

The Charges for Off-Peak Maintenance Service shall be:

| | | | | |
|-------------------------------------|----|-------|----|-------|
| per KW of Scheduled Demand per Week | \$ | 1.835 | \$ | 2.351 |
|-------------------------------------|----|-------|----|-------|

Excess Demand:

to Import Energy from a 3rd Party:

| | | |
|-------------------------------|------|------|
| (1) % of Actual Cost Incurred | 110% | 110% |
|-------------------------------|------|------|

when Power is not Imported the Greater of:

| | | | | |
|---|----|------|----|---------|
| Charge per KW times highest Excess Demand | \$ | 7.37 | \$ | 10.1890 |
| or % of Highest Price Received for Off-System | | 110% | | 110% |

Cable Television Attachment Tariff:

| | <u>Present Rate</u> | per year | <u>Proposed Rate</u> | per year |
|-------------------------------|---------------------|----------|----------------------|----------|
| Two-Party Pole Attachment | \$ | 5.24 | \$ | 6.30 |
| Three-Party Pole Attachment | \$ | 4.12 | \$ | 4.89 |
| Two-Party Anchor Attachment | \$ | 10.25 | \$ | 13.30 |
| Three-Party Anchor Attachment | \$ | 6.83 | \$ | 8.86 |

Extensions to Permanent Underground Service

| | <u>Present Rate</u> | per year | <u>Proposed Rate</u> | Per year |
|--|---------------------|----------|----------------------|----------------------|
| Underground Cost per Foot | \$ | 14.92 | \$ | 12.37 |
| Overhead Cost per Foot | \$ | 11.38 | \$ | 13.28 |
| Differential - Customer-installed Trench & Conduit | \$ | 3.54 | | None |
| Trenching Cost if Performed by Contractor | | n/a | | \$8ft. |
| Trenching Cost if Performed by Kenergy | | n/a | | \$12ft. Plus Conduit |

| | | | | |
|-----------------------------------|----|--------|----|--------|
| Residential Deposit Amount | \$ | 190.00 | \$ | 217.00 |
|-----------------------------------|----|--------|----|--------|

Kenergy proposes changes to its present tariff schedules to reflect the foregoing proposed changes in rates, and Kenergy also proposes changes to other tariff schedules, including text and location changes. The tariff schedules being proposed by Kenergy are attached to the application in this case.

| <u>Rate Class</u> | <u>Big Rivers Flow-Through Dollars</u> | <u>Big Rivers Percent Change</u> | <u>Distribution Dollars</u> | <u>Percent Change</u> | <u>Total Dollars</u> | <u>Percent Change</u> |
|----------------------------------|--|--|---------------------------------|---------------------------|--------------------------|---------------------------|
| Residential Service | \$3,783,380 | 7.10% | \$1,522,695 | 2.87% | \$5,306,075 | 9.97% |
| All Non-Residential Single Phase | \$571,593 | 6.43% | \$231,010 | 2.59% | \$802,603 | 9.02% |
| Three-Phase (less than 1,000 KW) | \$947,592 | 7.68% | \$135,196 | 1.10% | \$1,082,789 | 8.78% |
| Three-Phase (1,001 KW & Over) | \$291,098 | 7.17% | \$59,678 | 1.47% | \$350,775 | 8.64% |
| Unmetered Lighting | \$128,925 | 8.71% | \$13,871 | 0.94% | \$142,796 | 9.65% |
| Special Charges | \$0 | 0.00% | \$16,295 | 7.22% | 16,295 | 7.22% |
| Cable Television Attachment | \$0 | 0.00% | \$11,542 | 19.77% | 11,542 | 19.77% |
| Total Non-Direct Served | \$ 5,722,589 | 7.01% | \$ 1,990,287 | 2.45% | \$ 7,712,876 | 9.46% |

| <u>Rate Class</u> | | | | | | |
|---------------------------------|---------------|-------|--------------|-------|---------------|-------|
| Direct Served Customers Class A | \$15,430,622 | 5.47% | \$0 | 0.00% | \$15,430,622 | 5.47% |
| Direct Served Customers Class B | \$1,567,925 | 6.41% | \$0 | 0.00% | \$1,567,925 | 6.41% |
| Direct Served Customers Class C | \$743,577 | 6.57% | \$10,327 | 0.09% | \$753,904 | 6.66% |
| Total All | \$ 23,464,713 | 5.87% | \$ 2,000,614 | 0.50% | \$ 25,465,327 | 6.38% |

The effect of the proposed rates on the average monthly bill by rate class is as follows:

| <u>Rate Class</u> | <u>Normalized Monthly Bill</u> | <u>Big Rivers Impact of Flow-through</u> | <u>Big Rivers Percent Change</u> | <u>Impact of Distribution</u> | <u>Percent Change</u> | <u>Proposed Monthly Bill</u> | <u>Total Dollars</u> | <u>Percent Change</u> |
|----------------------------------|------------------------------------|--|--|-----------------------------------|---------------------------|----------------------------------|--------------------------|---------------------------|
| Residential Service | \$ 98.69 | \$ 7.01 | 7.10% | \$ 2.83 | 2.87% | \$ 108.53 | \$ 9.84 | 9.97% |
| All Non-Residential Single Phase | \$ 85.23 | \$ 5.48 | 6.43% | \$ 2.21 | 2.59% | \$ 92.92 | \$ 7.69 | 9.02% |
| Three-Phase (less than 1,000 KW) | \$ 1,110.96 | \$ 85.34 | 7.68% | \$ 12.18 | 1.10% | \$ 1,208.48 | \$ 97.52 | 8.78% |
| Three-Phase (1,001 KW & Over) | \$ 26,039.08 | \$ 1,866.01 | 7.17% | \$ 382.55 | 1.47% | \$ 28,287.64 | \$ 2,248.56 | 8.64% |
| Unmetered Lighting | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Special Charges | n/a | n/a | n/a | n/a | n/a | n/a | n/a | n/a |
| Cable Television Attachment | \$ 973.13 | \$ - | 0.00% | \$ 192.37 | 19.77% | \$ 1,165.49 | \$ 192.37 | 19.77% |
| Direct Served Customers Class A | \$11,755,723.13 | \$ 642,942.57 | 5.47% | \$ - | 0.00% | \$12,398,665.70 | \$642,942.57 | 5.47% |
| Direct Served Customers Class B | \$ 679,709.69 | \$ 43,553.48 | 6.41% | \$ - | 0.00% | \$ 723,263.17 | \$ 43,553.48 | 6.41% |
| Direct Served Customers Class C | \$ 62,917.50 | \$ 4,130.98 | 6.57% | \$ 57.37 | 0.09% | \$ 67,105.85 | \$ 4,188.35 | 6.66% |

Any corporation, association, body politic, or person may request leave to intervene by motion within 30 days after notice of the proposed rate changes is given. The motion shall be submitted to the Public Service Commission, 211 Sower Boulevard, P. O. Box 615, Frankfort, Kentucky 40602 and shall set forth the grounds for the request including the status and interest of the party. Interveners may obtain copies of the application and testimony by contacting Kenergy Corp., 6402 Old Corydon Road, Henderson, KY 42420, or by calling (800) 844-4832.

A copy of the application and any other filing is available for public inspection at Kenergy's office at the above stated address or one of its branch offices at 315 Hawes Boulevard, Hawesville, KY 42348; 1441 U.S. Highway 231 North, Hartford, KY 42347; 1000 J Brown Badgett Loop, Hanson, KY 42413; 703 South Main Street, Marion, KY 42064; or 3111 Fairview Drive, Owensboro, KY 42303.

By: Sanford Novick, President and CEO

Kenergy Corp.
Adjusted Income Statement
2011 Rate Application

| Line No. | (a) Item | (b) Test Year ending 6/30/2010 | (c) Normalize Revenues & Power Costs | (d) Adjusted | (e) Flow-Through Power cost increase | (f) Adjusted | (g) Proforma Revenues & Expenses | (h) Adjusted |
|----------|--|---|---|-----------------|---|-----------------|---|-----------------|
| 1 | Operating Revenue: | | | | | | | |
| 2 | Non-Direct Served - Base Rate - billed | 79,023,236 | (1,413,396) | 77,609,840 | 5,826,403 | 83,436,243 | 1,962,450 | 85,398,693 |
| 3 | Non-Direct Served - Sum of factors - billed | 0 | 2,380,569 | 2,380,569 | (103,815) | 2,276,755 | | 2,276,755 |
| 4 | Direct Served(exc.smelters) - Base Rate | 31,397,412 | 251,580 | 31,648,992 | 2,392,508 | 34,041,500 | 10,327 | 34,051,828 |
| 5 | Direct Served(exc.smelters) - Other charges | 2,283,502 | 0 | 2,283,502 | | 2,283,502 | | 2,283,502 |
| 6 | Direct Served(exc.smelters) - sum of factors | 0 | 1,862,204 | 1,862,204 | (81,006) | 1,781,199 | | 1,781,199 |
| 7 | Smelters - Base rate | 201,765,773 | 1,760,653 | 203,526,426 | 16,163,032 | 219,689,458 | | 219,689,458 |
| 8 | Smelters - Other charges and credits | 73,957,660 | 4,653,270 | 78,610,930 | (732,411) | 77,878,519 | | 77,878,519 |
| 9 | Other Revenue | 1,551,405 | (29,123) | 1,522,282 | | 1,522,282 | 27,837 | 1,550,119 |
| 10 | Total Operating Revenue | 389,978,988 | 9,465,757 | 399,444,745 | 23,464,713 | 422,909,457 | 2,000,614 | 424,910,072 |
| 11 | Operating Expenses: | | | | | | | |
| 12 | Purchased Power: | | | | | | | |
| 13 | Non-Direct Served - Base Rate | 43,323,262 | (634,289) | 42,688,973 | 5,827,215 | 48,516,188 | | 48,516,188 |
| 14 | Non-Direct Served - Riders | 0 | 2,380,569 | 2,380,569 | (103,555) | 2,277,014 | 0 | 2,277,014 |
| 15 | Direct Served(exc.smelters) - Base Rate | 30,257,407 | 248,676 | 30,506,083 | 2,392,508 | 32,898,591 | | 32,898,591 |
| 16 | Direct Served(exc.smelters) - Other charges | 2,283,502 | | 2,283,502 | 0 | 2,283,502 | | 2,283,502 |
| 17 | Direct Served(exc.smelters) - sum of factors | 0 | 1,862,204 | 1,862,204 | (81,006) | 1,781,199 | | 1,781,199 |
| 18 | Smelters - Base rate | 201,388,165 | 1,755,058 | 203,143,223 | 16,163,032 | 219,306,255 | | 219,306,255 |
| 19 | Smelters - Other charges and credits | 73,957,660 | 4,653,270 | 78,610,930 | (732,411) | 77,878,519 | | 77,878,519 |
| 20 | Subtotal | 351,209,996 | 10,265,488 | 361,475,484 | 23,465,784 | 384,941,269 | 0 | 384,941,269 |
| 21 | Less Office Use | 97,815 | 5,634 | 103,449 | 13,138 | 116,587 | | 116,587 |
| 22 | Total Purchased Power | 351,112,181 | 10,259,854 | 361,372,036 | 23,452,646 | 384,824,682 | 0 | 384,824,682 |
| 23 | Distribution - Operation | 4,658,759 | 1,418 | 4,660,177 | 3,307 | 4,663,484 | (204,447) | 4,459,037 |
| 24 | Distribution - Maintenance | 9,762,807 | 207 | 9,763,014 | 483 | 9,763,497 | (1,059,972) | 8,703,525 |
| 25 | Consumer Accounts | 3,170,054 | 266 | 3,170,320 | 620 | 3,170,940 | (10,340) | 3,160,600 |
| 26 | Customer Service and Informational | 164,712 | | 164,712 | | 164,712 | 867 | 165,579 |
| 27 | Sales | 69,773 | | 69,773 | | 69,773 | (940) | 68,833 |
| 28 | Administrative and General | 3,207,643 | 2,850 | 3,210,493 | 6,645 | 3,217,138 | (156,496) | 3,060,642 |
| 29 | Depreciation | 8,124,027 | | 8,124,027 | | 8,124,027 | 750,560 | 8,874,587 |
| 30 | Tax Expense - Other | 373,801 | 43,647 | 417,448 | 18,582 | 436,030 | 3,167 | 439,197 |
| 31 | Interest on Long Term Debt | 6,193,481 | | 6,193,481 | | 6,193,481 | (132,810) | 6,060,671 |
| 32 | Interest Charged to Construction-Credit | (44,474) | | (44,474) | | (44,474) | | (44,474) |
| 33 | Interest on Customer Deposits and other | 338,843 | | 338,843 | | 338,843 | (99,771) | 239,072 |
| 34 | Other Deductions | 69,128 | | 69,128 | | 69,128 | (69,128) | 0 |
| 35 | Total O & M and Fixed | 36,088,554 | 48,388 | 36,136,942 | 29,637 | 36,166,579 | (979,310) | 35,187,269 |
| 36 | | | | | | | | |
| 37 | Total Cost of Electric Service | 387,200,736 | 10,308,242 | 397,508,978 | 23,482,283 | 420,991,261 | (979,310) | 420,011,951 |
| 38 | | | | | | | | |
| 39 | Operating Margins | 2,778,253 | (842,486) | 1,935,767 | (17,570) | 1,918,197 | 2,979,924 | 4,898,121 |
| 40 | Non-Operating Margins - Interest | 1,034,402 | | 1,034,402 | | 1,034,402 | (17,695) | 1,016,707 |
| 41 | Non-Operating Margins - Other | (128,444) | | (128,444) | | (128,444) | 117,624 | (10,820) |
| 42 | Non-Cash Capital Credits | 183,519 | | 183,519 | | 183,519 | 135 | 183,654 |
| 43 | | | | | | | | |
| 44 | Total Margins | 3,867,730 | (842,486) | 3,025,244 | (17,570) | 3,007,674 | 3,079,988 | 6,087,662 |

(a) (b) (s) (t) (u) (v) (w) (x) (y) (z)

| Line No. | Description | Page No. Exhibit 5 | Distribution Operations | Distribution Maintenance | Consumer Accounts | Customer Service | Sales | Administrative & General | Depreciation | Tax Expense Other |
|----------|---|--------------------|-------------------------|--------------------------|-------------------|------------------|---------|--------------------------|--------------|-------------------|
| 1 | Normalize Revenues - Year end level of customers & other | (1) | | | | | | | | |
| 2 | Normalize Revenues - sum of unwind factors | (1) | | | | | | | | |
| 3 | Normalize Revenues - Non-FAC PPA | (1) | | | | | | | | |
| 4 | Impact of flowing through base rate power cost increase | (1) | | | | | | | | |
| 5 | Miscellaneous Revenues Adjustment - normalization | (1) | | | | | | | | |
| 6 | Miscellaneous Revenues Adjustment - proposed rates | (1) | | | | | | | | |
| 7 | General distribution revenue increase | (1) | | | | | | | | |
| 8 | Normalize Power cost - Year end level of customers & other | (1) | | | | | | | | |
| 9 | Normalize Power Cost - sum of unwind factors | (1) | | | | | | | | |
| 10 | Impact on power cost - wholesale supplier increase | (1) | | | | | | | | |
| 11 | Impact on power cost - Non-FAC PPA | (1) | | | | | | | | |
| 12 | Adjustment to coop usage - normalization | (1) | | | | | | | | |
| 13 | Adjustment to coop usage - proposed wholesale increase | (1) | | | | | | | | |
| 14 | allocate coop usage adjustment to expense areas-normalization | (1) | \$ 1,418 | \$ 207 | \$ 266 | | | \$ 2,850 | | |
| 15 | allocate coop usage adjustment to expense areas-wholesale | (1) | \$ 3,307 | \$ 483 | \$ 620 | | | \$ 6,645 | | |
| 16 | Psc tax assessment - normalization | (1) & 16 | | | | | | | | \$43,647 |
| 17 | Psc tax assessment - proposed wholesale increase | (1) & 16 | | | | | | | | \$18,582 |
| 18 | Psc tax assessment - proposed distribution increase | (1) & 16 | | | | | | | | \$3,167 |
| 19 | Labor Adjustment | 5 | 40,082 | 59,768 | 41,026 | 2,684 | 1,073 | 37,692 | | |
| 20 | Labor Overhead Adjustment | 6 | (28,851) | (32,594) | (27,321) | (1,817) | (613) | (22,087) | | |
| 21 | Remove PSC Disallowed Expenses | 7 | (31,949) | (29,245) | (24,045) | 0 | (1,400) | (202,189) | | |
| 22 | Remove Non-Recurring Expenses | 8 | (183,729) | | | | | (86,851) | | |
| 23 | Normalize Vegetation management expenses | 9 | | (967,153) | | | | | | |
| 24 | Contract Meter testing | 10 | | (90,748) | | | | | | |
| 25 | Economic development payment from wholesale power supplier | 11 | | | | | | 83,972 | | |
| 26 | Depreciation - Distribution Plant Adjustment | 12 | | | | | | | 750,560 | |
| 27 | Interest on Long Term Debt Adjustment | 13 | | | | | | | | |
| 28 | Interest on Customer Deposits Adjustment | 14 | | | | | | | | |
| 29 | Interest on Line of Credit Adjustment | 15 | | | | | | | | |
| 30 | Adjust Test Year Rate Case Expense | 17 | | | | | | 32,967 | | |
| 31 | Non-Operating Margins - Interest Adjustment | 18 | | | | | | | | |
| 32 | Non-Operating Margins - Other Adjustment | 19 | | | | | | | | |
| 33 | Non-Cash Capital Credit Adjustment | 20 | | | | | | | | |
| 34 | TOTAL | | (199,722) | (1,059,282) | (9,454) | 867 | (940) | (147,001) | 750,560 | 65,396 |
| 35 | | | \$1,418 | \$207 | \$266 | | | \$2,850 | | \$43,647 |
| 36 | (1) See exhibit 10 | | 3,307 | 483 | 620 | | | 6,645 | | \$ 18,582 |
| 37 | | | -\$204,447 | -\$1,059,972 | -\$10,340 | | | -\$156,496 | | 3,167 |

Exhibit 5, Page 4

**KENERGY CORP.
2011 RATE APPLICATION
LABOR ADJUSTMENT**

| (a) Line No. | (b) | (c) | (d) | (e) (1) TEST YEAR | (f) | (g) | (h) | (i) | (j) (2) PROFORMA (col. f * col. i) | (k) ADJUSTMENT (col. j - col. e) |
|-----------------|---|-----|--------------------|-------------------------|---------|-------------|-----|------------------------|---|--|
| 1 | Regular Wages Paid: | | | | | | | | | |
| 2 | Full Time: | | (Col. e / Col. b) | | | | | | | |
| 3 | 311,325 hours times | | \$ 30.225318 | \$ 9,409,897 | 305,760 | hours times | (2) | \$ 31.12 | \$ 9,515,251 | \$ 105,354 |
| 4 | | | | | | | | | | |
| 5 | Part Time: | | | | | | | | | |
| 6 | 296 hours times | | \$ 22.962838 | \$ 6,797 | 296 | hours times | (3) | \$ 23.46 | \$ 6,944 | \$ 147 |
| 7 | <u>311,621</u> total regular | | | <u>\$ 9,416,694</u> | | | | | <u>\$ 9,522,195</u> | <u>\$ 105,501</u> |
| 8 | Overtime Wages: | | | | | | | | | |
| 9 | <u>22,306</u> hours times | | \$ 41.801937 | \$ 932,434 | 22,306 | hours times | (4) | \$ 43.51 | \$ 970,534 | \$ 38,100 |
| 10 | | | | | | | | | | |
| 11 | Total wages paid per earnings register (1) | | | \$ 10,349,128 | | | | | | |
| 12 | Supplemental wage payments (6) | | | \$ 27,535 | | | (6) | | - | \$ (27,535) |
| 13 | (3,615) Accrued sick leave | | | \$ (97,155) | | | (5) | | - | \$ 97,155 |
| 14 | (1,615) Net effect of accruals | | | \$ (58,821) | | | (5) | | \$ - | \$ 58,821 |
| 15 | <u>328,697</u> Total Wages - accrual basis | | | <u>\$ 10,220,687</u> | 328,362 | | | Total Wages - Proforma | <u>\$ 10,492,729</u> | <u>\$ 272,042</u> \$ 272,042 |
| 16 | | | (1) | (1) | | | | | (Col. d % times proforma) | |
| 17 | Capitalized | | 31.425438% | \$ 3,211,896 | | | | | \$ 3,297,386 | \$ 85,490 |
| 18 | Accounts Receivable | | 1.099158% | \$ 112,342 | | | | | \$ 115,332 | \$ 2,990 |
| 19 | Non-Operating | | 0.454447% | \$ 46,447 | | | | | \$ 47,684 | \$ 1,237 |
| 20 | Electric-Expensed | | 67.020957% | \$ 6,850,002 | | | | | \$ 7,032,327 | \$ 182,325 |
| 21 | | | <u>100.000000%</u> | <u>\$ 10,220,687</u> | | | | | <u>\$ 10,492,729</u> | <u>\$ 272,042</u> |
| 22 | | | | | | | | | | |
| 23 | (1) See Exhibit 5, Pages 5a, e and f for source documentation of the various test year data. | | | | | | | | | |
| 24 | (2) See Exhibit 5, Page 5f, Line 41, Column q. 147 FT proforma employees at year end times 2,080 hrs = 305,760 hrs. | | | | | | | | | |
| 25 | (3) Part time proforma hours represent test year. Rate reflects actual at 1/1/11. | | | | | | | | | |
| 26 | (4) The overtime rate of \$43.51 represents test year overtime hours of each employee times | | | | | | | | | |
| 27 | their respective hourly rate times 1.50. The overtime dollars of \$970,534 were divided by | | | | | | | | | |
| 28 | 22,306 overtime hours to arrive at \$43.51 | | | | | | | | | |
| 29 | (5) Accruals removed from test year per rate-making policy of using 2,080 hrs. per employee. | | | | | | | | | |
| 30 | (6) One time payments to the CEO plus safety, united way, retirement, and service awards. | | | | | | | | | |

To Adjustment Recap - Page 3

| | | |
|-------------------|-------------|------------------|
| 40,082 | Operations | 21.9840% |
| 59,768 | Maintenance | 32.7808% |
| 41,026 | Cust. Acct. | 22.5014% |
| 2,684 | Cust. Info. | 1.4722% |
| 1,073 | Sales | 0.5886% |
| 37,692 | A&G | 20.6730% |
| <u>\$ 182,325</u> | | <u>100.0000%</u> |

Earnings Register Summary for Rate Case Test Year 7/1/09 to 6/30/10

| (a) Line No. | (b) Earnings Register | (c) 6/21/09 | (d) 12/20/09 | (e) 6/20/10 | (f) Test Year Total | (g) Earnings Register | (h) 6/21/09 | (i) 12/20/09 | (j) 6/20/10 | (k) Test Year Total |
|--------------------|-----------------------------|----------------|-----------------|----------------|---------------------------|-----------------------------|----------------|-----------------|----------------|---------------------------------|
| 1 | PT Reg hrs | 203.50 | 246.00 | 253.00 | 295.50 (3) | PT Reg \$ | 4,588.00 | 5,565.50 | 5,819.00 | 6,796.50 (2) |
| 2 | | | | | | | | | | |
| 3 | PT OT hrs | 326.50 | 327.50 | - | 1.00 | PT OT \$ | 11,264.25 | 11,298.75 | - | 34.50 |
| 4 | PT DT hrs | 2.00 | 2.00 | - | - | PT DT \$ | 92.00 | 92.00 | - | - |
| 5 | Total PT OT/DT hrs | | | | <u>1.00</u> | Total PT OT/DT \$ | | | | <u>34.50</u> |
| 6 | | | | | | | | | | |
| 7 | | | | | | | | | | |
| 8 | FT Reg hrs | 144,308.00 | 302,048.50 | 153,584.00 | 311,324.50 (3) | FT Reg \$ | 4,481,922.66 | 9,212,575.11 | 4,679,244.69 | 9,409,897.14 (2) |
| 9 | | | | | | | | | | |
| 10 | FT OT hrs | 50,966.20 | 63,030.20 | 10,146.00 | 22,210.00 | FT OT \$ | 2,083,060.15 | 2,584,231.14 | 425,952.53 | 927,123.52 |
| 11 | FT DT hrs | 226.50 | 293.00 | 28.50 | 95.00 | FT DT \$ | 12,480.35 | 16,200.18 | 1,556.61 | 5,276.44 |
| 12 | Total FT OT/DT hrs | | | | <u>22,305.00</u> | Total FT OT/DT \$ | | | | <u>932,399.96</u> |
| 13 | | | | | | | | | | |
| 14 | | | | | | | | | | |
| 15 | Total Reg hrs | 144,511.50 | 302,294.50 | 153,837.00 | 311,620.00 | Total Reg \$ | 4,486,510.66 | 9,218,140.61 | 4,685,063.69 | 9,416,693.64 |
| 16 | | | | | | | | | | |
| 17 | Total OT hrs | 51,292.70 | 63,357.70 | 10,146.00 | 22,211.00 | Total OT \$ | 2,094,324.40 | 2,595,529.89 | 425,952.53 | 927,158.02 |
| 18 | Total DT hrs | 228.50 | 295.00 | 28.50 | 95.00 | Total DT \$ | 12,572.35 | 16,292.18 | 1,556.61 | 5,276.44 |
| 19 | Total OT/DT hrs | | | | <u>22,306.00</u> (4) | Total OT/DT \$ | | | | <u>932,434.46</u> (5) |
| 20 | | | | | | | | | | |
| 21 | Total all hours | 196,032.70 | 365,947.20 | 164,011.50 | <u><u>333,926.00</u></u> | Total all dollars | 6,593,407.41 | 11,829,962.68 | 5,112,572.83 | <u><u>10,349,128.10</u></u> (1) |

Exhibit 5, Page 5a

25 See Exhibit 5, pages 5b, c & d for source documentation.

26 (1) Total gross pay - see Exhibit 5, page 5, line 11, column e

27 (2) Total regular pay - see Exhibit 5, page 5, lines 3 & 6, column e

28 (3) Total regular hours - see Exhibit 5, page 5, lines 3 & 6, column b

29 (4) Total overtime hours - see Exhibit 5, page 5, line 9, column b

30 (5) Total overtime pay - see Exhibit 5, page 5, line 9, column e

KENERGY CORPORATION
EARNINGS REGISTER PERIOD ENDING 6/21/09

| EMPL # | NAME | REG | | OVT | | DBL | | ADJUSTED | GROSS | NET | CK # | | |
|--------|--------------------|----------|-----------|-----------|--------------------------|-----------|-----------|-------------------|-----------|------------|------------------|----------|------------|
| | | HOURS | DOLLARS | HOURS | DOLLARS | HOURS | DOLLARS | | | | | | |
| 04 | 580 | 80.0 | 1657.60 | .0 | .00 | .0 | .00 | .00 | 1657.60 | .00 | | | |
| | | 904.0 | | 190.0 | 5905.20 | .0 | .00 | .00 | 24636.08 | | | | |
| | FICA - | 106.80 | 1628.78 | | OCC TAX 5.82 | | 86.45 | CRED UN-.00 | | .00 | SURE AC-.00 | .00 | OCC TX CD- |
| | FEDERAL- | 6.00 | 678.00 | | PRE SAV- 165.76 | | 2154.88 | GD NBR - .00 | | .00 | 457B-.00 | .00 | |
| | STATE - | 56.33 | 915.85 | | PST SAV-.00 | | .00 | CAN ACC-.00 | | .00 | UN FUND- 5.00 | 65.00 | |
| | MSC DED- | .00 | .00 | | DENTAL - .00 | | .00 | LOAN - .00 | | .00 | CONTRIB-.00 | .00 | |
| | 125PREM- | 53.74 | 644.88 | | 125MED - 211.53 | | 2749.89 | DIR DEP- 1038.01 | | 15609.03 | SUP INS- 8.61 | 103.32 | |
| 09 | 227 | 80.0 | 2404.80 | 1.5 | 67.64 | .0 | .00 | .00 | 2472.44 | .00 | | | |
| | | 904.0 | | 320.5 | 14451.35 | .0 | .00 | .00 | 41570.55 | | | | |
| | FICA - | 188.05 | 3168.18 | | OCC TAX 4.53 | | 196.06 | CRED UN- 600.00 | | 7700.00 | SURE AC-.00 | .00 | OCC TX CD- |
| | FEDERAL- | 245.00 | 5731.00 | | PRE SAV- 240.48 | | 3120.74 | GD NBR - .00 | | .00 | 457B-.00 | .00 | |
| | STATE - | 114.35 | 2052.41 | | PST SAV-.00 | | .00 | CAN ACC-.00 | | .00 | UN FUND-.00 | .00 | |
| | MSC DED- | .00 | .00 | | DENTAL - .00 | | .00 | LOAN - .00 | | .00 | CONTRIB-.00 | .00 | |
| | 125PREM- | 29.61 | 355.32 | | 125MED - .00 | | .00 | DIR DEP- 1050.42 | | 19246.84 | SUP INS-.00 | .00 | |
| 14 | 333 | .0 | .00 | .0 | .00 | .0 | .00 | .00 | .00 | .00 | .00 | | |
| | | 268.0 | | .0 | .00 | .0 | .00 | .00 | 2.11 | 7259.55 | | | |
| | FICA - | .00 | 582.16 | | OCC TAX .00 | | .00 | CRED UN-.00 | | 5066.27 | SURE AC-.00 | .00 | OCC TX CD- |
| | FEDERAL- | .00 | 891.12 | | PRE SAV-.00 | | 198.24 | GD NBR - .00 | | .00 | 457B-.00 | .00 | |
| | STATE - | .00 | 304.09 | | PST SAV-.00 | | .00 | CAN ACC-.00 | | .00 | UN FUND-.00 | .00 | |
| | MSC DED- | .00 | .00 | | DENTAL - .00 | | .00 | LOAN - .00 | | .00 | CONTRIB-.00 | .00 | |
| | 125PREM- | .00 | .00 | | 125MED - .00 | | .00 | DIR DEP-.00 | | .00 | SUP INS-.00 | 94.86 | |
| 09 | 578 | 80.0 | 2352.00 | 5.5 | 242.55 | .0 | .00 | .00 | 2594.55 | .00 | | | |
| | | 904.0 | | 306.0 | 13489.44 | 2.0 | 117.60 | .00 | 40129.60 | | | | |
| | FICA - | 196.20 | 3043.23 | | OCC TAX 17.58 | | 205.39 | CRED UN- 135.73 | | 1764.49 | SURE AC-.00 | .00 | OCC TX CD- |
| | FEDERAL- | 429.00 | 7530.00 | | PRE SAV- 141.12 | | 1831.26 | GD NBR - .00 | | .00 | 457B-.00 | .00 | |
| | STATE - | 82.40 | 1290.30 | | PST SAV-.00 | | .00 | CAN ACC-.00 | | .00 | UN FUND- 4.00 | 52.00 | |
| | MSC DED- | .00 | .00 | | DENTAL - .00 | | .00 | LOAN - .00 | | .00 | CONTRIB-.00 | .00 | |
| | 125PREM- | 39.07 | 468.84 | | 125MED - .00 | | .00 | DIR DEP- 1539.31 | | 23822.41 | SUP INS- 10.14 | 121.68 | |
| | | | 12369.0 | 369077.84 | 1295.2 | 52792.12 | 17.0 | 899.96 | 11080.73 | 433850.65 | | .00 | |
| | | | 144511.5 | | 51292.72 | 094324.40 | 228.5 | 12572.35 | 124228.65 | 6593407.41 | | | |
| | | | (1) | | (2) | (4) | (3) | (5) | | (6) | | | |
| | FICA - | 31418.65 | 495468.68 | | OCC TAX- 1884.32 | | 29643.17 | CRED UN- 44654.69 | | 603693.05 | SURE AC- 68.00 | 895.00 | |
| | FEDERL- | 51965.00 | 890803.82 | | PRE SAV- 27120.70 | | 355400.06 | GD NBR - 96.50 | | 1253.50 | 457B-.00 | .00 | |
| | STATE - | 21134.90 | 331186.75 | | PST SAV- 53.54 | | 694.77 | CAN ACC- 1416.39 | | 13178.29 | UN FUND- 1275.99 | 16643.79 | |
| | MSC DED- | 757.44 | 10707.48 | | DENTAL - .00 | | .00 | LOAN - 6618.48 | | 86550.45 | CONTRIB-.00 | .00 | |
| | 125PREM- | 6724.26 | 81598.34 | | 125MED - 5636.62 | | 72946.66 | DIR DEP-232337.96 | | 3569067.07 | SUP INS- 687.21 | 8321.85 | |
| | KENTUCKY STATE TAX | | | | AMOUNT POSTED TO 241.200 | 20,785.52 | | YTD: 326,130.02 | | | | | |
| | INDIANA STATE TAX | | | | AMOUNT POSTED TO 241.250 | 349.38 | | YTD: 5,056.73 | | | | | |

Exhibit 5, Page 5b

- (1) Total Regular hours - See Exhibit 5, Page 5a, line 15, column c
- (2) Total OT hours - See Exhibit 5, Page 5a, line 17, column c
- (3) Total DT hours - See Exhibit 5, Page 5a, line 18, column c
- (4) Total OT dollars - See Exhibit 5, Page 5a, line 17, column h
- (5) Total DT dollars - See Exhibit 5, Page 5a, line 18, column h
- (6) Total Gross pay - See Exhibit 5, Page 5a, line 21, column h

KENERGY CORPORATION
EARNINGS REGISTER PERIOD ENDING 12/20/09

| EMPL # | NAME | REG | | OVT | | DBL | | ADJUSTED | GROSS | NET | CK # |
|--------|----------|--------|----------|-------|-----------------|---------|------------------|----------|----------------|--------|------------|
| | | HOURS | DOLLARS | HOURS | DOLLARS | HOURS | DOLLARS | | | | |
| 09 578 | | 80.0 | 2352.00 | .0 | .00 | .0 | .00 | .00 | 2352.00 | .00 | |
| | | 1944.0 | | 333.0 | 14680.14 | 2.0 | 117.60 | .00 | 71896.30 | | |
| | FICA - | 179.59 | 5458.39 | | OCC TAX 9.23 | 374.47 | CRED UN- 135.73 | 3528.98 | SURE AC- .00 | .00 | OCC TX CD- |
| | FEDERAL- | 375.00 | 12665.00 | | PRE SAV- 141.12 | 3665.82 | GD NBR - .00 | .00 | 457B- .00 | .00 | |
| | STATE - | 75.02 | 2301.33 | | PST SAV- .00 | .00 | CAN ACC- .00 | .00 | UN FUND- 4.00 | 104.00 | |
| | MSC DED- | .00 | .00 | | DENTAL - .00 | .00 | LOAN - .00 | .00 | CONTRIB- .00 | .00 | |
| | 125PREM- | 13.64 | 785.10 | | 125MED - .00 | .00 | DIR DEP- 1408.53 | 42769.85 | SUP INS- 10.14 | 243.36 | |

| | | | | | | | | | | | |
|--|----------|----------|------------|----------|-------------------|-----------|-------------------|------------|------------------|----------|--|
| | | 11976.0 | 357803.26 | 803.5 | 33606.23 | .0 | .00 | 3129.59 | 394539.08 | .00 | |
| | | 302294.5 | | 63357.72 | 595529.89 | 295.0 | 16292.18 | 141597.50 | 11829962.68 | | |
| | | (1) | | (2) | (4) | (3) | (5) | (6) | | | |
| | FICA - | 27622.19 | 876864.43 | | OCC TAX- 1693.80 | 52506.10 | CRED UN- 42728.60 | 1145758.31 | SURE AC- 65.00 | 1739.00 | |
| | FEDERL- | 44347.00 | 1483014.82 | | PRE SAV- 25677.96 | 699592.76 | GD NBR - 102.50 | 2574.00 | 457B- 1076.92 | 5999.98 | |
| | STATE - | 19231.61 | 585481.49 | | PST SAV- 53.54 | 1390.79 | CAN ACC- 1374.53 | 25774.65 | UN FUND- 1193.79 | 32601.84 | |
| | MSC DED- | 907.44 | 21604.20 | | DENTAL - .00 | .00 | LOAN - 6682.24 | 172556.26 | CONTRIB- .00 | .00 | |
| | 125PREM- | 1705.00 | 131933.32 | | 125MED - 5489.30 | 144920.10 | DIR DEP-213913.22 | 6303791.76 | SUP INS- 674.44 | 16444.38 | |

KENTUCKY STATE TAX AMOUNT POSTED TO 241.200 18,888.67 YTD: 575,816.59
 INDIANA STATE TAX AMOUNT POSTED TO 241.250 342.94 YTD: 9,664.90

Exhibit 5, Page 5c

- (1) Total Regular hours - See Exhibit 5, Page 5a, line 15, column d
- (2) Total OT hours - See Exhibit 5, Page 5a, line 17, column d
- (3) Total DT hours - See Exhibit 5, Page 5a, line 18, column d
- (4) Total OT dollars - See Exhibit 5, Page 5a, line 17, column i
- (5) Total DT dollars - See Exhibit 5, Page 5a, line 18, column i
- (6) Total Gross Pay - See Exhibit 5, Page 5a, line 21, column i

KENERGY CORPORATION
EARNINGS REGISTER PERIOD ENDING 6/20/10

| EMPL # | NAME | REG | | OVT | | DBL | | ADJUSTED | GROSS | NET | CK # |
|--------|-----------------|---------|-----------------|---------|----------|---------|----------|----------|----------|--------|------------|
| | | HOURS | DOLLARS | HOURS | DOLLARS | HOURS | DOLLARS | | | | |
| 09 227 | | 80.0 | 2404.80 | .0 | .00 | .0 | .00 | .00 | 2404.80 | .00 | |
| | | 1040.0 | | .0 | .00 | .0 | .00 | 100.00 | 31362.40 | | |
| | FICA - 182.68 | 2385.08 | OCC TAX 3.13 | 46.69 | CRED UN- | 600.00 | 7800.00 | SURE AC- | .00 | .00 | OCC TX CD- |
| | FEDERAL- 242.00 | 3166.00 | PRE SAV- 240.48 | 3126.24 | GD NBR - | .00 | .00 | 457B- | .00 | .00 | |
| | STATE - 110.25 | 1441.00 | PST SAV- .00 | .00 | CAN ACC- | .00 | .00 | UN FUND- | .00 | .00 | |
| | MSC DED- .00 | .00 | DENTAL - .00 | .00 | LOAN - | .00 | .00 | CONTRIB- | .00 | .00 | |
| | 125PREM- 32.38 | 388.56 | 125MED - .00 | .00 | DIR DEP- | 993.88 | 13008.83 | SUP INS- | .00 | .00 | |
| 09 578 | | 80.0 | 2352.00 | 1.0 | 44.10 | .0 | .00 | .00 | 2396.10 | .00 | |
| | | 1040.0 | | 16.0 | 705.60 | .0 | .00 | 100.00 | 31381.60 | | |
| | FICA - 180.99 | 2373.60 | OCC TAX 13.91 | 165.30 | CRED UN- | 135.73 | 1764.49 | SURE AC- | .00 | .00 | OCC TX CD- |
| | FEDERAL- 384.00 | 5061.00 | PRE SAV- 141.12 | 1834.56 | GD NBR - | .00 | .00 | 457B- | .00 | .00 | |
| | STATE - 75.64 | 992.56 | PST SAV- .00 | .00 | CAN ACC- | .00 | .00 | UN FUND- | 6.00 | 78.00 | |
| | MSC DED- .00 | .00 | DENTAL - .00 | .00 | LOAN - | .00 | .00 | CONTRIB- | 1.00 | 13.00 | |
| | 125PREM- 39.53 | 474.36 | 125MED - .00 | .00 | DIR DEP- | 1407.70 | 18498.97 | SUP INS- | 10.48 | 125.76 | |

Exhibit 5, Page 5d

| | | | | | | | | | | | |
|--------------------|--------------------------|-------------------|-----------------|-------------------|------------|----------|---------|----------|------------|-----|--|
| | | 11822.0 | 356175.36 | 1267.0 | 53474.51 | 5.0 | 272.76 | 1080.73 | 411003.36 | .00 | |
| | | 153837.0 | | 10146.0 | 425952.53 | 28.5 | 1556.61 | 41478.84 | 5112572.83 | | |
| | | (1) | | (2) | (4) | (3) | (5) | | (6) | | |
| FICA - 30344.98 | 383922.75 | OCC TAX- 1776.43 | 22036.56 | CRED UN- 44270.02 | 541271.73 | SURE AC- | 64.00 | 838.00 | | | |
| FEDERL- 49130.00 | 584558.00 | PRE SAV- 27393.64 | 353692.80 | GD NBR - 95.50 | 1276.50 | 457B- | .00 | .00 | | | |
| STATE - 19949.23 | 245977.49 | PST SAV- 53.54 | 696.02 | CAN ACC- 1205.19 | 12029.20 | UN FUND- | 1202.06 | 15747.78 | | | |
| MSC DED- 1144.59 | 14433.19 | DENTAL - .00 | .00 | LOAN - 7128.01 | 87608.02 | CONTRIB- | 81.00 | 1063.00 | | | |
| 125PREM- 6822.83 | 82776.04 | 125MED - 4880.25 | 63272.25 | DIR DEP-214650.92 | 2691634.93 | SUP INS- | 811.17 | 9738.57 | | | |
| KENTUCKY STATE TAX | AMOUNT POSTED TO 241.200 | 19,638.08 | YTD: 241,634.21 | | | | | | | | |
| INDIANA STATE TAX | AMOUNT POSTED TO 241.250 | 311.15 | YTD: 4,343.28 | | | | | | | | |

- (1) Total Regular hours - See Exhibit 5, Page 5a, line 15, column e
- (2) Total OT hours - See Exhibit 5, Page 5a, line 17, column e
- (3) Total DT hours - See Exhibit 5, Page 5a, line 18, column e
- (4) Total OT dollars - See Exhibit 5, Page 5a, line 17, column j
- (5) Total DT dollars - See Exhibit 5, Page 5a, line 18, column j
- (6) Total Gross Pay - See Exhibit 5, Page 5a, line 21, column j

KENERGY CORP.
2011 RATE APPLICATION
WAGES & SALARIES BY ACCOUNT NUMBER
7/1/09 -06/30/10

| Line No | (a) ACCT | (b) TOTAL PAYROLL BY ACCOUNT | (c) LABOR ADJUSTMENT BY ACCOUNT | |
|---------|------------------------|---------------------------------------|--|--------------------|
| 1 | 107100 | 148,056 | 3,941 | |
| 2 | 107200 | 2,621,873 | 69,786 | |
| 3 | 107240 | 4,547 | 121 | |
| 4 | 107260 | 131 | 3 | |
| 5 | 107270 | 19 | 1 | |
| 6 | 107500 | 95,270 | 2,536 | |
| 7 | 108800 | 332,544 | 8,851 | |
| 8 | 108810 | 9,076 | 242 | |
| 9 | 142200 | 96,033 | 2,556 | |
| 10 | 143100 | 1,644 | 44 | |
| 11 | 143600 | 14,665 | 390 | |
| 12 | 183500 | 381 | 10 | |
| 13 | 416000 | 18,698 | 498 | |
| 14 | 416100 | (63) | (2) | |
| 15 | 416600 | 27,479 | 731 | |
| 16 | 417102 | 102 | 3 | |
| 17 | 417107 | 232 | 6 | |
| 18 | 582000 | 10,827 | 288 | |
| 19 | 582200 | 13,937 | 371 | |
| 20 | 583000 | 296,617 | 7,895 | |
| 21 | 586000 | 327,853 | 8,726 | |
| 22 | 588000 | 856,670 | 22,802 | |
| 23 | 592000 | 166,958 | 4,444 | |
| 24 | 592100 | 46,582 | 1,240 | |
| 25 | 592200 | 37,616 | 1,001 | |
| 26 | 593000 | 1,428,464 | 38,021 | |
| 27 | 593300 | 271,578 | 7,229 | |
| 28 | 594000 | 118,323 | 3,149 | |
| 29 | 595000 | 43,286 | 1,152 | |
| 30 | 596000 | 62,379 | 1,660 | |
| 31 | 597000 | 24,984 | 665 | |
| 32 | 598000 | 45,313 | 1,206 | |
| 33 | 903000 | 1,541,343 | 41,026 | |
| 34 | 908000 | 100,846 | 2,684 | |
| 35 | 912000 | 40,322 | 1,073 | |
| 36 | 920000 | 944,900 | 25,150 | |
| 37 | 920220 | 11,186 | 298 | |
| 38 | 920230 | 9,774 | 260 | |
| 39 | 920240 | 17,337 | 461 | |
| 40 | 921000 | 3,240 | 86 | |
| 41 | 928000 | (16) | (0) | |
| 42 | 930200 | 159,052 | 4,233 | |
| 43 | 935000 | 270,629 | 7,203 | |
| 44 | | <u>10,220,687</u> | <u>272,042</u> | |
| 45 | | | | |
| 46 | Accts 107,108, 183.500 | 3,211,896 | 85,490 | 31.425438% |
| 47 | Accts 142, 143, 146 | 112,342 | 2,990 | 1.099158% |
| 48 | Accts 416, 417 | 46,447 | 1,237 | 0.454447% |
| 49 | Accts 582-935 | 6,850,002 | 182,325 | 67.020957% |
| 50 | | <u>10,220,687</u> | <u>272,042</u> | <u>100.000000%</u> |

Kenergy Corp
Case No. 2011-xxxx
PSC Information request No. 1
Item 24

| (a) Line No. | (b) Employee Pay Grade | (c) Employees at 7/1/2009 Beginning of Test year | (d) Terminated during twelve mo 6/30/10 | (e) Added during twelve mo 6/30/10 | (f) Full Time | (g) Part Time | (h) Temporary | (i) Salaried | (j) Hourly | (k) Regular hrs Paid | (l) Overtime hrs Paid | (m) Dbl. Time hrs Paid | (n) Average wage rate 7/1/09 | (o) Average wage rate 6/30/10 | (p) % increase during test yr. *** | (q) Average wage rate 1/1/11 | (r) % Increase after test yr. *** | |
|-----------------|--|---|--|---------------------------------------|------------------|------------------|------------------|-----------------|---------------|-------------------------|--------------------------|---------------------------|---------------------------------|----------------------------------|---------------------------------------|---------------------------------|--------------------------------------|--|
| 1 | Administrative & Technical | | | | | | | | | | | | | | | | | |
| 2 | | | | | | | | | | | | | | | | | | |
| 3 | subtotal grade 1 | 7 | 3 | 3 | 7 | 0 | 0 | 0 | 7 | 15,155.5 | 129.0 | 0.0 | \$18.42 | \$17.48 | -5% | \$17.95 | 3% | |
| 4 | subtotal grade 2 | 1 | 0 | 2 | 3 | 0 | 0 | 0 | 3 | 3,904.0 | 28.0 | 0.0 | \$20.90 | \$18.89 | -10% | \$19.63 | 4% | |
| 5 | subtotal grade 3 | 18 | 3 | 0 | 15 | 0 | 0 | 0 | 15 | 33,816.5 | 1,028.0 | 0.0 | \$22.91 | \$23.28 | 2% | \$23.96 | 3% | |
| 6 | subtotal grade 4 | 12 | 3 | 0 | 9 | 0 | 0 | 0 | 9 | 19,386.0 | 76.5 | 0.0 | \$26.27 | \$26.52 | 1% | \$27.27 | 3% | |
| 7 | subtotal grade 5 | 26 | 2 | 1 | 25 | 0 | 0 | 2 | 23 | 50,970.5 | 1325.5 | 2.0 | \$29.40 | \$29.58 | 1% | \$30.32 | 3% | |
| 8 | Total Administrative | 64 | 11 | 6 | 59 | 0 | 0 | 2 | 57 | 123,232.5 | 2,587.0 | 2.0 | \$25.65 | \$25.53 | 0% | \$26.41 | 3% | |
| 9 | Outside Operational | | | | | | | | | | | | | | | | | |
| 10 | subtotal grade 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0.0 | 0.0 | 0.0 | N/A | N/A | N/A | N/A | N/A | |
| 11 | subtotal grade 2 | 10 | 0 | 0 | 10 | 0 | 0 | 0 | 10 | 20,783.0 | 957.5 | 3.5 | \$22.69 | \$22.86 | 1% | \$23.22 | 2% | |
| 12 | subtotal grade 3 | 6 | 0 | 0 | 6 | 0 | 0 | 0 | 6 | 12,164.5 | 2,593.0 | 12.5 | \$24.41 | \$24.46 | 0% | \$25.18 | 3% | |
| 13 | subtotal grade 4 | 38 | 3 | 1 | 36 | 0 | 0 | 0 | 36 | 78,597.5 | 11,661.0 | 62.5 | \$27.37 | \$27.86 | 2% | \$28.79 | 3% | |
| 14 | subtotal grade 5 | 15 | 1 | 0 | 14 | 0 | 0 | 0 | 14 | 29,504.0 | 4,213.5 | 14.5 | \$32.73 | \$33.34 | 2% | \$34.13 | 2% | |
| 15 | Total operational | 69 | 4 | 1 | 66 | 0 | 0 | 0 | 66 | 141,049.0 | 19,425.0 | 93.0 | \$27.60 | \$27.95 | 1% | \$28.75 | 3% | |
| 16 | Professional, Supervisory, Managerial | | | | | | | | | | | | | | | | | |
| 17 | subtotal grade 1 | 5 | 2 | 2 | 5 | 0 | 0 | 5 | 0 | 8,941.0 | 0.0 | 0.0 | \$30.31 | \$32.18 | 6% | \$33.30 | 3% | |
| 18 | subtotal grade 2 | 9 | 1 | 0 | 8 | 0 | 0 | 8 | 0 | 17,302.0 | 32.0 | 0.0 | \$42.93 | \$43.82 | 2% | \$45.44 | 4% | |
| 19 | subtotal grade 3 | 5 | 0 | 0 | 5 | 0 | 0 | 5 | 0 | 10,400.0 | 166.0 | 0.0 | \$49.65 | \$49.65 | 0% | \$50.63 | 2% | |
| 20 | subtotal grade 4 | 5 | 0 | 0 | 5 | 0 | 0 | 5 | 0 | 10,400.0 | 0.0 | 0.0 | \$68.67 | \$68.67 | 0% | \$70.58 | 2% | |
| 21 | Total Professional | 24 | 3 | 2 | 23 | 0 | 0 | 23 | 0 | 47,043.0 | 198.0 | 0.0 | \$47.11 | \$48.00 | 2% | \$49.39 | 3% | |
| 22 | Total Full-time | 167 | 18 | 9 | 148 | 0 | 0 | 26 | 123 | 311,324.5 | 22,210.0 | 95.0 | \$29.79 | \$30.10 | 1% | \$31.12 | 3% | |
| 23 | Total all Part-time | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 1 | 295.5 | 1.0 | - | | | | | | |
| 24 | Total all employees | 168 | 18 | 9 | 148 | 1 | 0 | 26 | 124 | 311,620.0 | 22,211.0 | 95.0 | \$29.74 | \$30.06 | 1% | \$31.05 | 3% | |

Total hours paid per earnings register

| (a) Line No. | (b) Employee Name | (c) Date Terminated | (d) Date Added | (e) Notes |
|-----------------|-------------------------------|------------------------|-------------------|-----------------------------|
| 46 | Communications Mgr | 7/1/09 | 8/24/09 | New employee |
| 47 | Communications Mgr (interim) | 8/24/09 | | |
| 48 | Customer Service Supervisor | 7/5/09 | | Filled by existing employee |
| 49 | Plant Accountant | 7/31/09 | | Filled by existing employee |
| 50 | Administrative Assistant | 9/16/09 | | Filled by existing employee |
| 51 | Field Engineer | 9/21/09 | 4/19/10 | New employee |
| 52 | Safety Director | | 1/25/10 | New position, new employee |
| 53 | Payroll Specialist | 1/6/10 | | Position not filled |
| 54 | Cashier | | 8/24/09 | Replaces temporary utilized |
| 55 | Cashier | 3/20/10 | 5/17/10 | New employee |
| 56 | Cashier | 5/28/10 | 6/28/10 | New employee |
| 57 | Switchboard Operator | 2/26/10 | | Position not filled |
| 58 | Customer Service | 8/5/09 | 8/25/09 | New employee |
| 59 | Customer Service | 1/1/10 | | Position not filled |
| 60 | Customer Service | 1/27/10 | 6/1/10 | New employee |
| 61 | Manager of Construction | 10/14/09 | | Filled by existing employee |
| 62 | Service Technician | 3/4/10 | | Position not filled |
| 63 | Service Technician | 6/9/10 | | Filled by existing employee |
| 64 | Service Technician Supervisor | 9/1/09 | | Filled by existing employee |
| 65 | Substation Tech I | 9/8/09 | 7/6/09 | New employee |

***Merit and step adjustments granted based on performance and current hourly rate relative to the established mid-point or market rate for grade level.
***General wage adjustment of 2% granted on 1/1/11.

Kenergy Corp.
2011 Rate Application
Overheads Related to Wages Adjustment

| (a) Line No. | (b) Item | (c) | (d) Test Year | (e) Proforma | (f) Change | (g) Percent |
|-----------------|---|-----|---------------------|---------------------|---------------------|----------------|
| 1 | Health Insurance | | \$ 1,944,076 | \$ 2,249,800 (1) | \$ 305,724 | 15.73% |
| 2 | Dental Insurance | | \$ 90,379 | \$ 94,518 (1) | \$ 4,139 | 4.58% |
| 3 | Life Insurance under \$50,000 | | \$ 18,906 | \$ 19,669 (1) | \$ 763 | 4.03% |
| 4 | Life Insurance over \$50,000 plus spouse | | \$ 58,198 | \$ 61,920 (1) | \$ 3,722 | 6.40% |
| 5 | Disability Insurance | | \$ 48,495 | \$ 50,696 (1) | \$ 2,201 | 4.54% |
| 6 | Pension | | \$ 2,212,606 | \$ 1,705,396 (1) | \$ (507,210) | -22.92% |
| 7 | Payroll Taxes | | \$ 780,006 | \$ 795,180 (1) | \$ 15,174 | 1.95% |
| 8 | Worker's Compensation Insurance | | \$ 321,326 | \$ 281,216 (1) | \$ (40,110) | -12.48% |
| 9 | Property Loss/Damage and Excess Liability Insurance | | \$ 156,814 | \$ 194,665 (1) | \$ 37,851 | 24.14% |
| 10 | | | <u>\$ 5,630,806</u> | <u>\$ 5,453,060</u> | <u>\$ (177,746)</u> | <u>-3.16%</u> |

Exhibit 5, Page 6

| | TEST YEAR (Col. d Lines 16-19)/Line 20 | (2) | PROFORMA (Col. c Lines 16-19 times Line 10 Col. e) | ADJUSTMENT (Col. e - Col. d) | |
|----|---|-------------------|--|---------------------------------|---------------------|
| 16 | Capitalized | 34.82228% | \$ 1,960,775 | \$ 1,898,880 | \$ (61,895) |
| 17 | Accounts Receivable | 1.09928% | \$ 61,898 | \$ 59,944 | \$ (1,954) |
| 18 | Non-Operating | 0.34469% | \$ 19,409 | \$ 18,796 | \$ (613) |
| 19 | Electric-Expensed | 63.73375% | \$ 3,588,724 | \$ 3,475,440 | \$ (113,284) |
| 20 | | <u>100.00000%</u> | <u>\$ 5,630,806</u> | <u>\$ 5,453,060</u> | <u>\$ (177,746)</u> |

Explanation:

(1) See Exhibit 5, pages 6c - 6u for explanations of each overhead item.

(2) See Exhibit 5, pages 6a and 6b.

| To Adj. Recap - Page 3 | | |
|------------------------|--------------|----------------|
| (28,851) | Operations | 25.47% |
| (32,594) | Maintenance | 28.77% |
| (27,322) | Cust. Accts. | 24.12% |
| (1,813) | Cust. Info. | 1.60% |
| (617) | Sales | 0.54% |
| (22,087) | A&G | 19.50% |
| <u>\$ (113,284)</u> | | <u>100.00%</u> |

29

KENERGY CORP.
2011 RATE APPLICATION
OVERHEADS RELATED TO WAGES - 7/1/09 to 6/30/10

| Line No. | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) |
|----------|--|-----------------|----------|---------------------|--------------------------------|----------------------|-------------------|----------------------------|---------------------|
| | | JOURNAL ENTRY # | DATE | TOTAL PENSION PLANS | HEALTH, LIFE DENTAL DISABILITY | WORKERS COMPENSATION | PAYROLL TAXES | PROPERTY LOSS EXCESS LIAB. | TOTAL |
| 1 | PER GPR928 Overhead Dist Report 6/20/10 | | | \$ 998,210 | \$ 1,093,149 | \$ 208,174 | \$ 404,784 | \$ 76,943 | \$ 2,781,260 |
| 2 | PER GPR928 Overhead Dist Report 12/20/09 | | | \$ 1,949,135 | \$ 2,104,425 | \$ 299,083 | \$ 898,286 | \$ 153,739 | \$ 5,404,669 |
| 3 | LESS GPR928 Overhead Dist Report 6/21/09 | | | \$ (838,902) | \$ (1,043,171) | \$ (157,650) | \$ (517,540) | \$ (80,257) | \$ (2,637,519) |
| 4 | | | | \$ 2,108,444 | \$ 2,154,403 | \$ 349,607 | \$ 785,530 | \$ 150,425 | \$ 5,548,410 |
| 5 | Adjustments made by Journal Entry: | | | | | | | | |
| 6 | Expense Health Insurance Fees | 86 | 7/31/09 | | \$ 1,313 | | | | \$ 1,313 |
| 7 | Tax on Service Awards | 94 | 7/31/09 | | | | \$ 309 | | \$ 309 |
| 8 | Correct State Unemployment Tax | 95 | 7/31/09 | | | | \$ (32) | | \$ (32) |
| 9 | Additional Pension Liability | 82 | 9/30/09 | \$ 18,000 | | | | | \$ 18,000 |
| 10 | Correction to Pension Write-off | 99 | 9/30/09 | \$ 1,232 | | | | | \$ 1,232 |
| 11 | Distribute Overhead - Accrued Leave | 100 | 9/30/09 | \$ 1,873 | \$ 2,067 | \$ 426 | \$ 905 | | \$ 5,271 |
| 12 | Additional Pension Liability | 79 | 10/31/09 | \$ 18,000 | | | | | \$ 18,000 |
| 13 | Additional Pension Liability | 72 | 11/30/09 | \$ 18,000 | | | | | \$ 18,000 |
| 14 | Record Payroll Overheads | 72 | 12/31/09 | \$ 1,512 | \$ 1,124 | \$ 178 | \$ 379 | \$ 89 | \$ 3,283 |
| 15 | Additional Pension Liability | 80 | 12/31/09 | \$ 18,000 | | | | | \$ 18,000 |
| 16 | Additional Pension Write-off | 83 | 12/31/09 | \$ 15,545 | | | | | \$ 15,545 |
| 17 | Adjust Workers Comp to Actual | 103 | 12/31/09 | | | \$ (20,135) | | | \$ (20,135) |
| 18 | Adjust PLPD & Business Liability | 104 | 12/31/09 | | | | | \$ 6,300 | \$ 6,300 |
| 19 | Adjust FICA for Accrued Leave | 109 | 12/31/09 | | | | \$ (7,217) | | \$ (7,217) |
| 20 | Clear Health Insurance to Overheads | 110 | 12/31/09 | | \$ 646 | | | | \$ 646 |
| 21 | Expense FICA | 112 | 12/31/09 | | | | \$ 131 | | \$ 131 |
| 22 | Clear 184.408 | 115 | 12/31/09 | | | | \$ (0) | | \$ (0) |
| 23 | Allocate Est Federated Cash Cap | 136 | 12/31/09 | | | \$ (8,750) | | | \$ (8,750) |
| 24 | A/P NRECA Pension | 139 | 12/31/09 | \$ 12,000 | | | | | \$ 12,000 |
| 25 | Expense Employee Benefits | 79 | 6/30/10 | | \$ 501 | | | | \$ 501 |
| 26 | | | | | | | | | |
| 27 | Total booked during test year - accrual basis. | | | <u>\$ 2,212,606</u> | <u>\$ 2,160,055</u> | <u>\$ 321,326</u> | <u>\$ 780,006</u> | <u>\$ 156,814</u> | <u>\$ 5,630,806</u> |
| 28 | | | | | | | | | |
| 29 | | | | | 1,944,076 | Medical | | | |
| 30 | | | | | 90,379 | Dental | | | |
| 31 | | | | | 18,906 | Life under 50k | | | |
| 32 | | | | | 58,198 | Life over 50k | | | |
| 33 | | | | | 48,495 | LTD | | | |
| 34 | | | | | <u>\$ 2,160,055</u> | | | | |

Exhibit 5, Page 6a

**2011 RATE APPLICATION
PAYROLL OVERHEADS**

| ACCOUNT | TOTAL OVERHEADS | OVERHEAD ADJUSTMENT BY ACCOUNT |
|---------|--------------------|--------------------------------------|
| 107100 | 96,115 | (3,034) |
| 107200 | 1,601,607 | (50,557) |
| 107240 | 3,247 | (102) |
| 107260 | 61 | (2) |
| 107270 | 12 | (0) |
| 107500 | 62,169 | (1,962) |
| 108800 | 192,173 | (6,066) |
| 108810 | 5,002 | (158) |
| 142200 | 58,914 | (1,860) |
| 143100 | (1,762) | 56 |
| 143600 | 567 | (18) |
| 146000 | 4,180 | (132) |
| 163200 | 0 | (0) |
| 183500 | 389 | (12) |
| 416000 | 7,668 | (242) |
| 416600 | 11,778 | (372) |
| 417100 | (71) | 2 |
| 417107 | 34 | (1) |
| 582000 | 8,946 | (282) |
| 582200 | 8,943 | (282) |
| 583000 | 182,854 | (5,772) |
| 586000 | 214,842 | (6,782) |
| 588000 | 498,400 | (15,733) |
| 588200 | 0 | (0) |
| 588210 | 0 | (0) |
| 592000 | 96,260 | (3,039) |
| 592100 | 25,503 | (805) |
| 592200 | 21,813 | (689) |
| 593000 | 585,814 | (18,492) |
| 593200 | 2 | (0) |
| 593300 | 145,730 | (4,600) |
| 594000 | 62,068 | (1,959) |
| 595000 | 14,473 | (457) |
| 596000 | 42,505 | (1,342) |
| 597000 | 16,551 | (522) |
| 598000 | 21,812 | (689) |
| 903000 | 865,517 | (27,321) |
| 908000 | 57,563 | (1,817) |
| 910000 | (121) | 4 |
| 912000 | 19,553 | (617) |
| 920000 | 469,519 | (14,821) |
| 920220 | 4,172 | (132) |
| 920230 | 3,751 | (118) |
| 920240 | 7,001 | (221) |
| 921000 | (62) | 2 |
| 928000 | 866 | (27) |
| 930200 | 72,819 | (2,299) |
| 935000 | 141,628 | (4,471) |
| | <u>5,630,806</u> | <u>(177,746)</u> |

| | TOTAL | | |
|----------------|------------------|------------------|-------------------|
| CAPITALIZED | 1,960,775 | (61,895) | 34.82228% |
| A/R | 61,898 | (1,954) | 1.09928% |
| CLEARING ACCTS | 0 | (0) | 0.00000% |
| NON-OPERATING | 19,409 | (613) | 0.34469% |
| EXPENSED | <u>3,588,724</u> | <u>(113,284)</u> | <u>63.73375%</u> |
| TOTAL | <u>5,630,806</u> | <u>(177,746)</u> | <u>100.00000%</u> |

KENERGY CORP.
2011 RATE APPLICATION
OVERHEADS RELATED TO WAGE ADJUSTMENTS

| | | | | | | | |
|----|-------------------|---|--------------|----------------------|-------------------|-----------------|--------------|
| 1 | Health | | | | | | |
| 2 | | (1) | Less 3% | Monthly | | | |
| 3 | | Base Rate | Employee | Company | Times # Employees | | Annual |
| 4 | | Monthly | Contribution | Cost | Times 12 Months | | Cost |
| 5 | Employee Only | 478.89 | 14.37 | 464.52 | 15 | = | \$ 83,614 |
| 6 | Employee + Spouse | 1,215.58 | 36.47 | 1,179.11 | 45 | = | \$ 636,719 |
| 7 | Employee & Child | 1,050.58 | 31.52 | 1,019.06 | 10 | = | \$ 122,287 |
| 8 | Employee & Family | 1,656.05 | 49.68 | 1,606.37 | 73 | = | \$ 1,407,180 |
| 9 | | | | | 143 | | \$ 2,249,800 |
| 10 | | Employees electing not to have insurance coverage | | | 2 | | |
| 11 | | Employees with spouse also employed (no charge) | | | 2 | | |
| 12 | | | | Per Labor Adjustment | 147 | Proforma Health | \$ 2,249,800 |

| | | | | | | | |
|----|----------------------|-----------|--------------|---------|-------------------|---|-----------|
| 15 | Dental | | (3) | | | | |
| 16 | | (2) | Less | Monthly | | | Annual |
| 17 | | Base Rate | Employee | Company | Times # Employees | | Cost |
| 18 | | Monthly | Contribution | Cost | Times 12 Months | | |
| 19 | Employee Only | 29.50 | - | 29.50 | 147 | = | \$ 52,038 |
| 20 | Employee + Dependent | 59.00 | 29.50 | 29.50 | 120 | = | \$ 42,480 |
| 21 | | | | | | | \$ 94,518 |

| | | | | | | | |
|----|-----------------------|--|-----|--|--|---|-----------|
| 22 | Life Insurance | | (4) | | | | |
| 23 | Under \$50,000 | 147 employees times \$50,000 = \$7,350,000 x .000223 x 12 months | | | | = | \$ 19,669 |
| 24 | Over \$50,000 | Proforma regular wages = \$9,515,251 x 3 - \$7,350,000 x .000223 x 12 mos. = | | | | | \$ 56,720 |
| 25 | | Plus Amount for Spouse & Children | | | | | 5,200 |
| 26 | | | | | | | \$ 61,920 |

| | | | | | | | |
|----|--|-----|--|--|--|---|-----------|
| 37 | Disability | (4) | | | | | |
| 38 | Proforma regular wages = \$9,515,251 x .000444 x 12 months | | | | | = | \$ 50,696 |

- 43 (1) See Exhibit 5, Page 6f.
- 44 (2) See Exhibit 5, Page 6h.
- 45 (3) Employees pay one-half of the dependent cost (\$88.50 - \$29.50 = \$59.00 x 50%)
- 46 (4) See Exhibit 5, Page 6i.

**KENERGY CORP.
2011 RATE APPLICATION
OVERHEADS RELATED TO WAGE ADJUSTMENTS**

| | | | |
|----|---|------|---------------------|
| 1 | Pension | | |
| 2 | | | |
| 3 | <u>A. Defined Benefit & Contribution Plan (former HUEC employees hired before 7/1/99)</u> | | |
| 4 | Proforma regular wages of the 36 ¹ participants | | |
| 5 | at \$2,336,035 ¹ times 24.68% ³ | = \$ | 576,534 |
| 6 | Company match on employee savings ² | = | 70,081 |
| 7 | | | \$ 646,615 |
| 8 | | | |
| 9 | <u>B. Defined Benefit & Contribution Plan (former GREC employees hired before 1/1/87)</u> | | |
| 10 | Proforma regular wages of the 42 ¹ participants | | |
| 11 | at \$2,970,435 ¹ times 19.20% ⁴ | = \$ | 570,323 |
| 12 | Company match on employee savings ^{2,5} | = | 89,113 |
| 13 | | | \$ 659,436 |
| 14 | | | |
| 15 | <u>C. Defined Contribution Plan (former GREC employees hired after 1/1/87 plus all Kenergy employees beginning 7/1/99)</u> | | |
| 16 | | | |
| 17 | Proforma wages of the 69 ¹ participants | | |
| 18 | at \$4,152,279 ¹ times 6% ⁵ | = \$ | 249,137 |
| 19 | Company match on employee savings ^{2,5} | = | 143,993 |
| 20 | | | \$ 393,130 |
| 21 | | | |
| 22 | <u>D. Deferred Compensation Plan 457B & Defined Contribution</u> | | |
| 23 | Proforma regular wages of 1 participant, less wages included in C. above, | | |
| 24 | at \$56,502 ¹ times 6% ⁵ | = \$ | 3,390 |
| 25 | Company match on employee savings ^{2,5} | = | 2,825 |
| 26 | | | \$ 6,215 |
| 27 | | | |
| 28 | <u>Total Proforma Pension</u> | | \$ 1,705,396 |
| 29 | | | |
| 30 | | | |
| 31 | | | |
| 32 | | | |

33 1 = \$9,515,251 per wage adjustment
34 = 147 full time employees
35 2 Used test year employee contribution rate times proforma wages.
36 Company matches 50% of employee contribution up to 3% for former HUEC and up to 10% for former GREC.
37 3 See Exhibit 5, Page 6j
38 4 See Exhibit 5, Page 6k
39 5 See Exhibit 5, Page 6l

**KENERGY CORP.
2011 RATE APPLICATION
OVERHEADS RELATED TO WAGE ADJUSTMENTS**

1 Payroll Taxes

| | | | | | | | |
|----|---|-------------|---------------|------------|--------------|---------------|---------|
| 2 | | (1) Limit - | \$ 106,800 | N/A | \$7,000 | \$8,000 | Total |
| 3 | | Rate - | 0.062 | 0.0145 | 0.008 | 0.010 | Payroll |
| 4 | | | FICA | Medicare | Fed. Unempl. | State Unempl. | Taxes |
| 5 | Proforma Wages | | \$ 10,492,729 | | | | |
| 6 | Plus: Life Insurance Over \$50,000 Income | | \$ 80,970 | | | | |
| 7 | Less: Section 125 Medical | | \$ (276,700) | | | | |
| 8 | Plus: Personal Vehicle Usage | | \$ 25,535 | | | | |
| 9 | Wages Subject to Medicare | | \$ 10,322,534 | \$ 149,677 | | | |
| 10 | | | | | | | |
| 11 | Less: Wages Over \$106,800 | | \$ (235,659) | | | | |
| 12 | Wages Subject to FICA | | \$ 10,086,875 | \$ 625,386 | | | |
| 13 | | | | | | | |
| 14 | 147 Employees x \$7,000 plus part-time of | | | | | | |
| 15 | 6,932 = 1,035,932 | | | | \$ 8,287 | | |
| 16 | 147 employees x \$8,000 plus part-time of | | | | | | |
| 17 | 6,932 = \$1,182,932 | | | | | \$ 11,829 | |
| 18 | | | | | | | |
| 19 | | | | | | | |
| 20 | | | | | | | |
| 21 | | | | | | | |
| 22 | | | | | | | |
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| 48 | | | | | | | |
| 49 | | | | | | | |
| 50 | | | | | | | |
| 51 | | | | | | | |
| 52 | | | | | | | |

21 Workers Compensation (2)

| | | | | | | | |
|----|----------------------------|---------------|-----------|---------|-----------|---------------|--|
| 22 | | | Inside | Sales | Outside | | |
| 23 | | | Rate | Rate | Rate | Total | |
| 24 | Proforma Regular Wages | \$ 9,515,251 | | | | | |
| 25 | Part-Time Wages | 6,944 | | | | | |
| 26 | Overtime Reduced One-Third | 647,023 | | | | | |
| 27 | Total Subject to Rates | \$ 10,169,218 | 3,025,291 | 173,638 | 6,970,289 | | |
| 28 | | | 0.0024 | 0.0064 | 0.0556 | | |
| 29 | | | 7,261 | 1,111 | 387,548 | \$ 395,920 | |
| 30 | | | | | | 6,731 | |
| 31 | | | | | | 402,651 | |
| 32 | | | | | | | |
| 33 | | | | | | 402,651 | |
| 34 | | | | | | (19,655) | |
| 35 | | | | | | 382,996 | |
| 36 | | | | | | 1,404 | |
| 37 | | | | | | 384,400 | |
| 38 | | | | | | 24,986 | |
| 39 | | | | | | 409,386 | |
| 40 | | | | | | (128,170) (2) | |
| 41 | | | | | | \$ 281,216 | |
| 42 | | | | | | | |

43 Property Loss/Damage & Excess Liability Insurance (3)

| | | | | | | |
|----|--|----------------------|---|------------|--|--|
| 44 | | | | | | |
| 45 | Per Invoice for Period 4/1/10 to 4/1/11: | | | | | |
| 46 | | Property Loss/Damage | = | \$ 148,915 | | |
| 47 | | Umbrella | = | 45,750 | | |
| 48 | | | | \$ 194,665 | | |
| 49 | | | | | | |

50 (1) See Exhibit 5, Pages 6m, n and o
51 (2) See Exhibit 5, pages 6p, q and r
52 (3) See Exhibit 5, pages 6s, t and u

**KENTUCKY RURAL ELECTRIC COOPERATIVE EMPLOYERS BENEFIT PLAN
SELF-FUNDED CONTRIBUTION STATEMENT**

Kenergy

Included in Base Rate

Due Date: January 1, 2011

PPO

| |
|----------|
| 188 |
| 16048.09 |

| | (1) Base Rate | 2% of Base Claims Funding Plus 20% Surcharge | Plus Working Spouse Waiver | (2) Fixed Cost | Base Rate Less 20% Surcharge Working Spouse Waiver Fixed Cost Base Claims Funding | COBRA Fee | Base Rate Less Fixed Cost & COBRA Fee Total Claims Funding | Head Count Total fees (3) # Plan Participants | MONTHLY TOTAL |
|--|---------------------|---|-------------------------------------|----------------------|--|--------------|---|---|------------------|
| Contribution for Funding: | | | | | | | | | |
| Active/Retired/Disabled* | | | | | | | | Less Inactive/Retired Employees | |
| Employee | \$478.89 | \$65.39 | | \$86.56 | \$326.94 | \$1.00 | \$392.33 | 23(8)=15 | \$9,023.54 |
| Employee & Spouse | \$1,215.58 | \$179.42 | \$52.50 | \$86.56 | \$897.10 | \$1.00 | \$1,129.02 | 49(4)=45 | \$55,321.98 |
| Employee & Child(ren) | \$1,050.58 | \$160.67 | | \$86.56 | \$803.35 | \$1.00 | \$964.02 | 10 =10 | \$9,640.20 |
| Employee & Family | \$1,656.06 | \$252.83 | \$52.50 | \$86.56 | \$1,264.17 | \$1.00 | \$1,569.50 | 73 =73 | \$114,573.79 |
| Spouse only | \$812.14 | \$112.18 | \$52.50 | \$86.56 | \$560.90 | \$1.00 | \$725.58 | 143 | |
| Child(ren) only | \$647.15 | \$93.43 | | \$86.56 | \$467.16 | \$1.00 | \$560.59 | 2 empl w/ spouse empl. | |
| Spouse and Child(ren) | \$1,252.64 | \$185.60 | \$52.50 | \$86.56 | \$927.98 | \$1.00 | \$1,166.08 | 2 empl opt out of ins. | |
| Medicare Retired/Disabled* | | | | | | | | 147 | |
| Medicare Retiree | \$320.96 | \$41.99 | | \$69.01 | \$209.96 | \$0.00 | \$251.95 | 17 | \$4,283.18 |
| Medicare Retiree & Medicare Spouse | \$655.74 | \$97.79 | | \$69.01 | \$488.94 | \$0.00 | \$586.73 | 14 | \$8,214.19 |
| Medicare Retiree & Non-Medicare Spouse | \$1,060.31 | \$153.54 | \$52.50 | \$86.56 | \$767.71 | \$1.00 | \$973.75 | 1 | \$973.75 |
| Non Medicare Retiree & Medicare Spouse | \$813.66 | \$121.18 | | \$86.56 | \$605.92 | \$1.00 | \$727.10 | 1 | \$727.10 |
| Medicare Retiree & Child(ren) | \$895.32 | \$134.79 | | \$86.56 | \$673.97 | \$1.00 | \$808.76 | | \$0.00 |
| Medicare Retiree & Family | \$1,500.80 | \$226.96 | \$52.50 | \$86.56 | \$1,134.78 | \$1.00 | \$1,414.24 | | \$0.00 |
| Medicare Spouse/Dependent | \$320.96 | \$41.99 | | \$69.01 | \$209.96 | \$0.00 | \$251.95 | | \$0.00 |
| COBRA (not including 2% administrative fee) | | | | | | | | | |
| Employee | \$478.89 | \$65.39 | | \$86.56 | \$326.94 | \$1.00 | \$392.33 | | \$0.00 |
| Employee & Spouse | \$1,215.58 | \$179.42 | \$52.50 | \$86.56 | \$897.10 | \$1.00 | \$1,129.02 | | \$0.00 |
| Employee & Child(ren) | \$1,050.58 | \$160.67 | | \$86.56 | \$803.35 | \$1.00 | \$964.02 | | \$0.00 |
| Employee & Family | \$1,656.06 | \$252.83 | \$52.50 | \$86.56 | \$1,264.17 | \$1.00 | \$1,569.50 | | \$0.00 |
| Spouse/Ex-Spouse only | \$812.14 | \$112.18 | \$52.50 | \$86.56 | \$560.90 | \$1.00 | \$725.58 | | \$0.00 |
| Children only | \$647.15 | \$93.43 | | \$86.56 | \$467.16 | \$1.00 | \$560.59 | | \$0.00 |
| Child only | \$478.89 | \$65.39 | | \$86.56 | \$326.94 | \$1.00 | \$392.33 | | \$0.00 |
| Ex-Spouse & Child(ren) only | \$1,252.64 | \$185.60 | \$52.50 | \$86.56 | \$927.98 | \$1.00 | \$1,166.08 | | \$0.00 |

* Retiree and Disabled are interchangeable
Adjustments:

TOTAL MONTHLY CONTRIBUTION

(1) Agrees to Exhibit 5, page 6c, lines 5-8 "Base Rate Monthly"

(2) The administrative fee (\$86.56) is paid from a different invoice. See page 6g.

(3) Full time employees used for the proforma labor adjustment.

\$202,757.75

UMR
2700 MIDWEST DRIVE

Page:
Date: 01/05/2011

Period: 01/2011
Invoice: 0000474702
Due: 01/01/2011

ONALASKA WI 54650-8764

0081680
KENERGY CORPORATION
ATTN: CHRISTINE CORNELIUS
6402 OLD CORYDON ROAD
HENDERSON KY 42419

| ENROLLEE NAME | | SPECIFIC COVE | NETWORK REINS | CARE FEE | ADMIN MGMT FEE | FLEX MEDICAL | FLEX ADMIN | TOTAL |
|----------------------|---|------------------|------------------|-------------|-------------------|-----------------|---------------|-------|
| 100A ACTIVE EMPLOYEE | | | | | | | | |
| ADDINGTON, GARRETT | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| ARNOLD, EDDIE | s | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| BARNARD, DEBORAH | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| BARNES, MICHAEL | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| BEASLEY JONES, RENEE | e | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| BENNETT, CHRIS | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| BENSON, TRACY | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| BIDWELL, DARMON | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| BIVINS, TRACEY | c | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| BLANFORD, JOSHUA | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| BOARD, KEVIN | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| BROWN JR, GEORGE | s | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| BUNCH, ANTHONY | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| CASTLEN, MICHAEL | s | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| COLEMAN, DAVID | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| COLLINS, CRAIG | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| CONRAD, PORTER | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| COURTNEY, JACOB | e | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| CRABTREE, DAVID | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| DEATON, JOHNNY | s | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| DICKEY, KYLE | e | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| DUKATE, RANDALL | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| EARLY, CARLA | e | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| FINLEY, PATSY | s | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| FRANCIS, LOGAN | e | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| FREDERICK, TERRY | c | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| GREEN, MONTY | s | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| HAGAN, MIKE | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| HAMILTON, THOMAS | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| HART, RICHARD | e | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| HEADY, SANDRA | c | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| HENDRICKSON, STEPHEN | e | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| HEWGLEY, LISA | e | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| HICKERSON, VICTORIA | s | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| HOLLAND, KEVIN | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| HOPPER, CASEY | f | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| HORN, JAMES | c | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| HOWARD, ANTHONY | s | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |
| HOWARD, WILLIS | s | 57.06 | 10.40 | 6.50 | 12.60 | 0.00 | | 86.56 |

Exhibit 5, Page 6g

Note: See Exhibit 5, Page 6f "Fixed Cost" Column



Health Resources Inc.
 PO Box 58
 Evansville IN 47701
 1-800-727-1444

Group#: 493940183033
 KENERGY CORP
 Christine Cornelius
 6402 OLD CORYDON RD

HENDERSON KY 42420

Invoice

Invoice# 480946
 Due Date 1/1/2011
 ProcessDate: 12/16/2010
 Payment Method: CHECK

Employee-only dental = \$29.50
 See Exhibit 5, Page 6c, line 19 "Monthly Company Cost"

| HRI# | Tier | Eff Date | Rate | Mnths/Qty | Amount |
|------------------|------|----------|---------|-----------|------------|
| 7751 | 1 | 1/1/2011 | \$29.50 | | |
| 3320 | 1 | 1/1/2011 | \$29.50 | | |
| 6133 | 1 | 1/1/2011 | \$29.50 | | |
| 7706 | 1 | 1/1/2011 | \$29.50 | | |
| 1527 | 1 | 1/1/2011 | \$29.50 | | |
| 4832 | 1 | 1/1/2011 | \$29.50 | | |
| 6361 | 1 | 1/1/2011 | \$29.50 | | |
| 3226 | 1 | 1/1/2011 | \$29.50 | | |
| 3895 | 1 | 1/1/2011 | \$29.50 | | |
| 6561 | 1 | 1/1/2011 | \$29.50 | | |
| SUB TOTAL | | | | | \$1,180.00 |
| 4386 | 4 | 1/1/2011 | \$88.50 | | |
| 8002 | 4 | 1/1/2011 | \$88.50 | | |
| 8889 | 4 | 1/1/2011 | \$88.50 | | |
| 9739 | 4 | 1/1/2011 | \$88.50 | | |
| 1722 | 4 | 1/1/2011 | \$88.50 | | |
| 5021 | 4 | 1/1/2011 | \$88.50 | | |
| 4833 | 4 | 1/1/2011 | \$88.50 | | |
| 9657 | 4 | 1/1/2011 | \$88.50 | | |
| 4897 | 4 | 1/1/2011 | \$88.50 | | |
| 1279 | 4 | 1/1/2011 | \$88.50 | | |
| 7603 | 4 | 1/1/2011 | \$88.50 | | |
| 1559 | 4 | 1/1/2011 | \$88.50 | | |
| 4238 | 4 | 1/1/2011 | \$88.50 | | |
| 8416 | 4 | 1/1/2011 | \$88.50 | | |
| 3482 | 4 | 1/1/2011 | \$88.50 | | |
| 6920 | 4 | 1/1/2011 | \$88.50 | | |
| 1898 | 4 | 1/1/2011 | \$88.50 | | |
| 5468 | 4 | 1/1/2011 | \$88.50 | | |
| 6213 | 4 | 1/1/2011 | \$88.50 | | |
| 6961 | 4 | 1/1/2011 | \$88.50 | | |
| 8237 | 4 | 1/1/2011 | \$88.50 | | |

Employee plus dependent premium = \$88.50
 less employee dental of \$29.50 = \$59.00 dependent cost.
 Employees pay one-half of dependent cost
 \$59.00 / 2 = \$29.50 company cost.
 See Exhibit 5, Page 6c, line 20 "Monthly Company Cost"

Benefit Plan Rating and Renewal: View My Co-op's Renewal Rates

Subgroup: 01 18065 001 - KENERGY CORP - KY

Renewal Date: 01/01/2011

These rates are the renewal billing rates if you keep your current plans the way they are.

| Coverages | Current Monthly Rates | Renewal Monthly Rates | Change |
|---|--------------------------|--------------------------|--------|
| Group Term Life and AD&D Insurance Program | | (1) | |
| <u>Basic Life and AD&D Insurance</u> | \$0.223 /\$1,000 | \$0.223 /\$1,000 | 0.0% |
| Accident Plans | | | |
| <u>BUSINESS TRAVEL ACC - NON-MANAGEMENT</u> | | | |
| ALL INDIVIDUALS | \$24.25 | \$21.75 | -10.3% |
| Disability Plans | | (2) | |
| <u>Long Term Disability Plan</u> | \$0.0436 /\$100 | \$0.0444 /\$100 | 1.8% |

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(1) See Exhibit 5, Page 6c, Line 27

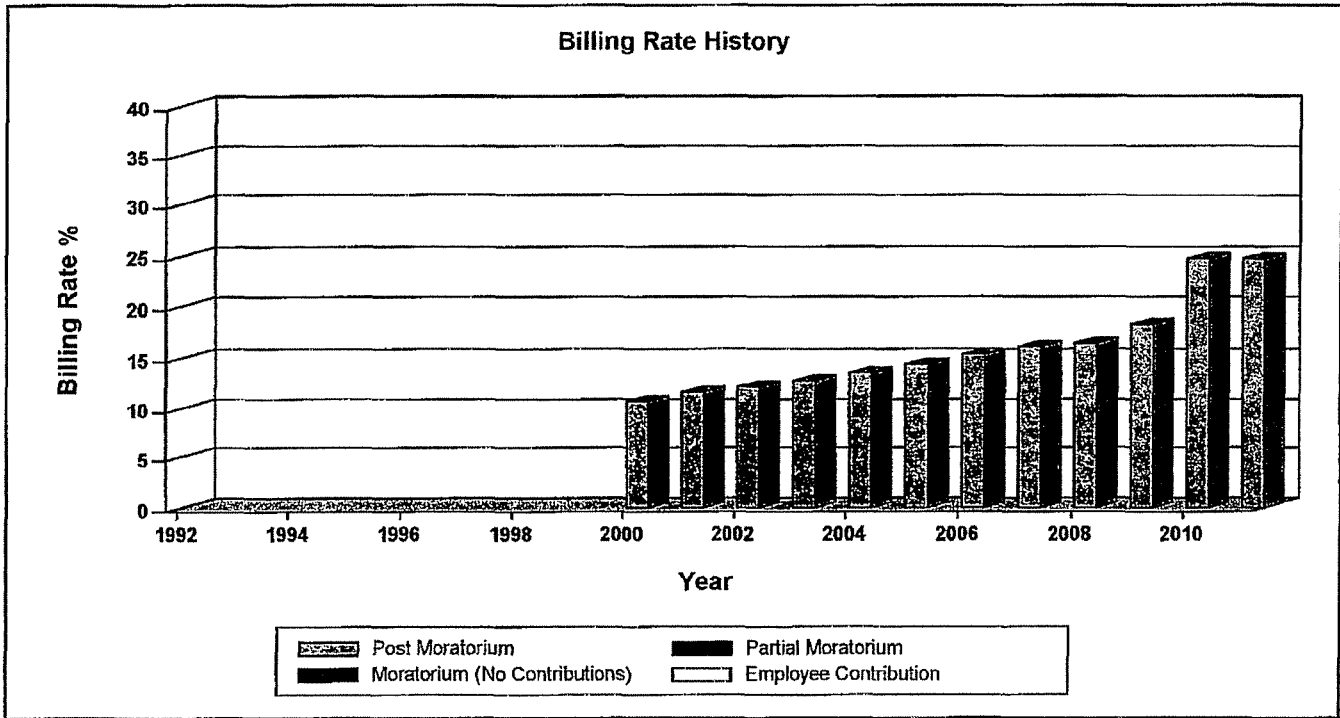
(2) See Exhibit 5, Page 6c, Line 38



NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION
Retirement Security Plan

| | | | |
|------------------|---------------------|-----------------|--------|
| System #: | 01-18065-002 | Plan ID: | RNR01A |
| Name: | KENERGY CORPORATION | | |

| Year | Benefit Level | System Cost | Employee Contribution | Plan | COLA | Average Age | 100% Death Benefit | Salary Type |
|------|---------------|-------------|-----------------------|------|------|-------------|--------------------|-------------|
| 1992 | | | | | | | | |
| 1993 | | | | | | | | |
| 1994 | | | | | | | | |
| 1995 | | | | | | | | |
| 1996 | | | | | | | | |
| 1997 | | | | | | | | |
| 1998 | | | | | | | | |
| 1999 | | | | | | | | |
| 2000 | 1.70 | 10.66 | 0.00 | 62 | No | 45 | No | BS |
| 2001 | 1.70 | 11.63 | 0.00 | 62 | No | 46 | No | BS |
| 2002 | 1.70 | 12.13 | 0.00 | 62 | No | 47 | No | BS |
| 2003 | 1.70 | 12.73 | 0.00 | 62 | No | 47 | No | BS |
| 2004 | 1.70 | 13.54 | 0.00 | 62 | No | 48 | No | BS |
| 2005 | 1.70 | 14.40 | 0.00 | 62 | No | 49 | No | BS |
| 2006 | 1.70 | 15.39 | 0.00 | 62 | No | 50 | No | BS |
| 2007 | 1.70 | 16.15 | 0.00 | 62 | No | 51 | No | BS |
| 2008 | 1.70 | 16.48 | 0.00 | 62 | No | 51 | No | BS |
| 2009 | 1.70 | 18.29 | 0.00 | 62 | No | 52 | No | BS |
| 2010 | 1.70 | 24.68 | 0.00 | 62 | No | 53 | No | BS |
| 2011 | 1.70 | 24.68(1) | 0.00 | 62 | No | 50 | No | BS |



Note: The System Cost is the total of the Trust Contribution and the Administrative Fee.

Your Retirement Security Plan's salary type is "base salary." As a result, your contribution cost is applied as a percentage of each participant's annualized base rate of pay in effect on November 15, 2010, which is that participant's effective salary for the 2011 plan year. Beginning with your January 2011 monthly statement, the estimated amount due will be based on this percentage. Rates noted are for the plan in effect as of January 1 for each year.

(1) See Exhibit 5, Page 6d, line 5



KENERGY CORP
01-18065-001
Statement Date: 01/01/2011

KEITH ELLIS
 KENERGY CORP
 P.O. BOX 18
 HENDERSON, KY 42419

| | |
|---------------------|--------|
| Employer Rate: (1) | 27.93% |
| Employee Rate: | 0.00% |
| Total Trust Rate: | 27.93% |
| Admin Fee Rate: (2) | 0.58% |
| Total Bill Rate: | 28.51% |

Plan: Retirement Security Plan

| Participant Name Social Security # | Employee Status | Salary Type | Employer Contribution | Employee Contribution | Total Trust Contribution | Administrative Fee |
|---------------------------------------|--------------------|-------------------|--------------------------|--------------------------|-----------------------------|-----------------------|
| | | \$64,667 Base | \$1,505.12 | \$0.00 | \$1,505.12 | \$31.26 |
| | | \$57,637 Base | \$1,341.50 | \$0.00 | \$1,341.50 | \$27.86 |
| | | \$69,597 Base | \$1,619.87 | \$0.00 | \$1,619.87 | \$33.64 |
| | | \$60,445 Base | \$1,406.86 | \$0.00 | \$1,406.86 | \$29.22 |
| | | \$64,646 Base | \$1,504.64 | \$0.00 | \$1,504.64 | \$31.25 |
| | | \$69,597 Base | \$1,619.87 | \$0.00 | \$1,619.87 | \$33.64 |
| | | \$68,931 Base | \$1,604.37 | \$0.00 | \$1,604.37 | \$33.32 |
| | | \$45,094 Base | \$1,049.56 | \$0.00 | \$1,049.56 | \$21.80 |
| | | \$64,646 Base | \$1,504.64 | \$0.00 | \$1,504.64 | \$31.25 |
| | | \$48,797 Base | \$1,135.75 | \$0.00 | \$1,135.75 | \$23.59 |
| | | \$131,123 Base | \$3,051.89 | \$0.00 | \$3,051.89 | \$63.38 |
| | | \$92,955 Base | \$2,163.53 | \$0.00 | \$2,163.53 | \$44.93 |
| | | \$97,989 Base | \$2,280.69 | \$0.00 | \$2,280.69 | \$47.36 |
| | | \$52,312 Base | \$1,217.56 | \$0.00 | \$1,217.56 | \$25.28 |
| | | \$73,424 Base | \$1,708.94 | \$0.00 | \$1,708.94 | \$35.49 |
| | | \$93,018 Base | \$2,164.99 | \$0.00 | \$2,164.99 | \$44.96 |

Notes:
 Employer rate billed for 8 months
 Admin fee billed for 12 months

(1) 27.93% x 8 = 223.44%
 (2) 0.58% x 12 = 6.96%

Total = 230.4% / 12 = **19.2%**
 See Exhibit 5, Page 6d, line 11

Will my Employer make contributions to the Plan?

Yes, your Employer may make contributions to the Plan as follows:

Matching Contributions. Your Employer will make a matching contribution equal to 50% of salary deferral contributions. The total matching contributions shall not exceed 5% of your total salary. This contribution will be determined each payroll period.

Your Employer will only match catch-up salary deferral contributions if you were unable to receive the maximum matching contribution under the Plan formula because of a Plan or IRS limit on salary deferral contributions or because of a failed actual deferral percentage ("ADP") test.

Employer Non-Elective Contributions. Your Employer will make a non-elective contribution to your account equal to 6% of your salary. No employer non-elective contributions shall be made on behalf of temporary employees.

NOTE: If you become an excluded employee or you have not completed a year of service, you will not receive the employer non-elective contribution.

May I make voluntary contributions to the Plan?

Yes, you may make voluntary contributions to the Plan up to 14% of your salary. Simply indicate the percentage of your salary you wish to contribute on the Application and return it to your Plan Administrator. Voluntary contributions are deducted from after-tax income. The earnings on these contributions will accumulate tax deferred until you receive a distribution from the Plan.

May I make additional voluntary contributions, if I did not maximize my voluntary contributions in the past?

Yes, once each year, you may contribute voluntary make-up contributions to the Plan. The maximum amount of voluntary make-up contributions you may remit in a particular year is the sum of those voluntary contributions that you could have made, but did not make during the previous five Plan Years of your participation. Your make-up contributions will be based on your salary for those years. However, these contributions will count in the current year's annual contribution limit. In addition, if you are a highly compensated employee, your make-up contributions may be further limited.

withholding allowances or exemption from withholding. Call the IRS at 1-800-829-3676 or visit IRS.gov to obtain copies of Form W-4.

You may use a substitute version of Form W-4 to meet your business needs. However, your substitute Form W-4 must contain language that is identical to the official Form W-4 and your form must meet all current IRS rules for substitute forms. At the time you provide your substitute form to the employee, you must provide him or her with all tables, instructions, and worksheets from the current Form W-4.

You cannot accept substitute Forms W-4 developed by employees. An employee who submits an employee-developed substitute Form W-4 after October 10, 2007, will be treated as failing to furnish a Form W-4. However, continue to honor any valid employee-developed Forms W-4 you accepted before October 11, 2007.

Invalid Forms W-4. Any unauthorized change or addition to Form W-4 makes it invalid. This includes taking out any language by which the employee certifies the form is correct. A Form W-4 is also invalid if, by the date an employee gives it to you, he or she indicates in any way it is false. An employee who submits a false Form W-4 may be subject to a \$500 penalty. You may treat a Form W-4 as invalid if the employee wrote "exempt" on line 7 and also entered a number on line 5 or an amount on line 6.

When you get an invalid Form W-4, do not use it to figure federal income tax withholding. Tell the employee it is invalid and ask for another one. If the employee does not give you a valid one, withhold taxes as if the employee was single and claiming no withholding allowances. However, if you have an earlier Form W-4 for this worker that is valid, withhold as you did before.

Amounts exempt from levy on wages, salary, and other income. If you receive a Notice of Levy on Wages, Salary, and Other Income (Forms 668-W(ACS), 668-W(c)(DO), or 668-W(ICS)), you must withhold amounts as described in the instructions for these forms. Publication 1494 (2010), Tables for Figuring Amount Exempt From Levy on Wages, Salary, and Other Income—Forms 668-W(ACS), 668-W(c)(DO), and 668-W(ICS), shows the exempt amount. If a levy issued in a prior year is still in effect and the taxpayer submits a new Statement of Exemptions and Filing Status, use the current year Publication 1494 to compute the exempt amount.

Social Security and Medicare Taxes

The Federal Insurance Contributions Act (FICA) provides for a federal system of old-age, survivors, disability, and hospital insurance. The old-age, survivors, and disability insurance part is financed by the social security tax. The hospital insurance part is financed by the Medicare tax. Each of these taxes is reported separately.

Generally, you are required to withhold social security and Medicare taxes from your employees' wages and pay the employer's share of these taxes. Certain types of wages and compensation are not subject to social security and Medicare taxes. See sections 5 and 15 for details. Generally, employee wages are subject to social security and Medicare taxes regardless of the employee's age or whether he or she is receiving social security benefits. If the employee reported tips, see section 6.

Tax rates and the social security wage base limit. Social security and Medicare taxes have different rates and only the social security tax has a wage base limit. The wage base limit is the maximum wage subject to the tax for the year. Determine the amount of withholding for social security and Medicare taxes by multiplying each payment

by the employee tax rate. There are no withholding allowances for social security and Medicare taxes.

The 2011 employee tax rate for social security is 4.2% (amount withheld). The 2011 employer tax rate for social security is 6.2% (10.4% total). The 2011 wage base limit is \$106,800, unchanged from 2010.

The 2011 employee tax rate for Medicare is 1.45% (amount withheld). The 2011 employer tax rate for Medicare tax is also 1.45% (2.9% total). There is no wage base limit for Medicare tax; all covered wages are subject to Medicare tax.

Successor employer. If you received all or most of the property used in the trade or business of another employer, or a unit of that employer's trade or business, you may include the wages the other employer paid to your acquired employees before the transfer of property when you figure the annual wage base limit for social security. You should determine whether or not you should file Schedule D (Form 941), Report of Discrepancies Caused by Acquisitions, Statutory Mergers, or Consolidations, by reviewing the Instructions for Schedule D (Form 941). See Regulations section 31.3121(a)(1)-1(b) for more information. Also see Revenue Procedure 2004-53, 2004-34 I.R.B. 320, available at www.irs.gov/irb/2004-34_IRB/ar13.html.

Example. Early in 2011, you bought all of the assets of a plumbing business from Mr. Martin. Mr. Brown, who had been employed by Mr. Martin and received \$2,000 in wages before the date of purchase, continued to work for you. The wages you paid to Mr. Brown are subject to social security taxes on the first \$104,800 (\$106,800 minus \$2,000). Medicare tax is due on all of the wages you pay him during the calendar year.

Withholding of social security and Medicare taxes on nonresident aliens. In general, if you pay wages to nonresident alien employees, you must withhold federal social security and Medicare taxes as you would for a U.S. citizen. However, see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, for exceptions to this general rule.

International social security agreements. The United States has social security agreements, also known as totalization agreements, with many countries that eliminate dual taxation and dual coverage. Compensation subject to social security and Medicare taxes may be exempt under one of these agreements. You can get more information and a list of agreement countries from the SSA at www.socialsecurity.gov/international or see section 7 of Publication 15-A.

Religious exemption. An exemption from social security and Medicare taxes is available to members of a recognized religious sect opposed to insurance. This exemption is available only if both the employee and the employer are members of the sect.

For more information, see Publication 517, Social Security and Other Information for Members of the Clergy and Religious Workers.

Foreign persons treated as American employers. Under IRC section 3121(z), for services performed after July 31, 2008, a foreign person who meets both of the following conditions is generally treated as an American employer for purposes of paying FICA taxes on wages paid to an employee who is a United States citizen or resident.

1. The foreign person is a member of a domestically controlled group of entities.
2. The employee of the foreign person performs services in connection with a contract between the U.S.

subject to FUTA tax on the wages you pay to employees in that category during the current calendar year.

1. General test.

You are subject to FUTA tax in 2011 on the wages you pay employees who are not farmworkers or household workers if:

- a. You paid wages of \$1,500 or more in any calendar quarter in 2010 or 2011, or
- b. You had one or more employees for at least some part of a day in any 20 or more different weeks in 2010 or 20 or more different weeks in 2011.

2. Household employees test.

You are subject to FUTA tax if you paid total cash wages of \$1,000 or more to household employees in any calendar quarter in 2010 or 2011. A household employee is an employee who performs household work in a private home, local college club, or local fraternity or sorority chapter.

3. Farmworkers test.

You are subject to FUTA tax on the wages you pay to farmworkers if:

- a. You paid cash wages of \$20,000 or more to farmworkers during any calendar quarter in 2010 or 2011, or
- b. You employed 10 or more farmworkers during at least some part of a day (whether or not at the same time) during any 20 or more different weeks in 2009 or 20 or more different weeks in 2010.

Computing FUTA tax. Before July 1, 2011, the FUTA tax rate is 6.2%. After June 30, 2011, the FUTA tax rate is scheduled to decrease to 6.0%. The tax applies to the first \$7,000 you pay to each employee as wages during the year. The \$7,000 is the federal wage base. Your state wage base may be different.

Generally, you can take a credit against your FUTA tax for amounts you paid into state unemployment funds. The credit may be as much as 5.4% of FUTA taxable wages. If you are entitled to the maximum 5.4% credit, the FUTA tax rate after credit is 0.8% (0.6% after June 30, 2011). You are entitled to the maximum credit if you paid your state unemployment taxes in full, on time, and on all the same wages as are subject to FUTA tax, and as long as the state is not determined to be a credit reduction state. See the Instructions for Form 940 to determine the credit.

In some states, the wages subject to state unemployment tax are the same as the wages subject to FUTA tax. However, certain states exempt some types of wages from state unemployment tax, even though they are subject to FUTA tax (for example, wages paid to corporate officers, certain payments of sick pay by unions, and certain fringe benefits). In such a case, you may be required to deposit more than 0.8% (.06% after June 30, 2011) FUTA tax on those wages. See the Instructions for Form 940, for further guidance.

Successor employer. If you acquired a business from an employer who was liable for FUTA tax, you may be able to count the wages that employer paid to the employees who continue to work for you when you figure the \$7,000 FUTA wage base. See the Instructions for Form 940.

Depositing FUTA tax. For deposit purposes, figure FUTA tax quarterly. Determine your FUTA tax liability by multiplying the amount of taxable wages paid during the quarter by 0.8% (0.6% after June 30, 2011). Stop depositing FUTA tax on an employee's wages when he or she reaches \$7,000 in taxable wages for the calendar year.

If your FUTA tax liability for any calendar quarter is \$500 or less, you do not have to deposit the tax. Instead, you may carry it forward and add it to the liability figured in the next quarter to see if you must make a deposit. If your FUTA tax liability for any calendar quarter is over \$500 (including any FUTA tax carried forward from an earlier quarter), you must deposit the tax by electronic funds transfer. See section 11 for more information on electronic funds transfer.

Household employees. You are not required to deposit FUTA taxes for household employees unless you report their wages on Form 941, Form 944, or Form 943. See Publication 926, Household Employer's Tax Guide, for more information.

When to deposit. Deposit the FUTA tax by the last day of the first month that follows the end of the quarter. If the due date (below) for making your deposit falls on a Saturday, Sunday, or legal holiday, you may make your deposit on the next business day.

If your liability for the fourth quarter (plus any undeposited amount from any earlier quarter) is over \$500, deposit the entire amount by the due date of Form 940 (January 31). If it is \$500 or less, you can make a deposit, pay the tax with a credit or debit card, or pay the tax with your 2010 Form 940 by January 31. For information on paying your taxes with a credit or debit card, visit the IRS website at www.irs.gov/e-pay.

Table 4. When to Deposit FUTA Taxes

| Quarter | Ending | Due Date |
|-----------------|----------|----------|
| Jan.–Feb.–Mar. | Mar. 31 | Apr. 30 |
| Apr.–May–June | June 30 | July 31 |
| July–Aug.–Sept. | Sept. 30 | Oct. 31 |
| Oct.–Nov.–Dec. | Dec. 31 | Jan. 31 |

Reporting FUTA tax. Use Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return, to report FUTA tax. File your 2010 Form 940 by January 31, 2011. However, if you deposited all FUTA tax when due, you may file on or before February 10, 2011. If you do not receive Form 940, you can get a form by calling 1-800-TAX-FORM (1-800-829-3676).

Household employees. If you did not report employment taxes for household employees on Form 941, Form 944, or Form 943, report FUTA tax for these employees on Schedule H (Form 1040), Household Employment Taxes. See Publication 926 for more information. You must have an EIN to file Schedule H (Form 1040).

Electronic filing by reporting agents. Reporting agents filing Forms 940 for groups of taxpayers can file them electronically. See the *Reporting Agent* discussion in section 7 of Publication 15-A.

Commonwealth of Kentucky
 DIVISION OF UNEMPLOYMENT INSURANCE
 Frankfort, Kentucky 40602

36,594
 Date of
 Notice: NOV 29, 2010

NOTICE OF CONTRIBUTION RATE
 For Calendar Year 2011

This notice has been issued to advise you of the contribution rate assigned to your Kentucky Unemployment Insurance Employer Reserve Account for the year indicated above. The figures provided on this form are taken from the account records maintained by the Division, and furnished to assist you in understanding how your contribution rate was calculated. Tax is due on the first \$8000 paid to each worker in a calendar year. Please note that due to recent legislation, the computation date has changed from October 31 to July 31.

KENERGY CORP
 6402 OLD CORYDON ROAD
 HENDERSON KY 42420

ACCOUNT # 487105-A 9
 UI RATE: 1.000

THIS IS NOT A BILL

| PREDECESSOR # | CODE | BENEFIT CHARGES | CODE | CONTRIBUTIONS | CODE | EMPLOYER RESERVE | CODE | THREE(3) FISCAL YEARS/TAXABLE WAGES |
|--|------|-----------------|------|---------------|------|------------------|------|-------------------------------------|
| | 29 | 3,548.00 | 99 | 12,368.96 | 15 | 377,916.73 | 59 | 3,871,424.71 |
| TOTALS | | 3,548.00 | | 12,368.96 | | 377,916.73 | | 3,871,424.71 |
| CONTRIBUTIONS PAID AS OF JUL 31, 2010 -----ADD | | | | | | 12,368.96 | | A |
| BENEFIT CHARGES AS OF JUN 30, 2010 ---SUBTRACT | | | | | | 3,548.00 | | RATING FACTORS: |
| NET RESERVE BALANCE AS OF COMPUTATION DATE | | | | | | 386,737.69 | | RESERVE RATIO: 00009.989 |

KRS 341.430 PROVIDES AN APPEAL FROM THIS DETERMINATION MUST BE FILED WITHIN 20 DAYS FROM THE DATE OF THIS NOTICE

| RATE SCHEDULE | | EXPLANATION | VOLUNTARY CONTRIBUTION |
|---------------------------|------------------|----------------------------------|---|
| If your reserve ratio is: | Your UI rate is: | 10 TRANSFERRED FROM PREDECESSOR | CHECK YOUR RATING FACTORS FOR ELIGIBILITY AND USE RATE SCHEDULE FOR COMPUTATION. VOLUNTARY CONTRIBUTION MADE TO REDUCE DETERMINED RATE FROM _____% TO _____% ATTACH REMITTANCE FOR \$ _____ MAKE PAYABLE TO: TREASURER, KY UNEMPLOYMENT INSURANCE FUND MAIL TO: OFFICE OF EMPLOYMENT AND TRAINING DIVISION OF UNEMPLOYMENT INSURANCE TAX ENFORCEMENT BRANCH P.O. BOX 948 FRANKFORT, KENTUCKY 40602-0948 NOT ACCEPTABLE UNLESS POSTMARKED WITHIN 20 DAYS OF THIS NOTICE ACCOUNTING (502)564-2168 STATUS (502)564-2272 |
| 8.0% and over | 1.00% | 15 BALANCE FROM LAST COMPUTATION | |
| 7.0% but under 8.0% | 1.05% | 28 TRANSFERRED FROM PREDECESSOR | |
| 6.0% but under 7.0% | 1.10% | 29 BENEFIT CHARGES | |
| 5.0% but under 6.0% | 1.40% | 30 VOLUNTARY CONTRIBUTION | |
| 4.6% but under 5.0% | 1.80% | 58 TRANSFERRED FROM PREDECESSOR | |
| 4.2% but under 4.6% | 2.30% | 59 TAXABLE WAGES | |
| 3.9% but under 4.2% | 2.70% | 60 TRANSFERRED FROM PREDECESSOR | |
| 3.6% but under 3.9% | 3.00% | 98 TRANSFERRED FROM PREDECESSOR | |
| 3.2% but under 3.6% | 3.10% | 99 PAID SINCE LAST COMPUTATION | |
| | | RATING FACTORS | |
| -0.5% but under 0.0% | 7.50% | A SUBJECT 12 QUARTERS | |
| -1.0% but under -0.5% | 7.75% | B NOT SUBJECT 12 QUARTERS | |
| -1.5% but under -1.0% | 8.00% | C DELINQUENT IN FILING REPORTS | |
| -2.0% but under -1.5% | 8.25% | D DEFICIT BALANCE & RATIO | |
| -3.0% but under -2.0% | 8.50% | U CONTRACT CONSTRUCTION | |
| -4.0% but under -3.0% | 8.75% | | |
| -6.0% but under -4.0% | 9.25% | | |
| -8.0% but under -6.0% | 9.50% | | |
| less than -8.0% | 10.00% | | |

SEE BACK FOR EXPLANATION OF RATE DETERMINATION, RATIO, CODES, RATING FACTORS AND VOLUNTARY CONTRIBUTIONS

070
724 KE 11/3/10



**FEDERATED RURAL ELECTRIC
INSURANCE EXCHANGE**

Information Page

**Workers' Compensation and
Employers' Liability Policy**

11875 W. 85th Street - P.O. Box 15147 - Lenexa, KS 66285-5147 - (913) 541-0150 - (800) 356-8360 - Facsimile (913) 541-9004

NCCI CODE: 14702

POLICY NUMBER:

16 WC 037-11

ITEM 1.

THE INSURED KENERGY Corp.
ADDRESS P.O. Box 18
Henderson, KY 42419

LIMITED LIABILITY COMPANY

INDIVIDUAL PARTNERSHIP

CORPORATION

OTHER WORK PLACES NOT SHOWN ABOVE:

FEIN # 611345109

Risk ID 160053062

INDUSTRY CODE 221122

ITEM 2. POLICY PERIOD: 1/1/2011 to 1/1/2012

12:01 a.m. Standard Time at the Insured's Mailing Address

ITEM 3. A. WORKERS' COMPENSATION INSURANCE: Part One of the policy applies to the Workers' Compensation law of the states listed here
KENTUCKY

B. EMPLOYERS' LIABILITY INSURANCE: Part Two of the policy applies to work in each state listed in item 3A.

The limits of our liability under Part Two are: BODILY INJURY BY ACCIDENT \$500,000 EACH ACCIDENT
BODILY INJURY BY DISEASE \$500,000 POLICY LIMIT
BODILY INJURY BY DISEASE \$500,000 EACH EMPLOYEE

C. OTHER STATES INSURANCE: Part Three of the policy applies to the states, if any, listed here:
All Other States Except: ND, OH, WA & WY

D. THIS POLICY INCLUDES THESE ENDORSEMENTS AND SCHEDULES:
WC000000A(4/92) WC000309B(1/06) WC000422A(9/08) WC160305(6/07) WC160601(12/97) WC 160602(10/99)
MISCEND(1)

ITEM 4. The premium for this policy will be determined by our Manuals of Rules, Classification, Rates and Rating Plans. All information required below is subject to verification and change by audit.

| Classifications | | Premium Basis | Rates | |
|--|------------|-------------------------------------|---------------------------|--------------------------|
| Entries in this item, except as specifically provided elsewhere in this policy, do not modify any of the other provisions of the policy. | Code No. | Estimated Total Annual Remuneration | Per \$100 of Remuneration | Estimated Annual Premium |
| Clerical Office Employees NOC | KY 8810 | \$3,341,807 | 0.24 | \$8,020 |
| Salespersons, Collectors or Messengers--Outside | KY 8742 | 175,286 | 0.64 | 1,122 |
| Electric Light or Power Cooperative - Rural Electrification Administration Projects only - all employees and drivers | KY 7540 | 7,285,371 | 5.56 | 405,067 |
| Increased Limits Factor | 1.70% 9807 | | | 7,042 |
| Experience Modification | 1.000 | | | 0 |
| Premium Discount | 0064 | | | (20,563) |
| Catastrophe Provisions for Terrorism | 0.013 9740 | | | 1,404 |
| KY Workers Compensation Special Fund Assessment | 6.50 % | | | 26,130 |

MINIMUM PREMIUM \$0

TOTAL ESTIMATED ANNUAL PREMIUM \$402,092

Date of Issue: 10/19/2010

NEW RENEWAL REWRITE OF:

PREVIOUS POLICY NO. 16 WC 037-10

Countersigned By:

Tony W. Hermesch

Authorized Agent

**Kentucky Group Retention Program
For the Policy Period 1-1-2009 thru 12-31-2009
Developed Thru 12/31/2010**

Based on Retention of : 45%

| Coop Name | (1) Earned Premiums | (2) Federated's Retention | (3) Systems' Case Base Losses | (1-2-3) Systems' Profit | (1-2-3) Systems' (Loss) | Refunds Issued on 07-01-10 | Projected Refunds for 07-01-11 | Total Projected Refunds |
|---------------|---------------------------|---------------------------------|--|-------------------------------|-------------------------------|----------------------------------|--------------------------------------|-------------------------------|
| | 85,042 | 38,269 | 128,367 | 0 | (81,594) | 6,827 | 0 | 6,827 |
| | 167,458 | 75,356 | 2,965 | 89,137 | 0 | 41,255 | 32,968 | 74,223 |
| | 111,068 | 49,981 | 7,176 | 53,912 | 0 | 24,814 | 19,939 | 44,753 |
| | 84,791 | 38,156 | 44,585 | 2,050 | 0 | 951 | 758 | 1,710 |
| | 83,432 | 37,544 | 27,756 | 18,132 | 0 | 0 | 6,706 | 6,706 |
| | 105,555 | 47,500 | 767 | 57,288 | 0 | 26,286 | 21,188 | 47,474 |
| | 98,167 | 44,175 | 60,999 | 0 | (7,007) | 0 | 0 | 0 |
| | 35,415 | 15,937 | 0 | 19,478 | 0 | 8,937 | 7,204 | 16,142 |
| | 140,830 | 63,374 | 139,276 | 0 | (61,819) | 0 | 0 | 0 |
| | 271,460 | 122,157 | 7,501 | 141,802 | 0 | 57,779 | 52,446 | 110,225 |
| | 298,895 | 134,503 | 59,309 | 105,083 | 0 | 43,159 | 38,866 | 82,024 |
| KENERGY Corp. | 290,081 | 130,536 | 47,565 | 111,980 | 0 | 51,390 | 41,416 (1) | 92,806 |
| | 90,374 | 40,668 | 14,307 | 35,399 | 0 | 16,242 | 13,092 | 29,335 |
| | 161,630 | 72,734 | 26,132 | 62,765 | 0 | 35,682 | 23,214 | 58,895 |
| | 156,198 | 70,289 | 4,644 | 81,265 | 0 | 37,288 | 30,056 | 67,344 |
| | 220,233 | 99,105 | 52,704 | 68,424 | 0 | 26,070 | 25,307 | 51,377 |
| | 234,953 | 105,729 | 67,008 | 62,216 | 0 | 28,547 | 23,011 | 51,558 |
| | 13,671 | 6,152 | 0 | 7,519 | 0 | 3,450 | 2,781 | 6,231 |
| | 186,953 | 84,129 | 2,183 | 100,641 | 0 | 46,178 | 37,222 | 83,400 |
| | 60,136 | 27,061 | 12,952 | 20,123 | 0 | 9,233 | 7,443 | 16,676 |
| | 86,289 | 38,830 | 58,630 | 0 | (11,171) | 0 | 0 | 0 |
| | 334,393 | 150,477 | 5,918 | 177,998 | 0 | 81,677 | 65,833 | 147,511 |
| | 182,711 | 82,220 | 68,231 | 32,260 | 0 | 24,438 | 11,931 | 36,369 |
| TOTAL | 3,499,735 | 1,574,881 | 838,974 | 1,247,471 | (161,591) | 570,204 | 461,382 | 1,031,586 |

100% Refunds allocated to Individuals (Contribution Method)

Total Profit(Loss) 1,085,880

| | | | |
|------------------------------------|------------------|---------|---------|
| 5 % Refund allocated to Statewide | 54,294 | 30,011 | 24,283 |
| 95% Refund allocated to Individual | 1,031,586 | 570,204 | 461,382 |
| | <u>1,085,880</u> | 600,215 | 485,665 |

(1) 41,416
86,754 (from Page 6r)
128,170

**Kentucky Group Retention Program
For the Policy Period 1-1-2010 thru 12-31-2010
Developed Thru 12/31/2010**

Based on Retention of : 45%

| Coop Name | (1) Earned Premiums | (2) Federated's Retention | (3) Systems' Case Base Losses | (1-2-3) Systems' Profit | (1-2-3) Systems' (Loss) | Projected Refunds for 07-01-11 | Projected Refunds for 07-01-12 | Total Projected Refunds |
|---------------|---------------------------|---------------------------------|--|-------------------------------|-------------------------------|--------------------------------------|--------------------------------------|-------------------------------|
| | 68,039 | 30,618 | 11,137 | 26,284 | 0 | 10,101 | 10,101 | 20,203 |
| | 182,231 | 82,004 | 19,300 | 80,927 | 0 | 31,102 | 31,102 | 62,203 |
| | 107,807 | 48,513 | 4,525 | 54,769 | 0 | 21,049 | 21,049 | 42,097 |
| | 90,218 | 40,598 | 186 | 49,434 | 0 | 18,998 | 18,998 | 37,996 |
| | 108,514 | 48,831 | 443 | 59,240 | 0 | 22,767 | 22,767 | 45,534 |
| | 102,997 | 46,349 | 3,049 | 53,600 | 0 | 20,599 | 20,599 | 41,198 |
| | 132,163 | 59,473 | 101 | 72,589 | 0 | 27,897 | 27,897 | 55,794 |
| | 38,830 | 17,474 | 0 | 21,357 | 0 | 8,208 | 8,208 | 16,415 |
| | 173,758 | 78,191 | 68,381 | 27,186 | 0 | 10,448 | 10,448 | 20,896 |
| | 254,259 | 114,417 | 4,899 | 134,943 | 0 | 51,861 | 51,861 | 103,722 |
| | 241,996 | 108,898 | 126,080 | 7,018 | 0 | 2,697 | 2,697 | 5,394 |
| KENERGY Corp. | 417,521 | 187,884 | 3,900 | 225,736 | 0 | 86,754 (1) | 86,754 | 173,508 |
| | 88,024 | 39,611 | 3,143 | 45,270 | 0 | 17,398 | 17,398 | 34,796 |
| | 163,873 | 73,743 | 12,448 | 77,682 | 0 | 29,854 | 29,854 | 59,709 |
| | 162,951 | 73,328 | 37,256 | 52,367 | 0 | 20,126 | 20,126 | 40,251 |
| | 258,874 | 116,493 | 60,033 | 82,348 | 0 | 31,647 | 31,647 | 63,295 |
| | 237,609 | 106,924 | 39,594 | 91,091 | 0 | 35,008 | 35,008 | 70,016 |
| | 16,496 | 7,423 | 0 | 9,073 | 0 | 3,487 | 3,487 | 6,974 |
| | 167,778 | 75,500 | 200 | 92,078 | 0 | 35,387 | 35,387 | 70,774 |
| | 64,698 | 29,114 | 17,938 | 17,646 | 0 | 6,782 | 6,782 | 13,563 |
| | 109,020 | 49,059 | 86,682 | 0 | (26,721) | 0 | 0 | 0 |
| | 303,976 | 136,789 | 120,655 | 46,532 | 0 | 17,883 | 17,883 | 35,766 |
| | 205,821 | 92,619 | 339,856 | 0 | (226,655) | 0 | 0 | 0 |
| TOTAL | 3,697,453 | 1,663,854 | 959,806 | 1,327,169 | (253,375) | 510,052 | 510,052 | 1,020,104 |

100% Refunds allocated to Individuals (Contribution Method)

Total Profit(Loss) 1,073,794

| | | | |
|------------------------------------|------------------|----------------|----------------|
| 5 % Refund allocated to Statewide | 53,690 | 26,845 | 26,845 |
| 95% Refund allocated to Individual | <u>1,020,104</u> | <u>510,052</u> | <u>510,052</u> |
| | 1,073,794 | 536,897 | 536,897 |

(1) 86,754 to Exhibit 5, Page 6q

OK 164/121



**FEDERATED RURAL ELECTRIC
INSURANCE EXCHANGE**

11875 W. 85th Street
P.O. Box 15147
Lenexa, KS 66285-5147
(913)541-0150 (800) 356-8360 Fax: (913) 541-9004

PLEASE REMIT TO:

P.O. Box 210663
Kansas City, MO 64121-0663

| POLICY NUMBER | TYPE OF POLICY | PREMIUM ADJUSTMENT FOR THE PERIOD | | | | |
|-------------------------------------|------------------|-----------------------------------|------|----------------|----------|----------------|
| | | FROM | TO | | | |
| 16 ARB 037-10 | ALL RISK BLANKET | | | | | |
| EXPLANATION | CHARGES | | | -- CREDIT | | |
| | CODE | EXPOSURE | RATE | PREM. CHARGES | ITEM | CREDIT |
| Policy Period: 4/1/2010 to 4/1/2011 | | | | | | General Liab. |
| Annual Premium: | | | | 377,917 | | 150,530 (1) |
| Less Safety Accreditation: | | | | (15,543) | -4.1128% | (6,191) |
| State Surcharge: | | | | 6,523 | 1.7260% | 2,598 |
| Municipal Tax: | | | | 4,966 | 1.3140% | 1,978 |
| Due: 6/15/2010 | | | | <u>373,863</u> | | <u>148,915</u> |
| Less Payment Received | | | | | | 362,374 |
| (1) See Exhibit 5, Page 6t | | | | | | |

105,100

TOTAL CHARGES \$373,863

TOTAL CREDIT

LESS CREDIT *OK #72007 4/2/11* \$362,374

LESS TOTAL CHARGES

PAY THIS AMOUNT

\$11,489

CREDIT REMAINING TO YOUR ACCOUNT

VOUCHERED

16037
KENERGY Corp.
P.O. Box 18

Henderson, KY 42419

- CREDIT APPLIED ON POLICY NO.
- REFUND CHECK ENCLOSED



Insured: KENERGY Corp. 16037

Policy Number: 16 ARB 037-10
Policy Effective Date: 4/1/2010
Policy Expiration Date: 4/1/2011

Below is a breakdown of the All Risk Blanket policy premium to fit your own accounting purposes.

| | | | | |
|---------------------------|---------------------------------------|--------------|------------------|---------|
| <u>SECTION I</u> | Fire | \$1,000 Ded. | \$46,045 | |
| | Allied Lines | | \$72,701 | |
| | Burglary and Theft of Merchandise | | \$2,423 | |
| | Inland Marine | | \$3,303 | |
| | Optional Coverages | | | |
| | Accounts Receivable | | \$47 | |
| | Extra Expense | | \$222 | |
| | Rental Reimbursement | | \$826 | |
| | Valuable Papers | | \$61 | |
| <u>SECTION II</u> | General Liability - Bodily Injury | | \$45,159 | |
| | - Property Damage | \$0 Ded. | \$105,371 | 150,530 |
| | Automobile Liability - Bodily Injury | | \$43,486 | |
| | - Property Damage | | \$18,636 | |
| | - Comprehensive | \$500 Ded. | \$4,153 | |
| | - Collision | \$500 Ded. | \$11,990 | |
| | Medical Payments | | \$0 | |
| | Optional Coverages | | | |
| | Hired Auto Liability | | \$596 | |
| | Non-owned Auto Liability | | \$1,043 | |
| | Underinsured Motorist | | \$5,232 | |
| <u>SECTION III</u> | Blanket Crime | | \$810 | |
| | Burglary and Theft | | \$270 | |
| | TOTAL ALL RISK BLANKET PREMIUM | | \$362,374 | |

165,100

VOUCHERED

OK
1/11
4/27/10

6/15/2011



**FEDERATED RURAL ELECTRIC
INSURANCE EXCHANGE**

11875 W. 85th Street
P.O. Box 15147
Lenexa, KS 66285-5147
(913)541-0150 (800) 356-8360 Fax: (913) 541-9004

PLEASE REMIT TO:

P.O. Box 210663
Kansas City, MO 64121-0663

| POLICY NUMBER | | TYPE OF POLICY | | PREMIUM ADJUSTMENT FOR THE PERIOD | | | |
|-------------------------------------|--|---------------------|----------|-----------------------------------|---------------|--------|--------|
| 16 UMB 037-10 | | COMMERCIAL UMBRELLA | | FROM | TO | | |
| EXPLANATION | | CHARGES | | | | CREDIT | |
| | | CODE | EXPOSURE | RATE | PREM. CHARGES | ITEM | CREDIT |
| Policy Period: 4/1/2010 to 4/1/2011 | | | | | 44,344 | | |
| Annual Premium: | | | | | 798 | | |
| State Surcharge: | | | | | 608 | | |
| Municipal Tax: | | | | | <u>45,750</u> | | |
| Due: 6/15/2010 | | | | | | | |

165,100

| | | | |
|-----------------|-----------------|----------------------------------|-------|
| TOTAL CHARGES | <u>\$45,750</u> | TOTAL CREDIT | _____ |
| LESS CREDIT | _____ | LESS TOTAL CHARGES | _____ |
| PAY THIS AMOUNT | <u>\$45,750</u> | CREDIT REMAINING TO YOUR ACCOUNT | _____ |

F. J. ...

16037
KENERGY Corp.
P.O. Box 18

Henderson, KY 42419

VOUCHERED

- CREDIT APPLIED ON POLICY NO. _____
- REFUND CHECK ENCLOSED

Kenergy Corp.
2011 Rate Application
Schedule of Disallowed Expense Items
During Test Year Ending June 30, 2010

| (a) | (b) | (c) | (d) | (e) | (f) |
|--|-------------------|------------------|---------------|---------------|----------------------------|
| Item | Total Cost | Accounts | | | Expensed |
| | | Capitalized | Receivable | Non-Operating | |
| 1 Board of Directors Costs (Account 930.210): | | | | | |
| 2 Monthly Board Retainer | \$ 85,150 (1) | | | | |
| 3 Extra Per Diem for Chairperson | \$ 1,100 (1) | | | | |
| 4 Expenses for Non-Designated Delegate & | | | | | |
| 5 Alternate to Attend State & National Meetings | \$ 36,069 (1) | | | | |
| 6 Directors Emeritus | \$ 2,600 (1) | | | | |
| 7 Per Diem for Other Meetings | \$ 4,500 (1) | | | | |
| 8 Directors Emeritus Mileage & Toll Expense | \$ 821 (2) | | | | |
| 9 Member Resource Committee Expense | \$ 11,679 (1) | | | | |
| 10 | | | | | |
| 11 Total Board Costs | <u>\$ 141,919</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 141,919</u> |
| 12 | | | | | |
| 13 Miscellaneous Costs: | | | | | |
| 14 Donations and Other (Account 426) | \$ 69,128 (3) | | | | |
| 15 | | | | | |
| 16 Gifts (Account 930.200) | \$ 467 (4) | | | | |
| 17 | | | | | |
| 18 Public Relations Expenses (Account 930.240) | \$ 29,047 (5) | | | | |
| 19 | | | | | |
| 20 Total Miscellaneous | <u>\$ 98,642</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 98,642</u> |
| 21 | | | | | |
| 22 | | | | | |
| 23 Professional Services Expense: | | | | | |
| 24 Health Insurance - Attorney (Account 923.000) | \$ 12,404 (6) | | | | \$ 12,404 |
| 25 | | | | | |
| 26 Total Professional Services Expenses | <u>\$ 12,404</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 12,404</u> |
| 27 | | | | | |
| 28 | | | | | |
| 29 Employee Costs: | | | | | |
| 30 Life Insurance Over \$50,000, plus Spouse | \$ 61,915 (9) | \$ 21,560 | \$ 681 | \$ 213 | \$ 39,461 |
| 31 FICA/Medicare on Life Insurance Over \$50,000 | \$ 6,194 (7) | \$ 2,157 | \$ 68 | \$ 21 | \$ 3,948 |
| 32 Personal Vehicle Usage | \$ 20,410 (8) | \$ - | \$ - | \$ - | \$ 20,410 |
| 33 FICA/Medicare on Personal Vehicle Usage | \$ 1,561 (8) | \$ - | \$ - | \$ - | \$ 1,561 |
| 34 Misc. Employee Costs (Christmas party, | \$ 39,611 (10) | \$ - | \$ - | \$ - | \$ 39,611 |
| 35 (retirement gifts, breakroom supplies, etc.) | | | | | |
| 36 | | | | | |
| 37 Total Employee Costs | <u>\$ 129,691</u> | <u>\$ 23,717</u> | <u>\$ 749</u> | <u>\$ 234</u> | <u>\$ 104,991</u> |
| 38 | | | | | |
| 39 Total All Categories | <u>\$ 382,656</u> | <u>\$ 23,717</u> | <u>\$ 749</u> | <u>\$ 234</u> | <u>\$ 357,956</u> |
| 40 | | | | | |
| 41 | | | | | |
| 42 Items from Response to First Information Request: | | | | | <u>To Adjustment Recap</u> |
| 43 (1) See Item 30, Page 36 | | | | | \$ 31,949 Operations |
| 44 (2) See Item 30, Page 49 | | | | | \$ 29,245 Maintenance |
| 45 (3) See Item 31, Page 2 | | | | | \$ 24,045 Cust. Accts. |
| 46 (4) See Item 30, Page 10 | | | | | \$ - Cust. Services |
| 47 (5) See Item 30, Page 5 | | | | | \$ 1,400 Sales |
| 48 (6) See Item 34, Page 2 col. E | | | | | \$ 202,189 A&G |
| 49 (7) \$80,970(IRS amount) times .0765 | | | | | \$ 69,128 Donations |
| 50 (8) Test year amount added to Form W-2 | | | | | <u>\$ 357,956</u> |
| 51 \$20,410 times .0765 | | | | | |
| 52 | | | | | |

| KENERGY CORP | | | | | |
|-------------------------------------|-------------------|--------------------------------|----------------------------|---------------------------------|------------------|
| 2011 RATE APPLICATION | | | | | |
| MISCELLANEOUS EMPLOYEE COSTS | | | | | |
| (NOT INCLUDED IN ACCT 930.2) | | | | | |
| Acct No. | Retirement | Break Room Supplies | Christmas Party | Greeting Cards/Gifts | TOTAL: |
| 588 | | 9,051.34 | 6,117.65 | 127.33 | 15,296.32 |
| 593.3 | | | | | - |
| 598 | 1,466.84 | 5,266.43 | 3,556.77 | 144.82 | 10,434.86 |
| 903 | 2,200.00 | 3,592.99 | 2,431.80 | 50.33 | 8,275.12 |
| 908 | | | | | - |
| 912 | | 209.93 | 142.25 | 2.38 | 354.56 |
| 921 | 300.00 | 2,923.65 | 1,991.80 | 34.93 | 5,250.38 |
| TOTAL: | 3,966.84 | 21,044.34 | 14,240.27 | 359.79 | 39,611.24 |

| KENERGY CORPORATION | | | | | | | | | | |
|--------------------------|------------------|------------|-----------|-----|----------|----------|-----|-----|--------|----------|
| 2011 RATE APPLICATION | | | | | | | | | | |
| RETIREMENT DINNERS/GIFTS | | | | | | | | | | |
| CONTROL NO. | VENDOR | DATE | CHECK NO. | 588 | 598 | 903 | 912 | 912 | 921 | TOTAL |
| 259641 | Petty Cash | 8/7/2009 | 65068 | | 40.00 | | | | | 40.00 |
| 259708 | Moonlite Bar-B-Q | 8/7/2009 | 65049 | | 387.09 | | | | | 387.09 |
| 259383 | Petty Cash | 7/24/2009 | 64828 | | 5.00 | | | | | 5.00 |
| 259534 | RCCU - VISA | 7/31/2009 | 64950 | | 31.93 | | | | | 31.93 |
| 260443 | RCCU - VISA | 9/4/2009 | 65852 | | 42.47 | | | | | 42.47 |
| 260551 | RCCU - VISA | 9/4/2009 | 65852 | | 35.35 | | | | | 35.35 |
| 262987 | Marsha Cates | 9/25/2009 | 67445 | | | 700.00 | | | | 700.00 |
| 264734 | Evonne Hawkins | 11/13/2009 | 68835 | | | 1,000.00 | | | | 1,000.00 |
| 266485 | Sandra Patton | 1/8/2010 | 69856 | | | | | | 300.00 | 300.00 |
| 270208 | Betty King | 4/23/2010 | 71950 | | | 500.00 | | | | 500.00 |
| 272276 | Bob Hodskins | 7/2/2010 | 73151 | | 925.00 | | | | | 925.00 |
| | | | | - | 1,466.84 | 2,200.00 | - | - | 300.00 | 3,966.84 |

**KENERGY CORPORATION
2011 RATE APPLICATION
BREAKROOM SUPPLIES**

| CONTROL NO. | VENDOR | DATE | CHECK NO. | 588 | 598 | 903 | 912 | 921 | TOTAL |
|-------------|--------------------------|------------|-----------|----------|---------|---------|--------|---------|----------|
| 258842 | Canteen Service Co. | 7/24/2009 | 64744 | 28.42 | 16.53 | 11.24 | 0.66 | 9.25 | 66.10 |
| 259121 | Canteen Service Co. | 7/17/2009 | 64621 | 72.89 | 42.38 | 28.82 | 1.69 | 23.73 | 169.51 |
| 259147 | Barrett-Fisher Co. | 7/24/2009 | 64734 | 85.62 | 49.78 | 33.85 | 1.99 | 27.87 | 199.11 |
| 259217 | Wal-Mart | 7/24/2009 | 64845 | 192.72 | 112.05 | 76.19 | 4.49 | 62.74 | 448.19 |
| 259223 | Barrett-Fisher Co. | 7/24/2009 | 64734 | 185.67 | 107.95 | 73.40 | 4.32 | 60.45 | 431.79 |
| 259411 | Barrett-Fisher Co. | 8/7/2009 | 64991 | 168.19 | 97.78 | 66.49 | 3.92 | 54.76 | 391.14 |
| 259412 | Canteen Service Co. | 8/7/2009 | 64997 | 68.20 | 39.65 | 26.96 | 1.59 | 22.21 | 158.61 |
| 259420 | Warren Supply | 8/14/2009 | 65155 | 175.89 | 102.26 | 69.54 | 4.08 | 57.27 | 409.04 |
| 259556 | Pamida | 8/7/2009 | 65054 | 42.75 | 24.85 | 16.90 | 0.99 | 13.92 | 99.41 |
| 259578 | RCCU - VISA | 7/31/2009 | 64950 | 20.74 | 12.06 | 8.20 | 0.49 | 6.75 | 48.24 |
| 259581 | Canteen Service Co. | 8/7/2009 | 64997 | 30.53 | 17.75 | 12.07 | 0.71 | 9.94 | 71.00 |
| 259586 | Canteen Service Co. | 8/7/2009 | 64997 | 113.68 | 66.09 | 44.94 | 2.65 | 37.01 | 264.37 |
| 259644 | Warren Supply | 8/14/2009 | 65155 | 60.94 | 35.43 | 24.09 | 1.43 | 19.84 | 141.73 |
| 259691 | Warren Supply | 8/7/2009 | 65075 | 9.14 | 5.31 | 3.61 | 0.21 | 2.98 | 21.25 |
| | cash receipts | | | - | - | - | - | - | - |
| | | | Jul | 1,255.38 | 729.87 | 496.30 | 29.22 | 408.72 | 2,919.49 |
| 259793 | Clark Restaurant Service | 8/7/2009 | 65001 | 69.10 | 40.18 | 27.32 | 1.60 | 22.50 | 160.70 |
| 259915 | Wal-Mart | 8/14/2009 | 65154 | 9.12 | 5.30 | 3.60 | 0.21 | 2.97 | 21.20 |
| 260061 | Canteen Service Co. | 8/21/2009 | 65196 | 66.55 | 38.69 | 26.31 | 1.55 | 21.67 | 154.77 |
| 260527 | Clark Restaurant Service | 9/4/2009 | 65563 | 97.67 | 56.79 | 38.62 | 2.27 | 31.80 | 227.15 |
| 260528 | Conrad's | 9/4/2009 | 65576 | - | 4.99 | - | - | - | 4.99 |
| 260825 | Barret-Fisher Co. | 9/11/2009 | 66002 | 250.19 | 145.46 | 98.91 | 5.81 | 81.46 | 581.83 |
| | cash receipts | 8/20/2009 | | (75.68) | (44.00) | (29.92) | (1.76) | (24.64) | (176.00) |
| | cash receipts | 8/28/2009 | | (28.20) | (16.39) | (11.15) | (0.65) | (9.18) | (65.57) |
| | | | Aug | 388.75 | 231.02 | 153.69 | 9.03 | 126.58 | 909.07 |
| 261672 | Royal Crown Beverage | 9/11/2009 | 66541 | 129.08 | 75.05 | 51.03 | 3.00 | 42.03 | 300.19 |
| 261711 | Barrett-Fisher Co. | 9/18/2009 | 66759 | 71.56 | 41.61 | 28.29 | 1.66 | 23.30 | 166.42 |
| 261713 | Canteen Service Co. | 9/18/2009 | 66809 | 42.63 | 24.79 | 16.86 | 0.99 | 13.88 | 99.15 |
| 261715 | Canteen Service Co. | 9/18/2009 | 66809 | 56.85 | 33.05 | 22.47 | 1.32 | 18.51 | 132.20 |
| 261716 | Canteen Service Co. | 9/18/2009 | 66809 | 66.84 | 38.86 | 26.43 | 1.56 | 21.76 | 155.45 |
| 261937 | Wal-Mart | 9/18/2009 | 67306 | 27.16 | 15.79 | 10.73 | 0.64 | 8.84 | 63.16 |
| 262988 | Pamida | 9/25/2009 | 67731 | - | 4.23 | - | - | - | 4.23 |
| 263064 | Pro-TEX All | 10/2/2009 | 68111 | 74.33 | 43.21 | 29.39 | 1.73 | 24.20 | 172.86 |
| 263070 | Livingston Laboratories | 10/2/2009 | 68066 | 13.13 | 7.63 | 5.19 | 0.31 | 4.27 | 30.53 |
| 263071 | Livingston Laboratories | 10/2/2009 | 68066 | 13.13 | 7.63 | 5.19 | | 4.27 | 30.22 |
| 263594 | Pamida | 10/2/2009 | 68100 | 60.86 | 35.38 | 24.06 | 1.42 | 19.81 | 141.53 |
| 263690 | Canteen Service Co. | 10/9/2009 | 68210 | 28.63 | 16.65 | 11.32 | 0.66 | 9.32 | 66.58 |
| 263691 | Canteen Service Co. | 10/9/2009 | 68210 | 35.77 | 20.80 | 14.14 | 0.82 | 11.65 | 83.18 |
| 263698 | Canteen Service Co. | 10/9/2009 | 68210 | 87.96 | 51.14 | 34.77 | 2.04 | 28.64 | 204.55 |
| 263722 | Hillyard Inc. | 10/23/2009 | 68454 | 138.98 | 80.80 | 54.94 | 3.23 | 45.25 | 323.20 |
| | cash receipts | 9/21/2009 | | (124.70) | (72.50) | (49.30) | (2.90) | (40.60) | (290.00) |
| | | | Sep | 722.21 | 424.12 | 285.51 | 16.48 | 235.13 | 1,683.45 |
| 263912 | Barrett-Fisher Co. | 10/23/2009 | 68410 | 60.71 | 35.30 | 24.00 | 1.41 | 19.77 | 141.19 |
| 263913 | Barrett-Fisher Co. | 10/23/2009 | 68410 | 226.51 | 131.69 | 89.55 | 5.27 | 73.75 | 526.77 |
| 264014 | Pro-TEX All | 10/23/2009 | 68489 | 81.21 | 47.22 | 32.11 | 1.89 | 26.44 | 188.87 |
| 264218 | Royal Crown Beverage | 10/30/2009 | 68639 | 101.37 | 58.94 | 40.08 | 2.35 | 33.00 | 235.74 |
| 264243 | Barrett-Fisher Co. | 11/13/2009 | 68801 | 89.45 | 52.01 | 35.37 | 2.08 | 29.12 | 208.03 |
| 264421 | Canteen Service Co. | 11/6/2009 | 68690 | 88.17 | 51.26 | 34.86 | 2.05 | 28.71 | 205.05 |
| 264422 | Canteen Service Co. | 11/6/2009 | 68690 | 10.46 | 6.08 | 4.13 | 0.25 | 3.40 | 24.32 |
| 264423 | Pro-TEX All | 11/6/2009 | 68752 | 60.08 | 34.93 | 23.75 | 1.40 | 19.56 | 139.72 |
| 264424 | Pro-TEX All | 11/9/2009 | 68752 | 61.22 | 35.59 | 24.20 | 1.43 | 19.93 | 142.37 |
| 264548 | Canteen Service Co. | 11/13/2009 | 68805 | 66.80 | 38.84 | 26.41 | 1.54 | 21.75 | 155.34 |
| 264549 | Canteen Service Co. | 11/13/2009 | 68805 | 113.68 | 66.09 | 44.94 | 2.65 | 37.01 | 264.37 |
| | cash receipts | 10/26/2009 | | (26.54) | (15.43) | (10.49) | (0.63) | (8.64) | (61.73) |
| | | | Oct | 933.12 | 542.52 | 368.91 | 21.69 | 303.80 | 2,170.04 |

**KENERGY CORPORATION
2011 RATE APPLICATION
BREAKROOM SUPPLIES**

| CONTROL NO. | VENDOR | DATE | CHECK NO. | 588 | 598 | 903 | 912 | 921 | TOTAL |
|-------------|--------------------------|------------|-----------|---------|---------|---------|--------|---------|----------|
| 264616 | Clark Restaurant Service | 11/6/2009 | 68693 | 78.28 | 45.51 | 30.95 | 1.83 | 25.49 | 182.06 |
| 264624 | Conrad's | 11/6/2009 | 68696 | 9.07 | - | - | - | - | 9.07 |
| 264822 | Wal-Mart | 11/13/2009 | 68883 | 54.65 | 31.77 | 21.60 | 1.27 | 17.79 | 127.08 |
| 265286 | Canteen Service Co. | 12/4/2009 | 69196 | 139.80 | 81.28 | 55.27 | 3.24 | 45.52 | 325.11 |
| 265287 | Canteen Service Co. | 12/4/2009 | 69196 | 71.06 | 41.31 | 28.09 | 1.65 | 23.14 | 165.25 |
| 265300 | Barrett-Fisher Co. | 12/11/2009 | 69304 | 114.52 | 66.58 | 45.28 | 2.66 | 37.29 | 266.33 |
| 265302 | Warren Supply | 12/11/2009 | 69401 | 16.42 | 9.55 | 6.49 | 0.38 | 5.35 | 38.19 |
| 265388 | Petty cash | 12/4/2009 | 69277 | | | 14.27 | | | 14.27 |
| 265444 | Pro-Tex All | 12/11/2009 | 69380 | 64.65 | 37.59 | 25.56 | 1.50 | 21.05 | 150.35 |
| 265445 | Barrett-Fisher Co. | 12/11/2009 | 69304 | 401.80 | 233.60 | 158.85 | 9.35 | 130.82 | 934.42 |
| 265471 | Petty cash | 12/4/2009 | 69235 | | | 3.90 | | | 3.90 |
| | cash receipts | 11/13/2009 | | (53.75) | (31.25) | (21.25) | (1.25) | (17.50) | (125.00) |
| | | | Nov | 896.50 | 515.94 | 369.01 | 20.63 | 288.95 | 2,091.03 |
| 265497 | RCCU - VISA | 12/4/2009 | 69264 | 13.47 | 7.83 | 5.32 | 0.32 | 4.38 | 31.32 |
| 265714 | Wal-Mart | 12/18/2009 | 69545 | 166.47 | 96.79 | 65.82 | 3.86 | 54.21 | 387.15 |
| 265851 | Royal Crown Beverage | 12/23/2009 | 69629 | 59.80 | 34.77 | 23.64 | 1.39 | 19.47 | 139.07 |
| 265996 | Barrett-Fisher Co. | 12/23/2009 | 69564 | 88.07 | 51.20 | 34.82 | 2.05 | 28.67 | 204.81 |
| 266064 | Canteen Service Co. | 12/31/2009 | 69667 | 24.12 | 14.03 | 9.54 | 0.57 | 7.85 | 56.11 |
| 266067 | Canteen Service Co. | 12/31/2009 | 69667 | 113.68 | 66.09 | 44.94 | 2.65 | 37.01 | 264.37 |
| 266068 | Canteen Service Co. | 12/31/2009 | 69667 | 46.66 | 27.13 | 18.45 | 1.08 | 15.19 | 108.51 |
| 266120 | Barrett-Fisher Co. | 1/8/2010 | 69777 | 42.95 | 24.97 | 16.98 | 1.01 | 13.98 | 99.89 |
| 266408 | Warren Supply | 1/15/2010 | 70026 | 159.55 | 92.76 | 63.08 | 3.70 | 51.95 | 371.04 |
| 266433 | Warren Supply | 1/22/2010 | 70136 | 54.70 | 31.80 | 21.62 | 1.27 | 17.81 | 127.20 |
| 267354 | RCCU - VISA | Y/E A/P | JE 130 | 7.98 | 4.64 | 3.15 | 0.18 | 2.60 | 18.55 |
| | cash receipts | 12/3/2009 | | (83.85) | (48.75) | (33.15) | (1.95) | (27.30) | (195.00) |
| | | | Dec | 693.60 | 403.26 | 274.21 | 16.13 | 225.82 | 1,613.02 |
| 266801 | Canteen Service Co. | 1/29/2010 | 70176 | 125.97 | 73.24 | 49.80 | 2.94 | 41.01 | 292.96 |
| 266917 | Pamida | 1/22/2010 | 70099 | 8.42 | 4.89 | 3.33 | 0.19 | 2.74 | 19.57 |
| 266919 | Petty Cash | 1/22/2010 | 70104 | 27.63 | 16.07 | 10.92 | 0.64 | 9.00 | 64.26 |
| 267220 | Barrett-Fisher Co. | 2/5/2010 | 70319 | 89.45 | 52.01 | 35.37 | 2.08 | 29.12 | 208.03 |
| 267284 | Canteen Service Co. | 2/12/2010 | 70423 | 144.03 | 83.74 | 56.94 | 3.35 | 46.89 | 334.95 |
| 267290 | Canteen Service Co. | 2/12/2010 | 70423 | 54.86 | 31.90 | 21.69 | 1.27 | 17.86 | 127.58 |
| 267354 | RCCU - VISA | 2/5/2010 | 70384 | 16.91 | 9.83 | 6.68 | 0.39 | 5.51 | 39.32 |
| | cash receipts | 1/12/2010 | | (53.97) | (31.38) | (21.34) | (1.24) | (17.57) | (125.50) |
| | cash receipts | 1/28/2010 | | (24.08) | (14.00) | (9.52) | (0.57) | (7.84) | (56.01) |
| | | | Jan | 389.22 | 226.30 | 153.87 | 9.05 | 126.72 | 905.16 |
| 267354 | RCCU - VISA | 2/5/2010 | 70384 | (7.98) | (4.64) | (3.15) | (0.18) | (2.60) | (18.55) |
| 267507 | Canteen Service Co. | 2/19/2010 | 70508 | 133.44 | 77.58 | 52.75 | 3.11 | 43.44 | 310.32 |
| 267509 | Pamida | 2/19/2010 | 70573 | 16.86 | 9.80 | 6.66 | 0.39 | 5.49 | 39.20 |
| 267537 | Warren Supply | 2/26/2010 | 71133 | 155.58 | 90.45 | 61.51 | 3.62 | 50.66 | 361.82 |
| 267586 | Pamida | 2/19/2010 | 70573 | 24.15 | 14.04 | 9.55 | 0.57 | 7.86 | 56.17 |
| 267673 | Wal-Mart | 2/19/2010 | 70602 | 55.23 | 32.11 | 21.83 | 1.28 | 17.98 | 128.43 |
| 267810 | Warren Supply | 2/26/2010 | 71133 | 84.14 | 48.92 | 33.27 | 1.95 | 27.40 | 195.68 |
| 268852 | Canteen Service Co. | 3/5/2010 | 71188 | 64.57 | 37.54 | 25.53 | 1.51 | 21.02 | 150.17 |
| 268853 | Canteen Service Co. | 3/5/2010 | 71188 | 151.67 | 88.18 | 59.96 | 3.53 | 49.38 | 352.72 |
| 268934 | Clark Restaurant Service | 3/5/2010 | 71193 | 92.78 | 53.94 | 36.68 | 2.15 | 30.21 | 215.76 |
| 269028 | Royal Crown Beverage | 3/12/2010 | 71325 | 81.82 | 47.57 | 32.35 | 1.89 | 26.64 | 190.27 |
| | cash receipts | 2/9/2010 | | (43.00) | (25.00) | (17.00) | (1.00) | (14.00) | (100.00) |
| | | | Feb | 809.26 | 470.49 | 319.94 | 18.82 | 263.48 | 1,881.99 |
| 267793 | Pamida | 2/19/2010 | 70540 | 34.07 | 19.81 | 13.47 | 0.80 | 11.09 | 79.24 |
| 269092 | Barret-Fisher Co. | 3/26/2010 | 71459 | 358.06 | 208.18 | 141.56 | 8.32 | 116.58 | 832.70 |
| 269154 | Royal Crown Beverage | 3/12/2010 | 71325 | 90.61 | 52.68 | 35.82 | 2.12 | 29.50 | 210.73 |
| 269183 | Canteen Service Co. | 3/26/2010 | 71464 | 90.64 | 52.70 | 35.83 | 2.10 | 29.51 | 210.78 |
| 269256 | Wal-Mart | 3/19/2010 | 71437 | 53.26 | 30.97 | 21.05 | 1.24 | 17.34 | 123.86 |

KENERGY CORPORATION

2011 RATE APPLICATION

BREAKROOM SUPPLIES

| KENERGY CORPORATION | | | | | | | | | |
|-----------------------|--------------------------|-----------|-----------|-----------------|-----------------|-----------------|---------------|-----------------|------------------|
| 2011 RATE APPLICATION | | | | | | | | | |
| BREAKROOM SUPPLIES | | | | | | | | | |
| CONTROL NO. | VENDOR | DATE | CHECK NO. | 588 | 598 | 903 | 912 | 921 | TOTAL |
| 269385 | Petty Cash | 3/19/2010 | 71409 | 9.45 | 5.49 | 3.73 | 0.22 | 3.08 | 21.97 |
| 269598 | Barret-Fisher Co. | 4/9/2010 | 71699 | 60.85 | 35.38 | 24.06 | 1.41 | 19.81 | 141.51 |
| 269737 | Hillyard, Inc. | 4/16/2010 | 71835 | 72.92 | 42.40 | 28.83 | 1.70 | 23.74 | 169.59 |
| | cash receipts | 3/12/2010 | | (71.81) | (41.75) | (28.39) | (1.67) | (23.38) | (167.00) |
| | | | Mar | 698.05 | 405.86 | 275.96 | 16.24 | 227.27 | 1,623.38 |
| 269932 | Canteen Service Co. | 4/23/2010 | 71910 | 135.18 | 78.60 | 53.44 | 3.15 | 44.01 | 314.38 |
| 269933 | Canteen Service Co. | 4/23/2010 | 71910 | 44.74 | 26.01 | 17.69 | 1.04 | 14.57 | 104.05 |
| 269997 | Warren Supply | 4/16/2010 | 71890 | 191.14 | 111.13 | 75.57 | 4.45 | 62.23 | 444.52 |
| 269998 | Barret-Fisher Co. | 4/16/2010 | 71796 | 132.41 | 76.98 | 52.35 | 3.08 | 43.11 | 307.93 |
| 270012 | Canteen Service Co. | 4/23/2010 | 71910 | 101.39 | 58.95 | 40.08 | 2.35 | 33.01 | 235.78 |
| 270032 | Royal Crown Beverage | 4/30/2010 | 72097 | 84.78 | 49.29 | 33.52 | 1.97 | 27.60 | 197.16 |
| 270097 | Wal-Mart | 4/16/2010 | 71889 | 24.13 | 14.03 | 9.54 | 0.56 | 7.86 | 56.12 |
| 270637 | Barret-Fisher Co. | | | 107.34 | 62.41 | 42.44 | 2.49 | 34.95 | 249.63 |
| | cash receipts | | | - | - | - | - | - | - |
| | | | Apr | 821.11 | 477.40 | 324.63 | 19.09 | 267.34 | 1,909.57 |
| 270764 | Canteen Service Co. | 5/21/2010 | 72349 | 63.70 | 37.04 | 25.18 | 1.48 | 20.74 | 148.14 |
| 270765 | Barret-Fisher Co. | 5/21/2010 | 72343 | 60.85 | 35.38 | 24.06 | 1.41 | 19.81 | 141.51 |
| 270864 | Pamida | 5/21/2010 | 72419 | 12.76 | 7.42 | 5.05 | 0.29 | 4.16 | 29.68 |
| 270869 | Canteen Service Co. | 5/21/2010 | 72349 | 113.67 | 66.09 | 44.94 | 2.65 | 37.01 | 264.36 |
| 270883 | Wal-Mart | 5/14/2010 | 72326 | 21.55 | 12.53 | 8.52 | 0.50 | 7.02 | 50.12 |
| 270900 | Canteen Service Co. | 5/21/2010 | 72349 | 85.96 | 49.98 | 33.98 | 1.99 | 27.99 | 199.90 |
| 270952 | Barret-Fisher Co. | 6/4/2010 | 72637 | 263.85 | 153.40 | 104.31 | 6.14 | 85.91 | 613.61 |
| 271063 | Royal Crown Beverage | 6/4/2010 | 72724 | 101.37 | 58.94 | 40.08 | 2.35 | 33.00 | 235.74 |
| 271272 | RCCU - VISA | 6/4/2010 | 72725 | 21.77 | 12.66 | 8.61 | 0.50 | 7.09 | 50.63 |
| 271505 | Warren Supply | 6/4/2010 | 72747 | 161.9 | 94.13 | 64.01 | 3.75 | 52.71 | 376.50 |
| | cash receipts | 5/7/2010 | | (82.99) | (48.25) | (32.81) | (1.93) | (27.02) | (193.00) |
| | cash receipts | 5/10/2010 | | (41.28) | (24.00) | (16.32) | (0.96) | (13.44) | (96.00) |
| | cash receipts | 5/21/2010 | | (15.39) | (8.95) | (6.08) | (0.35) | (5.01) | (35.78) |
| | | | May | 767.72 | 446.37 | 303.53 | 17.82 | 249.97 | 1,785.41 |
| 271826 | Wal-Mart | 6/18/2010 | 72936 | 86.12 | 50.07 | 34.05 | 1.99 | 28.04 | 200.27 |
| 272086 | Warren Supply | 7/2/2010 | 73191 | 243.52 | 141.58 | 96.27 | 5.67 | 79.28 | 566.32 |
| 272093 | Barret-Fisher Co. | 7/2/2010 | 73118 | 132.41 | 76.98 | 52.35 | 3.08 | 43.11 | 307.93 |
| 272101 | Pamida | 7/2/2010 | 73171 | 33.92 | 19.72 | 13.41 | 0.79 | 11.04 | 78.88 |
| 272102 | Clark Restaurant Service | 7/2/2010 | 73127 | 62.49 | 36.33 | 24.71 | 1.45 | - | 124.98 |
| 272120 | Canteen Service Co. | 7/2/2010 | 73124 | 30.53 | 17.75 | 12.07 | 0.71 | 9.94 | 71.00 |
| 272121 | Canteen Service Co. | 7/2/2010 | 73124 | 97.40 | 56.63 | 38.51 | 2.27 | 31.71 | 226.52 |
| 272263 | Petty Cash | 7/2/2010 | 73192 | 12.17 | 7.08 | 4.81 | 0.29 | 3.96 | 28.31 |
| 272297 | Canteen Service Co. | 7/16/2010 | 73315 | 72.06 | 41.90 | 28.49 | 1.67 | 23.46 | 167.58 |
| 371598 | Petty Cash | 6/4/2010 | 72678 | 6.85 | 3.99 | 2.71 | 0.16 | 2.23 | 15.94 |
| | cash receipts | 6/24/2010 | | (101.05) | (58.75) | (39.95) | (2.35) | (32.90) | (235.00) |
| | | | Jun | 676.42 | 393.28 | 267.43 | 15.73 | 199.87 | 1,552.73 |
| TOTALS: | | | | 9,051.34 | 5,266.43 | 3,592.99 | 209.93 | 2,923.65 | 21,044.34 |

| KENERGY CORPORATION | | | | | | | | | |
|-----------------------|------------------------|------------|-----------|-----------------|-----------------|-----------------|---------------|-----------------|------------------|
| 2011 RATE APPLICATION | | | | | | | | | |
| CHRISTMAS PARTY | | | | | | | | | |
| CONTROL NO. | VENDOR | DATE | CHECK NO. | 588 | 598 | 903 | 912 | 921 | TOTAL |
| 258933 | Vickie Ellis | 7/10/2009 | 64527 | | | 13.20 | | | 13.20 |
| 265258 | Hines Center | 11/23/2009 | 69051 | 376.25 | 218.75 | 148.75 | 8.75 | 122.50 | 875.00 |
| 266399 | Moonlite Bar-B-Q | 1/8/2010 | 69843 | 3,033.73 | 1,763.79 | 1,199.38 | 70.55 | 987.73 | 7,055.18 |
| 266400 | Hines Center | 1/8/2010 | 69821 | 513.66 | 298.64 | 203.07 | 11.94 | 167.24 | 1,194.55 |
| 266434 | Welborn Floral Co. | 1/8/2010 | 69891 | 377.44 | 219.44 | 149.22 | 8.77 | 122.89 | 877.76 |
| 265629 | D J Your Way | 12/11/2009 | 69321 | 268.75 | 156.25 | 106.25 | 6.25 | 87.50 | 625.00 |
| 265616 | U S Bank - Cash | 12/11/2009 | 69399 | 1,376.00 | 800.00 | 544.00 | 32.00 | 448.00 | 3,200.00 |
| 265986 | B W Rentals | 12/23/2009 | 69563 | 45.58 | 26.50 | 18.02 | 1.06 | 14.84 | 106.00 |
| 265987 | B W Rentals | 12/23/2009 | 69563 | 45.58 | 26.50 | 18.02 | 1.06 | 14.84 | 106.00 |
| 265984 | Vickie Ellis | 12/23/2009 | 69589 | 7.73 | 4.50 | 3.06 | 0.17 | 2.52 | 17.98 |
| 266633 | Coca-Cola Bottling Co. | 1/15/2010 | 69929 | 72.93 | 42.40 | 28.83 | 1.70 | 23.74 | 169.60 |
| | | | | 5,741.40 | 3,338.02 | 2,269.85 | 133.50 | 1,869.30 | 13,352.07 |
| | | | | 6,117.65 | 3,556.77 | 2,431.80 | 142.25 | 1,991.80 | 14,240.27 |

| GREETING CARDS (EMPLOYEE) | | | | | | | | | |
|---------------------------|-------------------|------------|-----------|---------------|---------------|--------------|-------------|--------------|---------------|
| GIFTS (EMPLOYEE) | | | | | | | | | |
| CONTROL NO. | VENDOR | DATE | CHECK NO. | 588 | 598 | 903 | 912 | 921 | TOTAL |
| 263328 | RCCU - VISA | 10/2/2009 | 68129 | 20.06 | 11.66 | 7.93 | 0.46 | | 40.11 |
| 265655 | Thomason Barbecue | 10/2/2009 | 68152 | 13.67 | 7.95 | 5.4 | 0.31 | 4.45 | 31.78 |
| 264469 | RCCU - VISA | 10/30/2009 | 68640 | | | | | | - |
| 263768 | Moonlite Bar-B-Q | 10/9/2009 | 68258 | | 64.79 | | | | 64.79 |
| 264619 | Moonlite Bar-B-Q | 11/6/2009 | 68743 | 30.83 | 17.92 | 12.19 | 0.71 | 10.04 | 71.69 |
| 266336 | RCCU - VISA | 1/5/2010 | 69767 | | | | | | - |
| 266338 | RCCU - VISA | 1/5/2010 | 69767 | | | | | | - |
| 266338 | RCCU - VISA | 1/5/2010 | 69767 | 19.21 | 11.17 | 7.59 | 0.45 | 6.25 | 44.67 |
| 266698 | Moonlite Bar-B-Q | 1/15/2010 | 69978 | | | | | | - |
| 269786 | Petty Cash | 4/2/2010 | 71685 | | 6.00 | | | | 6.00 |
| 270468 | RCCU - VISA | 4/30/2010 | 72098 | | | | | | - |
| 270692 | RCCU - VISA | 5/7/2010 | 72214 | 19.40 | 11.28 | 7.67 | 0.45 | 6.32 | 45.12 |
| 270893 | Moonlite Bar-B-Q | 5/21/2010 | 72413 | | | | | | - |
| 272234 | RCCU - VISA | 7/2/2010 | 73178 | 24.16 | 14.05 | 9.55 | | 7.87 | 55.63 |
| | | | | 127.33 | 144.82 | 50.33 | 2.38 | 34.93 | 359.79 |

KENERGY CORP.
2011 RATE APPLICATION
SCHEDULE OF NON-RECURRING EXPENSE ITEMS
DURING TEST YEAR JUNE 30, 2010

| | (a) | | (b) |
|----|---|-----------|-------------------|
| 1 | Depreciation Study (\$19,300/3 yrs. X 2) | \$ | 12,867 (1) |
| 2 | | | |
| 3 | Work Force Management Consulting | \$ | 10,000 (1) |
| 4 | | | |
| 5 | 360 Administrative Survey | \$ | 4,485 (1) |
| 6 | | | |
| 7 | Pension Plan Merger - Consulting Fees | \$ | 22,768 (2) |
| 8 | | | |
| 9 | Safety Council Audit | \$ | 10,130 |
| 10 | | | |
| 11 | Single Audit FEMA | \$ | 8,750 |
| 12 | | | |
| 13 | 2009 Annual Meeting Expenses | \$ | 16,066 (5) |
| 14 | | | |
| 15 | Removal labor on transformers junked during ice storm | \$ | 183,729 (6) |
| 16 | | | |
| 17 | Other One-Time PSC Cases | <u>\$</u> | <u>10,082 (7)</u> |
| 18 | | | |
| 19 | | \$ | 278,877 |
| 20 | Less: | | |
| 21 | Proforma Cost for Mailing Capital Credit Allocation | | |
| 22 | Statements -\$22,063 (8), less test year expenses -\$13,766 (9) | <u>\$</u> | <u>(8,297)</u> |
| 23 | | | |
| 24 | | <u>\$</u> | <u>270,580</u> |
| 25 | | | |
| 26 | | | |
| 27 | | | |

- 28 From response to first information request:
- 29 (1) See Item 34, Page 2, Col. K
- 30 (2) See Item 34, Page 2, Col. C
- 31 (3) See Item 34, Page 2, Col. D
- 32 (4) See Item 34, Page 2, Col. D
- 33 (5) See Item 30, Page 8, Lines 15 & 16 - Annual Meeting Col.
- 34 (6) This cost was spread over six months, resulting in 4 months hitting the test year.
- 35 (7) See Item 34, Page 2, Col. H
- 36 (8) See Attached Invoices, Exhibit 5, Pages 8a & 8b
- 37 (9) See Item 30, Page 9, Line 67 - Capital Credit Col.
- 38
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INVOICE DETAIL

| Client Name | Client Code | AR Number | Invoice Date | Invoice Number |
|-----------------------------------|-------------|-----------|--------------|----------------|
| Kenergy Capital Credit Allocation | BIG | BIGBIG500 | 09/30/10 | 245137 |

| APPLCODE | APPL. CODE DESCR | CLIENT W/O # | W/O # | DATE | SERVICE TYPE | RATE | VOLUME | EXTENSION | TAX | TOTAL |
|----------|----------------------|-----------------|---------|----------|-----------------------|---------|--------|------------|--------|------------|
| BIG500 | Capital Credit Alloc | Replace 2547487 | 2548506 | 09/28/10 | Allocation Form | 0.05900 | 41192 | \$2,430.33 | \$0.00 | \$2,430.33 |
| | | | | | Allocation Processing | 0.13900 | 41192 | \$5,725.69 | \$0.00 | \$5,725.69 |
| | | | | | | | | \$8,156.02 | \$0.00 | \$8,156.02 |
| | | | | | | | | \$8,156.02 | \$0.00 | \$8,156.02 |

Exhibit 5, Page 8a

DUPLICATE



POSTAGE INVOICE DETAIL

| Client Name | Client Code | AR Number | Invoice Date | Invoice Number |
|-----------------------------------|-------------|-----------|--------------|----------------|
| Kenergy Capital Credit Allocation | BIG | BIGBIG500 | 09/30/10 | 245355 |

| APPLCODE | APPL. CODE DESCR | CLIENT W/O # | W/O # | DATE | SERVICE TYPE | RATE | VOLUME | EXTENSION | TAX | TOTAL |
|----------|----------------------|-----------------|---------|----------|---------------------------|---------|--------|-------------|--------|-------------|
| BIG500 | Capital Credit Alloc | Replace 2547487 | 2548506 | 09/28/10 | Additional Postage Charge | 0.33500 | 38611 | \$12,934.69 | \$0.00 | \$12,934.69 |
| | | | | | Additional Postage Charge | 0.35700 | 977 | \$348.79 | \$0.00 | \$348.79 |
| | | | | | Additional Postage Charge | 0.36000 | 282 | \$101.52 | \$0.00 | \$101.52 |
| | | | | | Additional Postage Charge | 0.38200 | 808 | \$308.66 | \$0.00 | \$308.66 |
| | | | | | Additional Postage Charge | 0.41400 | 513 | \$212.38 | \$0.00 | \$212.38 |
| | | | | | Additional Postage Charge | 0.44000 | 1 | \$0.44 | \$0.00 | \$0.44 |
| | | | | | | | | \$13,906.48 | \$0.00 | \$13,906.48 |
| | | | | | | | | \$13,906.48 | \$0.00 | \$13,906.48 |

Exhibit 5, Page 8b

CALLED FOR

KENERGY CORP.
2011 RATE APPLICATION
CONTRACTOR VEGETATION MANAGEMENT ADJUSTMENT

| (a) | (b) |
|---|-----------------------|
| 1 Contractor vegetation management expense during test year | |
| 2 recorded in Account 593.300 for routine maintenance | |
| 3 (1,325 miles @\$2,865) | \$ 3,796,353 |
| 4 | |
| 5 Proforma Expense - 1,103 miles @\$2,565 | = \$ <u>2,829,200</u> |
| 6 | |
| 7 Adjustment - Reduction to test year expense | <u>\$ (967,153)</u> |
| 8 | |
| 9 | |

10 Explanation:
11 The number of miles cleared during the months of July 2009
12 through June 2010 were above the normal twelve month
13 total due to crews catching up miles lost during February
14 and March 2009 due to the ice storm restoration work. Also,
15 the weather was abnormally good for clearing during the
16 first quarter of 2010. The contract cost per mile beginning
17 January 1, 2011 is dropping \$300.

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KENERGY CORP.
2011 RATE APPLICATION
CONTRACT METER TESTING ADJUSTMENT

| | (a) | | (b) |
|---|---|--|-------------------------|
| 1 | Test-Year Cost | | \$ 133,748 |
| 2 | | | |
| 3 | Proforma Cost | | <u>\$ 43,000</u> |
| 4 | | | |
| 5 | Adjustment - Reduction in Test Year Expense | | <u><u>\$ 90,748</u></u> |
| 6 | | | |
| 7 | | | |
| 8 | | | |
| 9 | | | |

10 Explanation:
11 Proforma cost based on 2011 budget amount. The annual
12 cost is being reduced pursuant to the statistical sampling
13 program approved by the PSC in Case No. 2010-00034.
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KENERGY CORP.
2011 RATE APPLICATION
ECONOMIC DEVELOPMENT PAYMENT FROM WHOLESALE POWER SUPPLIER

| | (a) | (b) |
|----|--|------------------|
| 1 | Test Year Amount Booked | \$ 147,472 |
| 2 | (See PSC First Data Request, Item 30, Page 7, BREC Contribution) | |
| 3 | | |
| 4 | Proforma Amount | <u>\$ 63,500</u> |
| 5 | (See Attachment - Page 11a) | |
| 6 | | |
| 7 | Adjustment - Increase Test Year Expense | <u>\$ 83,972</u> |
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Kenergy Corp.
2011 rate application
Depreciation Adjustment - Distribution plant

| Line No. | (a) Description | (b) Account Number | (c) Balance 6/30/2010 | (d) Current Depreciation Rate | (e) Proforma Depreciation Current rates | (f) Proposed Depreciation rates | (g) Impact of change | |
|----------|---------------------------------------|-----------------------|---|----------------------------------|--|------------------------------------|-------------------------|-----------------------------|
| 1 | Land and Land Rights | 360.000 | \$902,202 | n/a | 0 | | | |
| 2 | Station | 362.000 | \$18,879,775 | 2.2% | \$415,355 | 1.9% | \$ (56,639) | |
| 3 | Supervisory Control | 362.100 | \$1,947,611 | 6.7% | \$130,490 | 5.0% | \$ (33,109) | |
| 4 | Microwave Equipment | 362.200 | \$2,056,520 | 6.7% | \$137,787 | 5.0% | \$ (34,961) | |
| 5 | Microwave Towers | 362.223 | \$1,354,847 | 3.0% | \$40,645 | 2.8% | \$ (2,710) | |
| 6 | Owensboro Fiber Loop | 362.400 | \$919,512 | 4.0% | \$36,780 | 4.0% | \$ - | |
| 7 | Poles, Tower's, and Fixtures | 364.000 | \$69,679,825 | 4.2% | \$2,926,553 | 4.7% | \$ 348,399 | |
| 8 | Overhead Conductor's and Devices | 365.000 | \$49,418,898 | 3.4% | \$1,680,243 | 3.9% | \$ 247,094 | |
| 9 | Underground Conduit | 366.000 | \$14,166 | 2.2% | \$312 | 2.2% | \$ - | |
| 10 | Underground Conductor and Devices | 367.000 | \$13,776,642 | 3.1% | \$427,076 | 3.1% | \$ - | |
| 11 | Line Transformer's | 368.000 | \$30,314,848 | 2.9% | \$879,131 | 2.9% | \$ - | |
| 12 | Services | 369.000 | \$23,145,990 | 3.8% | \$879,548 | 3.8% | \$ - | |
| 13 | Meters | 370.000 | \$5,351,305 | 3.3% | \$176,593 | 5.0% | \$ 90,972 | |
| 14 | Installation on Customer's Premises | 371.000 | \$3,353,899 | 4.4% | \$147,572 | 5.4% | \$ 33,539 | |
| 15 | Street Lighting | 373.000 | \$790,335 | 3.8% | \$30,033 | 3.8% | \$ - | |
| 16 | | | | | | | | |
| 17 | Total - Distribution Plant | | <u>\$221,906,375</u> | | \$7,908,118 | | | |
| 18 | | | | | | | | |
| 19 | | | Test year | | <u>\$7,750,144</u> | | | |
| 20 | | | | | | Adjustment | Total | |
| 21 | | | Adjustment - year end plant @ current rates | | <u>\$157,974</u> | new rates | \$ 592,586 | Adjustment <u>\$750,560</u> |
| 22 | | | | | | | | |
| 23 | Total - Distribution Plant | | \$221,906,375 | | | | | |
| 24 | General plant accounts | | \$ 21,333,379 | | | | | |
| 25 | account 302 franchises | | \$ 19,355 | | | | | |
| 26 | Total utility plant per line 1 form 7 | | <u>\$243,259,109</u> | | | | | |

**KENERGY CORP.
2011 RATE APPLICATION
INTEREST EXPENSE ADJUSTMENT**

| Line No. | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) |
|----------|---------------------------|--|---------------|----------------------------------|--------------------|--------------------|--------------------|--------------------|
| | O/S Principal at 06/30/10 | Lender | Current Rates | Interest Renewal Date | Principal Maturity | Proforma Interest | Test Yr. Interest | Adjustment |
| 1 | \$ 6,823,026 | RUS | 5% | N/A Fixed to Maturity | 2039 | \$341,151 | | |
| 2 | \$ 2,203,989 | RUS | 5.125% | N/A Fixed to Maturity | 2033 | \$112,954 | | |
| 3 | \$ 1,600,750 | RUS | 4.125% | N/A Fixed to Maturity | 2032 | \$66,031 | | |
| 4 | \$ 5,503,859 | RUS | 3.750% | 7 yr fixed 1/31/2012 | 2036 | \$206,395 | | |
| 5 | \$ 15,933,952 | RUS | 2.125% | 3 yr fixed 3/31/2012 | 2036 | \$338,596 | | |
| 6 | \$ 8,429,636 | RUS | 2.625% | 4 yr fixed 3/31/2013 | 2036 | \$221,278 | | |
| 7 | \$ 10,260,470 | RUS | 2.125% | 7 yr fixed 4/30/2017 | 2036 | \$218,035 | | |
| 8 | \$ 7,166,004 | RUS | 3.250% | 7 yr fixed 7/31/2012 | 2036 | \$232,895 | | |
| 9 | \$ 1,198,251 | RUS | 3.125% | 6 yr fixed 5/31/2011 | 2029 | \$37,445 | | |
| 10 | \$ 1,587,898 | RUS | 3.500% | 8 yr fixed 12/31/2013 | 2032 | \$55,576 | | |
| 11 | \$ 1,280,009 | RUS | 4.000% | 8 yr fixed 08/31/2013 | 2032 | \$51,200 | | |
| 12 | \$ (16,391,779) | RUS | | N/A (Prepaid Debt Service) | | | | |
| 13 | \$ 45,596,065 | Total RUS | | | | \$1,881,556 | | |
| 14 | \$ 819,907 | RUS Ec. Devel. | 0% | Ec. Development Loans | | \$0 | | |
| 15 | \$ 19,757,741 | FFB | 4.940% | N/A Fixed to Maturity | 2037 | \$976,032 | | |
| 16 | \$ 9,000,000 | FFB | 3.544% | N/A Fixed to Maturity | 2042 | \$318,960 | | |
| 17 | \$ 9,000,000 | FFB | 4.537% | N/A Fixed to Maturity | 2042 | \$408,330 | | |
| 18 | \$ 37,757,741 | Total FFB | | | | \$1,703,322 | | |
| 19 | \$ 3,845,291 | US Treasury | 4.690% | N/A Fixed to Maturity | 2040 | \$180,344 | | |
| 20 | \$ 3,857,198 | US Treasury | 5.120% | N/A Fixed to Maturity | 2040 | \$197,489 | | |
| 21 | \$ 4,332,778 | US Treasury | 4.900% | N/A Fixed to Maturity | 2040 | \$212,306 | | |
| 22 | \$ 4,337,553 | US Treasury | 5.070% | N/A Fixed to Maturity | 2040 | \$219,914 | | |
| 23 | \$ 4,971,452 | US Treasury | 4.470% | N/A Fixed to Maturity | 2040 | \$222,224 | | |
| 24 | \$ 5,022,758 | US Treasury | 4.690% | N/A Fixed to Maturity | 2040 | \$235,567 | | |
| 25 | \$ 26,367,030 | Total US Treasury | | | | \$1,267,844 | | |
| 26 | \$ 9,110,101 | CoBank | 3.760% | (1) N/A Fixed to Maturity | 2020 | \$342,540 | | |
| 27 | \$ 749,330 | CoBank | 3.99% | (1) N/A Fixed to Maturity | 2015 | \$29,898 | | |
| 28 | \$ 675,338 | CoBank | 4.24% | (1) N/A Fixed to Maturity | 2017 | \$28,634 | | |
| 29 | \$ 1,257,163 | CoBank | 4.32% | (1) N/A Fixed to Maturity | 2018 | \$54,309 | | |
| 30 | \$ 956,544 | CoBank | 4.12% | (1) N/A Fixed to Maturity | 2016 | \$39,410 | | |
| 31 | \$ 1,805,005 | CoBank | 4.29% | (1) N/A Fixed to Maturity | 2014 | \$77,435 | | |
| 32 | \$ 1,995,661 | CoBank | 3.77% | (1) 3 Yr. Fixed until 2/16/2012 | 2022 | \$75,236 | | |
| 33 | \$ 1,978,775 | CoBank | 3.74% | (1) 5 Yr. Fixed until 3/18/2015 | 2028 | \$74,006 | | |
| 34 | \$ 2,459,413 | CoBank | 5.56% | (1) 5 Yr. Fixed until 2/16/2011 | 2025 | \$136,743 | | |
| 35 | \$ 2,547,406 | CoBank | 5.59% | (1) 6 Yr. Fixed until 2/16/2012 | 2029 | \$142,400 | | |
| 36 | \$ 4,597,295 | CoBank | 4.51% | (1) 3 Yr. Fixed until 10/13/2011 | 2032 | \$207,338 | | |
| 37 | \$ 28,132,031 | Total Cobank | | | | \$1,207,949 | | |
| 38 | \$ (4,915,136) | Principal due within one year | | | | | | |
| 39 | | | | | | | | |
| 40 | | | | | | | | |
| 41 | | | | | | | | |
| 42 | \$ 133,757,638 | Total Long-Term Debt (Line 41 - Form 7) | | | TOTALS | \$6,060,671 | \$6,193,481 | (\$132,810) |
| 43 | | (See Exhibit --, Page -- Line --) | | | | | (2) | |
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(1) Including .65% reduction for cash capital credit refunds. The Cobank capital plan provides for a 100 basis point total capital credit allocation on average loans outstanding, with a 65 basis point cash payment and a 35 basis point non-cash allocation.

(2) See Exhibit 10, Page --, Accounts 427.100 - 427.230.

KENERGY CORP.
 2011 RATE APPLICATION
 ADJUSTMENT TO INTEREST - CUSTOMER DEPOSITS

| | (a) | (b) |
|----|---|-------------------------|
| 1 | Balance Accounts 235,000 Customer Deposits on | \$ 3,984,537 |
| 2 | June 30, 2010 (Form 7, Line 47) See Exhibit 15A, Page 26. | |
| 3 | | |
| 4 | times | <u>6%</u> |
| 5 | | \$ 239,072 |
| 6 | | |
| 7 | Test Year Expense | <u>\$ 174,715</u> |
| 8 | | |
| 9 | Adjustment | <u><u>\$ 64,357</u></u> |
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KENERGY CORP.
2011 RATE APPLICATION
LINE OF CREDIT INTEREST EXPENSE ADJUSTMENT

| | (a) | (b) |
|----|---|-------------------|
| 1 | June 30, 2010 Test Year Expense - Account 431.000 | \$ 164,128 |
| 2 | (See PSC First Data Request, Item 7, Page 10) | |
| 3 | | |
| 4 | Proforma Expense | - |
| 5 | | <u>\$ 239,072</u> |
| 6 | | |
| 7 | Adjustment | <u>\$ 164,128</u> |
| 8 | | |
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KENERGY CORP.
 2011 RATE APPLICATION
 ADJUSTMENT - PSC TAX ASSESSMENT

| | (a) | (b) | (c) | (d) | (e) | (f) | (g) |
|----------------|---|------------|-----------------------|------------|----------------------|----------------|------------------|
| | | column | Normalized | | wholesale | | distribution |
| | | d | \$399,444,744 | | increase | | increase |
| 1 Revenues: | Exhibit 10, page 1, line 54 | | | | \$422,909,457 | | \$424,910,071 |
| 2 | | | | | | | |
| 3 Power costs: | | | | | | | |
| 4 | Exhibit 10, page 9, line 39 | e | \$ 281,754,153 | | \$ 297,184,774 | | \$ 297,184,774 |
| 5 | Exhibit 10, page 10, line 19 | d | \$ 24,261,832 | | \$ 25,829,757 | | \$ 25,829,757 |
| 6 | Exhibit 10, page 11, line 12 | e | \$ 10,389,956 | | \$ 11,133,533 | | \$ 11,133,533 |
| 7 | Exhibit 10, page 13, line 17 | h | \$ 44,966,093 | | \$ 50,676,615 | | \$ 50,676,615 |
| 8 | | | \$ 361,372,033 | | \$ 384,824,680 | | \$ 384,824,680 |
| 9 | | | \$ (180,686,016) | | \$ (192,412,340) | | \$ (192,412,340) |
| 10 | Less 1/2 power costs | | \$ 180,686,016 | | \$ 192,412,340 | | \$ 192,412,340 |
| 11 | assessable revenues (line 1 less line 9) | | \$218,758,728 | | \$230,497,117 | | \$232,497,731 |
| 12 | Times proforma tax rate | (1) | 0.0015830 | | 0.0015830 | | 0.0015830 |
| 13 | | | \$346,295 | | \$364,877 after | | \$368,044 |
| 14 | test year tax | (2) | \$ 302,648 normalized | | \$ 346,295 wholesale | | \$364,877 |
| 15 | adjustment | | \$43,647 | | \$18,582 | | \$3,167 |
| 16 | | | | | | | |
| 17 | tax paid July 2010 - | | \$ 305,204.0 | | | | |
| 18 | assessable revenue | | \$ 192,800,839 | | | | |
| 19 | proforma tax rate | (1) | 0.0015830 | | | | |
| 20 | (2) see exhibit 11, page , accounts 408.710-408.740 | | | | | | |
| 21 | | | | | | | |
| 22 | | | | | | | |
| 23 | nondedicated | test yr. | Normalized | Wholesale | distribution | | |
| 24 | class A | \$ 79,935 | \$ 59,029,644 | \$ 93,444 | \$ 13,509 | \$ 61,896,972 | \$ 4,539 |
| 25 | class B | \$ 18,873 | \$ 12,338,633 | \$ 19,532 | \$ 659 | \$ 13,122,596 | \$ 1,241 |
| 26 | class C | \$ 8,096 | \$ 6,130,172 | \$ 9,704 | \$ 1,608 | \$ 6,501,960 | \$ 589 |
| 27 | | \$ 302,648 | \$ 218,758,728 | \$ 346,295 | \$ 43,647 | \$ 230,497,118 | \$ 18,582 |

KENERGY CORP.
 2011 RATE APPLICATION
 ADJUSTMENT FOR RATE CASE EXPENSE - OUTSIDE VENDORS

| | (a) | (b) | (c) |
|---|-----|----------------|------------------|
| 1 Rate Case Cost of Outside Vendors Expensed During Test Year | | | \$ - (1) |
| 2 | | | |
| 3 Total Estimated Rate Case Cost of Outside Vendors | | \$ 98,901 (2) | |
| 4 | | Divided by 3 = | <u>\$ 32,967</u> |
| 5 | | | |
| 6 Increase to Test Year Expense | | | <u>\$ 32,967</u> |

- 7 (1) See Item 34, Page 2, Line 24 of the response to the First Staff Data Request.
 8
 9
 10 (2) See Item 35, Pages 2-3, of the response to the First Staff Data Request.
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KENERGY CORP.
2011 RATE APPLICATION
ADJUSTMENT TO NON-OPERATING MARGINS - INTEREST

| | (a) | (b) | (c) | (d) |
|----|--|---------------------|---------------------|--------------------|
| | | TEST YEAR | PROFORMA | ADJUSTMENT |
| 1 | | | | |
| 2 | | | | |
| 3 | RUS Cushion of Credit | \$ 884,640 | \$ 819,589 (1) | \$ (65,051) |
| 4 | CFC CTC's | \$ 95,103 | \$ 95,103 | \$ - |
| 5 | Deferred Compensation Earnings | \$ 93,467 | \$ 93,467 | \$ - |
| 6 | Overnight & 30 Day Investments | \$ 8,548 | \$ 8,548 | \$ - |
| 7 | Energy Resource Conservation Interest | \$ (11) | \$ - | \$ - |
| 8 | Error on Posting Receivable from CFC | \$ (47,356) | \$ - | \$ 47,356 |
| 9 | | | | |
| 10 | | <u>\$ 1,034,391</u> | <u>\$ 1,016,707</u> | <u>\$ (17,695)</u> |
| 11 | | (2) | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | (1) RUS Cushion of Credit: | | | |
| 16 | Account Balance @ 6/30/10 | = \$ 16,391,779 | (3) | |
| 17 | | x 5% | | |
| 18 | Proforma Income | <u>\$ 819,589</u> | | |
| 19 | | | | |
| 20 | | | | |
| 21 | (2) See Exhibit 11, Page 26, Accounts 419 - 419.300. | | | |
| 22 | | | | |
| 23 | | | | |
| 24 | (3) See Exhibit 15 a, Page 2, Line 37 of Form 7. | | | |
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KENERGY CORP.
2011 RATE APPLICATION
ADJUSTMENT TO NON-OPERATING INCOME

| | (a) | (b) |
|----|---|---------------------|
| 1 | Test Year Amounts Recorded in Accounts 421 | \$ 124,764 |
| 2 | | |
| 3 | Remove non-recurring loss booked on retirement of phone | |
| 4 | system and inventory of general plant items | <u>\$ (119,474)</u> |
| 5 | | |
| 6 | | |
| 7 | Remaining Test Year Amount | <u>\$ 5,290</u> |
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KENERGY CORP.
2011 RATE APPLICATION
NON-CASH CAPITAL CREDIT ALLOCATION

| 1 | (a) | (b) | (c) | (d) |
|---|-----------------------|-------------------|-------------------|---------------|
| 2 | | Test Year | PROFORMA | ADJUSTMENT |
| 3 | | 6/30/2010 | | |
| 4 | CoBank | \$ 98,327 | \$ 98,462 | \$ 135 |
| 5 | Federated | \$ 39,951 | \$ 39,951 | \$ - |
| 6 | | | | |
| 7 | KAEC & United Utility | <u>\$ 45,241</u> | <u>\$ 45,241</u> | <u>\$ -</u> |
| 8 | | | | |
| 9 | TOTAL | <u>\$ 183,519</u> | <u>\$ 183,654</u> | <u>\$ 135</u> |

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(1) CoBank principal balance @ 6/30/09

\$28,132,031

times

1%

\$ 281,320

times

35%

\$ 98,462

Explanation:

This adjustment reflects CoBank's capital plan, which provides for a patronage distribution of 1% of the average loans outstanding, with 65% cash and 35% non-cash. The cash portion has been reflected in the interest rates shown for CoBank on the interest expense adjustment.

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENERGY CORP.) CASE NO. 2011-00035
FOR AN ADJUSTMENT OF EXISTING)
RATES)

TESTIMONY OF SANFORD NOVICK

- Q1. Please state your name, business address and position with Kenergy.
- A. Sanford Novick, 6402 Old Corydon Road, Henderson, Kentucky 42420. I am President and CEO of Kenergy.
- Q2. What is your educational background?
- A. I received a Bachelor of Science in Mechanical Engineering from Vanderbilt University in 1970 and a Master of Business Administration in Management from Memphis State University in 1976.
- Q3. What is your work experience?
- A. Before coming to Kenergy in 2007 I worked for Memphis Light Gas & Water Division from which I retired as Vice President of Operations for the Electric, Gas & Water systems. In 1997, I began work with Mississippi Valley Gas as Senior Vice President of Operations and rose to the Chief Operating Officer position before the company was acquired by Atmos Energy in 2002. I then served as General Manager of the Lansing Board of Water & Light from 2003 until 2006. I am a registered professional engineer in Tennessee and Mississippi.
- Q4. Have you previously submitted testimony before the Kentucky Public Service Commission?
- A. Yes. I presented testimony in Kenergy’s application for approval of retail tariff riders and revised tariffs, Case No. 2008-00009 and in Case No. 2008-00323, application for a general adjustment in rates.

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Q5. Have you previously submitted testimony before other regulatory agencies?

A. Yes. I submitted testimony with the Mississippi Public Service Commission.

Q6. What is Kenergy requesting in this case?

A. Kenergy is requesting an adjustment in existing rates that will result in additional annual revenues of \$25,465,327 million, or a 6.38% increase in total annual revenues.

Q7. Why is Kenergy seeking this increase in revenues?

A. Kenergy needs this additional revenue to offset the proposed wholesale power cost increase sought by Big Rivers Electric Corporation in Case No. 2011-00034 of \$23,464,713. Also, to offset increased costs it has incurred since its last rate proceeding in Case No. 2008-00323, Kenergy is requesting an increase of \$2,000,614.

The largest cost increases (other than power cost) occurring over the past 2½ years is depreciation expense at approximately \$1,200,000. This increase occurred due to plant investment for new customer growth and replacement of existing facilities to maintain and improve reliability. Also, approximately \$600,000 of the increase results from the depreciation study suggesting the overall composite rate on distribution plant increase to 3.8% from 3.6%.

Kenergy has also incurred increased cost in labor and related overheads, most notably health insurance and pension costs, which have risen approximately \$500,000 since the last rate proceeding.

Q8. What specific adjustments in rates are being proposed by Kenergy?

A. In keeping with the Commission’s Order in Case No. 2003-00165, “..... to address the disparity between customer classes and cost of service”, Kenergy is proposing that a larger percentage increase be applied to the customer classes with rates of return lower than the system average. The method/approach used to determine the increases by class is explained in the testimony of Jack Gaines found in Exhibit 8.

1 Q9. If Kenergy's proposals are accepted by the Commission, will Kenergy have
2 rates that are fair, just, reasonable and nondiscriminatory?

3
4 A. Yes, I believe that if Kenergy's proposals are approved by the Commission,
5 this criteria will be satisfied. Kenergy will continue to offer some of the
6 lowest rates in the nation as well as the state of Kentucky.

7
8 Q10. Does this conclude your testimony?

9
10 A. Yes.

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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF KENERGY CORP.) CASE NO. 2011-00035
FOR AN ADJUSTMENT OF EXISTING)
RATES)

TESTIMONY OF STEVE THOMPSON

- Q1. Please state your name, business address and occupation.
- A. Steve Thompson, 6402 Old Corydon Road, Henderson, Kentucky 42420. I am employed by Kenergy Corp. as Vice President of the Finance and Accounting Department.
- Q2. Please describe your educational and work experience background.
- A. I received a Bachelor of Science degree with a major in Accounting from Brescia University. I worked for a local accounting firm for two years and am licensed as a certified public accountant by the Kentucky State Board of Accountancy. I was employed by Green River Electric Corporation for 21 years in the positions of Supervisor of General Accounting and Assistant Director of Accounting, and I have held my current position with Kenergy Corp. since July 1, 1999.
- Q3. Please explain to the Commission how your position at Kenergy Corp. has involved you in the preparation of this application.
- A. I have been involved in the preparation of this application since the outset at the direction of Kenergy's President and CEO. My duties included developing the information required in this application from the Company's records and providing information to our rate design and cost of service consultant, JDG Consulting LLC.
- Q4. Have you previously testified before this Commission?
- A. Yes, on several occasions.
- Q5. Are you familiar with the exhibits to the application of Kenergy?

- 1 A. Yes. I am familiar with the contents of the application of Kenergy and all
2 exhibits to it. To the best of my knowledge and belief, all facts stated in the
3 exhibits and in the notice are true and correct.
4
- 5 Q6. How were the members of Kenergy notified of the rate changes proposed by
6 Kenergy in its notice and application before this Commission?
7
- 8 A. A copy of the notice utilized is shown in Exhibit 4. We will publish appropriate
9 notice of the hearing in this matter in accordance with Commission regulations
10 and the statutes of Kentucky.
11
- 12 Q7. What method or approach did Kenergy utilize to determine its revenue
13 requirement?
14
- 15 A. Kenergy utilized the times interest earned ratio (TIER) approach in determining
16 the amount of the revenue increase being requested. Kenergy has requested a
17 TIER of 2.00 in its application consistent with the TIER allowed in recent orders
18 issued by the PSC in cooperative cases.
19
- 20 Q8. What period of time did you use as a test year for the purpose of determining the
21 result of the proposed rate changes upon the operations of Kenergy?
22
- 23 A. We used the twelve-month period ending June 30, 2010. This test period was
24 used because it was the most representative twelve month period available in
25 terms of average heating and cooling degree days during this period compared to
26 "normal," (cooling degree days during July and August 2010 were well above
27 normal). With a projected March 1, 2011 filing date for the application,
28 Kenergy needed to select a test year 6-9 months prior to the filing date to allow
29 time to prepare the information.
30
- 31 Q9. Will you please explain the effect that rate design changes proposed by Kenergy
32 will have upon the revenues of Kenergy, the total additional amount of money
33 resulting from the proposed increase, the percentage of change and the effect
34 upon the average customer's bill?
35
- 36 A. Based upon the normalized test year ending June 30, 2010, the proposed
37 changes in Kenergy's rates will increase Kenergy's total annual normalized
38 revenues by \$25,465,327, representing a 6.38% increase in total annual
39 revenues. The wholesale power cost flow-through represents an increase of
40 \$23,464,713 or 5.9%, and the other costs increase represent an increase of
41 \$2,000,614, or .5% Exhibit 10, page 1, shows the impacts by customer classes
42 and the percentage of change and the effect upon the average bill by class is
43 shown in Exhibit 4, page 4.
44
45

1 Q10. What proforma adjustments have been made to the test year that you are
2 sponsoring?
3
4 A. The adjustments made that I am sponsoring are shown and explained in Exhibit
5 5. I am also sponsoring the adjustments to unbilled revenue and related power
6 cost (page 9), and miscellaneous revenues (page 13) found in Exhibit 10A.
7
8 Q11. Does this conclude your testimony?
9
10 A. Yes.
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1 **Before the Kentucky Public Service Commission**
2 **Case No. 2011-00035**
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4

5 **DIRECT TESTIMONY OF JACK D. GAINES**
6 **On Behalf of Kenergy Corp.**
7
8

9 **I. Introduction**

10 1. Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

11 A. My name is Jack D. Gaines. My business address is P.O. Box 88039,
12 Dunwoody, Georgia 30356.

13 2. Q. BY WHOM ARE YOU EMPLOYED AND IN WHAT CAPACITY?

14 A. I am employed by and am president of JDG Consulting, LLC ("JDG").

15 3. Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL
16 BACKGROUND.

17 A. I graduated from the Georgia Institute of Technology receiving a Bachelor
18 of Science Degree in Industrial Management. I was previously employed
19 by Southern Engineering for approximately 25 years as a utility rate and
20 cost of service specialist. From August 1, 2000 until February 1, 2004, I
21 was employed by Clough Harbour & Associates, LLP in the same
22 capacity. I have prepared or assisted in the preparation of electric rate and
23 cost of service studies for either cooperative or municipal utility systems in
24 thirteen different states, including Kentucky.

25 4. Q. HAVE YOU PREVIOUSLY TESTIFIED AS AN EXPERT WITNESS
26 BEFORE REGULATORY AUTHORITIES?

27 A. I have submitted testimony and exhibits before the Indiana Utility

1 Regulatory Commission, the Kentucky Public Service Commission, the
2 Vermont Public Service Board, the Virginia State Corporation
3 Commission, the Georgia Public Service Commission, the Illinois
4 Commerce Commission, the New York Public Service Commission, the
5 West Virginia Public Service Commission, the Public Service
6 Commission of Maryland, the Delaware Public Service Commission and
7 the Federal Energy Regulatory Commission.

8 5. Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS
9 PROCEEDING?

10 A. The purpose of my testimony is to identify and describe the exhibits and
11 schedules that I am sponsoring including those prepared by me or by
12 Kenergy Corp. under my direction.

13 6. Q. PLEASE IDENTIFY THE EXHIBITS THAT YOU ARE SPONSORING
14 OR CO-SPONSORING.

15 A. I am sponsoring or co-sponsoring the following Exhibits:

16 Exhibit 3A - Proposed Tariffs

17 Exhibit 10A, pages 2 - 12 – Consumption Analysis; Present,
18 Normalized and Proposed Revenue by Class of Customer;
19 Customer Growth Adjustment; and, Adjustment to Unbilled
20 Revenue.

21 Exhibit 10A, page 14 – Non-Dedicated Delivery Points Power Cost

22 Exhibit 10B – Flow-through Methodology for Revising Retail
23 Rates.

1 Exhibit 16 - Cost of Service Study

2 **II. Supporting Exhibits**

3 7. Q. PLEASE DESCRIBE AND EXPLAIN THE SUPPORTING EXHIBITS.

4 A. Page 14 of Exhibit 10A shows how adjusted Non-Direct Served
5 power cost is normalized based on adjusted purchases as a result of
6 customer growth and unbilled kWh sales, the application of the
7 \$0.002 per kWh Expense Mitigation Factor (“EMF”) component of
8 the MRSM that was effective July 2010. Page 14 also provides the
9 calculations of Non-Direct Served power cost at the wholesale rates
10 proposed by Big Rivers in Case No. 2011-00036. The Summary of
11 Revenue, page 1 of Exhibit 10A, provides a breakdown of
12 customers, kWh sales and revenues by tariff, both per books and
13 adjusted. The Consumption Analyses on pages 2 through 6 and 8 of
14 Exhibit 10A provide for each Non-Direct Served tariff a breakdown
15 of annual billing determinants in accordance with the tariff structure.
16 Page 7 of Exhibit 10A is the Schedule of the Adjustment for Year
17 End Level of Customers that shows how customer growth by rate
18 class is calculated. Page 9 of Exhibit 10A provides the adjustment to
19 eliminate unbilled revenues and related power cost. Pages 10
20 through 12 provided consumption analyses, revenue calculations,
21 and power cost calculations for Direct Served Classes A, B, and C.
22 Exhibit 10B provides the methodology and calculations for adjusting
23 the Non-Direct Rates to flow through the wholesale base rate

1 changes proposed by Big Rivers. Exhibit 16 contains the cost of
2 service study ("COSS").

3 8. Q. PLEASE DESCRIBE THE ADJUSTMENTS TO REVENUES
4 THAT ARE REFLECTED IN COLUMN (c) OF PAGE 1 OF
5 EXHIBIT 5.

6 A. Non-Direct Served base rate revenues are adjusted for customer growth.
7 Direct Served Class C base rate revenues are adjusted to include the
8 annualized effects of two new customers added during the test year. Non-
9 Direct Served and Direct Served rate rider revenue is normalized to pass
10 through the power cost increase due to the EMF component of the Big
11 Rivers MRSM rate that was effective July 2010. Smelter revenues are
12 normalized to reflect corresponding adjustments to power costs.

13 9. Q. PLEASE DESCRIBE THE ADJUSTMENTS TO POWER COSTS
14 THAT ARE REFLECTED IN COLUMN (c) OF PAGE 1 OF
15 EXHIBIT 5.

16 A. Non-Direct Served base rate power cost is determined based on adjusted
17 purchases as a result of customer growth and unbilled kWh sales. Direct
18 Served Class C base rate power cost is adjusted to include the annualized
19 effects of two new customers added during the test year. Non-Direct
20 Served and Direct Served rider power costs are adjusted for the application
21 of the \$0.002 per kWh EMF component of the MRSM that was effective
22 July 2010. Smelter power costs are adjusted to match the units of sales and
23 power costs as reflected in the Big Rivers adjusted test year.

1 10. Q. PLEASE EXPLAIN HOW KENERGY HAS CALCULATED ITS
2 ADJUSTMENTS TO BILLING DETERMINANTS FOR CUSTOMER
3 GROWTH.

4 A. Customer growth adjustments have been made for Residential, Non-
5 Residential, and Three Phase 0-1,000 kW. The adjustments to billing
6 determinants for Residential, Non-Residential and Three Phase 0-1,000
7 kW are calculated by multiplying the increase in number of customers
8 times test year average consumption.

9 11. Q. PLEASE DESCRIBE THE ADJUSTMENTS TO REVENUES AND
10 POWER COSTS THAT ARE SHOWN IN COLUMN (e) OF PAGE 1 of
11 EXHIBIT 5.

12 A. Column (e) shows the effects on purchased power cost of the wholesale
13 rates proposed by Big Rivers and the flow through portion of the changes
14 in retail rates necessary to flow through the changes in wholesale power
15 cost. The flow through retail rate changes include changes to base rates
16 and the implementation of a new purchased power adjustment tariff rider
17 (“the non-FAC PPA”) that is needed to pass through wholesale charges or
18 credits resulting from the wholesale non-FAC PPA proposed by Big
19 Rivers. As shown, Kenergy’s test year revenue is calculated to increase
20 \$24,464,713 compared to the calculated increase in power cost of
21 \$24,465,784. The slight difference is due to rounding of non-Direct Served
22 rates.

23 12. Q PLEASE DESCRIBE HOW THE FLOW THROUGH BASE RATE

1 LEVELS ARE CALCULATED.

2 A. For the Direct Served classes, the changes in the Industrial Rate wholesale
3 demand and energy charges are applied directly to the Direct Served retail
4 demand and energy charges for an exact pass through. For the non-Direct
5 Served rates, a two part flow through methodology is used. First, the
6 energy charges and demand charges (if applicable) of each non-Direct
7 Served rate, and the outdoor lighting rates are adjusted by a uniform
8 demand multiplier of 1.098359 equal to one plus the demand related
9 increase in power costs divided by the non-Direct Served base energy and
10 demand revenues (i.e. excluding customer charge and minimums). Then,
11 each energy charge of each rate is decreased by an energy “adder” (a
12 negative value in this case) of \$(0.000914) equal to the change in the Big
13 Rivers base energy rate adjusted for losses. These calculations are shown
14 in Exhibit 10B.

15 **III. Allocated Cost of Service Study**

16 13. Q. PLEASE EXPLAIN THE ALLOCATED COST-OF-SERVICE STUDY.

17 A. The allocated cost of service study has been accomplished in two steps. In
18 step 1 which is presented on pages 1 through 4 of Exhibit 16, the costs,
19 rate base, and revenues assigned and allocated to the Class A, Class B and
20 Class C Direct Serve Customers are separated from the rural system cost
21 and revenues. In step 2, beginning with page 5 of Exhibit 16, traditional
22 cost allocation procedures are used to allocate costs to each of Kenergy’s
23 non-direct served classes.

1 14. Q. PLEASE EXPLAIN HOW COSTS ARE ASSIGNED TO THE DIRECT
2 SERVE CLASSES.

3 A. Beginning January 2002, Kenergy has been using an activity based
4 accounting system to track costs by certain activities. Included in the
5 accounting system are expense sub-accounts dedicated solely to the Class
6 A, Class B, and Class C Direct Serve industrial customers. Kenergy uses
7 those accounts primarily as a means of tracking actual direct labor (DL)
8 and associated overheads.

9 15. Q. PLEASE DESCRIBE THE NON-DIRECT SERVED SYSTEM COST OF
10 SERVICE STUDY IN EXHIBIT 14.

11 A. The methodology employed in the allocated cost of service study is
12 principally based on the general concepts and guidelines stated in the
13 *Electric Utility Cost Allocation Manual* as prepared by the National
14 Association of Regulatory Commissioners (NARUC). The methodology
15 is also consistent with the methodology approved by the Commission in
16 previous cooperative rate cases, including Case No. 90-152, filed by Green
17 River EC in 1991, Case No. 97-220 filed by Henderson Union EC in 1997,
18 Case Nos. 2000-395, 2003-00165, 2006-00369, and 2008-00323 filed by
19 Kenergy. The allocated cost of service study has been prepared using a
20 spreadsheet model developed by JDG primarily for use by electric
21 cooperatives. It is designed to produce both class revenue requirements
22 and unbundled cost and rate components by class. The model is set up to
23 functionalize a cooperative's plant investment, expenses and margin

1 requirements into the production, transmission and distribution functions.

2 In addition to functionalizing, the model is designed so that the

3 distribution costs can be sub-functionalized into: 1) sub-transmission; 2)

4 substation; 3) three phase and single phase primary distribution; 4)

5 transformers; 5) secondary distribution; 6) meters; 7) metering; 8) billing;

6 9) three categories of consumer services; 10) security lights and 11) street

7 lights. Sub-functionalized costs are then classified as energy related,

8 demand related, consumer related, revenue related or direct assignment.

9 The remainder of the model is devoted to the allocation of the

10 functionalized and sub-functionalized components of cost and to the

11 determination of unit costs by class for each component and sub-functional

12 level of revenue requirement.

13 16. Q. DESCRIBE THE FUNCTIONALIZATION AND
14 SUBFUNCTIONALIZATION PROCESS OF THE COST OF SERVICE
15 STUDY.

16 A. The first step performed in the cost of service study is to functionalize

17 utility plant, labor, and other utility expenses into production, transmission

18 and distribution functions. Kenergy does not directly own generation

19 facilities or transmission facilities. Therefore, all of Kenergy's investment

20 in utility plant has been assigned to the distribution function. With the

21 exception of purchased power expense, all labor expense and other utility

22 expenses are assigned to the distribution category. After functionalizing,

23 distribution-related investment, labor and expenses are sub-functionalized.

1 Only the utility plant, labor and utility expenses that are functionalized as
2 distribution are sub-functionalized. The sub-functional categories are as
3 follows:

- 4 • Subtransmission
- 5 • Substation
- 6 • Primary 3-Phase
- 7 • Primary 1-Phase
- 8 • Transformation
- 9 • Secondary and Services
 - 10 ➤ Meters, 3-Phase
 - 11 ➤ Meters, Single Phase
 - 12 ➤ Metering
 - 13 ➤ Billing
 - 14 ➤ Consumer Services 1, 2, and 3
 - 15 ➤ Security Lights
 - 16 ➤ Street Lights

17 Sub-functionalization follows the same general approach as that of
18 functionalization in that the first step is to sub-functionalize plant, which
19 creates sub-functional ratios. Then, labor is sub-functionalized primarily
20 on the basis of the plant ratios. Finally, utility expenses are sub-
21 functionalized using both plant and labor ratios.

22 17. Q. PLEASE DESCRIBE THE CLASSIFICATION PROCESS.

23 A. Sub-transmission and substation plant (accounts 350 through 358 and
24 accounts 360 through 362) are classified as demand related. Account 370,
25 meters, is directly classified as consumer related. All other plant accounts,
26 364-368, are classified as both demand and consumer. The amounts
27 classified as either demand or consumer related are determined by using
28 the minimum intercept methodology described in the NARUC cost
29 allocation manual. Generally, expenses are then classified using ratios

1 calculated from comparable plant investments. For example, operation
2 and maintenance expenses for overhead conductors are assumed to be
3 directly related to plant investment in overhead conductors. Both labor
4 and utility expenses booked in Accounts 583 and 593 are classified into
5 demand and customer components on the basis of the demand and
6 consumer ratios derived from the classification of the plant investment in
7 Account 365. Direct labor is functionalized and classified primarily on the
8 basis of functionalized and classified utility plant. This classification of
9 labor is then used to create a labor ratio, which is used to classify labor-
10 related expenses such as fringe benefits, and payroll taxes booked in the
11 administrative and general expenses.

12 18. Q. PLEASE DESCRIBE THE ALLOCATION PROCESS OF THE COST
13 OF SERVICE STUDY.

14 A. The allocation process is accomplished on pages 109 through 153 of the
15 COSS. Allocation of the cost by customer class is handled by using direct
16 assignments and various types of demand, energy, consumer or revenue
17 allocators developed using consumer usage and load characteristics from
18 the test year.

19 19. Q. PLEASE DESCRIBE THE DEMAND ALLOCATION
20 METHODOLOGY USED FOR THE RURAL SYSTEM WHOLESALE
21 DEMAND COSTS.

22 A. Rural System wholesale demand costs, including transmission costs are
23 purchased from Big Rivers based on Kenergy's system peak demands
24 coincident with the monthly Big Rivers peak. Estimates were made of
25 each class's contribution to the system's 12-month average coincident
26 peak billing demand. These class demand contributions form the basis for
27 allocating demand costs.

28 20. Q. PLEASE EXPLAIN THE METHODOLOGY USED TO DETERMINE
29 CLASS DEMAND ALLOCATORS FOR THE DEMAND RELATED
30 DISTRIBUTION SYSTEM PLANT AND EXPENSES.

1 A. For sub-transmission, substation and the primary distribution system class
2 demand responsibility, demand allocators based on the average and excess
3 methodology have been used. For transformation and secondary
4 distribution related investment and expenses, calculated maximum
5 demands by class have been used.

6 21. Q. PLEASE DESCRIBE THE CONSUMER ALLOCATORS.

7 A. A weighting factor of one (1) has been used to develop the consumer
8 allocator for most of the consumer-related costs. Customer Accounting
9 expenses were allocated based upon consumers. Meter reading expense
10 and Billing expense were allocated using meter reading and billing
11 allocators.

12 22. Q. PLEASE DESCRIBE THE PLANT, RATE BASE AND EXPENSE
13 ALLOCATIONS.

14 A. The allocation process is handled in sequence starting with Production
15 followed by sub-transmission, then substation, then 3-phase primary
16 distribution, then 1-phase primary distribution, then transformers and
17 secondary distribution, then the investment in 3-phase and 1-phase meters,
18 then metering, billing, consumer services and lights.

19 23. Q. PLEASE PROVIDE A SUMMARY OF THE RESULTS OF THE COSS.

20 A. The results are summarized for present rates after the flow through of the
21 wholesale rate increase on The Allocated Income Statement on page 5 of
22 Exhibit 16. The Cost of Service Summary found on page 6 shows the rates
23 of return under proposed rates. As shown on page 5, each class's rate of
24 return and relative rate of return under present rates with the flow through
25 adjustment are as follows:

26
27
28
29
30

| <u>Class</u> | <u>Rates of Return</u> | <u>Relative ROR</u> |
|--------------|----------------------------|-------------------------|
|--------------|----------------------------|-------------------------|

| | | |
|------------------------------------|--------|------|
| Security Lighting | 11.50% | 2.32 |
| Residential & Single Phase | 2.89% | .58 |
| Non-residential Single Phase | 6.39% | 1.29 |
| Three Phase – 0-1,000 kW | 17.83% | 3.60 |
| Three Phase - > 1,000 kW | 12.45% | 2.52 |
| | | |
| Tot. Regular Tariff System Average | 4.95% | 1.00 |

1

2 **IV. Proposed Revenues, Rate Design and Class Revenue Distribution**

3 24. Q. IN ITS PREVIOUS ORDERS, THE COMMISSION HAS DIRECTED
4 KENERGY TO ADDRESS CLASS PARITY ISSUES IN THIS AND
5 FUTURE RATE CASES. PLEASE DESCRIBE GENERALLY HOW
6 KENERGY HAS COMPLIED WITH THE COMMISSION'S
7 DIRECTIVES.

8 A. To address parity, Kenergy is proposing to hold the distribution adders for
9 Direct Served Class A and Class B rates at current levels, to hold the
10 Direct Served Class C rates at current levels except for a slight increase in
11 the monthly facilities charge applicable to direct investment, and to
12 allocate proportionately more of the non-direct served rate increase to
13 Residential & Single Phase so that the rate of return of each non-direct
14 served class will move closer to the system average for the non-direct
15 served classes as measured by relative rates of return.

16 25. Q PLEASE EXPLAIN THE COMPOSITION OF THE PROPOSED
17 REVENUE INCREASE AND HOW IT IS ALLOCATED.

18 Kenergy has determined that a revenue increase of \$2,000,614 is needed to
19 produce a test year TIER of approximately 2.00. The \$2,000,614 includes

1 \$1,972,777 from sales and \$27,837 from increases in miscellaneous
 2 revenues. The \$1,972,777 from sales includes a \$10,037 increase in
 3 Dedicated Delivery Point - Class C Direct Served facilities charge
 4 revenue. Therefore, the increase applicable to Non-Direct Served rate
 5 classes is \$1,990,287. To address parity, Kenergy is proposing to allocate
 6 the Non-Direct Served rate increase as follows:

| <u>Class</u> | <u>Revenue</u> | <u>Percent</u> |
|---------------------------------------|----------------|----------------|
| Security Lighting | \$13,871 | 0.9% |
| Residential & Single Phase | \$1,522,695 | 2.7% |
| Non-residential Single Phase | \$231,010 | 2.4% |
| Three Phase – 0-1,000 kW | \$135,196 | 1.0% |
| Three Phase- > 1,000 kW | \$59,678 | 1.4% |
| Tot. Regular Tariff System Average | \$1,962,450 | 2.3% |

8
 9 The proposed allocation of the increase affects the cost of service results
 10 as follows:

| <u>Class</u> | <u>Rates of Return</u> | <u>Relative Rates of Return</u> |
|---------------------------------------|------------------------|---|
| Security Lighting | 11.77% | 1.95 |
| Residential & Single Phase | 3.99% | .66 |
| Non-residential Single Phase | 7.52% | 1.25 |
| Three Phase – 0-1,000 kW | 18.79% | 3.11 |
| Three Phase - > 1,000 kW | 14.33% | 2.37 |
| Tot. Regular Tariff System Average | 6.04% | 1.00 |

11
 12 Although the rates of return from each class have increased, the classes
 13 have each moved closer to the system average and parity as measured by
 14 comparing the relative rates of return under present and proposed rates.

1 This is accomplished in part because a higher percentage increase has been
2 applied to Residential & Single Phase and in part because the overall
3 return has increased which affects the ratio of the class returns to the total.
4 For example, the rate of return for Three Phase – 0-1,000 kW would
5 increase from 17.38% to 18.79%. However, the overall rate of return is
6 increasing from 4.95% to 6.04%. The ratio of 17.38% to 4.95% is 3.60
7 while the ratio of 18.79% to 6.04% is 3.11. Thus, the Three Phase – 0-
8 1,000 kW rate of return is comparatively closer to the system average
9 under proposed rates.

10 26. Q. PLEASE EXPLAIN THE DEDICATED DELIVERY POINT - CLASS C
11 MONTHLY FACILITIES CHARGE APPLICABLE TO DIRECT
12 INVESTMENT AND THE PROPOSED CHANGE.

13 A. Dedicated Delivery Point - Class C tariff is applicable to customers for
14 which Kenergy purchases power under the Big Rivers Industrial Tariff. In
15 most cases, such customers are served directly from the Big Rivers owned
16 transmission and substation facilities. However, in some cases, Kenergy
17 owns and operates distribution facilities to link the customer with the Big
18 Rivers facilities. In those cases, a monthly facilities charge applicable to
19 direct investment is applied by Kenergy to recover the cost of the direct
20 investment in distribution facilities. The month facilities charge is stated as
21 a percentage factor equivalent to Kenergy's fixed charge rate for plant
22 investment. As shown on page 163 of Exhibit 16, it includes factors for
23 O&M, A&G, depreciation, general plant cost, and capital recovery. Each

1 factor is stated in terms of distribution plant investment and the costs are
2 derived from the adjusted test year cost of service study.

3 27. Q. PLEASE SUMMARIZE THE PROPOSED TARIFF CHANGES

4 A. Non-Demand Charge Single Phase Tariffs -

5 Kenergy is not proposing any structural changes in its rates for single
6 phase service. To achieve a more cost based rate design Kenergy is
7 proposing to emphasize the monthly Facilities Charge of the Residential
8 tariff. The Residential Facilities Charge is proposed to increase from
9 \$10.50 to \$13.00 with the energy charge increasing from the post flow
10 through level of \$.067543 per kWh to \$.06778 per kWh. The result is that
11 88.5% of the proposed Residential distribution increase is generated from
12 the Facilities Charge and 11.5% from the energy charge. The Non-
13 residential Single Phase Facilities Charge is already \$16.00 so in this case
14 a smaller increase is proposed from \$16.00 to \$17.00. Also, in this way
15 over time the Residential and the Non-residential Single Phase Facilities
16 Charges can be brought together. By comparison to the proposed Facilities
17 Charges of \$12.00 and \$16.00, respectively, as shown on page 8 of Exhibit
18 16, the cost of service produces a consumer related cost for single phase
19 service of \$20.89 per month including margins at the proposed level of
20 2.14% of rate base.

21 Three Phase Demand Tariffs-

22 The Three Phase – 0 to 1,000 kW and Three Phase Over 1,000 kW
23 demand and energy rates have been adjusted moderately to better reflect

1 the component costs and minimize the impacts on individual customers
2 within the class. The Three Phase 0 to 1,000 kW facilities charge has been
3 increased from \$30.00 per month to \$35.00 per month. The Three Phase
4 Over 1,000 kW tariff facilities charge has been increased from \$575 to
5 \$750 per month. Due to the size of the customers served, the \$225 per
6 month increase has relatively little bill impact but helps to differentiate
7 Over 1,000 kW Tariff from the 0-1,000 kW Tariff.

8 Street Light & Security Lights –

9 The distribution increase for lights was applied evenly to each light at an
10 increase of 0.85%.

11 28. Q. PLEASE EXPLAIN THE PROPOSED NON-FAC PPA.

12 A. The proposed Non-FAC PPA is a tariff rider designed to pass through any
13 charges or credits from Big Rivers under the wholesale non-FAC PPA
14 rider proposed by Big Rivers. It has two sections. Section 1 is applicable to
15 kWh sales made under Kenergy's tariffs for non-direct served customers,
16 schedules residential, non-residential, three-phase demand (0-1000 kW),
17 three-phase demand (1,000 kW & Over), and lighting rates – individual,
18 street, decorative, and commercial exterior. The current month retail
19 charge or credit is based on the amounts charged or credited by BREC on
20 the power bill for the second month preceding the current month, plus or
21 minus over and under correction amounts. The over and under correction
22 is based on the preceding month's charges or refunds versus the amount
23 calculated to be recoverable. Section 2 of the non-FAC PPA is applicable

1 to customers when the wholesale rate paid by Kenergy for the load
2 provided to the customer is either the Big Rivers Large Industrial Tariff or
3 the Big Rivers Large Industrial Expansion Tariff. Under Section 2, actual
4 Big Rivers charges and credits by customer are known and can be directly
5 assigned with no lag and no losses applicable. Retail over and under
6 mechanisms are not needed for Section 2 customers.

7 29. Q. PLEASE EXPLAIN PAGE 1 OF EXHIBIT 10A.

8 A. The revenue changes by class are summarized on page 1 of Exhibit 10A,
9 the Summary of Revenue. This exhibit summarizes the changes in test
10 year revenues by class. Column (g) shows tariff revenues annualized for
11 the test year at current levels. Column (i) shows the revenues with the
12 wholesale flow-through adjustment made. Column (k) shows the
13 proposed revenues with the distribution increase while column (l) shows
14 the proposed change. Column (m) provides the net proposed percentage
15 change compared to present rates.

16 30. Q. HAVE YOU REVIEWED KENERGY'S PROPOSED RATE LEVEL
17 FROM AN OVERALL REVENUE REQUIREMENTS PERSPECTIVE?

18 A. Yes, I have.

19 31. Q. IS IT YOUR OPINION THAT KENERGY NEEDS ALL OF THE
20 REVENUE REQUESTED IN THIS CASE TO MAINTAIN FINANCIAL
21 INTEGRITY?

22 A. Yes. Kenergy could support a higher TIER but needs at least a 2.00 TIER.
23 Kenergy is prepared to seek relief as necessary should the rates requested

1 in this case not adequately preserve Kenergy's equity and safeguard its
2 loan covenants.

3 32. Q. DOES THIS CONCLUDE YOUR TESTIMONY AT THIS TIME?

4 A. Yes, it does.

Direct Testimony of Robert N. Welsh
On Behalf of Kenergy Corp.

1

2 **Q. PLEASE STATE YOUR NAME AND ADDRESS**

3 A. My name is Robert N. Welsh. My business address is Suite 300,
4 1171 Taji Court, Herndon, Virginia 20170.

5 **Q. ARE YOU ASSOCIATED WITH ANY FIRM?**

6 A. Yes. I am the President and Founder of Welsh Group, LLC.

7 **Q. DESCRIBE WELSH GROUP, LLC.**

8 A. Welsh Group, LLC is a consulting firm I founded in late 2003. The
9 Company specializes in depreciation and accounting issues for long
10 lived assets.

11 **Q. WHAT IS YOUR EDUCATIONAL BACKGROUND?**

12 A. I have a Bachelor of Science in Organizational Analysis from
13 Pennsylvania State University and a Master of Business
14 Administration from Michigan State University and a Master of
15 Information Systems from George Washington University.

16 **Q. DO YOU BELONG TO ANY PROFESSIONAL SOCIETIES?**

17 A. Yes. I am a senior member, former President and Treasurer of the
18 Society of Depreciation Professionals and a member of the Institute
19 of Management Accounting.

20 **Q. DO YOU HOLD ANY SPECIAL CERTIFICATIONS?**

1 A. Yes, I am a Certified Depreciation Professional and a Certified
2 Management Accountant.

3 **Q. PLEASE DESCRIBE YOUR EXPERIENCE IN THE FIELD OF**
4 **DEPRECIATION.**

5 A. My first exposure to depreciation issues was in 1980 when as a
6 Service Cost analyst I worked closely with the depreciation group in
7 Bell of Pennsylvania. This led to an assignment as a depreciation
8 analyst the following year in the depreciation group. While in this
9 group I prepared depreciation studies for the Central Office
10 accounts in Bell of Pennsylvania and Diamond State Telephone
11 Companies. In these studies I implemented some of the first
12 Remaining Live and ELG depreciation rates in the Bell System. In
13 recognition of my work effort, at the completion and approval of
14 the studies, I was promoted.

15 After some other financial and operation career broadening
16 jobs, I returned to the depreciation area in 1991 when I became the
17 Manager for Depreciation for the states of Pennsylvania and West
18 Virginia in Bell Atlantic. In 1993 the Delaware and Washington DC
19 companies were added to my responsibilities and in 1995 the
20 remaining Bell Atlantic companies of New Jersey, Maryland and
21 Virginia were added. When Bell Atlantic merged with NYNEX in
22 1997 I assumed the depreciation responsibilities for all domestic
23 telephone and service companies in the New Bell Atlantic. In this

1 job, I was responsible for all depreciation related issues for 15
2 companies from Maine to Virginia. In addition to preparing
3 depreciation studies and setting both financial and regulatory
4 depreciation rates, my responsibilities ranged from managing the
5 corporate depreciation budget to working with the FCC and state
6 commissions on depreciation issues to issues such as
7 implementing SOP 98-1 and SFAS 143.

8 When Bell Atlantic merged with GTE in 2001 to form Verizon,
9 I became responsible for the combined depreciation operation.
10 When I retired from Verizon in 2003 I was responsible for \$143
11 billion in investment in 40 operating companies that ranged in size
12 from \$200 million to \$25 billion with an annual depreciation
13 expense of \$9 billion. Over the years I filed over 30 depreciation
14 studies with the FCC and various state commissions.

15 Since founding Welsh Group, LLC, I have prepared a number
16 of depreciation studies for different companies and assisted them
17 in other depreciation/fixed asset related issues. This is the second
18 depreciation study for Kenergy.

19 **Q. DO YOU HAVE ANY OTHER PERTINENT CREDENTIALS AND**
20 **TRAINING IN DEPRECIATION?**

21 A. Yes, the Society of Depreciation Professionals provides some of the
22 most comprehensive training in the country on depreciation. For
23 several years I was one of the instructors for this training. I taught

1 Depreciation Methods and Models in our Basic Depreciation course
2 and Life Analysis in our Advanced course. Scheduling issues have
3 prevented me from teaching the past few years.

4 Over the years, I have attended six five-day seminars on
5 Capital Recovery and Depreciation and numerous one to three day
6 seminars on Depreciation, Valuation and Fixed Asset issues. In
7 fulfilling the continuing education requirements for my CDP and
8 CMA I keep current on depreciation and related issues.

9 **Q.. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

10 A. The purpose of my testimony is to support and explain the
11 depreciation study I prepared for Kenergy Corporation.

12 **Q. WHY DID YOU PREPARE A DEPRECIATION STUDY FOR KENERGY?**

13 A. In their Order dated February 19, 2007 in Case No. 2006-00369 the
14 Commission requested Kenergy to file another depreciation study
15 within five years. This study meets that requirement.

16 **Q. PLEASE SUMMARIZE BRIEFLY THE CONCLUSIONS OF YOUR
17 DEPRECIATION STUDY THAT WAS CONDUCTED FOR KENERGY.**

18 A. The depreciation study updates the current depreciation rates for
19 the main distribution accounts based on a life and salvage analysis
20 of each individual account. The recommended depreciation rates
21 would increase the composite distribution depreciation rate from
22 3.6% to 3.8%.

1 **Q. PLEASE DESCRIBE THE PROCESS USED TO PREPARE THE**
2 **DEPRECIATION STUDY.**

3 A. This study took the company's historical plant and reserve
4 information developed in the 2006 Depreciation Study and dated it
5 with current activity. The resulting data was then analyzed along
6 with other Company information to determine new life and salvage
7 estimates. The life analysis was based on a simulated plant record
8 (SPR) analysis and the salvage analysis was based on historical
9 experience. The results of the life, salvage and reserve analysis
10 along with the current and expected operating environment and
11 expert judgment were combined to determine the recommended
12 life and salvage estimates.

13 **Q. PLEASE DEFINE THE CONCEPT OF DEPRECIATION.**

14 A. Depreciation is defined in the 1996 NARUC "Public Utility
15 Depreciation Practices" publication as follows: "Depreciation, as
16 applied to depreciable utility plant, means the loss in service value
17 not restored by current maintenance, incurred in connection with
18 the consumption or prospective retirement of utility plant in the
19 course of service from causes which are known to be in current
20 operation and against which the utility is not protected by
21 insurance. Among the causes to be given consideration are wear
22 and tear, decay, action of the elements, inadequacy, obsolescence,

1 changes in the art, changes in demand, and requirements of public
2 authorities.”

3 **Q. WHY IS DEPRECIATION IMPORTANT?**

4 A. Depreciation is important because it enables a company to recover
5 the capital costs related to its plant in service over the period of
6 time the assets benefit the company’s customers.

7 Appropriate depreciation rates recover a company’s investments in
8 depreciable assets over a life that provides for full recovery of the
9 investments, less net salvage. Without the appropriate recovery of
10 depreciation costs, the Company ultimately will not be able to meet
11 its financial obligations related to the continued provision of
12 service to customers. Furthermore, the appropriate level of
13 depreciation recovery serves to ensure that the revenue
14 requirements for both current and future customers only reflect the
15 appropriate cost and no one is unfairly burdened.

16 **Q. PLEASE DESCRIBE THE RELATIONSHIP OF DEPRECIATION
17 METHODS, PROCEDURES, AND TECHNIQUES IN THE CONTEXT
18 OF A DEPRECIATION STUDY.**

19 A. Every depreciation study must be based on a method, a procedure,
20 and a technique. Methods refer to the pattern of depreciation in
21 relation to the accounting periods. Procedures refer to the
22 grouping of assets in the analysis. Techniques refer to the portion
23 of average life used in the calculation of depreciation. The most

1 widely used method within the utility industry is the Straight Line
2 method. The Straight Line method applies the same depreciation
3 rate to the plant balance in each accounting period. Other
4 methods available are accelerated and deferral approaches such as
5 the Sum of the Years Digits Method or Sinking Fund method.

6 There are several procedures that can be used to group
7 property by sub-groups of vintages to develop applicable service
8 lives. The two most common in the utility industry are Broad Group
9 and Equal Life Group. Except for telecommunication companies
10 that tend to prefer Equal Life Group, most utilities tend to prefer
11 the Broad Group. The difference between the two procedures is in
12 the manner in which cost is recovered. In Broad Group, the useful
13 life and resulting depreciation rate is based upon the overall
14 average of the group, while in Equal Life Group, the useful life and
15 resulting depreciation rate is based upon recovering the investment
16 in each equal life group within the property category over the
17 actual life of the property in that group.

18 Finally, the depreciable investment needs to be recovered
19 over a defined period of time through the use of a technique, such
20 as the Whole Life or Average Remaining Life. The distinction
21 between the Whole Life and Average Remaining Life Techniques is
22 that in the Whole Life technique, the depreciation rate is based on
23 the recovery of the investment and average net salvage over the

1 average service life of the property group. In comparison, in the
2 Average Remaining Life technique, the resulting annual
3 depreciation rate incorporates the recovery of the investment and
4 future net salvage less any recovery experienced to date
5 (accumulated depreciation) over the average remaining life of the
6 property group.

7 The depreciation methods, procedures, and techniques can
8 be used interchangeably. For example, one could use the Straight
9 Line Method with the Broad Group Procedure and the Whole Life
10 Technique, or the Straight Line Method with the Equal Life Group
11 Procedure and Average Remaining Life Technique, or any other
12 combination.

13 **Q. PLEASE IDENTIFY THE METHOD, PROCEDURE, AND TECHNIQUE**
14 **YOU UTILIZED TO DEVELOP THE PROPOSED DEPRECIATION**
15 **RATES FOR KENERGY.**

16 A. The depreciation rates in my depreciation study report were
17 developed utilizing the Straight Line Method, the Broad Group
18 Procedure, and the Whole Life Technique.

19 **Q. WHY DID YOU USE THE INDICATED DEPRECIATION METHOD,**
20 **PROCEDURE AND TECHNIQUE?**

21 A. Currently, Kenergy uses the Straight Line method and there is no
22 compelling reason to change since the Straight Line method is
23 widely understood, recognized, and utilized almost exclusively for

1 depreciating utility property. The Broad Group procedure recovers
2 the Company's investments over the average period of time in
3 which the property is providing service to the Company's
4 customers. While many believe the Equal Life Group procedure
5 more closely mirrors the actual consumption pattern of the
6 property over its life, I elected to continue using the Broad Group
7 procedure selected in the 2006 depreciation study. Kenergy's data
8 is unaged and use of Equal Life Group would create additional
9 complexity but not necessarily additional accuracy. Finally, I
10 retained the *Whole Life technique currently being used*, because a
11 switch to the Average Remaining Life Technique would negate
12 some remaining portions of the transition plan and increase
13 depreciation expense more than is necessary.

14 **Q. WHAT ARE THE FACTORS THAT UNDERLIE THE DEPRECIATION**
15 **RATES PROPOSED IN YOUR STUDY?**

16 A. The factors that underlie the proposed whole life depreciation
17 rates are the average service life and the net salvage estimate. The
18 depreciation reserve which is important in determining the
19 appropriate depreciation rates is not part of the rate calculation.

20 **Q. PLEASE EXPLAIN THE FACTORS THAT IMPACT THE AVERAGE**
21 **SERVICE LIFE.**

22 A. The Average Service Life is the average of the lives of all the units
23 or dollars in a group from age zero to maximum life. The factors

1 that impact the average service life can grouped as (1) physical, (2)
2 functional, and (3) contingent casualties.

3 The physical factor includes such things as deterioration,
4 wear and tear and the action of the natural elements. The
5 functional factor includes inadequacy, obsolescence and
6 requirements of governmental authorities. Obsolescence occurs
7 when it is no longer economically feasible to use the property to
8 provide service to customers or when technological advances have
9 provided a substitute with superior performance. The remaining
10 factor, *contingent casualties, includes retirements caused by*
11 *accidental damage or construction activity of one type or another.*

12 Service lives are affected by many different factors, some of
13 which can be determined from studying past experience, others of
14 which must rely heavily on future expectations. When physical
15 characteristics are the controlling factor in determining the service
16 life of property, historical experience is a useful tool in selecting
17 service lives. In cases where there are changes in technology,
18 regulatory requirements, Company policy or the development of a
19 less costly alternative, historical experience is of lesser or little
20 value. In performing the life analysis for any property being
21 studied, both past experience and future expectations must be
22 considered in order to fully evaluate the circumstances that may
23 have a bearing on the remaining life of the property. This ensures

1 the selection of an average service life which best represents the
2 expected life of each property group

3 **Q. PLEASE EXPLAIN NET SALVAGE.**

4 A. Net Salvage is the difference between gross salvage, or the
5 proceeds received when an asset is disposed of, and the cost of
6 removing the asset from service. Net salvage is positive if gross
7 salvage exceeds the cost of removal and negative if cost of removal
8 exceeds gross salvage. The net salvage percentage is determined
9 by comparing the total net positive or negative salvage to the book
10 cost of the property investment retired.

11 Net salvage experience is studied for a period of years to
12 determine the trends which have occurred in the past. These trends
13 are considered, together with any changes that are anticipated in
14 the future, to determine the future net salvage. In the Whole Life
15 technique average net salvage is used to calculate the depreciation
16 rate. Average net salvage is a weighted average of the net salvage
17 actually experienced with past retirements and the net salvage
18 expected to be experienced in future retirements. Often the future
19 is expected to be like the past and the past and future net salvage
20 is assumed to be equal. In Kenergy's case, the copper wire
21 replacement project made the past net salvage significantly more
22 than what is expected in the future. In the depreciation study, the
23 salvage adjustment factor essentially converts the past net salvage

1 into an average net salvage by assuming the future net salvage will
2 be less than the past net salvage.

3 **Q. PLEASE DESCRIBE YOUR DEPRECIATION STUDY.**

4 A. The Kenergy depreciation study is a comprehensive look at the
5 variables related to depreciation. The study, Exhibit 13, consists of
6 a Narrative, a Life Analysis, a Net Salvage Analysis, and a
7 Depreciation Reserve Analysis. Exhibit RW-1, Analysis of
8 Depreciation Rates, summarizes the results of the study.

9 **Q. PLEASE BRIEFLY DESCRIBE THE NARRATIVE.**

10 A. The Narrative reviews the depreciation study procedures and
11 methods. It discusses in detail the life analysis, the net salvage
12 analysis, the depreciation reserve analysis and the five year
13 forecast. The Narrative also explains the proposed life and net
14 salvage selections. For the lay person, the Narrative ties together
15 the various study analyses and exhibits.

16 **Q. PLEASE BRIEFLY DESCRIBE THE LIFE ANALYSIS.**

17 A. The life analysis is the heart of a depreciation study. It combines
18 the historical experience with information on current and
19 prospective factors to determine the appropriate future lives over
20 which the Company's depreciable investment will be recovered.

21 The life analysis starts with the historical database of plant
22 activity data. For this study, the historical information in the 2006
23 depreciation study was updated to include the information since

1 the 2006 study. In a few accounts the accounting data was
2 adjusted to normalize the plant activity.

3 The next step in the life analysis was to determine the
4 method to be used in analyzing the historical information. As in
5 the 2006 study, the Simulated Plant Record (SPR) method was used.
6 The SPR method uses generalized survivor curves to simulate the
7 plant balances. The generalized survivor curves used in the SPR
8 analysis were the lowa curves. The lowa curve selected in the
9 analysis was based on closeness of match between the actual and
10 simulated annual amounts. The closeness of fit is measured by
11 the Conformance Index (CI) or its reciprocal, the Index of Variation
12 (IV). In our analysis, we used, the Index of Variation in conjunction
13 with the Retirement Experience Index (REI) to determine the "best
14 fit" survivor curve. The REI is a measure of reliability that helps
15 quantify the uniqueness of the survivor curve in the simulated
16 retirement pattern.

17 The SPR analysis (Exhibit 13, Tabs 7, 8 and 9) was performed
18 for all distribution plant accounts that had enough plant activity to
19 make the results meaningful. For each account various bands of
20 historical experience were used to test the strength of the survivor
21 curve. The final step in the life analysis process was to combine
22 the results of the SPR analysis with other information gathered in
23 the study process to select the most appropriate future lives.

1 Q. HOW DOES THIS NEW LIFE ANALYSIS COMPARE TO THE LIFE
2 ANALYSIS PERFORMED IN THE 2006 STUDY?

3 A. In most accounts the proposed survivor curves are the same or very
4 similar to the survivor curves in the 2006 study. In general, the
5 proposed service lives are slightly longer.

6 Q. PLEASE BRIEFLY DESCRIBE THE NET SALVAGE ANALYSIS.

7 A. The Net Salvage analysis began with a review of the historical
8 retirements, gross salvage and cost of removal. In the 2006
9 depreciation study the Net Salvage analysis was done in two parts
10 since the individual account information was limited. Now there is
11 enough years of individual account information for a meaningful
12 analysis. Typically, an average of the past five years is used as the
13 net salvage estimate if the salvage has been fairly consistent and if
14 the future is expected to be like the past.

15 However, during the years with individual account detail, the
16 largely completed copper wire replacement project generated more
17 salvage than is expected in the future. As a result, the net salvage
18 estimates for some accounts need to be adjusted downward to
19 develop a reasonable estimate of the net salvage anticipated in the
20 future. Since the 2006 Depreciation Study used an adjustment
21 factor to reduce the impact of the copper wire replacement project,
22 this study retained the factor at a reduced amount for some
23 accounts.

1 Q. HOW DOES THIS NEW NET SALVAGE ANALYSIS COMPARE TO
2 THE ANALYSIS PERFORMED IN THE 2006 STUDY?

3 A. There is no consistent pattern to the net salvage changes. In a
4 number of accounts there was a small change, usually toward less
5 salvage, but in a few accounts there were significant changes.
6 However, given the limited account specific net salvage data
7 available in the 2006 study, these changes are not surprising.

8 Q. PLEASE BRIEFLY DESCRIBE THE DEPRECIATION RESERVE
9 ANALYSIS.

10 A. In group accounting the depreciation reserve or accumulated
11 depreciation is a good indicator of the appropriateness of the
12 depreciation rates the company has been using. Depreciation rates
13 higher or lower than they should be can create a reserve imbalance.
14 Determining if there is an imbalance is especially important when
15 using whole life depreciation rates since the rates do not have any
16 mechanism to correct the imbalance.

17 The traditional way to check for an imbalance is to compare
18 the actual depreciation reserve to the theoretical reserve. The
19 theoretical reserve is defined as an estimate of the balance which
20 should be in the depreciation reserve today, considering the
21 distribution by ages of existing property, and assuming the
22 correctness of the current service life parameters and net salvage
23 percentages.

1 Using the proposed service life parameters and net salvage
2 percentages the theoretical reserve was calculated for each
3 account. The analysis (Exhibit 13, Tab 4 using results shown in
4 Tab 12) indicated that the actual depreciation reserve was 24
5 percent and that the theoretical reserve was 28 percent indicating
6 that the Company has a reserve deficiency.

7 **Q. HOW DOES THIS NEW RESERVE ANALYSIS COMPARE TO THE**
8 **ANALYSIS PERFORMED IN THE 2006 STUDY?**

9 **A.** The 2006 depreciation study theoretical reserve analysis was based
10 on full depreciation rates and showed that the reserve deficiency
11 was about four percent. The 2010 depreciation study theoretical
12 reserve analysis is based on the proposed depreciation rates and
13 also shows a four percent deficiency. Since a major objective of the
14 2006 depreciation rates was to stop the reserve erosion from rates
15 that did not fully reflect an appropriate level of negative net
16 salvage, the 2010 reserve analysis shows that the 2006 approved
17 depreciation rates did accomplish this objective.

18 **Q. SINCE THE COMPOSITE DEPRECIATION RATE IN THE**
19 **DEPRECIATION STUDY INCREASES, DOES THIS MEAN THE**
20 **DEPRECIATION RATES IN ALL ACCOUNTS INCREASED?**

21 **A.** No. The composite depreciation rate is an investment weighted
22 average of all accounts and is not indicative of any individual
23 account. In a few accounts, the proposed service life and net

1 salvages estimates result in lower depreciation rates. In some
2 other accounts, the actual depreciation reserve was above the
3 theoretical reserve and the lower current depreciation rates were
4 retained.

5 **Q. WHAT IS YOUR PROFESSIONAL OPINION ON THE RESULTS OF**
6 **THE DEPRECIATION STUDY THAT YOU PERFORMED?**

7 A. The proposed depreciation rates resulting from the completed
8 depreciation study are reasonable and appropriate. On the one
9 hand, they reflect a refinement of the 2006 depreciation study
10 since most life, survivor curve and salvage estimates are close if
11 not the same. On the other hand, they reflect a reasonable next
12 step in the transition plan started in the 2006 depreciation study.

13 **Q. PLEASE EXPLAIN WHAT YOU MEAN BY REASONABLE NEXT STEP.**

14 A. In the 2006 depreciation study a transition to depreciation rates
15 based on the life and net salvage estimates was proposed. These
16 transition rates were essentially rates that were half way between
17 rates based on the life estimate and rates based on the life and
18 salvage estimate. The rates were expected to stop the erosion of
19 the depreciation reserve that was occurring because the then
20 current deprecation rates did not fully reflect the negative net
21 salvage being experienced by the company. They were not
22 expected to fully address the depreciation reserve deficiency. It
23 was expected that the next depreciation study, this study, would

1 move the depreciation rates to levels that fully reflected both the
2 life and salvage estimates for all accounts and resolve any reserve
3 deficiency issues.

4 The depreciation rates in this study move most of the
5 accounts to these full rates. However, in a few accounts the actual
6 depreciation reserve is greater than the theoretical depreciation
7 reserve. In these accounts the current depreciation rates were
8 retained since the additional rate increase is not necessary at this
9 time. Over time the proposed depreciation will eliminate most if
10 not all of the remaining reserve deficiency. As a result, this
11 combination of rates, most new but some old, makes a logical next
12 step while controlling the increase in depreciation expense.

13 **Q. IF THE PROPOSED DEPRECIATION RATES ARE A REASONABLE**
14 **NEXT STEP, WHEN DO THEY NEED TO BE REVISED?**

15 A. Depreciation rates should be reviewed periodically because the
16 company's operating environment is constantly changing and as
17 the company responds to events, plant activity may differ from the
18 expectations that underlie the depreciation rates. Normally, a
19 depreciation study every five years is sufficient to keep the
20 depreciation rates current and minimize the impact of any issues.

21 **Q. HAVE THE DEPRECIATION RATES IN THIS DEPRECIATION STUDY**
22 **BEEN SUBMITTED TO ANY OTHER ORGANIZATIONS FOR**
23 **REVIEW?**

1 A. Yes, when the Rural Utility Services approved the current
2 depreciation rates they requested the Company to submit a new
3 depreciation study in five years. To satisfy this requirement, this
4 depreciation study (Exhibit 13) was submitted to the Rural Utility
5 Services on May 10, 2010.

6 **Q. HAS THE RURAL UTILITY SERVICES COMPLETED THEIR REVIEW?**

7 A. Yes, on January 24, 2011 the Rural Utility Services approved the use
8 of the current depreciation to December 31, 2012 and the
9 depreciation rates in this study (Exhibit 13).

10 **Q. WHAT IS YOUR RECOMMENDATION TO THE COMMISSION?**

11 The proposed depreciation rates set forth in Exhibit RW-1, which
12 was derived from in my depreciation study, should be uniformly
13 and prospectively adopted by the Commission for regulatory
14 purposes as well as by the Company for accounting purposes.

15 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

16 A. Yes, it does.

KENERGY
DEPRECIATION RATES & PARAMETERS

| | | Current | | | | Proposed | | | | |
|---------|-------------------------------|----------|------|---------|--------|----------|------|---------|-------------|-----------|
| | | Survivor | Life | Net | Deprec | Survivor | Life | Net | Calculated | Recommend |
| | | Curve | | Salvage | Rates | Curve | | Salvage | Rates | Rate |
| | | a | b | c | d | e | f | g | h=(100-g)/f | i |
| 362 | Station Equipment | R1 | 41 | 10 | 2.2% | R1 | 42 | 20 | 1.9% | 1.9% |
| 362.1 | Supervisory Control Equipment | | 15 | 0 | 6.7% | | 20 | 0 | 5.0% | 5.0% |
| 362.2 | Microwave Equipment | | 15 | 0 | 6.7% | | 20 | 0 | 5.0% | 5.0% |
| 362.223 | Microwave Towers | | 30 | 10 | 3.0% | | 32 | 10 | 2.8% | 2.8% |
| 362.4 | Owenboro Fiber | | 25 | 0 | 4.0% | | 25 | 0 | 4.0% | 4.0% |
| | Total Station & Equipment | | | | | | | | | |
| 364 | Poles, Towers & Fixtures | R1 | 30 | -53 | 4.2% | R1 | 32 | -51 | 4.7% | 4.7% |
| 365 | Ohead Conds & Devices | L3 | 36 | -47 | 3.4% | R4 | 36 | -40 | 3.9% | 3.9% |
| 366 | Underground Conduit | S0 | 45 | 0 | 2.2% | S0 | 45 | 0 | 2.2% | 2.2% |
| 367 | Underground Conds & Devices | S0 | 35 | -19 | 3.1% | S0 | 39 | -30 | 3.3% | 3.1% * |
| 368 | Line Transformers | L0 | 40 | -34 | 2.9% | L0 | 39 | -33 | 3.4% | 2.9% * |
| 369 | Services | R1 | 28 | -15 | 3.8% | R2 | 30 | -32 | 4.4% | 3.8% * |
| 370 | Meters | O1 | 41 | -68 | 3.3% | O1 | 43 | -114 | 5.0% | 5.0% |
| 371 | Instal on Cons Premises | O1 | 29 | -53 | 4.4% | O1 | 31 | -66 | 5.4% | 5.4% |
| 373 | St Ltg & Signal Systems | R1 | 29 | -19 | 3.8% | R2 | 27 | -19 | 4.4% | 3.8% * |
| | Composite Depreciation Rate | | | | 3.6% | | | | | 3.8% |

* Retained current depreciation rate

KENERGY CORP.
2011 rate application
SUMMARY OF REVENUE - TEST YEAR JUNE 30, 2010

| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) |
|---|------|------------------------------------|---------------|----------------|---|-----------------------|--------------------------------|------------------|-------------------------------|----------------|------------------|---------------------|----------------|
| | RATE | AVG. NO. CUSTOMERS (exc. YDL only) | KWH BILLED | REVENUE BILLED | NORMALIZED AVG. NO. CUSTOMERS (exc. YDL only) | NORMALIZED KWH BILLED | ADJ. TEST YEAR REV. NORMALIZED | Revenue Proposed | Wholesale flow through change | Percent change | Revenue Proposed | distribution change | Percent change |
| 5 Residential - Single & Three Phase | | | | | | | | | | | | | |
| 6 Base Rate | | 44,925 | 738,240,430 | \$ 51,661,607 | 44,934 | 738,388,323 | \$ 51,671,958 | \$ 55,522,550 | \$ 3,850,592 | 7.5% | \$ 57,045,245 | \$ 1,522,695 | 2.9% |
| 7 Riders | | | | \$0 | | | \$ 1,541,222 | \$ 1,474,010 | \$ (67,211) | -4.4% | \$ 1,474,010 | \$ - | 0.0% |
| 8 Subtotal | | | | \$51,661,607 | | | \$53,213,180 | \$56,996,561 | \$3,783,380 | 7.1% | \$58,519,256 | \$1,522,695 | 2.7% |
| 9 | | | | | | | | | | | | | |
| 10 Commercial and all other single phase | | | | | | | | | | | | | |
| 11 Riders | | 8,672 | 114,579,741 | \$8,630,747 | 8,700 | 114,949,887 | \$ 8,658,594 | \$ 9,240,851 | \$ 582,057 | 6.7% | \$ 9,471,661 | \$ 231,010 | 2.5% |
| 12 Sum of unwind factors | | | | \$0 | | | \$ 239,932 | \$ 229,469 | \$ (10,463) | -4.4% | \$ 229,469 | \$ - | 0.0% |
| 13 Subtotal | | | | \$8,630,747 | | | \$8,898,526 | \$9,470,119 | \$571,593 | 6.4% | \$9,701,129 | \$231,010 | 2.4% |
| 14 | | | | | | | | | | | | | |
| 15 Commercial & Public Bldgs - Three Phase(Under 1000 KW) | | | | | | | | | | | | | |
| 16 Base Rate | | 917 | 190,689,240 | \$11,884,369 | 925 | 191,374,160 | \$11,936,683 | \$12,901,696 | \$ 965,012 | 8.1% | \$13,036,892 | \$ 135,196 | 1.0% |
| 17 Riders | | | | \$0 | | | \$399,451 | \$382,031 | \$ (17,420) | -4.4% | \$382,031 | \$ - | 0.0% |
| 18 Subtotal | | | | \$11,884,369 | | | \$12,336,134 | \$13,283,727 | \$947,592 | 7.7% | \$13,418,923 | \$135,196 | 1.0% |
| 19 | | | | | | | | | | | | | |
| 20 | | | | | | | | | | | | | |
| 21 Commercial - Three-Phase (1001 KW and over) | | | | | | | | | | | | | |
| 22 Base Rate | | 13 | 82,111,608 | \$3,898,255 | 13 | 82,111,608 | \$3,890,706 | \$4,189,278 | \$ 298,572 | 7.7% | \$4,248,956 | \$ 59,678 | 1.4% |
| 23 Riders | | | | \$0 | | | \$171,390 | \$163,916 | \$ (7,474) | -4.4% | \$163,916 | \$ - | 0.0% |
| 24 Subtotal | | | | \$3,898,255 | | | \$4,062,096 | \$4,353,194 | \$291,098 | 7.2% | \$4,412,872 | \$59,678 | 1.4% |
| 25 | | | | | | | | | | | | | |
| 26 Total Unmetered Lighting | | | | | | | | | | | | | |
| 27 Base Rate | | | 13,689,863 | 1,451,899 | | 13,689,863 | 1,451,899 | 1,582,070 | \$ 130,171 | 9.0% | 1,595,941 | \$ 13,871 | 0.9% |
| 28 Riders | | | | - | | | 28,575 | 27,328 | \$ (1,246) | -4.4% | 27,328 | \$ - | 0.0% |
| 29 Subtotal | | | | \$1,451,899 | | | \$ 1,480,474 | \$ 1,609,398 | \$128,925 | 8.7% | \$ 1,623,269 | \$13,871 | 0.9% |
| 30 | | | | | | | | | | | | | |
| 31 | | | | | | | | | | | | | |
| 32 Total Non direct served - Billings | | | | | | | | | | | | | |
| 33 Base Rate | | 54,528 | 1,139,310,882 | \$77,526,877 | 54,573 | 1,140,513,641 | \$ 77,609,841 | \$ 83,436,244 | \$ 5,826,403 | 7.5% | \$ 85,398,694 | \$ 1,962,450 | 2.4% |
| 34 Riders | | | | \$0 | | | \$ 2,380,569 | \$ 2,276,755 | \$ (103,815) | -4.4% | \$ 2,276,755 | \$ - | 0.0% |
| 35 Subtotal | | 54,528 | 1,139,310,882 | \$77,526,877 | 54,573 | 1,140,513,641 | \$79,990,410 | \$85,712,999 | \$5,722,589 | 7.2% | \$ 87,675,449 | \$1,962,450 | 2.3% |
| 36 Unbilled Impact | | | 18,892,930 | \$1,496,360 | | | \$0 | \$0 | \$0 | | | | |
| 37 Total Non direct served - boo | | 54,528 | 1,158,203,812 | 79,023,237 | 54,573 | 1,140,513,641 | \$ 79,990,410 | \$ 85,712,999 | \$5,722,589 | 7.2% | \$ 87,675,449 | \$1,962,450 | 2.3% |
| 38 | | | | | | | | | | | | | |
| 39 Direct served (Class A) - bas | | 2 | 6,972,917,988 | 201,765,773 | 2 | 7,121,472,790 | 203,526,425 | 219,689,457 | \$ 16,163,032 | 7.9% | 219,689,457 | \$ - | 0.0% |
| 40 Other charges and credits | | | | 73,957,660 | | | 78,610,930 | 77,878,519 | \$ (732,411) | -0.9% | 77,878,519 | \$ - | 0.0% |
| 41 Total Class A | | | | \$275,723,433 | | | \$ 282,137,355 | \$ 297,567,977 | \$ 15,430,622 | 5.5% | \$ 297,567,977 | \$ - | 0.0% |
| 42 Direct served (Class B) - bas | | 3 | 739,473,380 | \$20,822,626 | 3 | 739,473,380 | \$20,822,626 | \$22,449,861 | \$ 1,627,234 | 7.8% | 22,449,861 | \$ - | 0.0% |
| 43 Other charges and credits | | | | \$2,283,502 | | | \$2,283,502 | \$2,283,502 | \$ (0) | 0.0% | 2,283,502 | \$ - | 0.0% |
| 44 Riders | | | | \$0 | | | \$1,363,421 | \$1,304,112 | \$ (59,309) | -4.4% | 1,304,112 | \$ - | 0.0% |
| 45 Total Class B | | | | \$23,106,128 | | | \$24,469,549 | \$26,037,474 | \$ 1,567,925 | 6.4% | \$ 26,037,474 | \$ - | 0.0% |
| 46 All other class C - base rate | | 15 | 249,033,709 | \$10,574,786 | 15 | 249,391,845 | \$10,826,366 | \$11,591,640 | \$ 765,274 | 7.1% | \$11,601,967 | \$ 10,327 | 0.1% |
| 47 Riders | | | | \$0 | | | \$ 498,784 | \$ 477,087 | \$ (21,697) | -4.4% | 477,087 | \$ - | 0.0% |
| 48 Total Class C | | | | \$10,574,786 | | | \$ 11,325,150 | \$ 12,068,726 | \$ 743,577 | 6.6% | \$ 12,079,054 | \$ 10,327 | 0.1% |
| 49 Total direct serves | | 20 | 7,961,425,077 | \$309,404,347 | 20 | 8,110,338,015 | \$317,932,053 | \$335,674,177 | \$17,742,124 | 5.6% | \$335,684,505 | \$10,327 | 0.0% |
| 50 Subtotal - all | | 54,548 | 9,119,628,889 | 388,427,584 | 54,593 | 9,250,851,656 | 397,922,464 | 421,387,176 | 23,464,713 | 5.9% | 423,359,954 | 1,972,777 | 0.5% |
| 51 | | | | | | | | | | | | | |
| 52 Misc. Revenues | | NA | NA | \$1,551,404 | NA | NA | \$1,522,280 | \$ 1,522,280 | \$ - | 0.0% | \$1,550,117 | \$ 27,837 | 1.8% |
| 53 | | | | | | | | | | | | | |
| 54 Total All | | 54,548 | 9,119,628,889 | \$389,978,988 | 54,593 | 9,250,851,656 | \$399,444,744 | \$422,909,457 | \$23,464,713 | 5.9% | \$424,910,071 | \$ 2,000,614 | 0.5% |

KENERGY CORP.
2011 RATE APPLICATION
RESIDENTIAL CONSUMPTION ANALYSIS

| Line No. | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) |
|----------|---|--------------------|--------------------|---------------------|---|--------------------|---------------------|--------------------------------------|----------------------|----------------------------|---------------------|
| | | TEST YEAR DATA | | | Adjustment to year-end level of customers | | Normalized | Wholesale flow through proposed rate | Proposed Revenue | Distribution proposed rate | Proposed Revenue |
| 1 | Customer charge: | | <u>\$10.50</u> | | | <u>\$10.50</u> | | | | | |
| 2 | Number of bills per consumption analysis | 539,294 | | | | | | | | | |
| 3 | adjustment to number booked | (190) | | | (1) | (4) | | | | | |
| 4 | Number of bills per books with customer charge | <u>539,104</u> | | <u>\$5,660,592</u> | 108 | 539,212 | <u>\$5,661,726</u> | \$10.50 | <u>\$ 5,661,726</u> | \$13.00 | <u>\$ 7,009,756</u> |
| 5 | plus yard light only bills(no customer charge) | 2,442 | | | | | | | | | |
| 6 | Total bills issued per books | <u>541,546</u> | | | | | | | | | |
| 7 | | | | | | | | | | | |
| 8 | Energy Charge: | | | | | at | | | | | |
| 9 | | | <u>\$ 0.062327</u> | | | <u>\$ 0.062327</u> | | | | | |
| 10 | Kwh sales per consumption analysis | 739,439,862 | | \$46,087,068 | | | | | | | |
| 11 | Adjustment to KWH booked | <u>-1,199,432</u> | | <u>-74,757</u> | (2) | (5) | | | | | |
| 12 | KWH booked | <u>738,240,430</u> | | <u>\$46,012,311</u> | 147,893 | 738,388,323 | <u>46,021,529</u> | \$0.067543 | <u>\$ 49,872,963</u> | 0.06778 | <u>\$50,047,961</u> |
| 13 | | | | | | | | | | | |
| 14 | | | | | | at (6) | at (7) | | | | |
| 15 | | | | | | 0.0020873 | -0.0000910 | | | | |
| 16 | Riders | <u>738,240,430</u> | \$0.000000 | <u>\$0</u> | | 738,388,323 | <u>\$ 1,541,222</u> | 0.001996 | <u>\$ 1,474,010</u> | 0.00199625 | <u>\$ 1,474,010</u> |
| 17 | | | | <u>\$51,672,903</u> | | | <u>\$53,224,477</u> | | <u>\$ 57,008,699</u> | | <u>\$58,531,727</u> |
| 18 | Adjustment for revenue difference | | | <u>-11,297</u> | | | <u>-11,297</u> | -0.0219% | <u>\$ (12,138)</u> | -0.0219% | <u>\$ (12,471)</u> |
| 19 | Revenue per books | | | <u>\$51,661,607</u> | | | <u>\$53,213,180</u> | | <u>\$ 56,996,561</u> | | <u>\$58,519,256</u> |
| 20 | | | | | | | | | | | |
| 21 | | | | | | | | increase | <u>\$3,783,380</u> | increase | <u>\$ 1,522,695</u> |
| 22 | | | | | | | | | | | |
| 23 | (1) Customers billed June 2009 | 45,128 | (3) | | | | | | | | |
| 24 | 13 month average | 45,119 | (3) | | | | | | | | |
| 25 | Increase | 9 | (3) | | | | | | | | |
| 26 | Times 12 months | 12 | (3) | | | | | | | | |
| 27 | Increase to test year number of billings | 108 | (3) | | | | | | | | |
| 28 | | | | | | | | | | | |
| 29 | (2) KWH Booked | 738,240,430 | | | | | | | | | |
| 30 | Number Bills | 539,104 | | | | | | | | | |
| 31 | Average KWH | 1,369 | | | | | | | | | |
| 32 | Times 108 billings = Increase to test year kwh billed | 147,893 | | | | | | | | | |
| 33 | | | | | | | | | | | |
| 34 | (3) See Exhibit 9, Page 11 | | | | | | | | | | |
| 35 | | | | | | | | | | | |
| 36 | (4) (Line 4, Col. b) 539,106 + (Line 27, Col. b) 108 | | | | | | | | | | |
| 37 | | | | | | | | | | | |
| 38 | (5) (Line 12, Col. b) 738,240,430 + (Line 32, Col. b) 147,893 | | | | | | | | | | |
| 39 | | | | | | | | | | | |
| 40 | (6) Wholesale tariff change effective July 2010 of .002 adjusted for normalized test year kwh sales. | | | | | | | | | | |
| 41 | (7) Proposed Non FAC PPA tariff of \$(0.000963) less base rate roll-in of .0008760 adjusted for normalized test year kwh sales. | | | | | | | | | | |

KENERGY CORP.
2011 RATE APPLICATION
ALL NON-RESIDENTIAL SINGLE PHASE CONSUMPTION ANALYSIS

| Line No. | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) |
|----------|---|--------------------|--------------------|--------------------|---|--------------------|--------------------|---------------|---------------------|----------------------------|---------------------|
| | | TEST YEAR DATA | | | Adjustment to year-end level of customers | | Normalized | Proposed Rate | Proposed Revenue | Distribution proposed rate | Proposed Revenue |
| 1 | Customer charge: | | <u>\$16.00</u> | | | <u>\$16.00</u> | | | | | |
| 2 | Number of bills per consumption analysis | 104,152 | | | | | | | | | |
| 3 | adjustment to number booked | <u>(86)</u> | | | (1) | (4) | | | | | |
| 4 | Number of bills per books with customer charge | 104,066 | | <u>\$1,665,056</u> | 336 | 104,402 | <u>\$1,670,432</u> | \$16.00 | <u>\$ 1,670,432</u> | \$17.00 | <u>\$ 1,774,834</u> |
| 5 | plus yard light only bills(no customer charge) | <u>1,396</u> | | | | | | | | | |
| 6 | Total bills issued per books | <u>105,462</u> | | | | | | | | | |
| 7 | | | | | | | | | | | |
| 8 | Energy Charge: | | | | | at | | | | | |
| 9 | | | <u>\$ 0.060740</u> | | | <u>\$ 0.060740</u> | | | | | |
| 10 | Kwh sales per consumption analysis | 114,945,784 | | <u>\$6,981,807</u> | | | | | | | |
| 11 | Adjustment to KWH booked | <u>-366,043</u> | | <u>-22,233</u> | (2) | (5) | | -0.001743 | | -0.000880 | |
| 12 | KWH booked | <u>114,579,741</u> | | <u>\$6,959,573</u> | 369,946 | 114,949,687 | <u>6,982,044</u> | \$0.065800 | <u>\$ 7,563,689</u> | \$ 0.06690 | <u>\$ 7,690,134</u> |
| 13 | | | | | | at (6) | at (7) | | | | |
| 14 | | | | | | 0.002087 | -0.000091 | | | | |
| 15 | | | | | | 114,949,687 | \$ 239,932 | 0.001996 | <u>\$ 229,469</u> | 0.001996 | <u>\$ 229,469</u> |
| 16 | Riders | <u>114,579,741</u> | \$0.000000 | <u>\$0</u> | | | | | <u>\$ 9,463,590</u> | | <u>\$ 9,694,437</u> |
| 17 | | | | <u>\$8,624,629</u> | | | | | <u>\$ 6,529</u> | 0.0707% | <u>\$ 6,692</u> |
| 18 | Adjustment for revenue difference | | | <u>\$6,118</u> | | | | 0.0707% | <u>\$ 9,470,119</u> | 0.0707% | <u>\$ 9,701,129</u> |
| 19 | Revenue per books | | | <u>\$8,630,747</u> | | | | | | | |
| 20 | | | | | | | | increase | \$571,593 | increase | \$ 231,010 |
| 21 | | | | | | | | | | | |
| 22 | | | | | | | | | | | |
| 23 | (1) Customers billed June 2009 | 8,816 | (3) | | | | | | | | |
| 24 | 13 month average | 8,788 | (3) | | | | | | | | |
| 25 | Increase | 28 | (3) | | | | | | | | |
| 26 | Times 12 months | 12 | (3) | | | | | | | | |
| 27 | Increase to test year number of billings | 336 | (3) | | | | | | | | |
| 28 | | | | | | | | | | | |
| 29 | (2) KWH Booked | 114,579,741 | | | | | | | | | |
| 30 | Number Bills | 104,066 | | | | | | | | | |
| 31 | Average KWH | 1,101 | | | | | | | | | |
| 32 | Times 108 billings = Increase to test year kwh bill | 369,946 | | | | | | | | | |
| 33 | | | | | | | | | | | |
| 34 | (3) See Exhibit 9, Page 11 | | | | | | | | | | |
| 35 | | | | | | | | | | | |
| 36 | (4) (Line 4, Col. b) 104072 + (Line 27, Col. b) 336 | | | | | | | | | | |
| 37 | | | | | | | | | | | |
| 38 | (5) (Line 12, Col. b) 114,579,741 + (Line 32, Col. b) 369,925 | | | | | | | | | | |
| 39 | | | | | | | | | | | |
| 40 | (6) Wholesale tariff change effective July 2010 of .002 adjusted for normalized test year kwh sales. | | | | | | | | | | |
| 41 | (7) Proposed Non FAC PPA tariff of \$(0.000963) less base rate roll-in of .0008760 adjusted for normalized test year kwh sales. | | | | | | | | | | |

KENERGY CORP.
2011 RATE APPLICATION
THREE-PHASE NON-DEDICATED UNDER 1,000 KW CONSUMPTION ANALYSIS

| Line No. | (a) | (b) | (c) | (d) | (e) | (f) | (g) at rates in column c except unwind factors Normalized | (h) Proposed Rate | (i) Proposed Revenue (5) | (j) Distribution proposed rate | (k) Proposed Revenue |
|----------|---|----------------|------------|---------------|--------------|---|--|----------------------|-----------------------------|-----------------------------------|-------------------------|
| | | TEST YEAR DATA | | | | Adjustment to year-end level of customers | | | | | |
| 1 | Customer charge: | | | | | | | | | | |
| 2 | number of bills per consumption analysis | 11,006 | | | | | | | | | |
| 3 | adjustment to number booked | 2 | | | (1) | (4) | | | | | |
| 4 | Number of bills with customer charge | 11,008 | \$ 30.00 | \$ 330,240 | 96 | 11,104 | \$ 333,120 | \$30.00 | \$ 333,120 | \$35.00 | \$ 388,640 |
| 5 | | | | | (2) | (5) | | | | | |
| 6 | Demand charge per kw per consumption | 645,446 | \$ 4.05 | \$ 2,614,056 | 5,664 | 651,110 | \$ 2,636,996 | \$4.45 | \$ 2,896,137 | \$ 4.50 | \$ 2,929,995 |
| 7 | billing for meter error outside of test period | 2,864 | \$ 4.05 | \$ 11,599 | nonrecurring | | | | | | |
| 8 | Total Kw per consumption analysis | 648,310 | | \$ 2,625,655 | | | | | | | |
| 9 | Energy charge: | | | | | | | | | | |
| 10 | kwh per consumption analysis: | | | | (2) | (5) | | | | | |
| 11 | 1st 200kwh per kw | 113,390,541 | \$ 0.0532 | \$ 6,032,377 | 987,380 | 114,377,921 | \$ 6,084,905 | \$0.057519 | \$ 6,578,904 | \$ 0.057470 | \$ 6,573,299 |
| 12 | Next 200kwh per kw | 58,672,017 | \$ 0.0380 | \$ 2,267,537 | 519,611 | 60,191,628 | \$ 2,287,282 | \$0.040824 | \$ 2,457,263 | \$ 0.041570 | \$ 2,502,166 |
| 13 | Over 400kwh per kw | 16,946,797 | \$ 0.0330 | \$ 559,244 | 147,569 | 17,094,386 | \$ 564,114 | \$0.035332 | \$ 603,978 | \$ 0.035570 | \$ 608,047 |
| 14 | Subtotal energy: | 190,009,355 | 0.04662 | 8,859,158 | 1,654,560 | 191,663,915 | 8,936,301 | 0.050300 | 9,640,145 | 0.050297 | 9,683,512 |
| 15 | billing for meter error outside of test period | 969,640 | \$ 0.04805 | \$ 46,591 | nonrecurring | | | | | | |
| 16 | Adjustment for kwh difference | (289,755) | 0.04662 | (13,508) | | (289,755) | \$ (13,508) | 0.05030 | (14,575) | 0.050297 | (14,574) |
| 17 | Kwh booked | 190,689,240 | | \$ 8,892,240 | | | | | | | |
| 18 | | | | | | | | | | | |
| 19 | | | | | | at (6) | at (7) | | | | |
| 20 | Sum of unwind factors | 189,719,600 | 0.000000 | \$ - | 1,654,560 | 191,374,160 | \$ 399,451 | 0.001996 | \$ 382,031 | 0.001996 | \$ 382,031 |
| 21 | | | | | | | | | | | |
| 22 | Primary meter discount per kw | 36,060 | -0.50 | (18,030) | | 36,060 | (18,030) | -0.55 | (19,833) | -0.50 | (18,030) |
| 23 | Minimum bill differential | | | \$ 6,564 | | | \$ 6,564 | | \$ 6,564 | | \$ 6,564 |
| 24 | special facilities charges | | | \$ 3,034 | | | \$ 3,034 | | \$ 3,034 | | \$ 3,034 |
| 25 | over 1000kw primary discount to this rate | | | \$ (7,543) | | | \$ - | | | | |
| 26 | Power factor penalty per kw | 9,565 | 4.05 | 38,740 | | 9,565 | 38,738 | 4.45 | 42,545 | 4.50 | 43,043 |
| 27 | | | | \$ 11,870,900 | | | | | | | |
| 28 | Adjustment for revenue difference | | | \$ 13,469 | | | \$ 13,469 | 0.1132% | \$ 14,558 | 0.1132% | \$ 14,708 |
| 29 | Revenue per Books | | | \$ 11,884,369 | | | \$ 12,336,134 | | \$ 13,283,727 | | \$ 13,418,923 |
| 30 | | | | | | | | increase | \$ 947,592 | increase | \$ 135,196 |
| 31 | (1) Customers billed - June 2010 | 924 | (3) | | | | | | | | |
| 32 | 13 month average | 918 | (3) | | | | | | | | |
| 33 | increase | 8 | (3) | | | | | | | | |
| 34 | times 12 months | 12 | (3) | | | | | | | | |
| 35 | | 96 | (3) | | | | | | | | |
| 36 | | | | | | | | | | | |
| 37 | (2) KW Booked | 645,446 | | | | | | | | | |
| 38 | KWH Booked | 189,719,600 | | | | | | | | | |
| 39 | Number of customer billings | 11,008 | | | | | | | | | |
| 40 | | | | | | | | | | | |
| 41 | Average KW per customer billing | 59 | times 96 | 5,664 | | | | | | | |
| 42 | Average KWH per customer billing | 17,235 | times 96 | 1,654,560 | | | | | | | |
| 43 | | | | | | | | | | | |
| 44 | (3) See Exhibit 9, Page 11 | | | | | | | | | | |
| 45 | | | | | | | | | | | |
| 46 | (4) (Line 4, Col. b) 11,004 + (Line 35 Col. b) 96 | | | | | | | | | | |
| 47 | | | | | | | | | | | |
| 48 | (5) (Line 13, Col. b) 638,914 + (Line 41, Col. d) 5,574 | | | | | | | | | | |
| 49 | (Line 14 & 16, Col. b) 187,870,018+1,849,582 + (Line 42, Col. d) 1,655,133 | | | | | | | | | | |
| 50 | (6) Wholesale tariff change effective July 2010 of .002 adjusted for normalized test year kwh sales. | | | | | | | | | | |
| 51 | (7) Proposed Non FAC PPA tariff of \$(0.000963) less base rate roll-in of .0008760 adjusted for normalized test year kwh sales. | | | | | | | | | | |

KENERGY CORP.
2011 RATE APPLICATION
THREE-PHASE NON-DEDICATED OVER 1,000 KW CONSUMPTION ANALYSIS

| Line No. | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) |
|----------|---------------------------------------|-------------------|-----------|--------------|---|-------------------|---|---------------|------------------|---------------|------------------|
| | | TEST YEAR DATA | | | adjustment to year end level of customers | | At rates in column c except unwind factors Normalized | Proposed Rate | Proposed Revenue | Proposed Rate | Proposed Revenue |
| 1 | | at | Present | | | | | \$575.00 | \$ 89,700 | \$750.00 | \$ 117,000 |
| 2 | Customer charge | <u>156</u> | \$ 575.00 | \$ 89,700 | 0 | <u>156</u> | \$ 89,700 | | | | |
| 3 | | | | | | | | | | | |
| 4 | High load factor: | | | | | | | \$9.50 | \$ 1,742,468 | \$9.50 | \$ 1,742,468 |
| 5 | Demand charge per kw | <u>183,418</u> | \$ 8.65 | \$ 1,586,563 | - | <u>183,418</u> | \$ 1,586,563 | | | | |
| 6 | Energy charge: | | | | | | | \$0.029291 | \$ 1,074,498 | \$0.029900 | \$ 1,096,838 |
| 7 | 1st 200kwh per kw | 36,683,546 | \$ 0.0275 | \$ 1,008,798 | - | 36,683,546 | \$ 1,008,798 | \$0.026545 | \$ 888,877 | \$0.026600 | \$ 890,719 |
| 8 | next 200kwh per kw | 33,485,666 | \$ 0.0250 | \$ 837,142 | - | 33,485,666 | \$ 837,142 | \$0.024348 | \$ 238,065 | \$0.024600 | \$ 240,529 |
| 9 | over 400kwh per kw | 9,777,596 | \$ 0.0230 | \$ 224,885 | - | 9,777,596 | \$ 224,885 | | \$ 2,201,440 | | \$ 2,228,086 |
| 10 | Subtotal energy - high lf | <u>79,946,808</u> | | | - | <u>79,946,808</u> | \$ 2,070,824 | | | | |
| 11 | Low load factor: | | | | | | | \$5.27 | \$ 63,303 | \$5.3500 | \$ 64,264 |
| 12 | Demand charge per kw | <u>12,012</u> | \$ 4.80 | \$ 57,658 | | <u>12,012</u> | \$ 57,658 | | | | |
| 13 | Energy charge: | | | | | | | \$0.045217 | \$ 80,041 | \$0.045600 | \$ 80,719 |
| 14 | 1st 150kwh per kw | 1,770,150 | \$ 0.0420 | \$ 74,346 | | 1,770,150 | \$ 74,346 | \$0.038627 | \$ 15,244 | \$0.038600 | \$ 15,233 |
| 15 | Over 150kwh per kw | 394,650 | \$ 0.0360 | \$ 14,207 | | 394,650 | \$ 14,207 | | \$ 95,285 | | \$ 95,952 |
| 16 | Subtotal energy - low lf | <u>2,164,800</u> | | | | <u>2,164,800</u> | \$ 88,554 | | | | \$ 163,838 |
| 17 | Total kw | <u>195,430</u> | | | | <u>195,430</u> | | | | | |
| 18 | Total kwh | <u>82,111,608</u> | | | | <u>82,111,608</u> | | | | | |
| 19 | | | | | | | | | | | |
| 20 | Primary Meter discount | <u>80,987</u> | \$ (0.50) | \$ (40,493) | - | <u>80,987</u> | \$ (40,494) | -0.55 | \$ (44,543) | \$ (0.50) | \$ (40,494) |
| 21 | | | | | | | | | | | |
| 22 | Power factor penalty per kw | <u>4,006</u> | \$ 8.65 | \$ 34,654 | 0 | <u>4,006</u> | \$ 34,652 | 9.50 | \$ 38,057 | \$9.50 | \$ 38,057 |
| 23 | Power factor penalty per kw | <u>677</u> | \$ 4.80 | \$ 3,252 | | <u>677</u> | \$ 3,250 | 5.27 | \$ 3,568 | \$5.35 | \$ 3,622 |
| 24 | | | | | | | | | | | |
| 25 | | | | | | | | | | | |
| 26 | Sum of unwind factors | <u>82,111,608</u> | \$ - | \$ - | - | <u>82,111,608</u> | \$ 171,390 | 0.001996 | \$ 163,916 | \$ 0.001996 | \$ 163,916 |
| 27 | Revenue per consumption analysis | | \$ | \$ 3,890,712 | | | \$ - | | \$ - | | \$ - |
| 28 | Adjustment for revenue difference (1) | | \$ | \$ 7,543 | | | \$ - | | \$ 4,353,194 | | \$ 4,412,872 |
| 29 | Revenue per Books | | \$ | \$ 3,898,255 | | | \$ 4,062,096 | | | | \$ 59,678 |
| 30 | | | | | | | | increase | \$ 291,098 | increase | \$ 59,678 |

(1) primary discount on a customer charged to under 1000kw book account.

(2) Wholesale tariff change effective July 2010 of .002 adjusted for normalized test year kwh sales.

(3) Proposed Non FAC PPA tariff of \$(0.000963) less base rate roll-in of .0008760 adjusted for normalized test year kwh sales.

KENERGY CORP.
2011 RATE APPLICATION
PRIVATE AND OUTDOOR LIGHTING CONSUMPTION ANALYSIS

| (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | | |
|--|---------------|----------------------------|-------------|--------------------|-------------------------|-----------------|----------------------------|----------------------------|-------------------------------|
| DESCRIPTION | Number billed | Monthly Assigned kwh/light | kwh booked | Present rate | wholesale Proposed rate | Present Revenue | Wholesale Proposed Revenue | Distribution proposed rate | Distribution Proposed revenue |
| Private Outdoor Lighting | | | | | | | | | |
| Tariff sheet 15 | | | | | | | | | |
| Standard(served overhead) | | | | | | | | | |
| 7000 LUMEN-175W-MERCURY VAPOR | 133,868 | 70 | 9,370,760 | \$ 7.16 | \$7.80 | \$ 958,495 | \$ 1,044,170 | \$ 7.87 | \$ 1,053,541 |
| 12000 LUMEN-250W-MERCURY VAPOR | 2,417 | 97 | 234,449 | \$ 8.45 | \$9.19 | \$ 20,424 | \$ 22,212 | \$ 9.27 | \$ 22,406 |
| 20000 LUMEN-400W-MERCURY VAPOR | 6,744 | 155 | 1,045,320 | \$ 9.98 | \$10.82 | \$ 67,305 | \$ 72,970 | \$ 10.91 | \$ 73,577 |
| 9500 LUMEN-100W-HPS | 3,195 | 44 | 140,580 | \$ 6.95 | \$7.59 | \$ 22,205 | \$ 24,250 | \$ 7.65 | \$ 24,442 |
| 27000 LUMEN-250W-HPS | 1,804 | 101 | 182,204 | \$ 9.98 | \$10.87 | \$ 18,004 | \$ 19,609 | \$ 10.96 | \$ 19,772 |
| 61000 LUMEN-400W-HPS-FLOOD LGT | 266 | 159 | 42,294 | \$11.39 | \$12.36 | \$ 3,030 | \$ 3,288 | \$ 12.47 | \$ 3,317 |
| 9000 LUMEN-100W METAL HA | 5,021 | 42 | 210,882 | \$ 6.53 | \$7.13 | \$ 32,787 | \$ 35,800 | \$ 7.19 | \$ 36,101 |
| 124000 LUMEN-400W METAL H | 139 | 156 | 21,684 | \$13.45 | \$14.63 | \$ 1,870 | \$ 2,034 | \$ 14.75 | \$ 2,050 |
| 20000 LUMEN-200W-HPS | 45 | 75 | 3,375 | \$ 9.69 | \$10.57 | \$ 436 | \$ 476 | \$ 10.66 | \$ 480 |
| Tariff sheet 15A | | | | | | | | | |
| Commercial and Industrial Lighting | | | | | | | | | |
| Flood Lighting Fixture | | | | | | | | | |
| 28000 LUMEN HPS-250W-FLOOD LGT | 978 | 103 | 100,734 | \$ 8.99 | \$9.78 | \$ 8,792 | \$ 9,565 | \$ 9.86 | \$ 9,643 |
| 61000 LUMEN-400W-HPS-FLOOD LGT | 1,420 | 160 | 227,200 | \$11.39 | \$12.36 | \$ 16,174 | \$ 17,551 | \$ 12.47 | \$ 17,707 |
| 140000 LUM-1000W-HPS-FLOOD LGT | 132 | 377 | 49,764 | \$26.17 | \$28.40 | \$ 3,454 | \$ 3,749 | \$ 28.64 | \$ 3,780 |
| 19500 LUMEN-250W-MH-FLOOD LGT | 211 | 98 | 20,678 | \$ 8.69 | \$9.45 | \$ 1,834 | \$ 1,994 | \$ 9.53 | \$ 2,011 |
| 32000 LUMEN-400W-MH-FLOOD LGT | 1,233 | 156 | 192,348 | \$11.36 | \$12.34 | \$ 14,007 | \$ 15,215 | \$ 12.44 | \$ 15,339 |
| 107000 LUM-1000W-MH-FLOOD LGT | 438 | 373 | 163,374 | \$26.17 | \$28.40 | \$ 11,462 | \$ 12,439 | \$ 28.64 | \$ 12,544 |
| Contemporary(Shoebox) | | | | | | | | | |
| 28000 LUMEN-250W-HPS SHOEBOX | 36 | 103 | 3,708 | \$10.27 | \$11.19 | \$ 370 | \$ 403 | \$ 11.29 | \$ 406 |
| 61000 LUMEN-400W-HPS SHOEBOX | 168 | 160 | 26,880 | \$12.75 | \$13.85 | \$ 2,142 | \$ 2,327 | \$ 13.97 | \$ 2,347 |
| 25107000 LUMENS-100W-MH SHOEBOX | 432 | 377 | 162,864 | \$26.17 | \$28.40 | \$ 11,305 | \$ 12,269 | \$ 28.64 | \$ 12,372 |
| 19500 LUMEN-250W-MH SHOEBOX | 30 | 98 | 2,940 | \$ 9.91 | \$10.79 | \$ 297 | \$ 324 | \$ 10.88 | \$ 326 |
| 32000 LUMENS-400W-MH SHOEBOX | 1,188 | 156 | 185,328 | \$12.50 | \$13.59 | \$ 14,850 | \$ 16,145 | \$ 13.71 | \$ 16,287 |
| 107000 LUMENS-1000W-MH SHOEBOX | - | 373 | - | \$26.17 | \$28.40 | \$ - | \$ - | \$ 28.64 | \$ - |
| Decorative Lighting | | | | | | | | | |
| 9000 LUMEN MH ACORN GLOBE | 11 | 42 | 462 | \$ 9.67 | \$10.58 | \$ 106 | \$ 116 | \$ 10.67 | \$ 117 |
| 16600 LUM-175W-MH ACORN GLOBE | 284 | 71 | 20,164 | \$11.74 | \$12.83 | \$ 3,334 | \$ 3,644 | \$ 12.94 | \$ 3,675 |
| 9000 LUM-175W-MH ROUND GLOBE | - | 42 | - | \$ 9.48 | \$10.37 | \$ - | \$ - | \$ 10.46 | \$ - |
| 16600 LUM-175W-MH ROUND GLOBE | 88 | 71 | 6,248 | \$10.84 | \$11.85 | \$ 954 | \$ 1,043 | \$ 11.95 | \$ 1,052 |
| 16600 LUM-175W-MH LANTERN GLOBE | - | 71 | - | \$10.96 | \$11.98 | \$ - | \$ - | \$ 12.08 | \$ - |
| 28000 LUM - HPS ACORN GLOBE | 32 | 42 | 1,344 | \$10.95 | \$11.99 | \$ 350 | \$ 384 | \$ 12.09 | \$ 387 |
| Tariff sheet 15B | | | | | | | | | |
| Pedestal Mounted Pole | | | | | | | | | |
| STEEL 25 FT PEDESTAL MT POLE | 384 | | | \$ 6.35 | \$6.97 | \$ 2,438 | \$ 2,676 | \$ 7.03 | \$ 2,700 |
| STEEL 30 FT PEDESTAL MT POLE | 1,164 | | | \$ 7.15 | \$7.85 | \$ 8,323 | \$ 9,137 | \$ 7.92 | \$ 9,219 |
| STEEL 39 FT PEDESTAL MT POLE | 198 | | | \$12.02 | \$13.20 | \$ 2,380 | \$ 2,614 | \$ 13.31 | \$ 2,635 |
| WOOD 30 FT DIRECT BURIAL POLE | 514 | | | \$ 3.98 | \$4.37 | \$ 2,046 | \$ 2,246 | \$ 4.41 | \$ 2,267 |
| ALUMINUM 28 FT DIRECT BURIAL | 57 | | | \$ 8.18 | \$8.98 | \$ 466 | \$ 512 | \$ 9.06 | \$ 516 |
| FLUTED FIBERGLASS 15 FT POLE | 255 | | | \$ 8.74 | \$9.60 | \$ 2,229 | \$ 2,448 | \$ 9.68 | \$ 2,468 |
| FLUTED ALUMINUM 14FT POLE | 104 | | | \$ 9.60 | \$10.54 | \$ 998 | \$ 1,096 | \$ 10.63 | \$ 1,106 |
| Street Lighting Service | | | | | | | | | |
| Tariff sheet 16 | | | | | | | | | |
| 7000 LUMEN-175W-MERCURY VAPOR | 4,662 | 70 | 326,340 | \$ 7.16 | \$7.80 | \$ 33,380 | \$ 36,364 | \$ 7.87 | \$ 36,690 |
| 20000 LUMEN-400W-MERCURY VAPOR | 2,036 | 155 | 315,580 | \$10.02 | \$10.87 | \$ 20,401 | \$ 22,131 | \$ 10.96 | \$ 22,315 |
| 9500 LUMEN-100W-HPS STREET LGT | 7,301 | 43 | 313,943 | \$ 6.95 | \$7.59 | \$ 50,742 | \$ 55,415 | \$ 7.65 | \$ 55,853 |
| 27000 LUMEN-250W-HPS ST LIGHT | 654 | 85 | 55,590 | \$10.10 | \$11.01 | \$ 6,605 | \$ 7,201 | \$ 11.10 | \$ 7,299 |
| 9000 LUMEN-100W METAL HA | 3 | 42 | 126 | \$ 6.53 | \$7.13 | \$ 20 | \$ 21 | \$ 7.19 | \$ 22 |
| 24000 LUMEN-400W METAL H | 24 | 156 | 3,744 | \$13.24 | \$14.40 | \$ 318 | \$ 346 | \$ 14.52 | \$ 348 |
| Tariff sheet 16A | | | | | | | | | |
| Underground service with non-std. pole | | | | | | | | | |
| UG NON-STD POLE-GOVT & DISTRICT | 6,340 | | | \$ 5.12 | \$5.62 | \$ 32,461 | \$ 35,631 | \$ 5.67 | \$ 35,948 |
| Overhead service to street lighting districts | | | | | | | | | |
| OH FAC-STREET LIGHT DISTRICT | 132 | | | \$ 2.13 | \$2.34 | \$ 281 | \$ 309 | \$ 2.36 | \$ 312 |
| Decorative Underground service | | | | | | | | | |
| 6300 LUMEN-DECOR-70W-HPS ACORN | 4,340 | 30 | 130,200 | \$ 9.83 | \$10.77 | \$ 42,662 | \$ 46,742 | \$ 10.86 | \$ 47,132 |
| 6300 LUM DECOR-70W-HPS LANTERN | 1,845 | 30 | 55,350 | \$ 9.83 | \$10.77 | \$ 18,136 | \$ 19,871 | \$ 10.86 | \$ 20,037 |
| 12600 LUM HPS-70W-2 DECOR FIX | 360 | 60 | 21,600 | \$17.36 | \$19.02 | \$ 6,250 | \$ 6,847 | \$ 19.18 | \$ 6,905 |
| 28000 LUM - HPS ACORN GL 14 FT POLI | 127 | 43 | 5,461 | \$18.98 | \$20.81 | \$ 2,410 | \$ 2,643 | \$ 20.99 | \$ 2,666 |
| Special street lighting districts | | | | | | | | | |
| BASKETT STREET LIGHTING | 868 | 23 | 19,964 | \$ 2.49 | \$2.71 | \$ 2,161 | \$ 2,352 | \$ 2.73 | \$ 2,370 |
| MEADOW HILL STREET LIGHTING | 360 | 23 | 8,280 | \$ 2.25 | \$2.45 | \$ 810 | \$ 882 | \$ 2.47 | \$ 889 |
| SPOTTSVILLE STREET LIGHTING | 835 | 23 | 19,205 | \$ 2.83 | \$3.09 | \$ 2,363 | \$ 2,580 | \$ 3.12 | \$ 2,605 |
| Summary | | | | | | | | | |
| | | | 13,690,967 | | | \$ 1,451,868 | \$ 1,582,039 | | \$ 1,595,941 |
| | | Rounding difference | -1,104 | | | \$ 31 | \$ 31 | | \$ - |
| | | Per books kwh | 13,689,863 | | Per books revenue | \$ 1,451,899 | \$ 1,582,070 | | \$ 1,595,941 |
| | | | | | sum of wind factors | - | - | | - |
| | | | | | Per books revenue | \$ 1,451,899 | 27,328 | | 27,328 |
| 74 Wholesale factor sum of .002 effective 7/01/10 adjusted for line losses | | | 0.00208728 | times | 13,689,863 | 28,575 | 27,328 | | 27,328 |
| 75 Wholesale Non-Fac PPA of \$(0.000963) less base rate roll in | | | -0.00009102 | Normalized revenue | | \$ 1,480,474 | | | |
| 76 of 000876 adjusted for normalized test year kwh sales | | | | Proposed revenue | | \$ 1,609,398 | | | \$ 1,623,269 |
| | | | | | increase | \$ 128,925 | increase | | \$ 13,871 |

**KENERGY CORP.
2011 RATE APPLICATION
YEAR-END LEVEL OF CUSTOMER'S**

| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) |
|----|------------------------------|--------|-------------|--------------|-------------|-------------|---------------|---------|
| | Rate Code Description | | | | | | | |
| | | | Commercial | Under 1000kw | Over 1000kw | | | |
| | | | Residential | Single Phase | Three phase | Three phase | Direct Serves | TOTAL |
| 1 | No. Customers | Jun-09 | 45,006 | 8,780 | 901 | 13 | 19 | 54,719 |
| 2 | | Jul-09 | 45,033 | 8,754 | 907 | 13 | 20 | 54,727 |
| 3 | | Aug-09 | 45,009 | 8,766 | 909 | 13 | 20 | 54,717 |
| 4 | | Sep-09 | 45,024 | 8,769 | 913 | 13 | 20 | 54,739 |
| 5 | | Oct-09 | 45,062 | 8,758 | 913 | 13 | 20 | 54,766 |
| 6 | | Nov-09 | 45,058 | 8,781 | 918 | 13 | 20 | 54,790 |
| 7 | | Dec-09 | 45,099 | 8,792 | 920 | 13 | 20 | 54,844 |
| 8 | | Jan-10 | 45,182 | 8,817 | 919 | 13 | 20 | 54,951 |
| 9 | | Feb-10 | 45,230 | 8,809 | 918 | 13 | 20 | 54,990 |
| 10 | | Mar-10 | 45,230 | 8,795 | 921 | 13 | 21 | 54,980 |
| 11 | | Apr-10 | 45,287 | 8,790 | 921 | 13 | 21 | 55,032 |
| 12 | | May-10 | 45,204 | 8,815 | 925 | 13 | 21 | 54,978 |
| 13 | | Jun-10 | 45,128 | 8,816 | 924 | 13 | 21 | 54,902 |
| 14 | 13 Month Average | | 45,119 | 8,788 | 916 | 13 | 20 | 54,856 |
| 15 | Avg. Less Jun 10 | | 9 | 28 | 8 | 0 | 1 | 46 |
| 16 | Change times 12 | | 108 | 336 | 96 | 0 | 12 | 552 |
| 17 | | | | | | | | |
| 18 | Test year totals | | 541,546 | 105,462 | 11,008 | 156 | 244 | 658,416 |
| 19 | 12 month Average | | 45,129 | 8,789 | 917 | 13 | 20 | 54,868 |
| 20 | | | | | | | | |
| 21 | | | | | | | | |

KENERGY CORP.
 2011 RATE APPLICATION
 BILLINGS WITH A YARD LIGHT ONLY(NO CUSTOMER CHARGE)

| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | (m) |
|----|-----------------------------------|-----------|-------|-------|--------------|----------|----------|-----------|-----------|----------|-------|-------------|-------|
| | From Sales and statistics reports | | | | | | | | | | | | From |
| | Residential | Res. Seas | Total | Comm. | Single phase | pub bldg | total | comm. 1p | comm. 3p | comm. 3p | Total | consumption | diff. |
| | Res. | | Res. | comm | lighting | | comm. 1p | Under 100 | Over 1000 | all | | analysis | |
| 1 | 10-Jan | 205 | 0 | 205 | 37 | 76 | 4 | 117 | 0 | 0 | 322 | 321 | -1 |
| 2 | 10-Feb | 204 | 0 | 204 | 37 | 76 | 4 | 117 | 0 | 0 | 321 | 320 | -1 |
| 3 | 10-Mar | 205 | 0 | 205 | 37 | 76 | 4 | 117 | 0 | 0 | 322 | 321 | -1 |
| 4 | 10-Apr | 202 | 0 | 202 | 38 | 76 | 4 | 118 | 0 | 0 | 320 | 318 | -2 |
| 5 | 10-May | 202 | 0 | 202 | 37 | 76 | 3 | 116 | 0 | 0 | 318 | 317 | -1 |
| 6 | 10-Jun | 201 | 0 | 201 | 36 | 76 | 2 | 114 | 0 | 0 | 315 | 314 | -1 |
| 7 | 9-Jul | 203 | 0 | 203 | 36 | 76 | 3 | 115 | 0 | 0 | 318 | 317 | -1 |
| 8 | 9-Aug | 206 | 0 | 206 | 35 | 76 | 3 | 114 | 0 | 0 | 320 | 319 | -1 |
| 9 | 9-Sep | 204 | 0 | 204 | 35 | 77 | 3 | 115 | 0 | 0 | 319 | 317 | -2 |
| 10 | 9-Oct | 203 | 0 | 203 | 36 | 78 | 4 | 118 | 0 | 0 | 321 | 320 | -1 |
| 11 | 9-Nov | 204 | 0 | 204 | 37 | 77 | 4 | 118 | 0 | 0 | 322 | 321 | -1 |
| 12 | 9-Dec | 203 | 0 | 203 | 36 | 77 | 4 | 117 | 0 | 0 | 320 | 319 | -1 |
| 13 | totals | 2442 | 0 | 2442 | 437 | 917 | 42 | 1396 | 0 | 0 | 3838 | 3824 | -14 |

KENERGY CORP.
2011 RATE APPLICATION
ADJUSTMENT TO ELIMINATE UNBILLED REVENUES AND RELATED POWER COST

| (a) | (b) | © | (d) |
|---|---------------------|-----------------------|---------------|
| 1 UNBILLED REVENUES | AMOUNT | KWH | KW |
| 2 Unbilled revenue at June 30, 2010(acct 173) | \$ 9,436,023 | 135,175,948 | |
| 3 Unbilled revenue at June 30, 2009(acct 173) | \$ 7,939,663 | 116,283,011 | |
| 4 (increase) decrease in booked revenue | <u>\$ 1,496,360</u> | (1) <u>18,892,937</u> | (1) n/a |
| 5 and kwh due to unbilled revenues | | | |
| 6 | | | |
| 7 RELATED POWER COSTS | | | |
| 8 | | | |
| 9 See exhibit 10 page | <u>\$ 716,699</u> | <u>19,983,573</u> | <u>41,931</u> |

10
11 (1) agrees to exhibit 10, page 1, line 36 columns b and c.

12

13 Explanation:

14

15 To adjust booked revenues and related power costs to the "billed" kwh and kw units occurring during
16 the twelve months of the test period. "Billed units" is the preferred practice for rate making purposes,
17 as it eliminates the use of estimates inherent in the process to booked unbilled revenues.

18 When normalizing test year revenues and calculating the impact of the proposed rates, it is
19 preferred to use actual billing units.

20

21

22

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27

KENERGY CORP.
2011 RATE APPLICATION
DIRECT SERVED CLASS A CONSUMPTION ANALYSIS

| (a) | (b) item | (c) | (d) | (e) Test year amounts | (f) | (g) | (h) Normalized amounts | (i) | (j) Proposed amounts | (k) |
|-----|-----------------------------|-------------|---------------|--------------------------|--------------|---------------|---------------------------|--------------|-------------------------|-------------|
| 1 | Charges for power purchased | | | | | | | | | |
| 2 | from 7/1/09-7/16/09 | | | \$ 8,122,477 | | | \$ - | | | |
| 3 | kwh purchased | | 266,619,400 | 266,619,400 | | | - | | | |
| 4 | Contract reference | | | | | | | | | |
| 5 | Section 1.1.15 | | | 850,000 | | | 850,000 | | 850,000 | |
| 6 | Base Demand | | | 850,000 | | | 850,000 | | 850,000 | |
| 7 | Base Fixed Energy | | | 6,977,208,000 | | | 7,297,080,000 (1) | | 7,297,080,000 | |
| 8 | Base monthly Energy | | | 6,723,507,182 | | | 7,113,321,360 (2) | | 7,113,321,360 | |
| 9 | Base Variable Energy | | | (253,700,817) | | | (183,758,640) (3) | | (183,758,640) | |
| 10 | Backup Energy | | 7,004,069 | 7,004,069 | | 8,151,430 | 8,151,430 (3) | | 8,151,430 | |
| 11 | Section 4.2 | \$ 0.028153 | 6,977,208,000 | 198,429,337 | \$ 0.028153 | 7,297,080,000 | 205,434,693 | 0.030368 | 7,297,080,000 | 221,597,725 |
| 12 | Base Variable Energy @ | \$ 0.012470 | (253,700,817) | (3,163,649) | \$ 0.012470 | (183,758,640) | (2,291,470) | 0.012470 | (183,758,640) | (2,291,470) |
| 13 | Section 4.3 | | | \$ - | | | \$ - | | \$ - | |
| 14 | Section 4.4 | 0.0436840 | | \$ 305,966 | \$ 0.0433519 | 8,151,430 | \$ 353,380 (3) | \$ 0.0433519 | \$ 353,380 (3) | |
| 15 | Section 4.5 | | | \$ - | | | \$ - | | \$ - | |
| 16 | Section 4.6 | | | \$ - | | | \$ - | | \$ - | |
| 17 | Section 4.7.1 | | | \$ 13,664,032 | | | \$ 14,249,307 (3) | | \$ 7,124,654 (3) | |
| 18 | Section 4.8.1 | 0.0097228 | 6,723,507,182 | \$ 69,371,176 | | | \$ 73,123,202 (3) | | \$ 73,123,202 (3) | |
| 19 | Section 4.8.2 | | | \$ (8,121,122) | | | (6,337,960) (3) | | 54,283 (3) | |
| 20 | Section 4.8.3 | 0.0021662 | 6,723,507,182 | \$ 14,564,674 | | | \$ 15,493,538 (3) | | \$ 15,493,538 (3) | |
| 21 | Section 16.5.1 | | | \$ - | | | \$ - | | \$ - | |
| 22 | Section 4.9 | | | \$ - | | | \$ - | | \$ - | |
| 23 | Section 4.10 | | | \$ - | | | \$ - | | \$ - | |
| 24 | Section 4.11 | | | \$ 10,966,087 | | | 11,466,492 (3) | | 11,466,492 (3) | |
| 25 | Section 4.13 | | | \$ - | | | \$ - | | \$ - | |
| 26 | Section 4.14 | | | \$ - | | | \$ - | | \$ - | |
| 27 | Section 4.15 | | | \$ - | | | \$ - | | \$ - | |
| 28 | Section 5.1 | | | \$ - | | | \$ - | | \$ - | |
| 29 | Section 5.1 | | | \$ (2,999) | | | (3,818) (3) | | (3,818) (3) | |
| 30 | Section 5.1 | | | \$ (48,051) | | | \$ - | | \$ - | |
| 31 | Section 5.1 | | | \$ 275,345,825 (4) | | | \$ 281,754,153 | | \$ 297,184,774 | |
| 32 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 33 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 34 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 35 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 36 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 37 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 38 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 39 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 40 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 41 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 42 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 43 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 44 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 45 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 46 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 47 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 48 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 49 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 50 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 51 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 52 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 53 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 54 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 55 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 56 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |
| 57 | Section 4.12 | | | \$ - | | | \$ - | | \$ - | |

(1) Base demand of 850,000 kw times 365 days times 24 hours times .98
(2) Base fixed energy 7,297,080,000 plus base variable energy - 265,331,800
(3) From BREX Pro forma test year
(4) per trial balance account numbers:

| | Revenue per bks | Pwr cost per bks |
|---------|-----------------------|------------------------|
| 442.219 | \$ 129,806,709 | 555.600 \$ 3,248,622 |
| | | 555.603 \$ 126,385,110 |
| 442.230 | \$ 145,916,724 | 555.400 \$ 3,019,859 |
| | | 555.401 \$ 142,692,234 |
| | <u>\$ 275,723,433</u> | <u>\$ 275,345,825</u> |

KENERGY CORP.
2011 RATE APPLICATION
CLASS B DIRECT SERVED CUSTOMERS CONSUMPTION ANALYSIS

| Line No. | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | |
|----------|--|----------------|---------------|-------------------|---------------|---------------|-------------|---------------|---------------|--|
| | | TEST YEAR DATA | | | | NORMALIZED | | PROPOSED | | |
| 1 | Wholesale charges: | | | | | | | | | |
| 2 | Demand charge per kw | 1,109,877 | \$ 10.15 | \$ 11,265,252 | | \$ 11,265,252 | 1,109,877 | \$ 10.8975 | \$ 12,094,885 | |
| 3 | | | | | | | | | | |
| 4 | Energy charge per kwh | 681,710,380 | 0.013715 | \$ 9,349,658 | | \$ 9,349,658 | 681,710,380 | \$ 0.014885 | \$ 10,147,259 | |
| 5 | Curtailment credit | | | \$ (3,771) | | \$ (3,771) | | | \$ (3,771) | |
| 6 | | | | | | | | | | |
| 7 | Charges related to providing backup power | | | | | | | | | |
| 8 | for the Cogeneration load: | | | | | | | | | |
| 9 | Monthly fixed charge | 12 | \$ 18,750 | \$ 225,000 | | \$ 225,000 | 12 | \$ 18,750 | \$ 225,000 | |
| 10 | Metering and billing charge | 12 | \$ 3,000 | \$ 36,000 | | \$ 36,000 | 12 | \$ 3,000 | \$ 36,000 | |
| 11 | Backup power | 57,763,000 | \$ 0.033205 | \$ 1,918,028 | | \$ 1,918,028 | 57,763,000 | \$ 0.033205 | \$ 1,918,028 | |
| 12 | Energy imbalance charge | | | \$ 133,943 | | \$ 133,943 | | | \$ 133,943 | |
| 13 | Power factor penalty | | | \$ 8,838 | | \$ 8,838 | | | \$ 8,838 | |
| 14 | Backup power replacement service | 57,763,000 | \$ 0.0025 | \$ 144,408 | | \$ 144,408 | 57,763,000 | \$ 0.0025 | \$ 144,408 | |
| 15 | Curtailed Power | | | \$ (178,944) | | \$ (178,944) | | | \$ (178,944) | |
| 16 | | | | | (1) | | | | | |
| 17 | Sum of unwind factors | 681,710,380 | 0.000000 | \$ - | 0.0020 | \$ 1,363,421 | 681,710,380 | \$ 0.002000 | \$ 1,363,421 | |
| 18 | Non-FAC PPA Roll-in | | | | | | 681,710,380 | \$ 0.000876 | \$ 597,178 | |
| 19 | Non-FAC PPA Rider | | | | | | 681,710,380 | \$ (0.000963) | \$ (656,487) | |
| 20 | Power cost per books | | | \$ 22,898,411 (2) | | \$ 24,261,832 | | | \$ 25,829,757 | |
| 21 | Retail adder: | | | | | | | | | |
| 22 | Customer charge: | 36 | \$ 1,028 | \$ 37,008 | | \$ 37,008 | 36 | \$ 1,028 | \$ 37,008 | |
| 23 | Energy charge per kwh(line 4 plus 14 col.b) | 739,473,380 | \$ 0.000166 | \$ 122,753 | | \$ 122,753 | 739,473,380 | \$ 0.000166 | \$ 122,753 | |
| 24 | Energy generated at site - retail adder | 288,894,547 | \$ 0.000166 | \$ 47,956 | | \$ 47,956 | 288,894,547 | \$ 0.000166 | \$ 47,956 | |
| 25 | | | | | | | | | | |
| 26 | Revenue per books | | | \$ 23,106,128 (2) | | \$ 24,469,549 | | | \$ 26,037,474 | |
| 27 | | | | | | | | | | |
| 28 | (1) Wholesale tariff change effective July 2010 whereby the sum of the unwind factors =.002/kwh.(no line losses) | | | | | | | | | |
| 29 | (2) per trial balance account numbers: | | | | | | | | | |
| 30 | | 442.22 | \$ 8,805,373 | 555.300 | \$ 8,700,741 | | | | | |
| 31 | | 442.21 | \$ 5,681,084 | 555.200 | \$ 5,640,237 | | | | | |
| 32 | | 442.29 | \$ 8,619,671 | 555.950 | \$ 8,557,433 | | | | | |
| 33 | | | \$ 23,106,128 | | \$ 22,898,411 | | | | | |

KENERGY CORP
2011 RATE APPLICATION
CLASS C DIRECT SERVED CUSTOMERS CONSUMPTION ANALYSIS

| Line No. | (a) | (b) | (c) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) |
|----------------|---|----------------|----------|------------------|-----------------------------------|------------------------------------|----------------|---------------|----------------|------------|---------------|
| | | | | | Normalize customer added 3/1/2010 | Normalize customer added 7/17/2009 | | | | | |
| TEST YEAR DATA | | | | | | | | | | | |
| NORMALIZED | | | | | | | | | | | |
| PROPOSED | | | | | | | | | | | |
| 1 | Wholesale charges: | | | | (2) | (3) | | | | | |
| 2 | Demand charge per kw | 598,431 \$ | 10.15 | \$ 6,074,075 | 23,125 | 2,753 | 624,309 \$ | 6,336,736 | 624,309 \$ | 10.8975 | \$ 6,803,407 |
| 3 | Power factor penalty per kw | 9,117 \$ | 10.15 | \$ 92,538 | | | 9,117 \$ | 92,538 | 9,117 \$ | 10.8975 | \$ 99,353 |
| 4 | Out of period adjustments | 652 \$ | 10.15 | \$ 6,618 | | | | | | | |
| 5 | Energy charge per kwh | 247,033,335 | 0.013715 | \$ 3,388,062 | 671,370 | 1,687,140 | 249,391,845 \$ | 3,420,409 | 249,391,845 \$ | 0.014885 | \$ 3,712,198 |
| 6 | Out of period adjustments | 2,000,374 | 0.013715 | \$ 27,435 | | | | \$ 32,713 | | | \$ 32,713 |
| 7 | Special transmission charges(4) | | | \$ 32,713 | | | | \$ 8,776 | | | \$ 8,776 |
| 8 | Energy imbalance charge(4) | | | \$ 8,776 | | | | \$ - | | | \$ - |
| 9 | Special delivery point charges(5) | | | \$ 12,280 | | | | \$ - | | | \$ - |
| 10 | Sum of unwind factors | 247,033,335 | 0.000000 | \$ - | 671,370 | 1,687,140 | 249,391,845 \$ | 498,784 | 249,391,845 \$ | 0.002000 | \$ 498,784 |
| 11 | Non-FAC PPA Roll-in | | | | | | 0.0020 | | 249,391,845 \$ | 0.000876 | \$ 218,467 |
| 12 | Non-FAC PPA Rider | | | | | | | | 249,391,845 \$ | (0.000963) | \$ (240,164) |
| 13 | Power cost per books | | | \$ 9,642,496 (6) | | | (1) | \$ 10,389,956 | | | \$ 11,133,533 |
| 14 | Retail adder: | | | | | | | | | | |
| 15 | Customer charge: | 183.48 \$ | 100 | \$ 18,348 | 8 | 0.52 | 192.00 \$ | 19,200 | 192 \$ | 100 | \$ 19,200 |
| 16 | Energy charge per kwh(line 4 col. B | 247,033,335 \$ | 0.003 | \$ 741,100 | 671,370 | 1,687,140 | 249,391,845 \$ | 748,176 | 249,391,845 \$ | \$0.003 | \$ 748,176 |
| 17 | Out of period adjustments | 2,000,374 \$ | 0.003 | \$ 6,001 | | | | | | | |
| 18 | adder on special delivery point charges | | | \$ 1,166 | | | | \$ - | | | \$ - |
| 19 | Facilities charge @ 1.30% *\$ of invest. | 12 \$ | 13,985 | \$ 167,818 | | | | \$ 167,818 | 12 \$ | 13,985 | \$ 167,818 |
| 20 | Out of period correction to facilities chg. | | | \$ (2,144) | | | | \$ - | | | \$ - |
| 21 | Revenue per books | | | \$10,574,786 (6) | | | | \$ 11,325,150 | | | \$ 12,068,726 |
| 22 | Increase Facilities Charge to 1.38% | | | | | | | | | | \$ 10,327 |
| 23 | Proposed Revenue | | | | | | | | | | \$ 12,079,054 |

(1) Wholesale tariff change effective July 2010 whereby the sum of the unwind factors = .002/kwh.(no line losses (6) per trial balance account numbers:

| (2) | kw | kwh | customer billings | Rev. per bks |
|---|--------|------------|-------------------|------------------------------|
| test year | 9,995 | 196,710 | 4 | 442.240 \$ 41,600 555.5 |
| Proforma (using June 2010) | 33,120 | 868,080 | 12 | 442.270 \$ 413,637 555.109 |
| adjustment | 23,125 | 671,370 | 8 | 442.275 \$ 376,606 555.118 |
| (3) | | | | 442.276 \$ 102,443 555.116 |
| test year | 68,611 | 38,909,593 | 11.48 | 442.280 \$ 429,636 555.9 |
| Proforma (using 11 month avg.) | 71,364 | 40,596,733 | 12.00 | 442.298 \$ 838,685 555.97 |
| adjustment | 2,753 | 1,687,140 | 0.52 | 442.801 \$ 1,046,245 555.101 |
| (4) contract provision with KU and LGE for transmission service to a coal mine. | | | | 442.804 \$ 1,323,928 555.104 |
| (5) contract provision to adjust for a special delivery point arrangement. Terminated July 1, 2010 when new metering installed. | | | | 442.805 \$ 88,841 555.105 |
| | | | | 442.806 \$ 205,078 555.106 |
| | | | | 442.807 \$ 2,380,412 555.107 |
| | | | | 442.808 \$ 359,912 555.108 |
| | | | | 442.810 \$ 27,377 555.11 |
| | | | | 442.811 \$ 1,070,640 555.111 |
| | | | | 442.812 \$ 1,359,341 555.112 |
| | | | | 442.814 \$ 510,405 555.114 |
| | | | | \$10,574,786 |

| Pwr cost per bks |
|------------------|
| 37692 |
| 386874 |
| 359896 |
| 101453 |
| 420401 |
| 765672 |
| 955875 |
| 1231639 |
| 80660 |
| 184742 |
| 2079394 |
| 338727 |
| 24266 |
| 990642 |
| 1240297 |
| 444268 |
| \$ 9,642,498 |

KENERGY CORP.
2011 RATE APPLICATION
MISCELLANEOUS REVENUES ADJUSTMENT

| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) | (l) | |
|-------------|-------------|--|---------------|--------------|-----------|-----------|----------|--------------------|--------------------|--------------------|-----------------|------------|--------|
| Account No. | Description | Test Year No. | Normalize No. | Proforma No. | Test Year | Normalize | Proforma | Test Year | Normalized | Proforma | Amount | Percent | |
| | | | | | Charges | Charges | Charges | Revenue | Revenue | Revenue | Adjustment | Adjustment | |
| 1 | 450.000 | Forfeited Discounts | | | 5% | 5% | 5% | \$496,600 | \$496,600 | \$496,600 | \$0 | 0.00% | |
| 2 | 450.230 | Forfeited Discounts - Class B | | | 5% | 5% | 5% | \$0 | \$0 | \$0 | \$0 | #DIV/0! | |
| 3 | 450.240 | Forfeited Discounts - Class C | | | 5% | 5% | 5% | \$1,550 | \$1,550 | \$1,550 | \$0 | 0.00% | |
| 4 | | Subtotal - Forfeited Discounts | | | | | | <u>\$498,150</u> | <u>\$498,150</u> | <u>\$498,150</u> | <u>\$0</u> | 0.00% | |
| 5 | | Special Charges: | | | | | | | | | | | |
| 6 | 451.000 | Turn on Service Charge | 66 | 66 | 66 | \$30.00 | \$30.00 | \$32.00 | \$1,980 | \$1,980 | \$2,112 | \$132 | 6.67% |
| 7 | 451.100 | Reconnect Charge - Regular | 1,086 | 1,086 | 1,086 | \$30.00 | \$30.00 | \$32.00 | \$32,580 | \$32,580 | \$34,752 | \$2,172 | 6.67% |
| 8 | 451.100 | Reconnect Charge - After hours | 106 | 106 | 106 | \$90.00 | \$90.00 | \$95.00 | \$9,540 | \$9,540 | \$10,070 | \$530 | 5.56% |
| 9 | 451.200 | Terminate Service Charge | 3,468 | 3,468 | 3,468 | \$30.00 | \$30.00 | \$32.00 | \$104,050 | \$104,040 | \$110,976 | \$6,936 | 6.67% |
| 10 | 451.300 | Meter Reading Charge | 2,194 | 2,194 | 2,194 | \$30.00 | \$30.00 | \$32.00 | \$65,820 | \$65,820 | \$70,208 | \$4,388 | 6.67% |
| 11 | 451.400 | Meter Test Charge | 6 | 6 | 6 | \$45.00 | \$45.00 | \$50.00 | \$270 | \$270 | \$300 | \$30 | 11.11% |
| 12 | 451.500 | Revenue - Returned check charge | 1,018 | 1,018 | 1,018 | \$10.00 | \$10.00 | \$12.00 | \$10,180 | \$10,180 | \$12,216 | \$2,036 | 20.00% |
| 13 | 451.600 | Revenue- Unnecessary trip by servicetech reg | 3 | 3 | 3 | \$30.00 | \$30.00 | \$32.00 | \$90 | \$90 | \$96 | \$6 | 6.67% |
| 14 | 451.600 | Revenue- Unnecessary trip by servicetech after | 13 | 13 | 13 | \$90.00 | \$90.00 | \$95.00 | \$1,170 | \$1,170 | \$1,235 | \$65 | 5.56% |
| 15 | | Subtotal - Special Charges | | | | | | <u>\$225,680</u> | <u>\$225,670</u> | <u>\$241,965</u> | <u>\$16,295</u> | 7.22% | |
| 16 | | Telephone Attachment Fees: | | | | | | | | | | | |
| 17 | | | | | | | | | | | | | |
| 18 | 454.000 | Revenue from Bellsouth | | | | | | \$535,989 | \$525,443 | \$525,443 | \$0 | 0.00% | |
| 19 | 454.110 | Revenue from Others: | | | | | | \$23,968 | \$19,151 | \$19,151 | \$0 | 0.00% | |
| 20 | | Subtotal - Telephone Attachment Fees | | | | | | <u>\$559,957</u> | <u>\$544,594</u> | <u>\$544,594</u> | <u>\$0</u> | 0.00% | |
| 21 | | Revenue Tower Leases: | | | | | | | | | | | |
| 22 | 454.100 | Revenue from Various Companies | | | | | | \$180,912 | \$166,878 | \$166,878 | \$0 | 0.00% | |
| 23 | | Subtotal - Tower Leases | | | | | | <u>\$180,912</u> | <u>\$166,878</u> | <u>\$166,878</u> | <u>\$0</u> | 0.00% | |
| 24 | | Cablevision Attachment Fees: | | | | | | | | | | | |
| 25 | 454.110 | Cable Attachment Fees - 2 Party Pole | 7,805 | 7,805 | 7,805 | \$5.24 | \$5.24 | \$6.30 | \$40,922 | \$40,898 | \$49,172 | \$8,273 | 20.23% |
| 26 | 454.110 | Cable Attachment Fees - 3 Party Pole | 4,245 | 4,245 | 4,245 | \$4.12 | \$4.12 | \$4.89 | \$17,525 | \$17,489 | \$20,758 | \$3,269 | 18.69% |
| 27 | 454.110 | Cable Attachment Fees - 2 Party Anchor | 0 | 0 | 0 | \$10.25 | \$10.25 | \$13.30 | | | | | |
| 28 | 454.110 | Cable Attachment Fees - 3 Party Anchor | 0 | 0 | 0 | \$6.83 | \$6.83 | \$8.86 | | | | | |
| 29 | | Subtotal - Cable Attachment Fees | | | | | | <u>\$58,447</u> | <u>\$58,388</u> | <u>\$69,930</u> | <u>\$11,542</u> | 19.77% | |
| 30 | | Fiber Optic Attachment Fees: | | | | | | | | | | | |
| 31 | 454.110 | Revenue from Fiber Optic attachments | | | | | | \$5,456 | \$5,800 | \$5,800 | \$0 | 0.00% | |
| 32 | 454.120 | Revenue from Fiber Optic attachments | | | | | | \$3,000 | \$3,000 | \$3,000 | \$0 | 0.00% | |
| 33 | | Subtotal - Fiber Optic Attachment Fees | | | | | | <u>\$8,456</u> | <u>\$8,800</u> | <u>\$8,800</u> | <u>\$0</u> | 0.00% | |
| 34 | | | | | | | | | | | | | |
| 35 | 454.200 | Revenue- Rental from Personal Property | | | | | | \$0 | \$0 | \$0 | \$0 | #DIV/0! | |
| 36 | 454.300 | Revenue- Sturgis Sub-Lease | | | | | | \$2,520 | \$2,520 | \$2,520 | \$0 | 0.00% | |
| 37 | 456.000 | Sales Tax Compensation Fees | | | | | | \$17,281 | \$17,281 | \$17,281 | \$0 | 0.00% | |
| 38 | | | | | | | | | | | | | |
| 39 | | | | | | | | | | | | | |
| 40 | | TOTAL | | | | | | <u>\$1,551,404</u> | <u>\$1,522,280</u> | <u>\$1,550,117</u> | <u>\$27,837</u> | 1.83% | |

KENERGY CORP
2011 RATE APPLICATION
NON-DEDICATED DELIVERY POINTS POWER COST ANALYSIS

| Line No. | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) | (i) | (j) | (k) |
|----------|---|----------------------|------------|----------------------|---|---|----------------------|-------------------------|---------------|-------------------|----------------------|
| | | TEST YEAR DATA | | | Remove power cost related to Unbilled revenue | Add power cost related to year-end level of customers | | NORMALIZED | | PROPOSED | |
| | | | | | (2) | (3) | | | | | |
| 1 | | | | | | | | | | | |
| 2 | Demand charge per kw | <u>2,534,673</u> | \$ 7.37 | \$ 18,680,540 | (41,931) | 4,821 | <u>2,497,563</u> | \$ 18,407,040 | | | |
| 3 | Power factor penalty per kw | - | \$ 7.37 | \$ - | | | - | \$ - | 2,480,807 | \$ 10.189 | \$ 25,276,941 |
| 4 | Energy charge per kwh | <u>1,207,970,315</u> | 0.0204 | \$ 24,642,594 | (19,983,573) | 2,297,807 | <u>1,190,284,548</u> | \$ 24,281,805 | 1,190,284,548 | \$ 0.019524 | \$ 23,239,116 |
| 5 | Renewable resource energy kwh | <u>3,700</u> | \$ 0.03460 | \$ 128 | | | <u>3,700</u> | \$ 128 | 3,700 | \$ 0.035476 | \$ 131 |
| 6 | Sum of unwind factors | <u>1,207,970,315</u> | 0.000000 | \$ - | (19,983,573) | 2,297,807 | <u>1,190,284,548</u> | \$ 2,380,569 | 1,190,284,548 | \$ 0.002000 | \$ 2,380,569 |
| 7 | Non-FAC PPA Rider | | | | | | | | 1,190,284,548 | \$ (0.000963) | \$ (1,146,244) |
| 8 | Non-FAC PPA Roll-in | | | | | | | | | | \$ 1,042,689 |
| 9 | Subtotal | | | \$ 43,323,262 | | | (1) | \$ 45,069,542 | | | \$ 50,793,202 |
| 10 | Cost allocated for Kenergy's usage | <u>(2,732,094)</u> | 0.035802 | \$ (97,816) | | | <u>(2,732,094)</u> | \$ (103,449) | (2,732,094) | | \$ (116,587) |
| 11 | Power cost per account 555 | <u>1,205,238,221</u> | | <u>\$ 43,225,447</u> | | | <u>1,187,552,454</u> | \$ 44,966,093 | | | <u>\$ 50,676,615</u> |
| 12 | | | | | | | | | | Base Rte increase | \$ 5,827,215 |
| 13 | (1) Wholesale tariff change effective July 2010 whereby the sum of the unwind factors = | | | | | 0.002 | | | | | |
| 14 | | | | | | | | | | | |
| 15 | (2) | | | | | | | | | | |
| 16 | Kwh removed for unbilled revenue impact | 18,892,930 | | | | | Capital | 15.85% \$ 893 | 163 | | \$ 2,083 |
| 17 | adjust for test year line losses(1-.054577) | 0.945423 | | | | | operating | 25.17% \$ 1,418 | 588 | | \$ 3,307 |
| 18 | adjustment to kwh purchased | 19,983,573 | 0.0204 | \$ (407,665) | | | Maintenance | 3.67% \$ 207 | 592 | | \$ 483 |
| 19 | relationship of kw to kwh : | | | | | | customer acct | 4.72% \$ 266 | 903 | | \$ 620 |
| 20 | Line 2 col. B / line 4 col b | 0.0020983 | | | | | A&G | 50.58% \$ 2,850 | 935 | | \$ 6,645 |
| 21 | adjustment to kw purchased | 41,931 | 7.37 | \$ (309,034) | | | | <u>100.00% \$ 5,634</u> | | | \$ 13,138 |
| 22 | | | | \$ (716,699) | | | | line 16 col. H minus | | | line 16 col. k min |
| 23 | (3) | | | | | | | line 16 col. e | | | line 16 col.i |
| 24 | New Kwh related to year-end level of | | | | | | | | | | |
| 25 | customer adjustment | 2,172,399 | | | | | | | | | |
| 26 | adjust for test year line losses(1-.054577) | 0.945423 | | | | | | | | | |
| 27 | adjustment to kwh purchased | 2,297,807 | 0.0204 | \$ 46,875 | | | | | | | |
| 28 | relationship of kw to kwh per line 18 | 0.0020983 | | | | | | | | | |
| 29 | adjustment to kw purchased | 4,821 | 7.37 | \$ 35,534 | | | | | | | |
| 30 | | | | \$ 82,409 | | | | | | | |
| 31 | | | | \$ (634,289) | | | | | | | |
| 32 | | | | | | | | | | | |
| 33 | | | | | | | | | | | |
| 34 | | | | | | | | | | | |
| 35 | (3) | | | | | | | | | | |
| | KWh adj. related to year-end level of | | | | | | | | | | |
| | customer adjustment & unbilled | 21,065,329 | | | | | | | | | |
| | adjust for test year line losses(1-.054577) | 0.945423 | | | | | | | | | |
| | adjustment to kwh purchased | 22,281,380 | | | | | | | | | |
| | CP Demand | 2,527,426 | | | | | | | | | |
| | relationship of kw to kwh per line 18 | 0.002092 | | | | | | | | | |
| | adjustment to CP kw purchased | 46,619 | | | | | | | | | |
| | Adjusted to CP kw purchased | 2,480,807 | | | | | | | | | |

KENERGY CORP.
 2011 RATE APPLICATION
 DETERMINATION OF FLOW THROUGH MULTIPLIER AND ADDER

| | (b) | © | (d) |
|---|---------------|-------------|-----------------------|
| NON-DEDICATED DELIVERY POINTS | | | |
| 1 1. Determination of power cost increase: | kw | rate | |
| 2 Proposed demand cost | 2,480,807 | \$ 10.189 | \$ 25,276,941 |
| 3 Normalized demand cost | 2,497,563 | 7.37 | \$ 18,407,040 |
| 4 Increase | | | <u>\$ 6,869,901</u> |
| 5 | kwh | rate | |
| 6 Proposed energy cost | 1,190,284,548 | \$ 0.019524 | \$ 23,239,116 |
| 7 Normalized energy cost | 1,190,284,548 | \$ 0.020400 | \$ 24,281,805 |
| 8 Increase | | | <u>\$ (1,042,689)</u> |
| 9 | | | <u>\$ 5,827,212</u> |
| 10 2. Determination of Flow through Multiplier: | | | |
| 11 Normalized base rate revenue | | | \$ 77,609,841 |
| 12 Less: customer charges | | | \$ 7,754,978 |
| 13 contract minimum revenue | | | \$ 9,598 |
| 14 Other | | | \$ - |
| 15 Net revenue | | | \$ 69,845,265 |
| 16 | | | |
| 17 Multiplier - demand increase | | | \$ 6,869,901 |
| 18 divided by net revenue | | | \$ 69,845,265 |
| | | | \$ 0.098359 |
| 19 Plus 1 | | | 1.00000 |
| 20 demand multiplier | | | 1.098359 |
| 21 | | | |
| 22 3. Determination of energy adder: | | | |
| 23 | | | |
| 24 energy increase | | | \$ (1,042,689) |
| 25 divided by normalized kwh sold | | | 1,140,513,641 |
| 26 energy adder | | | \$ (0.000914) |
| 27 | | | |

| (a) | (b) | (c) | (d) | (e) | (f) | |
|--|------------|------------|------------|--------------|------------|------------|
| | Present | | | energy | Proposed | Proposed |
| | rate | multiplier | | adder | Flow | |
| | | | | | Through | |
| 1 Residential Service (Single & Three-Phase): | | | | | | |
| 2 | | | | | | |
| 3 Customer Charge per Delivery Point | \$10.50 | | \$10.50 | | \$10.50 | \$13.00 |
| 4 Energy Charge per KWH | \$0.062327 | 1.098359 | \$0.068457 | \$(0.000914) | \$0.067543 | \$0.067780 |
| 5 | | | | | | |
| 6 All Non-Residential Single Phase: | | | | | | |
| 7 | | | | | | |
| 8 Customer Charge per Delivery Point | \$16.00 | | \$16.00 | | \$16.00 | \$17.00 |
| 9 Energy Charge per KWH | \$0.060740 | 1.098359 | \$0.066714 | \$(0.000914) | \$0.065800 | \$0.066900 |
| 10 | | | | | | |
| 11 Three-Phase Demand | | | | | | |
| 12 Non-Dedicated Delivery Points (0 - 1,000 KW): | | | | | | |
| 13 | | | | | | |
| 14 Customer Charge per Delivery Point | \$30.00 | | \$30.00 | | \$30.00 | \$35.00 |
| 15 Demand Charge. | | | | | | |
| 16 All KW During Month | \$4.05 | 1.098359 | \$4.448 | | \$4.448 | \$4.500 |
| 17 Energy Charge: | | | | | | |
| 18 First 200 KWH per KW, per KWH | \$0.0532 | 1.098359 | \$0.058433 | \$(0.000914) | \$0.057519 | \$0.057470 |
| 19 Next 200 KWH per KW, per KWH | \$0.0380 | 1.098359 | \$0.041738 | \$(0.000914) | \$0.040824 | \$0.041570 |
| 20 All Over 400 KWH per KW, per KWH | \$0.0330 | 1.098359 | \$0.036246 | \$(0.000914) | \$0.035332 | \$0.035570 |
| 21 Primary Discount per KW | (\$0.50) | 1.098359 | (\$0.55) | | (\$0.55) | \$ (0.50) |
| 22 | | | | | | |
| 23 Three-Phase Demand | | | | | | |
| 24 Non-Dedicated Delivery Points (1,001 KW and Over): | | | | | | |
| 25 | | | | | | |
| 26 <i>Option A - High Load Factor (above 50%)</i> | | | | | | |
| 27 Customer Charge per Delivery Point | \$575.00 | | \$575.00 | | \$575.00 | \$750.00 |
| 28 Demand Charge. | | | | | | |
| 29 All KW During Month | \$8.65 | 1.098359 | \$9.50 | | \$9.50 | \$9.50 |
| 30 Energy Charge: | | | | | | |
| 31 First 200 KWH per KW, per KWH | \$0.0275 | 1.098359 | \$0.030205 | \$(0.000914) | \$0.029291 | \$0.029900 |
| 32 Next 200 KWH per KW, per KWH | \$0.0250 | 1.098359 | \$0.027459 | \$(0.000914) | \$0.026545 | \$0.026600 |
| 33 All Over 400 KWH per KW, per KWH | \$0.0230 | 1.098359 | \$0.025262 | \$(0.000914) | \$0.024348 | \$0.024600 |
| 34 Primary Discount per KW | (\$0.50) | 1.098359 | (\$0.55) | | (\$0.55) | (\$0.50) |
| 35 | | | | | | |
| 36 <i>Option B - Low Load Factor (below 50%)</i> | | | | | | |
| 37 Customer Charge per Delivery Point | \$575.00 | | \$575.00 | | \$575.00 | \$750.00 |
| 38 Demand Charge. | | | | | | |
| 39 All KW During Month | \$4.80 | 1.098359 | \$5.27 | | \$5.27 | \$5.35 |
| 40 Energy Charge: | | | | | | |
| 41 First 150 KWH per KW, per KWH | \$0.042 | 1.098359 | \$0.046131 | \$(0.000914) | \$0.045217 | \$0.045600 |
| 42 Over 150 KWH per KW, per KWH | \$0.036 | 1.098359 | \$0.039541 | \$(0.000914) | \$0.038627 | \$0.038600 |
| 43 Primary Discount per KW | (\$0.50) | 1.098359 | (\$0.55) | | (\$0.55) | (\$0.50) |
| 44 | | | | | | |

| | | | | | | | | | | |
|----|---|----|-------|----------|---------|----|--------|---------|----|-------|
| 58 | Private Outdoor Lighting | | | | | | | | | |
| 59 | Tariff sheet 15 | | | | | | | | | |
| 60 | Standard(served overhead) | | | | | | | | | |
| 61 | 7000 LUMEN-175W-MERCURY VAPOR | \$ | 7.16 | 1.098359 | \$7.86 | \$ | (0.06) | \$7.80 | \$ | 7.87 |
| 62 | 12000 LUMEN-250W-MERCURY VAPOR | \$ | 8.45 | 1.098359 | \$9.28 | \$ | (0.09) | \$9.19 | \$ | 9.27 |
| 63 | 20000 LUMEN-400W-MERCURY VAPOR | \$ | 9.98 | 1.098359 | \$10.96 | \$ | (0.14) | \$10.82 | \$ | 10.91 |
| 64 | 9500 LUMEN-100W-HPS | \$ | 6.95 | 1.098359 | \$7.63 | \$ | (0.04) | \$7.59 | \$ | 7.65 |
| 65 | 27000 LUMEN-250W-HPS | \$ | 9.98 | 1.098359 | \$10.96 | \$ | (0.09) | \$10.87 | \$ | 10.96 |
| 66 | 61000 LUMEN-400W-HPS-FLOOD LGT | \$ | 11.39 | 1.098359 | \$12.51 | \$ | (0.15) | \$12.36 | \$ | 12.47 |
| 67 | 9000 LUMEN-100W METAL HA | \$ | 6.53 | 1.098359 | \$7.17 | \$ | (0.04) | \$7.13 | \$ | 7.19 |
| 68 | 24000 LUMEN-400W METAL H | \$ | 13.45 | 1.098359 | \$14.77 | \$ | (0.14) | \$14.63 | \$ | 14.75 |
| 69 | 20000 LUMEN-200W-HPS | \$ | 9.69 | 1.098359 | \$10.64 | \$ | (0.07) | \$10.57 | \$ | 10.66 |
| 70 | Tariff sheet 15A | | | | | | | | | |
| 71 | Commercial and Industrial Lighting | | | | | | | | | |
| 72 | Flood Lighting Fixture | | | | | | | | | |
| 73 | 28000 LUMEN HPS-250W-FLOOD LGT | \$ | 8.99 | 1.098359 | \$9.87 | \$ | (0.09) | \$9.78 | \$ | 9.86 |
| 74 | 61000 LUMEN-400W-HPS-FLOOD LGT | \$ | 11.39 | 1.098359 | \$12.51 | \$ | (0.15) | \$12.36 | \$ | 12.47 |
| 75 | 140000 LUM-1000W-HPS-FLOOD LGT | \$ | 26.17 | 1.098359 | \$28.74 | \$ | (0.34) | \$28.40 | \$ | 28.64 |
| 76 | 19500 LUMEN-250W-MH-FLOOD LGT | \$ | 8.69 | 1.098359 | \$9.54 | \$ | (0.09) | \$9.45 | \$ | 9.53 |
| 77 | 32000 LUMEN-400W-MH-FLOOD LGT | \$ | 11.36 | 1.098359 | \$12.48 | \$ | (0.14) | \$12.34 | \$ | 12.44 |
| 78 | 107000 LUM-1000W-MH-FLOOD LGT | \$ | 26.17 | 1.098359 | \$28.74 | \$ | (0.34) | \$28.40 | \$ | 28.64 |
| 79 | Contemporary(Shoebox) | | | | | | | | | |
| 80 | 28000 LUMEN-250W-HPS SHOEBOX | \$ | 10.27 | 1.098359 | \$11.28 | \$ | (0.09) | \$11.19 | \$ | 11.29 |
| 81 | 61000 LUMEN-400W-HPS SHOEBOX | \$ | 12.75 | 1.098359 | \$14.00 | \$ | (0.15) | \$13.85 | \$ | 13.97 |
| 82 | 107000 LUMENS-100W-MH SHOEBOX | \$ | 26.17 | 1.098359 | \$28.74 | \$ | (0.34) | \$28.40 | \$ | 28.64 |
| 83 | 19500 LUMEN-250W-MH SHOEBOX | \$ | 9.91 | 1.098359 | \$10.88 | \$ | (0.09) | \$10.79 | \$ | 10.88 |
| 84 | 32000 LUMENS-400W-MH SHOEBOX | \$ | 12.50 | 1.098359 | \$13.73 | \$ | (0.14) | \$13.59 | \$ | 13.71 |
| 85 | 107000 LUMENS-1000W-MH SHOEBOX | \$ | 26.17 | 1.098359 | \$28.74 | \$ | (0.34) | \$28.40 | \$ | 28.64 |
| 86 | Decorative Lighting | | | | | | | | | |
| 87 | 9000 LUMEN MH ACORN GLOBE | \$ | 9.67 | 1.098359 | \$10.62 | \$ | (0.04) | \$10.58 | \$ | 10.67 |
| 88 | 16600 LUM-175W-MH ACORN GLOBE | \$ | 11.74 | 1.098359 | \$12.89 | \$ | (0.06) | \$12.83 | \$ | 12.94 |
| 89 | 9000 LUM-175W-MH ROUND GLOBE | \$ | 9.48 | 1.098359 | \$10.41 | \$ | (0.04) | \$10.37 | \$ | 10.46 |
| 90 | 16600 LUM-175W-MH ROUND GLOBE | \$ | 10.84 | 1.098359 | \$11.91 | \$ | (0.06) | \$11.85 | \$ | 11.95 |
| 91 | 16600 LUM-175W-MH LANTERN GLOBE | \$ | 10.96 | 1.098359 | \$12.04 | \$ | (0.06) | \$11.98 | \$ | 12.08 |
| 92 | 28000 LUM - HPS ACORN GLOBE | \$ | 10.95 | 1.098359 | \$12.03 | \$ | (0.04) | \$11.99 | \$ | 12.09 |

| | | | | | | | | | | |
|-----|--|----|-------|----------|---------|----|--------|---------|----|-------|
| 93 | Tariff sheet 15B | | | | | | | | | |
| 94 | Pedestal Mounted Pole | | | | | | | | | |
| 95 | STEEL 25 FT PEDESTAL MT POLE | \$ | 6.35 | 1.098359 | \$6.97 | \$ | - | \$6.97 | \$ | 7.03 |
| 96 | STEEL 30 FT PEDESTAL MT POLE | \$ | 7.15 | 1.098359 | \$7.85 | \$ | - | \$7.85 | \$ | 7.92 |
| 97 | STEEL 39 FT PEDESTAL MT POLE | \$ | 12.02 | 1.098359 | \$13.20 | \$ | - | \$13.20 | \$ | 13.31 |
| 98 | WOOD 30 FT DIRECT BURIAL POLE | \$ | 3.98 | 1.098359 | \$4.37 | \$ | - | \$4.37 | \$ | 4.41 |
| 99 | ALUMINUM 28 FT DIRECT BURIAL | \$ | 8.18 | 1.098359 | \$8.98 | \$ | - | \$8.98 | \$ | 9.06 |
| 100 | FLUTED FIBERGLASS 15 FT POLE | \$ | 8.74 | 1.098359 | \$9.60 | \$ | - | \$9.60 | \$ | 9.68 |
| 101 | FLUTED ALUMINUM 14FT POLE | \$ | 9.60 | 1.098359 | \$10.54 | \$ | - | \$10.54 | \$ | 10.63 |
| 102 | Street Lighting Service | | | | | | | | | |
| 103 | Tariff sheet 16 | | | | | | | | | |
| 104 | 7000 LUMEN-175W-MERCURY VAPOR | \$ | 7.16 | 1.098359 | \$7.86 | \$ | (0.06) | \$7.80 | \$ | 7.87 |
| 105 | 20000 LUMEN-400W-MERCURY VAPOR | \$ | 10.02 | 1.098359 | \$11.01 | \$ | (0.14) | \$10.87 | \$ | 10.96 |
| 106 | 9500 LUMEN-100W-HPS STREET LGT | \$ | 6.95 | 1.098359 | \$7.63 | \$ | (0.04) | \$7.59 | \$ | 7.65 |
| 107 | 27000 LUMEN-250W-HPS ST LIGHT | \$ | 10.10 | 1.098359 | \$11.09 | \$ | (0.08) | \$11.01 | \$ | 11.10 |
| 108 | 9000 LUMEN-100W METAL HA | \$ | 6.53 | 1.098359 | \$7.17 | \$ | (0.04) | \$7.13 | \$ | 7.19 |
| 109 | 24000 LUMEN-400W METAL H | \$ | 13.24 | 1.098359 | \$14.54 | \$ | (0.14) | \$14.40 | \$ | 14.52 |
| 110 | Tariff sheet 16A | | | | | | | | | |
| 111 | Underground service with non-std. pole | | | | | | | | | |
| 112 | UG NON-STD POLE-GOVT & DISTRICT | \$ | 5.12 | 1.098359 | \$5.62 | \$ | - | \$5.62 | \$ | 5.67 |
| 113 | Overhead service to street lighting districts | | | | | | | | | |
| 114 | OH FAC-STREET LIGHT DISTRICT | \$ | 2.13 | 1.098359 | \$2.34 | \$ | - | \$2.34 | \$ | 2.36 |
| 115 | Decorative Underground service | | | | | | | | | |
| 116 | 6300 LUMEN-DECOR-70W-HPS ACORN | \$ | 9.83 | 1.098359 | \$10.80 | \$ | (0.03) | \$10.77 | \$ | 10.86 |
| 117 | 6300 LUM DECOR-70W-HPS LANTERN | \$ | 9.83 | 1.098359 | \$10.80 | \$ | (0.03) | \$10.77 | \$ | 10.86 |
| 118 | 12600 LUM HPS-70W-2 DECOR FIX | \$ | 17.36 | 1.098359 | \$19.07 | \$ | (0.05) | \$19.02 | \$ | 19.18 |
| 119 | 28000 LUM - HPS ACORN GL 14 FT POLE | \$ | 18.98 | 1.098359 | \$20.85 | \$ | (0.04) | \$20.81 | \$ | 20.99 |
| 120 | Special street lighting districts | | | | | | | | | |
| 121 | BASKETT STREET LIGHTING | \$ | 2.49 | 1.098359 | \$2.73 | \$ | (0.02) | \$2.71 | \$ | 2.73 |
| 122 | MEADOW HILL STREET LIGHTING | \$ | 2.25 | 1.098359 | \$2.47 | \$ | (0.02) | \$2.45 | \$ | 2.47 |
| 123 | SPOTTSVILLE STREET LIGHTING | \$ | 2.83 | 1.098359 | \$3.11 | \$ | (0.02) | \$3.09 | \$ | 3.12 |

KENERGY CORP.
2011 RATE APPLICATION
TRIAL BALANCE
JUNE 30, 2010

| | | | |
|--------|-------------------------------------|----|-----------------|
| 102000 | ELECTRIC PLANT PURCHASED OR SOLD | | |
| 107100 | CONSTRUCTION W.I.P.-CONTRACTORS | \$ | 536,337.50 |
| 107200 | CONSTRUCTION W.I.P. - KENERGY | \$ | 560,929.70 |
| 107202 | DEFERRED LABOR-CONSTRUCTION | | |
| 107212 | COMPUTER SYSTEMS-SET UP LABOR | | |
| 107230 | MARION OFFICE BUILDING | \$ | 2,336.95 |
| 107240 | CWIP-PBX UPGRADE | \$ | 7,756.51 |
| 107255 | AUTOMATIC METER READING SYS (TWAX) | \$ | 87,484.64 |
| 107260 | SCADA MASTER STATION UPGRADE | \$ | 57,671.17 |
| 107270 | MOBILE RADIO SYSTEM UPGRADE | \$ | 39,201.57 |
| 107275 | ACLARA AMI PROJECT | | |
| 107280 | UTICA SUBSTATION BUILDING | | |
| 107290 | AMI-CANON PILOT | \$ | 109,246.55 |
| 107300 | CONST W.I.P. SPECIAL EQUIPMENT | | |
| 107301 | CWIP-SPECIAL EQUIP IN PAYABLE ACCT | | |
| 107310 | CONST W.I.P. CONSUMER CONTRIBUTIONS | \$ | (531,310.51) |
| 107400 | CWIP-STORM DAMAGE | | |
| 107500 | LABOR AND OHS-INCLEMMENT WEATHER | \$ | 95,063.97 |
| 107800 | CATHODIC PROTECTION OF UG CABLE | \$ | 31.34 |
| 107900 | OVERHEADS - CONTRACTOR WORK ORDERS | | |
| 108620 | ACCUM PROVI DEPRECIATION-SUBSTATION | \$ | (4,478,038.25) |
| 108621 | ACCUM PROVI DEPRECIATION-SCADA | \$ | (1,656,723.61) |
| 108622 | ACCUM PROVI DEPRECIATION-MICROWAVE | \$ | (1,425,039.63) |
| 108623 | ACCUM PROVI DEPRECIATION-TOWERS | \$ | (500,389.69) |
| 108624 | ACCUM PROVI DEPR-OWENSBORO FIBER | \$ | (550,075.04) |
| 108625 | ACC PROVISION DEPR-SUBSTATION AMI | \$ | - |
| 108664 | ACCUM PROVI DEPRECIATION-POLES | \$ | (14,085,267.01) |
| 108665 | ACCUM PROVI DEPRECIATION-OH CONDUCT | \$ | (11,574,014.54) |
| 108666 | ACCUM PROVI DEPRECIATION-UG CONDUIT | \$ | (11,163.21) |
| 108667 | ACCUM PROVI DEPRECIATION-UG CONDUCT | \$ | (3,105,953.93) |
| 108668 | ACCUM PROVI DEPRECIATION-TRANSFORME | \$ | (8,001,439.15) |
| 108669 | ACCUM PROVI DEPRECIATION-SERVICES | \$ | (7,351,303.98) |
| 108670 | ACCUM PROVI DEPRECIATION-METERS | \$ | (1,009,390.54) |
| 108671 | ACCUM PROV DEPR-INSTALL ON PREMISES | \$ | (702,391.97) |
| 108673 | ACCUM PROVI DEPRECIATION-STR LIGHTS | \$ | (210,626.24) |
| 108674 | ACCUM PROVI DEPRECIATION-AMI METERS | \$ | (21,114.90) |
| 108700 | ACC PROVISION DEPR-BUILDINGS | \$ | (2,987,239.31) |
| 108710 | ACC PROVISION DEPR-OFFICE EQUIPMENT | \$ | (733,590.95) |
| 108720 | ACC PROVISION DEPR-TRANSPORTATION | \$ | (4,441,156.14) |
| 108730 | ACC PROVISION DEPR STORES EQUIPMENT | \$ | (108,501.95) |
| 108740 | ACC PROV DEPR-SHOP & GARAGE EQUIP | \$ | (221,441.57) |
| 108741 | ACC PROVISION DEPR-TOOLS-WORK EQUIP | \$ | (279,394.76) |
| 108750 | ACC PROVISION DEPR-LABORATORY EQUIP | \$ | (351,686.88) |
| 108760 | ACC PROV DEPR-POWER OPERATED EQUIP | \$ | (456,979.61) |
| 108761 | ACC PROVISION DEPR-ROW EQUIPMENT | \$ | (283,627.30) |

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|--------|-------------------------------------|----|--------------|
| 108770 | ACC PROVISION DEPR-COMM EQUIPMENT | \$ | (846,595.03) |
| 108780 | ACC PROVISION DEPR-MISC EQUIPMENT | \$ | (355,501.81) |
| 108800 | KENERGY RETIREMENT WORK ORDERS | \$ | 57,045.81 |
| 108810 | CONTRACTOR RETIREMENT WORK ORDERS | \$ | 100,563.08 |
| 111000 | ACCUMULATED AMORT ELEC UTILITY PLT | \$ | (19,355.24) |
| 121000 | NONUTILITY PROPERTY | \$ | 49,205.02 |
| 121100 | HOME SECURITY CPU | \$ | 2,847.32 |
| 121200 | LIFEGARD UNITS | \$ | 3,617.30 |
| 121300 | POINT-TO-POINT FIBER SERVICE ASSETS | \$ | 8,962.33 |
| 121400 | ALL ASSETS RELATED TO WIRELESS ISP | \$ | 49,973.20 |
| 122000 | ACCUM PROVISION FOR NONUTILITY PRTY | \$ | (34,029.20) |
| 122100 | DEPR RESERVE FOR HOME SECURITY | \$ | (2,847.32) |
| 122200 | DEPR RESERVE FOR LIFEGARD UNITS | \$ | (3,617.30) |
| 122300 | DEPRECIATION-POINT-TO-POINT FIBER | \$ | (4,795.41) |
| 122400 | DEPRECIATION ON ASSETS RELATED-ISP | \$ | (49,825.79) |
| 123100 | INV ASS ORG BIG RIVERS CAP CREDITS | | |
| 123101 | CONTRA-ACCOUNT TO 123.100 | | |
| 123110 | INV ASS ORG OTHERS CAP CREDITS | \$ | 792,936.49 |
| 123220 | INVESTMENT-CAP TERM CERTIFICATE CFC | \$ | 1,333,063.00 |
| 123221 | INVESTMENT-CTC'S-CFC | \$ | 961,864.70 |
| 123222 | CTC'S CFC 3% LOAN | \$ | 233,950.00 |
| 123223 | CTC CFC NON-INTEREST BEARING | | |
| 123230 | OTHER INVEST'S ASSOC ORGANIZATIONS | \$ | 1,025.00 |
| 123233 | INVESTMENT PCB CERTIFICATE | \$ | 5,000.00 |
| 123234 | RECIPROCAL CONTRIBUTION-FEDERATED | \$ | 299,597.00 |
| 123235 | INVESTMENT-COOPERATIVE RESPONSE CEN | \$ | 12,500.00 |
| 124100 | INVESTMENT-COBANK | \$ | 1,704,350.04 |
| 124210 | INVEST-ECONOMIC DEV-RDK HOSPITALITY | | |
| 124220 | ECO DEV LOAN-FRESH MEAL SOLUTIONS | \$ | 279,166.53 |
| 124230 | ECONOMIC DEV-LIBERTY PLAZA | | |
| 124240 | ECO DEV LOAN-LITTLE KY SMOKEHOUSE | \$ | 179,166.45 |
| 124250 | ECONOMIC DEV - DAPCO | | |
| 124270 | ECONOMIC DEV LOAN-SCOTT FOAM TECH | | |
| 124280 | ECO LOAN-WEST KY REG IND DEV AUTHOR | | |
| 124290 | ECONOMIC DEV LOAN-LITTLE KY SMOKEHO | \$ | 361,574.17 |
| 124400 | INVEST-OHIO CO INDUSTRIAL DEVELOP | \$ | 1,500.00 |
| 124500 | INV-DAVIESS CO INDUSTRIAL FOUNDATIO | \$ | 5,000.00 |
| 124510 | INV-HANCOCK CO INDUSTRIAL FOUNDATIO | \$ | 100.00 |
| 124600 | ERC LOAN RECEIVABLE | | |
| 128000 | OTHER SPECIAL FUNDS (DEF. COMP.) | \$ | 376,566.07 |
| 131110 | CASH-GENERAL FUND-US BANK | \$ | 405,731.77 |
| 131111 | CASH-PAYROLL ACCOUNT-US BANK | \$ | 12,639.11 |
| 131112 | CASH-CAPITAL CREDIT ACCOUNT-US BANK | \$ | 7,887.00 |
| 131113 | CASH-SECTION 125 MED ACCT-US BANK | \$ | 31,789.79 |
| 131114 | CASH-CONSTRUCTION FUND-US BANK | | |
| 131115 | CASH-MARION BANK AND TRUST | \$ | 25,590.87 |
| 131125 | CASH-OHIO VALLEY NATIONAL BANK | \$ | 39,755.29 |
| 131135 | CASH-MORGANFIELD NATIONAL BANK | \$ | 3,000.00 |
| 131145 | CASH-DIXON BANK | \$ | 3,005.34 |
| 131150 | CASH CAPITAL CREDITS-AREA BANK | \$ | 351.51 |
| 131155 | CASH-OLD NATIONAL BANK-MMKT | \$ | 4,912.41 |
| 131175 | CASH-FIFTH THIRD BANK-HENDERSON | \$ | 2,500.00 |

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| 131180 | CASH GEN FUND COMMONWEALTH COMM BK | \$ | 31,337.34 |
| 131185 | CASH-OLD NATIONAL BANK | | |
| 131400 | CASH TRANSFERS | | |
| 135000 | WORKING FUNDS-PETTY CASH-ETC | \$ | 8,350.00 |
| 136000 | TEMPORARY CASH INVESTMENTS | \$ | 7,641,814.97 |
| 142101 | ACCTS REC-CYCLE 1 (BILLED ON 1ST) | \$ | 38,331.47 |
| 142103 | ACCTS REC-CYCLE 3 (BILLED ON 3RD) | \$ | 28,890.47 |
| 142106 | ACCTS REC-CYCLE 6 (BILLED ON 6TH) | \$ | (43,100.71) |
| 142108 | ACCTS REC-CYCLE 8 (BILLED ON 8TH) | \$ | 74,612.68 |
| 142110 | ACCTS REC-CYCLE 10(BILLED ON 10TH) | \$ | 63,425.75 |
| 142113 | ACCTS REC-CYCLE 13 (BILLED ON 13TH) | \$ | 183,412.55 |
| 142115 | ACCTS REC-CYCLE 15(BILLED ON 15TH) | \$ | 213,159.67 |
| 142117 | ACCTS REC-CYCLE 17(BILLED ON 17TH) | \$ | 227,114.65 |
| 142120 | ACCTS REC-CYCLE 20(BILLED ON 20TH) | \$ | 297,916.28 |
| 142121 | ACCTS REC-CYCLE 21 (BILLED ON 21ST) | \$ | 241,474.92 |
| 142124 | ACCTS REC-CYCLE 24 (BILLED ON 24TH) | \$ | 524,749.27 |
| 142127 | ACCTS REC-CYCLE 27 (BILLED 27TH) | \$ | 587,889.63 |
| 142130 | ACCTS REC-PAYMENT VOUCHERS-LIHEAP | \$ | 15,953.14 |
| 142150 | CONSUMER A/R ELECTRIC DISCONNECT | \$ | 412,880.23 |
| 142160 | ACC-REC COMMONWEALTH ALUMINUM | \$ | 245,827.77 |
| 142165 | ACCTS REC-HOPKINS CO COAL | \$ | 8,386.07 |
| 142170 | ACC-REC DOMTAR | \$ | 508,713.13 |
| 142171 | ACCTS REC-DYSON CREEK MINE | | |
| 142175 | ACCOUNTS REC-ALCAN | \$ | 10,557,949.24 |
| 142176 | ACCTS REC-ARMSTRONG-EQUALITY MINE | \$ | 32,015.02 |
| 142177 | ACCTS REC-ARMSTRONG COAL CO | \$ | 43,505.11 |
| 142178 | ACCT REC-ARMSTRONG DOCK | \$ | 38,303.67 |
| 142180 | ACC-REC CENTURY | \$ | 11,696,835.06 |
| 142181 | ACCT REC-ACCURIDE | \$ | 106,130.81 |
| 142184 | ACCTS REC-ALLIED RESOURCES | \$ | 125,157.30 |
| 142186 | ACCT REC-DOTIKI | \$ | 17,373.67 |
| 142187 | ACCT REC-TYSON | \$ | 217,264.17 |
| 142188 | ACCT REC-KBI ALLOYS | \$ | 29,620.79 |
| 142190 | ACC-REC ALCOA AUTO CASTINGS | \$ | 2,779.61 |
| 142191 | ACCT REC-KMMC L L C | \$ | 1,880.37 |
| 142192 | ACCT REC-PATRIOT COAL | \$ | 86,806.40 |
| 142193 | ACCT REC-SOUTHWIRE | \$ | 132,385.77 |
| 142194 | ACC-REC ROLL COATER | \$ | 35,776.21 |
| 142195 | ACC-REC KIMBERLY CLARK | \$ | 722,878.57 |
| 142197 | ACCT REC-MIDWAY MINE AND PREP PLANT | \$ | 67,789.25 |
| 142198 | ACCT REC-VALLEY GRAIN | \$ | 40,840.83 |
| 142200 | OTHER ACCOUNTS RECEIVABLE | \$ | 4,276,428.35 |
| 142210 | CONSUMER A/R RETURNED CHECKS | \$ | 219.00 |
| 142250 | A/R-SURGE PROTECTION PROGRAM | \$ | 795.00 |
| 142270 | ACCTS REC-POINT-TO-POINT FIBER SERV | \$ | (45.00) |
| 142290 | ACCTS REC-WIRELESS ISP | | |
| 143000 | ACCOUNTS RECEIVABLE - EMPLOYEES | \$ | 1,095.44 |
| 143100 | ACCOUNTS RECEIVABLE - OTHER | \$ | 2,754.45 |
| 143200 | ACCOUNTS REC-COBANK | \$ | 62,063.36 |
| 143300 | ACCOUNTS RECEIVABLE-OMU | | |
| 143400 | OTHER A/R-EMPLOYEE CONTRIBUTIONS | \$ | (1,422.44) |
| 143500 | ACCTS REC-LABOR-TOWER ATTACHMENTS | | |

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|--------|-------------------------------------|----|-----------------|
| 143600 | ACCTS REC-CUSTOMER BILLINGS | | |
| 143700 | ACCTS REC-CONSUMER OWNED FACILITIES | | |
| 144100 | ACC PROV-UNCOLL ACCTS-BANKRUPTCY | \$ | (2,054,824.53) |
| 144101 | UNCLAIMED CONSUMER DEPOSITS | \$ | (5,353.68) |
| 144102 | UNCLAIMED CONSUMER ADVANCE PAYMENTS | \$ | (46,541.75) |
| 144110 | ACC PROVISION UNCOLL CONS ACCTS | \$ | 1,797,740.08 |
| 144111 | ACC. PROV. FOR UNCOLL.-COLLECT FEES | \$ | 50,048.64 |
| 146000 | A/R BIG RIVERS ELECTRIC CORP | \$ | 71,414.96 |
| 146100 | A/R-BREC INCENTIVE PROGRAM | | |
| 154000 | MATERIAL-SUPPLIES-ELECTRIC | \$ | 1,876,647.79 |
| 154001 | INVENTORY-OPEN STOCK | | |
| 154002 | MATERIAL-SPARE STROM INVENTORY | \$ | 256,119.85 |
| 154010 | INVENTORY-COPPER WIRE | \$ | 17,993.64 |
| 154100 | SPARE SUBSTATION EQUIPMENT | \$ | 210,017.99 |
| 154200 | GARAGE INVENTORY ACCOUNT | | |
| 155000 | MATERIALS FOR GT SYSTEMS | \$ | 33,977.90 |
| 155200 | INVENTORY-SURGE PROTECTORS | \$ | 959.99 |
| 156000 | OTHER MATERIALS AND SUPPLIES | | |
| 163000 | STORES EXPENSE - UNDISTRIBUTED | \$ | 3,770.81 |
| 163100 | STORES CLEARING - SPREAD ITEMS | \$ | 16,914.80 |
| 163200 | STORES EXPENSE-MAJOR STORM | | |
| 165100 | PREPAYMENTS - INSURANCE | \$ | 360,607.86 |
| 165120 | PREPAID INSURANCE-WORKERS COMP | \$ | 230,564.92 |
| 165200 | PREPAYMENTS - OTHER | \$ | 411,107.36 |
| 165210 | PREPAYMENTS - PENSION TRUST FUND | | |
| 165220 | PREPAYMENTS - EMPLOYEE INSURANCE | | |
| 171000 | INTEREST DIVIDENDS RECEIVABLE | \$ | 23,711.19 |
| 171100 | ERC INTEREST RECEIVABLE | | |
| 173000 | ACCRUED UTILITY REVENUES | \$ | 9,436,022.68 |
| 182300 | OTHER REGULATORY ASSETS | | |
| 183100 | LONG RANGE PLAN | | |
| 183500 | WORK PLAN 2007-2010 | \$ | (0.60) |
| 183600 | WORK PLAN JULY 2010-JUNE 2013 | \$ | 68,425.21 |
| 184100 | TRANSPORTATION EXPENSE CLEARING | \$ | 3,983.05 |
| 184407 | PROPERTY TAXES CLEARING ACCT | | |
| 184408 | PAYROLL TAXES-CLEARING ACCOUNT | \$ | (209.27) |
| 184409 | PSC TAXES-CLEARING ACCOUNT | | |
| 184924 | BUSINESS LIABILITY INS-CLEARING | \$ | (0.10) |
| 184926 | HEALTH, LIFE DISAB INS-CLEARING ACC | \$ | 101.99 |
| 184927 | PENSION PLANS-CLEARING ACCT | \$ | (323,398.10) |
| 186000 | DEFERRED DEBIT-EMERG TRANSF PROGRAM | | |
| 186110 | POWER COST PREPMT/ENGY DEFERRED PMT | | |
| 186200 | PAST SERVICE PENSION COSTS-NRECA | | |
| 186210 | PENSION-DEFINED BEN(FORMER GR & HU) | \$ | 405,000.00 |
| 200100 | MEMBERSHIPS ISSUED (\$5.00) | \$ | (230,035.00) |
| 200110 | MEMBERSHIPS ISSUED (\$25.00) | \$ | (13,750.00) |
| 201100 | PATRONS CAPITAL CREDITS- (MEMBERS) | \$ | (37,220,940.99) |
| 201101 | PATRONS CAP CREDIT-FORMER HUEC D/S | \$ | (3,648,910.23) |
| 201102 | PATRONS CAP CREDIT-FORMER GREC D/S | \$ | (6,622,610.63) |
| 201103 | PATRONS CAP CREDIT-KENERGY D/SERVES | \$ | (4,464,634.61) |
| 201110 | PATRONS CAPITAL CREDITS (NON-MEMBER | \$ | (496,066.86) |
| 201120 | MEMBER-OTHER SERVICES | \$ | 21,047.01 |

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|--------|-------------------------------------|----|-----------------|
| 201200 | PATRONAGE CAPITAL ASSIGNABLE | \$ | (2,939,918.34) |
| 201201 | PATRONAGE CAPITAL - PRIOR YEARS | | |
| 208000 | DONATED CAPITAL-OWENSBORO | \$ | (11,847.43) |
| 208100 | DONATED CAPITAL-HENDERSON | \$ | (7,869.57) |
| 217000 | RETIRED CAPITAL CREDITS-GAIN-OBORO | \$ | (3,107,322.01) |
| 217100 | RETIRED CAPITAL CREDITS GAIN-HENDER | | |
| 217200 | DECEASED MEMBERS RETAINED CAPITAL | \$ | (532,396.53) |
| 219100 | OPERATING MARGINS | \$ | (78,650.91) |
| 219200 | NON-OPERATING MARGINS | \$ | (338.50) |
| 219400 | OTHER MARG & EQUITIES-PRIOR PERIODS | | |
| 219500 | OTHER COMPREHENSIVE INCOME | \$ | 1,403,000.00 |
| 224140 | OTHER L T DEBT - MISCELLANEOUS | \$ | (26,456,535.13) |
| 224150 | NOTES EXECUTED-OTHER DEBT | | |
| 224160 | RUS ECONOMIC DEV LOAN-FRESH MEAL SO | \$ | (229,166.49) |
| 224165 | ECO DEV LOAN-LITTLE KY SMOKEHOUSE | \$ | (129,166.41) |
| 224170 | RUS-ECONOMIC DEV LOAN-RDK HOSPITALI | | |
| 224175 | RUS-ECONOMIC DEV LOAN-SCOTT FOAM TE | | |
| 224180 | RUS ECONOMIC DEV LOAN-LIBERTY PLAZA | \$ | 8,270.55 |
| 224185 | ECO DEV LOAN-WEST KY REG IND DEV | \$ | 50,000.04 |
| 224190 | RUS ECONOMIC DEV LOAN-DAPCO | \$ | 9,249.45 |
| 224195 | ECONOMIC DEV LOAN-LITTLE KY SMOKEHO | \$ | (300,463.09) |
| 224300 | L T DEBT RUS NOTES EXECUTED 2% | | |
| 224330 | LT DEBT-RUS NOTES EXEC VARIOUS RATE | \$ | (53,602,577.58) |
| 224350 | RUS NOTES EXECUTED-5% (WEST) | \$ | (6,111,439.75) |
| 224370 | FEDERAL FINANCING BANK-NOTES EXECUT | \$ | (51,032,625.02) |
| 224380 | RUS TREASURY LOAN-NOTES EXECUTED | \$ | (25,976,964.44) |
| 224400 | RUS NOTES EXECUTED-CONST DEBT | | |
| 224470 | L T DEBT-FEDERAL FINANCING BANK | \$ | 13,622,000.00 |
| 224480 | LT DEBT-RUS TREASURY LOAN | | |
| 224500 | INTEREST ACCRUED DEFERRED RUS NOTES | | |
| 224600 | RUS ADVANCED PAYMENTS UNAPPLIED | \$ | 16,391,779.33 |
| 228100 | ACCRUED LEAVE-K WEST EMPLOYEES | \$ | (321,394.89) |
| 228200 | POST RETIREMENT HEALTH INS-HEADQTRS | | |
| 228250 | POST RET HEALTH BENEFITS-DIRECTORS | \$ | (1,272.38) |
| 228300 | POST RETIREMENT HEALTH INS-OBORO | | |
| 228320 | HEALTH INSURANCE-LTD EMPLOYEES | | |
| 228330 | ADDITIONAL MINIMUM LIABILITY-PENSIO | \$ | (1,192,000.00) |
| 228340 | PENSION-DEFINED BEN(FORMER GR EMP | \$ | (203,000.00) |
| 228350 | ADDITIONAL PENSION LIABILITY-HCE'S | \$ | (72,000.00) |
| 228360 | PENSION LIABILITY | \$ | (211,000.00) |
| 228400 | ACCUM MISC OPERATING PROVISIONS | \$ | (376,566.07) |
| 231000 | NOTES PAYABLE - SHORT TERM | | |
| 231100 | NOTES PAYBALE-RUS/COBANK | \$ | (4,915,136.20) |
| 232100 | ACCOUNTS PAYABLE GENERAL | \$ | (29,895,076.96) |
| 235000 | CONSUMERS DEPOSITS-OWENSBORO | \$ | (2,032,738.00) |
| 235100 | CONSUMER DEPOSIT-KMMC | \$ | (8,400.00) |
| 235200 | CONSUMER DEPOSIT-MIDWAY MINE | \$ | (390,000.00) |
| 235250 | CONSUMER DEPOSIT-ALERIS | \$ | (397,625.00) |
| 235300 | CONSUMER DEPOSIT-ACMI | \$ | (15,000.00) |
| 235400 | CONSUMER DEPOSIT-SOUTHWIRE | \$ | (265,545.00) |
| 235425 | DEPOSIT-ACCURIDE | \$ | (184,982.00) |
| 235500 | CONSUMER DEPOSIT-ARMSTRONG COAL | \$ | (24,000.00) |

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| 235600 | CONSUMER DEPOSIT-HOPKINS CO COAL | \$ | (2,700.00) |
| 235700 | CONSUMER DEPOSIT-CARDINAL RIVER | | |
| 235800 | DEPOSIT-ARMSTRONG COAL-DOCK(2MO BIL | \$ | (150,000.00) |
| 235810 | DEPOSIT-ARMSTRONG COAL-LEWIS CREEK | | |
| 235850 | DEPOSIT-ARMSTRONG COAL-EQUALITY MIN | \$ | (184,745.00) |
| 235900 | DEPOSITS-PURCHASE POWER AGREEMENTS | \$ | (328,802.00) |
| 236100 | ACCRUED PROPERTY TAXES | \$ | (816,044.55) |
| 236200 | ACCRUED FED UNEMP TAXES | | |
| 236300 | ACCRUED SOCIAL SECURITY TAXES-FICA | \$ | (25,986.92) |
| 237100 | INTEREST ACCRUED-REA CONSTRUCTION | | |
| 237200 | INTEREST ACCRUED-COBANK | \$ | (83,816.32) |
| 237210 | INTEREST ACCRUED-FEDERAL FINANACING | | |
| 237220 | INTEREST ACCRUED-RUS TREASURY LOAN | | |
| 237300 | INTEREST ACCR.-LINE OF CREDIT NOTES | | |
| 237400 | ACC INT EXP-CONSUMER DEPOSITS-OBORO | \$ | (53,511.11) |
| 237420 | ACCRUED INTEREST-KMMC DEPOSIT | \$ | (97.93) |
| 237425 | ACCRUE INTEREST EXP-ACCURIDE | \$ | (2,767.19) |
| 237430 | ACC INTEREST EXP-DEPOSIT-ARMSTRONG | \$ | (326.95) |
| 237435 | ACCRUED INTEREST EXP-ALERIS DEPOSIT | \$ | (1,960.89) |
| 237440 | ACCRUED INTEREST-ACMI (ALCOA) | \$ | (379.07) |
| 237450 | ACCRUED INTEREST-ARMSTRONG-EQUALITY | \$ | (425.17) |
| 237460 | ACCRUED INTEREST EXP-HOPKINS CO COA | \$ | (88.13) |
| 237470 | ACC INTEREST EXP ON DEP-MIDWAY MINE | \$ | (10,256.87) |
| 237480 | ACC INTEREST EX-ARMSTRONG COAL-DOCK | \$ | (4,956.19) |
| 237485 | ACCRUED INT-ARMSTRONG COAL-LEWIS CK | | |
| 237490 | ACC INTEREST EXP ON DEP-SOUTHWIRE | \$ | (14,186.64) |
| 237495 | ACC INTEREST EXP ON ACCURIDE DEP | \$ | (784.11) |
| 238100 | PATRONAGE CAPITAL PAYABLE | | |
| 241000 | TAXES PAYABLE-SALES TAX | \$ | (139,563.17) |
| 241010 | SALES TAX PAYABLE-AUDIT ASSESSMENT | | |
| 241100 | TAXES PAYABLE-U S INCOME TAX W/HELD | | |
| 241200 | TAXES PAYABLE-KY INCOME TAX W/HELD | | |
| 241250 | TAXES PAYABLE-INDIANA TAX W/HELD | | |
| 241300 | TAXES PAYABLE-HANCOCK CO OCC TAX | | |
| 241310 | OHIO CO OCCUPATIONAL TAX | | |
| 241320 | CALDWELL COUNTY OCCUPATIONAL TAX | | |
| 241330 | MARION OCCUPATIONAL TAX | | |
| 241340 | MCLEAN COUNTY OCCUPATIONAL TAX | | |
| 241350 | ACCRUED GROSS REVENUE TAX-CRITTENDE | \$ | (4,748.56) |
| 241360 | ACCRUED GROSS REV TAX-UNION COUNTY | | |
| 241370 | DAVISS CO OCCUPATIONAL TAX | | |
| 241380 | UNION CO OCCUPATIONAL TAX | | |
| 241390 | CITY OF OWENSBORO OCCUPATIONAL TAX | | |
| 241395 | CITY OF HENDERSON-OCCUPATIONAL TAX | | |
| 241400 | TAXES PAYABLE-OHIO CO UTILITY | \$ | (14,663.12) |
| 241450 | ACCRUED GROSS REVENUE TAX-CALDWELL | \$ | (2,854.64) |
| 241500 | TAXES PAYABLE-HANCOCK CO UTILITY | \$ | (15,658.26) |
| 241550 | ACCRUED GROSS REVENUE TAX-UNION CO | \$ | (6,345.20) |
| 241600 | TAXES PAYABLE-DAVISS CO UTILITY | \$ | (61,537.53) |
| 241650 | ACCRUED GROSS REV TAX-LIVINGSTON | \$ | (13.34) |
| 241700 | TAXES PAYABLE-MCLEAN CO UTILITY | \$ | (10,378.32) |
| 241750 | ACCRUED GROSS REV TAX-PROVIDENCE | \$ | (142.53) |

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| 241800 | TAXES PAYABLE-HENDERSON CO UTILITY | \$ | (26,711.43) |
| 241850 | ACCRUED GROSS REVENUE TAX-LYON CO | \$ | (3,499.78) |
| 241870 | TAXES PAYABLE-BRECKENRIDGE CO | \$ | (3.18) |
| 241900 | TAXES PAYABLE-WEBSTER CO UTILITY | \$ | (15,029.25) |
| 241950 | TAXES PAYABLE - HOPKINS CO. UTILITY | \$ | 0.39 |
| 241960 | TAXES PAYABLE-WHITESVILLE FRANCHISE | \$ | (2,405.53) |
| 241970 | TAXES PAYABLE-OWENSBORO FRANCHISE | \$ | (31,702.58) |
| 241980 | TAXES PAYABLE-HARTFORD FRANCHISE | \$ | (549.01) |
| 241990 | TAXES PAYABLE-BEAVER DAM FRANCHISE | \$ | (3,339.84) |
| 242200 | ACCRUED PAYROLL | \$ | (257,096.16) |
| 242210 | PAYROLL DEDUCTION-UNITED FUND | | |
| 242220 | PAYROLL DEDUCTION-CREDIT UNION | | |
| 242230 | PAYROLL DED-SURE CONTRUBUTION | | |
| 242240 | PAYROLL DED-CANCER & LIFE INS | \$ | (3,062.66) |
| 242250 | PAYABLE-DEFINED CONTR PENSION PLAN | | |
| 242260 | 401K LOAN REPAYMENT | \$ | (1,117.34) |
| 242270 | SECTION 125 PREMIUM | \$ | (21.99) |
| 242280 | SECTION 125 MEDICAL SAVINGS | \$ | (5,566.83) |
| 242300 | ACCRUED VACATION | \$ | (773,739.11) |
| 242410 | WINTERCARE PAYABLE | \$ | (128.80) |
| 242500 | OTHER CURRENT/ACCRUED LIABILITIES | | |
| 252000 | CONSUMER ADV FOR CONST-MOBILE HOMES | \$ | (74,478.88) |
| 252100 | CONSUMER ADV FOR CONST-TEMP SERVICE | \$ | (680,121.85) |
| 252200 | CUSTOMER CONTRIBUTIONS-NEW LINE | \$ | (35,936.64) |
| 252300 | CONTRIBUTION-ARMSTRONG COAL | \$ | (150,000.00) |
| 252350 | CONTRIBUTION-ARMSTRONG C-EQUALITY M | \$ | (210,000.00) |
| 252360 | CONTIRBUTION-ARMSTRONG-LEWIS CREEK | | |
| 252400 | CONTRIBUTION-SOUTHWIRE | \$ | (410,000.00) |
| 253000 | ADVANCE JOINT-USE RENTAL | \$ | 210,731.28 |
| 253100 | CONSUMER ACCOUNT CR BALANCES-REFUND | | |
| 253120 | UNREDEEMED GIFT CERTIFICATES | \$ | 316.44 |
| 253150 | CONSUMER CLEARING ACCOUNT-OTHER | | |
| 253200 | OTHER DEFERRED CREDITS-BREC ECO DEV | \$ | 49,002.00 |
| 253250 | DEFERRED CREDIT-BREC HANSON LEASE | | |
| 253300 | OTHER DEFERRED CREDITS-SPECIAL EQP | \$ | (68,969.89) |
| 302000 | FRANCHISES AND CONSENTS | \$ | 19,355.24 |
| 360000 | DIST PLANT-LAND AND LAND RIGHTS | \$ | 44,267.64 |
| 360100 | DIST PLANT-LAND AND LAND RIGHTS | \$ | 857,934.74 |
| 362000 | DIST PLANT-STATION EQUIPMENT | \$ | 18,879,775.19 |
| 362100 | DIST PLANT-SUPERVISORY CONTROL EQP | \$ | 1,947,611.12 |
| 362200 | MICROWAVE SYSTEM-EQUIPMENT | \$ | 2,056,519.85 |
| 362223 | MICROWAVE SYSTEM TOWERS | \$ | 1,354,846.47 |
| 362400 | DIST PLANT-OWENSBORO FIBER | \$ | 919,511.78 |
| 362500 | SUBSTATION AMI EQUIPMENT | | |
| 364000 | DIST PLANT-POLES-TOWERS-FIXTURES | \$ | 69,679,825.04 |
| 365000 | DIST PLANT-OVERHEAD CONDUCTORS | \$ | 49,418,897.53 |
| 366000 | UNDERGROUND CONDUIT | \$ | 14,166.24 |
| 367000 | DIST PLANT-UNDERGROUND CONDUCTORS | \$ | 13,776,642.51 |
| 368000 | DIST PLANT-LINE TRANSFORMERS | \$ | 30,314,848.22 |
| 369000 | DIST PLANT-SERVICES | \$ | 23,145,989.92 |
| 370000 | DIST PLANT-METERS | \$ | 5,214,393.88 |
| 370100 | DIST PLANT-AMI METERS | \$ | 136,910.71 |

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| 371000 | DIST PLANT-INSTALLED ON CONSUMER | \$ | 3,353,898.74 |
| 373000 | DIST PLANT-STREET&SIGNAL SYSTEMS | \$ | 790,334.82 |
| 389000 | GEN PLANT-LAND & LAND RIGHTS | \$ | 469,363.28 |
| 390000 | GEN PLANT-STRUCTURES & IMPROVEMENTS | \$ | 7,080,719.18 |
| 390100 | STRUCTURES & IMPROVEMENTS-MARION | \$ | 184,868.88 |
| 390200 | STRUCTURES & IMPROVEMENTS-STRUGIS | \$ | 39,350.59 |
| 391000 | GEN PLANT-OFFICE FURN & FIXTURES | \$ | 459,504.73 |
| 391100 | COMPUTER AND RELATED EQUIPMENT | \$ | 477,295.67 |
| 391110 | COMPUTER SOFTWARE | \$ | 12,984.29 |
| 391150 | FIBER OPTIC EQUIPMENT | \$ | 37,163.56 |
| 392000 | GEN PLANT-TRANSPORTATION EQUIPMENT | \$ | 7,735,102.55 |
| 392100 | GEN PLANT-R.O.W. TRANS EQUIPMENT | | |
| 393000 | GEN PLANT-STORES EQUIPMENT | \$ | 168,992.10 |
| 394000 | GEN PLANT-SHOP & GARAGE EQUIPMENT | \$ | 359,939.65 |
| 394100 | GEN PLANT-TOOLS & WORKING EQUIPMENT | \$ | 440,535.69 |
| 394200 | GEN PLT - ROW TOOLS & WORKING EQUIP | \$ | 54,754.01 |
| 395000 | GEN PLANT-LABORATORY EQUIPMENT | \$ | 492,849.25 |
| 395100 | LABORTORY EQUIPMENT-MICROWAVE SYS | \$ | 38,616.12 |
| 395200 | FIBER OPTIC TEST EQUIPMENT | \$ | 21,953.11 |
| 396000 | GEN PLANT-POWER OPERATED EQUIPMENT | \$ | 181,032.55 |
| 396100 | GEN PLANT-RIGHT-OF-WAY EQUIPMENT | \$ | 309,260.10 |
| 396200 | GEN PLANT-POWER OPERATED EQUIPMENT | \$ | 221,837.76 |
| 396300 | GEN PLANT-TRACK VEHICLES | \$ | 130,395.07 |
| 397000 | GEN PLANT-COMMUNICATION EQUIPMENT | \$ | 1,414,194.98 |
| 397100 | GEN PLT-COMM EQUIP UNDER CAP LEASE | | |
| 397200 | GENERAL PLANT-FIBER OPTIC SONET | \$ | 485,546.49 |
| 398000 | GEN PLANT-MISCELLANEOUS EQUIPMENT | \$ | 141,637.70 |
| 398100 | GEN PLANT-GIS EQUIPMENT | \$ | 375,482.02 |
| 403220 | GENERAL PLANT DEPRECIATION-CLASS A | \$ | - |
| 403230 | GENERAL PLANT DEPRECIATION-CLASS B | \$ | - |
| 403240 | GENERAL PLANT DEPRECIATION-CLASS C | \$ | - |
| 403250 | DEPRE-DIST PLANT-CLASS C | \$ | 37,183.22 |
| 403600 | DEPRECIATION EXP-DISTRIBUTION PLANT | \$ | 7,712,962.02 |
| 403700 | DEPRECIATION EXP-GENERAL PLANT | \$ | 371,395.04 |
| 404000 | AMORTIZATION LIMITED TERM ELEC PLT | \$ | 2,489.39 |
| 408120 | PROPERTY TAXES-CLASS A | \$ | 276.98 |
| 408130 | PROPERTY TAXES-CLASS B | \$ | 146.26 |
| 408140 | PROPERTY TAXES-CLASS C | \$ | 563.69 |
| 408700 | TAXES-OTHER | \$ | - |
| 408710 | REGULATORY ASSESSMENT TAX | \$ | 79,935.08 |
| 408720 | REGULATORY ASSESSMENT TAX-CLASS A | \$ | 195,743.88 |
| 408730 | REGULATORY ASSESSMENT TAX-CLASS B | \$ | 18,872.52 |
| 408740 | REGULATORY ASSESSMENT TAX-CLASS C | \$ | 8,094.96 |
| 409100 | INCOME TAX EXPENSE | \$ | 70,169.10 |
| 415000 | REVENUES FROM GEOTHERMAL | \$ | (200,583.39) |
| 415600 | REVENUES-SURGE PROTECTOR SALES | \$ | - |
| 415601 | REVENUE-SURGE PROTECTORS LEASED | \$ | (25,300.00) |
| 416000 | COSTS & EXPENSES-GEOTHERMAL | \$ | 200,632.96 |
| 416100 | GENERAL MERCHANDISING ACTIVITIES | \$ | 63.42 |
| 416600 | COST & EXPENSES - SURGE PROTECTORS | \$ | 47,701.27 |
| 417000 | REVENUES-NON UTILITY OPS | \$ | - |
| 417002 | REVENUE-INTERNET-LOCAL/LONG DISTANC | \$ | (21,559.52) |

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| 417006 | POINT-TO-POINT FIBER SERVICE-REVENU | \$ | - |
| 417007 | REVENUE-WIRELESS ISP | \$ | - |
| 417100 | EXPENSES-NON UTILITY OPS | \$ | (71.46) |
| 417102 | EXPENSES-INTERNET-LOCAL/LONG DISTAN | \$ | 551.62 |
| 417105 | EXPENSES-HOME SECURITY | \$ | 1.87 |
| 417106 | EXPENSES-POINT TO POINT FIBER SERV | \$ | - |
| 417107 | EXPESES-WIRELESS ISP | \$ | 2,242.79 |
| 418100 | EQUITY IN EARNINGS OF SUBSIDIARY | \$ | - |
| 419000 | INTEREST-DIVIDEND INCOME | \$ | (1,034,413.26) |
| 419100 | INTEREST-COMMONWEALTH DEPOSIT | \$ | - |
| 419300 | ERC INTEREST INCOME | \$ | 11.42 |
| 421000 | MISC NON-OPERATING INC-DEDUCTIONS | \$ | (178.52) |
| 421100 | GAIN ON DISPOSITION OF PROPERTY | \$ | (16,814.06) |
| 421200 | LOSS ON DISPOSITION OF PROPERTY | \$ | 141,756.76 |
| 421220 | NON-OPERATING INCOME CLASS A | \$ | - |
| 421230 | NON-OPERATING INCOME CLASS B | \$ | - |
| 421240 | NON-OPERATING INCOME CLASS C | \$ | - |
| 423000 | G AND T COOP CAPITAL CREDITS | \$ | - |
| 423100 | CONTRA-ACCOUNT G & T CAPITAL CR | \$ | - |
| 424000 | OTHER CAPITAL CR ALLOCATIONS | \$ | (183,518.73) |
| 426100 | OTHER INCOME DEDUCTIONS-DONATIONS | \$ | 56,231.31 |
| 426300 | PENALTIES | \$ | 12,000.00 |
| 426400 | MISC INC DED-EXP FOR CIVIC POL ACT | \$ | 594.62 |
| 426500 | MISC INC DED-OTHER DEDUCTIONS | \$ | 301.60 |
| 427100 | INTEREST ON REA CONSTRUCTION LOAN | \$ | 2,410,075.51 |
| 427125 | INTEREST RUS-CLASS C | \$ | 44,619.88 |
| 427200 | INTEREST -LONG TERM DEBT-CFC | \$ | - |
| 427210 | INTEREST ON COBANK LOANS | \$ | 946,850.39 |
| 427220 | INTEREST-FEDERAL FINANCING BANK | \$ | 1,513,972.25 |
| 427230 | INTEREST-RUS TREASURY LOAN | \$ | 1,277,963.43 |
| 427300 | INTEREST ON CWIP | \$ | (44,474.12) |
| 431000 | INTEREST EXP - CONSUMER DEPOSITS | \$ | 119,185.50 |
| 431100 | INTEREST EXPENSE-SHORT TERM LOANS | \$ | 164,127.65 |
| 431200 | INTEREST EXPENSE-KMMC DEPOSIT | \$ | 503.95 |
| 431300 | INTEREST EXPENSE-ARMSTRONG COAL | \$ | 1,440.00 |
| 431350 | INTEREST EXPENSE-ALERIS DEPOSIT | \$ | 1,960.89 |
| 431400 | INTEREST EXPENSE-ACMI (ALCOA) | \$ | 899.95 |
| 431450 | INTEREST EXPENSE-SOUTHWIRE DEPOSIT | \$ | 14,186.64 |
| 431500 | INTEREST EXP-ARMSTRONG-EQUALITY MIN | \$ | 425.17 |
| 431550 | INTEREST EXPENSE-ACCURIDE DEPOSIT | \$ | 3,551.30 |
| 431600 | INTEREST EXPENSE-HOPKINS CO COAL | \$ | 161.79 |
| 431700 | INTEREST EXPENSE-MIDWAY MINE | \$ | 23,399.74 |
| 431750 | INTEREST EXPENSE-ARMSTRONG-LEWIS CK | \$ | - |
| 431800 | INTEREST EXP-ARMSTRONG COAL-DOCK | \$ | 8,999.84 |
| 431900 | INTEREST EXPENSE-OTHER | \$ | - |
| 434000 | EXTRAORDINARY INCOME | \$ | - |
| 435000 | EXTRAORDINARY DEDUCTIONS | \$ | - |
| 435100 | CUMULATIVE EFFECT ON PRIOR YEARS | \$ | - |
| 440000 | CONSOLIDATION CREDIT | \$ | - |
| 440100 | REVENUE-RESIDENTIAL(EXCLUD SEASONAL | \$ | (53,286,677.35) |
| 440200 | REVENUE-RESIDENTIAL-SEASONAL | \$ | (48,447.32) |
| 442100 | REVENUE-COMMERCIAL-SINGLE PHASE | \$ | (8,331,905.53) |

| | | | |
|--------|-------------------------------------|----|------------------|
| 442101 | REV-COMMERCIAL-3PHASE-UNDER 1000KW | \$ | (9,891,391.04) |
| 442200 | REV-COMMERCIAL-3PHASE(OVER 1000KW)3 | \$ | (4,031,258.29) |
| 442210 | REVENUE-COMM-COMMONWEALTH ALUMINUM | \$ | (5,681,084.31) |
| 442219 | REVENUE-ALCAN | \$ | (129,806,708.85) |
| 442220 | REVENUE-INDUSTRIAL-DOMTAR | \$ | (8,805,372.88) |
| 442230 | REVENUE-COMM-INDUSTRIAL-CENTURY | \$ | (145,916,723.54) |
| 442240 | REVENUE-INDUSTRIAL ALCOA AUTO CAST | \$ | (41,599.73) |
| 442270 | REVENUE-ARMSTRONG COAL CO | \$ | (413,637.16) |
| 442275 | REVENUE-ARMSTRONG DOCK | \$ | (376,606.04) |
| 442276 | REVENUE-ARMSTRONG-EQUALITY MINE | \$ | (102,443.22) |
| 442280 | REVENUE-COMM- ROLL COATER | \$ | (429,635.78) |
| 442290 | REVENUE-INDUSTRIAL-KIMBERLY CLARK | \$ | (8,619,672.25) |
| 442298 | REVENUE-MIDWAY MINE & PREP PLANT | \$ | (838,685.41) |
| 442801 | REVENUE-ACCURIDE | \$ | (1,046,244.71) |
| 442804 | REVENUE-ALLIED RESOURCES | \$ | (1,323,928.23) |
| 442805 | REVENUE-HOPKINS CO COAL | \$ | (88,841.46) |
| 442806 | REVENUE-DOTIKI #3 | \$ | (205,077.69) |
| 442807 | REVENUE-TYSON | \$ | (2,380,412.05) |
| 442808 | REVENUE-KBI ALLOYS | \$ | (359,911.66) |
| 442810 | REVENUE-KMMC L L C | \$ | (27,377.36) |
| 442811 | REVENUE-PATRIOT COAL | \$ | (1,070,639.64) |
| 442812 | REVENUE-SOUTHWIRE | \$ | (1,359,341.36) |
| 442814 | REVENUE-VALLEY GRAIN | \$ | (510,405.04) |
| 442817 | REVENUE-DYSON CREEK MINE | \$ | - |
| 444000 | REVENUE-PUBLIC STREET&HWY LIGHTS 5 | \$ | (267,034.05) |
| 445000 | REVENUE-PUBLIC AUTHORITIES-SINGLE P | \$ | (752,967.89) |
| 445100 | REVENUE-PUBLIC AUTHORITIES-3PHASE | \$ | (2,413,554.79) |
| 450000 | REVENUE-FORFEITED DISCOUNTS | \$ | (496,600.39) |
| 450220 | FORFEITED DISCOUNTS-CLASS A | \$ | - |
| 450230 | FORFEITED DISCOUNTS-CLASS B | \$ | - |
| 450240 | FORFEITED DISCOUNTS-CLASS C | \$ | (1,549.97) |
| 451000 | REVENUE-TURN-ON CHARGE | \$ | (1,980.00) |
| 451100 | REVENUE-RECONNECT CHARGE | \$ | (42,120.00) |
| 451200 | REVENUE-TERMINATION OR FIELD CONNEC | \$ | (104,050.00) |
| 451220 | MISC SERVICE REVENUES-CLASS A | \$ | - |
| 451230 | MISC SERVICE REVENUE-CLASS B | \$ | - |
| 451240 | MISC SERVICE REVENUE-CLASS C | \$ | - |
| 451300 | REVENUE-SPECIAL METER READING CHARG | \$ | (65,820.00) |
| 451400 | REVENUE-METER TEST CHARGE | \$ | (270.00) |
| 451500 | REVENUE-RETURNED CHECK CHARGE | \$ | (10,180.00) |
| 451600 | REVENUE-UNNECESSARY TRIP BY S/MAN | \$ | (1,260.00) |
| 454000 | REVENUE-RENT FROM BELL SOUTH ATTACH | \$ | (535,989.41) |
| 454100 | REVENUE-RENTAL FROM TOWER LEASES | \$ | (180,912.48) |
| 454110 | REVENUE-RENT-CABLE CO & OTHER TELEP | \$ | (87,870.70) |
| 454120 | REVENUE-FIBER LEASING | \$ | (3,000.00) |
| 454200 | REVENUE-RENTAL PERSONAL PROPERTY | \$ | - |
| 454300 | REVENUE-ERVIN CABLE | \$ | (2,520.00) |
| 456000 | KY SALES TAX RETURN COMPENSATION | \$ | (17,280.83) |
| 555000 | PURCHASED POWER RURAL | \$ | 43,225,446.94 |
| 555101 | PURCHASED POWER-ACCURIDE | \$ | 955,874.85 |
| 555104 | PURCHASED POWER-ALLIED RESOURCES | \$ | 1,231,638.64 |
| 555105 | PURCHASED POWER-HOPKINS CO COAL | \$ | 80,659.50 |

| | | | |
|--------|-------------------------------------|----|----------------|
| 555106 | PURCHASED POWER-DOTIKI #3 | \$ | 184,741.52 |
| 555107 | PURCHASED POWER-TYSON | \$ | 2,079,394.35 |
| 555108 | PURCHASED POWER-KBI ALLOYS | \$ | 338,727.32 |
| 555109 | PURCHASED POWER-ARMSTRONG COAL CO | \$ | 386,874.46 |
| 555110 | PURCHASED POWER-KMMC L L C | \$ | 24,266.29 |
| 555111 | PURCHASED POWER-PATRIOT COAL | \$ | 990,642.16 |
| 555112 | PURCHASED POWER-SOUTHWIRE | \$ | 1,240,296.90 |
| 555114 | PURCHASED POWER-VALLEY GRAIN | \$ | 444,268.85 |
| 555116 | PURCHASED POWER-ARMSTRONG-EQUALITY | \$ | 101,452.91 |
| 555117 | PURCHASED POWER-DYSON CREEK MINE | \$ | - |
| 555118 | PURCHASED POWER-ARMSTRONG DOCK | \$ | 359,895.65 |
| 555200 | PURCHASED POWER-COMMONWEALTH ALUM | \$ | 5,640,236.91 |
| 555300 | PURCHASED POWER-DOMTAR | \$ | 8,700,741.07 |
| 555400 | PURCHASED POWER-LEM-CENTURY | \$ | 3,019,857.87 |
| 555401 | PURCHASED POWER-BREC-CENTURY | \$ | 142,692,233.84 |
| 555403 | PURCHASED POWER-CONSTELLATION ENERG | \$ | - |
| 555500 | PURCHASED POWER---ALCOA AUTO CASTIN | \$ | 37,692.17 |
| 555600 | PURCHASED POWER-LEM-ALCAN | \$ | 3,248,622.47 |
| 555602 | PURCHASED POWER-CONSTELLATION-ALCAN | \$ | - |
| 555603 | PURCHASED POWER-BREC-ALCAN | \$ | 126,385,110.03 |
| 555900 | PURCHASED POWER- ROLL COATER | \$ | 420,401.24 |
| 555950 | PURCHASED POWER-KIMBERLY CLARK | \$ | 8,557,434.41 |
| 555970 | POWER COST-MIDWAY MINE & PREP PLANT | \$ | 765,671.73 |
| 580000 | DISTRIBUTION-EXP-OPS-SUPERVISION | \$ | - |
| 581000 | LOAD DISPATCHING & VOLTAGE CONTROL | \$ | - |
| 582000 | DISTRIBUTION-EXP-OPS STATION EXP | \$ | 287,700.62 |
| 582200 | DIST EXP OPR - MICROWAVE SYSTEM | \$ | 40,355.63 |
| 583000 | DISTRIBUTION-EXP-OPS OVERHEAD LINE | \$ | 1,663,810.49 |
| 583100 | OPERATION OVERHEAD LINES-MAJOR STOR | \$ | - |
| 583200 | OVERHEAD LINE EXP-SPECIAL EQUIPMENT | \$ | - |
| 583300 | OVERHEAD LINE EXP-PCB INSPECTIONS | \$ | - |
| 583400 | PSC LINE PATROL | \$ | - |
| 583500 | OSMOSE POLE INSPECTION-COOP LABOR | \$ | - |
| 584000 | DISTRIBUTION-EXP-OPS-UNDERGROUND | \$ | 91,755.46 |
| 584200 | UNDERGROUND LINE EXP-SPECIAL EQUIP | \$ | - |
| 584400 | PSC LINE PATROL-UNDERGROUND | \$ | - |
| 586000 | DISTRIBUTION-EXP-OPS METERS | \$ | 577,565.81 |
| 586100 | DISTRIBUTION EXP-OPS SPECIAL TEST | \$ | - |
| 586200 | DISTRIBUTION EXPENSE-METERS-STORM | \$ | - |
| 587000 | DIST EXP-OPS CONSUMER INSTALLATION | \$ | 23,245.88 |
| 588000 | DIST EXP-OPS MISCELLANEOUS DIST | \$ | 1,974,324.25 |
| 588200 | DIST EXP-OPS-STORM-PHONES/DISPATCH | \$ | - |
| 588210 | DIST-EXP-OPS STORM-FEMA REIMBURSEME | \$ | - |
| 590000 | DIST EXP-MAIN-SUPERVISION-ENG | \$ | - |
| 592000 | DIST EXP-MAIN-STATION EQUIPMENT | \$ | 404,456.09 |
| 592100 | DIST EXP-MAIN-SUPERVISORY CONTROL | \$ | 132,705.12 |
| 592200 | DIST EXP MAIN-MICROWAVE SYSTEM | \$ | 110,763.25 |
| 592250 | DIST EXPENSE-STATION EQUIP-CLASS C | \$ | 32,243.20 |
| 593000 | DIST EXP-MAIN-OVERHEAD LINES | \$ | 3,232,147.50 |
| 593200 | DIST EXP-MAIN-STORM DAMAGE | \$ | - |
| 593250 | DIST EXPENSE-OVERHEAD LINE-CLASS C | \$ | 32,243.20 |
| 593300 | MAINTENANCE OF OVERHEAD LINES-ROW | \$ | 4,660,302.87 |

| | | | |
|--------|-------------------------------------|----|--------------|
| 593400 | REPAIRS/PSC LINE PATROL | \$ | - |
| 593500 | DIST EXP-MAIN-OVERHD LINES CREW 50 | \$ | - |
| 593600 | DIST EXP-MAIN-OVERHD LINES CREW 55 | \$ | - |
| 593700 | DIST EXP-MAIN-OH LINES TEMP CREWS | \$ | - |
| 594000 | DIST EXP-MAIN-UNDERGROUND LINES | \$ | 337,424.12 |
| 595000 | DIST EXP-MAIN-LINE TRANSFORMERS | \$ | 224,175.91 |
| 596000 | DIST EXP-MAIN-ST LIGHTS-SIGNALS | \$ | 151,285.30 |
| 597000 | DIST EXP-MAIN-METERS | \$ | 207,539.50 |
| 598000 | DIST EXP-MISC DISTRIBUTION PLT | \$ | 237,520.09 |
| 901000 | CONSUMER ACC EXP-OPS SUPERVISION | \$ | - |
| 902000 | CONS ACC EXP-OPS ANN METER READING | \$ | - |
| 902100 | CONSUMER ACC EXP-OPS METER READING | \$ | - |
| 902220 | METER READING-CLASS A | \$ | - |
| 902230 | METER READING-CLASS B | \$ | - |
| 902240 | METER READING- CLASS C | \$ | - |
| 903000 | CONSUMER ACC EXP-OPS RECORD-COLLECT | \$ | 2,990,452.28 |
| 903100 | CONSUMER ACC EXP-OPS RECORD COLLECT | \$ | - |
| 903200 | DATA PROCESSING EXPENSE | \$ | - |
| 903220 | BILLING-CLASS A | \$ | 109.63 |
| 903230 | BILLING-CLASS B | \$ | 164.44 |
| 903240 | BILLING-CLASS C | \$ | 826.97 |
| 904000 | CONSUMER ACC EXP-OPS UNCOLLECT-ACCT | \$ | 178,498.00 |
| 904220 | BAD DEBT-CLASS A | \$ | - |
| 904230 | BAD DEBT-CLASS B | \$ | - |
| 904240 | BAD DEBT-CLASS C | \$ | - |
| 907000 | ADM/CONSUMER SVC AND INFOR. EXP. | \$ | - |
| 908000 | CUSTOMER ASSISTANCE EXPENSE | \$ | 164,649.31 |
| 908100 | CUSTOMER ASSIST EXP-RCS AUDIT | \$ | - |
| 908200 | CUSTOMER ASST EXP-CACS AUDIT | \$ | - |
| 908220 | CUSTOMER ASSISTANCE-CLASS A | \$ | - |
| 908240 | CUSTOMER ASSISTANCE-CLASS C | \$ | - |
| 908300 | GREC REBATES - WATER HEATERS | \$ | - |
| 908400 | CUSTOMER ASSISTANCE-KEY ACCOUNTS | \$ | - |
| 909000 | INFORMATIONAL ADVERTISING | \$ | - |
| 909100 | INFORMATION & ADVER EXP-RCS PROGRAM | \$ | - |
| 909200 | INFORMATION & ADV EXP-CACS PROGRAM | \$ | - |
| 909300 | INFORMATION & ADV - WATER HEATER | \$ | - |
| 910000 | MISC CUSTOMER SERVICE & INFO EXP | \$ | 61.24 |
| 910100 | MISC CUSTOMER SERV EXPENSE-RCS PROG | \$ | - |
| 910200 | MISC CUSTOMER SERV EXP-CACS PROGRAM | \$ | - |
| 910300 | COST AND EXPENSES - WATER HEATERS | \$ | - |
| 912000 | DEMONSTRATING AND SELLING EXPENSE | \$ | 69,626.21 |
| 913000 | MEMBER AND PUBLIC RELATION EXPENSES | \$ | - |
| 913220 | C & I PROGRAM-CLASS A | \$ | 14.72 |
| 913230 | C & I PROGRAM-CLASS B | \$ | 22.07 |
| 913240 | C & I PROGRAM-CLASS C | \$ | 111.54 |
| 920000 | ADM-GEN EXP-OPS-EXECUTIVE SALARY | \$ | 1,531,545.45 |
| 920100 | ADM-GEN EXPENSE-OPS-STAFF SALARIES | \$ | - |
| 920200 | ADM-GEN EXPENSE-OPS-GEN OFF SALARY | \$ | - |
| 920220 | DIRECT MANAGEMENT LABOR-CLASS A | \$ | 15,914.38 |
| 920221 | ALLOCATED GEN MANAGEMENT-CLASS A | \$ | 1,198.83 |
| 920222 | EMPLOYEE TRAINING & OTHER CLASS A | \$ | - |

| | | | |
|--------|-------------------------------------|----|------------|
| 920230 | DIRECT MANAGEMENT LABOR-CLASS B | \$ | 13,949.78 |
| 920231 | ALLOCATED GEN MANAGEMENT-CLASS B | \$ | 1,201.12 |
| 920232 | EMPLOYEE TRAINING & OTHER CLASS B | \$ | - |
| 920240 | DIRECT MANAGEMENT LABOR-CLASS C | \$ | 25,154.43 |
| 920241 | ALLOCATED GEN MANAGEMENT-CLASS C | \$ | 1,998.56 |
| 920242 | EMPLOYEE TRAINING & OTHER-CLASS C | \$ | - |
| 920300 | ADM-GEN EXPENSE-OPS-OFFICE SALARIES | \$ | - |
| 921000 | ADM-GEN EXPENSE | \$ | 141,194.29 |
| 921220 | OFFICE EQUIP/SUPPLIES CLASS A | \$ | 1,581.82 |
| 921221 | PRINTING CLASS A | \$ | - |
| 921230 | OFFICE EQUIP/SUPPLIES CLASS B | \$ | 842.10 |
| 921231 | PRINTING CLASS B | \$ | - |
| 921240 | OFFICE EQUIP/SUPPLIES CLASS C | \$ | 3,730.93 |
| 921241 | PRINTING CLASS C | \$ | - |
| 923000 | OUTSIDE SERVICES - GENERAL | \$ | 139,809.32 |
| 923100 | OUTSIDE SVCS-DISPOSAL SITE CLEANUP | \$ | - |
| 923200 | OUTSIDE SVCS-HAWESVILLE MUNICIPAL | \$ | - |
| 923220 | DIRECT OUTSIDE SERVICES CLASS A | \$ | 1,575.18 |
| 923230 | DIRECT OUTSIDE SERVICES CLASS B | \$ | 3,518.57 |
| 923240 | DIRECT OUTSIDE SERVICES CLASS C | \$ | 14,767.42 |
| 923300 | OUTSIDE SVCS-BREC BANKRUPTCY | \$ | - |
| 924000 | PROPERTY INSURANCE | \$ | - |
| 925000 | INJURIES AND DAMAGES | \$ | - |
| 926000 | EMPLOYEE PENSIONS AND BENEFITS | \$ | - |
| 927000 | FRANCHISES-ANNUAL | \$ | 10,689.86 |
| 928000 | REGULATORY COMM. EXPENSE | \$ | 11,697.72 |
| 928100 | EXPENSES-2004 RATE CASE | \$ | - |
| 928200 | 2006 RATE CASE | \$ | - |
| 928220 | PSC EXPENSE-CLASS A | \$ | - |
| 928230 | PSC EXPENSE-CLASS B | \$ | - |
| 928240 | PSC EXPENSES-CLASS C | \$ | - |
| 928300 | EXPENSES-CASE #2006-00494 | \$ | - |
| 930100 | GENERAL ADVERTISING EXPENSES | \$ | - |
| 930200 | MISC. GENERAL EXPENSES | \$ | 399,024.17 |
| 930201 | DUES ASSOC. & COMMUNITY AGENGY | \$ | - |
| 930203 | GENERAL EXPENSE-ANNUAL MTG & CAP CR | \$ | - |
| 930204 | GENERAL EXPENSE-OTHER | \$ | - |
| 930210 | DIRECTORS FEES & EXPENSES | \$ | 214,207.54 |
| 930220 | ADVERTISING GENERAL-CLASS A | \$ | - |
| 930221 | OTHER A & G CLASS A | \$ | 7,335.45 |
| 930230 | ADVERTISING GENERAL-CLASS B | \$ | - |
| 930231 | OTHER A & G CLASS B | \$ | 3,944.11 |
| 930240 | ADVERTISING GENERAL-CLASS C | \$ | 2,033.32 |
| 930241 | OTHER A & G CLASS C | \$ | 17,170.46 |
| 935000 | MAINT OF GENERAL PLANT | \$ | 633,385.06 |
| 935100 | MAINT OF MOBILE RADIO SYSTEM | \$ | - |
| 935220 | BUILDINGS/GROUNDS CLASS A | \$ | 626.67 |
| 935230 | BUILDINGS/GROUNDS CLASS B | \$ | 3,284.96 |
| 935240 | BUILDING/GROUNDS CLASS C | \$ | 6,261.52 |

KENTUCKY 65 HENDERSON
KENERGY CORP.
HENDERSON, KENTUCKY

FINANCIAL STATEMENTS

For the years ended December 31, 2009 and 2008



Neel, Crafton & Phillips, LLP
*Certified Public Accountants
Business Consultants*

Kenergy Corp.
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INDEPENDENT AUDITORS' REPORT

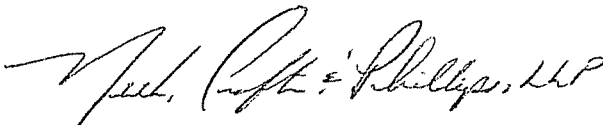
To the Board of Directors
Kenergy Corp.
Henderson, Kentucky

We have audited the accompanying balance sheets of Kenergy Corp. (Kenergy) as of December 31, 2009 and 2008 and the related statements of revenue and expenses, changes in members' equities, and cash flows for the year then ended. These financial statements are the responsibility of Kenergy's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

In our opinion the financial statements referred to above present fairly, in all material respects, the financial position of Kenergy Corp. as of December 31, 2009 and 2008, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 19, 2010, on our consideration of Kenergy's internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



Henderson, Kentucky
March 19, 2010



Balance Sheets

Kenergy Corp.

December 31, 2009 and 2008

| Assets | 2009 | 2008 |
|--|-----------------------|-----------------------|
| Utility plant, net | \$ 177,492,724 | \$ 174,539,770 |
| Investments | 7,107,120 | 7,461,198 |
| Current Assets: | | |
| Cash and cash equivalents | 5,752,057 | 2,854,304 |
| Accounts receivable, less allowance for doubtful accounts:2009, \$150,000 and 2008, \$150,000 | | |
| Billed | 35,106,377 | 28,085,103 |
| Unbilled | 9,430,581 | 8,917,027 |
| Materials and supplies | 2,493,007 | 1,302,942 |
| Other current assets | 705,457 | 528,967 |
| Total current assets | 53,487,479 | 41,688,343 |
| Other Assets | 79,233 | 60,175 |
| Total Assets | \$ 238,166,556 | \$ 223,749,486 |
| Members' equities and liabilities | | |
| Members' equities: | | |
| Memberships | \$ 242,960 | \$ 242,250 |
| Patronage capital | 55,445,506 | 52,677,976 |
| Other | 2,297,317 | 1,322,502 |
| Total members' equities | 57,985,783 | 54,242,728 |
| Long-term debt, net of current portion | 133,279,836 | 127,078,125 |
| Current liabilities: | | |
| Note payable | - | - |
| Accounts payable | 33,043,354 | 28,595,681 |
| Consumer deposits | 3,240,555 | 2,600,173 |
| Current maturities of long-term debt | 4,915,136 | 4,757,819 |
| Other current and accrued liabilities | 1,704,122 | 1,863,615 |
| Total current liabilities | 42,903,167 | 37,817,288 |
| Other noncurrent liabilities | 2,587,641 | 3,622,918 |
| Deferred credits | 1,410,129 | 988,427 |
| Total members' equities and liabilities | \$ 238,166,556 | \$ 223,749,486 |

Statements of Revenue and Expenses

Kenergy Corp.

For the years ended December 31, 2009 and 2008

| | 2009 | 2008 |
|---|-----------------------|-----------------------|
| Operating revenue | \$ 349,782,866 | \$ 359,498,602 |
| Operating expenses: | | |
| Cost of power | 313,964,053 | 325,438,774 |
| Distribution operation | 4,219,432 | 4,272,437 |
| Distribution maintenance | 8,288,428 | 9,601,011 |
| Customer accounts | 3,049,582 | 2,991,256 |
| Consumer service and information | 200,423 | 237,298 |
| Sales | 71,007 | 72,039 |
| Administrative and general | 3,071,248 | 2,676,293 |
| Depreciation | 7,970,349 | 7,726,978 |
| Taxes | 363,079 | 322,876 |
| Other deductions | 76,446 | 55,377 |
| Total operating expenses | 341,274,047 | 353,394,339 |
| Operating margin before interest expense | 8,508,819 | 6,104,263 |
| Interest on long-term debt | 6,114,726 | 6,048,338 |
| Interest charged to construction | (51,452) | (50,820) |
| Other interest expense | 490,678 | 136,707 |
| Operating margin (loss) | 1,954,867 | (29,962) |
| Nonoperating margin: | | |
| Investment income | 941,167 | 607,798 |
| Other income (expense) | (127,977) | 53,674 |
| Net margin | 2,768,057 | 631,510 |
| Operating margin assigned by associated organizations | 171,861 | 153,621 |
| Net margin (loss) | \$ 2,939,918 | \$ 785,131 |

Statements of Changes in Members' Equities

Kenergy Corp.

For the years ended December 31, 2009 and 2008

| | Memberships | Patronage Capital | Other | Total |
|--|-------------|----------------------|--------------|---------------|
| Balance, December 31, 2007 | 241,010 | 52,037,295 | 3,029,211 | 55,307,516 |
| Increase in membership fees | 1,240 | - | - | 1,240 |
| Net margin (loss) | - | 785,131 | - | 785,131 |
| Accumulated other comprehensive income: increase in additional minimum pension liability | - | - | (1,767,000) | (1,767,000) |
| Patronage capital retired | - | (144,450) | - | (144,450) |
| Retired capital credits - gain | - | - | 60,380 | 60,380 |
| Other changes | - | - | (89) | (89) |
| Balance, December 31, 2008 | \$ 242,250 | \$ 52,677,976 | \$ 1,322,502 | \$ 54,242,728 |
| Increase in membership fees | 710 | - | - | 710 |
| Net margin (loss) | - | 2,939,918 | - | 2,939,918 |
| Accumulated other comprehensive income: decrease in additional minimum pension liability | - | - | 897,000 | 897,000 |
| Patronage capital retired | - | (172,388) | - | (172,388) |
| Retired capital credits - gain | - | - | 77,815 | 77,815 |
| Other changes | - | - | - | - |
| Balance, December 31, 2009 | \$ 242,960 | \$ 55,445,506 | \$ 2,297,317 | \$ 57,985,783 |

Statements of Cash Flows

Kenergy Corp.

For the years ended December 31, 2009 and 2008

| | 2009 | 2008 |
|---|---------------------|---------------------|
| Cash flows from operating activities: | | |
| Net margin (loss) | \$ 2,939,918 | \$ 785,131 |
| Adjustments to reconcile net margin (loss) to net cash provided by operating activities | | |
| Depreciation charged to operations | 8,473,628 | 8,158,148 |
| Interest income added to cushion of credit balance | (748,611) | (540,640) |
| Interest expense paid from prior note payments | 1,924,135 | 1,823,942 |
| Noncash assigned capital credits | (171,860) | (155,051) |
| Decrease (increase) in accounts receivable | (5,008,027) | 948,986 |
| Decrease (increase) in materials and supplies | (1,190,065) | (173,457) |
| Decrease (increase) in other current assets | (690,044) | (1,198,704) |
| Increase (decrease) in accounts payable | 4,447,673 | (127,395) |
| Increase (decrease) other current and accrued liabilities | (159,493) | 159,801 |
| Other items, net | 270,597 | 463,710 |
| Net cash provided by operating activities | 10,087,851 | 10,144,471 |
| Cash flows from investing activities: | | |
| Capital expenditures, net | (11,286,923) | (10,996,580) |
| Decrease (increase) in FEMA receivable | (2,013,247) | (1,542,085) |
| Decrease (increase) in other investment, excluding assigned capital credits | 380,049 | 645,384 |
| Net cash used in investing activities | (12,920,121) | (11,893,281) |
| Cash flows from financing activities: | | |
| Additional deposits, net of refunds | 641,092 | 747,462 |
| Additional long-term debt | 18,000,000 | 5,162,500 |
| Reduction of long-term debt | (4,825,045) | (4,811,213) |
| Principle payments paid from prior note payments | 1,008,549 | 1,035,084 |
| Patronage capital retired | (94,575) | (84,069) |
| Payment-Cushion of Credit | (9,000,000) | (5,000,000) |
| Net cash provided by financing activities | 5,730,021 | (2,950,236) |
| Net increase (decrease) in cash and cash equivalents | 2,897,753 | (4,699,046) |
| Cash and cash equivalents, beginning of year | 2,854,304 | 7,553,350 |
| Cash and cash equivalents, end of year | \$ 5,752,057 | \$ 2,854,304 |
| Supplemental disclosure of cash flow information: | | |
| Interest paid, net of amounts capitalized | \$ 6,635,266 | \$ 6,161,853 |

Notes to Financial Statements

Kenergy Corp.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Nature of Business

Kenergy is a nonprofit electric distribution cooperative association which provides electric power to approximately 54,844 residential, commercial and industrial customers located in fourteen western Kentucky counties.

b. Basis of Accounting

The accounting policies of Kenergy reflect those prescribed by the United States Department of Agriculture Rural Utilities Service (RUS) and the Kentucky Public Service Commission (KPSC), which conform with accounting principles generally accepted in the United States of America in all material respects.

c. Revenues

Revenues are accrued when services are rendered based on rates authorized by the KPSC.

c. Utility Plant

Utility plant is stated at original cost, net of contributions, which is the cost when first dedicated to public service. Kenergy capitalizes supervisory and overhead costs applicable to construction projects.

Maintenance and repairs of property units and renewals of minor items of property are charged to maintenance expense accounts. The costs of replacing complete property units are charged to utility plant accounts and the original cost of distribution plant property units retired and cost of removal, net of salvage value, are charged to accumulated depreciation.

d. Depreciation

Depreciation is provided on the basis of the estimated useful lives of assets at straight-line rates, which for 2009 and 2008, were as follows:

| | |
|--------------------|-----------------|
| Distribution plant | 2.20% to 6.70% |
| General plant | 2.00% to 15.60% |

Kenergy uses the composite method of depreciation for distribution plant and the unit method of depreciation for general plant.

e. Investments

As more fully described in the following notes, Kenergy's investment in a generation and transmission corporation is recorded at estimated net realizable value. All other investments of Kenergy are stated at cost, which approximates fair value.

f. Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, money market funds, and investments with an original maturity of three months or less. The carrying amount reported in the balance sheet for cash and cash equivalents approximates fair value.

g. Material and Supplies

Materials and supplies inventories are stated at the lower of cost or market using the average cost method.

Notes to Financial Statements

Kenergy Corp.

1. ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

h. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

2. UTILITY PLANT

Utility plant at December 31 consists of the following:

| | 2009 | 2008 |
|-------------------------------|----------------|----------------|
| Distribution plant | \$ 217,786,030 | \$ 210,479,405 |
| General plant | 20,509,889 | 21,677,557 |
| | 238,295,919 | 232,156,962 |
| Less accumulated depreciation | (62,290,462) | (59,219,789) |
| | 176,005,457 | 172,937,173 |
| Construction in progress | 1,487,267 | 1,602,596 |
| | \$ 177,492,724 | \$ 174,539,769 |

Depreciation expense for the years ended December 31, 2009 and 2008, was \$8,695,167 and \$8,436,692 respectively.

Interest capitalized during 2009 and 2008 related to construction of utility plant was \$51,452 and \$50,820, respectively.

A devastating ice storm occurred on January 26, 2009, resulting in approximately 3,600 poles and 1,100 transformers being replaced. The total storm costs were approximately \$32,000,000 with the Federal Emergency Management Agency (FEMA) being requested to reimburse nearly \$28,000,000, or 87%. The FEMA reimbursement monies were first applied to dollars expensed, leaving nearly \$4,000,000 of capitalized costs. At December 31, 2009, the FEMA receivable was approximately \$3,000,000.

3. INVESTMENTS

a. Generation and Transmission Corporation

As discussed in preceding notes, Kenergy purchases electric power from Big Rivers, a generation and transmission cooperative association. The membership of Big Rivers is comprised of Kenergy and two other distribution cooperatives.

The following is an audited summary at December 31 of financial information pertaining to Big Rivers:

Notes to Financial Statements

Kenergy Corp.

3. INVESTMENTS, CONTINUED

| | 2009 | 2008 |
|-----------------------------|-----------------------|-------------------------|
| Balance Sheet Data: | | |
| Assets: | | |
| Current assets | \$ 169,258,333 | \$ 60,573,307 |
| Noncurrent assets | 1,336,225,124 | 1,013,862,900 |
| <u>Total assets</u> | <u>1,505,483,457</u> | <u>1,074,436,207</u> |
| Liabilities: | | |
| Current liabilities | 67,165,524 | 78,091,238 |
| Noncurrent liabilities | 1,058,926,392 | 1,150,946,549 |
| <u>Total liabilities</u> | <u>1,126,091,916</u> | <u>1,229,037,787</u> |
| <u>Equities (deficit)</u> | <u>\$ 379,391,541</u> | <u>\$ (154,601,580)</u> |
| Income Statement Data: | | |
| Revenues | \$ 373,360,345 | \$ 273,181,283 |
| Operating margin | \$ (7,514,870) | \$ 15,061,369 |
| "Unwind" transaction income | \$ 537,978,261 | N/A |
| <u>Net margin</u> | <u>\$ 531,330,257</u> | <u>\$ 27,815,731</u> |

Big Rivers experienced significant operating losses in prior years and had a net equities deficiency of (\$154,601,580) as of December 31, 2008.

On July 16, 2009, Big Rivers Electric Corporation completed a transaction referred to as the "unwind" with E.ON US. Under the unwind agreement, Big Rivers will assume from E.ON US full responsibility for operating three generation facilities and the obligation to provide power to two aluminum smelters through Kenergy Corp. E.ON US provided cash payments, asset transfers and other benefits to Big Rivers, which resulted in Big Rivers realizing income of \$537,978,261 in 2009. These funds allowed Big Rivers to reduce its debt by \$140,180,652 provide \$252,855,791 in rate stabilization funds, and to increase its equity position to \$379,391,541 from a deficit of (\$154,601,580).

Under the Big Rivers Joint Plan of Reorganization in 1998, member cooperatives of Big Rivers were required to charge down their previously allocated capital credits to zero. After evaluating the key issues related to the unwind, Kenergy has elected to continue valuing the non-cash allocations at zero for financial reporting purposes, a practice which it has followed since 1998 when Big Rivers emerged from bankruptcy protection. As of December 31, 2009, the non-cash allocations from Big Rivers to Kenergy represent 69% of the total allocations.

Kenergy Corp. will continue to record memorandum entries in its patronage capital records to reflect the value of allocations received from Big Rivers. (Refer to Note 12 - Income Tax Status).

Notes to Financial Statements

Kenergy Corp.

3. INVESTMENTS, CONTINUED

b. Other Investments

The more significant other investments are as follows:

Capital Term Certificates (CTC's) of the National Rural Utilities Cooperative Finance Corporation are carried at cost which approximates market. The investment at December 31, 2009 and 2008 totaled \$2,528,878. The CTC's mature in varying amounts from 2020 to 2080 and bear interest at 0%, 3%, and 5% per year.

Investment in CoBank, an international cooperative bank, is a required investment which is carried at cost and totaled \$1,801,408 and \$1,737,047 at December 31, 2009 and 2008, respectively. Under the terms of this Loan Base Capital Plan, Kenergy's investment in CoBank (stock and allocated surplus from CoBank) is required to be 10% of Kenergy's average loan balance due to CoBank for the past five years accumulated through equity issued as a patronage return.

Kenergy's Retirement Trust totaling \$564,852 and \$714,151 at December 31, 2009 and 2008, respectively, represents amounts set aside to fund Kenergy's deferred compensation agreements and are stated at fair value.

Economic development loans represent interest free loans made to qualifying applicants to promote rural economic development. Kenergy borrows monies from RUS pursuant to the Rural Electrification Act of 1936 and in turn loans these monies to qualifying applicants. The loans are secured by letters of credit, thereby minimizing Kenergy's exposure to loss. Amounts outstanding at December 31, 2009 and 2008, were \$1,118,006 and \$1,451,343, respectively.

Notes to Financial Statements

Kenergy Corp.

4. LONG-TERM DEBT

Long-term debt at December 31 consists of:

| | 2009 | 2008 |
|---|----------------|----------------|
| First mortgage notes payable to: RUS in quarterly and monthly installments of varying amounts through 2038 Interest rate term fixed to principle maturity: | | |
| 4.125% notes | \$ 1,623,184 | \$ 1,666,163 |
| 5% notes | 16,285,494 | 16,961,109 |
| Treasury notes- average rate of 4.84% at December 31, 2009 | 26,565,042 | 26,937,032 |
| 5.125% notes | 2,229,750 | 2,278,439 |
| Laddered interest rate terms of 3- 8 years at an average rate of 2.83 % at December 31, 2009 | 52,075,886 | 53,434,937 |
| Unapplied note prepayments-5% | (19,501,072) | (12,685,145) |
| | 79,278,284 | 88,592,535 |
| CoBank in quarterly and monthly installments of varying amounts through 2033: Interest rate term fixed to principle maturity | | |
| 4.23% average rate at December 31, 2009 | 6,035,835 | 7,209,835 |
| Laddered interest rate terms of 3 to 6 years, average rate of 4.95% at December 31, 2009 | 13,829,921 | 14,318,801 |
| | 19,865,756 | 21,528,636 |
| Rural economic Development Zero- Interest Loan payable to RUS in monthly installments of varying amounts through May 2011 | 1,118,006 | 1,451,343 |
| Federal Financing Bank in quarterly installments of varying amounts through December 2042, with a 4.51% fixed rate to maturity. | 37,932,926 | 20,263,430 |
| Total long-term debt | 138,194,972 | 131,835,944 |
| Less current maturities | 4,915,136 | 4,757,819 |
| | \$ 133,279,836 | \$ 127,078,125 |

Notes to Financial Statements

Kenergy Corp.

4. LONG-TERM DEBT, CONTINUED

Aggregate annual maturities of long-term debt at December 31, 2009 are:

| | | |
|------------|----|-------------|
| 2010 | \$ | 4,915,136 |
| 2011 | | 5,211,811 |
| 2012 | | 5,390,950 |
| 2013 | | 5,441,789 |
| 2014 | | 5,302,508 |
| Thereafter | | 111,932,778 |
| | | <hr/> |
| | \$ | 138,194,972 |

All assets of Kenergy are pledged as collateral on the long-term debt as previously described.

5. SHORT-TERM BORROWINGS

Kenergy has unsecured line of credit agreements with financial institutions permitting short-term borrowings for general corporate purposes totaling \$35,000,000. Rates for such borrowings are variable. There was \$0 outstanding under these agreements at December 31, 2009 and 2008, respectively. The rate at December 31, 2009 was 3.75%.

6. MAJOR CUSTOMERS- CONCENTRATIONS

Operating revenue for 2009 and 2008 includes approximately \$241.4 million and \$253.4 million, respectively, attributable to sales of power to two aluminum smelting customers. Accounts receivable from these customers totaled \$25.0 and \$20.5 million at December 31, 2009 and 2008, respectively.

Operating revenue also includes sales of power to six other large industrial customers totaling approximately 7.79% and 7.23% of Kenergy's operating revenue for 2009 and 2008, respectively.

7. COST OF POWER

Kenergy presently purchases all of its power and energy requirements from Big Rivers Electric Corporation (Big Rivers) under wholesale power contracts which expire in 2043. Accounts payable under Big Rivers contracts were \$31.4 and \$15.2 million at December 31, 2009, and \$12.1 million (Big Rivers) and \$31.4 million (LG&E), respectively, at December 31, 2008.

8. RETIREMENT PLANS

Kenergy has various pension plans covering its employees.

a. Noncontributory Defined Benefit Plan

Kenergy has a noncontributory defined benefit pension plan covering former Green River Electric Corporation (GREC) employees who were members of the plan on January 1, 1987. Employees with an original date of hire on or after January 1, 1987, are not eligible to join the defined benefit plan. The benefits are based on years of service and the employee's highest average monthly compensation for three consecutive years of service.

Notes to Financial Statements

Kenergy Corp.

8. RETIREMENT PLANS, CONTINUED

a. Noncontributory Defined Benefit Plan, continued

Kenergy amended the defined benefit plan effective January 1, 1987, to offset benefits accruing after January 1, 1987, by the benefits provided by the defined contribution plan discussed below. Kenergy has adopted the provisions of Statement of Financial Accounting Standards No. 87, "Employer's Accounting for Pensions," as amended by Statement of Financial Accounting Standards No. 132, "Employers' Disclosures about Pensions and Other Postretirement Benefits."

FASB Statement No 158 "Employers Accounting for Defined Benefit Pension and Other Postretirement Plans" was adopted during the year ended December 31, 2007. FASB No. 158 requires that the full funding status of a defined benefit pension plan and other post retirement plans be recognized on the balance sheet as an asset (for over-funded plans) or as a liability (for under-funded plans).

In addition, FASB No 158 calls for recognition in other comprehensive income of gains or losses and prior service costs or credits that are not yet included as components of expense.

Finally, FASB No. 158 requires that the measurement of defined benefit plan assets and obligations be as of the balance sheet date. The cooperative adopted the provisions of this statement effective for the year ended December 31, 2007. As shown in the accompanying statement of members' equities, \$1,192,000 was reflected as a charge against other comprehensive income. A liability has also been recorded in the amount of \$1,192,000.

Net pension cost (income) for 2009 and 2008 included the following components:

| | 2009 | 2008 |
|---|------------|------------|
| Service cost | \$ 107,000 | \$ 37,000 |
| Interest cost on projected benefit obligation | 164,000 | 104,000 |
| Expected return on plan assets | (89,000) | (94,000) |
| Net amortization and deferral | 174,000 | 39,000 |
| Settlement | 384,000 | 246,000 |
| Pension Cost (income) | \$ 740,000 | \$ 332,000 |

The following table sets forth the plan's funded status and the amount recognized in Kenergy's balance sheet at December 31:

Notes to Financial Statements

Kenergy Corp.

8. RETIREMENT PLANS, CONTINUED

Noncontributory Defined Benefit Plan, continued

| | 2009 | 2008 |
|--|---------------------|---------------------|
| Accumulated benefit obligation: | | |
| Vested | \$ 1,700,000 | \$ 1,876,000 |
| Projected benefit obligation | 2,510,000 | 3,302,000 |
| Plan assets at fair value | 1,115,000 | 817,000 |
| Deficiency of plan assets over projected benefit obligation | (1,395,000) | (2,485,000) |
| Unrecognized net loss | 1,192,000 | 2,322,000 |
| Net amount recognized | \$ (203,000) | \$ (163,000) |
| Amounts recognized consist of: | | |
| Prepaid benefit cost | \$ (203,000) | \$ (163,000) |
| Accrued pension liability | - | - |
| Intangible asset | - | - |
| Accumulated other comprehensive income | - | - |
| Net amount recognized | \$ (203,000) | \$ (163,000) |

In determining the actuarial present value of the projected benefit obligation, the weighted average discount rate used was 5.50% for the periods ended December 31, 2009 and 2008, and the rate of increase in future compensation levels was 4.00% for 2009 and 2008. The expected long-term rate of return on assets was 7.50% for the periods ended December 31, 2009 and 2008. Plan assets consist of investments in a guaranteed investment contract and pooled separate accounts. Employer contributions totaled \$700,000 and \$0 for the years ended December 31, 2009 and 2008, respectively, while there were no employee contributions. Kenergy expects to contribute \$405,000 to this pension plan for the year ending December 31, 2010. Benefits paid totaled \$5,000 for the years ended December 31, 2009 and 2008. Settlements totaled \$623,000 and \$556,000 for the years ended December 31, 2009 and 2008, respectively.

The expected long-term rate of return on plan assets for determining net periodic pension cost for each fiscal year is chosen by Kenergy from a best estimate range determined by applying anticipated long-term returns and long-term volatility for various asset categories to the target asset allocation of the plans, as well as taking into account historical returns.

Notes to Financial Statements

Kenergy Corp.

8. RETIREMENT PLANS, CONTINUED

a. Noncontributory Defined Benefit Plan, continued

The general investment objectives are to invest in a diversified portfolio, comprised of both equity and fixed income investments, which are further diversified among various asset classes. The diversification is designed to minimize the risk of large losses while maximizing total return within reasonable and prudent levels of risk. The investment objectives specify a targeted investment allocation for the pension plans of up to 47.5% equities, 47.5% bonds and 5% real estate. Objectives do not target a specific return by asset class. These investment objectives are long-term in nature. As of December 31, 2009 the investment allocation was approximately 48.4% equities, 46.5% bonds, and 5.1% real estate. Applying the year-end 2009 since inception rate of returns for each investment category to the balances in each category produced an expected rate of return of approximately 7.75%

Estimated benefit payments for the years following 2009 are as follows

| | |
|--------------|-----------|
| 2010 | \$ 5,000 |
| 2011 | 481,000 |
| 2012 | 101,000 |
| 2013 | 490,000 |
| 2014 | 257,000 |
| 2015 to 2019 | 1,136,000 |

b. Savings and Retirement Plan

Effective January 1, 1987, Kenergy adopted a defined contribution savings and retirement plan. This plan is available to all former GREC employees and all newly hired employees of Kenergy on or after July 1, 1999, excluding temporary employees, with six months of service, who work at least 1,000 hours during each twelve-month period following their date of employment. Under this plan, Kenergy contributes 6% of each employee's annual compensation. In addition, Kenergy will provide matching contributions equal to 50% of each employee's contribution; however, Kenergy's matching contribution will not exceed 5% of each employee's compensation. Employer contributions under this plan totaled \$639,078 and \$577,088 for the years ended December 31, 2009 and 2008, respectively.

Notes to Financial Statements

Kenergy Corp.

8. RETIREMENT PLANS, CONTINUED

c. NRECA Retirement and Security Program

All eligible employees of the former Henderson Union Cooperative Corporation (HUEC) participate in the NRECA Retirement and Security Program (Program), a defined benefit pension plan qualified under Section 401 and tax-exempt under Section 501(a) of the Internal Revenue Code. Kenergy makes annual contributions to the Program equal to the amounts accrued for pension expense. Non-SERP contributions were \$491,475 and \$462,340 for 2009 and 2008, respectively. In this multi-employer plan, which is available to all member cooperatives of NRECA, the accumulated benefits and plan assets are not determined or allocated separately by individual employer.

d. Retirement Savings Plan

The Retirement Savings Plan is available for all eligible former HUEC employees. The plan allows participants to make contributions by salary reduction, pursuant to Section 401(k) of the Internal Revenue Code. Kenergy will match the contributions of each participant, up to 3% of the participant's base compensation. Kenergy contributed \$82,811 and \$86,385 for 2009 and 2008, respectively. Participants vest immediately in their contributions and the contributions of Kenergy.

e. Deferred Compensation Plan

The Kenergy Corp. 457(b) Deferred Compensation Plan allows designated senior management personnel the opportunity to make salary deferral contributions into a retirement plan once they reach the IRS limit on voluntary contributions into their 401(k) plan. This plan is also used to fund the commitment made to honor the previous benefit payable to two senior management personnel removed from the Group Pension Plan for employees of Green River Electric Corporation when the number of participants dropped below 50. The commitment provides for the maximum amount allowed by the Internal Revenue Code to be funded annually into the 457(b) plan, and any shortfall at retirement will be funded by providing medical benefits or other means. Plan contributions were \$35,144 and \$33,673 for the years ending December 31, 2009 and 2008, respectively. The net periodic pension cost accrued during 2009 was \$72,000, and a charge to other comprehensive income and a liability of \$211,000 was recognized at December 31, 2009.

9. DEFERRED COMPENSATION

Included in other investments and other non-current liabilities is \$564,852 and \$714,151 at December 31, 2009 and 2008, respectively, relating to deferred compensation agreements. The deferred compensation plan was frozen in 1999. Benefits are being paid out and the obligation is being relieved over a period of ten years through approximately 2012.

10. FINANCIAL INSTRUMENTS-FAIR VALUES

Statement of Financial Accounting Standards No. 107, "Disclosures about Fair Value of Financial Instruments," requires Kenergy to disclose estimated fair values of its financial instruments. Fair value estimates, methods, and assumptions are set forth below for Kenergy's financial instruments:

The carrying amounts of cash and cash equivalents, accounts receivable, other current assets, accounts payable, and other current liabilities approximate fair value because of the short-term maturity of those instruments.

In management's opinion, the carrying value of long-term debt also approximates fair value.

Notes to Financial Statements

Kenergy Corp.

10. FINANCIAL INSTRUMENTS-FAIR VALUES, CONTINUED

Kenergy's financial instruments that are exposed to concentrations of credit risk consist primarily of cash and trade accounts receivable. Kenergy had cash deposits in a financial institution in excess of the amount insured by the Federal Depository Insurance Corporation (FDIC) at December 31, 2009 and 2008. The risk is managed by maintaining all deposits in high quality institutions. Kenergy routinely assesses the financial strength of its customers and, as a consequence, believes that its trade accounts receivable credit risk exposure is limited.

11. RELATED PARTY TRANSACTIONS

Big Rivers provides billing, safety training, and other services to its three distribution cooperative members for which it is not reimbursed. Big Rivers reimburses its members for economic development costs. Services requested for reimbursement from Big Rivers during the years ended December 31, 2009 and 2008 totaled \$375,882 and \$473,393, respectively, of which \$65,685 and \$85,516, respectively, was included in accounts receivable. These amounts do not include the cost of computer programming, safety training and postage provided but not quantified.

12. INCOME TAX STATUS

Kenergy is exempt from federal and state income taxes under section 501(c)(12) of the Internal Revenue Code and, accordingly, the accompanying financial statements include no provision for such taxes. When applying the 85 percent test of IRC 501(c)(12), Kenergy excludes the Big Rivers non-cash allocations from gross income.

13. LIMITATION ON DISTRIBUTIONS

Without the prior written approval of RUS, Kenergy shall not in any calendar year make any Distributions (exclusive of any Distributions to the estates of deceased natural patrons) to its members, stockholders or consumers except as follows:

If, after giving effect to any such Distribution, the Equity of the Borrower shall be greater than or equal to 20% of its Total Assets and the aggregate of all Distributions made during that calendar year when added to such Distribution shall be less than or equal to 25% of the prior year's margins.

If, after giving effect to any such Distribution, the Equity of the Borrower shall be greater than 30% of its Total Assets; or

Provided however, that in no event shall Kenergy make any Distributions if there is unpaid, when due, any installment of principal of (premium, if any) or interest on any of its payment obligations secured by the mortgage, if the borrower is otherwise in default hereunder or if, after giving effect to any such Distribution, the Borrower's current and accrued assets would be less than its current and accrued liabilities.

14. RISK MANAGEMENT

Kenergy is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Kenergy carries commercial insurance for all risks of loss, including workers' compensation, general liability and property loss insurance. As is customary in the utility industry, Utility Plant is not insured with the exception of substations. Settled claims resulting from these risks have not exceeded commercial insurance coverage in 2009 and 2008

Notes to Financial Statements

Kenergy Corp.

15. Subsequent Events

Subsequent events have been considered and evaluated through March 19, 2010.

Kenergy

2010 Depreciation Study

Tab 1

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Kenergy 2010 Depreciation Rate Study Table of Contents

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Kenergy

2010 Depreciation Study

Tab 2

Narrative

KENERGY CORP.
DEPRECIATION RATE NARRATIVE
2010

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KENERGY
DEPRECIATION RATE STUDY NARRATIVE

I. OVERVIEW

This depreciation rate study was prepared by the Welsh Group, LLC (“WG”) for Kenergy Corp. (“Kenergy”). The depreciation study was prepared using traditional depreciation study methodologies discussed in Section III and based on actual December 31, 2009 plant and reserve balances. The new rates would increase the composite depreciation rate from 3.6 percent to 3.8 percent or \$580,245 (on an annualized basis).

Kenergy filed its first depreciation study with Kentucky Public Service Commission (“PSC” or “Commission”) in 2006. The Commission approved the depreciation rates in the study in their Order dated February 19, 2007 in Case No. 2006-00369. The 2006 study established individual depreciation rates for each distribution account and started a transition plan to rates that fully reflected the appropriate lives and net salvage of all distribution plant. This study updates the 2006 study to meet the Commission requirement and takes the next step in the transition plan.

Since Kenergy is also governed by the Rural Utilities Service (RUS) and some accounts have proposed depreciation rates that exceed the RUS recommended ranges in Bulletin 183-1, the depreciation study will require RUS approval.

The primary purpose of reviewing depreciation rates is to ensure the proper match between the recovery of the original cost of plant with the useful economic service life of that plant. A service life that is too short puts the company at a competitive disadvantage and burdens current customers since depreciation expense is higher than necessary. A service life that is too long increases the risk that a company may not be able to recover its investment and creates an unnecessary burden on future customers and a potential impairment issue.

II. COMPANY

Kenergy is an electric distribution cooperative established in July 1999 through the consolidation of Henderson Union Electric Cooperative Corp. (organized in 1936) and Green River Electric Corporation

(organized in 1937). It is the largest electric distribution cooperative in the nation based on energy sales. Kenergy serves 54,844 households, commercial enterprises and industries along more than 7,009 miles of line in all or portions of 14 western Kentucky counties. As a distribution cooperative, Kenergy is a customer-owned, not-for-profit electric company which purchases electric power at wholesale and distributes it to customers within its service territory.

III. DEPRECIATION STUDY PROCEDURES AND METHODS

Study methodologies are the procedures used to prepare the study and estimate the depreciation parameters (service life, survivor curve, and net salvage) for each account. The study methodologies used in this study were all selected based on their current usage in the electric industry and are briefly described below:

A. Definitions

The Rural Utilities Service (RUS) in its Uniform System of Accounts (USOA) defines depreciation as applied to depreciable electric plant as “the loss in service value, not restored by current maintenance, incurred in connection with the consumption or prospective retirement of electric plant in the course of service from causes which are known to be in current operation and against which the utility is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand and requirements of public authorities.” Service value is defined as “the difference between original cost and net salvage value of electric plant” and net salvage value is defined as “the salvage value of property retired less the cost of removal”.

Bulletin 183-1 states the objective of depreciation accounting is “to charge to expense the capital investment in certain fixed assets, less salvage at time of retirement, over their useful lives. The useful life of such assets is dependent upon such factors as use, misuse, maintenance and obsolescence”. The bulletin also states that “depreciation accounting provides for the systematic, periodic write-down or allocation of the cost of a limited-life asset or asset group. The established rate of depreciation should recognize useful life and recovery values. Depreciation is not intended to provide funds for replacement, nor is it to be legitimately considered as a means to make a desirable showing on the revenue and expense statement.”

B. Depreciation Rate Methods

The depreciation rate for each account was calculated on a straight line basis using the whole life method. The whole life depreciation rate is calculated as follows:

$$\text{Whole Life Rate} = \frac{100\% - \text{Net Salvage \%}}{\text{Service Life}}$$

The Service Life values are based on the life analysis which is discussed in the next section. The Net Salvage values are based on historical experience and discussed in the net salvage section.

WG considered the Average Remaining Life methodology as an alternative rate development method, but concluded that Kenergy would be better served by first completing the transition plan. Any change in method now, would negate some remaining portions of the transition plan and increase depreciation expense more than is necessary.

C. Life Analysis

The service life analysis is based on the 1939 to 2005 accounting data used in the 2006 Depreciation Study updated to include the 2006 to 2009 accounting data.

The Simulated Plant Record (SPR) method was used to analyze the plant data. The SPR model uses generalized survivor curves to determine the best retirement pattern that represents the life characteristics of the assets being studied. The model assumes that all vintage additions retire in accordance with the same retirement dispersion pattern and average life. SPR determines the best retirement pattern by retiring the vintage additions over time according to the retirement characteristics of successive Iowa curves and noting the simulated survivors. The curves are ranked according to their ability to simulate annual survivors for the account that are close to the actual survivors for selected test years. The closeness of the match between annual amounts is measured by the Conformance Index (CI) and its reciprocal, the Index of Variation (IV). These measures are based upon the sum of squared differences between simulated and actual annual amounts.

Iowa curves were used in the SPR model to depict the estimated survivor curves. A survivor curve graphically depicts the amount of property existing at each age throughout the life of an original group. From the survivor curve the average life of the group can be derived by

calculating the area under the survivor between age zero and maximum life and dividing this area by the ordinate at age zero, which is 100 percent. Iowa curves are a series of generalized survivor curves that reflect the range of survivor characteristics usually experienced by utility and industrial properties. There are four families of Iowa curves based on the location of the modes in relationship to the average life and the relative height of the modes. The left modal curves are those with the greatest frequency of retirement occurring to the left or before the average service life. The symmetrical modal curves are those with the frequency of retirement occurring at the average service life. The right modal curves are those with the greatest frequency of retirement occurring to the right or after the average service life. The origin modal curves are those with the greatest frequency of retirement occurring at the origin or immediately after age zero. The letter designation of each family of curve (L, S, R, and O) represents the location of the mode in respect to the average service life. The numeric subscript represents the relative height of the mode or dispersion around the average service life with the higher the number being the higher the mode or less dispersion.

The SPR process and the use of survivor curves to reflect plant experience and the expected dispersion of service lives is a systematic and rational method for estimating the appropriate average service lives to be used to calculate depreciation. Using the actual plant data and the SPR method, the most likely retirement patterns and average service lives for each account were developed. The results were then compared to the prior study result and reviewed for appropriateness. In a few accounts the survivor curve and/or life was adjusted for other relevant factors. For example, Kenergy's multi-year copper replacement program distorts the SPR results in a few accounts. In general, the changes were *minor* when compared to the last study.

In 2009 retirements more than doubled due to storm activity. To avoid distorting the SPR analysis the storm related retirements were adjusted out of the retirements used in the life analysis. In 2004 there was a large retirement adjustment in account 369 for idle services. In the following years the reversing of this adjustment as idle services were reviewed hid the underlying normal retirement activity. To avoid a possible distortion in the SPR analysis, the adjustment and the related activity in subsequent years was excluded from the life analysis.

In Account 362, Station Equipment, the regular station equipment was studied using the SPR model. However, the four specialized sub accounts related to the Kenergy's fiber communication network do not have enough plant activity for a meaningful SPR analysis. As a result, the life estimates were based on expert opinion. In two of the sub accounts

the life was increased to reflect the low recent retirements and limited expected plant activity in the five year forecast.

As in the last study, Account 364, Poles, Towers and Fixtures, and Account 365, Overhead Conductors and Devices, the SPR analysis is significantly impacted by the copper replacement project. The impact was twofold. First the project generated a lot of retirements that tended to shorten the account life. Second, the project generated a lot of additions that should lengthen the account life since the average age of the plant is now lower. Given the lower average unit cost of the retirements (because of age) one would assume the account life would be getting longer. This is supported by a SPR analysis that showed a gradual lengthening of the life when different time periods were used. We believe the SPR analysis, as is, generates a life estimate that is shorter than what will probably be experienced by the assets in these two accounts because of the significant impact of the copper replacement project. For this reason the SPR life estimate was increased to reflect a more reasonable estimate.

Account 366, Underground Conduit, is very small and does not have enough plant activity for a simulated plant analysis. The 45 year life from the 2006 study was retained.

D. Net Salvage

Net salvage is the result of combining the gross salvage received for plant removed from service and the cost of removal. Usually in distribution plant, the historical net salvage is assumed to be a good indicator of the salvage expected in the future and the average net salvage for the prior five years is used as the net salvage estimate in the depreciation rate calculation.

Since prior to 2002 Kenergy did not maintain the salvage information by the individual distribution accounts, the 2006 study used only four years of experience. In some accounts the net salvage had a wide range and in others the multi-year copper replacement project distorted the normal pattern of retirements and net salvage. To adjust for the copper cable replacement project, the study used a Net Salvage Adjustment Factor based on 1979 to 1996 experience that reduced the net salvage to what was expected in the future when the copper cable replacement project was completed. Since the copper cable replacement project and related retirement activity impacted the net salvage in most accounts either directly or indirectly, the Factor was applied to all accounts for consistency.

For this study, there are now eight years of individual account experience to base the net salvage estimate on. In some accounts the net salvage has been fairly consistent and the five year average was used. In some accounts the copper replacement project is still a factor and the five year average was adjusted by the Net Salvage Adjustment Factor. When the prior study Net Salvage Adjustment Factor was used, it was reduced by 50 percent¹ since in recent years the project had a lesser impact.

In most accounts the net salvage estimate is close to the estimate used in the 2006 study. In a few accounts there were some significant changes. The most notable are accounts 369 and 370. In account 369 the net salvage increased from a negative 15 percent to a negative 32 percent. Since in the 2006 study the net salvage ranged from a positive 68 percent to a negative 125 percent this large change is not a surprise. In addition, since the retirements in this account for 2005 to 2009 were adjusted for the idle service adjustment in the life analysis, the same adjustment was used in the salvage analysis to reflect normal activity. The cost of removal was also adjusted for consistency. In account 370 the net salvage increased from a negative 68 percent to a negative 114 percent reflecting the trend of larger negative net salvage each year.

E Depreciation Reserve

Prior to the 2006 study, Kenergy has been depreciating all distribution plant (except for a few Account 362 sub accounts) at a common depreciation rate. In 2002, Kenergy disaggregated the common distribution depreciation reserve and started to maintain the depreciation reserve information by individual accounts. The distribution reserve was allocated to the individual accounts by investment. Going forward the gross salvage and cost of removal were charged to the individual account reserve based on the retirements in the work orders. In the 2006 study the common depreciation rate for all distribution plant was replaced with individual depreciation rates for each account. In addition, the depreciation reserves for the accounts were reallocated using the theoretical reserve. This better aligned the account reserves with the life and net salvage estimates underlying the new depreciation rates.

¹ In the 2006 study the factor was 62% and in the 2010 study the factor is 81%. This appears to be counterintuitive since the 2010 study reduced the 2006 rate by 50%. Net Salvage is multiplied by the Net Salvage Adjustment Factor to determine the adjusted Net Salvage. The effect of the 2006 factor was to reduce net salvage by 38% (100-62). The 2010 factor reduces net salvage half that amount or 19% (38*.5= 19). The 19% reduction makes the 2010 study factor 81% (100-19).

When utilizing the whole life method of accounting for depreciation, the adequacy of the depreciation reserve for each account needs to be considered since there is no direct linkage between the depreciation reserve and the depreciation rate. Normally the theoretical reserve is used for this adequacy test. Another measure of adequacy is reserve forecasts which show how the reserve will change over time.

The theoretical reserve is an estimate of the balance which should be in the depreciation reserve today, considering the distribution by ages of existing plant and assuming the correctness of the current service life parameters and net salvage. The theoretical reserve is calculated by deducting from the original cost and estimated net salvage the estimated future accruals. The theoretical reserve may be either higher or lower than the current book reserve. It is important to note the relationship between the future accruals and the reserve level. The higher the expected future accruals the lower the current theoretical reserve is given a particular life estimate and survivor curve. That is, calculating the theoretical reserve with the same life estimate and survivor curve will have different values depending on the depreciation rates used to calculate the future accruals. For example, the 2010 theoretical reserve using current depreciation rates is 32 percent. Using the higher proposed depreciation rates the theoretical reserve is 29 percent and using the still higher calculated depreciation rates the theoretical reserve is 26 percent.

In the 2006 study the actual reserve of all distribution plant was 19 percent and the theoretical reserve was 23 percent² indicating that there was a reserve deficiency of about 4 percent. The new depreciation rates were expected to stop the slow erosion of the reserve that had been occurring because the common depreciation rate did not fully reflect the negative net salvage being experienced by Kenergy. If this assumption was valid, then the reserve deficiency in 2010 should still be around 4 percent. The reserve deficiency in 2010 is 2 percent using the depreciation rates calculated from the proposed life and net salvage estimates and 5 percent using the proposed depreciation rates. This suggests that the current true reserve deficiency is close or slightly less than the 2006 reserve deficiency level and that the transition depreciation rates largely did what was intended.

Looking at the reserve deficiency by account, most accounts are at or over their theoretical reserve amounts. This is because of two things.

² The 23 percent theoretical reserve was calculated using depreciation rates based on the proposed life and net salvage. The proposed depreciation rates were transition rates that were lower than the rates that would have been calculated using the proposed life and net salvage. As a result a theoretical reserve based on the transition rates would have been much higher than the 23 percent. See the 2006 study for more details.

First, in the 2006 study, the reserve reallocation moved all accounts, except 364 and 365, to their theoretical reserve amounts. Second, since the 2006 study, retirements have been low allowing the depreciation reserve to grow. The net impact of this is that some accounts do not need updated depreciation rates at this time to keep the reserve at a reasonable level.

In the Five Year Forecast the depreciation reserve increases from 23.8 percent in 2010 to 35.1 percent in 2015. This appears to be a significant reserve increase and suggests the depreciation rates may be higher than necessary. However, when the reserve ratios are compared

Table 1
Summary of 2015 Depreciation Reserve

| Account | Five Year Forecast Reserve Ratio | Amount to be Depreciated | Percent Depreciated in 2015 |
|---|---|--------------------------------|-----------------------------------|
| 362 Station Equipment Supervisory Control | 31.0% | 80% | 38.8% |
| 362.1 Equipment | 100.0% | 100% | 100.0% |
| 362.2 Microwave Equipment | 97.3% | 100% | 97.3% |
| 362.223 Microwave Towers | 52.4% | 90% | 58.3% |
| 362.4 Owenboro Fiber Poles, Towers & | 81.5% | 100% | 81.5% |
| 364 Fixtures | 34.6% | 151% | 22.9% |
| 365 Ohead Conds & Devices | 35.1% | 140% | 25.1% |
| 366 Underground Conduit Underground Conds & | 90.9% | 100% | 90.9% |
| 367 Devices | 28.3% | 130% | 21.8% |
| 368 Line Transformers | 29.9% | 133% | 22.5% |
| 369 Services | 39.6% | 132% | 30.0% |
| 370 Meters | 33.1% | 214% | 15.5% |
| 371 Instal on Cons Premises | 36.2% | 166% | 21.8% |
| 373 St Ltg & Signal Systems | 34.9% | 119% | 29.3% |

with the total amount that needs to be recovered these ratios do not look as high as shown in Table 1. The "Five Year Forecast Reserve Ratio" are directly from the Five year Forecast. The "Amount to be Depreciated" is the original cost less the net salvage. Since most accounts have negative net salvage this percentage is greater than 100 percent. The "Percent Depreciated in 2015" is the Five Year Forecast reserve Ratio divided by

the Amount to be Depreciated. When looked at this way, the reserve ratios are not excessive and quite reasonable given the expected life of the plant.

F Five Year Forecast

One of the RUS depreciation study requirements is a five year forecast of the investment and associated reserves. The study includes a forecast for the distribution plant that is consistent with the current Board approved or "official" forecast. However, there are some minor differences since the official forecast was completed on a total distribution plant basis and this forecast was done on an account basis.

The study forecast started with the 2009 actuals. The additions were based on the 2010 project expenditure budget and 2011 to 2013 project expenditure forecasts. The project expenditures were allocated to the accounts to develop account additions. For 2014 and 2015, the additions were increased 2 percent a year for inflation. The retirements in the study forecast are based on account retirement rates while the official forecast used a total distribution constant percent increase. This adjustment maintains the correct relationship between total investment and retirements. The retirement ratios were based on an average of actual experience for 2007 to 2009 with 2009 data adjusted to remove the additional storm retirements. The annual depreciation expense was calculated by individual account assuming the proposed depreciation rates were implemented in 2012. The depreciation reserve was also adjusted in each period for net salvage based on the study net salvage values.

The forecast shows a gradually increasing distribution investment and deprecation reserve. The depreciation reserve ratios in 2015 are listed in Table 1 above and appear to be reasonable and are within the guideline ranges in RUS Bulletin 183-1, dated October 28, 1977. If the guidelines were updated today to reflect the negative salvage experience in the industry, we suspect the forecasted Kenergy reserve ratio would still be within the ranges and even closer to the Optimum Curve level.

IV. STUDY PROPOSAL

The primary purpose of a depreciation study is to determine new depreciation rates that will ensure that the assets of a company are recovered over the useful life of those assets. The depreciation rates require an estimate of the future life of the assets and the net salvage

expected from the assets when they retire. Both of these factors are estimates of the future based on certain assumptions. Foremost in these assumptions is the expectation that the past will be a good indicator of the future. For most electric distribution companies, this is a good assumption as long as it is tempered with informed judgment. Informed judgment ensures that out of the ordinary events, such as the copper replacement project or the 2009 storm retirements, do not adversely affect the study results. Another key assumption is that utility assets tend to have common life expectancy patterns that can be identified. These patterns are usually defined by generalized life survivor curves like the Iowa curves. This study used these assumptions and standard industry methods and procedures to determine the most appropriate life, survivor curve and net salvage values for Kenergy.

A Proposed Depreciation Parameters

In the Study Procedures and Methods discussion the approach used by Welsh Group to determine appropriate life and net salvage values for

Table 2
Summary of Depreciation Parameters

| | <u>Account</u> | <u>Survivor Curve</u> | | <u>Life</u> | | <u>Net Salvage</u> | |
|---------|-------------------------|-----------------------|-----------------|----------------|-----------------|--------------------|-----------------|
| | | <u>Current</u> | <u>Proposed</u> | <u>Current</u> | <u>Proposed</u> | <u>Current</u> | <u>Proposed</u> |
| 362 | Station Equipment | R1 | R1 | 41 | 42 | 10 | 20 |
| | Supervisory Control | | | | | | |
| 362.1 | Equipment | | | 15 | 20 | 0 | 0 |
| 362.2 | Microwave Equipment | | | 15 | 20 | 0 | 0 |
| 362.223 | Microwave Towers | | | 30 | 32 | 10 | 10 |
| 362.4 | Owenboro Fiber | | | 25 | 25 | 0 | 0 |
| 364 | Poles,Towers&Fixtures | R1 | R1 | 30 | 32 | -53 | -51 |
| 365 | Ohead Conds & Devices | L3 | R4 | 36 | 36 | -47 | -40 |
| 366 | Underground Conduit | S0 | S0 | 45 | 45 | 0 | 0 |
| 367 | Udgd Conds & Devices | S0 | S0 | 35 | 39 | -19 | -30 |
| 368 | Line Transformers | L0 | L0 | 40 | 39 | -34 | -33 |
| 369 | Services | R1 | R2 | 28 | 30 | -15 | -32 |
| 370 | Meters | O1 | O1 | 41 | 43 | -68 | -114 |
| 371 | Instal on Cons Premises | O1 | O1 | 29 | 31 | -53 | -66 |
| 373 | St Ltg & Signal Systems | R1 | R2 | 29 | 27 | -19 | -19 |

Kenergy was discussed. Table 2 lists the recommended depreciation parameters. In most accounts the original survivor curve was retained. Similarly the life estimates were largely the same or slightly longer. Net

salvage discussed in the salvage section had the most change with some changes being relatively large.

B Proposed Depreciation Rates

Kenergy uses whole life depreciation rates. Whole life rates require an estimate of the service life and the expected net salvage. The service estimates are based on the SPR model as discussed in the Life Analysis

Table 3
Summary of Depreciation Rates

| | Account | Current Rates | Calculated Rate | Proposed Rates |
|--------|--------------------------|---------------|-----------------|----------------|
| 362 | Station Equipment | 2.2% | 1.9% | 1.9% |
| | Supervisory Control | | | |
| 362.1 | Equipment | 6.7% | 5.0% | 5.0% |
| 362.2 | Microwave Equipment | 6.7% | 5.0% | 5.0% |
| 362.22 | | | | |
| 3 | Microwave Towers | 3.0% | 2.8% | 2.8% |
| 362.4 | Owenboro Fiber | 4.0% | 4.0% | 4.0% |
| 364 | Poles, Towers & Fixtures | 4.2% | 4.7% | 4.7% |
| 365 | Ohead Conds & Devices | 3.4% | 3.9% | 3.9% |
| 366 | Underground Conduit | 2.2% | 2.2% | 2.2% |
| | Underground Conds & | | | |
| 367 | Devices | 3.1% | 3.3% | 3.1% |
| 368 | Line Transformers | 2.9% | 3.4% | 2.9% |
| 369 | Services | 3.8% | 4.4% | 3.8% |
| 370 | Meters | 3.3% | 5.0% | 5.0% |
| 371 | Instal on Cons Premises | 4.4% | 5.4% | 5.4% |
| 373 | St Ltg & Signal Systems | 3.8% | 4.4% | 3.8% |
| | Composite Rate | 3.6% | | 3.8% |

section. The net salvage estimates are based on historical experience as discussed in the Net Salvage section. Above in Table 3 is a summary of the depreciation rates. The column marked "Current Rates" lists the depreciation rates currently being used by Kenergy. The rates in the column marked "Calculated Rates" were developed using the proposed service lives and net salvage estimates in Table 2. The rates in the column marked "Proposed Rates" are the recommended rates and are a combination of the calculated rates and the current rates. The proposed

rates will increase the composite depreciation rate from 3.6 percent to 3.8 percent.

In the 2006 study there was some concern that the copper replacement program may be distorting the life and salvage estimates in spite of our efforts to isolate its impact. In this study it is apparent that the impact was not fully isolated on a consistent basis. As a result, the life estimate for some accounts is now longer and in other accounts the negative net salvage is greater. However, overall the impact for most accounts is close to what was expected.

C. Depreciation Expense Impact

The depreciation expense impact of the proposed depreciation rates is shown in Table 4. The annual depreciation expense would increase \$580,245 based on beginning of the year plant balances.

Table 4
Summary of Depreciation Expense Change

| | Account | Jan 1, 2010 Investment | Current Rates | Proposed Rates | Change |
|---------|----------------------------------|---------------------------|------------------|-------------------|----------------|
| 362 | Station Equipment | 18,850,132 | 414,703 | 358,153 | (56,550) |
| 362.1 | Supervisory Control Equipment | 1,947,611 | 130,490 | 97,381 | (33,109) |
| 362.2 | Microwave Equipment | 2,056,520 | 137,787 | 102,826 | (34,961) |
| 362.223 | Microwave Towers | 1,354,846 | 40,645 | 37,936 | (2,710) |
| 362.4 | Owenboro Fiber | 915,512 | 36,780 | 36,780 | - |
| 364 | Poles, Towers & Fixtures | 68,109,695 | 2,860,607 | 3,201,156 | 340,548 |
| 365 | Ohead Conds & Devices | 48,875,259 | 1661,759 | 1,906,135 | 244,376 |
| 366 | Underground Conduit | 14,166 | 312 | 312 | - |
| 367 | Underground Conds & Devices | 13,116,976 | 406,626 | 406,626 | - |
| 368 | Line Transformers | 30,010,938 | 870,317 | 870,317 | - |
| 369 | Services | 22,274,774 | 846,441 | 846,441 | - |
| 370 | Meters | 5,281,230 | 174,281 | 264,062 | 89,781 |
| 371 | Instal on Cons Premises | 3,286,998 | 144,628 | 177,498 | 32,870 |
| 373 | St Ltg & Signal Systems | 785,169 | 29,836 | 29,836 | - |
| | Total | 216,883,826 | 7,755,213 | 8,335,458 | 580,245 |
| | Composite Depreciation Rate | | 3.58% | 3.84% | |

D RUS Ranges

In Bulletin 183-1 RUS provides a range of depreciation rates for distribution plant. Most of the proposed depreciation rates are outside the recommended range as shown in Table 5. The composite depreciation rate for the proposed depreciation rates of 3.8 percent is above the 3.4 percent composite depreciation rate calculated using the high end of the RUS ranges for each account. The primary reason some of the proposed rates are outside the RUS ranges is the negative net salvage. As a result, Kenergy will need to seek RUS approval of the new depreciation rates.

Table 5
Comparison with RUS Ranges

| | <u>Accounts</u> | <u>Proposed Rates</u> | <u>RUS Rate Range</u> | <u>Range</u> |
|-----|-----------------------------|-----------------------|-----------------------|--------------|
| 362 | Station Equipment | 1.9% | 2.7 - 3.2% | Below |
| 364 | Poles, Towers & Fixtures | 4.7% | 3.0 - 4.0% | Above |
| 365 | Ohead Conds & Devices | 3.9% | 2.3 - 2.8% | Above |
| 366 | Underground Conduit | 2.2% | 1.8 - 2.3% | |
| 367 | Underground Conds & Devices | 3.1% | 2.4 - 2.9% | Above |
| 368 | Line Transformers | 2.9% | 2.6 - 3.1% | |
| 369 | Services | 3.8% | 3.1 - 3.6% | Above |
| 370 | Meters | 5.0% | 2.9 - 3.4% | Above |
| 371 | Instal on Cons Premises | 5.4% | 3.9 - 4.4% | Above |
| 373 | St Ltg & Signal Systems | 3.8% | 3.8 - 4.3% | Above |
| | Composite Depreciation Rate | 3.8% | 3.4% | |

E Theoretical Reserve

When utilizing the whole life method for depreciation, it is necessary to determine the adequacy of the depreciation reserve for each account. The theoretical reserve is discussed in detail in the depreciation reserve section of this study. Table 6 shows that at the beginning of

2010 depreciation reserve of all distribution plant was 24 percent (reserve divided by investment) and the theoretical reserve is 26 percent based on the proposed life and net salvage estimates. The table also

**Table 6
Theoretical Reserve**

| Accounts | BOY 2010 Reserve | Calculated Theoretical Reserve | Proposed Rates Theoretical Reserve |
|---|---------------------|--------------------------------------|---|
| 362 Station Equipment | 23% | 24% | 24% |
| 362.1 Supervisory Control Equipment | 82% | 78% | 78% |
| 362.2 Microwave Equipment | 66% | 68% | 68% |
| 362.223 Microwave Towers | 35% | 47% | 47% |
| 362.4 Owenboro Fiber | 58% | 52% | 52% |
| 364 Poles, Towers & Fixtures | 19% | 25% | 24% |
| 365 Ohead Conds & Devices | 22% | 31% | 31% |
| 366 Underground Conduit Underground Conds & 367 Devices | 78% | 69% | 69% |
| 368 Line Transformers | 23% | 19% | 24% |
| 369 Services | 26% | 24% | 35% |
| 370 Meters | 31% | 24% | 34% |
| 371 Instal on Cons Premises | 19% | 22% | 22% |
| 373 St Ltg & Signal Systems | 20% | 22% | 22% |
| Composite Depreciation Rate | 25% | 22% | 32% |
| | 24% | 26% | 28% |

shows a proposed rate theoretical reserve percent. The proposed depreciation rates include some of the current depreciation rates in the accounts that are over the theoretical reserve.

F Study Exhibits

The following exhibits are included in the study to support the study findings.

On a Total Company Basis:

- Analysis of Depreciation Rates
- Analysis of Expense Change
- Theoretical Reserve
- Depreciation Reserve Summary
- Five Year Forecast

For each distribution account:

- Summary of the SPR Analysis
- Chart of the Simulated Balances to the Book Balances
- Chart of the Survivor Curve
- Account Investment Summary
- Net Salvage Table
- Calculation of the Theoretical Reserve

Kenergy

2010 Depreciation Study

Tab 3

Analysis Summary

KENERGY
DEPRECIATION RATES & PARAMETERS

| | | Current | | | | Proposed | | | | |
|---------|-------------------------------|----------|------|---------|--------|----------|------|---------|-------------|---------------|
| | | Survivor | Life | Net | Deprec | Survivor | Life | Net | Calculated | Recommend |
| | | Curve | | Salvage | Rates | Curve | | Salvage | Rates | Rate |
| | | a | b | c | d | e | f | g | h=(100-g)/f | i |
| 362 | Station Equipment | R1 | 41 | 10 | 2.2% | R1 | 42 | 20 | 1.9% | 1.9% |
| 362.1 | Supervisory Control Equipment | | 15 | 0 | 6.7% | | 20 | 0 | 5.0% | 5.0% |
| 362.2 | Microwave Equipment | | 15 | 0 | 6.7% | | 20 | 0 | 5.0% | 5.0% |
| 362.223 | Microwave Towers | | 30 | 10 | 3.0% | | 32 | 10 | 2.8% | 2.8% |
| 362.4 | Owenboro Fiber | | 25 | 0 | 4.0% | | 25 | 0 | 4.0% | 4.0% |
| | Total Station & Equipment | | | | | | | | | |
| 364 | Poles, Towers & Fixtures | R1 | 30 | -53 | 4.2% | R1 | 32 | -51 | 4.7% | 4.7% |
| 365 | Overhead Conds & Devices | L3 | 36 | -47 | 3.4% | R4 | 36 | -40 | 3.9% | 3.9% |
| 366 | Underground Conduit | S0 | 45 | 0 | 2.2% | S0 | 45 | 0 | 2.2% | 2.2% |
| 367 | Underground Conds & Devices | S0 | 35 | -19 | 3.1% | S0 | 39 | -30 | 3.3% | 3.1% * |
| 368 | Line Transformers | L0 | 40 | -34 | 2.9% | L0 | 39 | -33 | 3.4% | 2.9% * |
| 369 | Services | R1 | 28 | -15 | 3.8% | R2 | 30 | -32 | 4.4% | 3.8% * |
| 370 | Meters | O1 | 41 | -68 | 3.3% | O1 | 43 | -114 | 5.0% | 5.0% |
| 371 | Instal on Cons Premises | O1 | 29 | -53 | 4.4% | O1 | 31 | -66 | 5.4% | 5.4% |
| 373 | St Ltg & Signal Systems | R1 | 29 | -19 | 3.8% | R2 | 27 | -19 | 4.4% | 3.8% * |
| | Composite Depreciation Rate | | | | 3.6% | | | | | 3.8% |

* Retained current depreciation rate

KENERGY
COMPARISON OF DEPRECIATION RATES AND EXPENSE

| | Depreciation Rates | | | RUS Rate Range m | Jan 1 2010 Investment n | Depreciation Expense | | |
|-------------------------------------|--------------------|----------------|-----------------|------------------------|-------------------------------|----------------------|-------------------|-----------------|
| | Current j=d | Salvage * k | Proposed l=i | | | Current o=j*n | Proposed p=l*n | Change q=p-o |
| 362 Station Equipment | 2.2% | 2.2% | 1.9% | 2.7 - 3.2% | 18,850,132 | 414,703 | 358,153 | (56,550) |
| 362.1 Supervisory Control Equipment | 6.7% | 5.0% | 5.0% | | 1,947,611 | 130,490 | 97,381 | (33,109) |
| 362.2 Microwave Equipment | 6.7% | 5.0% | 5.0% | | 2,056,520 | 137,787 | 102,826 | (34,961) |
| 362.223 Microwave Towers | 3.0% | 2.8% | 2.8% | | 1,354,846 | 40,645 | 37,936 | (2,710) |
| 362.4 Owenboro Fiber | 4.0% | 4.0% | 4.0% | | 919,512 | 36,780 | 36,780 | - |
| Total Station & Equipment | | | | | 25,128,621 | | | |
| 364 Poles, Towers & Fixtures | 4.2% | 5.1% | 4.7% | 3.0 - 4.0% | 68,109,695 | 2,860,607 | 3,201,156 | 340,548 |
| 365 Overhead Conds & Devices | 3.4% | 4.1% | 3.9% | 2.3 - 2.8% | 48,875,259 | 1,661,759 | 1,906,135 | 244,376 |
| 366 Underground Conduit | 2.2% | 2.2% | 2.2% | 1.8 - 2.3% | 14,166 | 312 | 312 | - |
| 367 Underground Conds & Devices | 3.1% | 3.4% | 3.1% | 2.4 - 2.9% | 13,116,976 | 406,626 | 406,626 | - |
| 368 Line Transformers | 2.9% | 3.4% | 2.9% | 2.6 - 3.1% | 30,010,938 | 870,317 | 870,317 | - |
| 369 Services | 3.8% | 4.1% | 3.8% | 3.1 - 3.6% | 22,274,774 | 846,441 | 846,441 | - |
| 370 Meters | 3.3% | 4.1% | 5.0% | 2.9 - 3.4% | 5,281,230 | 174,281 | 264,062 | 89,781 |
| 371 Instal on Cons Premises | 4.4% | 5.3% | 5.4% | 3.9 - 4.4% | 3,286,998 | 144,628 | 177,498 | 32,870 |
| 373 St Ltg & Signal Systems | 3.8% | 4.1% | 3.8% | 3.8 - 4.3% | 785,169 | 29,836 | 29,836 | - |
| Total | | | | | 216,883,826 | 7,755,213 | 8,335,458 | 580,245 |
| Composite Depreciation Rate | | | | | | 3.58% | 3.84% | 0.27% |

* Salvage rates are from the 2006 Depreciation Study. They are the depreciation rates in the study that fully reflect the proper life and net salvage estimates. The current or approved depreciation rates were the first step in a transition to these rates updated to reflect the passage of time and plant activity.

Kenergy

2010 Depreciation Study

Tab 4

Theoretical Reserve

KENERGY
THEORETICAL RESERVE

| | | Jan 1 2010 | Jan 1 2010 | Reserve | Theoretical Reserve | | Difference |
|---------|-------------------------------|-------------------|----------------|--------------|---------------------|----------|-------------------|
| | | <u>Investment</u> | <u>Reserve</u> | <u>Ratio</u> | <u>\$</u> | <u>%</u> | <u>Difference</u> |
| | | r=n | s | t=s/r | u=r*v | v | w=t-v |
| 362 | Station Equipment | 18,850,132 | 4,310,527 | 22.9% | | | |
| 362.1 | Supervisory Control Equipment | 1,947,611 | 1,591,479 | 81.7% | | | |
| 362.2 | Microwave Equipment | 2,056,520 | 1,356,073 | 65.9% | | | |
| 362.223 | Microwave Towers | 1,354,846 | 480,067 | 35.4% | | | |
| 362.4 | Owenboro Fiber | 919,512 | 531,758 | 57.8% | | | |
| | Total Station & Equipment | 25,128,621 | 8,269,904 | 32.9% | 6,030,869 | 24% | 9% |
| 364 | Poles, Towers & Fixtures | 68,109,695 | 13,139,220 | 19.3% | 16,346,327 | 24% | -5% |
| 365 | Ohead Conds & Devices | 48,875,259 | 10,937,011 | 22.4% | 15,151,330 | 31% | -9% |
| 366 | Underground Conduit | 14,166 | 11,007 | 77.7% | 9,775 | 69% | 9% |
| 367 | Underground Conds & Devices | 13,116,976 | 2,972,822 | 22.7% | 3,148,074 | 24% | -1% |
| 368 | Line Transformers | 30,010,938 | 7,864,752 | 26.2% | 10,503,828 | 35% | -9% |
| 369 | Services | 22,274,774 | 6,997,618 | 31.4% | 7,573,423 | 34% | -3% |
| 370 | Meters | 5,281,230 | 1,010,243 | 19.1% | 1,161,871 | 22% | -3% |
| 371 | Instal on Cons Premises | 3,286,998 | 672,233 | 20.5% | 723,140 | 22% | -2% |
| 373 | St Ltg & Signal Systems | 785,169 | 195,920 | 25.0% | 251,254 | 32% | -7% |
| | Composite Depreciation Rate | 216,883,826 | 52,070,730 | 24.0% | 60,899,891 | 28% | |

Kenergy

2010 Depreciation Study

Tab 5

Five Year Forecast

KENERGY

FIVE YEAR FORECAST INVESTMENT

| Total Transmission Plant | 2009 EOY Investment | -----2010----- | | | -----2011----- | | | -----2012----- | |
|----------------------------------|------------------------|-------------------|------------------|--------------------|-------------------|------------------|--------------------|-------------------|------------------|
| | | Additions | Retirements | End of Year | Additions | Retirements | End of Year | Additions | Retirements |
| 362 Station & Equipment | 18,850,132 | 203,800 | 113,231 | 18,940,702 | 207,904 | 113,775 | 19,034,831 | 207,905 | 114,340 |
| 362.100 Supervisory Control Eqpt | 1,947,611 | 20,380 | 22,344 | 1,945,647 | 27,720 | 22,321 | 1,951,047 | 34,651 | 22,383 |
| 362.200 Microwave System-Eqpt | 2,056,520 | - | 6,923 | 2,049,597 | - | 6,900 | 2,042,697 | - | 6,877 |
| 362.223 Microwave System-Towers | 1,354,846 | - | - | 1,354,846 | - | - | 1,354,846 | - | - |
| 362.40 Owensboro Fiber | 919,512 | - | 1,514 | 917,998 | - | 1,511 | 916,487 | - | 1,509 |
| Total Station | 25,128,621 | 224,180 | 144,011 | 25,208,790 | 235,624 | 144,507 | 25,299,907 | 242,556 | 145,109 |
| 364 Poles, Towers & Fixtures | 68,924,067 | 3,798,401 | 438,301 | 72,284,167 | 4,107,098 | 459,668 | 75,931,597 | 4,158,324 | 482,863 |
| 365 Ohead Conds & Devices | 49,165,915 | 1,974,330 | 288,566 | 50,851,680 | 2,523,472 | 298,460 | 53,076,691 | 2,292,352 | 311,519 |
| 366 Underground Conduit | 14,166 | - | - | 14,166 | - | - | 14,166 | - | - |
| 367 Underground Conds & Device | 13,118,576 | 1,080,279 | 63,058 | 14,135,796 | 1,356,409 | 67,948 | 15,424,258 | 1,230,679 | 74,141 |
| 368 Line Transformers | 30,405,156 | 1,687,702 | 316,979 | 31,775,879 | 1,546,248 | 331,269 | 32,990,859 | 1,434,137 | 343,935 |
| 369 Services | 22,277,160 | 1,400,143 | 78,592 | 23,598,712 | 1,495,332 | 83,254 | 25,010,790 | 1,757,443 | 88,236 |
| 370 Meters | 5,281,256 | 261,441 | 48,076 | 5,494,621 | 128,949 | 50,019 | 5,573,551 | 153,252 | 50,737 |
| 371 Instal on Cons Premises | 3,292,455 | 193,857 | 35,011 | 3,451,300 | 241,162 | 36,701 | 3,655,762 | 190,653 | 38,875 |
| 373 St Ltg & Signal Systems | 785,169 | 77,923 | 15 | 863,077 | 71,057 | 17 | 934,118 | 73,308 | 18 |
| Total Distribution | 218,392,541 | 10,698,256 | 1,412,609 | 227,678,188 | 11,705,352 | 1,471,841 | 237,911,699 | 11,532,704 | 1,535,432 |

FIVE YEAR FORECAST RESERVE

| Total Transmission Plant | 2009 End of Year Reserve | -----2010----- | | | -----2011----- | | | -----2012----- | |
|----------------------------------|-----------------------------|------------------|------------------|-------------------|------------------|------------------|-------------------|------------------|------------------|
| | | Accruals | Net Salvage | End of Year | Accruals | Net Salvage | End of Year | Accruals | Net Salvage |
| 362 Station & Equipment | 4,310,527 | 415,699 | 22,646 | 4,635,642 | 417,731 | 22,755 | 4,962,353 | 362,551 | 22,868 |
| 362.100 Supervisory Control Eqpt | 1,591,479 | 130,424 | - | 1,699,560 | 130,539 | - | 1,807,778 | 78,287 | - |
| 362.200 Microwave System-Eqpt | 1,356,073 | 137,555 | - | 1,486,705 | 137,092 | - | 1,616,896 | 81,570 | - |
| 362.223 Microwave System-Towers | 480,067 | 40,645 | - | 520,712 | 40,645 | - | 561,358 | 37,936 | - |
| 362.40 Owensboro Fiber | 531,758 | 36,750 | - | 566,994 | 36,690 | - | 602,173 | 36,629 | - |
| Total Station | 8,269,904 | 761,074 | 22,646 | 8,909,613 | 762,697 | 22,755 | 9,550,558 | 596,973 | 22,868 |
| 364 Poles, Towers & Fixtures | 13,139,220 | 2,965,373 | (223,533) | 15,442,759 | 3,112,531 | (234,431) | 17,861,191 | 3,655,158 | (246,260) |
| 365 Ohead Conds & Devices | 10,937,011 | 1,700,299 | (115,426) | 12,233,318 | 1,766,782 | (119,384) | 13,582,257 | 2,108,617 | (124,608) |
| 366 Underground Conduit | 11,007 | 312 | - | 11,319 | 312 | - | 11,630 | 312 | - |
| 367 Underground Conds & Device | 2,972,822 | 422,443 | (18,917) | 3,313,289 | 458,181 | (20,384) | 3,683,138 | 496,078 | (22,242) |
| 368 Line Transformers | 7,864,752 | 901,625 | (104,603) | 8,344,796 | 939,118 | (109,319) | 8,843,326 | 972,543 | (113,499) |
| 369 Services | 6,997,618 | 871,642 | (25,149) | 7,765,519 | 923,581 | (26,641) | 8,579,204 | 982,125 | (28,235) |
| 370 Meters | 1,010,243 | 177,802 | (54,807) | 1,085,162 | 182,625 | (57,021) | 1,160,747 | 281,240 | (57,840) |
| 371 Instal on Cons Premises | 672,233 | 148,363 | (23,108) | 762,477 | 156,355 | (24,222) | 857,909 | 201,509 | (25,657) |
| 373 St Ltg & Signal Systems | 195,920 | 31,317 | (3) | 227,219 | 34,147 | (3) | 261,346 | 36,889 | (3) |
| Total Distribution | 52,070,730 | 7,980,248 | (542,901) | 58,095,469 | 8,336,328 | (568,651) | 64,391,305 | 9,331,445 | (595,477) |
| Composition Rate | | 3.6% | | | 3.6% | | | 3.8% | |

KENERGY

FIVE YEAR FORECAST INVESTMENT

| Total Transmission PI | 2012 | -----2013----- | | | -----2014----- | | | -----2015----- | | |
|---------------------------------|--------------------|-------------------|------------------|--------------------|-------------------|------------------|--------------------|-------------------|------------------|--------------------|
| | End of Year | Additions | Retirements | End of Year | Additions | Retirements | End of Year | Additions | Retirements | End of Year |
| 362 Station & Equipment | 19,128,395 | 228,485 | 114,902 | 19,241,978 | 212,063 | 115,584 | 19,338,456 | 216,304 | 116,164 | 19,438,597 |
| 362.100 Supervisory Control Eqp | 1,963,315 | 38,081 | 22,524 | 1,978,872 | 35,344 | 22,702 | 1,991,513 | 36,051 | 22,847 | 2,004,717 |
| 362.200 Microwave System-Eqpt | 2,035,820 | - | 6,854 | 2,028,966 | - | 6,831 | 2,022,136 | - | 6,808 | 2,015,328 |
| 362.223 Microwave System-Towe | 1,354,846 | - | - | 1,354,846 | - | - | 1,354,846 | - | - | 1,354,846 |
| 362.40 Owensboro Fiber | 914,978 | - | 1,506 | 913,472 | - | 1,504 | 911,968 | - | 1,501 | 910,467 |
| Total Station | 25,397,354 | 266,566 | 145,786 | 25,518,134 | 247,407 | 146,621 | 25,618,920 | 252,355 | 147,320 | 25,723,955 |
| 364 Poles, Towers & Fixture: | 79,607,059 | 4,448,970 | 506,236 | 83,549,793 | 3,978,177 | 531,308 | 86,996,662 | 4,057,740 | 553,228 | 90,501,174 |
| 365 Ohead Conds & Devices | 55,057,524 | 2,309,527 | 323,145 | 57,043,906 | 1,944,667 | 334,803 | 58,653,770 | 1,983,561 | 344,252 | 60,293,079 |
| 366 Underground Conduit | 14,166 | - | - | 14,166 | - | - | 14,166 | - | - | 14,166 |
| 367 Underground Conds & C | 16,580,796 | 1,282,754 | 79,700 | 17,783,850 | 1,034,376 | 85,483 | 18,732,743 | 1,055,064 | 90,044 | 19,697,762 |
| 368 Line Transformers | 34,081,061 | 1,481,415 | 355,300 | 35,207,176 | 1,511,043 | 367,040 | 36,351,179 | 1,541,264 | 378,967 | 37,513,476 |
| 369 Services | 26,679,997 | 1,826,802 | 94,124 | 28,412,675 | 1,866,058 | 100,237 | 30,178,496 | 1,903,379 | 106,467 | 31,975,408 |
| 370 Meters | 5,676,066 | 159,225 | 51,670 | 5,783,621 | 162,410 | 52,649 | 5,893,381 | 165,658 | 53,649 | 6,005,390 |
| 371 Instal on Cons Premises | 3,807,540 | 234,457 | 40,489 | 4,001,508 | 102,129 | 42,551 | 4,061,086 | 104,172 | 43,185 | 4,122,073 |
| 373 St Ltg & Signal Systems | 1,007,408 | 75,591 | 19 | 1,082,980 | 75,591 | 21 | 1,158,550 | 77,103 | 22 | 1,235,631 |
| Total Distribution | 247,908,971 | 12,085,307 | 1,596,470 | 258,397,808 | 10,921,859 | 1,660,715 | 267,658,952 | 11,140,296 | 1,717,133 | 277,082,114 |

FIVE YEAR FORECAST RESERVE

| Total Transmission PI | 2012 | -----2013----- | | | -----2014----- | | | -----2015----- | | |
|---------------------------------|-------------------|------------------|------------------|-------------------|-------------------|------------------|-------------------|-------------------|------------------|-------------------|
| | End of Year | Accruals | Net Salvage | End of Year | Accruals | Net Salvage | End of Year | Accruals | Net Salvage | End of Year |
| 362 Station & Equipment | 5,233,431 | 364,519 | 22,980 | 5,506,028 | 366,514 | 23,117 | 5,780,075 | 368,382 | 23,233 | 6,055,526 |
| 362.100 Supervisory Control Eqp | 1,863,682 | 78,844 | - | 1,920,002 | 79,408 | - | 1,976,707 | 79,925 | - | 2,033,785 |
| 362.200 Microwave System-Eqpt | 1,691,590 | 81,296 | - | 1,766,032 | 81,022 | - | 1,840,224 | 80,749 | - | 1,914,165 |
| 362.223 Microwave System-Towe | 599,293 | 37,936 | - | 637,229 | 37,936 | - | 675,165 | 37,936 | - | 713,101 |
| 362.40 Owensboro Fiber | 637,294 | 36,569 | - | 672,356 | 36,509 | - | 707,361 | 36,449 | - | 742,309 |
| Total Station | 10,025,290 | 599,163 | 22,980 | 10,501,648 | 601,388 | 23,117 | 10,979,532 | 603,440 | 23,233 | 11,458,885 |
| 364 Poles, Towers & Fixture: | 20,787,227 | 3,834,186 | (258,180) | 23,856,997 | 4,007,842 | (270,967) | 27,062,563 | 4,171,199 | (282,146) | 30,398,388 |
| 365 Ohead Conds & Devices | 15,254,747 | 2,185,978 | (129,258) | 16,988,322 | 2,256,105 | (133,921) | 18,775,702 | 2,319,464 | (137,701) | 20,613,213 |
| 366 Underground Conduit | 11,942 | 312 | - | 12,254 | 312 | - | 12,565 | 312 | - | 12,877 |
| 367 Underground Conds & C | 4,082,833 | 532,652 | (23,910) | 4,511,874 | 566,007 | (25,645) | 4,966,753 | 595,673 | (27,013) | 5,445,368 |
| 368 Line Transformers | 9,358,436 | 1,004,679 | (117,249) | 9,890,565 | 1,037,596 | (121,123) | 10,439,998 | 1,071,037 | (125,059) | 11,007,010 |
| 369 Services | 9,444,858 | 1,046,761 | (30,120) | 10,367,374 | 1,113,232 | (32,076) | 11,348,293 | 1,180,924 | (34,069) | 12,388,681 |
| 370 Meters | 1,333,410 | 286,492 | (58,904) | 1,509,328 | 291,925 | (60,020) | 1,688,583 | 297,469 | (61,159) | 1,871,245 |
| 371 Instal on Cons Premises | 994,886 | 210,844 | (26,723) | 1,138,519 | 217,690 | (28,084) | 1,285,573 | 220,945 | (28,502) | 1,434,832 |
| 373 St Ltg & Signal Systems | 298,213 | 39,717 | (4) | 337,908 | 42,589 | (4) | 380,472 | 45,489 | (4) | 425,935 |
| Total Distribution | 71,591,841 | 9,740,784 | (621,367) | 79,114,788 | 10,134,686 | (648,724) | 86,940,035 | 10,505,953 | (672,421) | 95,056,433 |
| Composition Rate | | 3.8% | | | 3.9% | | | 3.9% | | |

Kenergy

2010 Depreciation Study

Tab 6

Depreciation Reserve Summary

**KENERGY
DEPRECIATION RESERVES -- TOTAL DISTRIBUTION PLANT**

| | <u>Balance Beg of Year</u> | <u>Depreciation Expense</u> | <u>Retirements</u> | <u>Reserve Adjustments</u> | <u>Gross Salvage *</u> | <u>Cost of Removal</u> | <u>Balance End of Year</u> |
|------|--------------------------------|---------------------------------|--------------------|--------------------------------|----------------------------|----------------------------|--------------------------------|
| 1940 | - | 9,333 | 27,293 | | 39,076 | | 21,116 |
| 1941 | 21,116 | 20,328 | 111,833 | | 109,585 | | 39,195 |
| 1942 | 39,195 | 26,991 | 63,453 | | 56,294 | | 59,027 |
| 1943 | 59,027 | 20,282 | | 24,891 | (30,216) | | 73,984 |
| 1944 | 73,984 | 36,507 | 15,247 | | 44,334 | | 139,577 |
| 1945 | 139,577 | 39,772 | 203 | | 561 | | 179,707 |
| 1946 | 179,707 | 44,643 | 6,148 | | 66,771 | | 284,973 |
| 1947 | 284,973 | 45,835 | 1,114 | | 4,816 | | 334,510 |
| 1948 | 334,510 | 91,526 | 23,390 | | 21,388 | | 424,035 |
| 1949 | 424,035 | 142,060 | 96,164 | 7,121 | 33,995 | | 511,048 |
| 1950 | 511,047 | 185,282 | 71,795 | | 14,290 | | 638,824 |
| 1951 | 638,824 | 208,047 | 59,166 | | 26,242 | | 813,947 |
| 1952 | 813,947 | 236,520 | 97,148 | | 46,957 | | 1,000,276 |
| 1953 | 1,000,276 | 260,804 | 134,290 | | 79,220 | | 1,206,010 |
| 1954 | 1,206,010 | 279,301 | 139,363 | | 63,823 | | 1,409,770 |
| 1955 | 1,409,770 | 278,401 | 207,902 | | 104,792 | | 1,585,061 |
| 1956 | 1,585,061 | 297,143 | 150,222 | | 79,693 | 33,122 | 1,778,553 |
| 1957 | 1,778,553 | 363,286 | 162,760 | | 51,239 | 23,271 | 2,007,047 |
| 1958 | 2,007,047 | 366,917 | 222,329 | | 119,948 | 54,942 | 2,216,642 |
| 1959 | 2,216,642 | 389,964 | 160,450 | | 90,131 | 39,042 | 2,497,246 |
| 1960 | 2,497,246 | 409,282 | 177,241 | | 87,151 | 33,430 | 2,783,008 |
| 1961 | 2,783,008 | 406,935 | 117,186 | | 48,443 | 26,762 | 3,094,437 |
| 1962 | 3,094,437 | 431,033 | 179,610 | | 65,960 | 28,543 | 3,383,277 |
| 1963 | 3,383,277 | 436,518 | 261,231 | 5,101 | 103,819 | 38,427 | 3,629,058 |
| 1964 | 3,629,058 | 484,414 | 142,028 | | 81,344 | 27,338 | 4,025,450 |
| 1965 | 4,025,450 | 501,897 | 339,286 | | 161,652 | 61,559 | 4,288,154 |
| 1966 | 4,288,154 | 495,482 | 341,575 | | 155,305 | 74,550 | 4,522,816 |
| 1967 | 4,522,816 | 525,117 | 326,802 | | 266,631 | 98,459 | 4,889,303 |
| 1968 | 4,889,303 | 553,290 | 518,581 | | 227,684 | 103,170 | 5,048,525 |
| 1969 | 5,048,525 | 592,400 | 435,941 | | 234,869 | 130,517 | 5,309,336 |
| 1970 | 5,309,336 | 628,751 | 422,995 | | 173,137 | 137,705 | 5,550,523 |
| 1971 | 5,550,523 | 660,146 | 381,071 | | 141,069 | 153,101 | 5,817,567 |
| 1972 | 5,817,567 | 689,957 | 339,235 | | 56,542 | 123,352 | 6,101,479 |
| 1973 | 6,101,479 | 726,107 | 279,374 | | 60,237 | 132,302 | 6,476,147 |
| 1974 | 6,476,147 | 773,582 | 306,157 | | 85,093 | 167,692 | 6,860,972 |
| 1975 | 6,860,972 | 817,343 | 436,461 | | 181,855 | 157,959 | 7,265,749 |
| 1976 | 7,265,749 | 871,179 | 377,202 | | 145,465 | 193,475 | 7,711,716 |
| 1977 | 7,711,716 | 938,515 | 476,165 | | 306,827 | 243,908 | 8,236,986 |
| 1978 | 8,236,986 | 1,024,663 | 752,420 | | 404,682 | 360,251 | 8,553,660 |
| 1979 | 8,553,660 | 1,133,144 | 810,304 | | 314,606 | 407,824 | 8,783,282 |
| 1980 | 8,783,282 | 1,190,783 | 1,043,330 | | 333,149 | 627,044 | 8,636,840 |
| 1981 | 8,629,872 | 1,367,117 | 1,179,381 | | 314,224 | 703,181 | 8,428,652 |
| 1982 | 8,428,652 | 1,512,063 | 797,750 | | 177,314 | 543,157 | 8,777,122 |
| 1983 | 8,777,121 | 1,601,273 | 777,106 | 19,685 | 183,280 | 506,274 | 9,297,980 |
| 1984 | 9,297,980 | 1,703,630 | 837,466 | 45,296 | 296,351 | 606,790 | 9,899,000 |
| 1985 | 9,899,000 | 1,812,900 | 1,008,692 | (23,687) | 260,870 | 689,701 | 10,250,689 |
| 1986 | 10,250,689 | 1,980,535 | 1,145,633 | 25,619 | 237,413 | 685,568 | 10,663,054 |
| 1987 | 10,663,054 | 2,094,543 | 1,224,858 | 18,514 | 245,948 | 630,783 | 11,166,418 |
| 1988 | 11,166,418 | 2,185,683 | 1,003,311 | (27,864) | 211,721 | 643,175 | 11,889,472 |
| 1989 | 11,889,472 | 2,309,296 | 1,076,303 | 2,209 | 183,289 | 583,766 | 12,724,196 |
| 1990 | 12,724,196 | 2,444,724 | 1,205,939 | (57,134) | 235,753 | 745,751 | 13,395,849 |
| 1991 | 13,395,849 | 2,567,184 | 1,468,262 | 6,224 | 195,548 | 802,537 | 13,894,007 |
| 1992 | 13,894,007 | 2,685,283 | 1,640,704 | 12,213 | 304,714 | 845,083 | 14,410,430 |
| 1993 | 14,410,430 | 2,798,770 | 1,489,394 | 9,188 | 254,148 | 794,956 | 15,188,187 |
| 1994 | 15,188,187 | 2,907,202 | 1,237,234 | 23,137 | 85,927 | 715,819 | 16,251,400 |
| 1995 | 16,251,399 | 3,027,632 | 1,462,972 | 6,714 | 214,207 | 755,970 | 17,281,010 |
| 1996 | 17,281,010 | 3,158,462 | 1,388,410 | 5,681 | 225,707 | 765,308 | 18,517,142 |
| 1997 | 18,517,142 | 3,405,725 | 1,246,089 | 44,247 | 234,568 | 1,018,184 | 19,937,409 |
| 1998 | 19,937,409 | 3,606,861 | 1,970,280 | (6,983) | 352,293 | 1,270,255 | 20,649,046 |
| 1999 | 20,649,046 | 3,862,975 | 2,060,251 | (2,552) | 359,934 | 1,709,772 | 21,099,380 |
| 2000 | 21,099,380 | 4,118,615 | 1,665,807 | | 219,319 | 1,464,094 | 22,307,413 |
| 2001 | 22,474,576 | 4,502,867 | 1,477,246 | | 91,343 | 1,194,204 | 24,397,335 |
| 2002 | 24,397,335 | 4,861,400 | 1,599,626 | (31,448) | 211,097 | 1,248,919 | 26,589,839 |
| 2003 | 26,589,839 | 5,144,434 | 1,461,566 | (1) | 206,738 | 1,158,044 | 29,321,400 |

**KENERGY
DEPRECIATION RESERVES -- TOTAL DISTRIBUTION PLANT**

| | <u>Balance Beg of Year</u> | <u>Depreciation Expense</u> | <u>Retirements</u> | <u>Reserve Adjustments</u> | <u>Gross Salvage *</u> | <u>Cost of Removal</u> | <u>Balance End of Year</u> |
|------|--------------------------------|---------------------------------|--------------------|--------------------------------|----------------------------|----------------------------|--------------------------------|
| 2004 | 29,321,400 | 5,476,066 | 2,302,717 | - | 187,277 | 1,025,584 | 31,656,441 |
| 2005 | 31,656,441 | 5,415,678 | 1,538,379 | | 194,341 | 820,611 | 34,907,470 |
| 2006 | 34,907,470 | 5,852,573 | 1,440,707 | (38,482) | 233,560 | 1,414,557 | 38,099,858 |
| 2007 | 38,099,858 | 7,027,484 | 1,212,511 | | 156,226 | 1,243,423 | 42,827,635 |
| 2008 | 42,827,635 | 7,334,037 | 1,242,520 | | 309,579 | 1,113,046 | 48,115,685 |
| 2009 | 48,115,685 | 7,604,176 | 2,762,896 | | 155,798 | 1,042,032 | 52,070,730 |

* 1940 to 1955 Gross Salvage includes Cost of Removal

**KENERGY
ACCOUNT DEPRECIATION RESERVE**

Account 362

| | <u>Balance Beg of Year</u> | <u>Depreciation Expense</u> | <u>Retirements</u> | <u>Reserve Adjustments</u> | <u>Gross Salvage</u> | <u>Cost of Removal</u> | <u>Balance End of Year</u> |
|------|--------------------------------|---------------------------------|--------------------|--------------------------------|--------------------------|----------------------------|--------------------------------|
| 2002 | 9,924,748 | 726,696 | 176,705 | | 86,394 | 28,297 | 10,532,837 |
| 2003 | 10,532,837 | 832,825 | 336,166 | | 58,752 | 12,122 | 11,076,125 |
| 2004 | 11,076,125 | 876,703 | 279,778 | | 74,803 | 25,418 | 11,722,435 |
| 2005 | 11,722,435 | 703,854 | 464,440 | | 55,387 | 14,705 | 12,002,531 |
| 2006 | 12,002,531 | 791,429 | 143,650 | | 41,858 | 9,892 | 12,682,277 |
| 2007 | 12,682,277 | 751,907 | 108,269 | (6,223,014) * | (106,115) | 7,332 | 6,989,454 |
| 2008 | 6,989,454 | 758,260 | 162,121 | | 69,514 | 16,316 | 7,638,791 |
| 2009 | 7,638,791 | 760,878 | 160,265 | | 41,710 | 11,210 | 8,269,903 |

* Reserve Adjustment from the 2006 Depreciation Study

**KENERGY
ACCOUNT DEPRECIATION RESERVE**

Account 364

| | <u>Balance Beg of Year</u> | <u>Depreciation Expense</u> | <u>Retirements</u> | <u>Reserve Adjustments</u> | <u>Gross Salvage</u> | <u>Cost of Removal</u> | <u>Balance End of Year</u> |
|------|--------------------------------|---------------------------------|--------------------|--------------------------------|--------------------------|----------------------------|--------------------------------|
| 2002 | 5,049,104 | 1,440,506 | 518,002 | | 58,565 | 567,357 | 5,462,815 |
| 2003 | 5,462,815 | 1,491,828 | 466,149 | 33,571 | 67,744 | 533,471 | 6,056,337 |
| 2004 | 6,056,337 | 1,593,553 | 375,698 | | 49,830 | 405,802 | 6,918,220 |
| 2005 | 6,918,220 | 1,636,522 | 500,536 | | 71,560 | 358,756 | 7,767,009 |
| 2006 | 7,767,009 | 1,770,758 | 602,436 | (16,097) | 84,455 | 638,450 | 8,365,239 |
| 2007 | 8,365,239 | 2,534,822 | 423,159 | | 120,053 | 499,465 | 10,097,490 |
| 2008 | 10,097,490 | 2,647,948 | 482,124 | | 34,454 | 482,762 | 11,815,006 |
| 2009 | 11,815,006 | 2,775,887 | 1,128,831 | | 18,669 | 341,510 | 13,139,220 |

**KENERGY
ACCOUNT DEPRECIATION RESERVE**

Account 365

| | <u>Balance Beg of Year</u> | <u>Depreciation Expense</u> | <u>Retirements</u> | <u>Reserve Adjustments</u> | <u>Gross Salvage</u> | <u>Cost of Removal</u> | <u>Balance End of Year</u> |
|------|--------------------------------|---------------------------------|--------------------|--------------------------------|--------------------------|----------------------------|--------------------------------|
| 2002 | 3,954,549 | 1,140,022 | 334,663 | | 32,041 | 329,477 | 4,462,472 |
| 2003 | 4,462,472 | 1,203,022 | 286,773 | 13,691 | 51,210 | 295,621 | 5,148,001 |
| 2004 | 5,148,001 | 1,289,456 | 247,719 | | 52,387 | 262,545 | 5,979,580 |
| 2005 | 5,979,580 | 1,319,928 | 278,876 | | 47,636 | 187,120 | 6,881,148 |
| 2006 | 6,881,148 | 1,377,280 | 298,501 | (7,596) | 79,003 | 294,178 | 7,737,156 |
| 2007 | 7,737,156 | 1,566,887 | 365,743 | | 96,755 | 316,632 | 8,718,422 |
| 2008 | 8,718,422 | 1,608,398 | 245,143 | | 23,414 | 198,135 | 9,906,957 |
| 2009 | 9,906,957 | 1,639,516 | 511,424 | | 62,767 | 160,805 | 10,937,011 |

**KENERGY
ACCOUNT DEPRECIATION RESERVE**

Account 366

| | <u>Balance Beg of Year</u> | <u>Depreciation Expense</u> | <u>Retirements</u> | <u>Reserve Adjustments</u> | <u>Gross Salvage</u> | <u>Cost of Removal</u> | <u>Balance End of Year</u> |
|------|--------------------------------|---------------------------------|--------------------|--------------------------------|--------------------------|----------------------------|--------------------------------|
| 2002 | 1,585 | 439 | - | | - | - | 2,025 |
| 2003 | 2,025 | 439 | - | | - | - | 2,464 |
| 2004 | 2,464 | 439 | - | | - | - | 2,903 |
| 2005 | 2,903 | 439 | - | | - | - | 3,342 |
| 2006 | 3,342 | 439 | - | | - | - | 3,781 |
| 2007 | 3,781 | 312 | - | 6,291 * | - | - | 10,384 |
| 2008 | 10,384 | 312 | - | | - | - | 10,696 |
| 2009 | 10,696 | 312 | - | | - | - | 11,007 |

* Reserve Adustment from the 2006 Depreciation Study

**KENERGY
ACCOUNT DEPRECIATION RESERVE**

Account 367

| | <u>Balance Beg of Year</u> | <u>Depreciation Expense</u> | <u>Retirements</u> | <u>Reserve Adjustments</u> | <u>Gross Salvage</u> | <u>Cost of Removal</u> | <u>Balance End of Year</u> |
|------|--------------------------------|---------------------------------|--------------------|--------------------------------|--------------------------|----------------------------|--------------------------------|
| 2002 | 784,063 | 226,013 | 7,603 | | (1,574) | 5,036 | 995,863 |
| 2003 | 995,863 | 236,275 | 16,260 | 8,456 | (3,368) | 6,060 | 1,214,905 |
| 2004 | 1,214,905 | 262,394 | 32,904 | | (2,033) | 6,446 | 1,435,917 |
| 2005 | 1,435,917 | 276,468 | 33,541 | | (3,177) | 650 | 1,675,017 |
| 2006 | 1,675,017 | 315,635 | 52,113 | (4,681) | 349 | 29,084 | 1,905,123 |
| 2007 | 1,905,123 | 344,879 | 92,495 | 189,915 * | 8,500 | 49,338 | 2,306,584 |
| 2008 | 2,306,584 | 374,148 | 46,633 | | 4,495 | 10,976 | 2,627,618 |
| 2009 | 2,627,618 | 394,857 | 34,370 | | 1,870 | 17,153 | 2,972,822 |

* Reserve Adjustment from the 2006 Depreciation Study

**KENERGY
ACCOUNT DEPRECIATION RESERVE**

Account 368

| | <u>Balance Beg of Year</u> | <u>Depreciation Expense</u> | <u>Retirements</u> | <u>Reserve Adjustments</u> | <u>Gross Salvage</u> | <u>Cost of Removal</u> | <u>Balance End of Year</u> |
|------|--------------------------------|---------------------------------|--------------------|--------------------------------|--------------------------|----------------------------|--------------------------------|
| 2002 | 2,624,438 | 736,513 | 394,443 | | 17,224 | 228,245 | 2,755,486 |
| 2003 | 2,755,486 | 754,519 | 218,669 | 1,779 | 13,660 | 136,093 | 3,170,683 |
| 2004 | 3,170,683 | 774,006 | 252,757 | | (4,122) | 157,064 | 3,530,746 |
| 2005 | 3,530,746 | 797,995 | 214,478 | | 6,363 | 115,691 | 4,004,935 |
| 2006 | 4,004,935 | 826,517 | 349,539 | (987) | 3,416 | 201,623 | 4,282,719 |
| 2007 | 4,282,719 | 800,801 | 213,569 | 2,830,470 * | 10,053 | 135,384 | 7,575,089 |
| 2008 | 7,575,089 | 832,603 | 284,485 | | 156,967 | 219,363 | 8,060,812 |
| 2009 | 8,060,812 | 863,671 | 796,199 | | 26,346 | 289,879 | 7,864,751 |

* Reserve Adjustment from the 2006 Depreciation Study

**KENERGY
ACCOUNT DEPRECIATION RESERVE**

Account 369

| | <u>Balance Beg of Year</u> | <u>Depreciation Expense</u> | <u>Retirements</u> | <u>Reserve Adjustments</u> | <u>Gross Salvage</u> | <u>Cost of Removal</u> | <u>Balance End of Year</u> |
|------|--------------------------------|---------------------------------|--------------------|--------------------------------|--------------------------|----------------------------|--------------------------------|
| 2002 | 1,298,517 | 376,013 | 78,305 | | 13,746 | 102,198 | 1,507,773 |
| 2003 | 1,507,773 | 398,330 | 63,940 | 14,486 | 14,844 | 94,743 | 1,776,750 |
| 2004 | 1,776,750 | 445,490 | 1,042,818 | | 12,735 | 94,882 | 1,097,275 |
| 2005 | 1,097,275 | 438,771 | (51,920) | | 12,035 | 47,435 | 1,552,566 |
| 2006 | 1,552,566 | 515,121 | (94,129) | (8,037) | 22,595 | 144,379 | 2,031,995 |
| 2007 | 2,031,995 | 707,838 | (73,291) | 2,858,024 * | 27,861 | 139,407 | 5,559,602 |
| 2008 | 5,559,602 | 773,434 | (52,155) | | 15,915 | 101,074 | 6,300,033 |
| 2009 | 6,300,033 | 819,892 | 34,095 | | 2,567 | 90,779 | 6,997,618 |

* Reserve Adustment from the 2006 Depreciation Study

**KENERGY
ACCOUNT DEPRECIATION RESERVE**

Account 370

| | <u>Balance Beg of Year</u> | <u>Depreciation Expense</u> | <u>Retirements</u> | <u>Reserve Adjustments</u> | <u>Gross Salvage</u> | <u>Cost of Removal</u> | <u>Balance End of Year</u> |
|------|--------------------------------|---------------------------------|--------------------|--------------------------------|--------------------------|----------------------------|--------------------------------|
| 2002 | 453,241 | 127,207 | 54,768 | | 918 | 56,649 | 469,948 |
| 2003 | 469,948 | 131,518 | 44,650 | 21 | 2,272 | 47,634 | 511,474 |
| 2004 | 511,474 | 137,246 | 32,299 | | (59) | 37,708 | 578,654 |
| 2005 | 578,654 | 143,106 | 55,978 | | 10 | 68,230 | 597,561 |
| 2006 | 597,561 | 148,362 | 41,588 | (11) | 15 | 50,329 | 654,010 |
| 2007 | 654,010 | 163,127 | 44,304 | 193,121 * | 42 | 55,445 | 910,551 |
| 2008 | 910,551 | 174,244 | 33,654 | | 395 | 54,882 | 996,655 |
| 2009 | 996,655 | 177,794 | 60,151 | | 7 | 104,061 | 1,010,244 |

* Reserve Adustment from the 2006 Depreciation Study

**KENERGY
ACCOUNT DEPRECIATION RESERVE**

Account 371

| | <u>Balance Beg of Year</u> | <u>Depreciation Expense</u> | <u>Retirements</u> | <u>Reserve Adjustments</u> | <u>Gross Salvage</u> | <u>Cost of Removal</u> | <u>Balance End of Year</u> |
|------|--------------------------------|---------------------------------|--------------------|--------------------------------|--------------------------|----------------------------|--------------------------------|
| 2002 | 267,819 | 76,386 | 32,235 | | 3,665 | 31,555 | 284,081 |
| 2003 | 284,081 | 78,289 | 26,220 | 1,484 | 2,487 | 31,362 | 308,759 |
| 2004 | 308,759 | 81,692 | 30,123 | | 2,615 | 31,193 | 331,750 |
| 2005 | 331,750 | 82,947 | 35,376 | | 4,481 | 27,100 | 356,702 |
| 2006 | 356,702 | 88,875 | 42,577 | (824) | 1,597 | 44,075 | 359,698 |
| 2007 | 359,698 | 131,950 | 31,761 | 90,670 * | 4,878 | 38,569 | 516,867 |
| 2008 | 516,867 | 137,260 | 36,343 | | 2,173 | 28,892 | 591,065 |
| 2009 | 591,065 | 141,757 | 36,369 | | 1,475 | 25,696 | 672,232 |

* Reserve Adustment from the 2006 Depreciation Study

**KENERGY
ACCOUNT DEPRECIATION RESERVE**

Account 373

| | <u>Balance Beg of Year</u> | <u>Depreciation Expense</u> | <u>Retirements</u> | <u>Reserve Adjustments</u> | <u>Gross Salvage</u> | <u>Cost of Removal</u> | <u>Balance End of Year</u> |
|------|--------------------------------|---------------------------------|--------------------|--------------------------------|--------------------------|----------------------------|--------------------------------|
| 2002 | 39,272 | 11,605 | 2,901 | | 118 | 968 | 47,125 |
| 2003 | 47,125 | 12,831 | 2,741 | 483 | (862) | 939 | 55,898 |
| 2004 | 55,898 | 15,088 | 8,620 | | 1,121 | 4,528 | 58,959 |
| 2005 | 58,959 | 15,647 | 7,074 | | 46 | 924 | 66,654 |
| 2006 | 66,654 | 18,157 | 4,430 | (269) | 271 | 2,547 | 77,837 |
| 2007 | 77,837 | 24,963 | 6,502 | 54,543 * | (5,801) | 1,851 | 143,187 |
| 2008 | 143,187 | 27,430 | 4,172 | | 2,252 | 647 | 168,050 |
| 2009 | 168,050 | 29,613 | 1,191 | | 386 | 938 | 195,920 |

* Reserve Adustment from the 2006 Depreciation Study

Kenergy

2010 Depreciation Study

Tab 7

SPR Analysis

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

WELSH GROUP
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COMPANY 100 KENERGY
ACCOUNT 362 STATION AND EQUIPMENT

ACCOUNT CONTROL INFORMATION

EARLIEST ADDITION = 1939 LATEST ADDITION = 2009
EARLIEST BALANCE = 1941 LATEST BALANCE = 2009
EARLIEST RETIREMENT = 1941 LATEST RETIREMENT = 2009

PLANT ADDITIONS

| YEAR | ADD | YEAR | ADD | YEAR | ADD | YEAR | ADD |
|------|---------|------|---------|------|-----------|------|-----------|
| 1939 | 3,328 | 1957 | 275,632 | 1975 | 301,781 | 1993 | 84,071 |
| 1940 | 4,924 | 1958 | 60,412 | 1976 | 335,729 | 1994 | 111,078 |
| 1941 | 246 | 1959 | 38,087 | 1977 | 304,577 | 1995 | 23,617 |
| 1942 | 188 | 1960 | 37,439 | 1978 | 808,818 | 1996 | 1,667,996 |
| 1943 | 0 | 1961 | 129,630 | 1979 | 644,689 | 1997 | 47,569 |
| 1944 | 8,717 | 1962 | 63,290 | 1980 | 102,537 | 1998 | 1,492,598 |
| 1945 | 0 | 1963 | 240,279 | 1981 | 614,965 | 1999 | 680,036 |
| 1946 | 5,116 | 1964 | 539 | 1982 | 1,163,386 | 2000 | 1,920,326 |
| 1947 | 959 | 1965 | 25,918 | 1983 | 546,388 | 2001 | 3,392,238 |
| 1948 | 9,864 | 1966 | 112,620 | 1984 | 472,615 | 2002 | 3,030,882 |
| 1949 | 58,703 | 1967 | 107,905 | 1985 | 337,823 | 2003 | 970,936 |
| 1950 | 32,617 | 1968 | 149,050 | 1986 | 1,961,250 | 2004 | 1,486,176 |
| 1951 | 0 | 1969 | 121,544 | 1987 | 207,487 | 2005 | 460,961 |
| 1952 | 207,531 | 1970 | 183,521 | 1988 | 94,240 | 2006 | 946,169 |
| 1953 | 79,183 | 1971 | 64,915 | 1989 | 1,395,595 | 2007 | 136,573 |
| 1954 | 82,813 | 1972 | 161,305 | 1990 | 107,049 | 2008 | 234,857 |
| 1955 | 73,628 | 1973 | 130,987 | 1991 | 363,811 | 2009 | 104,029 |
| 1956 | 45,939 | 1974 | 160,587 | 1992 | 193,671 | 0 | 0 |

TOTAL ADDITIONS = 29,423,939

PLANT RETIREMENTS

| YEAR | RET | YEAR | RET | YEAR | RET | YEAR | RET |
|------|-------|------|--------|------|---------|------|---------|
| 1940 | 0 | 1958 | 12,090 | 1976 | 35,826 | 1994 | 47,068 |
| 1941 | 76 | 1959 | 0 | 1977 | 70,646 | 1995 | 14,818 |
| 1942 | 0 | 1960 | 0 | 1978 | 158,367 | 1996 | 305,971 |
| 1943 | 0 | 1961 | 15,108 | 1979 | 2,120 | 1997 | 43,777 |
| 1944 | 0 | 1962 | 1,004 | 1980 | 0 | 1998 | 357,006 |
| 1945 | 0 | 1963 | 83,778 | 1981 | 52,060 | 1999 | 43,268 |
| 1946 | 1,582 | 1964 | 0 | 1982 | 45,542 | 2000 | 0 |
| 1947 | 0 | 1965 | 43,942 | 1983 | 27,842 | 2001 | 41,883 |
| 1948 | 2,836 | 1966 | 84,602 | 1984 | 66,348 | 2002 | 176,705 |
| 1949 | 1,775 | 1967 | 22,846 | 1985 | 146,121 | 2003 | 336,146 |
| 1950 | 7,517 | 1968 | 83,946 | 1986 | 1,869 | 2004 | 279,778 |

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

WELSH GROUP
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| | | | | | | | |
|------|--------|------|---------|------|---------|------|---------|
| 1951 | 7,817 | 1969 | 4,514 | 1987 | 82,455 | 2005 | 464,440 |
| 1952 | 12,046 | 1970 | 57,893 | 1988 | 8,102 | 2006 | 143,650 |
| 1953 | 13,022 | 1971 | 19,747 | 1989 | 74,315 | 2007 | 108,269 |
| 1954 | 0 | 1972 | 45,890 | 1990 | 27,926 | 2008 | 162,121 |
| 1955 | 10,524 | 1973 | 2,489 | 1991 | 2,945 | 2009 | 125,525 |
| 1956 | 0 | 1974 | 0 | 1992 | 144,702 | 0 | 0 |
| 1957 | 0 | 1975 | 149,877 | 1993 | 52,261 | 0 | 0 |

TOTAL RETIREMENTS = 4,334,793

PLANT BALANCES

| YEAR | BAL | YEAR | BAL | YEAR | BAL | YEAR | BAL |
|------|---------|------|-----------|------|------------|------|------------|
| 1940 | 8,252 | 1958 | 880,515 | 1976 | 2,594,179 | 1994 | 11,097,540 |
| 1941 | 8,422 | 1959 | 918,602 | 1977 | 2,828,110 | 1995 | 11,106,339 |
| 1942 | 8,610 | 1960 | 956,041 | 1978 | 3,478,561 | 1996 | 12,468,364 |
| 1943 | 8,610 | 1961 | 1,070,563 | 1979 | 4,121,130 | 1997 | 12,472,156 |
| 1944 | 17,327 | 1962 | 1,132,849 | 1980 | 4,223,667 | 1998 | 13,607,748 |
| 1945 | 17,327 | 1963 | 1,289,350 | 1981 | 4,786,572 | 1999 | 14,244,516 |
| 1946 | 20,861 | 1964 | 1,289,889 | 1982 | 5,904,416 | 2000 | 16,164,842 |
| 1947 | 21,820 | 1965 | 1,271,865 | 1983 | 6,422,962 | 2001 | 19,515,197 |
| 1948 | 28,848 | 1966 | 1,299,883 | 1984 | 6,829,229 | 2002 | 22,369,374 |
| 1949 | 85,776 | 1967 | 1,384,942 | 1985 | 7,020,931 | 2003 | 23,004,164 |
| 1950 | 110,876 | 1968 | 1,450,046 | 1986 | 8,980,312 | 2004 | 24,210,562 |
| 1951 | 103,059 | 1969 | 1,567,076 | 1987 | 9,105,344 | 2005 | 24,207,083 |
| 1952 | 298,544 | 1970 | 1,692,704 | 1988 | 9,191,482 | 2006 | 25,009,602 |
| 1953 | 364,705 | 1971 | 1,737,872 | 1989 | 10,512,762 | 2007 | 25,037,906 |
| 1954 | 447,518 | 1972 | 1,853,287 | 1990 | 10,591,885 | 2008 | 25,110,642 |
| 1955 | 510,622 | 1973 | 1,981,785 | 1991 | 10,952,751 | 2009 | 25,089,146 |
| 1956 | 556,561 | 1974 | 2,142,372 | 1992 | 11,001,720 | 0 | 0 |
| 1957 | 832,193 | 1975 | 2,294,276 | 1993 | 11,033,530 | 0 | 0 |

ANALYSIS BAND = 1989 THRU 2009

INCREMENT = 1

| | | | | |
|------|-----------|------------|----|-------|
| DISP | MEAN | SSD | IV | REI |
| R1 | 42.3 YRS. | 0.8668E+12 | 11 | 93.26 |

SIMULATED BALANCES

| YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES |
|------|-----------|------|-----------|------|-----------|------|-----------|
| 2009 | 24672676. | 2003 | 22928282. | 1997 | 12547386. | 1991 | 11156271. |
| 2008 | 24861556. | 2002 | 22188611. | 1996 | 12638465. | 1990 | 10899704. |
| 2007 | 24911856. | 2001 | 19371252. | 1995 | 11100681. | 1989 | 10895788. |
| 2006 | 25052657. | 2000 | 16168086. | 1994 | 11199194. | 0 | 0 |
| 2005 | 24373970. | 1999 | 14416423. | 1993 | 11206927. | 0 | 0 |
| 2004 | 24169803. | 1998 | 13893299. | 1992 | 11238226. | 0 | 0 |

COMPANY 100 KENERGY
ACCOUNT 364 POLES, TOWERS AND FIXTURES

ACCOUNT CONTROL INFORMATION

EARLIEST ADDITION = 1939 LATEST ADDITION = 2009
EARLIEST BALANCE = 1940 LATEST BALANCE = 2009
EARLIEST RETIREMENT = 1940 LATEST RETIREMENT = 2009

PLANT ADDITIONS

| YEAR | ADD | YEAR | ADD | YEAR | ADD | YEAR | ADD |
|------|-----------|------|---------|------|-----------|------|-----------|
| 1939 | 296,948 | 1957 | 236,709 | 1975 | 694,673 | 1993 | 2,037,784 |
| 1940 | 106,119 | 1958 | 315,534 | 1976 | 437,128 | 1994 | 1,953,267 |
| 1941 | 60,204 | 1959 | 216,988 | 1977 | 800,935 | 1995 | 2,042,770 |
| 1942 | 2,198 | 1960 | 237,850 | 1978 | 1,166,085 | 1996 | 2,160,340 |
| 1943 | 2,589 | 1961 | 229,969 | 1979 | 1,370,818 | 1997 | 2,480,591 |
| 1944 | 50,949 | 1962 | 171,336 | 1980 | 1,987,901 | 1998 | 2,823,887 |
| 1945 | 52,209 | 1963 | 317,420 | 1981 | 2,041,761 | 1999 | 3,798,297 |
| 1946 | 40,456 | 1964 | 196,459 | 1982 | 1,151,497 | 2000 | 4,098,084 |
| 1947 | 38,867 | 1965 | 239,846 | 1983 | 1,357,986 | 2001 | 3,373,974 |
| 1948 | 71,060 | 1966 | 269,937 | 1984 | 1,410,603 | 2002 | 3,196,079 |
| 1949 | 1,007,036 | 1967 | 436,830 | 1985 | 1,534,451 | 2003 | 3,096,498 |
| 1950 | 517,589 | 1968 | 373,134 | 1986 | 1,558,102 | 2004 | 2,689,745 |
| 1951 | 100,469 | 1969 | 426,294 | 1987 | 1,517,818 | 2005 | 3,451,887 |
| 1952 | 369,252 | 1970 | 406,025 | 1988 | 1,560,450 | 2006 | 3,861,410 |
| 1953 | 228,959 | 1971 | 484,326 | 1989 | 1,593,450 | 2007 | 3,332,114 |
| 1954 | 195,657 | 1972 | 431,135 | 1990 | 1,782,792 | 2008 | 3,132,748 |
| 1955 | 252,487 | 1973 | 450,291 | 1991 | 1,971,744 | 2009 | 4,730,906 |
| 1956 | 211,899 | 1974 | 536,148 | 1992 | 2,143,342 | 0 | 0 |

TOTAL ADDITIONS = 87,923,095

PLANT RETIREMENTS

| YEAR | RET | YEAR | RET | YEAR | RET | YEAR | RET |
|------|---------|------|--------|------|---------|------|---------|
| 1939 | 0 | 1957 | 59,062 | 1975 | 94,131 | 1993 | 710,876 |
| 1940 | 1,048 | 1958 | 97,742 | 1976 | 125,554 | 1994 | 572,874 |
| 1941 | 203,942 | 1959 | 73,715 | 1977 | 122,879 | 1995 | 555,022 |
| 1942 | 0 | 1960 | 76,261 | 1978 | 193,606 | 1996 | 481,795 |
| 1943 | 25,695 | 1961 | 45,287 | 1979 | 235,309 | 1997 | 595,702 |
| 1944 | 10,634 | 1962 | 56,465 | 1980 | 511,021 | 1998 | 693,503 |
| 1945 | 0 | 1963 | 74,753 | 1981 | 587,083 | 1999 | 779,629 |
| 1946 | 2,989 | 1964 | 55,171 | 1982 | 339,188 | 2000 | 709,103 |
| 1947 | 686 | 1965 | 85,257 | 1983 | 321,420 | 2001 | 571,020 |
| 1948 | 6,287 | 1966 | 90,637 | 1984 | 355,069 | 2002 | 518,002 |

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

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| | | | | | | | |
|------|--------|------|---------|------|---------|------|---------|
| 1949 | 26,122 | 1967 | 120,851 | 1985 | 422,698 | 2003 | 466,149 |
| 1950 | 25,213 | 1968 | 130,495 | 1986 | 529,507 | 2004 | 375,698 |
| 1951 | 11,901 | 1969 | 103,710 | 1987 | 570,529 | 2005 | 500,536 |
| 1952 | 31,699 | 1970 | 98,503 | 1988 | 467,928 | 2006 | 602,436 |
| 1953 | 24,962 | 1971 | 136,328 | 1989 | 494,671 | 2007 | 423,159 |
| 1954 | 47,681 | 1972 | 104,090 | 1990 | 601,432 | 2008 | 482,124 |
| 1955 | 82,788 | 1973 | 101,535 | 1991 | 689,237 | 2009 | 314,460 |
| 1956 | 62,768 | 1974 | 107,254 | 1992 | 804,147 | 0 | 0 |

TOTAL RETIREMENTS = 18,999,028

PLANT BALANCES

| YEAR | BAL | YEAR | BAL | YEAR | BAL | YEAR | BAL |
|------|-----------|------|-----------|------|------------|------|------------|
| 1939 | 296,948 | 1957 | 3,218,179 | 1975 | 8,000,189 | 1993 | 27,342,682 |
| 1940 | 402,019 | 1958 | 3,435,971 | 1976 | 8,311,763 | 1994 | 28,723,075 |
| 1941 | 258,281 | 1959 | 3,579,244 | 1977 | 8,989,819 | 1995 | 30,210,823 |
| 1942 | 260,479 | 1960 | 3,740,833 | 1978 | 9,962,298 | 1996 | 31,889,368 |
| 1943 | 237,373 | 1961 | 3,925,515 | 1979 | 11,097,807 | 1997 | 33,774,257 |
| 1944 | 277,688 | 1962 | 4,040,386 | 1980 | 12,574,687 | 1998 | 35,904,641 |
| 1945 | 329,897 | 1963 | 4,283,053 | 1981 | 14,029,365 | 1999 | 38,923,309 |
| 1946 | 367,364 | 1964 | 4,424,341 | 1982 | 14,841,674 | 2000 | 42,312,290 |
| 1947 | 405,545 | 1965 | 4,578,930 | 1983 | 15,878,240 | 2001 | 45,115,244 |
| 1948 | 470,318 | 1966 | 4,758,230 | 1984 | 16,933,774 | 2002 | 47,793,321 |
| 1949 | 1,451,232 | 1967 | 5,074,209 | 1985 | 18,045,527 | 2003 | 50,423,670 |
| 1950 | 1,943,608 | 1968 | 5,316,848 | 1986 | 19,074,122 | 2004 | 52,737,717 |
| 1951 | 2,032,176 | 1969 | 5,639,432 | 1987 | 20,021,411 | 2005 | 55,689,068 |
| 1952 | 2,369,729 | 1970 | 5,946,954 | 1988 | 21,113,933 | 2006 | 58,948,042 |
| 1953 | 2,573,726 | 1971 | 6,294,952 | 1989 | 22,212,712 | 2007 | 61,856,997 |
| 1954 | 2,721,702 | 1972 | 6,621,997 | 1990 | 23,394,072 | 2008 | 64,507,621 |
| 1955 | 2,891,401 | 1973 | 6,970,753 | 1991 | 24,676,579 | 2009 | 68,924,067 |
| 1956 | 3,040,532 | 1974 | 7,399,647 | 1992 | 26,015,774 | 0 | 0 |

ANALYSIS BAND = 1989 THRU 2009

INCREMENT = 1

| | | | | |
|------|-----------|------------|----|--------|
| DISP | MEAN | SSD | IV | REI |
| R1 | 28.5 YRS. | 0.7324E+14 | 45 | 100.00 |

SIMULATED BALANCES

| YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES |
|------|-----------|------|-----------|------|-----------|------|-----------|
| 2009 | 64810890. | 2003 | 50719158. | 1997 | 35472514. | 1991 | 26283513. |
| 2008 | 61420037. | 2002 | 48610008. | 1996 | 33680033. | 1990 | 24807496. |
| 2007 | 59560043. | 2001 | 46349423. | 1995 | 32171778. | 1989 | 23492714. |
| 2006 | 57440823. | 2000 | 43859376. | 1994 | 30748024. | 0 | 0. |
| 2005 | 54730927. | 1999 | 40591097. | 1993 | 29382277. | 0 | 0. |
| 2004 | 52370682. | 1998 | 37568201. | 1992 | 27901180. | 0 | 0. |

COMPANY 100 KENERGY
ACCOUNT 365 OVERHEAD CONDS AND DEVICES

ACCOUNT CONTROL INFORMATION

EARLIEST ADDITION = 1938 LATEST ADDITION = 2009
EARLIEST BALANCE = 1941 LATEST BALANCE = 2009
EARLIEST RETIREMENT = 1941 LATEST RETIREMENT = 2009

PLANT ADDITIONS

| YEAR | ADD | YEAR | ADD | YEAR | ADD | YEAR | ADD |
|------|-----------|------|---------|------|-----------|------|-----------|
| 1938 | 163,803 | 1956 | 151,774 | 1974 | 247,579 | 1992 | 1,193,537 |
| 1939 | 60,905 | 1957 | 189,223 | 1975 | 391,888 | 1993 | 1,088,197 |
| 1940 | 24,656 | 1958 | 286,648 | 1976 | 276,623 | 1994 | 970,392 |
| 1941 | 153,982 | 1959 | 189,636 | 1977 | 379,987 | 1995 | 1,294,191 |
| 1942 | 493 | 1960 | 185,121 | 1978 | 566,923 | 1996 | 1,494,461 |
| 1943 | 5,888 | 1961 | 155,178 | 1979 | 802,221 | 1997 | 2,130,611 |
| 1944 | 68,060 | 1962 | 115,063 | 1980 | 1,550,249 | 1998 | 2,435,459 |
| 1945 | 21,550 | 1963 | 302,419 | 1981 | 1,032,115 | 1999 | 3,470,548 |
| 1946 | 21,073 | 1964 | 157,501 | 1982 | 591,933 | 2000 | 3,467,283 |
| 1947 | 25,507 | 1965 | 221,348 | 1983 | 821,836 | 2001 | 3,437,752 |
| 1948 | 61,709 | 1966 | 234,454 | 1984 | 798,630 | 2002 | 3,066,335 |
| 1949 | 1,146,642 | 1967 | 363,611 | 1985 | 854,731 | 2003 | 2,833,269 |
| 1950 | 553,652 | 1968 | 332,705 | 1986 | 795,124 | 2004 | 2,165,781 |
| 1951 | 89,224 | 1969 | 373,763 | 1987 | 817,876 | 2005 | 1,656,779 |
| 1952 | 398,479 | 1970 | 245,854 | 1988 | 1,018,529 | 2006 | 1,688,223 |
| 1953 | 252,394 | 1971 | 286,429 | 1989 | 942,940 | 2007 | 2,008,678 |
| 1954 | 250,179 | 1972 | 168,351 | 1990 | 1,277,279 | 2008 | 1,053,894 |
| 1955 | 198,732 | 1973 | 186,331 | 1991 | 1,449,767 | 2009 | 1,636,064 |

TOTAL ADDITIONS = 59,350,021

PLANT RETIREMENTS

| YEAR | RET | YEAR | RET | YEAR | RET | YEAR | RET |
|------|--------|------|---------|------|---------|------|---------|
| 1940 | 0 | 1958 | 77,298 | 1976 | 54,697 | 1994 | 197,723 |
| 1941 | 232 | 1959 | 56,285 | 1977 | 63,114 | 1995 | 272,017 |
| 1942 | 66,879 | 1960 | 55,088 | 1978 | 101,537 | 1996 | 217,132 |
| 1943 | 10,248 | 1961 | 28,373 | 1979 | 177,119 | 1997 | 345,236 |
| 1944 | 6,066 | 1962 | 38,370 | 1980 | 478,309 | 1998 | 423,634 |
| 1945 | 0 | 1963 | 49,509 | 1981 | 208,037 | 1999 | 598,463 |
| 1946 | 1,037 | 1964 | 43,027 | 1982 | 129,277 | 2000 | 428,487 |
| 1947 | 351 | 1965 | 58,935 | 1983 | 157,802 | 2001 | 338,525 |
| 1948 | 8,039 | 1966 | 66,761 | 1984 | 159,760 | 2002 | 334,663 |
| 1949 | 39,107 | 1967 | 96,378 | 1985 | 158,287 | 2003 | 286,773 |
| 1950 | 24,535 | 1968 | 57,968 | 1986 | 205,771 | 2004 | 247,719 |
| 1951 | 11,308 | 1969 | 112,087 | 1987 | 199,179 | 2005 | 278,876 |

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

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| | | | | | | | |
|------|--------|------|--------|------|---------|------|---------|
| 1952 | 32,692 | 1970 | 43,315 | 1988 | 187,061 | 2006 | 298,501 |
| 1953 | 33,228 | 1971 | 71,130 | 1989 | 206,278 | 2007 | 365,743 |
| 1954 | 47,852 | 1972 | 51,532 | 1990 | 268,101 | 2008 | 245,143 |
| 1955 | 67,701 | 1973 | 46,765 | 1991 | 268,972 | 2009 | 220,767 |
| 1956 | 44,830 | 1974 | 66,514 | 1992 | 292,950 | 0 | 0 |
| 1957 | 49,503 | 1975 | 44,378 | 1993 | 261,131 | 0 | 0 |

TOTAL RETIREMENTS = 10,184,105

PLANT BALANCES

| YEAR | BAL | YEAR | BAL | YEAR | BAL | YEAR | BAL |
|------|-----------|------|-----------|------|------------|------|------------|
| 1940 | 249,364 | 1958 | 3,603,667 | 1976 | 6,996,409 | 1994 | 20,228,267 |
| 1941 | 403,114 | 1959 | 3,737,018 | 1977 | 7,313,282 | 1995 | 21,250,441 |
| 1942 | 336,728 | 1960 | 3,867,051 | 1978 | 7,778,668 | 1996 | 22,527,770 |
| 1943 | 332,368 | 1961 | 3,993,856 | 1979 | 8,403,770 | 1997 | 24,313,145 |
| 1944 | 394,362 | 1962 | 4,070,549 | 1980 | 9,475,710 | 1998 | 26,324,970 |
| 1945 | 415,912 | 1963 | 4,323,459 | 1981 | 10,299,788 | 1999 | 29,197,055 |
| 1946 | 435,948 | 1964 | 4,437,933 | 1982 | 10,762,444 | 2000 | 32,235,851 |
| 1947 | 461,104 | 1965 | 4,600,346 | 1983 | 11,426,478 | 2001 | 35,335,078 |
| 1948 | 514,774 | 1966 | 4,768,039 | 1984 | 12,065,348 | 2002 | 38,066,750 |
| 1949 | 1,622,309 | 1967 | 5,035,272 | 1985 | 12,761,792 | 2003 | 40,613,246 |
| 1950 | 2,151,426 | 1968 | 5,310,009 | 1986 | 13,351,145 | 2004 | 42,531,308 |
| 1951 | 2,229,342 | 1969 | 5,571,685 | 1987 | 13,969,842 | 2005 | 43,909,211 |
| 1952 | 2,595,129 | 1970 | 5,774,224 | 1988 | 14,801,310 | 2006 | 45,298,933 |
| 1953 | 2,814,295 | 1971 | 5,989,523 | 1989 | 15,537,972 | 2007 | 46,941,868 |
| 1954 | 3,016,622 | 1972 | 6,106,342 | 1990 | 16,547,150 | 2008 | 47,750,619 |
| 1955 | 3,147,653 | 1973 | 6,245,908 | 1991 | 17,727,945 | 2009 | 49,165,916 |
| 1956 | 3,254,597 | 1974 | 6,426,973 | 1992 | 18,628,532 | 0 | 0 |
| 1957 | 3,394,317 | 1975 | 6,774,483 | 1993 | 19,455,598 | 0 | 0 |

ANALYSIS BAND = 1989 THRU 2009

INCREMENT = 1

| | | | | |
|------|-----------|------------|----|--------|
| DISP | MEAN | SSD | IV | REI |
| R4 | 30.8 YRS. | 0.2721E+13 | 11 | 100.00 |

SIMULATED BALANCES

| YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES |
|------|-----------|------|-----------|------|-----------|------|-----------|
| 2009 | 48138689. | 2003 | 40977958. | 1997 | 24313806. | 1991 | 17668216. |
| 2008 | 47117515. | 2002 | 38538549. | 1996 | 22460565. | 1990 | 16462270. |
| 2007 | 46628123. | 2001 | 35842808. | 1995 | 21230158. | 1989 | 15432194. |
| 2006 | 45139297. | 2000 | 32754300. | 1994 | 20189483. | 0 | 0. |
| 2005 | 43932497. | 1999 | 29616317. | 1993 | 19465412. | 0 | 0. |
| 2004 | 42724168. | 1998 | 26456257. | 1992 | 18619781. | 0 | 0. |

COMPANY 100 KENERGY
ACCOUNT 367 UNDERGROUND CONDS AND DEVICES

ACCOUNT CONTROL INFORMATION

EARLIEST ADDITION = 1964 LATEST ADDITION = 2009
EARLIEST BALANCE = 1968 LATEST BALANCE = 2009
EARLIEST RETIREMENT = 1968 LATEST RETIREMENT = 2009

PLANT ADDITIONS

| YEAR | ADD | YEAR | ADD | YEAR | ADD | YEAR | ADD |
|------|--------|------|---------|------|---------|------|-----------|
| 1964 | 10,697 | 1976 | 71,636 | 1988 | 293,324 | 2000 | 565,613 |
| 1965 | 6,778 | 1977 | 226,838 | 1989 | 414,712 | 2001 | 588,176 |
| 1966 | 26,503 | 1978 | 166,580 | 1990 | 445,391 | 2002 | 454,898 |
| 1967 | 43,602 | 1979 | 171,779 | 1991 | 436,757 | 2003 | 720,478 |
| 1968 | 25,869 | 1980 | 128,843 | 1992 | 379,747 | 2004 | 795,572 |
| 1969 | 18,773 | 1981 | 95,093 | 1993 | 263,949 | 2005 | 928,958 |
| 1970 | 38,859 | 1982 | 66,713 | 1994 | 335,449 | 2006 | 959,107 |
| 1971 | 44,864 | 1983 | 139,257 | 1995 | 467,270 | 2007 | 1,035,633 |
| 1972 | 38,807 | 1984 | 193,728 | 1996 | 401,514 | 2008 | 931,526 |
| 1973 | 62,090 | 1985 | 250,031 | 1997 | 491,260 | 2009 | 600,887 |
| 1974 | 19,315 | 1986 | 160,139 | 1998 | 612,046 | 0 | 0 |
| 1975 | 78,031 | 1987 | 100,074 | 1999 | 0 | 0 | 0 |

TOTAL ADDITIONS = 14,307,166

PLANT RETIREMENTS

| YEAR | RET | YEAR | RET | YEAR | RET | YEAR | RET |
|------|-------|------|--------|------|---------|------|--------|
| 1967 | 0 | 1978 | 13,036 | 1989 | 98,647 | 2000 | 36,775 |
| 1968 | 1,152 | 1979 | 13,316 | 1990 | 54,213 | 2001 | 33,469 |
| 1969 | 1,434 | 1980 | 23,884 | 1991 | 51,133 | 2002 | 7,603 |
| 1970 | 1,275 | 1981 | 3,992 | 1992 | 30,241 | 2003 | 16,260 |
| 1971 | 4,813 | 1982 | 2,212 | 1993 | 16,802 | 2004 | 32,904 |
| 1972 | 1,037 | 1983 | 2,577 | 1994 | 31,095 | 2005 | 33,541 |
| 1973 | 9 | 1984 | 5,068 | 1995 | 160,776 | 2006 | 52,113 |
| 1974 | 614 | 1985 | 8,793 | 1996 | 37,081 | 2007 | 92,495 |
| 1975 | 1,148 | 1986 | 6,726 | 1997 | 32,511 | 2008 | 46,633 |
| 1976 | 256 | 1987 | 14,734 | 1998 | 40,596 | 2009 | 32,771 |
| 1977 | 3,220 | 1988 | 6,722 | 1999 | 134,914 | 0 | 0 |

TOTAL RETIREMENTS = 1,188,591

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

WELSH GROUP
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PLANT BALANCES

| YEAR | BAL | YEAR | BAL | YEAR | BAL | YEAR | BAL |
|------|---------|------|-----------|------|-----------|------|------------|
| 1967 | 87,580 | 1978 | 851,248 | 1989 | 2,678,270 | 2000 | 6,451,129 |
| 1968 | 112,297 | 1979 | 1,009,711 | 1990 | 3,069,448 | 2001 | 7,005,836 |
| 1969 | 129,636 | 1980 | 1,114,670 | 1991 | 3,455,072 | 2002 | 7,453,131 |
| 1970 | 167,220 | 1981 | 1,205,771 | 1992 | 3,804,578 | 2003 | 8,157,349 |
| 1971 | 207,271 | 1982 | 1,270,272 | 1993 | 4,051,725 | 2004 | 8,920,017 |
| 1972 | 245,041 | 1983 | 1,406,952 | 1994 | 4,356,079 | 2005 | 9,815,434 |
| 1973 | 307,122 | 1984 | 1,595,612 | 1995 | 4,662,573 | 2006 | 10,722,428 |
| 1974 | 325,823 | 1985 | 1,836,850 | 1996 | 5,027,006 | 2007 | 11,665,566 |
| 1975 | 402,706 | 1986 | 1,990,263 | 1997 | 5,485,755 | 2008 | 12,550,459 |
| 1976 | 474,086 | 1987 | 2,075,603 | 1998 | 6,057,205 | 2009 | 13,118,575 |
| 1977 | 697,704 | 1988 | 2,362,205 | 1999 | 5,922,291 | 0 | 0 |

ANALYSIS BAND = 1989 THRU 2009 INCREMENT = 1

| DISP | MEAN | SSD | IV | REI |
|------|-----------|------------|----|-------|
| 50 | 38.8 YRS. | 0.5868E+12 | 24 | 61.97 |

SIMULATED BALANCES

| YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES |
|------|-----------|------|----------|------|----------|------|----------|
| 2009 | 12813336. | 2003 | 8219366. | 1997 | 5684779. | 1991 | 3579978. |
| 2008 | 12345260. | 2002 | 7580842. | 1996 | 5243040. | 1990 | 3169201. |
| 2007 | 11536499. | 2001 | 7201814. | 1995 | 4886498. | 1989 | 2746702. |
| 2006 | 10614016. | 2000 | 6683662. | 1994 | 4459912. | 0 | 0. |
| 2005 | 9759142. | 1999 | 6182670. | 1993 | 4161215. | 0 | 0. |
| 2004 | 8926258. | 1998 | 6242364. | 1992 | 3930312. | 0 | 0. |

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

WELSH GROUP
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COMPANY 100 KENERGY
ACCOUNT 368 LINE TRANSFORMERS

ACCOUNT CONTROL INFORMATION

EARLIEST ADDITION = 1938 LATEST ADDITION = 2009
EARLIEST BALANCE = 1938 LATEST BALANCE = 2009
EARLIEST RETIREMENT = 1938 LATEST RETIREMENT = 2009

PLANT ADDITIONS

| YEAR | ADD | YEAR | ADD | YEAR | ADD | YEAR | ADD |
|------|---------|------|---------|------|-----------|------|-----------|
| 1938 | 47,029 | 1956 | 282,872 | 1974 | 444,326 | 1992 | 765,559 |
| 1939 | 50,308 | 1957 | 281,227 | 1975 | 445,998 | 1993 | 734,062 |
| 1940 | 28,707 | 1958 | 289,086 | 1976 | 566,505 | 1994 | 767,058 |
| 1941 | 30,208 | 1959 | 276,116 | 1977 | 857,779 | 1995 | 948,813 |
| 1942 | 38,612 | 1960 | 181,316 | 1978 | 1,092,868 | 1996 | 1,325,860 |
| 1943 | 10,328 | 1961 | 222,284 | 1979 | 740,763 | 1997 | 1,051,898 |
| 1944 | 27,629 | 1962 | 250,329 | 1980 | 678,778 | 1998 | 1,559,802 |
| 1945 | 19,273 | 1963 | 212,539 | 1981 | 786,698 | 1999 | 1,704,766 |
| 1946 | 38,074 | 1964 | 199,046 | 1982 | 506,345 | 2000 | 1,630,254 |
| 1947 | 256,502 | 1965 | 204,388 | 1983 | 592,403 | 2001 | 817,472 |
| 1948 | 179,214 | 1966 | 250,953 | 1984 | 697,307 | 2002 | 1,119,877 |
| 1949 | 401,218 | 1967 | 287,174 | 1985 | 855,862 | 2003 | 754,036 |
| 1950 | 289,828 | 1968 | 328,411 | 1986 | 750,107 | 2004 | 1,054,706 |
| 1951 | 182,843 | 1969 | 357,425 | 1987 | 768,703 | 2005 | 991,614 |
| 1952 | 203,941 | 1970 | 395,092 | 1988 | 694,391 | 2006 | 1,200,669 |
| 1953 | 181,713 | 1971 | 355,280 | 1989 | 867,211 | 2007 | 1,080,139 |
| 1954 | 183,154 | 1972 | 411,845 | 1990 | 639,075 | 2008 | 1,589,000 |
| 1955 | 200,523 | 1973 | 478,543 | 1991 | 617,336 | 2009 | 1,494,756 |

TOTAL ADDITIONS = 40,825,826

PLANT RETIREMENTS

| YEAR | RET | YEAR | RET | YEAR | RET | YEAR | RET |
|------|-------|------|---------|------|---------|------|---------|
| 0 | 0 | 1956 | 35,574 | 1975 | 92,195 | 1994 | 178,741 |
| 1938 | 2 | 1957 | 45,084 | 1976 | 94,181 | 1995 | 210,595 |
| 1939 | 0 | 1958 | 28,755 | 1977 | 150,591 | 1996 | 163,959 |
| 1940 | 124 | 1959 | 41,696 | 1978 | 170,078 | 1997 | 122,390 |
| 1941 | 1,068 | 1960 | 36,823 | 1979 | 132,985 | 1998 | 270,750 |
| 1942 | 0 | 1961 | 15,171 | 1980 | 224,417 | 1999 | 392,624 |
| 1943 | 470 | 1962 | 71,626 | 1981 | 174,460 | 2000 | 331,922 |
| 1944 | 1,381 | 1963 | 30,030 | 1982 | 164,219 | 2001 | 311,480 |
| 1945 | 170 | 1964 | 49,297 | 1983 | 183,733 | 2002 | 394,443 |
| 1946 | 1,478 | 1965 | 120,608 | 1984 | 141,867 | 2003 | 218,669 |
| 1947 | 329 | 1966 | 56,476 | 1985 | 180,226 | 2004 | 252,757 |
| 1948 | 5,213 | 1967 | 59,583 | 1986 | 227,449 | 2005 | 214,478 |

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

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| | | | | | | | |
|------|---------|------|---------|------|---------|------|---------|
| 1949 | 117,592 | 1968 | 179,574 | 1987 | 195,267 | 2006 | 349,539 |
| 1950 | 36,459 | 1969 | 169,787 | 1988 | 669,599 | 2007 | 213,569 |
| 1951 | 104,106 | 1970 | 112,273 | 1989 | 474,819 | 2008 | 284,485 |
| 1952 | 23,416 | 1971 | 103,451 | 1990 | 207,875 | 2009 | 401,840 |
| 1953 | 70,796 | 1972 | 122,122 | 1991 | 251,268 | 0 | 0 |
| 1954 | 38,010 | 1973 | 89,427 | 1992 | 205,087 | 0 | 0 |
| 1955 | 39,185 | 1974 | 104,728 | 1993 | 256,230 | 0 | 0 |

TOTAL RETIREMENTS = 10,420,671

PLANT BALANCES

| YEAR | BAL | YEAR | BAL | YEAR | BAL | YEAR | BAL |
|------|-----------|------|-----------|------|------------|------|------------|
| 0 | 0 | 1956 | 2,176,603 | 1975 | 6,519,275 | 1994 | 16,214,993 |
| 1938 | 47,027 | 1957 | 2,412,746 | 1976 | 6,991,599 | 1995 | 16,953,211 |
| 1939 | 97,335 | 1958 | 2,673,077 | 1977 | 7,698,787 | 1996 | 18,115,112 |
| 1940 | 125,918 | 1959 | 2,907,497 | 1978 | 8,621,577 | 1997 | 19,044,620 |
| 1941 | 155,058 | 1960 | 3,051,990 | 1979 | 9,229,355 | 1998 | 20,333,672 |
| 1942 | 193,670 | 1961 | 3,259,103 | 1980 | 9,683,716 | 1999 | 21,645,814 |
| 1943 | 203,528 | 1962 | 3,437,806 | 1981 | 10,295,954 | 2000 | 22,944,146 |
| 1944 | 229,776 | 1963 | 3,620,315 | 1982 | 10,638,080 | 2001 | 23,450,138 |
| 1945 | 248,879 | 1964 | 3,770,064 | 1983 | 11,046,750 | 2002 | 24,175,572 |
| 1946 | 285,475 | 1965 | 3,853,844 | 1984 | 11,602,190 | 2003 | 24,710,939 |
| 1947 | 541,648 | 1966 | 4,048,321 | 1985 | 12,277,826 | 2004 | 25,512,888 |
| 1948 | 715,649 | 1967 | 4,275,912 | 1986 | 12,800,484 | 2005 | 26,290,024 |
| 1949 | 999,275 | 1968 | 4,424,749 | 1987 | 13,373,920 | 2006 | 27,141,154 |
| 1950 | 1,252,644 | 1969 | 4,612,387 | 1988 | 13,398,712 | 2007 | 28,007,724 |
| 1951 | 1,331,381 | 1970 | 4,895,206 | 1989 | 13,791,104 | 2008 | 29,312,239 |
| 1952 | 1,511,906 | 1971 | 5,147,035 | 1990 | 14,222,304 | 2009 | 30,405,155 |
| 1953 | 1,622,823 | 1972 | 5,436,758 | 1991 | 14,588,372 | 0 | 0 |
| 1954 | 1,767,967 | 1973 | 5,825,874 | 1992 | 15,148,844 | 0 | 0 |
| 1955 | 1,929,305 | 1974 | 6,165,472 | 1993 | 15,626,676 | 0 | 0 |

ANALYSIS BAND = 1989 THRU 2009

INCREMENT = 1

| | | | | |
|------|-----------|------------|----|-------|
| DISP | MEAN | SSD | IV | REI |
| LO | 38.7 YRS. | 0.1348E+14 | 37 | 89.07 |

SIMULATED BALANCES

| YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES |
|------|-----------|------|-----------|------|-----------|------|-----------|
| 2009 | 29080501. | 2003 | 24642825. | 1997 | 19456604. | 1991 | 15721723. |
| 2008 | 28122293. | 2002 | 24330992. | 1996 | 18745608. | 1990 | 15375286. |
| 2007 | 27051893. | 2001 | 23637635. | 1995 | 17746591. | 1989 | 14996535. |
| 2006 | 26474176. | 2000 | 23230506. | 1994 | 17111942. | 0 | 0. |
| 2005 | 25760431. | 1999 | 21992329. | 1993 | 16647830. | 0 | 0. |
| 2004 | 25240654. | 1998 | 20660652. | 1992 | 16205917. | 0 | 0. |

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

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COMPANY 100 KENERGY
ACCOUNT 369 SERVICES

ACCOUNT CONTROL INFORMATION

EARLIEST ADDITION = 1938
EARLIEST BALANCE = 1940
EARLIEST RETIREMENT = 1940
LATEST ADDITION = 2009
LATEST BALANCE = 2009
LATEST RETIREMENT = 2009

PLANT ADDITIONS

| YEAR | ADD | YEAR | ADD | YEAR | ADD | YEAR | ADD |
|------|---------|------|---------|------|---------|------|-----------|
| 1938 | 22,397 | 1956 | 54,081 | 1974 | 114,385 | 1992 | 419,194 |
| 1939 | 22,970 | 1957 | 53,642 | 1975 | 160,029 | 1993 | 425,441 |
| 1940 | 8,611 | 1958 | 46,214 | 1976 | 132,198 | 1994 | 498,363 |
| 1941 | 12,123 | 1959 | 50,864 | 1977 | 240,787 | 1995 | 553,137 |
| 1942 | 7,753 | 1960 | 49,805 | 1978 | 294,520 | 1996 | 610,173 |
| 1943 | 1,454 | 1961 | 55,083 | 1979 | 356,353 | 1997 | 647,919 |
| 1944 | 9,927 | 1962 | 43,892 | 1980 | 299,466 | 1998 | 695,639 |
| 1945 | 3,389 | 1963 | 67,845 | 1981 | 279,195 | 1999 | 1,466,842 |
| 1946 | 2,730 | 1964 | 65,289 | 1982 | 252,397 | 2000 | 873,554 |
| 1947 | 2,206 | 1965 | 79,228 | 1983 | 354,035 | 2001 | 944,720 |
| 1948 | 13,085 | 1966 | 75,531 | 1984 | 360,182 | 2002 | 1,050,171 |
| 1949 | 151,660 | 1967 | 74,190 | 1985 | 346,861 | 2003 | 1,312,481 |
| 1950 | 99,693 | 1968 | 69,548 | 1986 | 317,776 | 2004 | 1,299,232 |
| 1951 | 31,659 | 1969 | 88,451 | 1987 | 272,659 | 2005 | 1,620,734 |
| 1952 | 70,520 | 1970 | 93,962 | 1988 | 351,876 | 2006 | 1,896,955 |
| 1953 | 57,287 | 1971 | 100,910 | 1989 | 424,274 | 2007 | 1,808,181 |
| 1954 | 37,682 | 1972 | 93,651 | 1990 | 417,061 | 2008 | 1,460,250 |
| 1955 | 60,882 | 1973 | 103,164 | 1991 | 511,615 | 2009 | 1,171,797 |

TOTAL ADDITIONS = 26,121,830

PLANT RETIREMENTS

| YEAR | RET | YEAR | RET | YEAR | RET | YEAR | RET |
|------|--------|------|--------|------|--------|------|---------|
| 1939 | 0 | 1957 | 15,778 | 1975 | 35,323 | 1993 | 92,629 |
| 1940 | 224 | 1958 | 16,420 | 1976 | 39,833 | 1994 | 79,132 |
| 1941 | 10,959 | 1959 | 16,559 | 1977 | 41,937 | 1995 | 124,676 |
| 1942 | 0 | 1960 | 18,420 | 1978 | 55,824 | 1996 | 86,872 |
| 1943 | 2,127 | 1961 | 16,855 | 1979 | 71,555 | 1997 | 100,778 |
| 1944 | 1,361 | 1962 | 16,065 | 1980 | 79,209 | 1998 | 104,494 |
| 1945 | 0 | 1963 | 17,831 | 1981 | 71,900 | 1999 | 120,136 |
| 1946 | 189 | 1964 | 15,268 | 1982 | 62,899 | 2000 | 109,178 |
| 1947 | 50 | 1965 | 24,474 | 1983 | 64,127 | 2001 | 89,066 |
| 1948 | 1,163 | 1966 | 28,422 | 1984 | 71,195 | 2002 | 78,305 |
| 1949 | 2,988 | 1967 | 28,723 | 1985 | 84,751 | 2003 | 63,940 |

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

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| | | | | | | | |
|------|--------|------|--------|------|---------|------|--------|
| 1950 | 4,325 | 1968 | 31,784 | 1986 | 98,878 | 2004 | 68,988 |
| 1951 | 3,633 | 1969 | 28,632 | 1987 | 93,420 | 2005 | 79,430 |
| 1952 | 3,950 | 1970 | 29,960 | 1988 | 98,890 | 2006 | 93,439 |
| 1953 | 6,887 | 1971 | 34,353 | 1989 | 89,573 | 2007 | 82,752 |
| 1954 | 8,408 | 1972 | 33,787 | 1990 | 92,546 | 2008 | 74,203 |
| 1955 | 16,609 | 1973 | 38,626 | 1991 | 103,153 | 2009 | 54,827 |
| 1956 | 14,091 | 1974 | 34,329 | 1992 | 110,329 | 0 | 0 |

TOTAL RETIREMENTS = 3,391,437

PLANT BALANCES

| YEAR | BAL | YEAR | BAL | YEAR | BAL | YEAR | BAL |
|------|---------|------|-----------|------|-----------|------|------------|
| 1939 | 45,367 | 1957 | 631,009 | 1975 | 1,597,219 | 1993 | 6,230,461 |
| 1940 | 53,754 | 1958 | 660,803 | 1976 | 1,689,584 | 1994 | 6,649,692 |
| 1941 | 54,918 | 1959 | 695,108 | 1977 | 1,888,434 | 1995 | 7,078,153 |
| 1942 | 62,671 | 1960 | 726,493 | 1978 | 2,127,130 | 1996 | 7,601,454 |
| 1943 | 61,998 | 1961 | 764,721 | 1979 | 2,411,928 | 1997 | 8,148,595 |
| 1944 | 70,564 | 1962 | 792,548 | 1980 | 2,632,185 | 1998 | 8,739,740 |
| 1945 | 73,953 | 1963 | 842,562 | 1981 | 2,839,480 | 1999 | 10,086,446 |
| 1946 | 76,494 | 1964 | 892,583 | 1982 | 3,028,978 | 2000 | 10,850,822 |
| 1947 | 78,650 | 1965 | 947,337 | 1983 | 3,318,886 | 2001 | 11,706,476 |
| 1948 | 90,572 | 1966 | 994,446 | 1984 | 3,607,873 | 2002 | 12,678,342 |
| 1949 | 239,244 | 1967 | 1,039,913 | 1985 | 3,869,983 | 2003 | 13,926,883 |
| 1950 | 334,612 | 1968 | 1,077,677 | 1986 | 4,088,881 | 2004 | 15,157,127 |
| 1951 | 362,638 | 1969 | 1,137,496 | 1987 | 4,268,120 | 2005 | 16,698,431 |
| 1952 | 429,208 | 1970 | 1,201,498 | 1988 | 4,521,106 | 2006 | 18,501,947 |
| 1953 | 479,608 | 1971 | 1,268,055 | 1989 | 4,855,807 | 2007 | 20,227,376 |
| 1954 | 508,882 | 1972 | 1,327,919 | 1990 | 5,180,322 | 2008 | 21,613,423 |
| 1955 | 553,155 | 1973 | 1,392,457 | 1991 | 5,588,784 | 2009 | 22,730,393 |
| 1956 | 593,145 | 1974 | 1,472,513 | 1992 | 5,897,649 | 0 | 0 |

ANALYSIS BAND = 1989 THRU 2009

INCREMENT = 1

| | | | | |
|------|-----------|------------|----|--------|
| DISP | MEAN | SSD | IV | REI |
| R2 | 29.8 YRS. | 0.5397E+13 | 44 | 100.00 |

SIMULATED BALANCES

| YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES |
|------|-----------|------|-----------|------|----------|------|----------|
| 2009 | 21756884. | 2003 | 14015899. | 1997 | 8651598. | 1991 | 6157060. |
| 2008 | 20885891. | 2002 | 12896536. | 1996 | 8131039. | 1990 | 5734253. |
| 2007 | 19706619. | 2001 | 12026178. | 1995 | 7640521. | 1989 | 5400769. |
| 2006 | 18159597. | 2000 | 11249326. | 1994 | 7199908. | 0 | 0. |
| 2005 | 16504392. | 1999 | 10532661. | 1993 | 6807490. | 0 | 0. |
| 2004 | 15107411. | 1998 | 9211581. | 1992 | 6481958. | 0 | 0. |

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

WELSH GROUP
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COMPANY 100 KENERGY
ACCOUNT 370 METERS

ACCOUNT CONTROL INFORMATION

EARLIEST ADDITION = 1938 LATEST ADDITION = 2009
EARLIEST BALANCE = 1941 LATEST BALANCE = 2009
EARLIEST RETIREMENT = 1941 LATEST RETIREMENT = 2009

PLANT ADDITIONS

| YEAR | ADD | YEAR | ADD | YEAR | ADD | YEAR | ADD |
|------|--------|------|--------|------|---------|------|---------|
| 1938 | 7,041 | 1956 | 28,666 | 1974 | 76,746 | 1992 | 178,929 |
| 1939 | 10,185 | 1957 | 26,871 | 1975 | 73,712 | 1993 | 142,912 |
| 1940 | 7,709 | 1958 | 41,033 | 1976 | 93,895 | 1994 | 138,361 |
| 1941 | 12,006 | 1959 | 30,592 | 1977 | 119,786 | 1995 | 155,382 |
| 1942 | 3,470 | 1960 | 31,917 | 1978 | 137,925 | 1996 | 198,946 |
| 1943 | 2,981 | 1961 | 28,638 | 1979 | 103,302 | 1997 | 195,091 |
| 1944 | 10,436 | 1962 | 40,365 | 1980 | 75,156 | 1998 | 208,298 |
| 1945 | 6,768 | 1963 | 40,779 | 1981 | 128,152 | 1999 | 245,737 |
| 1946 | 10,352 | 1964 | 47,576 | 1982 | 133,335 | 2000 | 84,260 |
| 1947 | 25,215 | 1965 | 37,582 | 1983 | 179,860 | 2001 | 265,631 |
| 1948 | 34,695 | 1966 | 56,307 | 1984 | 143,032 | 2002 | 155,971 |
| 1949 | 55,376 | 1967 | 58,574 | 1985 | 119,401 | 2003 | 204,849 |
| 1950 | 45,785 | 1968 | 52,358 | 1986 | 122,330 | 2004 | 197,955 |
| 1951 | 20,786 | 1969 | 49,423 | 1987 | 115,289 | 2005 | 230,154 |
| 1952 | 44,611 | 1970 | 47,086 | 1988 | 152,792 | 2006 | 221,620 |
| 1953 | 33,096 | 1971 | 59,392 | 1989 | 118,019 | 2007 | 233,932 |
| 1954 | 28,360 | 1972 | 61,161 | 1990 | 142,083 | 2008 | 249,768 |
| 1955 | 34,184 | 1973 | 73,821 | 1991 | 152,954 | 2009 | 104,533 |

TOTAL ADDITIONS = 6,805,295

PLANT RETIREMENTS

| YEAR | RET | YEAR | RET | YEAR | RET | YEAR | RET |
|------|-----|------|--------|------|--------|------|--------|
| 1940 | 0 | 1958 | 5,266 | 1976 | 7,440 | 1994 | 51,781 |
| 1941 | 11 | 1959 | 3,710 | 1977 | 8,199 | 1995 | 63,898 |
| 1942 | 33 | 1960 | 10,631 | 1978 | 41,621 | 1996 | 42,548 |
| 1943 | 0 | 1961 | 58 | 1979 | 40,527 | 1997 | 44,638 |
| 1944 | 0 | 1962 | 3,486 | 1980 | 17,084 | 1998 | 63,359 |
| 1945 | 0 | 1963 | 1,946 | 1981 | 34,554 | 1999 | 11,393 |
| 1946 | 124 | 1964 | 1,864 | 1982 | 17,817 | 2000 | 4,071 |
| 1947 | 16 | 1965 | 8,873 | 1983 | 34,273 | 2001 | 57,223 |
| 1948 | 374 | 1966 | 14,019 | 1984 | 6,738 | 2002 | 54,768 |
| 1949 | 0 | 1967 | 9,920 | 1985 | 29,569 | 2003 | 44,650 |

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

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| | | | | | | | |
|------|-------|------|--------|------|--------|------|--------|
| 1950 | 60 | 1968 | 35,499 | 1986 | 26,508 | 2004 | 32,299 |
| 1951 | 1,467 | 1969 | 21,643 | 1987 | 23,617 | 2005 | 55,978 |
| 1952 | 613 | 1970 | 70,212 | 1988 | 27,543 | 2006 | 41,588 |
| 1953 | 8,485 | 1971 | 5,924 | 1989 | 37,832 | 2007 | 44,304 |
| 1954 | 6,559 | 1972 | 9,985 | 1990 | 57,820 | 2008 | 33,654 |
| 1955 | 4,361 | 1973 | 4,877 | 1991 | 50,937 | 2009 | 60,124 |
| 1956 | 2,220 | 1974 | 10,628 | 1992 | 49,884 | 0 | 0 |
| 1957 | 2,832 | 1975 | 7,801 | 1993 | 52,303 | 0 | 0 |

TOTAL RETIREMENTS = 1,524,039

PLANT BALANCES

| YEAR | BAL | YEAR | BAL | YEAR | BAL | YEAR | BAL |
|------|---------|------|-----------|------|-----------|------|-----------|
| 1940 | 24,935 | 1958 | 457,205 | 1976 | 1,188,613 | 1994 | 2,983,624 |
| 1941 | 36,930 | 1959 | 484,087 | 1977 | 1,300,200 | 1995 | 3,075,108 |
| 1942 | 40,367 | 1960 | 505,373 | 1978 | 1,396,504 | 1996 | 3,231,506 |
| 1943 | 43,348 | 1961 | 533,953 | 1979 | 1,459,279 | 1997 | 3,381,959 |
| 1944 | 53,784 | 1962 | 570,832 | 1980 | 1,517,351 | 1998 | 3,526,898 |
| 1945 | 60,552 | 1963 | 609,665 | 1981 | 1,610,949 | 1999 | 3,761,242 |
| 1946 | 70,780 | 1964 | 655,377 | 1982 | 1,726,467 | 2000 | 3,841,431 |
| 1947 | 95,979 | 1965 | 684,086 | 1983 | 1,872,054 | 2001 | 4,049,839 |
| 1948 | 130,300 | 1966 | 726,374 | 1984 | 2,008,348 | 2002 | 4,151,042 |
| 1949 | 185,676 | 1967 | 775,028 | 1985 | 2,098,180 | 2003 | 4,311,241 |
| 1950 | 231,401 | 1968 | 791,887 | 1986 | 2,194,002 | 2004 | 4,476,897 |
| 1951 | 250,720 | 1969 | 819,667 | 1987 | 2,285,674 | 2005 | 4,651,073 |
| 1952 | 294,718 | 1970 | 796,541 | 1988 | 2,410,923 | 2006 | 4,831,105 |
| 1953 | 319,329 | 1971 | 850,009 | 1989 | 2,491,110 | 2007 | 5,020,733 |
| 1954 | 341,130 | 1972 | 901,185 | 1990 | 2,575,373 | 2008 | 5,236,847 |
| 1955 | 370,953 | 1973 | 970,129 | 1991 | 2,677,390 | 2009 | 5,281,256 |
| 1956 | 397,399 | 1974 | 1,036,247 | 1992 | 2,806,435 | 0 | 0 |
| 1957 | 421,438 | 1975 | 1,102,158 | 1993 | 2,897,044 | 0 | 0 |

ANALYSIS BAND = 1989 THRU 2009

INCREMENT = 1

| | | | | |
|------|-----------|------------|----|-------|
| DISP | MEAN | SSD | IV | REI |
| O1 | 43.1 YRS. | 0.1675E+12 | 23 | 82.88 |

SIMULATED BALANCES

| YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES |
|------|----------|------|----------|------|----------|------|----------|
| 2009 | 5112375. | 2003 | 4306985. | 1997 | 3489568. | 1991 | 2749508. |
| 2008 | 5086124. | 2002 | 4165486. | 1996 | 3344381. | 1990 | 2634999. |
| 2007 | 4912585. | 2001 | 4070774. | 1995 | 3193056. | 1989 | 2529651. |
| 2006 | 4752078. | 2000 | 3863958. | 1994 | 3083242. | 0 | 0. |
| 2005 | 4601243. | 1999 | 3836485. | 1993 | 2988745. | 0 | 0. |
| 2004 | 4439255. | 1998 | 3645623. | 1992 | 2888068. | 0 | 0. |

COMPANY 100 KENERGY
ACCOUNT 371 INSTAL ON CUSTOMER PREMEISES

ACCOUNT CONTROL INFORMATION

EARLIEST ADDITION = 1961 LATEST ADDITION = 2009
EARLIEST BALANCE = 1961 LATEST BALANCE = 2009
EARLIEST RETIREMENT = 1961 LATEST RETIREMENT = 2009

PLANT ADDITIONS

| YEAR | ADD | YEAR | ADD | YEAR | ADD | YEAR | ADD |
|------|---------|------|--------|------|---------|------|---------|
| 1961 | 19,794 | 1974 | 74,582 | 1987 | 64,977 | 2000 | 98,931 |
| 1962 | 109,848 | 1975 | 93,390 | 1988 | 88,153 | 2001 | 102,064 |
| 1963 | 62,676 | 1976 | 56,882 | 1989 | 78,015 | 2002 | 153,952 |
| 1964 | 52,052 | 1977 | 89,809 | 1990 | 80,934 | 2003 | 115,069 |
| 1965 | 48,701 | 1978 | 83,959 | 1991 | 79,143 | 2004 | 112,091 |
| 1966 | 43,896 | 1979 | 81,352 | 1992 | 121,426 | 2005 | 145,873 |
| 1967 | 56,693 | 1980 | 70,190 | 1993 | 127,287 | 2006 | 184,777 |
| 1968 | 64,126 | 1981 | 59,308 | 1994 | 124,438 | 2007 | 158,788 |
| 1969 | 32,469 | 1982 | 56,760 | 1995 | 128,980 | 2008 | 155,501 |
| 1970 | 69,740 | 1983 | 54,856 | 1996 | 131,616 | 2009 | 139,272 |
| 1971 | 89,638 | 1984 | 70,398 | 1997 | 126,453 | 0 | 0 |
| 1972 | 92,261 | 1985 | 57,888 | 1998 | 151,011 | 0 | 0 |
| 1973 | 95,117 | 1986 | 90,160 | 1999 | 153,539 | 0 | 0 |

TOTAL ADDITIONS = 4,598,835

PLANT RETIREMENTS

| YEAR | RET | YEAR | RET | YEAR | RET | YEAR | RET |
|------|--------|------|--------|------|--------|------|--------|
| 0 | 0 | 1973 | 9,777 | 1986 | 41,868 | 1999 | 38,435 |
| 1961 | 1,213 | 1974 | 8,148 | 1987 | 36,209 | 2000 | 36,284 |
| 1962 | 1,005 | 1975 | 11,008 | 1988 | 40,459 | 2001 | 29,166 |
| 1963 | 5,703 | 1976 | 13,433 | 1989 | 39,392 | 2002 | 32,235 |
| 1964 | 4,388 | 1977 | 12,400 | 1990 | 40,277 | 2003 | 26,220 |
| 1965 | 7,047 | 1978 | 17,556 | 1991 | 37,470 | 2004 | 30,123 |
| 1966 | 4,830 | 1979 | 18,170 | 1992 | 65,589 | 2005 | 35,376 |
| 1967 | 6,617 | 1980 | 30,125 | 1993 | 56,571 | 2006 | 42,577 |
| 1968 | 5,075 | 1981 | 71,208 | 1994 | 49,525 | 2007 | 31,761 |
| 1969 | 2,190 | 1982 | 0 | 1995 | 56,857 | 2008 | 36,343 |
| 1970 | 6,903 | 1983 | 28,314 | 1996 | 43,553 | 2009 | 31,281 |
| 1971 | 8,422 | 1984 | 27,816 | 1997 | 43,613 | 0 | 0 |
| 1972 | 11,895 | 1985 | 28,663 | 1998 | 43,291 | 0 | 0 |

TOTAL RETIREMENTS = 1,306,381

PLANT BALANCES

| YEAR | BAL | YEAR | BAL | YEAR | BAL | YEAR | BAL |
|------|---------|------|-----------|------|-----------|------|-----------|
| 0 | 0 | 1973 | 761,946 | 1986 | 1,392,771 | 1999 | 2,257,502 |
| 1961 | 18,581 | 1974 | 828,380 | 1987 | 1,421,539 | 2000 | 2,320,149 |
| 1962 | 127,424 | 1975 | 910,762 | 1988 | 1,469,233 | 2001 | 2,393,047 |
| 1963 | 184,397 | 1976 | 954,211 | 1989 | 1,507,856 | 2002 | 2,514,764 |
| 1964 | 232,061 | 1977 | 1,031,620 | 1990 | 1,548,513 | 2003 | 2,603,613 |
| 1965 | 273,715 | 1978 | 1,098,023 | 1991 | 1,590,186 | 2004 | 2,685,581 |
| 1966 | 312,781 | 1979 | 1,161,205 | 1992 | 1,646,023 | 2005 | 2,796,078 |
| 1967 | 362,857 | 1980 | 1,201,270 | 1993 | 1,716,739 | 2006 | 2,938,278 |
| 1968 | 421,908 | 1981 | 1,189,370 | 1994 | 1,791,652 | 2007 | 3,065,305 |
| 1969 | 452,187 | 1982 | 1,246,130 | 1995 | 1,863,775 | 2008 | 3,184,463 |
| 1970 | 515,024 | 1983 | 1,272,672 | 1996 | 1,951,838 | 2009 | 3,292,454 |
| 1971 | 596,240 | 1984 | 1,315,254 | 1997 | 2,034,678 | 0 | 0 |
| 1972 | 676,606 | 1985 | 1,344,479 | 1998 | 2,142,398 | 0 | 0 |

ANALYSIS BAND = 1979 THRU 2009

INCREMENT = 1

| | | | | |
|------|-----------|------------|----|-------|
| DISP | MEAN | SSD | IV | REI |
| 01 | 30.6 YRS. | 0.2136E+12 | 42 | 79.23 |

SIMULATED BALANCES

| YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES |
|------|----------|------|----------|------|----------|------|----------|
| 2009 | 3095205. | 2001 | 2452458. | 1993 | 1819445. | 1985 | 1353209. |
| 2008 | 3029919. | 2000 | 2405648. | 1992 | 1730593. | 1984 | 1322396. |
| 2007 | 2945998. | 1999 | 2360330. | 1991 | 1645570. | 1983 | 1278025. |
| 2006 | 2856222. | 1998 | 2258342. | 1990 | 1601192. | 1982 | 1248174. |
| 2005 | 2737651. | 1997 | 2156394. | 1989 | 1553716. | 1981 | 1215506. |
| 2004 | 2655283. | 1996 | 2076738. | 1988 | 1507861. | 1980 | 1179343. |
| 2003 | 2604590. | 1995 | 1989812. | 1987 | 1450510. | 1979 | 1131240. |
| 2002 | 2549064. | 1994 | 1903392. | 1986 | 1415084. | 0 | 0. |

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

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COMPANY 100 KENERGY
ACCOUNT 373 ST LTG AND SIGNAL SYSTEMS

ACCOUNT CONTROL INFORMATION

EARLIEST ADDITION = 1942 LATEST ADDITION = 2009
EARLIEST BALANCE = 1949 LATEST BALANCE = 2009
EARLIEST RETIREMENT = 1949 LATEST RETIREMENT = 2009

PLANT ADDITIONS

| YEAR | ADD | YEAR | ADD | YEAR | ADD | YEAR | ADD |
|-------------------|-------|------|--------|------|--------|------|---------|
| 1942 | 90 | 1959 | 85 | 1976 | 4,784 | 1993 | 8,973 |
| 1943 | 0 | 1960 | 396 | 1977 | 5,307 | 1994 | 19,665 |
| 1944 | 3,592 | 1961 | 19,839 | 1978 | 7,474 | 1995 | 28,471 |
| 1945 | 0 | 1962 | 0 | 1979 | 8,712 | 1996 | 40,053 |
| 1946 | 0 | 1963 | 1,128 | 1980 | 18,225 | 1997 | 5,171 |
| 1947 | 36 | 1964 | 278 | 1981 | 7,186 | 1998 | 23,935 |
| 1948 | 0 | 1965 | 569 | 1982 | 3,206 | 1999 | 14,442 |
| 1949 | 625 | 1966 | 1,369 | 1983 | 6,781 | 2000 | 89,397 |
| 1950 | 4,151 | 1967 | 655 | 1984 | 571 | 2001 | 31,573 |
| 1951 | 302 | 1968 | 1,240 | 1985 | 10,121 | 2002 | 45,298 |
| 1952 | 0 | 1969 | 419 | 1986 | 5,160 | 2003 | 74,516 |
| 1953 | 0 | 1970 | 1,338 | 1987 | 20,277 | 2004 | 47,924 |
| 1954 | 28 | 1971 | 337 | 1988 | 1,726 | 2005 | 53,586 |
| 1955 | 70 | 1972 | 2,749 | 1989 | 7,778 | 2006 | 56,162 |
| 1956 | 0 | 1973 | 8,083 | 1990 | 2,874 | 2007 | 109,515 |
| 1957 | 5,705 | 1974 | 3,393 | 1991 | 2,970 | 2008 | 71,602 |
| 1958 | 2,609 | 1975 | 670 | 1992 | 5,667 | 2009 | 13,288 |
| TOTAL ADDITIONS = | | | | | | | 912,146 |

PLANT RETIREMENTS

| YEAR | RET | YEAR | RET | YEAR | RET | YEAR | RET |
|------|-------|------|-------|------|-------|------|--------|
| 1948 | 0 | 1964 | 0 | 1980 | 2,007 | 1996 | 21,941 |
| 1949 | 2,254 | 1965 | 1,478 | 1981 | 0 | 1997 | 774 |
| 1950 | 396 | 1966 | 0 | 1982 | 0 | 1998 | 2,766 |
| 1951 | 0 | 1967 | 380 | 1983 | 0 | 1999 | 7,334 |
| 1952 | 0 | 1968 | 0 | 1984 | 0 | 2000 | 4,143 |
| 1953 | 0 | 1969 | 0 | 1985 | 794 | 2001 | 5,464 |
| 1954 | 0 | 1970 | 0 | 1986 | 164 | 2002 | 2,901 |
| 1955 | 0 | 1971 | 0 | 1987 | 605 | 2003 | 2,741 |
| 1956 | 0 | 1972 | 210 | 1988 | 2,671 | 2004 | 8,620 |
| 1957 | 3,316 | 1973 | 71 | 1989 | 778 | 2005 | 7,074 |
| 1958 | 579 | 1974 | 0 | 1990 | 972 | 2006 | 4,430 |

SIMULATED PLANT RECORD ANALYSIS
SIMULATED BALANCE METHOD

WELSH GROUP
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| | | | | | | | |
|------|-------|------|-------|------|-------|------|-------|
| 1959 | 0 | 1975 | 223 | 1991 | 1,167 | 2007 | 6,502 |
| 1960 | 23 | 1976 | 4,439 | 1992 | 842 | 2008 | 4,172 |
| 1961 | 1,382 | 1977 | 2,973 | 1993 | 2,398 | 2009 | 1,191 |
| 1962 | 113 | 1978 | 434 | 1994 | 8,990 | 0 | 0 |
| 1963 | 3,643 | 1979 | 0 | 1995 | 3,623 | 0 | 0 |

TOTAL RETIREMENTS = 126,978

PLANT BALANCES

| YEAR | BAL | YEAR | BAL | YEAR | BAL | YEAR | BAL |
|------|--------|------|--------|------|---------|------|---------|
| 1948 | 3,718 | 1964 | 27,228 | 1980 | 80,337 | 1996 | 206,871 |
| 1949 | 2,089 | 1965 | 26,319 | 1981 | 87,523 | 1997 | 211,268 |
| 1950 | 5,844 | 1966 | 27,688 | 1982 | 90,729 | 1998 | 232,437 |
| 1951 | 6,146 | 1967 | 27,963 | 1983 | 97,510 | 1999 | 239,545 |
| 1952 | 6,146 | 1968 | 29,203 | 1984 | 98,081 | 2000 | 324,799 |
| 1953 | 6,146 | 1969 | 29,622 | 1985 | 107,408 | 2001 | 350,908 |
| 1954 | 6,174 | 1970 | 30,960 | 1986 | 112,404 | 2002 | 393,305 |
| 1955 | 6,244 | 1971 | 31,297 | 1987 | 132,076 | 2003 | 465,080 |
| 1956 | 6,244 | 1972 | 33,836 | 1988 | 131,131 | 2004 | 504,384 |
| 1957 | 8,633 | 1973 | 41,848 | 1989 | 138,131 | 2005 | 550,896 |
| 1958 | 10,663 | 1974 | 45,241 | 1990 | 140,033 | 2006 | 602,628 |
| 1959 | 10,748 | 1975 | 45,688 | 1991 | 141,836 | 2007 | 705,641 |
| 1960 | 11,121 | 1976 | 46,033 | 1992 | 146,661 | 2008 | 773,071 |
| 1961 | 29,578 | 1977 | 48,367 | 1993 | 153,236 | 2009 | 785,168 |
| 1962 | 29,465 | 1978 | 55,407 | 1994 | 163,911 | 0 | 0 |
| 1963 | 26,950 | 1979 | 64,119 | 1995 | 188,759 | 0 | 0 |

ANALYSIS BAND = 1989 THRU 2009

INCREMENT = 1

| | | | | |
|------|-----------|------------|----|--------|
| DISP | MEAN | SSD | IV | REI |
| R2 | 26.7 YRS. | 0.1494E+10 | 23 | 100.00 |

SIMULATED BALANCES

| YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES | YEAR | BALANCES |
|------|----------|------|----------|------|----------|------|----------|
| 2009 | 769410. | 2003 | 468652. | 1997 | 220202. | 1991 | 132884. |
| 2008 | 766619. | 2002 | 400372. | 1996 | 219015. | 1990 | 132792. |
| 2007 | 704740. | 2001 | 360782. | 1995 | 182717. | 1989 | 132674. |
| 2006 | 604061. | 2000 | 334502. | 1994 | 157749. | 0 | 0. |
| 2005 | 555943. | 1999 | 249937. | 1993 | 141384. | 0 | 0. |
| 2004 | 509759. | 1998 | 239940. | 1992 | 135549. | 0 | 0. |

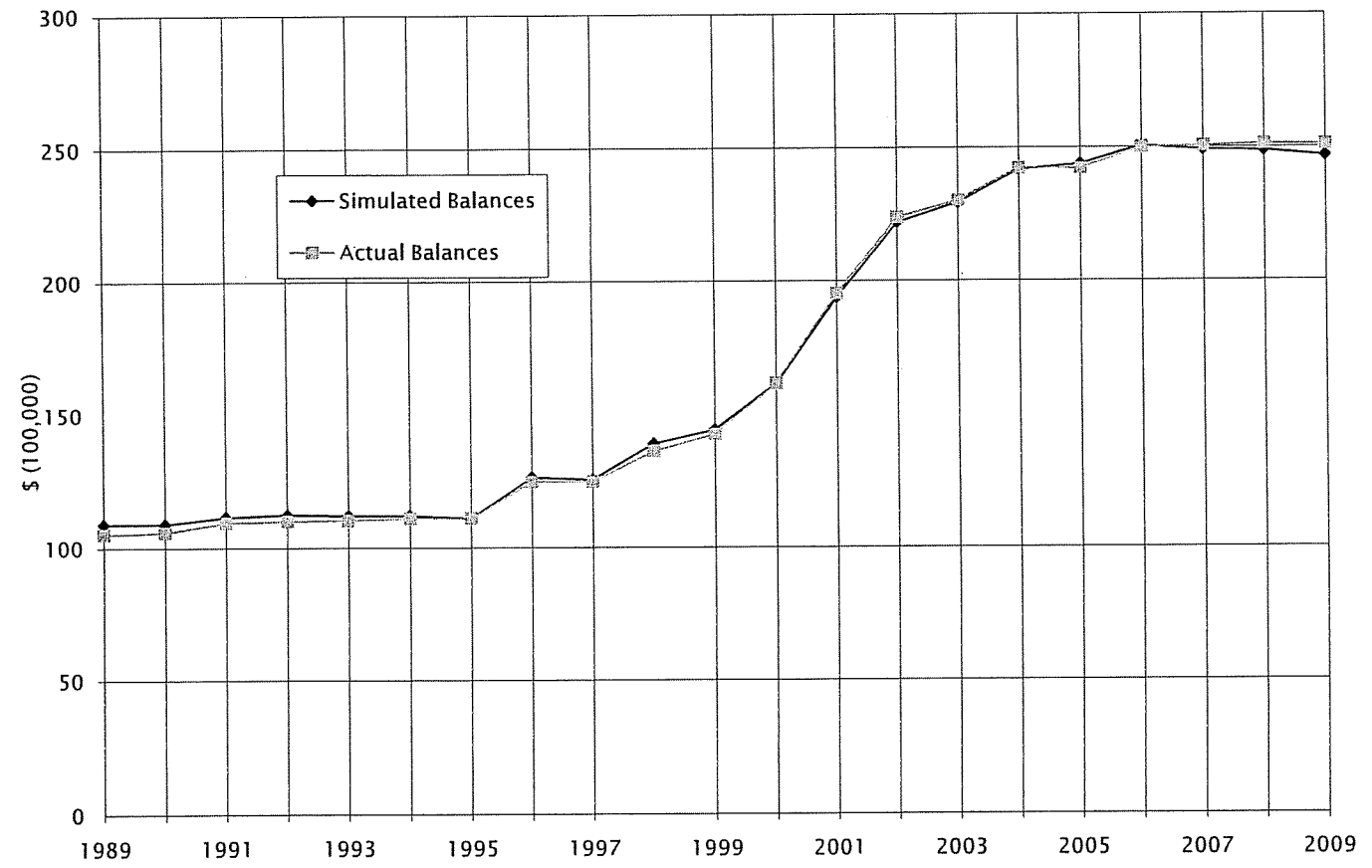
Kenergy

2010 Depreciation Study

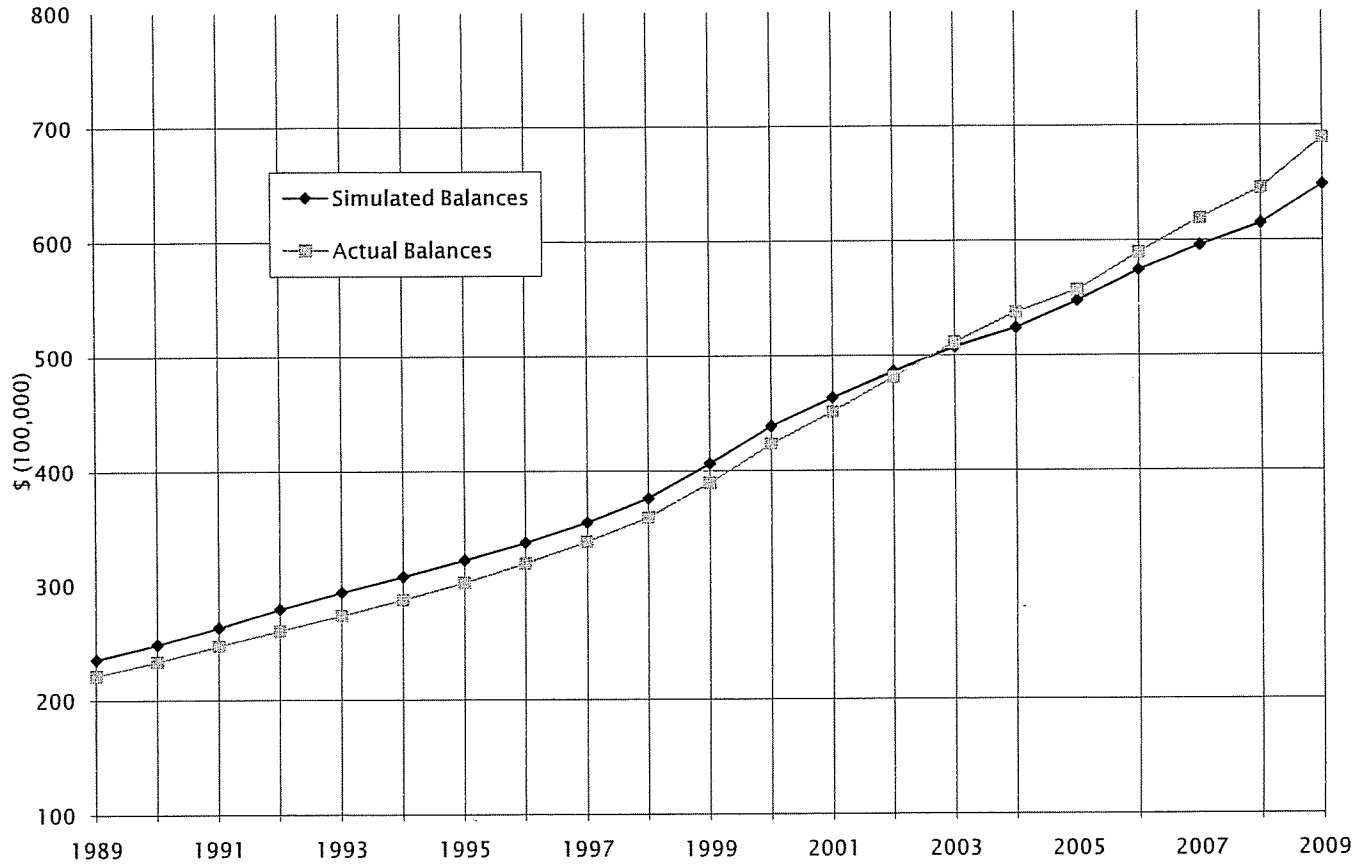
Tab 8

Charts of Stimulated Balances and Book Balances

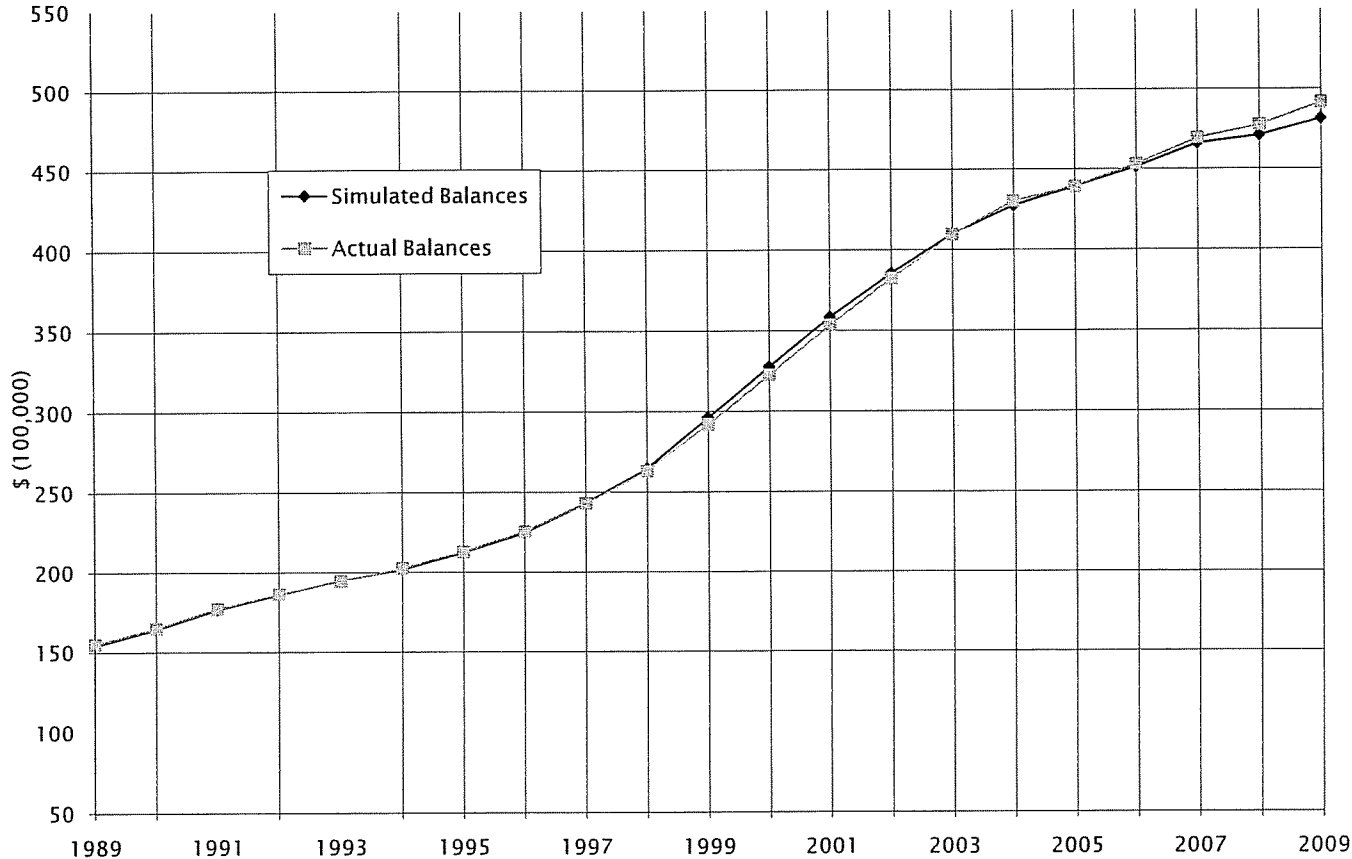
KENERGY
COMPARISON OF BOOK BALANCES AND SIMULATED BALANCES
ACCOUNT 362



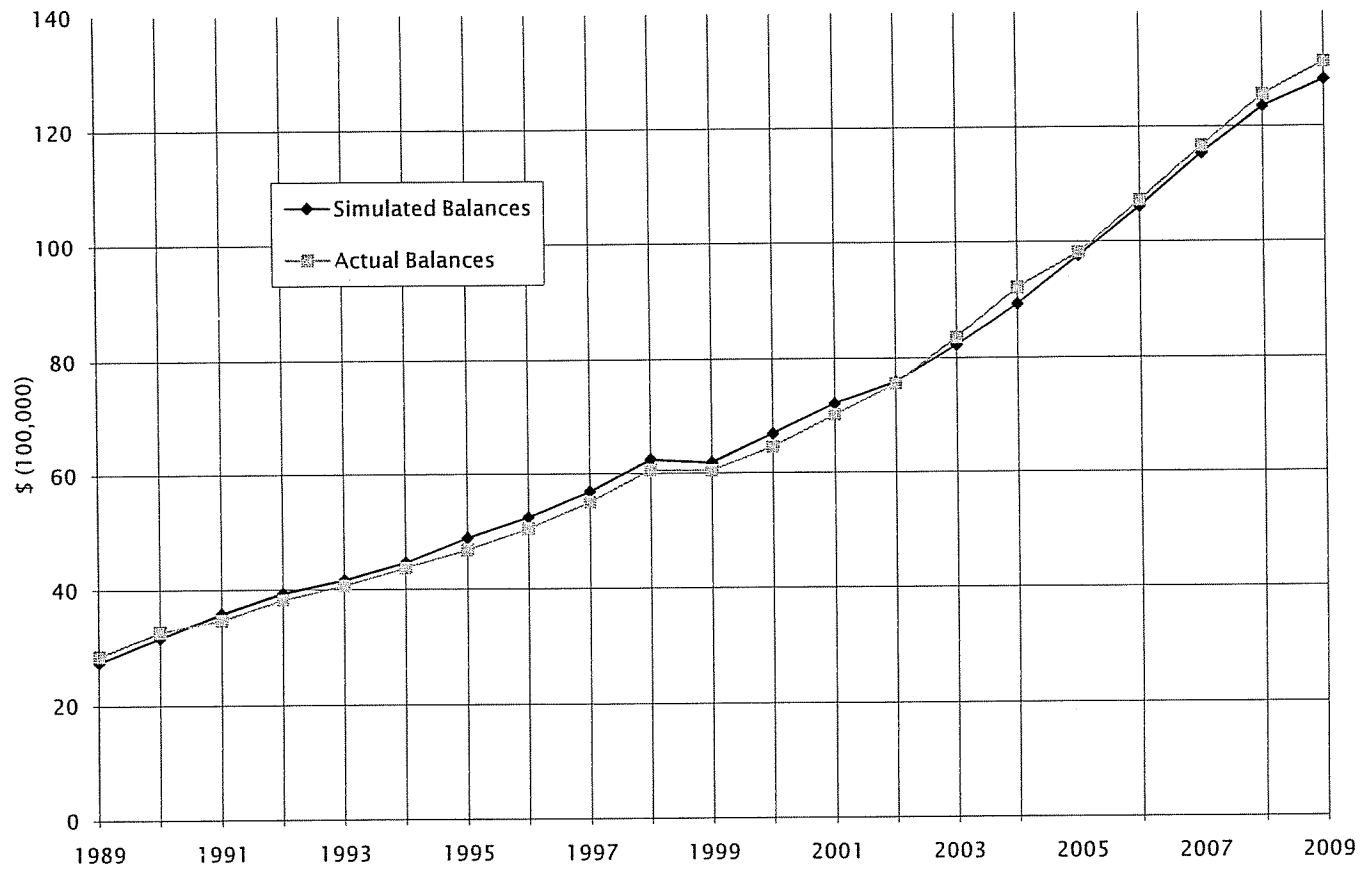
KENERGY
COMPARISON OF BOOK BALANCES AND SIMULATED BALANCES
ACCOUNT 364



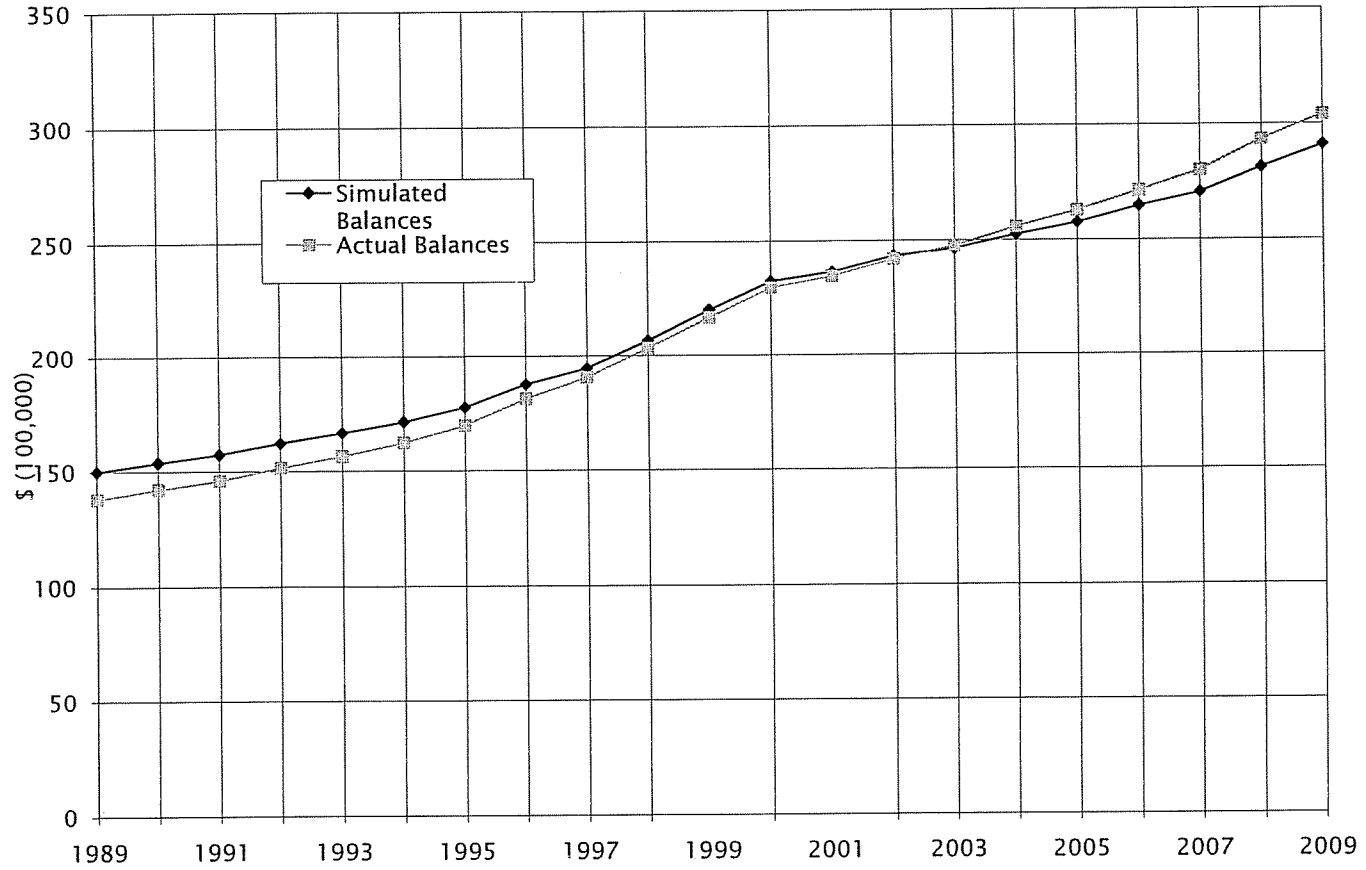
KENERGY
COMPARISON OF BOOK BALANCES AND SIMULATED BALANCES
ACCOUNT 365



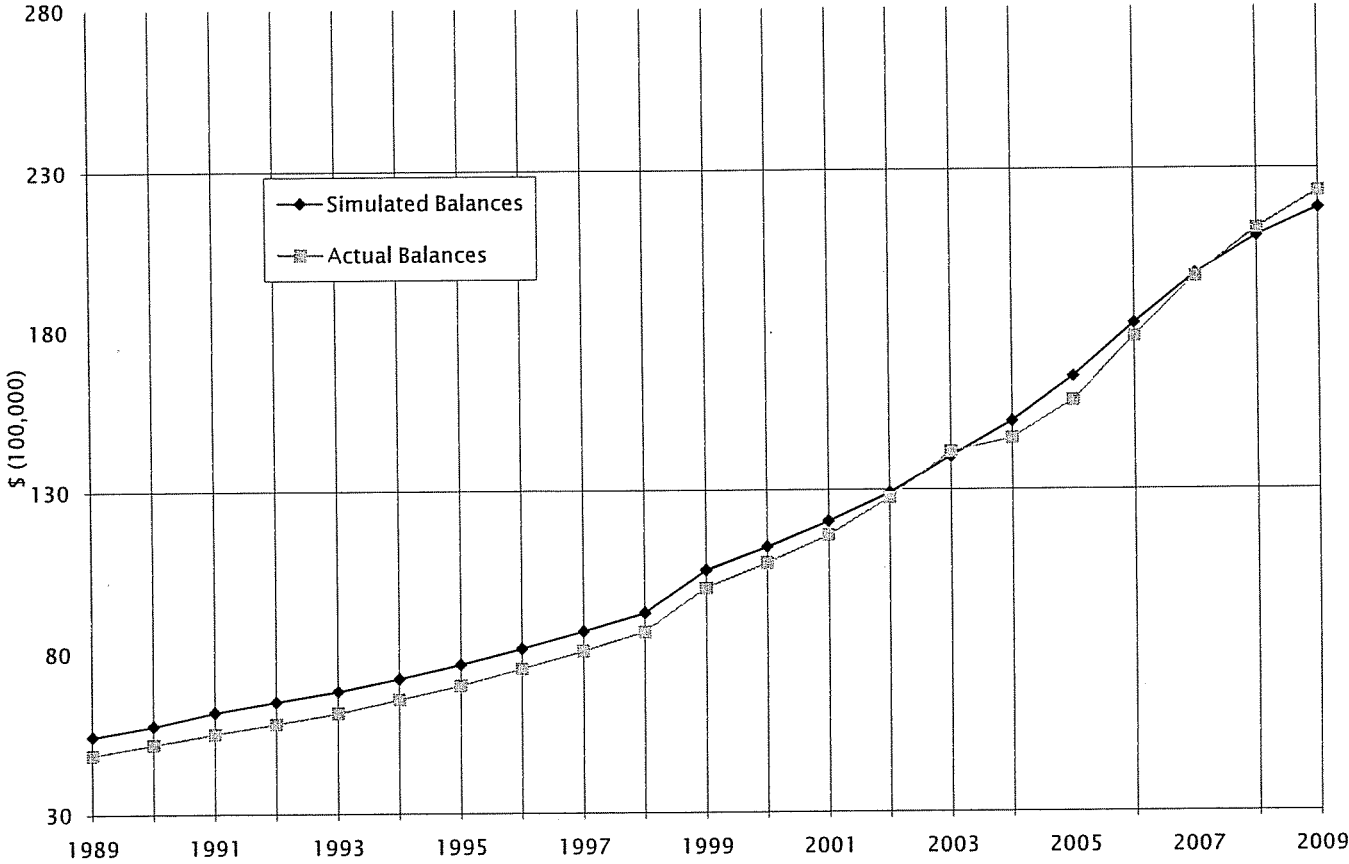
KENERGY
COMPARISON OF BOOK BALANCES AND SIMLULATED BALANCES
ACCOUNT 367



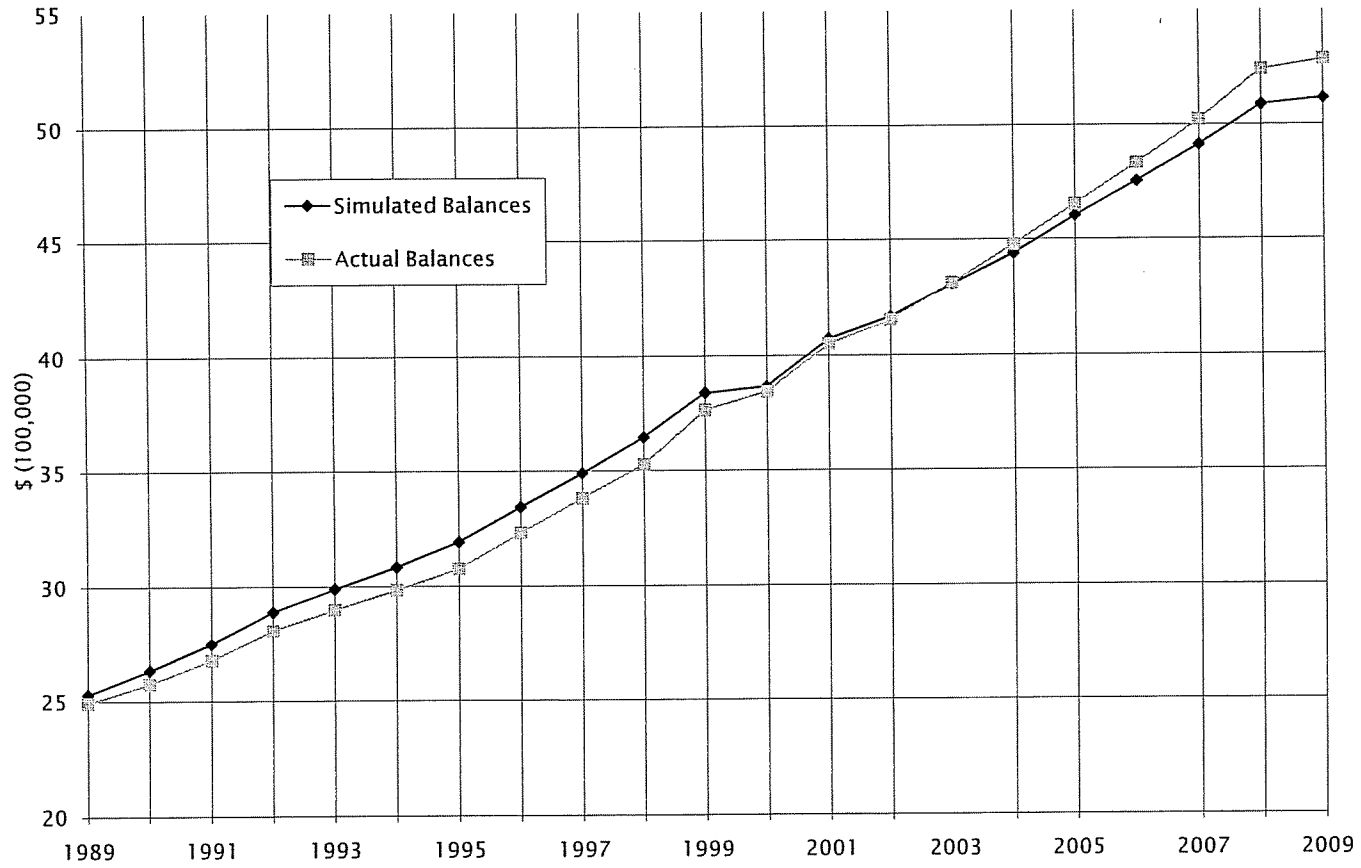
KENERGY
COMPARISON OF BOOK BALANCES AND SIMLULATED BALANCES
ACCOUNT 368



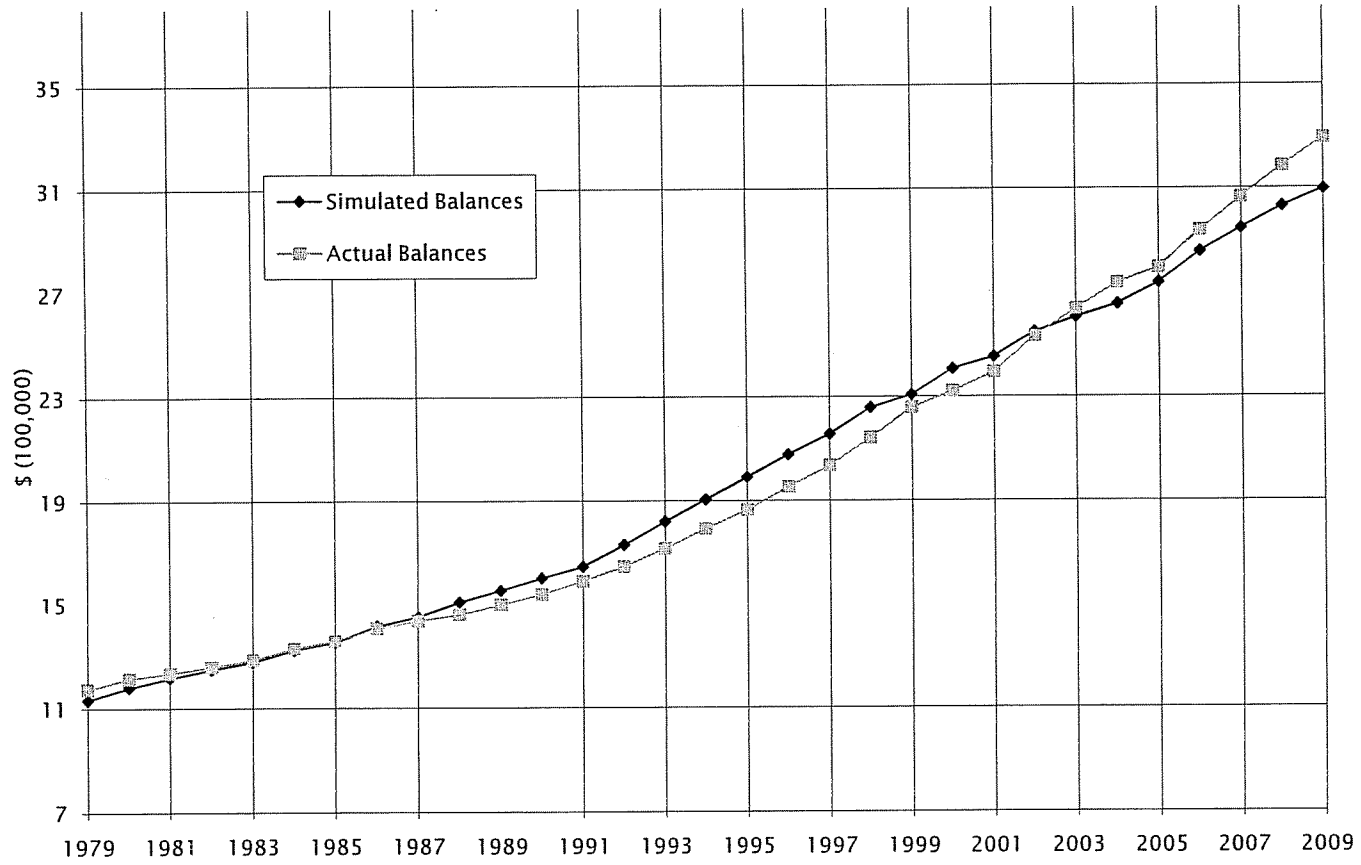
KENERGY
COMPARISON OF BOOK BALANCES AND SIMULATED BALANCES
ACCOUNT 369



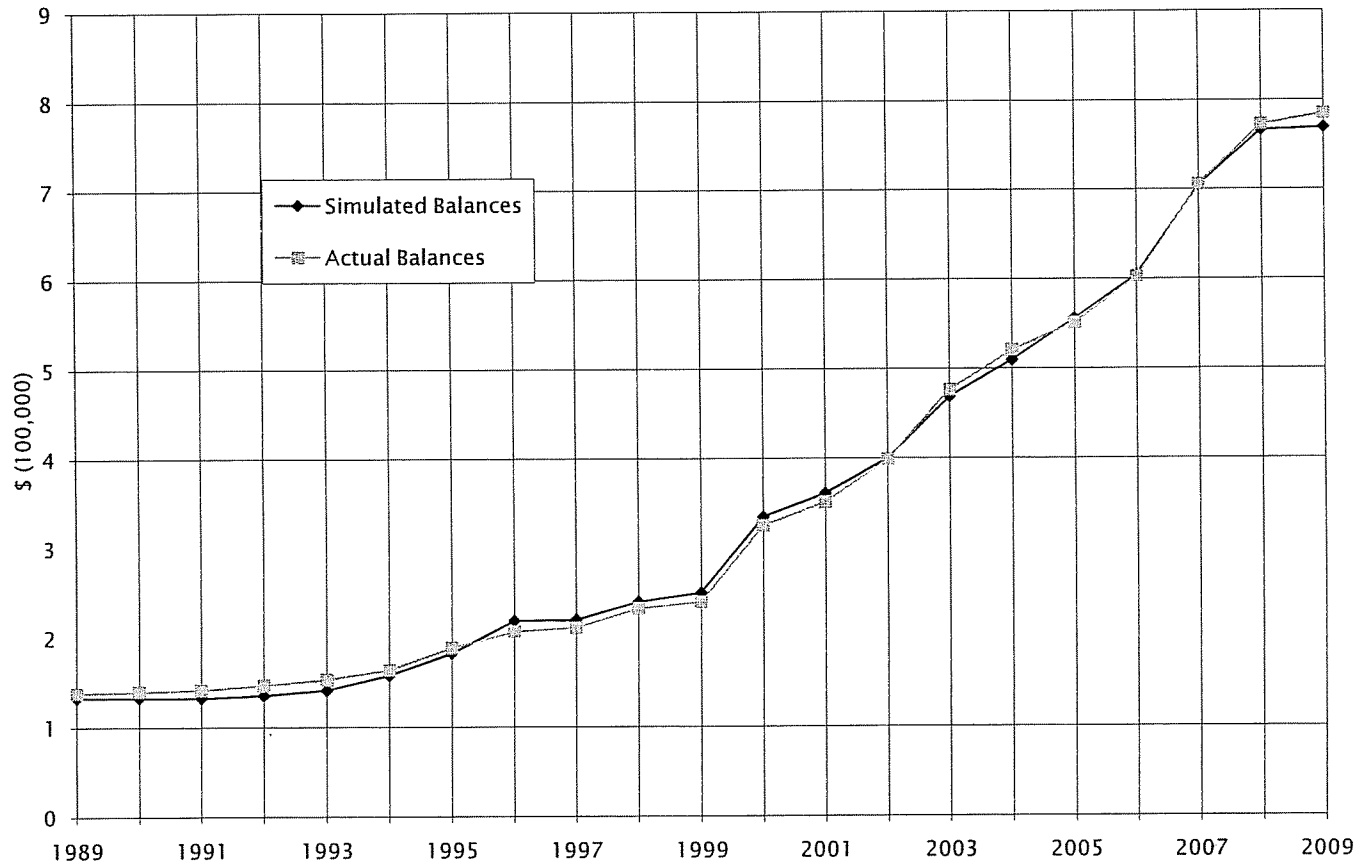
KENERGY
COMPARISON OF BOOK BALANCES AND SIMLULATED BALANCES
ACCOUNT 370



KENERGY
COMPARISON OF BOOK BALANCES AND SIMLULATED BALANCES
ACCOUNT 371



KENERGY
COMPARISON OF BOOK BALANCES AND SIMULATED BALANCES
ACCOUNT 373



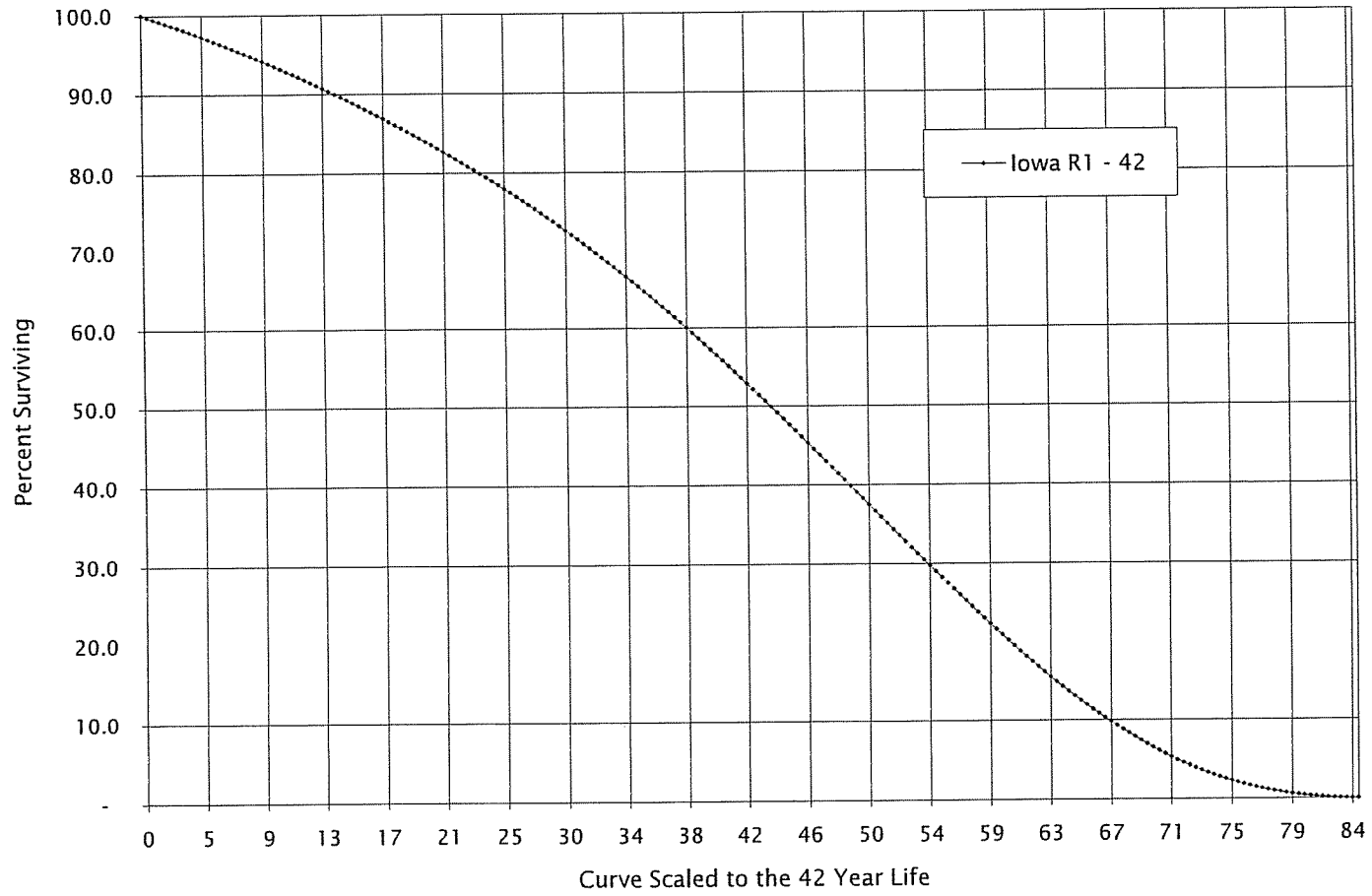
Kenergy

2010 Depreciation Study

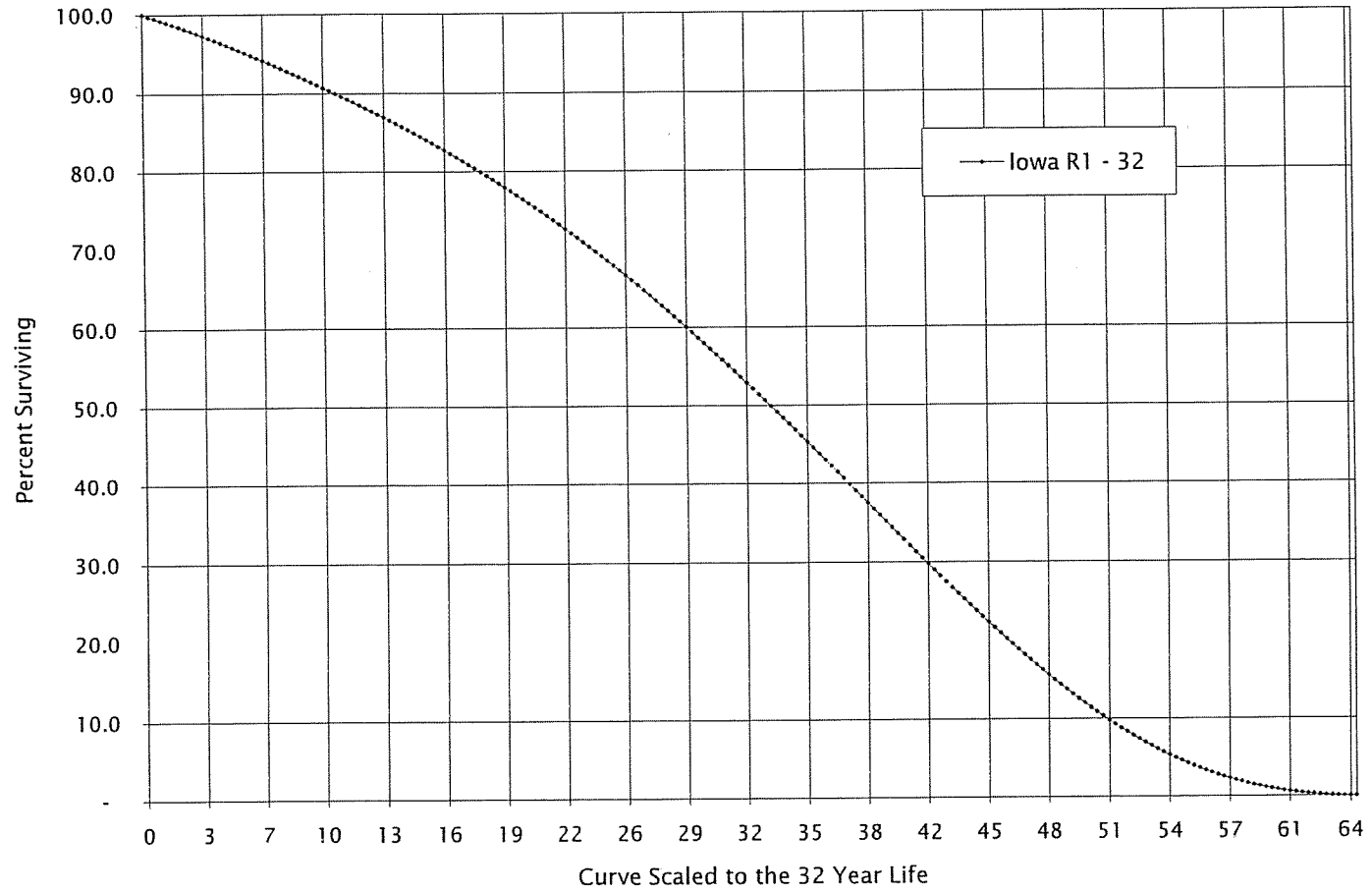
Tab 9

Charts of Survivor Curves

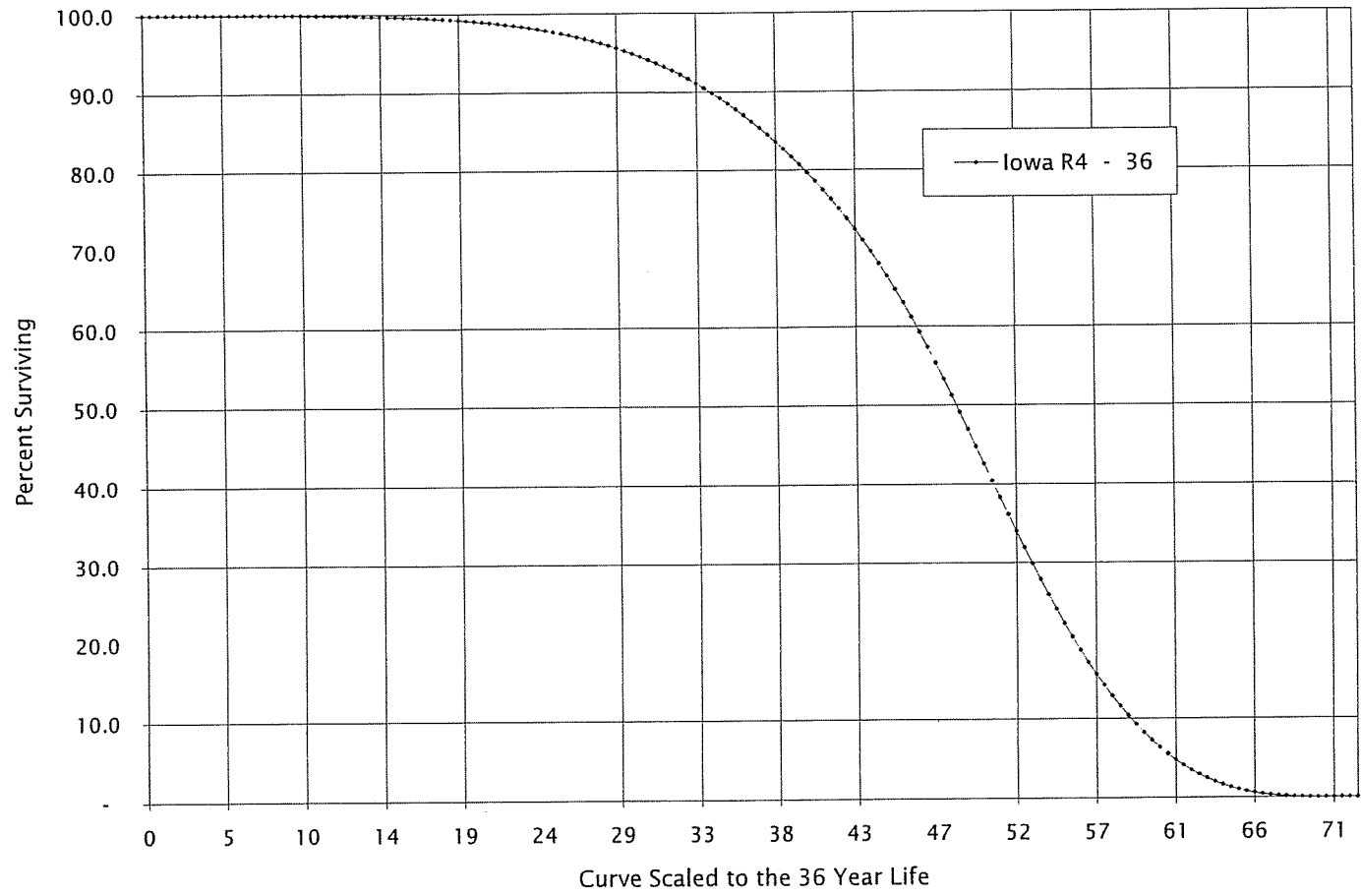
KENERGY
ACCCOUNT 362 - CURVE SHAPE



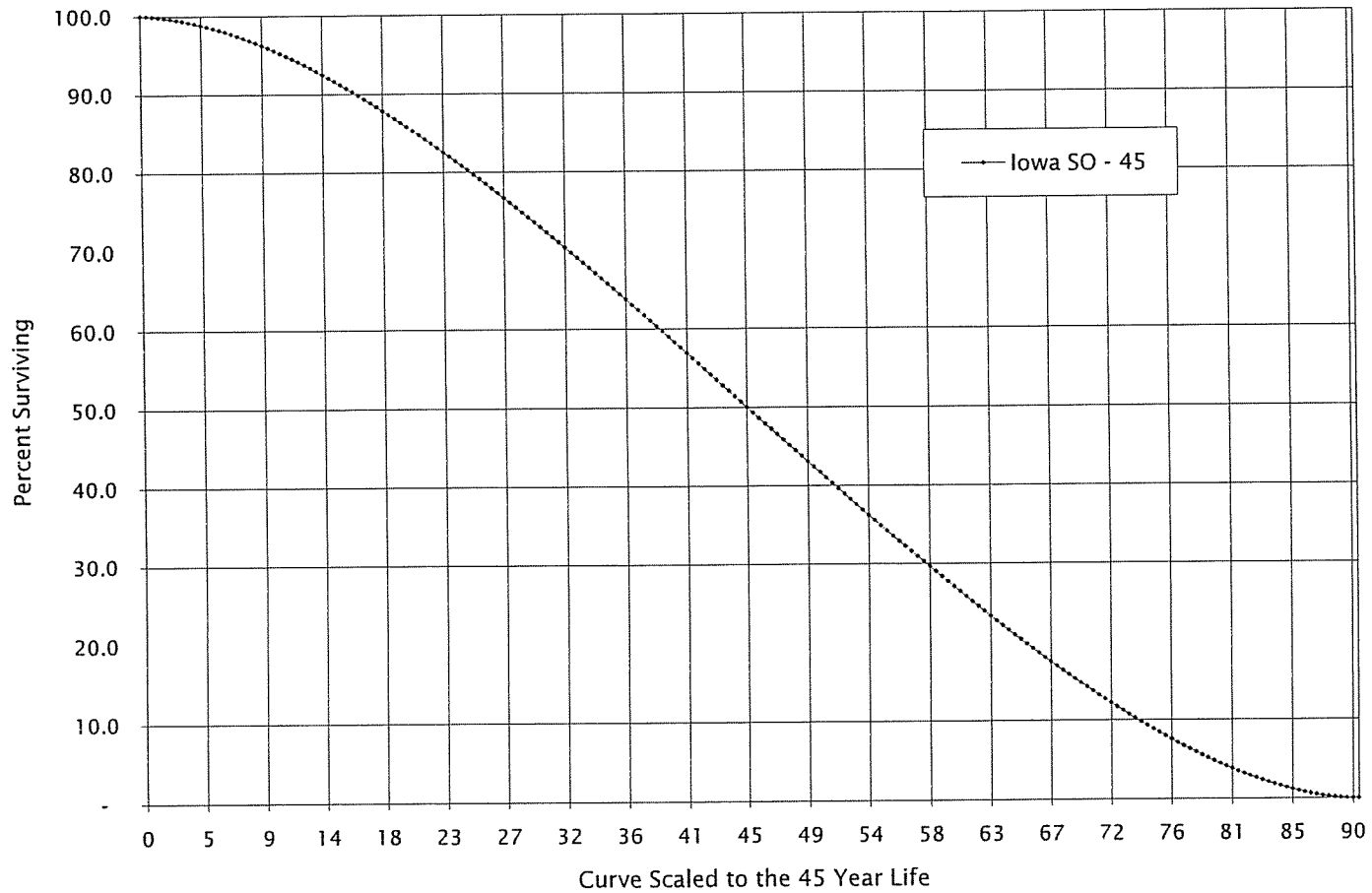
KENERGY
ACCCOUNT 364 - CURVE SHAPE



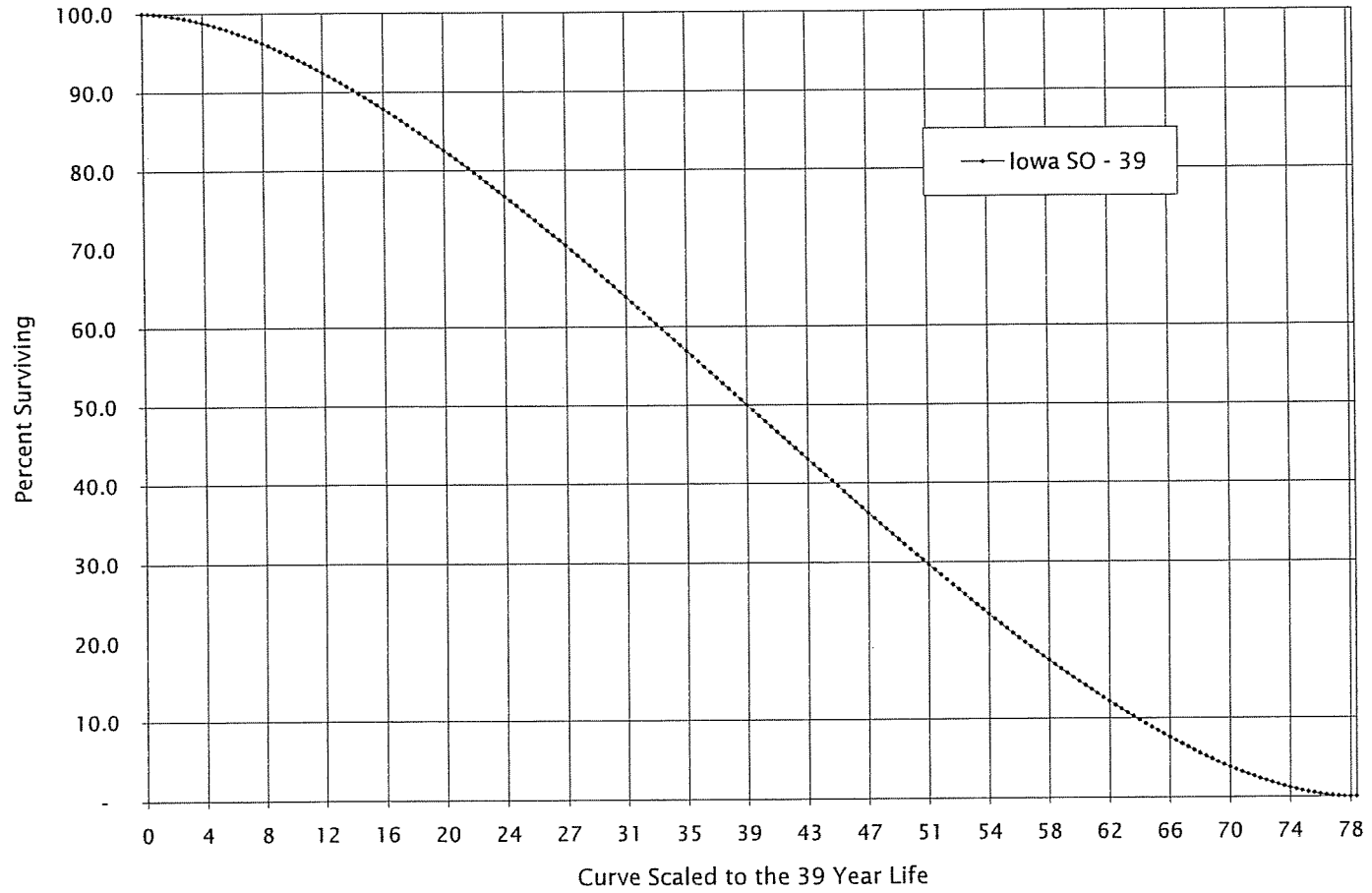
KENERGY
ACCCOUNT 365 - CURVE SHAPE



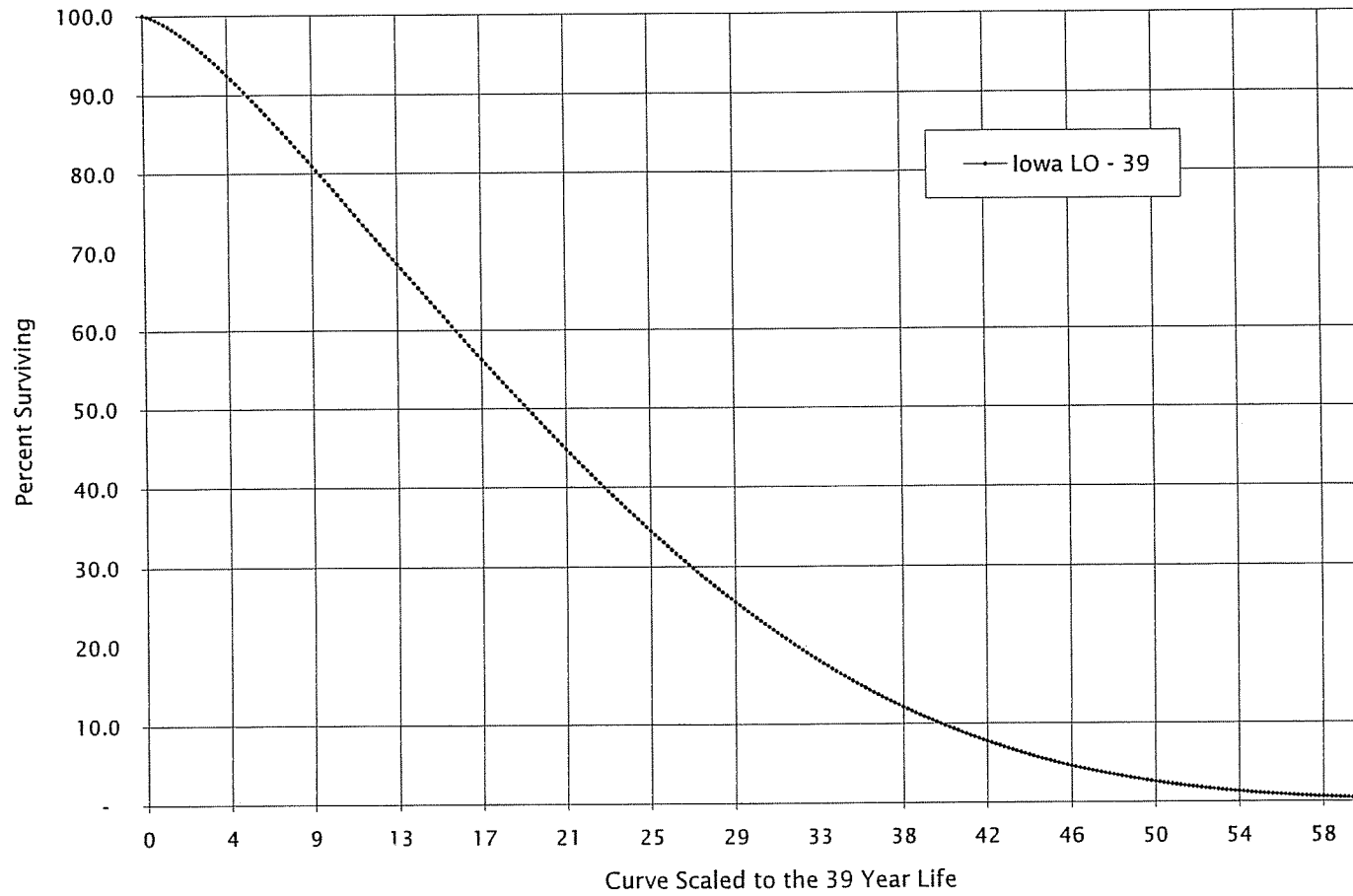
KENERGY
ACCCOUNT 366 - CURVE SHAPE



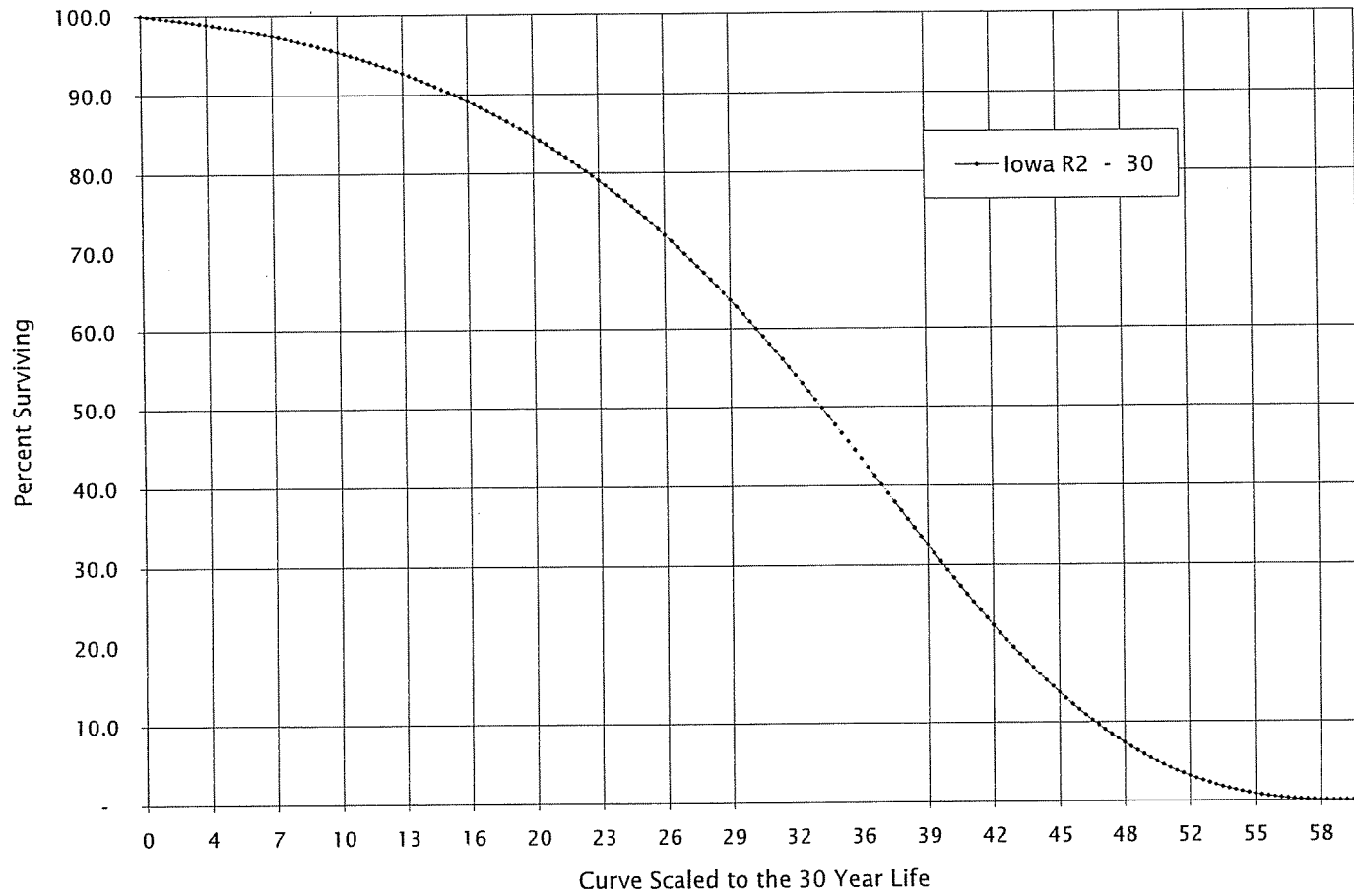
KENERGY
ACCCOUNT 367 - CURVE SHAPE



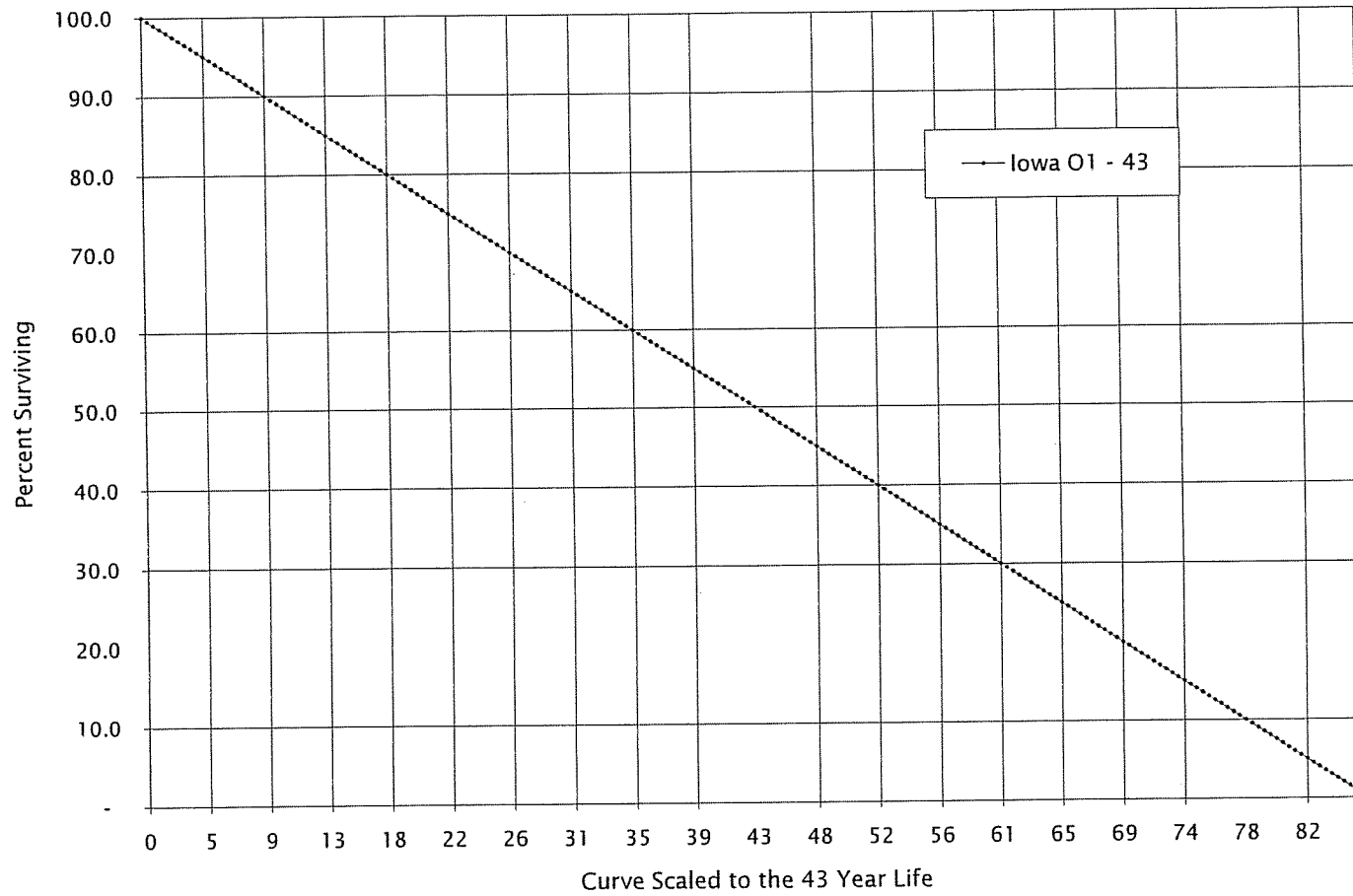
KENERGY
ACCCOUNT 368 - CURVE SHAPE



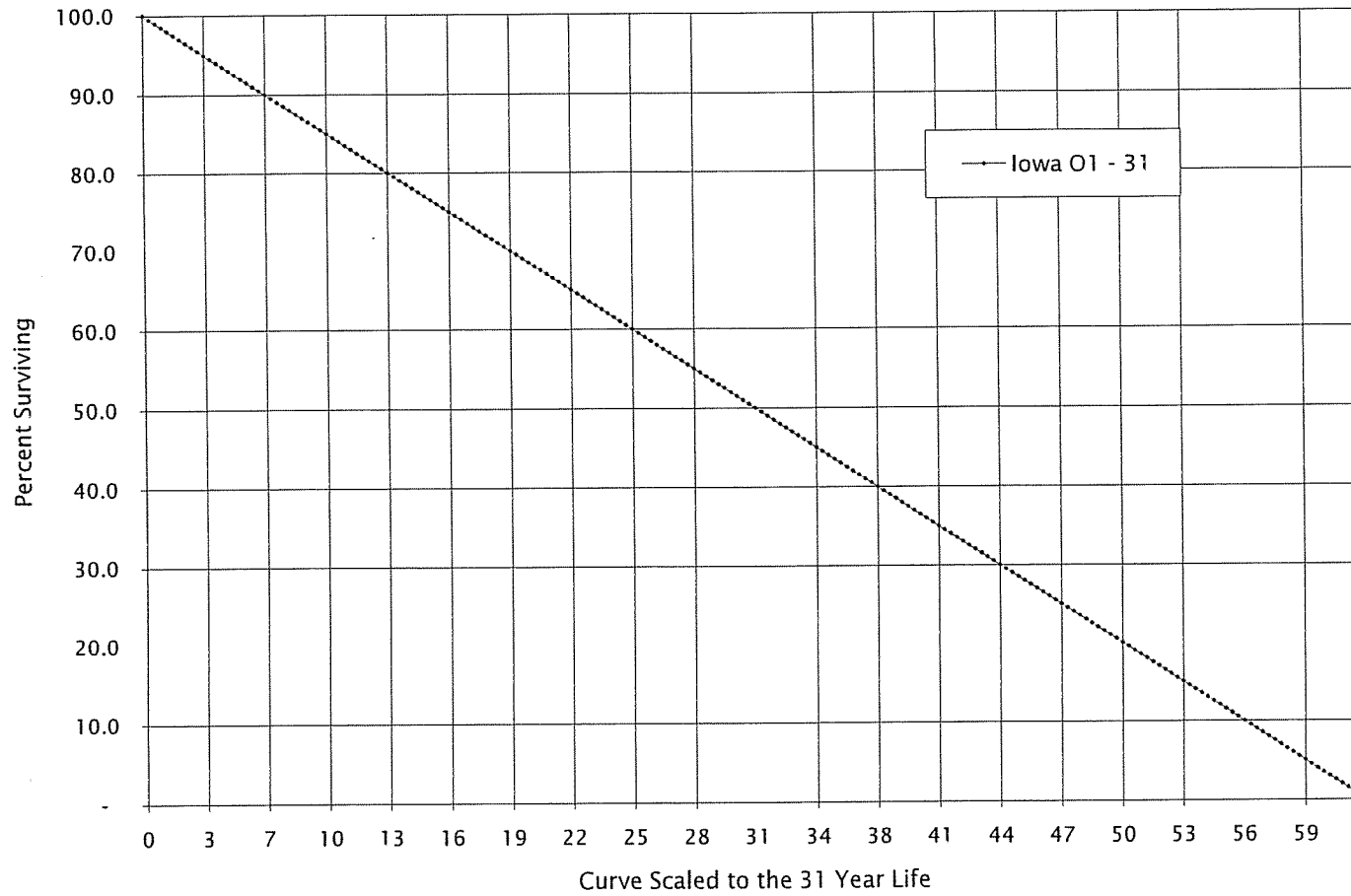
KENERGY
ACCCOUNT 369 - CURVE SHAPE



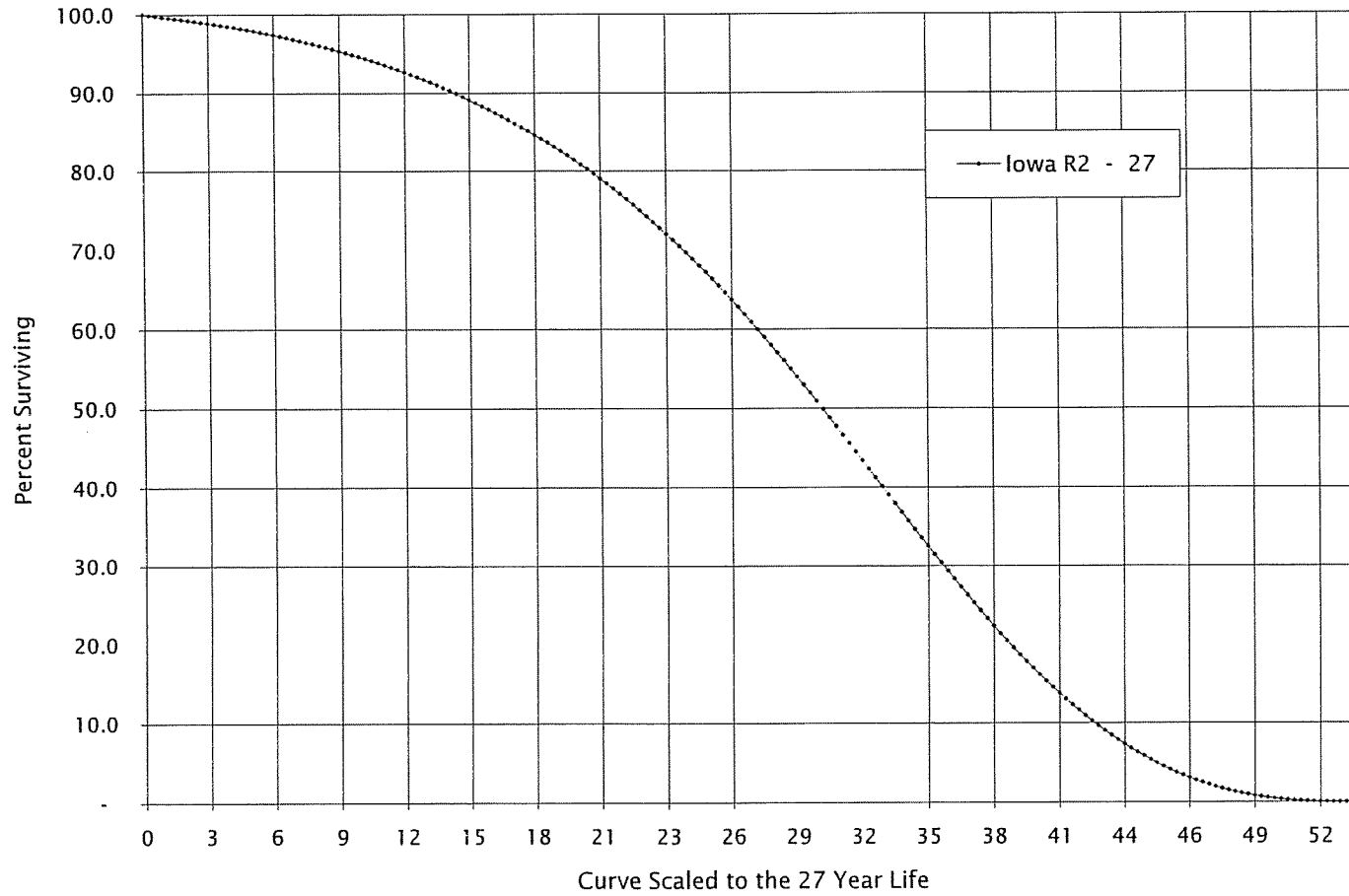
KENERGY
ACCCOUNT 370 - CURVE SHAPE



KENERGY
ACCCOUNT 371 - CURVE SHAPE



KENERGY
ACCCOUNT 373 - CURVE SHAPE



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2010 Depreciation Study

Tab 10

Account Investment Summary

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 362

| | <u>Balance</u> <u>Beq of Year</u> | <u>Additions</u> | <u>Retirements</u> | <u>Reclassifications</u> | | <u>Balance</u> <u>End of Year</u> |
|------|--------------------------------------|------------------|--------------------|--------------------------|---------------|--------------------------------------|
| | | | | <u>Debit</u> | <u>Credit</u> | |
| 2009 | 25,110,641 | 178,245 | 160,264 | | | 25,128,622 |
| 2008 | 25,037,905 | 234,857 | 162,121 | | | 25,110,641 |
| 2007 | 25,009,602 | 136,572 | 108,269 | | | 25,037,905 |
| 2006 | 24,207,083 | 946,169 | 143,650 | | | 25,009,602 |
| 2005 | 24,210,561 | 460,961 | 464,440 | | | 24,207,083 |
| 2004 | 23,004,162 | 1,486,176 | 279,778 | | | 24,210,561 |
| 2003 | 22,369,372 | 970,936 | 336,146 | | | 23,004,162 |
| 2002 | 19,515,194 | 3,030,882 | 176,705 | | | 22,369,372 |
| 2001 | 16,164,840 | 3,392,238 | 41,883 | | | 19,515,194 |
| 2000 | 14,244,514 | 1,920,326 | | | | 16,164,840 |
| 1999 | 13,607,746 | 680,036 | 43,268 | | | 14,244,514 |
| 1998 | 12,472,154 | 1,492,598 | 357,006 | | | 13,607,746 |
| 1997 | 12,468,362 | 47,569 | 43,777 | | | 12,472,154 |
| 1996 | 11,106,337 | 1,667,996 | 305,971 | | | 12,468,362 |
| 1995 | 11,097,537 | 23,617 | 14,818 | | | 11,106,337 |
| 1994 | 11,033,527 | 111,078 | 47,068 | | | 11,097,537 |
| 1993 | 10,989,714 | 84,071 | 52,261 | 12,003 | | 11,033,527 |
| 1992 | 10,940,799 | 193,460 | 144,545 | | | 10,989,714 |
| 1991 | 10,580,326 | 363,415 | 2,942 | | | 10,940,799 |
| 1990 | 10,501,289 | 106,933 | 27,896 | | | 10,580,326 |
| 1989 | 9,181,450 | 1,394,073 | 74,234 | | | 10,501,289 |
| 1988 | 9,095,406 | 94,138 | 8,094 | | | 9,181,450 |
| 1987 | 8,970,511 | 207,261 | 82,366 | | | 9,095,406 |
| 1986 | 7,013,267 | 1,959,111 | 1,867 | | | 8,970,511 |
| 1985 | 6,821,774 | 337,455 | 145,962 | | | 7,013,267 |
| 1984 | 6,415,950 | 472,100 | 66,276 | | | 6,821,774 |
| 1983 | 5,897,969 | 545,792 | 27,812 | | | 6,415,950 |
| 1982 | 4,822,882 | 1,162,117 | 45,493 | | 41,537 | 5,897,969 |
| 1981 | 4,255,707 | 619,632 | 52,456 | | | 4,822,882 |
| 1980 | 4,152,391 | 103,316 | | | | 4,255,707 |
| 1979 | 3,504,948 | 649,581 | 2,137 | | 0 | 4,152,391 |
| 1978 | 2,863,189 | 814,955 | 159,570 | | 13,626 | 3,504,948 |
| 1977 | 2,635,460 | 308,357 | 71,524 | | 9,104 | 2,863,189 |
| 1976 | 2,345,772 | 341,074 | 36,397 | | 14,989 | 2,635,460 |
| 1975 | 2,198,456 | 308,558 | 153,244 | | 7,997 | 2,345,772 |
| 1974 | 2,033,662 | 164,794 | | | | 2,198,456 |
| 1973 | 1,916,788 | 134,419 | 2,557 | | 14,989 | 2,033,662 |
| 1972 | 1,812,771 | 166,837 | 47,467 | | 15,352 | 1,916,788 |
| 1971 | 1,781,526 | 67,718 | 20,603 | | 15,870 | 1,812,771 |
| 1970 | 1,671,489 | 193,158 | 60,936 | | 22,185 | 1,781,526 |
| 1969 | 1,546,661 | 129,648 | 4,819 | | | 1,671,489 |
| 1968 | 1,477,217 | 158,988 | 89,545 | | | 1,546,661 |
| 1967 | 1,386,493 | 115,100 | 24,375 | | | 1,477,217 |
| 1966 | 1,359,268 | 120,129 | 90,244 | | 2,660 | 1,386,493 |
| 1965 | 1,378,621 | 27,703 | 46,970 | 1,652 | 1,738 | 1,359,268 |
| 1964 | 1,379,301 | 583 | | | 1,263 | 1,378,621 |
| 1963 | 1,211,499 | 257,050 | 89,632 | 384 | | 1,379,301 |
| 1962 | 1,144,886 | 67,693 | 1,080 | | | 1,211,499 |
| 1961 | 1,022,412 | 138,637 | 16,164 | | | 1,144,886 |
| 1960 | 982,366 | 40,047 | | | | 1,022,412 |
| 1959 | 940,826 | 40,741 | | 799 | | 982,366 |
| 1958 | 905,343 | 64,562 | 12,927 | 552 | 16,704 | 940,826 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 362

| | <u>Balance Beg of Year</u> | <u>Additions</u> | <u>Retirements</u> | <u>Reclassifications</u> | | <u>Balance End of Year</u> |
|------|--------------------------------|------------------|--------------------|--------------------------|---------------|--------------------------------|
| | | | | <u>Debit</u> | <u>Credit</u> | |
| 1957 | 607,645 | 299,881 | | | 2,184 | 905,343 |
| 1956 | 557,476 | 50,170 | | | | 607,645 |
| 1955 | 488,575 | 80,403 | 11,503 | | | 557,476 |
| 1954 | 398,145 | 90,431 | | | | 488,575 |
| 1953 | 313,011 | 86,467 | 14,230 | 26,578 | 13,681 | 398,145 |
| 1952 | 108,016 | 217,637 | 12,642 | | | 313,011 |
| 1951 | 112,575 | | 8,208 | 3,649 | | 108,016 |
| 1950 | 94,258 | 33,140 | 7,649 | 250 | 7,423 | 112,575 |
| 1949 | 33,033 | 64,550 | 1,963 | | 1,363 | 94,258 |
| 1948 | 24,974 | 11,324 | 3,265 | | | 33,033 |
| 1947 | 23,860 | 1,114 | | | | 24,974 |
| 1946 | 19,803 | 5,882 | 1,825 | | | 23,860 |
| 1945 | 19,803 | | | | | 19,803 |
| 1944 | 9,792 | 10,011 | | | | 19,803 |
| 1943 | 9,792 | | | | | 9,792 |
| 1942 | 9,567 | 225 | | | | 9,792 |
| 1941 | 9,370 | 297 | 100 | | | 9,567 |
| 1940 | 3,711 | 5,659 | | | | 9,370 |
| 1939 | | 3,711 | | | | 3,711 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 364

| | Balance | <u>Additions</u> | <u>Retirements</u> | <u>Reclassifications</u> | | Balance |
|------|---------------------|------------------|--------------------|--------------------------|---------------|--------------------|
| | <u>Beq. of Year</u> | | | <u>Debit</u> | <u>Credit</u> | <u>End of Year</u> |
| 2009 | 64,507,621 | 4,730,906 | 1,128,832 | | | 68,109,695 |
| 2008 | 61,856,997 | 3,132,748 | 482,124 | | | 64,507,621 |
| 2007 | 58,948,042 | 3,332,114 | 423,159 | | | 61,856,997 |
| 2006 | 55,689,068 | 3,861,410 | 602,436 | | | 58,948,042 |
| 2005 | 53,737,667 | 3,451,887 | 500,536 | | 999,949 | 55,689,068 |
| 2004 | 51,094,757 | 3,018,608 | 375,698 | | | 53,737,667 |
| 2003 | 48,115,409 | 3,445,497 | 466,149 | | | 51,094,757 |
| 2002 | 45,115,246 | 3,518,166 | 518,002 | | | 48,115,409 |
| 2001 | 42,312,292 | 3,373,974 | 571,020 | | | 45,115,246 |
| 2000 | 38,923,312 | 4,098,084 | 709,103 | | | 42,312,292 |
| 1999 | 35,906,377 | 3,798,297 | 779,629 | | 1,733 | 38,923,312 |
| 1998 | 33,777,483 | 2,824,024 | 693,537 | | 1,592 | 35,906,377 |
| 1997 | 31,892,415 | 2,480,828 | 595,760 | | | 33,777,483 |
| 1996 | 30,213,710 | 2,160,547 | 481,842 | | | 31,892,415 |
| 1995 | 28,725,820 | 2,042,966 | 555,076 | | | 30,213,710 |
| 1994 | 27,345,295 | 1,953,455 | 572,931 | | | 28,725,820 |
| 1993 | 26,018,260 | 2,037,980 | 710,945 | | | 27,345,295 |
| 1992 | 24,678,936 | 2,143,548 | 804,224 | | | 26,018,260 |
| 1991 | 23,285,999 | 1,971,933 | 689,304 | 110,307 | | 24,678,936 |
| 1990 | 22,110,097 | 1,774,558 | 598,656 | | | 23,285,999 |
| 1989 | 22,016,408 | 1,586,090 | 492,387 | | 1,000,014 | 22,110,097 |
| 1988 | 21,378,132 | 1,627,151 | 487,931 | | 500,944 | 22,016,408 |
| 1987 | 20,366,648 | 1,620,674 | 609,191 | | | 21,378,132 |
| 1986 | 19,268,351 | 1,663,688 | 565,391 | | | 20,366,648 |
| 1985 | 18,082,841 | 1,638,433 | 451,344 | | 1,579 | 19,268,351 |
| 1984 | 16,955,683 | 1,506,325 | 379,167 | | | 18,082,841 |
| 1983 | 15,900,564 | 1,450,138 | 343,234 | | | 17,007,468 |
| 1982 | 15,030,299 | 1,233,656 | 363,390 | | | 15,900,564 |
| 1981 | 13,474,096 | 2,188,406 | 629,251 | 3,713 | | 15,036,965 |
| 1980 | 11,891,583 | 2,130,091 | 547,578 | | | 13,474,096 |
| 1979 | 10,676,637 | 1,468,872 | 252,144 | | 1,781 | 11,891,583 |
| 1978 | 9,634,428 | 1,249,703 | 207,494 | | | 10,676,637 |
| 1977 | 8,907,751 | 858,370 | 131,693 | | | 9,634,428 |
| 1976 | 8,573,470 | 468,477 | 134,561 | 364 | | 8,907,751 |
| 1975 | 7,929,894 | 744,458 | 100,882 | | | 8,573,470 |
| 1974 | 7,478,014 | 574,571 | 114,948 | | 7,743 | 7,929,894 |
| 1973 | 7,103,879 | 483,065 | 108,931 | | | 7,478,014 |
| 1972 | 6,753,036 | 462,515 | 111,672 | | | 7,103,879 |
| 1971 | 6,380,138 | 519,576 | 146,254 | | 425 | 6,753,036 |
| 1970 | 6,050,215 | 435,607 | 105,684 | | | 6,380,138 |
| 1969 | 5,167,211 | 457,353 | 111,271 | 536,922 | | 6,050,215 |
| 1968 | 4,931,402 | 362,639 | 126,830 | | | 5,167,211 |
| 1967 | 4,624,314 | 424,543 | 117,456 | | | 4,931,402 |
| 1966 | 4,450,200 | 262,348 | 88,093 | | 141 | 4,624,314 |
| 1965 | 4,301,003 | 233,111 | 82,868 | | 1,045 | 4,450,200 |
| 1964 | 4,164,821 | 190,991 | 53,640 | | 1,169 | 4,301,003 |
| 1963 | 3,927,157 | 308,665 | 72,697 | 1,696 | | 4,164,821 |
| 1962 | 1,973,080 | 166,544 | 54,892 | | 12,674 | 2,072,058 |
| 1961 | 3,653,440 | 244,278 | 44,175 | | 5,365 | 3,848,178 |
| 1960 | 3,495,067 | 232,304 | 74,490 | 558 | | 3,653,440 |
| 1959 | 3,355,174 | 211,897 | 71,994 | 1 | 11 | 3,495,067 |
| 1958 | 3,142,535 | 308,124 | 95,455 | | | 3,355,204 |
| 1957 | 2,965,600 | 231,157 | 57,684 | 3,462 | | 3,142,535 |
| 1956 | 2,822,852 | 206,687 | 61,234 | 6,206 | 8,911 | 2,965,600 |
| 1955 | 2,657,442 | 246,514 | 80,837 | | 267 | 2,822,852 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 364

| | <u>Balance</u> <u>Beq. of Year</u> | <u>Additions</u> | <u>Retirements</u> | <u>Reclassifications</u> | | <u>Balance</u> <u>End of Year</u> |
|------|---------------------------------------|------------------|--------------------|--------------------------|---------------|--------------------------------------|
| | | | | <u>Debit</u> | <u>Credit</u> | |
| 1954 | 2,532,669 | 191,051 | 46,568 | 102 | 19,812 | 2,657,442 |
| 1953 | 2,334,099 | 225,320 | 24,578 | 564 | 12,735 | 2,522,669 |
| 1952 | 2,010,196 | 365,274 | 31,372 | | | 2,344,099 |
| 1951 | 1,915,546 | 99,398 | 11,790 | 7,553 | 511 | 2,010,196 |
| 1950 | 1,430,278 | 510,132 | 24,864 | 2,383 | 2,383 | 1,915,546 |
| 1949 | 473,420 | 992,512 | 25,763 | | 9,891 | 1,430,278 |
| 1948 | 197,568 | 71,546 | 6,347 | | | 262,767 |
| 1947 | 178,971 | 18,942 | 345 | | | 197,568 |
| 1946 | 160,719 | 19,718 | 1,466 | | | 178,971 |
| 1945 | 135,287 | 25,422 | 10 | | | 160,699 |
| 1944 | 115,647 | 24,829 | 5,189 | | | 135,287 |
| 1943 | 126,902 | 1,271 | 12,526 | | | 115,647 |
| 1942 | 125,819 | 1,082 | | | | 126,902 |
| 1941 | 195,843 | 29,337 | 99,362 | | | 125,819 |
| 1940 | 144,658 | 51,706 | 521 | | | 195,843 |
| 1939 | | 144,658 | | | | 144,658 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 365

| | <u>Balance</u> <u>Beg of Year</u> | <u>Additions</u> | <u>Retirements</u> | <u>Reclassifications</u> | | <u>Balance</u> <u>End of Year</u> |
|------|--------------------------------------|------------------|--------------------|--------------------------|---------------|--------------------------------------|
| | | | | <u>Debit</u> | <u>Credit</u> | |
| 2009 | 47,750,618 | 1,636,064 | 511,423 | | | 48,875,259 |
| 2008 | 46,941,867 | 1,053,894 | 245,143 | | | 47,750,618 |
| 2007 | 45,298,933 | 2,008,677 | 365,743 | | | 46,941,867 |
| 2006 | 43,909,211 | 1,688,223 | 298,501 | | | 45,298,933 |
| 2005 | 43,003,165 | 1,656,779 | 278,876 | | 471,856 | 43,909,211 |
| 2004 | 40,929,918 | 2,320,965 | 247,719 | | | 43,003,165 |
| 2003 | 38,218,737 | 2,997,954 | 286,773 | | | 40,929,918 |
| 2002 | 35,335,078 | 3,218,322 | 334,663 | | | 38,218,737 |
| 2001 | 32,235,851 | 3,437,752 | 338,525 | | | 35,335,078 |
| 2000 | 29,197,055 | 3,467,283 | 428,487 | | | 32,235,851 |
| 1999 | 26,326,009 | 3,470,548 | 598,463 | | 1,039 | 29,197,055 |
| 1998 | 24,314,531 | 2,435,556 | 423,651 | | 428 | 26,326,009 |
| 1997 | 22,529,054 | 2,130,735 | 345,257 | | | 24,314,531 |
| 1996 | 21,251,652 | 1,494,547 | 217,145 | | | 22,529,054 |
| 1995 | 20,229,418 | 1,294,266 | 272,033 | | | 21,251,652 |
| 1994 | 19,456,704 | 970,449 | 197,735 | | | 20,229,418 |
| 1993 | 18,629,591 | 1,088,260 | 261,147 | | | 19,456,704 |
| 1992 | 17,728,954 | 1,193,606 | 292,968 | | | 18,629,591 |
| 1991 | 16,503,984 | 1,449,851 | 268,988 | 44,106 | | 17,728,954 |
| 1990 | 15,497,438 | 1,273,949 | 267,403 | | | 16,503,984 |
| 1989 | 13,434,527 | 940,482 | 205,742 | 1,328,171 | | 15,497,438 |
| 1988 | 11,509,541 | 924,478 | 169,790 | 1,170,298 | | 13,434,527 |
| 1987 | 10,999,806 | 673,837 | 164,102 | | | 11,509,541 |
| 1986 | 10,514,248 | 655,092 | 169,534 | | | 10,999,806 |
| 1985 | 9,941,450 | 704,201 | 130,413 | | | 10,515,238 |
| 1984 | 9,415,094 | 657,981 | 131,626 | | | 9,941,450 |
| 1983 | 8,816,222 | 677,100 | 130,013 | | | 9,363,309 |
| 1982 | 8,403,019 | 484,839 | 105,890 | 34,254 | | 8,816,222 |
| 1981 | 7,732,329 | 841,947 | 169,708 | 1,168 | 381 | 8,405,356 |
| 1980 | 6,857,988 | 1,264,486 | 390,145 | | | 7,732,329 |
| 1979 | 6,348,505 | 654,346 | 144,473 | | 390 | 6,857,988 |
| 1978 | 5,965,214 | 462,451 | 82,831 | 3,672 | | 6,348,505 |
| 1977 | 5,706,895 | 309,776 | 51,458 | | | 5,965,214 |
| 1976 | 5,526,767 | 225,511 | 44,595 | | 789 | 5,706,895 |
| 1975 | 5,241,783 | 319,522 | 36,188 | 1,650 | | 5,526,767 |
| 1974 | 5,154,629 | 201,800 | 54,218 | | 60,428 | 5,241,783 |
| 1973 | 5,039,520 | 153,684 | 38,575 | | | 5,154,629 |
| 1972 | 4,943,176 | 138,853 | 42,509 | | | 5,039,521 |
| 1971 | 4,766,943 | 236,239 | 58,671 | | 1,334 | 4,943,176 |
| 1970 | 4,595,128 | 202,830 | 35,742 | 4,728 | | 4,766,943 |
| 1969 | 4,435,501 | 308,036 | 92,381 | | 56,028 | 4,595,128 |
| 1968 | 4,206,186 | 277,708 | 48,393 | | | 4,435,501 |
| 1967 | 3,983,133 | 303,507 | 80,454 | | | 4,206,186 |
| 1966 | 3,843,073 | 195,704 | 55,731 | 87 | | 3,983,133 |
| 1965 | 3,708,012 | 184,758 | 49,197 | | 500 | 3,843,073 |
| 1964 | 3,609,640 | 131,487 | 35,926 | 2,811 | | 3,708,012 |
| 1963 | 3,409,618 | 252,266 | 41,306 | | 10,939 | 3,609,640 |
| 1962 | 3,628,141 | 96,297 | 32,119 | 2,425 | | 3,694,744 |
| 1961 | 3,236,040 | 129,773 | 23,736 | 1,149 | 211 | 3,343,015 |
| 1960 | 3,127,201 | 154,767 | 46,064 | 307 | 172 | 3,236,040 |
| 1959 | 3,019,046 | 158,535 | 47,063 | 11 | 3,328 | 3,127,201 |
| 1958 | 2,847,332 | 239,894 | 64,701 | | 3,540 | 3,018,985 |
| 1957 | 2,730,104 | 158,561 | 41,489 | 156 | | 2,847,332 |
| 1956 | 2,640,822 | 127,178 | 37,575 | 944 | 1,266 | 2,730,104 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 365

| | <u>Balance Beg of Year</u> | <u>Additions</u> | <u>Retirements</u> | <u>Reclassifications</u> | | <u>Balance End of Year</u> |
|------|--------------------------------|------------------|--------------------|--------------------------|---------------|--------------------------------|
| | | | | <u>Debit</u> | <u>Credit</u> | |
| 1955 | 2,534,852 | 166,541 | 56,743 | | 3,827 | 2,640,822 |
| 1954 | 2,373,686 | 209,971 | 40,173 | | 8,632 | 2,534,852 |
| 1953 | 2,196,062 | 212,603 | 28,004 | | 6,975 | 2,373,686 |
| 1952 | 1,886,987 | 336,717 | 27,642 | | | 2,196,062 |
| 1951 | 1,815,507 | 75,409 | 9,573 | 6,059 | 415 | 1,886,987 |
| 1950 | 1,373,540 | 466,382 | 20,681 | 2,737 | 6,472 | 1,815,507 |
| 1949 | 445,730 | 968,525 | 33,050 | | 7,664 | 1,373,540 |
| 1948 | 310,251 | 53,063 | 6,930 | | | 356,383 |
| 1947 | 588,628 | 21,944 | 322 | | | 610,251 |
| 1946 | 569,651 | 19,985 | 1,008 | | | 588,628 |
| 1945 | 549,214 | 20,438 | | | | 569,651 |
| 1944 | 314,880 | 64,500 | 5,770 | | | 373,611 |
| 1943 | 319,005 | 5,606 | 9,731 | | | 314,880 |
| 1942 | 381,897 | 491 | 63,383 | | | 319,005 |
| 1941 | 236,232 | 145,908 | 243 | | | 381,897 |
| 1940 | 212,852 | 23,379 | | | | 236,232 |
| 1939 | 155,127 | 57,726 | | | | 212,852 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 366

| | Balance | <u>Additions</u> | <u>Retirements</u> | Reclassifications | | Balance |
|------|--------------------|------------------|--------------------|-------------------|---------------|--------------------|
| | <u>Beg of Year</u> | | | <u>Debit</u> | <u>Credit</u> | <u>End of Year</u> |
| 2009 | 14,166 | | | | | 14,166 |
| 2008 | 14,166 | | | | | 14,166 |
| 2007 | 14,166 | | | | | 14,166 |
| 2006 | 14,166 | | | | | 14,166 |
| 2005 | 14,166 | | | | | 14,166 |
| 2004 | 14,166 | | | | | 14,166 |
| 2003 | 14,166 | | | | | 14,166 |
| 2002 | 14,166 | | | | | 14,166 |
| 2001 | 14,166 | | | | | 14,166 |
| 2000 | 14,166 | | | | | 14,166 |
| 1999 | 14,166 | | | | | 14,166 |
| 1998 | 14,166 | | | | | 14,166 |
| 1997 | 14,166 | | | | | 14,166 |
| 1996 | 14,166 | | | | | 14,166 |
| 1995 | 14,166 | | | | | 14,166 |
| 1994 | 14,166 | | | | | 14,166 |
| 1993 | 14,166 | | | | | 14,166 |
| 1992 | 14,166 | | | | | 14,166 |
| 1991 | 14,166 | | | | | 14,166 |
| 1990 | 14,166 | | | | | 14,166 |
| 1989 | 74,894 | 4,941 | | | 65,669 | 14,166 |
| 1988 | 60,217 | 10,266 | | 4,410 | | 74,894 |
| 1987 | 56,449 | 3,767 | | | | 60,217 |
| 1986 | 53,395 | 3,055 | | | | 56,449 |
| 1985 | 49,133 | 4,261 | | | 2,477 | 50,917 |
| 1984 | 44,493 | 4,640 | | | | 49,133 |
| 1983 | 42,773 | 1,721 | | | | 44,493 |
| 1982 | 41,236 | 1,537 | | | | 42,773 |
| 1981 | 39,110 | 2,126 | | | | 41,236 |
| 1980 | 36,512 | 3,555 | 958 | | | 39,110 |
| 1979 | 35,749 | 2,946 | | | 2,182 | 36,512 |
| 1978 | 31,787 | 3,962 | | | | 35,749 |
| 1977 | 18,515 | 13,272 | | | | 31,787 |
| 1976 | 12,785 | 5,692 | | 38 | | 18,515 |
| 1975 | 9,007 | 3,778 | | | | 12,785 |
| 1974 | 8,886 | 121 | | | | 9,007 |
| 1973 | 8,450 | 436 | | | | 8,886 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 367

| | <u>Balance</u> <u>Beq of Year</u> | <u>Additions</u> | <u>Retirements</u> | <u>Reclassifications</u> | | <u>Balance</u> <u>End of Year</u> |
|------|--------------------------------------|------------------|--------------------|--------------------------|---------------|--------------------------------------|
| | | | | <u>Debit</u> | <u>Credit</u> | |
| 2009 | 12,550,459 | 600,887 | 34,370 | | | 13,116,976 |
| 2008 | 11,665,566 | 931,526 | 46,633 | | | 12,550,459 |
| 2007 | 10,722,428 | 1,035,633 | 92,495 | | | 11,665,566 |
| 2006 | 9,815,435 | 959,106 | 52,113 | | | 10,722,428 |
| 2005 | 9,210,782 | 928,958 | 33,541 | | 290,764 | 9,815,435 |
| 2004 | 8,352,487 | 891,199 | 32,904 | | | 9,210,782 |
| 2003 | 7,546,787 | 821,960 | 16,260 | | | 8,352,487 |
| 2002 | 7,005,836 | 548,554 | 7,603 | | | 7,546,787 |
| 2001 | 6,451,130 | 588,176 | 33,469 | | | 7,005,836 |
| 2000 | 5,922,292 | 565,613 | 36,775 | | | 6,451,130 |
| 1999 | 6,057,206 | 61,941 | 72,973 | | | 6,046,174 |
| 1998 | 5,504,434 | 612,046 | 40,596 | | 18,678 | 6,057,206 |
| 1997 | 5,044,124 | 492,933 | 32,622 | | | 5,504,434 |
| 1996 | 4,678,450 | 402,882 | 37,208 | | | 5,044,124 |
| 1995 | 4,370,913 | 468,861 | 161,324 | | | 4,678,450 |
| 1994 | 4,065,521 | 336,592 | 31,201 | | | 4,370,913 |
| 1993 | 3,817,534 | 264,848 | 16,860 | | | 4,065,521 |
| 1992 | 3,466,838 | 381,040 | 30,344 | | | 3,817,534 |
| 1991 | 3,267,337 | 438,245 | 51,308 | | 187,436 | 3,466,838 |
| 1990 | 2,850,940 | 474,106 | 57,709 | | | 3,267,337 |
| 1989 | 2,452,276 | 441,450 | 105,007 | 62,221 | | 2,850,940 |
| 1988 | 2,172,160 | 304,510 | 6,979 | | 17,415 | 2,452,276 |
| 1987 | 2,082,850 | 104,731 | 15,421 | | | 2,172,160 |
| 1986 | 1,922,299 | 167,591 | 7,040 | | | 2,082,850 |
| 1985 | 1,672,315 | 261,665 | 9,204 | | 573 | 1,924,204 |
| 1984 | 1,474,585 | 203,044 | 5,314 | | | 1,672,315 |
| 1983 | 1,331,336 | 145,954 | 2,704 | | | 1,474,585 |
| 1982 | 1,263,735 | 69,922 | 2,321 | | | 1,331,336 |
| 1981 | 1,168,255 | 99,666 | 4,186 | | | 1,263,735 |
| 1980 | 1,058,249 | 135,040 | 25,035 | | | 1,168,255 |
| 1979 | 894,660 | 180,039 | 13,959 | | 2,491 | 1,058,249 |
| 1978 | 733,286 | 175,079 | 13,705 | | | 894,660 |
| 1977 | 498,264 | 238,410 | 3,388 | | | 733,286 |
| 1976 | 424,202 | 75,293 | 272 | | 958 | 498,264 |
| 1975 | 343,213 | 82,200 | 1,212 | | | 424,202 |
| 1974 | 330,391 | 20,350 | 650 | | 6,878 | 343,213 |
| 1973 | 264,014 | 66,798 | 16 | | 405 | 330,391 |
| 1972 | 232,059 | 41,817 | 1,122 | | 290 | 272,464 |
| 1971 | 187,218 | 50,235 | 5,394 | | | 232,059 |
| 1970 | 145,137 | 43,513 | 1,432 | | | 187,218 |
| 1969 | 72,047 | 21,023 | 1,612 | 50,900 | | 142,357 |
| 1968 | 55,576 | 17,241 | 770 | | | 72,047 |
| 1967 | 26,520 | 29,056 | | | | 55,576 |
| 1966 | 7,282 | 17,663 | | | | 24,945 |
| 1965 | 850 | 2,828 | | 3,605 | | 7,282 |
| 1964 | | 850 | | | | 850 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 368

| | <u>Balance</u> <u>Beg of Year</u> | <u>Additions</u> | <u>Retirements</u> | <u>Reclassifications</u> | | <u>Balance</u> <u>End of Year</u> |
|------|--------------------------------------|------------------|--------------------|--------------------------|---------------|--------------------------------------|
| | | | | <u>Debit</u> | <u>Credit</u> | |
| 2009 | 29,312,240 | 1,494,756 | 796,058 | | | 30,010,938 |
| 2008 | 28,007,725 | 1,589,000 | 284,485 | | | 29,312,240 |
| 2007 | 27,141,155 | 1,080,139 | 213,569 | | | 28,007,725 |
| 2006 | 26,290,025 | 1,200,669 | 349,539 | | | 27,141,155 |
| 2005 | 25,574,237 | 991,614 | 214,478 | | 61,347 | 26,290,025 |
| 2004 | 24,752,112 | 1,074,882 | 252,757 | | | 25,574,237 |
| 2003 | 24,195,333 | 775,448 | 218,669 | | | 24,752,112 |
| 2002 | 23,450,138 | 1,139,637 | 394,443 | | | 24,195,333 |
| 2001 | 22,944,147 | 817,472 | 311,480 | | | 23,450,138 |
| 2000 | 21,645,815 | 1,630,254 | 331,922 | | | 22,944,147 |
| 1999 | 20,333,673 | 1,704,766 | 388,619 | | 4,005 | 21,645,815 |
| 1998 | 19,044,621 | 1,559,802 | 241,574 | | 29,176 | 20,333,673 |
| 1997 | 18,115,113 | 1,051,898 | 122,390 | | | 19,044,621 |
| 1996 | 16,953,212 | 1,325,860 | 163,959 | | | 18,115,113 |
| 1995 | 16,214,994 | 948,813 | 210,595 | | | 16,953,212 |
| 1994 | 15,626,677 | 767,058 | 178,741 | | | 16,214,994 |
| 1993 | 15,148,845 | 734,062 | 244,227 | | 12,003 | 15,626,677 |
| 1992 | 14,588,373 | 765,559 | 205,087 | | | 15,148,845 |
| 1991 | 14,222,305 | 609,677 | 251,268 | 7,659 | | 14,588,373 |
| 1990 | 13,791,105 | 639,075 | 207,875 | | | 14,222,305 |
| 1989 | 13,398,713 | 867,211 | 181,698 | | 293,121 | 13,791,105 |
| 1988 | 13,373,921 | 694,391 | 235,708 | | 433,891 | 13,398,713 |
| 1987 | 12,800,485 | 768,703 | 195,267 | | | 13,373,921 |
| 1986 | 12,277,827 | 750,107 | 227,449 | | | 12,800,485 |
| 1985 | 11,602,191 | 855,862 | 179,653 | | | 12,277,827 |
| 1984 | 11,046,751 | 697,307 | 141,867 | | | 11,602,191 |
| 1983 | 10,638,082 | 592,403 | 183,733 | | | 11,046,751 |
| 1982 | 10,295,956 | 499,106 | 164,219 | 7,239 | | 10,638,082 |
| 1981 | 9,684,573 | 786,271 | 174,460 | | | 10,295,956 |
| 1980 | 9,230,212 | 678,778 | 222,176 | | 2,241 | 9,684,573 |
| 1979 | 8,622,433 | 738,262 | 132,985 | | | 9,230,212 |
| 1978 | 7,699,643 | 1,082,332 | 170,078 | 10,546 | | 8,622,433 |
| 1977 | 6,992,456 | 849,138 | 150,591 | 8,641 | | 7,699,643 |
| 1976 | 6,520,132 | 551,099 | 94,181 | 15,406 | | 6,992,456 |
| 1975 | 6,166,329 | 439,651 | 88,811 | 6,347 | 3,384 | 6,520,132 |
| 1974 | 5,826,730 | 395,986 | 104,728 | 48,341 | | 6,166,329 |
| 1973 | 5,437,615 | 463,554 | 89,210 | 14,989 | 217 | 5,826,730 |
| 1972 | 5,147,892 | 396,493 | 121,532 | 15,352 | 590 | 5,437,615 |
| 1971 | 4,896,063 | 339,410 | 99,957 | 15,870 | 3,494 | 5,147,892 |
| 1970 | 4,613,245 | 377,635 | 108,461 | 17,457 | 3,812 | 4,896,063 |
| 1969 | 4,425,607 | 357,108 | 167,929 | 317 | 1,858 | 4,613,245 |
| 1968 | 4,276,771 | 328,411 | 179,574 | | | 4,425,607 |
| 1967 | 4,049,180 | 287,174 | 59,583 | | | 4,276,771 |
| 1966 | 3,854,702 | 248,293 | 56,476 | 1,574 | | 4,049,180 |
| 1965 | 3,770,922 | 204,388 | 119,350 | | 1,258 | 3,854,702 |
| 1964 | 3,621,172 | 199,046 | 31,361 | | 17,936 | 3,770,922 |
| 1963 | 3,438,662 | 212,539 | 29,528 | | 502 | 3,621,172 |
| 1962 | 3,259,959 | 246,006 | 69,583 | 4,323 | 2,043 | 3,438,662 |
| 1961 | 3,052,845 | 220,839 | 12,540 | 1,445 | 2,631 | 3,259,959 |
| 1960 | 2,908,353 | 180,709 | 26,583 | 608 | 10,240 | 3,052,845 |
| 1959 | 2,673,932 | 275,336 | 20,438 | 780 | 21,258 | 2,908,353 |
| 1958 | 2,413,607 | 283,996 | 26,002 | 5,090 | 2,753 | 2,673,932 |
| 1957 | 2,177,464 | 281,227 | 40,375 | | 4,709 | 2,413,607 |
| 1956 | 1,930,166 | 282,872 | 34,620 | | 954 | 2,177,464 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 368

| | <u>Balance</u> <u>Beg of Year</u> | <u>Additions</u> | <u>Retirements</u> | <u>Reclassifications</u> | | <u>Balance</u> <u>End of Year</u> |
|------|--------------------------------------|------------------|--------------------|--------------------------|---------------|--------------------------------------|
| | | | | <u>Debit</u> | <u>Credit</u> | |
| 1955 | 1,768,827 | 200,523 | 36,889 | | 2,296 | 1,930,166 |
| 1954 | 1,623,683 | 183,154 | 37,101 | | 909 | 1,768,827 |
| 1953 | 1,512,765 | 181,713 | 51,567 | | 19,229 | 1,623,683 |
| 1952 | 1,332,239 | 202,049 | 20,335 | 1,892 | 3,081 | 1,512,765 |
| 1951 | 1,253,501 | 152,533 | 24,432 | 30,310 | 79,674 | 1,332,239 |
| 1950 | 1,000,132 | 284,314 | 13,863 | 5,514 | 22,596 | 1,253,501 |
| 1949 | 716,507 | 398,668 | 4,857 | 2,550 | 112,735 | 1,000,132 |
| 1948 | 542,507 | 179,214 | 5,213 | | | 716,507 |
| 1947 | 286,334 | 256,502 | 329 | | | 542,507 |
| 1946 | 249,737 | 38,074 | 1,478 | | | 286,334 |
| 1945 | 230,634 | 19,273 | 170 | | | 249,737 |
| 1944 | 204,387 | 27,629 | 1,381 | | | 230,634 |
| 1943 | 194,528 | 10,328 | 470 | | | 204,387 |
| 1942 | 155,916 | 38,612 | | | | 194,528 |
| 1941 | 126,777 | 30,208 | 1,068 | | | 155,916 |
| 1940 | 98,195 | 28,707 | 124 | | | 126,778 |
| 1939 | 47,027 | 21,168 | | | | 68,195 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 369

| | <u>Balance</u> <u>Beq of Year</u> | <u>Additions</u> | <u>Retirements</u> | <u>Reclassifications</u> | | <u>Balance</u> <u>End of Year</u> |
|------|--------------------------------------|------------------|--------------------|--------------------------|---------------|--------------------------------------|
| | | | | <u>Debit</u> | <u>Credit</u> | |
| 2009 | 21,137,072 | 1,171,797 | 34,095 | | | 22,274,774 |
| 2008 | 19,624,667 | 1,460,250 | (52,155) | | | 21,137,072 |
| 2007 | 17,743,195 | 1,808,181 | (73,291) | | | 19,624,667 |
| 2006 | 15,752,111 | 1,896,955 | (94,129) | | | 17,743,195 |
| 2005 | 14,578,763 | 1,620,734 | (51,920) | | 499,306 | 15,752,111 |
| 2004 | 14,158,137 | 1,463,444 | 1,042,818 | | | 14,578,763 |
| 2003 | 12,735,330 | 1,486,747 | 63,940 | | | 14,158,137 |
| 2002 | 11,602,636 | 1,210,999 | 78,305 | | | 12,735,330 |
| 2001 | 10,746,982 | 944,720 | 89,066 | | | 11,602,636 |
| 2000 | 9,982,605 | 873,554 | 109,178 | | | 10,746,982 |
| 1999 | 8,636,163 | 1,466,842 | 120,136 | | 264 | 9,982,605 |
| 1998 | 8,049,316 | 695,661 | 104,498 | | 4,316 | 8,636,163 |
| 1997 | 7,501,868 | 648,283 | 100,836 | | | 8,049,316 |
| 1996 | 6,978,274 | 610,516 | 86,922 | | | 7,501,868 |
| 1995 | 6,549,574 | 553,447 | 124,747 | | | 6,978,274 |
| 1994 | 6,130,108 | 498,643 | 79,177 | | | 6,549,574 |
| 1993 | 5,797,110 | 425,680 | 92,682 | | | 6,130,108 |
| 1992 | 5,488,072 | 419,430 | 110,392 | | | 5,797,110 |
| 1991 | 5,152,978 | 422,902 | 103,212 | 15,404 | | 5,488,072 |
| 1990 | 4,829,247 | 416,055 | 92,324 | | | 5,152,978 |
| 1989 | 4,495,354 | 423,251 | 89,358 | | | 4,829,247 |
| 1988 | 4,427,977 | 351,028 | 98,652 | | 184,999 | 4,495,354 |
| 1987 | 4,241,401 | 283,822 | 97,246 | | | 4,427,977 |
| 1986 | 4,013,541 | 330,786 | 102,926 | | | 4,241,401 |
| 1985 | 3,740,712 | 361,060 | 88,221 | | | 4,013,551 |
| 1984 | 3,439,897 | 374,928 | 74,113 | | | 3,740,712 |
| 1983 | 3,138,122 | 368,529 | 66,754 | | | 3,439,897 |
| 1982 | 2,940,867 | 262,731 | 65,476 | | | 3,138,122 |
| 1981 | 2,725,241 | 290,625 | 74,847 | | 151 | 2,940,868 |
| 1980 | 2,495,955 | 311,745 | 82,459 | | | 2,725,241 |
| 1979 | 2,199,901 | 370,963 | 74,492 | | 418 | 2,495,955 |
| 1978 | 1,951,966 | 306,653 | 58,126 | | 591 | 2,199,902 |
| 1977 | 1,745,341 | 250,783 | 43,683 | | 475 | 1,951,966 |
| 1976 | 1,649,116 | 137,726 | 41,503 | 1 | | 1,745,341 |
| 1975 | 1,519,200 | 166,720 | 36,804 | | | 1,649,116 |
| 1974 | 1,425,172 | 119,169 | 35,768 | 10,852 | 226 | 1,519,200 |
| 1973 | 1,358,431 | 106,693 | 39,952 | | | 1,425,172 |
| 1972 | 1,296,231 | 96,856 | 34,946 | 290 | | 1,358,431 |
| 1971 | 1,227,417 | 104,339 | 35,525 | | | 1,296,231 |
| 1970 | 1,161,243 | 97,155 | 30,981 | | | 1,227,417 |
| 1969 | 1,097,849 | 91,456 | 29,609 | 1,680 | 134 | 1,161,243 |
| 1968 | 1,058,856 | 71,814 | 32,822 | | | 1,097,848 |
| 1967 | 1,011,912 | 76,609 | 29,664 | | | 1,058,857 |
| 1966 | 964,846 | 77,993 | 29,352 | 2,660 | | 1,016,147 |
| 1965 | 912,225 | 81,454 | 25,166 | | 3,667 | 964,846 |
| 1964 | 856,760 | 67,396 | 15,766 | 3,836 | | 912,225 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 369

| | <u>Balance Beg of Year</u> | <u>Additions</u> | <u>Retirements</u> | <u>Reclassifications</u> | | <u>Balance End of Year</u> |
|------|--------------------------------|------------------|--------------------|--------------------------|---------------|--------------------------------|
| | | | | <u>Debit</u> | <u>Credit</u> | |
| 1963 | 805,352 | 69,726 | 18,331 | 13 | | 856,760 |
| 1962 | 778,589 | 45,111 | 16,517 | | 1,831 | 805,352 |
| 1961 | 739,620 | 56,743 | 17,369 | | 404 | 778,589 |
| 1960 | 707,326 | 51,335 | 18,993 | 56 | 104 | 739,620 |
| 1959 | 674,738 | 52,429 | 17,076 | | 2,765 | 707,326 |
| 1958 | 643,956 | 47,831 | 17,003 | | | 674,784 |
| 1957 | 598,966 | 55,523 | 16,339 | 5,833 | 26 | 643,956 |
| 1956 | 558,378 | 55,450 | 14,456 | 964 | 1,371 | 598,966 |
| 1955 | 512,888 | 62,466 | 17,052 | 76 | | 558,378 |
| 1954 | 482,963 | 38,662 | 8,639 | 409 | 507 | 512,888 |
| 1953 | 412,459 | 58,785 | 7,082 | 18,801 | | 482,963 |
| 1952 | 347,088 | 69,269 | 3,898 | | | 412,459 |
| 1951 | 317,213 | 31,103 | 3,585 | 2,424 | 67 | 347,088 |
| 1950 | 224,331 | 97,217 | 4,235 | 260 | 359 | 317,213 |
| 1949 | 80,623 | 147,945 | 2,933 | | 1,304 | 224,331 |
| 1948 | 68,823 | 12,969 | 1,169 | | | 80,623 |
| 1947 | 66,689 | 2,205 | 72 | | | 68,823 |
| 1946 | 64,178 | 2,721 | 209 | | | 66,689 |
| 1945 | 60,805 | 3,373 | | | | 64,178 |
| 1944 | 52,329 | 9,842 | 1,366 | | | 60,805 |
| 1943 | 52,995 | 1,460 | 2,126 | | | 52,329 |
| 1942 | 45,308 | 7,692 | 4 | | | 52,995 |
| 1941 | 44,159 | 12,016 | 10,868 | | | 45,308 |
| 1940 | 35,658 | 8,542 | 42 | | | 44,158 |
| 1939 | 12,904 | 22,754 | | | | 35,658 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 370

| | Balance <u>Beq of Year</u> | <u>Additions</u> | <u>Retirements</u> | Reclassifications | | Balance <u>End of Year</u> |
|------|-------------------------------|------------------|--------------------|-------------------|---------------|-------------------------------|
| | | | | <u>Debit</u> | <u>Credit</u> | |
| 2009 | 5,236,848 | 104,533 | 60,151 | | | 5,281,230 |
| 2008 | 5,020,734 | 249,768 | 33,654 | | | 5,236,848 |
| 2007 | 4,831,106 | 233,932 | 44,304 | | | 5,020,734 |
| 2006 | 4,651,074 | 221,620 | 41,588 | | | 4,831,106 |
| 2005 | 4,477,636 | 230,154 | 55,978 | | 738 | 4,651,074 |
| 2004 | 4,311,738 | 198,198 | 32,299 | | | 4,477,636 |
| 2003 | 4,151,280 | 205,107 | 44,650 | | | 4,311,738 |
| 2002 | 4,049,840 | 156,209 | 54,768 | | | 4,151,280 |
| 2001 | 3,841,432 | 265,631 | 57,223 | | | 4,049,840 |
| 2000 | 3,761,243 | 84,260 | 4,071 | | | 3,841,432 |
| 1999 | 3,526,899 | 245,737 | 11,393 | | | 3,761,243 |
| 1998 | 3,381,961 | 208,298 | 63,359 | | | 3,526,899 |
| 1997 | 3,231,509 | 195,091 | 44,638 | | | 3,381,961 |
| 1996 | 3,075,110 | 198,946 | 42,548 | | | 3,231,509 |
| 1995 | 2,983,626 | 155,382 | 63,898 | | | 3,075,110 |
| 1994 | 2,897,046 | 138,361 | 51,781 | | | 2,983,626 |
| 1993 | 2,806,437 | 142,912 | 52,303 | | | 2,897,046 |
| 1992 | 2,677,391 | 178,929 | 49,884 | | | 2,806,437 |
| 1991 | 2,575,374 | 152,954 | 50,937 | | | 2,677,391 |
| 1990 | 2,491,111 | 142,083 | 57,820 | | | 2,575,374 |
| 1989 | 2,442,512 | 118,019 | 37,832 | | 31,588 | 2,491,111 |
| 1988 | 2,331,508 | 154,794 | 27,904 | | 15,886 | 2,442,512 |
| 1987 | 2,237,998 | 117,602 | 24,092 | | | 2,331,508 |
| 1986 | 2,140,256 | 124,784 | 27,041 | | | 2,237,998 |
| 1985 | 2,048,647 | 121,796 | 30,163 | | 135 | 2,140,145 |
| 1984 | 1,909,918 | 145,904 | 6,875 | | | 2,048,947 |
| 1983 | 1,763,336 | 183,500 | 34,969 | | 1,949 | 1,909,919 |
| 1982 | 1,645,352 | 136,184 | 18,200 | | | 1,763,336 |
| 1981 | 1,549,756 | 130,891 | 35,295 | | | 1,645,352 |
| 1980 | 1,488,203 | 76,763 | 17,451 | 2,241 | | 1,549,756 |
| 1979 | 1,424,282 | 105,352 | 41,333 | | 98 | 1,488,203 |
| 1978 | 1,326,428 | 140,672 | 42,452 | | 367 | 1,424,282 |
| 1977 | 1,212,969 | 122,207 | 8,369 | | 379 | 1,326,428 |
| 1976 | 1,125,535 | 95,824 | 7,598 | | 792 | 1,212,969 |
| 1975 | 1,058,576 | 75,279 | 7,973 | | 347 | 1,125,535 |
| 1974 | 1,005,159 | 78,405 | 10,863 | | 14,125 | 1,058,576 |
| 1973 | 933,932 | 76,492 | 5,059 | | 206 | 1,005,159 |
| 1972 | 880,897 | 63,390 | 10,355 | | | 933,932 |
| 1971 | 825,510 | 61,555 | 6,145 | | 23 | 880,897 |
| 1970 | 857,281 | 48,805 | 72,773 | | 7,804 | 825,510 |
| 1969 | 821,910 | 51,697 | 22,644 | 6,319 | | 857,281 |
| 1968 | 804,413 | 54,350 | 36,854 | | | 821,910 |
| 1967 | 753,914 | 60,803 | 10,304 | | | 804,413 |
| 1966 | 710,026 | 58,447 | 14,559 | | 1,574 | 752,340 |
| 1965 | 680,758 | 39,016 | 9,219 | 184 | 714 | 710,026 |
| 1964 | 633,495 | 49,426 | 1,948 | | | 680,973 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 370

| | <u>Balance</u> <u>Beq of Year</u> | <u>Additions</u> | <u>Retirements</u> | <u>Reclassifications</u> | | <u>Balance</u> <u>End of Year</u> |
|------|--------------------------------------|------------------|--------------------|--------------------------|---------------|--------------------------------------|
| | | | | <u>Debit</u> | <u>Credit</u> | |
| 1963 | 593,138 | 42,383 | 2,034 | 40 | 33 | 633,495 |
| 1962 | 555,758 | 41,952 | 3,634 | | 938 | 593,138 |
| 1961 | 525,975 | 29,820 | 76 | 214 | 175 | 555,758 |
| 1960 | 504,146 | 33,230 | 11,077 | | 324 | 525,975 |
| 1959 | 475,067 | 31,869 | 3,879 | 2,770 | 1,681 | 504,146 |
| 1958 | 440,493 | 42,648 | 5,484 | 889 | 3,480 | 475,067 |
| 1957 | 415,469 | 28,101 | 2,975 | | 101 | 440,493 |
| 1956 | 388,014 | 29,984 | 2,338 | | 192 | 415,469 |
| 1955 | 356,872 | 35,767 | 4,579 | 133 | 180 | 388,014 |
| 1954 | 331,628 | 29,685 | 6,881 | 2,483 | 45 | 356,870 |
| 1953 | 312,335 | 34,387 | 8,828 | | 6,266 | 331,628 |
| 1952 | 266,094 | 47,293 | 675 | | 378 | 312,335 |
| 1951 | 246,791 | 22,076 | 1,579 | 158 | 1,353 | 266,094 |
| 1950 | 200,053 | 48,842 | 90 | 25 | 2,039 | 246,791 |
| 1949 | 141,785 | 59,674 | 18 | 1,140 | 2,528 | 200,053 |
| 1948 | 104,434 | 37,766 | 415 | | | 141,785 |
| 1947 | 77,025 | 27,455 | 47 | | | 104,434 |
| 1946 | 65,905 | 11,283 | 162 | | | 77,025 |
| 1945 | 58,543 | 7,385 | 23 | | | 65,905 |
| 1944 | 47,172 | 11,373 | 1 | | | 58,543 |
| 1943 | 43,933 | 3,267 | 28 | | | 47,172 |
| 1942 | 40,201 | 3,798 | 66 | | | 43,933 |
| 1941 | 27,157 | 13,087 | 42 | | | 40,201 |
| 1940 | 18,749 | 8,408 | | | | 27,157 |
| 1939 | 7,644 | 11,105 | | | | 18,749 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 371

| | <u>Balance</u> <u>Beq of Year</u> | <u>Additions</u> | <u>Retirements</u> | <u>Reclassifications</u> | | <u>Balance</u> <u>End of Year</u> |
|------|--------------------------------------|------------------|--------------------|--------------------------|---------------|--------------------------------------|
| | | | | <u>Debit</u> | <u>Credit</u> | |
| 2009 | 3,184,464 | 139,272 | 36,738 | | | 3,286,998 |
| 2008 | 3,065,305 | 155,502 | 36,343 | | | 3,184,464 |
| 2007 | 2,938,278 | 158,788 | 31,761 | | | 3,065,305 |
| 2006 | 2,796,078 | 184,777 | 42,577 | | | 2,938,278 |
| 2005 | 2,736,746 | 145,873 | 35,376 | | 51,165 | 2,796,078 |
| 2004 | 2,637,951 | 128,918 | 30,123 | | | 2,736,746 |
| 2003 | 2,531,244 | 132,927 | 26,220 | | | 2,637,951 |
| 2002 | 2,393,046 | 170,433 | 32,235 | | | 2,531,244 |
| 2001 | 2,320,148 | 102,064 | 29,166 | | | 2,393,046 |
| 2000 | 2,257,501 | 98,931 | 36,284 | | | 2,320,148 |
| 1999 | 2,142,398 | 153,539 | 38,435 | | | 2,257,501 |
| 1998 | 2,034,678 | 151,011 | 43,291 | | | 2,142,398 |
| 1997 | 1,951,838 | 126,453 | 43,613 | | | 2,034,678 |
| 1996 | 1,863,775 | 131,616 | 43,553 | | | 1,951,838 |
| 1995 | 1,791,653 | 128,980 | 56,857 | | | 1,863,775 |
| 1994 | 1,716,740 | 124,438 | 49,525 | | | 1,791,653 |
| 1993 | 1,646,024 | 127,287 | 56,571 | | | 1,716,740 |
| 1992 | 1,590,187 | 121,426 | 65,589 | | | 1,646,024 |
| 1991 | 1,538,554 | 79,143 | 37,469 | 9,960 | | 1,590,187 |
| 1990 | 1,498,157 | 80,414 | 40,018 | | | 1,538,554 |
| 1989 | 1,459,782 | 77,514 | 39,139 | | | 1,498,157 |
| 1988 | 1,435,914 | 87,587 | 40,199 | | 23,520 | 1,459,782 |
| 1987 | 1,406,855 | 65,636 | 36,577 | | | 1,435,914 |
| 1986 | 1,358,074 | 91,073 | 42,292 | | | 1,406,855 |
| 1985 | 1,328,689 | 58,474 | 28,954 | | | 1,358,074 |
| 1984 | 1,285,672 | 71,119 | 28,102 | | | 1,328,689 |
| 1983 | 1,258,859 | 55,418 | 28,604 | | | 1,285,672 |
| 1982 | 1,234,277 | 57,341 | 32,760 | | | 1,258,859 |
| 1981 | 1,213,539 | 59,916 | 39,177 | | | 1,234,277 |
| 1980 | 1,173,065 | 70,909 | 30,435 | | | 1,213,539 |
| 1979 | 1,109,237 | 82,185 | 18,357 | | | 1,173,065 |
| 1978 | 1,042,155 | 84,818 | 17,737 | | | 1,109,237 |
| 1977 | 963,956 | 90,728 | 12,529 | | | 1,042,155 |
| 1976 | 920,255 | 57,465 | 13,572 | | | 964,148 |
| 1975 | 837,848 | 94,366 | 11,126 | | 832 | 920,255 |
| 1974 | 770,837 | 75,436 | 8,243 | | 181 | 837,848 |
| 1973 | 684,502 | 96,230 | 9,895 | | | 770,837 |
| 1972 | 603,198 | 93,340 | 12,036 | | | 684,502 |
| 1971 | 521,033 | 90,688 | 8,523 | | | 603,198 |
| 1970 | 457,463 | 70,557 | 6,986 | | | 521,033 |
| 1969 | 148,101 | 32,851 | 2,219 | | 2,121 | 176,612 |
| 1968 | 127,232 | 22,664 | 1,795 | | | 148,101 |
| 1967 | 109,534 | 20,037 | 2,340 | | | 127,232 |
| 1966 | 95,727 | 15,515 | 1,708 | | | 109,534 |
| 1965 | 81,007 | 17,212 | 2,492 | | | 95,727 |
| 1964 | 72,004 | 18,397 | 1,552 | | 8,057 | 80,792 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 371

| | <u>Balance</u> <u>Beg of Year</u> | <u>Additions</u> | <u>Retirements</u> | <u>Reclassifications</u> | | <u>Balance</u> <u>End of Year</u> |
|------|--------------------------------------|------------------|--------------------|--------------------------|---------------|--------------------------------------|
| | | | | <u>Debit</u> | <u>Credit</u> | |
| 1963 | 28,999 | 24,476 | 2,230 | 20,759 | | 72,004 |
| 1962 | 7,779 | 25,001 | 231 | | 3,550 | 28,999 |
| 1961 | | 8,292 | 513 | | | 7,779 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 373

| | <u>Beg of Year</u> | <u>Additions</u> | <u>Retirements</u> | <u>Debit</u> | <u>Credit</u> | <u>End of Year</u> |
|------|--------------------|------------------|--------------------|--------------|---------------|--------------------|
| 2009 | 773,072 | 13,288 | 1,191 | | | 785,169 |
| 2008 | 705,641 | 71,602 | 4,172 | | | 773,071 |
| 2007 | 602,628 | 109,515 | 6,502 | | | 705,641 |
| 2006 | 550,896 | 56,162 | 4,430 | | | 602,628 |
| 2005 | 521,033 | 53,586 | 7,074 | | 16,648 | 550,896 |
| 2004 | 476,254 | 53,399 | 8,620 | | | 521,033 |
| 2003 | 398,688 | 80,327 | 2,741 | | | 476,274 |
| 2002 | 350,910 | 50,660 | 2,901 | | | 398,668 |
| 2001 | 324,800 | 31,573 | 5,464 | | | 350,910 |
| 2000 | 239,547 | 89,397 | 4,143 | | | 324,800 |
| 1999 | 232,439 | 14,442 | 7,334 | | | 239,547 |
| 1998 | 211,270 | 23,935 | 2,766 | | | 232,439 |
| 1997 | 206,874 | 5,171 | 774 | | | 211,270 |
| 1996 | 188,762 | 40,053 | 21,941 | | | 206,874 |
| 1995 | 163,914 | 28,471 | 3,623 | | | 188,762 |
| 1994 | 153,240 | 19,665 | 8,990 | | | 163,914 |
| 1993 | 146,665 | 8,973 | 2,398 | | | 153,240 |
| 1992 | 141,840 | 5,667 | 842 | | | 146,665 |
| 1991 | 140,037 | 2,970 | 1,167 | | | 141,840 |
| 1990 | 138,135 | 2,874 | 972 | | | 140,037 |
| 1989 | 131,135 | 7,778 | 778 | | | 138,135 |
| 1988 | 130,132 | 1,726 | 2,671 | 1,947 | | 131,135 |
| 1987 | 110,749 | 19,979 | 597 | | | 130,132 |
| 1986 | 105,827 | 5,084 | 162 | | | 110,749 |
| 1985 | 96,639 | 9,972 | 783 | | | 105,827 |
| 1984 | 96,076 | 563 | | | | 96,639 |
| 1983 | 89,394 | 6,682 | | | | 96,076 |
| 1982 | 86,235 | 3,159 | | | | 89,394 |
| 1981 | 79,154 | 7,081 | | | | 86,235 |
| 1980 | 63,175 | 17,957 | 1,978 | | | 79,154 |
| 1979 | 54,591 | 8,584 | | | | 63,175 |
| 1978 | 47,655 | 7,364 | 428 | | | 54,591 |
| 1977 | 45,355 | 5,229 | 2,930 | | | 47,655 |
| 1976 | 44,823 | 4,714 | 1,374 | 192 | | 48,355 |
| 1975 | 43,552 | 659 | 220 | 832 | | 44,823 |
| 1974 | 40,285 | 3,267 | | | | 43,552 |
| 1973 | 32,571 | 7,783 | 69 | | | 40,285 |
| 1972 | 30,127 | 2,648 | 204 | | | 32,571 |
| 1971 | 29,801 | 326 | | | | 30,127 |
| 1970 | 28,510 | 1,291 | | | | 29,801 |
| 1969 | 25,984 | 406 | | 2,121 | | 28,510 |
| 1968 | 24,883 | 178 | 923 | | | 24,138 |
| 1967 | 24,638 | 585 | 340 | | | 24,883 |
| 1966 | 23,418 | 1,220 | | | | 24,638 |
| 1965 | 24,227 | 508 | 1,317 | | | 23,418 |
| 1964 | 16,136 | 249 | | 7,842 | | 24,226 |
| 1963 | 38,273 | 677 | 2,183 | | 20,631 | 16,136 |

KENERGY
ACCOUNT INVESTMENT SUMMARY

Account 373

| | <u>Beq of Year</u> | <u>Additions</u> | <u>Retirements</u> | <u>Debit</u> | <u>Credit</u> | <u>End of Year</u> |
|------|--------------------|------------------|--------------------|--------------|---------------|--------------------|
| 1962 | 38,515 | | 150 | | 92 | 38,273 |
| 1961 | 14,476 | 25,844 | 1,806 | | | 38,515 |
| 1960 | 13,998 | 522 | 34 | | | 14,486 |
| 1959 | 13,873 | 115 | | | | 13,988 |
| 1958 | 10,116 | 3,404 | 758 | 1,110 | | 13,873 |
| 1957 | 7,313 | 6,702 | 3,898 | | | 10,116 |
| 1956 | 7,313 | | | | | 7,313 |
| 1955 | 7,227 | 86 | | | | 7,313 |
| 1954 | 7,190 | 37 | | | | 7,227 |
| 1953 | 6,332 | | | 858 | | 7,190 |
| 1952 | 6,332 | | | | | 6,332 |
| 1951 | 6,016 | 315 | | | | 6,332 |
| 1950 | 2,135 | 4,295 | 414 | | | 6,016 |
| 1949 | 3,818 | 651 | 2,334 | | | 2,135 |
| 1948 | 3,818 | | | | | 3,818 |
| 1947 | 3,776 | 41 | | | | 3,818 |
| 1946 | 3,776 | | | | | 3,776 |
| 1945 | 3,776 | | | | | 3,776 |
| 1944 | 60 | 3,717 | | | | 3,776 |
| 1943 | 60 | | | | | 60 |
| 1942 | | 60 | | | | 60 |
| 1941 | (823) | 823 | | | | - |
| 1940 | | | | | 823 | (823) |

Kenergy

2010 Depreciation Study

Tab 11

Net Salvage Tables

Kenergy
Annual Retirements and Net Salvage

Acct 362
Station & Equipment

| | <u>Plant in Service</u> | <u>Retirements</u> | <u>Retirement Ratio</u> | <u>Gross Salvage</u> | <u>Cost of Removal</u> | <u>Net Salvage</u> | <u>Net Salvage Percent</u> |
|-------|-------------------------|--------------------|-------------------------|----------------------|------------------------|-------------------------------|----------------------------|
| 2009 | 25,128,621 | 160,265 | 0.6% | 41,710 | 11,210 | 30,500 | 19.0% |
| 2008 | 25,110,641 | 162,121 | 0.6% | 69,514 | 16,316 | 53,198 | 32.8% |
| 2007 | 25,037,905 | 108,269 | 0.4% | 49,625 * | 7,332 | 42,293 | 39.1% |
| 2006 | 25,009,601 | 143,650 | 0.6% | 41,858 | 9,892 | 31,966 | 22.3% |
| 2005 | 24,207,083 | 464,440 | 1.9% | 55,387 | 14,705 | 40,681 | 8.8% |
| 2004 | 24,210,561 | 279,778 | 1.2% | 74,803 | 25,418 | 49,385 | 17.7% |
| 2003 | 23,004,162 | 336,166 | 1.5% | 58,752 | 12,122 | 46,629 | 13.9% |
| 2002 | 22,369,372 | 176,704 | 0.8% | 86,394 | 13,041 | 73,353 | 41.5% |
| Total | 194,077,946 | 1,831,392 | 0.9% | 478,042 | 110,036 | 368,006 | 20.1% |
| | | | | | | Five Year Average Net Salvage | 19.1% |
| | | | | | | Adjustment Factor | 0% |
| | | | | | | Adjusted Net Salvage | 19% |
| | | | | | | Prescribed Net Salvage | 10% |
| | | | | | | Recommended Net Salvage | 20% |

* Actual debits of \$106,115 was adjusted to remove the \$155,740 Account 154.1 (Substation Inventory) adjustment to have the salvage analysis reflect normal salvage activity

Kenergy
Annual Retirements and Net Salvage

Acct 366
Underground Conduit

| | <u>Plant in Service</u> | <u>Retirements</u> | <u>Retirement Ratio</u> | <u>Gross Salvage</u> | <u>Cost of Removal</u> | <u>Net Salvage</u> | <u>Net Salvage Percent</u> |
|-------|-------------------------|--------------------|-------------------------|----------------------|------------------------|--------------------|----------------------------|
| 2009 | 14,666 | | 0.0% | | | - | |
| 2008 | 14,666 | | 0.0% | | | - | |
| 2007 | 14,666 | | 0.0% | | | - | |
| 2006 | 14,666 | | 0.0% | | | - | |
| 2005 | 14,666 | | 0.0% | | | - | |
| 2004 | 14,666 | | 0.0% | | | - | |
| 2003 | 14,666 | | 0.0% | | | - | |
| 2002 | 14,666 | | 0.0% | | | - | |
| Total | 117,328 | - | 0.0% | - | - | - | |

Five Year Average Net Salvage

| | |
|-------------------------|----|
| Adjustment Factor | 0% |
| Adjusted Net Salvage | 0% |
| Prescribed Net Salvage | 0% |
| Recommended Net Salvage | 0% |

Kenergy
Annual Retirements and Net Salvage

Acct 368
Line Transformers

| | <u>Plant in Service</u> | <u>Retirements</u> | <u>Retirement Ratio</u> | <u>Gross Salvage</u> | <u>Cost of Removal</u> | <u>Net Salvage</u> | <u>Net Salvage Percent</u> |
|-------|-------------------------|--------------------|-------------------------|----------------------|------------------------|-------------------------------|----------------------------|
| 2009 | 30,010,938 | 796,058 | 2.7% | 26,346 | 289,878 | (263,532) | -33.1% |
| 2008 | 29,312,240 | 284,485 | 1.0% | 156,967 | 219,363 | (62,396) | -21.9% |
| 2007 | 28,007,724 | 213,569 | 0.8% | 10,053 | 135,384 | (125,331) | -58.7% |
| 2006 | 27,141,155 | 349,539 | 1.3% | 3,416 | 201,623 | (198,207) | -56.7% |
| 2005 | 26,290,025 | 214,478 | 0.8% | 6,363 | 115,691 | (109,328) | -51.0% |
| 2004 | 25,512,889 | 252,757 | 1.0% | (4,122) | 157,064 | (161,186) | -63.8% |
| 2003 | 24,710,940 | 218,669 | 0.9% | 13,660 | 136,092 | (122,432) | -56.0% |
| 2002 | 24,175,573 | 394,443 | 1.6% | 17,224 | 222,083 | (204,859) | -51.9% |
| Total | 215,161,484 | 2,723,998 | 1.3% | 229,907 | 1,477,178 | (1,247,271) | -45.8% |
| | | | | | | Five Year Average Net Salvage | -40.8% |
| | | | | | | Adjustment Factor | 81% |
| | | | | | | Adjusted Net Salvage | -33% |
| | | | | | | Prescribed Net Salvage | -34% |
| | | | | | | Recommended Net Salvage | -33% |

Kenergy
Annual Retirements and Net Salvage

Acct 369
Services

| | <u>Plant in Service</u> | <u>Retirements</u> | | <u>Retirement Ratio</u> | <u>Gross Salvage</u> | <u>Cost of Removal</u> | | <u>Net Salvage</u> | <u>Net Salvage Percent</u> |
|--------------|-------------------------|--------------------|---|-------------------------|----------------------|------------------------|----|--------------------------------------|----------------------------|
| 2009 | 22,259,887 | 54,827 | * | 0.2% | 2,567 | 68,084 | ** | (65,517) | -119.5% |
| 2008 | 19,624,667 | 74,204 | * | 0.4% | 15,915 | 36,387 | ** | (20,472) | -27.6% |
| 2007 | 19,624,667 | 82,752 | * | 0.4% | 27,860 | 43,216 | ** | (15,356) | -18.6% |
| 2006 | 17,743,194 | 93,439 | * | 0.5% | 22,595 | 38,982 | ** | (16,387) | -17.5% |
| 2005 | 15,752,111 | 79,430 | * | 0.5% | 12,035 | 16,602 | ** | (4,567) | -5.7% |
| 2004 | 14,079,457 | 68,988 | | 0.5% | 12,735 | 94,882 | | (82,147) | -119.1% |
| 2003 | 13,823,043 | 63,940 | | 0.5% | 14,844 | 94,743 | | (79,899) | -125.0% |
| 2002 | 12,574,502 | 78,305 | | 0.6% | 13,746 | 85,301 | | (71,555) | -91.4% |
| Total | 135,481,528 | 595,885 | | 0.4% | 122,297 | 478,198 | | (355,901) | -59.7% |
| | | | | | | | | Five Year Average Net Salvage | -31.8% |
| | | | | | | | | Adjustment Factor | 0% |
| | | | | | | | | Adjusted Net Salvage | -32% |
| | | | | | | | | Prescribed Net Salvage | -15% |
| | | | | | | | | Recommended Net Salvage | -32% |

* Adjusted to remove the impact of the idle services adjustment in 2004

** Adjusted below to have cost of removal consistent with the retirement adjustment.

| | <u>Booked COR</u> | <u>Idle Services Adjustment</u> | <u>Adjustment Amount</u> | <u>Adjusted COR</u> |
|------|-------------------|---------------------------------|--------------------------|---------------------|
| 2009 | 90,779 | 25.0% | 22,695 | 68,084 |
| 2008 | 101,074 | 64.0% | 64,687 | 36,387 |
| 2007 | 139,407 | 69.0% | 96,191 | 43,216 |
| 2006 | 144,379 | 73.0% | 105,397 | 38,982 |
| 2005 | 47,435 | 65.0% | 30,833 | 16,602 |

Kenergy
Annual Retirements and Net Salvage

Acct 371
Instal on Cons Premises

| | <u>Plant in Service</u> | <u>Retirements</u> | <u>Retirement Ratio</u> | <u>Gross Salvage</u> | <u>Cost of Removal</u> | <u>Net Salvage</u> | <u>Net Salvage Percent</u> |
|-------|-------------------------|--------------------|-------------------------|----------------------|------------------------|-------------------------------|----------------------------|
| 2009 | 3,286,998 | 36,737 | 1.1% | 1,475 | 25,696 | (24,221) | -65.9% |
| 2008 | 3,184,464 | 36,343 | 1.1% | 2,173 | 28,892 | (26,719) | -73.5% |
| 2007 | 3,065,306 | 31,761 | 1.0% | 4,878 | 38,569 | (33,691) | -106.1% |
| 2006 | 2,938,278 | 42,577 | 1.4% | 1,597 | 44,075 | (42,478) | -99.8% |
| 2005 | 2,796,078 | 35,376 | 1.3% | 4,481 | 27,100 | (22,619) | -63.9% |
| 2004 | 2,685,581 | 30,123 | 1.1% | 2,615 | 31,193 | (28,578) | -94.9% |
| 2003 | 2,603,613 | 26,220 | 1.0% | 2,487 | 31,362 | (28,875) | -110.1% |
| 2002 | 2,514,763 | 32,235 | 1.3% | 3,665 | 29,782 | (26,117) | -81.0% |
| Total | 23,075,081 | 271,372 | 1.2% | 23,372 | 256,669 | (233,297) | -86.0% |
| | | | | | | Five Year Average Net Salvage | -81.9% |
| | | | | | | Adjustment Factor | 81% |
| | | | | | | Adjusted Net Salvage | -66% |
| | | | | | | Prescribed Net Salvage | -53% |
| | | | | | | Recommended Net Salvage | -66% |

Kenergy

2010 Depreciation Study

Tab 12

Theoretical Reserve

Kenergy Theoretical Reserve Analysis

Account 362

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|------|-----------|------|------------|-----------------------|-------------------|---------------|---------------|-----------------|----------------|---------------|-----------------|
| 2009 | 104,029 | 0.5 | 1.2 | 1.00000 | 104,029 | 1.000 | 0.50 | 41.887 | 42.39 | 1.9 | 83,779 |
| 2008 | 234,857 | 1.5 | 3.6 | 0.99480 | 233,636 | 1.995 | 1.50 | 40.887 | 41.60 | 1.9 | 184,667 |
| 2007 | 136,572 | 2.5 | 6.0 | 0.98946 | 135,133 | 2.984 | 2.49 | 39.892 | 40.82 | 1.9 | 104,798 |
| 2006 | 946,169 | 3.5 | 8.3 | 0.98117 | 928,353 | 3.965 | 3.47 | 38.902 | 40.15 | 1.9 | 708,174 |
| 2005 | 460,961 | 4.5 | 10.7 | 0.97546 | 449,649 | 4.941 | 4.45 | 37.921 | 39.38 | 1.9 | 336,395 |
| 2004 | 1,486,176 | 5.5 | 14.3 | 0.96361 | 1,432,095 | 5.905 | 5.42 | 36.946 | 38.84 | 1.9 | 1,056,852 |
| 2003 | 970,936 | 6.5 | 16.7 | 0.95747 | 929,642 | 6.862 | 6.38 | 35.982 | 38.08 | 1.9 | 672,620 |
| 2002 | 3,030,882 | 7.5 | 19.0 | 0.94799 | 2,873,246 | 7.810 | 7.34 | 35.025 | 37.45 | 1.9 | 2,044,247 |
| 2001 | 3,392,238 | 8.5 | 21.4 | 0.94150 | 3,193,792 | 8.751 | 8.28 | 34.077 | 36.69 | 1.9 | 2,226,662 |
| 2000 | 1,920,326 | 9.5 | 23.8 | 0.93486 | 1,795,236 | 9.686 | 9.22 | 33.135 | 35.94 | 1.9 | 1,226,027 |
| 1999 | 680,036 | 10.5 | 26.2 | 0.92464 | 628,788 | 10.611 | 10.15 | 32.200 | 35.32 | 1.9 | 422,022 |
| 1998 | 1,492,598 | 11.5 | 28.6 | 0.91766 | 1,369,698 | 11.529 | 11.07 | 31.276 | 34.58 | 1.9 | 899,968 |
| 1997 | 47,569 | 12.5 | 31.0 | 0.91054 | 43,313 | 12.439 | 11.98 | 30.358 | 33.84 | 1.9 | 27,849 |
| 1996 | 1,667,996 | 13.5 | 33.3 | 0.89960 | 1,500,529 | 13.339 | 12.89 | 29.447 | 33.23 | 1.9 | 947,499 |
| 1995 | 23,617 | 14.5 | 35.7 | 0.89213 | 21,070 | 14.231 | 13.78 | 28.548 | 32.50 | 1.9 | 13,010 |
| 1994 | 111,078 | 15.5 | 38.1 | 0.88066 | 97,822 | 15.112 | 14.67 | 27.656 | 31.90 | 1.9 | 59,296 |
| 1993 | 84,071 | 16.5 | 40.5 | 0.87283 | 73,380 | 15.984 | 15.55 | 26.775 | 31.18 | 1.9 | 43,466 |
| 1992 | 193,460 | 17.5 | 42.9 | 0.86483 | 167,310 | 16.849 | 16.42 | 25.902 | 30.45 | 1.9 | 96,799 |
| 1991 | 363,415 | 18.5 | 45.2 | 0.85252 | 309,819 | 17.702 | 17.28 | 25.037 | 29.87 | 1.9 | 175,823 |
| 1990 | 106,933 | 19.5 | 47.6 | 0.84408 | 90,260 | 18.546 | 18.12 | 24.185 | 29.15 | 1.9 | 49,995 |
| 1989 | 1,394,073 | 20.5 | 50.0 | 0.83108 | 1,158,586 | 19.377 | 18.96 | 23.341 | 28.58 | 1.9 | 629,241 |
| 1988 | 94,138 | 21.5 | 52.4 | 0.82217 | 77,397 | 20.199 | 19.79 | 22.510 | 27.88 | 1.9 | 40,996 |
| 1987 | 207,261 | 22.5 | 54.8 | 0.81304 | 168,512 | 21.012 | 20.61 | 21.687 | 27.17 | 1.9 | 87,005 |
| 1986 | 1,959,111 | 23.5 | 57.1 | 0.79895 | 1,565,232 | 21.811 | 21.41 | 20.874 | 26.63 | 1.9 | 791,881 |
| 1985 | 337,455 | 24.5 | 59.5 | 0.78927 | 266,343 | 22.600 | 22.21 | 20.075 | 25.94 | 1.9 | 131,247 |
| 1984 | 472,100 | 25.5 | 61.9 | 0.77937 | 367,941 | 23.380 | 22.99 | 19.286 | 25.25 | 1.9 | 176,491 |
| 1983 | 545,792 | 26.5 | 64.3 | 0.76405 | 417,012 | 24.144 | 23.76 | 18.507 | 24.72 | 1.9 | 195,878 |
| 1982 | 1,162,117 | 27.5 | 66.7 | 0.75354 | 875,702 | 24.897 | 24.52 | 17.743 | 24.05 | 1.9 | 400,084 |
| 1981 | 619,632 | 28.5 | 69.0 | 0.73729 | 456,848 | 25.635 | 25.27 | 16.989 | 23.54 | 1.9 | 204,355 |
| 1980 | 103,316 | 29.5 | 71.4 | 0.72614 | 75,022 | 26.361 | 26.00 | 16.252 | 22.88 | 1.9 | 32,615 |
| 1979 | 649,581 | 30.5 | 73.8 | 0.71474 | 464,281 | 27.075 | 26.72 | 15.526 | 22.22 | 1.9 | 196,031 |
| 1978 | 814,955 | 31.5 | 76.2 | 0.69714 | 568,138 | 27.773 | 27.42 | 14.811 | 21.75 | 1.9 | 234,734 |
| 1977 | 308,357 | 32.5 | 78.6 | 0.68508 | 211,249 | 28.458 | 28.12 | 14.114 | 21.10 | 1.9 | 84,697 |
| 1976 | 341,074 | 33.5 | 81.0 | 0.67277 | 229,464 | 29.130 | 28.79 | 13.429 | 20.46 | 1.9 | 89,204 |
| 1975 | 308,558 | 34.5 | 83.3 | 0.65381 | 201,738 | 29.784 | 29.46 | 12.756 | 20.01 | 1.9 | 76,700 |
| 1974 | 164,794 | 35.5 | 85.7 | 0.64086 | 105,610 | 30.425 | 30.10 | 12.102 | 19.38 | 1.9 | 38,897 |
| 1973 | 134,419 | 36.5 | 88.1 | 0.62096 | 83,469 | 31.046 | 30.74 | 11.461 | 18.96 | 1.9 | 30,065 |
| 1972 | 166,837 | 37.5 | 90.5 | 0.60740 | 101,336 | 31.653 | 31.35 | 10.840 | 18.35 | 1.9 | 35,326 |
| 1971 | 67,718 | 38.5 | 92.9 | 0.59361 | 40,198 | 32.247 | 31.95 | 10.233 | 17.74 | 1.9 | 13,548 |

Kenergy Theoretical Reserve Analysis

Account 362

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|-------|-----------|--------------|---------------|--------------------------|----------------------|------------------------|------------------|--------------------|---------------------|------------------|--------------------|
| 1970 | 193,158 | 39.5 | 95.2 | 0.57250 | 110,583 | 32.820 | 32.53 | 9.639 | 17.34 | 1.9 | 36,427 |
| 1969 | 129,648 | 40.5 | 97.6 | 0.55817 | 72,365 | 33.378 | 33.10 | 9.067 | 16.74 | 1.9 | 23,022 |
| 1968 | 158,988 | 41.5 | 100.0 | 0.53630 | 85,265 | 33.914 | 33.65 | 8.509 | 16.37 | 1.9 | 26,513 |
| 1967 | 115,100 | 42.5 | 102.4 | 0.52150 | 60,025 | 34.436 | 34.17 | 7.972 | 15.79 | 1.9 | 18,005 |
| 1966 | 120,129 | 43.5 | 104.8 | 0.50653 | 60,849 | 34.942 | 34.69 | 7.451 | 15.21 | 1.9 | 17,585 |
| 1965 | 27,703 | 44.5 | 107.1 | 0.48380 | 13,403 | 35.426 | 35.18 | 6.944 | 14.85 | 1.9 | 3,783 |
| 1964 | 583 | 45.5 | 109.5 | 0.46848 | 273 | 35.894 | 35.66 | 6.461 | 14.29 | 1.9 | 74 |
| 1963 | 257,050 | 46.5 | 111.9 | 0.45306 | 116,459 | 36.347 | 36.12 | 5.992 | 13.73 | 1.9 | 30,372 |
| 1962 | 67,693 | 47.5 | 114.3 | 0.42976 | 29,092 | 36.777 | 36.56 | 5.539 | 13.39 | 1.9 | 7,401 |
| 1961 | 138,637 | 48.5 | 116.7 | 0.41414 | 57,415 | 37.191 | 36.98 | 5.109 | 12.84 | 1.9 | 14,004 |
| 1960 | 40,047 | 49.5 | 119.0 | 0.39065 | 15,644 | 37.582 | 37.39 | 4.695 | 12.52 | 1.9 | 3,721 |
| 1959 | 40,741 | 50.5 | 121.4 | 0.37497 | 15,277 | 37.957 | 37.77 | 4.305 | 11.98 | 1.9 | 3,477 |
| 1958 | 64,562 | 51.5 | 123.8 | 0.35931 | 23,198 | 38.316 | 38.14 | 3.930 | 11.44 | 1.9 | 5,041 |
| 1957 | 299,881 | 52.5 | 126.2 | 0.33590 | 100,730 | 38.652 | 38.48 | 3.570 | 11.13 | 1.9 | 21,299 |
| 1956 | 50,170 | 53.5 | 128.6 | 0.32038 | 16,073 | 38.973 | 38.81 | 3.234 | 10.60 | 1.9 | 3,236 |
| 1955 | 80,403 | 54.5 | 131.0 | 0.30495 | 24,519 | 39.277 | 39.13 | 2.914 | 10.06 | 1.9 | 4,685 |
| 1954 | 90,431 | 55.5 | 133.3 | 0.28206 | 25,507 | 39.560 | 39.42 | 2.609 | 9.75 | 1.9 | 4,725 |
| 1953 | 86,467 | 56.5 | 135.7 | 0.26700 | 23,087 | 39.827 | 39.69 | 2.327 | 9.22 | 1.9 | 4,042 |
| 1952 | 217,637 | 57.5 | 138.1 | 0.24476 | 53,269 | 40.071 | 39.95 | 2.060 | 8.92 | 1.9 | 9,024 |
| 1951 | | 58.5 | 140.5 | 0.23022 | - | 40.302 | 40.19 | 1.815 | 8.38 | 1.9 | - |
| 1950 | 33,140 | 59.5 | 142.9 | 0.21594 | 7,156 | 40.517 | 40.41 | 1.585 | 7.84 | 1.9 | 1,066 |
| 1949 | 64,550 | 60.5 | 145.2 | 0.19505 | 12,591 | 40.713 | 40.61 | 1.369 | 7.52 | 1.9 | 1,799 |
| 1948 | 11,324 | 61.5 | 147.6 | 0.18153 | 2,056 | 40.894 | 40.80 | 1.174 | 6.97 | 1.9 | 272 |
| 1947 | 1,114 | 62.5 | 150.0 | 0.16190 | 180 | 41.056 | 40.97 | 0.992 | 6.63 | 1.9 | 23 |
| 1946 | 5,882 | 63.5 | 152.4 | 0.14929 | 878 | 41.205 | 41.13 | 0.831 | 6.06 | 1.9 | 101 |
| 1945 | | 64.5 | 154.8 | 0.13709 | - | 41.342 | 41.27 | 0.681 | 5.47 | 1.9 | - |
| 1944 | 10,011 | 65.5 | 157.1 | 0.11963 | 1,198 | 41.462 | 41.40 | 0.544 | 5.05 | 1.9 | 115 |
| 1943 | | 66.5 | 159.5 | 0.10857 | - | 41.571 | 41.52 | 0.425 | 4.41 | 1.9 | - |
| 1942 | 225 | 67.5 | 161.9 | 0.09800 | 22 | 41.669 | 41.62 | 0.316 | 3.72 | 1.9 | 2 |
| 1941 | 297 | 68.5 | 164.3 | 0.08312 | 25 | 41.752 | 41.71 | 0.218 | 3.12 | 1.9 | 1 |
| 1940 | 5,659 | 69.5 | 166.7 | 0.07386 | 418 | 41.826 | 41.79 | 0.135 | 2.33 | 1.9 | 18 |
| 1939 | 3,711 | 70.5 | 169.0 | 0.06103 | 226 | 41.887 | 41.86 | 0.061 | 1.50 | 1.9 | 6 |
| Total | | | | | 24,738,661 | | | | | | 15,108,783 |
| | | Service Life | 42.0 | | 20% | Net Salvage Adjustment | | | | | |
| | | | | | 19,790,929 | | | | Theoretical Reserve | | 4,682,146 |
| | | | | | | | | | Reserve Percent | | 24% |

Kenergy Theoretical Reserve Analysis

Account 364

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|------|-----------|------|------------|-----------------------|-------------------|---------------|---------------|-----------------|----------------|---------------|-----------------|
| 2009 | 4,730,906 | 0.5 | 1.6 | 1.00000 | 4,730,906 | 1.000 | 0.50 | 31.984 | 32.48 | 4.7 | 7,223,004 |
| 2008 | 3,132,748 | 1.5 | 4.7 | 0.99215 | 3,108,156 | 1.992 | 1.50 | 30.984 | 31.73 | 4.7 | 4,635,167 |
| 2007 | 3,332,114 | 2.5 | 7.8 | 0.98397 | 3,278,700 | 2.976 | 2.48 | 29.992 | 30.98 | 4.7 | 4,774,126 |
| 2006 | 3,861,410 | 3.5 | 10.9 | 0.97546 | 3,766,651 | 3.952 | 3.46 | 29.008 | 30.24 | 4.7 | 5,353,132 |
| 2005 | 3,451,887 | 4.5 | 14.1 | 0.96361 | 3,326,273 | 4.915 | 4.43 | 28.033 | 29.59 | 4.7 | 4,626,185 |
| 2004 | 3,018,608 | 5.5 | 18.8 | 0.95119 | 2,871,270 | 5.866 | 5.39 | 27.069 | 28.96 | 4.7 | 3,907,917 |
| 2003 | 3,445,497 | 6.5 | 21.9 | 0.94150 | 3,243,935 | 6.808 | 6.34 | 26.118 | 28.24 | 4.7 | 4,305,751 |
| 2002 | 3,518,166 | 7.5 | 25.0 | 0.92808 | 3,265,139 | 7.736 | 7.27 | 25.177 | 27.63 | 4.7 | 4,239,774 |
| 2001 | 3,373,974 | 8.5 | 28.1 | 0.91766 | 3,096,161 | 8.654 | 8.19 | 24.249 | 26.92 | 4.7 | 3,918,009 |
| 2000 | 4,098,084 | 9.5 | 31.3 | 0.90693 | 3,716,675 | 9.561 | 9.11 | 23.331 | 26.23 | 4.7 | 4,581,093 |
| 1999 | 3,798,297 | 10.5 | 34.4 | 0.89588 | 3,402,818 | 10.456 | 10.01 | 22.424 | 25.53 | 4.7 | 4,083,082 |
| 1998 | 2,824,024 | 11.5 | 37.5 | 0.88452 | 2,497,905 | 11.341 | 10.90 | 21.528 | 24.84 | 4.7 | 2,916,097 |
| 1997 | 2,480,828 | 12.5 | 40.6 | 0.87283 | 2,165,341 | 12.214 | 11.78 | 20.644 | 24.15 | 4.7 | 2,457,897 |
| 1996 | 2,160,547 | 13.5 | 43.8 | 0.86077 | 1,859,734 | 13.075 | 12.64 | 19.771 | 23.47 | 4.7 | 2,051,332 |
| 1995 | 2,042,966 | 14.5 | 46.9 | 0.84832 | 1,733,089 | 13.923 | 13.50 | 18.910 | 22.79 | 4.7 | 1,856,446 |
| 1994 | 1,953,455 | 15.5 | 50.0 | 0.83108 | 1,623,478 | 14.754 | 14.34 | 18.062 | 22.23 | 4.7 | 1,696,430 |
| 1993 | 2,037,980 | 16.5 | 53.1 | 0.81763 | 1,666,314 | 15.572 | 15.16 | 17.231 | 21.57 | 4.7 | 1,689,584 |
| 1992 | 2,143,548 | 17.5 | 56.3 | 0.80370 | 1,722,770 | 16.375 | 15.97 | 16.413 | 20.92 | 4.7 | 1,694,030 |
| 1991 | 1,971,933 | 18.5 | 59.4 | 0.78927 | 1,556,388 | 17.165 | 16.77 | 15.609 | 20.28 | 4.7 | 1,483,248 |
| 1990 | 1,774,558 | 19.5 | 62.5 | 0.77432 | 1,374,076 | 17.939 | 17.55 | 14.820 | 19.64 | 4.7 | 1,268,334 |
| 1989 | 1,586,090 | 20.5 | 65.6 | 0.75883 | 1,203,573 | 18.698 | 18.32 | 14.046 | 19.01 | 4.7 | 1,075,330 |
| 1988 | 1,627,151 | 21.5 | 68.8 | 0.74277 | 1,208,599 | 19.440 | 19.07 | 13.287 | 18.39 | 4.7 | 1,044,522 |
| 1987 | 1,620,674 | 22.5 | 71.9 | 0.72614 | 1,176,837 | 20.167 | 19.80 | 12.544 | 17.77 | 4.7 | 983,153 |
| 1986 | 1,663,688 | 23.5 | 75.0 | 0.70307 | 1,169,689 | 20.870 | 20.52 | 11.818 | 17.31 | 4.7 | 951,565 |
| 1985 | 1,638,433 | 24.5 | 78.1 | 0.68508 | 1,122,458 | 21.555 | 21.21 | 11.115 | 16.72 | 4.7 | 882,287 |
| 1984 | 1,506,325 | 25.5 | 81.3 | 0.66651 | 1,003,981 | 22.221 | 21.89 | 10.430 | 16.15 | 4.7 | 761,988 |
| 1983 | 1,450,138 | 26.5 | 84.4 | 0.64737 | 938,776 | 22.869 | 22.54 | 9.763 | 15.58 | 4.7 | 687,486 |
| 1982 | 1,233,656 | 27.5 | 87.5 | 0.62766 | 774,316 | 23.496 | 23.18 | 9.116 | 15.02 | 4.7 | 546,748 |
| 1981 | 2,188,406 | 28.5 | 90.6 | 0.60740 | 1,329,238 | 24.104 | 23.80 | 8.488 | 14.47 | 4.7 | 904,288 |
| 1980 | 2,130,091 | 29.5 | 93.8 | 0.58663 | 1,249,576 | 24.690 | 24.40 | 7.881 | 13.93 | 4.7 | 818,342 |
| 1979 | 1,468,872 | 30.5 | 96.9 | 0.56536 | 830,441 | 25.256 | 24.97 | 7.294 | 13.40 | 4.7 | 523,080 |
| 1978 | 1,249,703 | 31.5 | 100.0 | 0.53630 | 670,216 | 25.792 | 25.52 | 6.729 | 13.05 | 4.7 | 410,971 |
| 1977 | 858,370 | 32.5 | 103.1 | 0.51403 | 441,228 | 26.306 | 26.05 | 6.192 | 12.55 | 4.7 | 260,194 |
| 1976 | 468,477 | 33.5 | 106.3 | 0.49141 | 230,214 | 26.797 | 26.55 | 5.678 | 12.06 | 4.7 | 130,440 |
| 1975 | 744,458 | 34.5 | 109.4 | 0.46848 | 348,764 | 27.266 | 27.03 | 5.187 | 11.57 | 4.7 | 189,688 |
| 1974 | 574,571 | 35.5 | 112.5 | 0.44531 | 255,862 | 27.711 | 27.49 | 4.719 | 11.10 | 4.7 | 133,436 |
| 1973 | 483,065 | 36.5 | 115.6 | 0.42196 | 203,834 | 28.133 | 27.92 | 4.273 | 10.63 | 4.7 | 101,810 |
| 1972 | 462,515 | 37.5 | 118.8 | 0.39849 | 184,308 | 28.532 | 28.33 | 3.851 | 10.16 | 4.7 | 88,051 |
| 1971 | 519,576 | 38.5 | 121.9 | 0.37497 | 194,825 | 28.907 | 28.72 | 3.453 | 9.71 | 4.7 | 88,896 |

Kenergy Theoretical Reserve Analysis

Account 364

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|-------|-----------------------|------|------------|-----------------------|-----------------------------|---------------|---------------|-----------------|----------------|---------------------|-----------------|
| 1970 | 435,607 | 39.5 | 125.0 | 0.34369 | 149,714 | 29.250 | 29.08 | 3.078 | 9.46 | 4.7 | 66,532 |
| 1969 | 457,353 | 40.5 | 128.1 | 0.32038 | 146,527 | 29.571 | 29.41 | 2.734 | 9.03 | 4.7 | 62,215 |
| 1968 | 362,639 | 41.5 | 131.3 | 0.29729 | 107,809 | 29.868 | 29.72 | 2.414 | 8.62 | 4.7 | 43,674 |
| 1967 | 424,543 | 42.5 | 134.4 | 0.27451 | 116,541 | 30.143 | 30.01 | 2.116 | 8.21 | 4.7 | 44,970 |
| 1966 | 262,348 | 43.5 | 137.5 | 0.25212 | 66,143 | 30.395 | 30.27 | 1.842 | 7.81 | 4.7 | 24,266 |
| 1965 | 233,111 | 44.5 | 140.6 | 0.23022 | 53,667 | 30.625 | 30.51 | 1.590 | 7.41 | 4.7 | 18,680 |
| 1964 | 190,991 | 45.5 | 143.8 | 0.20890 | 39,898 | 30.834 | 30.73 | 1.360 | 7.01 | 4.7 | 13,142 |
| 1963 | 308,665 | 46.5 | 146.9 | 0.18825 | 58,106 | 31.022 | 30.93 | 1.151 | 6.61 | 4.7 | 18,059 |
| 1962 | 166,544 | 47.5 | 150.0 | 0.16190 | 26,963 | 31.184 | 31.10 | 0.962 | 6.44 | 4.7 | 8,167 |
| 1961 | 244,278 | 48.5 | 153.1 | 0.14314 | 34,966 | 31.327 | 31.26 | 0.801 | 6.09 | 4.7 | 10,013 |
| 1960 | 232,304 | 49.5 | 156.3 | 0.12534 | 29,117 | 31.452 | 31.39 | 0.657 | 5.75 | 4.7 | 7,862 |
| 1959 | 211,897 | 50.5 | 159.4 | 0.10857 | 23,006 | 31.561 | 31.51 | 0.532 | 5.40 | 4.7 | 5,840 |
| 1958 | 308,124 | 51.5 | 162.5 | 0.09291 | 28,627 | 31.654 | 31.61 | 0.424 | 5.06 | 4.7 | 6,806 |
| 1957 | 231,157 | 52.5 | 165.6 | 0.07842 | 18,128 | 31.732 | 31.69 | 0.331 | 4.72 | 4.7 | 4,018 |
| 1956 | 206,687 | 53.5 | 168.8 | 0.06517 | 13,469 | 31.797 | 31.76 | 0.252 | 4.37 | 4.7 | 2,766 |
| 1955 | 246,514 | 54.5 | 171.9 | 0.05319 | 13,111 | 31.851 | 31.82 | 0.187 | 4.02 | 4.7 | 2,475 |
| 1954 | 191,051 | 55.5 | 175.0 | 0.03926 | 7,500 | 31.890 | 31.87 | 0.134 | 3.91 | 4.7 | 1,378 |
| 1953 | 225,320 | 56.5 | 178.1 | 0.03036 | 6,841 | 31.920 | 31.91 | 0.095 | 3.61 | 4.7 | 1,162 |
| 1952 | 365,274 | 57.5 | 181.3 | 0.02278 | 8,321 | 31.943 | 31.93 | 0.064 | 3.32 | 4.7 | 1,298 |
| 1951 | 99,398 | 58.5 | 184.4 | 0.01648 | 1,638 | 31.960 | 31.95 | 0.041 | | 4.7 | - |
| 1950 | 510,132 | 59.5 | 187.5 | 0.01137 | 5,802 | 31.971 | 31.97 | 0.025 | | 4.7 | - |
| 1949 | 992,512 | 60.5 | 190.6 | 0.00732 | 7,262 | 31.978 | 31.97 | 0.014 | | 4.7 | - |
| 1948 | 71,546 | 61.5 | 193.8 | 0.00414 | 296 | 31.982 | 31.98 | 0.006 | | 4.7 | - |
| 1947 | 18,942 | 62.5 | 196.9 | 0.00186 | 35 | 31.984 | 31.98 | 0.002 | | 4.7 | - |
| 1946 | 19,718 | 63.5 | 200.0 | 0.00026 | 5 | 31.984 | 31.98 | 0.000 | | 4.7 | - |
| 1945 | 25,422 | 64.5 | 203.1 | - | - | 31.984 | 31.98 | - | | 4.7 | - |
| 1944 | 24,829 | 65.5 | 206.3 | - | - | 31.984 | 31.98 | - | | 4.7 | - |
| 1943 | 1,271 | 66.5 | 209.4 | - | - | 31.984 | 31.98 | - | | 4.7 | - |
| 1942 | 1,082 | 67.5 | 212.5 | - | - | 31.984 | 31.98 | - | | 4.7 | - |
| 1941 | 29,337 | 68.5 | 215.6 | - | - | 31.984 | 31.98 | - | | 4.7 | - |
| 1940 | 51,706 | 69.5 | 218.8 | - | - | 31.984 | 31.98 | - | | 4.7 | - |
| | | 70.5 | | | | | | | | | |
| Total | | | | | 69,506,007 | | | | | | 79,686,234 |
| | Service Life (in Yrs) | | 32.0 | | -51% Net Salvage Adjustment | | | | | | |
| | | | | | 104,954,071 | | | | | Theoretical Reserve | 25,267,837 |
| | | | | | | | | | | Reserve Percent | 24% |

Kenergy Theoretical Reserve Analysis

Account 365

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|------|-----------|------|------------|-----------------------|-------------------|---------------|---------------|-----------------|----------------|---------------|-----------------|
| 2009 | 1,636,064 | 0.5 | 1.4 | 1.00000 | 1,636,064 | 1.000 | 0.50 | 36.020 | 36.52 | 3.9 | 2,330,226 |
| 2008 | 1,053,894 | 1.5 | 4.2 | 0.99997 | 1,053,863 | 2.000 | 1.50 | 35.020 | 35.52 | 3.9 | 1,459,946 |
| 2007 | 2,008,677 | 2.5 | 6.9 | 0.99994 | 2,008,563 | 3.000 | 2.50 | 34.020 | 34.52 | 3.9 | 2,704,257 |
| 2006 | 1,688,223 | 3.5 | 9.7 | 0.99988 | 1,688,027 | 4.000 | 3.50 | 33.020 | 33.52 | 3.9 | 2,206,995 |
| 2005 | 1,656,779 | 4.5 | 12.5 | 0.99980 | 1,656,439 | 5.000 | 4.50 | 32.020 | 32.53 | 3.9 | 2,101,279 |
| 2004 | 2,320,965 | 5.5 | 16.7 | 0.99961 | 2,320,058 | 5.999 | 5.50 | 31.021 | 31.53 | 3.9 | 2,853,153 |
| 2003 | 2,997,954 | 6.5 | 19.4 | 0.99940 | 2,996,143 | 6.999 | 6.50 | 30.021 | 30.54 | 3.9 | 3,568,486 |
| 2002 | 3,218,322 | 7.5 | 22.2 | 0.99909 | 3,215,405 | 7.998 | 7.50 | 29.022 | 29.55 | 3.9 | 3,705,333 |
| 2001 | 3,437,752 | 8.5 | 25.0 | 0.99867 | 3,433,183 | 8.996 | 8.50 | 28.023 | 28.56 | 3.9 | 3,823,990 |
| 2000 | 3,467,283 | 9.5 | 27.8 | 0.99830 | 3,461,400 | 9.995 | 9.50 | 27.024 | 27.57 | 3.9 | 3,721,770 |
| 1999 | 3,470,548 | 10.5 | 30.6 | 0.99759 | 3,462,172 | 10.992 | 10.49 | 26.026 | 26.59 | 3.9 | 3,590,104 |
| 1998 | 2,435,556 | 11.5 | 33.3 | 0.99662 | 2,427,323 | 11.989 | 11.49 | 25.028 | 25.61 | 3.9 | 2,424,655 |
| 1997 | 2,130,735 | 12.5 | 36.1 | 0.99533 | 2,120,786 | 12.984 | 12.49 | 24.031 | 24.64 | 3.9 | 2,038,326 |
| 1996 | 1,494,547 | 13.5 | 38.9 | 0.99425 | 1,485,956 | 13.978 | 13.48 | 23.036 | 23.67 | 3.9 | 1,371,683 |
| 1995 | 1,294,266 | 14.5 | 41.7 | 0.99223 | 1,284,205 | 14.971 | 14.47 | 22.042 | 22.71 | 3.9 | 1,137,630 |
| 1994 | 970,449 | 15.5 | 44.4 | 0.98961 | 960,367 | 15.960 | 15.47 | 21.050 | 21.77 | 3.9 | 815,399 |
| 1993 | 1,088,260 | 16.5 | 47.2 | 0.98627 | 1,073,317 | 16.947 | 16.45 | 20.060 | 20.84 | 3.9 | 872,315 |
| 1992 | 1,193,606 | 17.5 | 50.0 | 0.98205 | 1,172,175 | 17.929 | 17.44 | 19.074 | 19.92 | 3.9 | 910,747 |
| 1991 | 1,449,851 | 18.5 | 52.8 | 0.97865 | 1,418,903 | 18.907 | 18.42 | 18.092 | 18.99 | 3.9 | 1,050,643 |
| 1990 | 1,273,949 | 19.5 | 55.6 | 0.97256 | 1,238,993 | 19.880 | 19.39 | 17.113 | 18.10 | 3.9 | 874,400 |
| 1989 | 940,482 | 20.5 | 58.3 | 0.96507 | 907,632 | 20.845 | 20.36 | 16.140 | 17.22 | 3.9 | 609,708 |
| 1988 | 924,478 | 21.5 | 61.1 | 0.95596 | 883,764 | 21.801 | 21.32 | 15.175 | 16.37 | 3.9 | 564,373 |
| 1987 | 673,837 | 22.5 | 63.9 | 0.94887 | 639,383 | 22.750 | 22.28 | 14.219 | 15.49 | 3.9 | 386,148 |
| 1986 | 655,092 | 23.5 | 66.7 | 0.93652 | 613,505 | 23.686 | 23.22 | 13.270 | 14.67 | 3.9 | 351,005 |
| 1985 | 704,201 | 24.5 | 69.4 | 0.92189 | 649,199 | 24.608 | 24.15 | 12.334 | 13.88 | 3.9 | 351,397 |
| 1984 | 657,981 | 25.5 | 72.2 | 0.90475 | 595,308 | 25.513 | 25.06 | 11.412 | 13.11 | 3.9 | 304,456 |
| 1983 | 677,100 | 26.5 | 75.0 | 0.88486 | 599,137 | 26.398 | 25.96 | 10.507 | 12.37 | 3.9 | 289,149 |
| 1982 | 484,839 | 27.5 | 77.8 | 0.86997 | 421,794 | 27.268 | 26.83 | 9.622 | 11.56 | 3.9 | 190,173 |
| 1981 | 841,947 | 28.5 | 80.6 | 0.84506 | 711,496 | 28.113 | 27.69 | 8.752 | 10.86 | 3.9 | 301,270 |
| 1980 | 1,264,486 | 29.5 | 83.3 | 0.81696 | 1,033,033 | 28.930 | 28.52 | 7.907 | 10.18 | 3.9 | 410,098 |
| 1979 | 654,346 | 30.5 | 86.1 | 0.78555 | 514,019 | 29.715 | 29.32 | 7.090 | 9.53 | 3.9 | 190,969 |
| 1978 | 462,451 | 31.5 | 88.9 | 0.76254 | 352,638 | 30.478 | 30.10 | 6.305 | 8.77 | 3.9 | 120,590 |
| 1977 | 309,776 | 32.5 | 91.7 | 0.72420 | 224,341 | 31.202 | 30.84 | 5.542 | 8.15 | 3.9 | 71,334 |
| 1976 | 225,511 | 33.5 | 94.4 | 0.68028 | 153,410 | 31.882 | 31.54 | 4.818 | 7.58 | 3.9 | 45,367 |
| 1975 | 319,522 | 34.5 | 97.2 | 0.63008 | 201,326 | 32.512 | 32.20 | 4.138 | 7.07 | 3.9 | 55,490 |
| 1974 | 201,800 | 35.5 | 100.0 | 0.57377 | 115,787 | 33.086 | 32.80 | 3.508 | 6.61 | 3.9 | 29,865 |
| 1973 | 153,684 | 36.5 | 102.8 | 0.53333 | 81,964 | 33.619 | 33.35 | 2.934 | 6.00 | 3.9 | 19,184 |
| 1972 | 138,853 | 37.5 | 105.6 | 0.46962 | 65,208 | 34.089 | 33.85 | 2.401 | 5.61 | 3.9 | 14,272 |
| 1971 | 236,239 | 38.5 | 108.3 | 0.40428 | 95,507 | 34.493 | 34.29 | 1.931 | 5.28 | 3.9 | 19,654 |

Kenergy Theoretical Reserve Analysis

Account 365

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|-------|-----------|--------------|------------|-----------------------|-------------------|-----------------------------|---------------|-----------------|---------------------|---------------|-----------------|
| 1970 | 202,830 | 39.5 | 111.1 | 0.33975 | 68,911 | 34.833 | 34.66 | 1.527 | 4.99 | 3.9 | 13,421 |
| 1969 | 308,036 | 40.5 | 113.9 | 0.29832 | 91,895 | 35.131 | 34.98 | 1.187 | 4.48 | 3.9 | 16,053 |
| 1968 | 277,708 | 41.5 | 116.7 | 0.24005 | 66,664 | 35.372 | 35.25 | 0.889 | 4.20 | 3.9 | 10,926 |
| 1967 | 303,507 | 42.5 | 119.4 | 0.18771 | 56,972 | 35.559 | 35.47 | 0.649 | 3.96 | 3.9 | 8,789 |
| 1966 | 195,704 | 43.5 | 122.2 | 0.14221 | 27,831 | 35.701 | 35.63 | 0.461 | 3.74 | 3.9 | 4,061 |
| 1965 | 184,758 | 44.5 | 125.0 | 0.10388 | 19,193 | 35.805 | 35.75 | 0.319 | 3.57 | 3.9 | 2,671 |
| 1964 | 131,487 | 45.5 | 127.8 | 0.08228 | 10,819 | 35.888 | 35.85 | 0.215 | 3.11 | 3.9 | 1,313 |
| 1963 | 252,266 | 46.5 | 130.6 | 0.05553 | 14,008 | 35.943 | 35.92 | 0.133 | 2.89 | 3.9 | 1,578 |
| 1962 | 96,297 | 47.5 | 133.3 | 0.03507 | 3,377 | 35.978 | 35.96 | 0.077 | 2.70 | 3.9 | 355 |
| 1961 | 129,773 | 48.5 | 136.1 | 0.02025 | 2,628 | 35.998 | 35.99 | 0.042 | 2.57 | 3.9 | 264 |
| 1960 | 154,767 | 49.5 | 138.9 | 0.01314 | 2,033 | 36.012 | 36.01 | 0.022 | 2.16 | 3.9 | 171 |
| 1959 | 158,535 | 50.5 | 141.7 | 0.00597 | 946 | 36.018 | 36.01 | 0.009 | 1.94 | 3.9 | 72 |
| 1958 | 239,894 | 51.5 | 144.4 | 0.00212 | 508 | 36.020 | 36.02 | 0.003 | 1.75 | 3.9 | 35 |
| 1957 | 158,561 | 52.5 | 147.2 | 0.00049 | 78 | 36.020 | 36.02 | 0.001 | | 3.9 | - |
| 1956 | 127,178 | 53.5 | 150.0 | 0.00005 | 6 | 36.020 | 36.02 | 0.000 | | 3.9 | - |
| 1955 | 166,541 | 54.5 | 152.8 | 0.00000 | 0 | 36.020 | 36.02 | 0.000 | | 3.9 | - |
| 1954 | 209,971 | 55.5 | 155.6 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| 1953 | 212,603 | 56.5 | 158.3 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| 1952 | 336,717 | 57.5 | 161.1 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| 1951 | 75,409 | 58.5 | 163.9 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| 1950 | 466,382 | 59.5 | 166.7 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| 1949 | 968,525 | 60.5 | 169.4 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| 1948 | 53,063 | 61.5 | 172.2 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| 1947 | 21,944 | 62.5 | 175.0 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| 1946 | 19,985 | 63.5 | 177.8 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| 1945 | 20,438 | 64.5 | 180.6 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| 1944 | 64,500 | 65.5 | 183.3 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| 1943 | 5,606 | 66.5 | 186.1 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| 1942 | 491 | 67.5 | 188.9 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| 1941 | 145,908 | 68.5 | 191.7 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| 1940 | 23,379 | 69.5 | 194.4 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| 1939 | 57,726 | 70.5 | 197.2 | - | - | 36.020 | 36.02 | - | | 3.9 | - |
| Total | | | | | 49,337,665 | | | | | | 47,945,549 |
| | | Service Life | 36.0 | | | -40% Net Salvage Adjustment | | | | | |
| | | | | | 69,072,730 | | | | Theoretical Reserve | | 21,127,181 |
| | | | | | | | | | Reserve Percent | | 31% |

Kenergy Theoretical Reserve Analysis

Account 366

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|------|-----------|------|------------|-----------------------|-------------------|---------------|---------------|-----------------|----------------|---------------|-----------------|
| 2009 | | 0.5 | 1.1 | 1.00000 | - | 1.000 | 0.50 | 44.192 | 44.69 | 2.2 | - |
| 2008 | | 1.5 | 3.3 | 0.99929 | - | 1.999 | 1.50 | 43.192 | 43.72 | 2.2 | - |
| 2007 | | 2.5 | 5.6 | 0.99762 | - | 2.997 | 2.50 | 42.193 | 42.79 | 2.2 | - |
| 2006 | | 3.5 | 7.8 | 0.99519 | - | 3.992 | 3.49 | 41.195 | 41.89 | 2.2 | - |
| 2005 | | 4.5 | 10.0 | 0.99030 | - | 4.982 | 4.49 | 40.200 | 41.09 | 2.2 | - |
| 2004 | | 5.5 | 13.3 | 0.98408 | - | 5.966 | 5.47 | 39.210 | 40.34 | 2.2 | - |
| 2003 | | 6.5 | 15.6 | 0.97926 | - | 6.946 | 6.46 | 38.226 | 39.54 | 2.2 | - |
| 2002 | | 7.5 | 17.8 | 0.97393 | - | 7.920 | 7.43 | 37.246 | 38.74 | 2.2 | - |
| 2001 | | 8.5 | 20.0 | 0.96506 | - | 8.885 | 8.40 | 36.272 | 38.09 | 2.2 | - |
| 2000 | | 9.5 | 22.2 | 0.95859 | - | 9.843 | 9.36 | 35.307 | 37.33 | 2.2 | - |
| 1999 | | 10.5 | 24.4 | 0.95170 | - | 10.795 | 10.32 | 34.349 | 36.59 | 2.2 | - |
| 1998 | | 11.5 | 26.7 | 0.94440 | - | 11.739 | 11.27 | 33.397 | 35.86 | 2.2 | - |
| 1997 | | 12.5 | 28.9 | 0.93673 | - | 12.676 | 12.21 | 32.453 | 35.14 | 2.2 | - |
| 1996 | | 13.5 | 31.1 | 0.92452 | - | 13.601 | 13.14 | 31.516 | 34.59 | 2.2 | - |
| 1995 | | 14.5 | 33.3 | 0.91596 | - | 14.517 | 14.06 | 30.591 | 33.90 | 2.2 | - |
| 1994 | | 15.5 | 35.6 | 0.90706 | - | 15.424 | 14.97 | 29.675 | 33.22 | 2.2 | - |
| 1993 | | 16.5 | 37.8 | 0.89784 | - | 16.322 | 15.87 | 28.768 | 32.54 | 2.2 | - |
| 1992 | | 17.5 | 40.0 | 0.88344 | - | 17.205 | 16.76 | 27.871 | 32.05 | 2.2 | - |
| 1991 | | 18.5 | 42.2 | 0.87349 | - | 18.078 | 17.64 | 26.987 | 31.40 | 2.2 | - |
| 1990 | | 19.5 | 44.4 | 0.86326 | - | 18.942 | 18.51 | 26.114 | 30.75 | 2.2 | - |
| 1989 | 4,941 | 20.5 | 46.7 | 0.85277 | 4,214 | 19.794 | 19.37 | 25.250 | 30.11 | 2.2 | 2,791 |
| 1988 | 10,266 | 21.5 | 48.9 | 0.84203 | 8,645 | 20.637 | 20.22 | 24.398 | 29.47 | 2.2 | 5,606 |
| 1987 | 3,767 | 22.5 | 51.1 | 0.82547 | 3,110 | 21.462 | 21.05 | 23.556 | 29.04 | 2.2 | 1,987 |
| 1986 | 3,055 | 23.5 | 53.3 | 0.81415 | 2,487 | 22.276 | 21.87 | 22.730 | 28.42 | 2.2 | 1,555 |
| 1985 | 4,261 | 24.5 | 55.6 | 0.80262 | 3,420 | 23.079 | 22.68 | 21.916 | 27.81 | 2.2 | 2,092 |
| 1984 | 4,640 | 25.5 | 57.8 | 0.79088 | 3,670 | 23.870 | 23.47 | 21.113 | 27.20 | 2.2 | 2,196 |
| 1983 | 1,721 | 26.5 | 60.0 | 0.77292 | 1,330 | 24.643 | 24.26 | 20.322 | 26.79 | 2.2 | 784 |
| 1982 | 1,537 | 27.5 | 62.2 | 0.76071 | 1,169 | 25.403 | 25.02 | 19.550 | 26.20 | 2.2 | 674 |
| 1981 | 2,126 | 28.5 | 64.4 | 0.74834 | 1,591 | 26.152 | 25.78 | 18.789 | 25.61 | 2.2 | 896 |
| 1980 | 3,555 | 29.5 | 66.7 | 0.73581 | 2,616 | 26.887 | 26.52 | 18.041 | 25.02 | 2.2 | 1,440 |
| 1979 | 2,946 | 30.5 | 68.9 | 0.72313 | 2,130 | 27.611 | 27.25 | 17.305 | 24.43 | 2.2 | 1,145 |
| 1978 | 3,962 | 31.5 | 71.1 | 0.70384 | 2,789 | 28.314 | 27.96 | 16.582 | 24.06 | 2.2 | 1,476 |
| 1977 | 13,272 | 32.5 | 73.3 | 0.69082 | 9,168 | 29.005 | 28.66 | 15.878 | 23.48 | 2.2 | 4,737 |
| 1976 | 5,692 | 33.5 | 75.6 | 0.67769 | 3,858 | 29.683 | 29.34 | 15.187 | 22.91 | 2.2 | 1,944 |
| 1975 | 3,778 | 34.5 | 77.8 | 0.66444 | 2,510 | 30.347 | 30.02 | 14.509 | 22.34 | 2.2 | 1,234 |
| 1974 | 121 | 35.5 | 80.0 | 0.64438 | 78 | 30.992 | 30.67 | 13.845 | 21.99 | 2.2 | 38 |
| 1973 | 436 | 36.5 | 82.2 | 0.63089 | 275 | 31.623 | 31.31 | 13.200 | 21.42 | 2.2 | 130 |
| 1972 | - | 37.5 | 84.4 | 0.61733 | - | 32.240 | 31.93 | 12.570 | 20.86 | 2.2 | - |
| 1971 | - | 38.5 | 86.7 | 0.60369 | - | 32.844 | 32.54 | 11.952 | 20.30 | 2.2 | - |

Kenergy Theoretical Reserve Analysis

Account 366

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|-------|-----------|--------------|------------|-----------------------|-------------------|---------------------------|---------------|-----------------|---------------------|---------------|-----------------|
| 1970 | - | 39.5 | 88.9 | 0.58999 | - | 33.434 | 33.14 | 11.348 | 19.74 | 2.2 | - |
| 1969 | - | 40.5 | 91.1 | 0.56935 | - | 34.003 | 33.72 | 10.758 | 19.40 | 2.2 | - |
| 1968 | - | 41.5 | 93.3 | 0.55553 | - | 34.559 | 34.28 | 10.189 | 18.84 | 2.2 | - |
| 1967 | - | 42.5 | 95.6 | 0.54167 | - | 35.100 | 34.83 | 9.634 | 18.29 | 2.2 | - |
| 1966 | 2,780 | 43.5 | 97.8 | 0.52780 | 1,467 | 35.628 | 35.36 | 9.092 | 17.73 | 2.2 | 572 |
| 1965 | - | 44.5 | 100.0 | 0.50695 | - | 36.135 | 35.88 | 8.564 | 17.39 | 2.2 | - |
| 1964 | - | 45.5 | 102.2 | 0.49305 | - | 36.628 | 36.38 | 8.057 | 16.84 | 2.2 | - |
| 1963 | - | 46.5 | 104.4 | 0.47915 | - | 37.107 | 36.87 | 7.564 | 16.29 | 2.2 | - |
| 1962 | - | 47.5 | 106.7 | 0.46526 | - | 37.572 | 37.34 | 7.085 | 15.73 | 2.2 | - |
| 1961 | 138,637 | 48.5 | 108.9 | 0.45140 | 62,581 | 38.024 | 37.80 | 6.620 | 15.16 | 2.2 | 20,879 |
| 1960 | 40,047 | 49.5 | 111.1 | 0.43065 | 17,246 | 38.454 | 38.24 | 6.168 | 14.82 | 2.2 | 5,624 |
| 1959 | 40,741 | 50.5 | 113.3 | 0.41688 | 16,984 | 38.871 | 38.66 | 5.738 | 14.26 | 2.2 | 5,330 |
| 1958 | 64,562 | 51.5 | 115.6 | 0.40315 | 26,028 | 39.274 | 39.07 | 5.321 | 13.70 | 2.2 | 7,844 |
| 1957 | 299,881 | 52.5 | 117.8 | 0.38948 | 116,798 | 39.664 | 39.47 | 4.918 | 13.13 | 2.2 | 33,728 |
| 1956 | 50,170 | 53.5 | 120.0 | 0.36911 | 18,518 | 40.033 | 39.85 | 4.528 | 12.77 | 2.2 | 5,202 |
| 1955 | 80,403 | 54.5 | 122.2 | 0.35562 | 28,593 | 40.389 | 40.21 | 4.159 | 12.20 | 2.2 | 7,671 |
| 1954 | 90,431 | 55.5 | 124.4 | 0.34222 | 30,947 | 40.731 | 40.56 | 3.803 | 11.61 | 2.2 | 7,907 |
| 1953 | 86,467 | 56.5 | 126.7 | 0.32892 | 28,441 | 41.060 | 40.90 | 3.461 | 11.02 | 2.2 | 6,897 |
| 1952 | 217,637 | 57.5 | 128.9 | 0.31573 | 68,715 | 41.376 | 41.22 | 3.132 | 10.42 | 2.2 | 15,753 |
| 1951 | - | 58.5 | 131.1 | 0.29616 | - | 41.672 | 41.52 | 2.817 | 10.01 | 2.2 | - |
| 1950 | 33,140 | 59.5 | 133.3 | 0.28327 | 9,387 | 41.955 | 41.81 | 2.520 | 9.40 | 2.2 | 1,941 |
| 1949 | 64,550 | 60.5 | 135.6 | 0.27051 | 17,462 | 42.225 | 42.09 | 2.237 | 8.77 | 2.2 | 3,369 |
| 1948 | 11,324 | 61.5 | 137.8 | 0.25790 | 2,920 | 42.483 | 42.35 | 1.967 | 8.13 | 2.2 | 522 |
| 1947 | 1,114 | 62.5 | 140.0 | 0.23929 | 267 | 42.723 | 42.60 | 1.709 | 7.64 | 2.2 | 45 |
| 1946 | 5,882 | 63.5 | 142.2 | 0.22708 | 1,336 | 42.950 | 42.84 | 1.469 | 6.97 | 2.2 | 205 |
| 1945 | - | 64.5 | 144.4 | 0.21506 | - | 43.165 | 43.06 | 1.242 | 6.28 | 2.2 | - |
| 1944 | 10,011 | 65.5 | 146.7 | 0.20323 | 2,034 | 43.368 | 43.27 | 1.027 | 5.55 | 2.2 | 249 |
| 1943 | - | 66.5 | 148.9 | 0.19159 | - | 43.560 | 43.46 | 0.824 | 4.80 | 2.2 | - |
| 1942 | 225 | 67.5 | 151.1 | 0.17453 | 39 | 43.734 | 43.65 | 0.632 | 4.12 | 2.2 | 4 |
| 1941 | 297 | 68.5 | 153.3 | 0.16343 | 49 | 43.898 | 43.82 | 0.458 | 3.30 | 2.2 | 4 |
| 1940 | 5,659 | 69.5 | 155.6 | 0.15257 | 863 | 44.050 | 43.97 | 0.295 | 2.43 | 2.2 | 46 |
| 1939 | 3,711 | 70.5 | 157.8 | 0.14195 | 527 | 44.192 | 44.12 | 0.142 | 1.50 | 2.2 | 17 |
| Total | | | | | 504,261 | | | | | | 154,531 |
| | | Service Life | 45.0 | | | 0% Net Salvage Adjustment | | | | | |
| | | | | | 504,261 | | | | Theoretical Reserve | | 349,730 |
| | | | | | | | | | Reserve Percent | | 69% |

Kenergy Theoretical Reserve Analysis

Account 367

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|------|-----------|------|------------|-----------------------|-------------------|---------------|---------------|-----------------|----------------|---------------|-----------------|
| 2009 | 600,887 | 0.5 | 1.3 | 1.00000 | 600,887 | 1.000 | 0.50 | 39.006 | 39.51 | 3.1 | 735,896 |
| 2008 | 931,526 | 1.5 | 3.8 | 0.99929 | 930,865 | 1.999 | 1.50 | 38.006 | 38.53 | 3.1 | 1,111,937 |
| 2007 | 1,035,633 | 2.5 | 6.4 | 0.99650 | 1,032,008 | 2.996 | 2.50 | 37.007 | 37.64 | 3.1 | 1,204,080 |
| 2006 | 959,106 | 3.5 | 9.0 | 0.99372 | 953,083 | 3.990 | 3.49 | 36.010 | 36.74 | 3.1 | 1,085,436 |
| 2005 | 928,958 | 4.5 | 11.5 | 0.98837 | 918,154 | 4.978 | 4.48 | 35.016 | 35.93 | 3.1 | 1,022,623 |
| 2004 | 891,199 | 5.5 | 15.4 | 0.97926 | 872,715 | 5.957 | 5.47 | 34.028 | 35.25 | 3.1 | 953,625 |
| 2003 | 821,960 | 6.5 | 17.9 | 0.97393 | 800,531 | 6.931 | 6.44 | 33.049 | 34.43 | 3.1 | 854,515 |
| 2002 | 548,554 | 7.5 | 20.5 | 0.96506 | 529,388 | 7.896 | 7.41 | 32.075 | 33.74 | 3.1 | 553,644 |
| 2001 | 588,176 | 8.5 | 23.1 | 0.95519 | 561,819 | 8.851 | 8.37 | 31.110 | 33.07 | 3.1 | 575,947 |
| 2000 | 565,613 | 9.5 | 25.6 | 0.94810 | 536,258 | 9.799 | 9.33 | 30.155 | 32.31 | 3.1 | 537,043 |
| 1999 | 61,941 | 10.5 | 28.2 | 0.93673 | 58,022 | 10.736 | 10.27 | 29.206 | 31.68 | 3.1 | 56,981 |
| 1998 | 612,046 | 11.5 | 30.8 | 0.92868 | 568,395 | 11.665 | 11.20 | 28.270 | 30.94 | 3.1 | 545,184 |
| 1997 | 492,933 | 12.5 | 33.3 | 0.91596 | 451,507 | 12.581 | 12.12 | 27.341 | 30.35 | 3.1 | 424,795 |
| 1996 | 402,882 | 13.5 | 35.9 | 0.90706 | 365,438 | 13.488 | 13.03 | 26.425 | 29.63 | 3.1 | 335,696 |
| 1995 | 468,861 | 14.5 | 38.5 | 0.89311 | 418,745 | 14.381 | 13.93 | 25.518 | 29.07 | 3.1 | 377,388 |
| 1994 | 336,592 | 15.5 | 41.0 | 0.87850 | 295,696 | 15.259 | 14.82 | 24.625 | 28.53 | 3.1 | 261,529 |
| 1993 | 264,848 | 16.5 | 43.6 | 0.86841 | 229,996 | 16.128 | 15.69 | 23.746 | 27.84 | 3.1 | 198,530 |
| 1992 | 381,040 | 17.5 | 46.2 | 0.85277 | 324,939 | 16.981 | 16.55 | 22.878 | 27.33 | 3.1 | 275,277 |
| 1991 | 438,245 | 18.5 | 48.7 | 0.84203 | 369,015 | 17.823 | 17.40 | 22.025 | 26.66 | 3.1 | 304,946 |
| 1990 | 474,106 | 19.5 | 51.3 | 0.82547 | 391,360 | 18.648 | 18.24 | 21.183 | 26.16 | 3.1 | 317,402 |
| 1989 | 441,450 | 20.5 | 53.8 | 0.81415 | 359,406 | 19.462 | 19.06 | 20.358 | 25.50 | 3.1 | 284,166 |
| 1988 | 304,510 | 21.5 | 56.4 | 0.79677 | 242,624 | 20.259 | 19.86 | 19.544 | 25.03 | 3.1 | 188,249 |
| 1987 | 104,731 | 22.5 | 59.0 | 0.78494 | 82,207 | 21.044 | 20.65 | 18.747 | 24.38 | 3.1 | 62,139 |
| 1986 | 167,591 | 23.5 | 61.5 | 0.76684 | 128,516 | 21.811 | 21.43 | 17.962 | 23.92 | 3.1 | 95,310 |
| 1985 | 261,665 | 24.5 | 64.1 | 0.74834 | 195,814 | 22.559 | 22.19 | 17.195 | 23.48 | 3.1 | 142,515 |
| 1984 | 203,044 | 25.5 | 66.7 | 0.73581 | 149,402 | 23.295 | 22.93 | 16.447 | 22.85 | 3.1 | 105,837 |
| 1983 | 145,954 | 26.5 | 69.2 | 0.71673 | 104,610 | 24.012 | 23.65 | 15.711 | 22.42 | 3.1 | 72,707 |
| 1982 | 69,922 | 27.5 | 71.8 | 0.70384 | 49,214 | 24.716 | 24.36 | 14.994 | 21.80 | 3.1 | 33,264 |
| 1981 | 99,666 | 28.5 | 74.4 | 0.68427 | 68,199 | 25.400 | 25.06 | 14.290 | 21.38 | 3.1 | 45,209 |
| 1980 | 135,040 | 29.5 | 76.9 | 0.67108 | 90,623 | 26.071 | 25.74 | 13.606 | 20.77 | 3.1 | 58,363 |
| 1979 | 180,039 | 30.5 | 79.5 | 0.65109 | 117,222 | 26.722 | 26.40 | 12.935 | 20.37 | 3.1 | 74,010 |
| 1978 | 175,079 | 31.5 | 82.1 | 0.63089 | 110,456 | 27.353 | 27.04 | 12.284 | 19.97 | 3.1 | 68,382 |
| 1977 | 238,410 | 32.5 | 84.6 | 0.61733 | 147,178 | 27.970 | 27.66 | 11.653 | 19.38 | 3.1 | 88,405 |
| 1976 | 75,293 | 33.5 | 87.2 | 0.59685 | 44,939 | 28.567 | 28.27 | 11.036 | 18.99 | 3.1 | 26,455 |
| 1975 | 82,200 | 34.5 | 89.7 | 0.58312 | 47,933 | 29.150 | 28.86 | 10.439 | 18.40 | 3.1 | 27,343 |
| 1974 | 20,350 | 35.5 | 92.3 | 0.56244 | 11,446 | 29.713 | 29.43 | 9.856 | 18.02 | 3.1 | 6,395 |
| 1973 | 66,798 | 36.5 | 94.9 | 0.54860 | 36,645 | 30.261 | 29.99 | 9.293 | 17.44 | 3.1 | 19,812 |

Kenergy Theoretical Reserve Analysis

Account 367

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|-------|-----------|--------------|---------------|--------------------------|----------------------|------------------------|------------------|--------------------|-------------------|---------------------|--------------------|
| 1972 | 41,817 | 37.5 | 97.4 | 0.52780 | 22,071 | 30.789 | 30.53 | 8.745 | 17.07 | 3.1 | 11,678 |
| 1971 | 50,235 | 38.5 | 100.0 | 0.50695 | 25,467 | 31.296 | 31.04 | 8.217 | 16.71 | 3.1 | 13,191 |
| 1970 | 43,513 | 39.5 | 102.6 | 0.49305 | 21,454 | 31.789 | 31.54 | 7.710 | 16.14 | 3.1 | 10,732 |
| 1969 | 21,023 | 40.5 | 105.1 | 0.47220 | 9,927 | 32.261 | 32.03 | 7.217 | 15.78 | 3.1 | 4,857 |
| 1968 | 17,241 | 41.5 | 107.7 | 0.45833 | 7,902 | 32.720 | 32.49 | 6.745 | 15.22 | 3.1 | 3,727 |
| 1967 | 29,056 | 42.5 | 110.3 | 0.43756 | 12,714 | 33.157 | 32.94 | 6.286 | 14.87 | 3.1 | 5,859 |
| 1966 | 17,663 | 43.5 | 112.8 | 0.42376 | 7,485 | 33.581 | 33.37 | 5.849 | 14.30 | 3.1 | 3,319 |
| 1965 | 2,828 | 44.5 | 115.4 | 0.40315 | 1,140 | 33.984 | 33.78 | 5.425 | 13.96 | 3.1 | 493 |
| 1964 | 850 | 45.5 | 117.9 | 0.38948 | 331 | 34.374 | 34.18 | 5.022 | 13.39 | 3.1 | 137 |
| Total | | | | | 13,303,744 | | | | | | 13,185,028 |
| | | Service Life | 39.0 | | | | | | | | |
| | | | | | -30% | Net Salvage Adjustment | | | | | |
| | | | | | 17,294,867 | | | | | Theoretical Reserve | 4,109,839 |
| | | | | | | | | | | Reserve Percent | 24% |

Kenergy Theoretical Reserve Analysis

Account 368

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|------|-----------|------|------------|-----------------------|-------------------|---------------|---------------|-----------------|----------------|---------------|-----------------|
| 2009 | 1,494,756 | 0.5 | 1.3 | 1.00000 | 1,494,756 | 1.000 | 0.50 | 37.409 | 37.91 | 2.9 | 1,643,257 |
| 2008 | 1,589,000 | 1.5 | 3.8 | 0.99684 | 1,583,979 | 1.997 | 1.50 | 36.409 | 37.02 | 2.9 | 1,700,710 |
| 2007 | 1,080,139 | 2.5 | 6.4 | 0.98894 | 1,068,193 | 2.986 | 2.49 | 35.412 | 36.31 | 2.9 | 1,124,726 |
| 2006 | 1,200,669 | 3.5 | 9.0 | 0.98236 | 1,179,489 | 3.968 | 3.48 | 34.423 | 35.54 | 2.9 | 1,215,683 |
| 2005 | 991,614 | 4.5 | 11.5 | 0.97105 | 962,906 | 4.939 | 4.45 | 33.440 | 34.94 | 2.9 | 975,601 |
| 2004 | 1,074,882 | 5.5 | 15.4 | 0.95384 | 1,025,266 | 5.893 | 5.42 | 32.469 | 34.54 | 2.9 | 1,026,988 |
| 2003 | 775,448 | 6.5 | 17.9 | 0.94449 | 732,403 | 6.838 | 6.37 | 31.516 | 33.87 | 2.9 | 719,340 |
| 2002 | 1,139,637 | 7.5 | 20.5 | 0.92969 | 1,059,509 | 7.767 | 7.30 | 30.571 | 33.38 | 2.9 | 1,025,719 |
| 2001 | 817,472 | 8.5 | 23.1 | 0.91410 | 747,251 | 8.681 | 8.22 | 29.641 | 32.93 | 2.9 | 713,533 |
| 2000 | 1,630,254 | 9.5 | 25.6 | 0.90332 | 1,472,641 | 9.585 | 9.13 | 28.727 | 32.30 | 2.9 | 1,379,501 |
| 1999 | 1,704,766 | 10.5 | 28.2 | 0.88666 | 1,511,548 | 10.471 | 10.03 | 27.824 | 31.88 | 2.9 | 1,397,483 |
| 1998 | 1,559,802 | 11.5 | 30.8 | 0.87526 | 1,365,233 | 11.347 | 10.91 | 26.937 | 31.28 | 2.9 | 1,238,283 |
| 1997 | 1,051,898 | 12.5 | 33.3 | 0.85779 | 902,308 | 12.204 | 11.78 | 26.062 | 30.88 | 2.9 | 808,106 |
| 1996 | 1,325,860 | 13.5 | 35.9 | 0.84593 | 1,121,585 | 13.050 | 12.63 | 25.204 | 30.29 | 2.9 | 985,364 |
| 1995 | 948,813 | 14.5 | 38.5 | 0.82786 | 785,484 | 13.878 | 13.46 | 24.358 | 29.92 | 2.9 | 681,622 |
| 1994 | 767,058 | 15.5 | 41.0 | 0.80954 | 620,964 | 14.688 | 14.28 | 23.530 | 29.57 | 2.9 | 532,431 |
| 1993 | 734,062 | 16.5 | 43.6 | 0.79722 | 585,209 | 15.485 | 15.09 | 22.721 | 29.00 | 2.9 | 492,163 |
| 1992 | 765,559 | 17.5 | 46.2 | 0.77861 | 596,072 | 16.264 | 15.87 | 21.924 | 28.66 | 2.9 | 495,375 |
| 1991 | 609,677 | 18.5 | 48.7 | 0.76615 | 467,104 | 17.030 | 16.65 | 21.145 | 28.10 | 2.9 | 380,631 |
| 1990 | 639,075 | 19.5 | 51.3 | 0.74743 | 477,664 | 17.777 | 17.40 | 20.379 | 27.77 | 2.9 | 384,612 |
| 1989 | 867,211 | 20.5 | 53.8 | 0.73495 | 637,356 | 18.512 | 18.14 | 19.631 | 27.21 | 2.9 | 502,956 |
| 1988 | 694,391 | 21.5 | 56.4 | 0.71623 | 497,343 | 19.228 | 18.87 | 18.897 | 26.88 | 2.9 | 387,737 |
| 1987 | 768,703 | 22.5 | 59.0 | 0.70377 | 540,990 | 19.932 | 19.58 | 18.180 | 26.33 | 2.9 | 413,127 |
| 1986 | 750,107 | 23.5 | 61.5 | 0.68512 | 513,913 | 20.617 | 20.27 | 17.477 | 26.01 | 2.9 | 387,620 |
| 1985 | 855,862 | 24.5 | 64.1 | 0.66653 | 570,458 | 21.284 | 20.95 | 16.791 | 25.69 | 2.9 | 425,034 |
| 1984 | 697,307 | 25.5 | 66.7 | 0.65418 | 456,164 | 21.938 | 21.61 | 16.125 | 25.15 | 2.9 | 332,690 |
| 1983 | 592,403 | 26.5 | 69.2 | 0.63572 | 376,602 | 22.574 | 22.26 | 15.471 | 24.84 | 2.9 | 271,242 |
| 1982 | 499,106 | 27.5 | 71.8 | 0.62347 | 311,178 | 23.197 | 22.89 | 14.835 | 24.29 | 2.9 | 219,235 |
| 1981 | 786,271 | 28.5 | 74.4 | 0.60519 | 475,843 | 23.802 | 23.50 | 14.212 | 23.98 | 2.9 | 330,948 |
| 1980 | 678,778 | 29.5 | 76.9 | 0.59307 | 402,563 | 24.395 | 24.10 | 13.606 | 23.44 | 2.9 | 273,671 |
| 1979 | 738,262 | 30.5 | 79.5 | 0.57501 | 424,508 | 24.970 | 24.68 | 13.013 | 23.13 | 2.9 | 284,764 |
| 1978 | 1,082,332 | 31.5 | 82.1 | 0.55711 | 602,978 | 25.527 | 25.25 | 12.438 | 22.83 | 2.9 | 399,150 |
| 1977 | 849,138 | 32.5 | 84.6 | 0.54527 | 463,009 | 26.073 | 25.80 | 11.881 | 22.29 | 2.9 | 299,286 |
| 1976 | 551,099 | 33.5 | 87.2 | 0.52765 | 290,787 | 26.600 | 26.34 | 11.336 | 21.98 | 2.9 | 185,385 |
| 1975 | 439,651 | 34.5 | 89.7 | 0.51601 | 226,864 | 27.116 | 26.86 | 10.808 | 21.45 | 2.9 | 141,093 |
| 1974 | 395,986 | 35.5 | 92.3 | 0.49872 | 197,486 | 27.615 | 27.37 | 10.292 | 21.14 | 2.9 | 121,055 |
| 1973 | 463,554 | 36.5 | 94.9 | 0.48731 | 225,894 | 28.102 | 27.86 | 9.793 | 20.60 | 2.9 | 134,930 |
| 1972 | 396,493 | 37.5 | 97.4 | 0.47039 | 186,506 | 28.573 | 28.34 | 9.306 | 20.28 | 2.9 | 109,709 |
| 1971 | 339,410 | 38.5 | 100.0 | 0.45370 | 153,990 | 29.026 | 28.80 | 8.836 | 19.97 | 2.9 | 89,202 |

Kenergy Theoretical Reserve Analysis

Account 368

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|--------------|-----------|--------------|------------|-----------------------|-------------------|------------------------|---------------|-----------------|----------------|---------------------|-----------------|
| 1970 | 377,635 | 39.5 | 102.6 | 0.44271 | 167,183 | 29.469 | 29.25 | 8.382 | 19.43 | 2.9 | 94,220 |
| 1969 | 357,108 | 40.5 | 105.1 | 0.42644 | 152,285 | 29.896 | 29.68 | 7.939 | 19.12 | 2.9 | 84,429 |
| 1968 | 328,411 | 41.5 | 107.7 | 0.41574 | 136,533 | 30.311 | 30.10 | 7.513 | 18.57 | 2.9 | 73,532 |
| 1967 | 287,174 | 42.5 | 110.3 | 0.39992 | 114,847 | 30.711 | 30.51 | 7.097 | 18.25 | 2.9 | 60,771 |
| 1966 | 248,293 | 43.5 | 112.8 | 0.38953 | 96,718 | 31.101 | 30.91 | 6.697 | 17.69 | 2.9 | 49,626 |
| 1965 | 204,388 | 44.5 | 115.4 | 0.37419 | 76,480 | 31.475 | 31.29 | 6.308 | 17.36 | 2.9 | 38,496 |
| 1964 | 199,046 | 45.5 | 117.9 | 0.36413 | 72,479 | 31.839 | 31.66 | 5.934 | 16.80 | 2.9 | 35,301 |
| 1963 | 212,539 | 46.5 | 120.5 | 0.34929 | 74,238 | 32.188 | 32.01 | 5.569 | 16.44 | 2.9 | 35,404 |
| 1962 | 246,006 | 47.5 | 123.1 | 0.33476 | 82,353 | 32.523 | 32.36 | 5.220 | 16.09 | 2.9 | 38,435 |
| 1961 | 220,839 | 48.5 | 125.6 | 0.32525 | 71,828 | 32.848 | 32.69 | 4.885 | 15.52 | 2.9 | 32,329 |
| 1960 | 180,709 | 49.5 | 128.2 | 0.31127 | 56,249 | 33.160 | 33.00 | 4.560 | 15.15 | 2.9 | 24,713 |
| 1959 | 275,336 | 50.5 | 130.8 | 0.30212 | 83,184 | 33.462 | 33.31 | 4.249 | 14.56 | 2.9 | 35,132 |
| 1958 | 283,996 | 51.5 | 133.3 | 0.28869 | 81,987 | 33.751 | 33.61 | 3.947 | 14.17 | 2.9 | 33,694 |
| 1957 | 281,227 | 52.5 | 135.9 | 0.27992 | 78,721 | 34.030 | 33.89 | 3.658 | 13.57 | 2.9 | 30,975 |
| 1956 | 282,872 | 53.5 | 138.5 | 0.26706 | 75,544 | 34.298 | 34.16 | 3.378 | 13.15 | 2.9 | 28,807 |
| 1955 | 200,523 | 54.5 | 141.0 | 0.25454 | 51,041 | 34.552 | 34.42 | 3.111 | 12.72 | 2.9 | 18,831 |
| 1954 | 183,154 | 55.5 | 143.6 | 0.24639 | 45,127 | 34.798 | 34.68 | 2.857 | 12.09 | 2.9 | 15,827 |
| 1953 | 181,713 | 56.5 | 146.2 | 0.23445 | 42,603 | 35.033 | 34.92 | 2.610 | 11.63 | 2.9 | 14,372 |
| 1952 | 202,049 | 57.5 | 148.7 | 0.22669 | 45,803 | 35.260 | 35.15 | 2.376 | 10.98 | 2.9 | 14,584 |
| 1951 | 152,533 | 58.5 | 151.3 | 0.21535 | 32,848 | 35.475 | 35.37 | 2.149 | 10.48 | 2.9 | 9,982 |
| 1950 | 284,314 | 59.5 | 153.8 | 0.20798 | 59,132 | 35.683 | 35.58 | 1.934 | 9.80 | 2.9 | 16,800 |
| 1949 | 398,668 | 60.5 | 156.4 | 0.19724 | 78,633 | 35.880 | 35.78 | 1.726 | 9.25 | 2.9 | 21,091 |
| 1948 | 179,214 | 61.5 | 159.0 | 0.19027 | 34,099 | 36.070 | 35.98 | 1.528 | 8.53 | 2.9 | 8,438 |
| 1947 | 256,502 | 62.5 | 161.5 | 0.18011 | 46,199 | 36.251 | 36.16 | 1.338 | 7.93 | 2.9 | 10,624 |
| 1946 | 38,074 | 63.5 | 164.1 | 0.17031 | 6,484 | 36.421 | 36.34 | 1.158 | 7.30 | 2.9 | 1,373 |
| 1945 | 19,273 | 64.5 | 166.7 | 0.16397 | 3,160 | 36.585 | 36.50 | 0.988 | 6.52 | 2.9 | 598 |
| 1944 | 27,629 | 65.5 | 169.2 | 0.15476 | 4,276 | 36.740 | 36.66 | 0.824 | 5.82 | 2.9 | 722 |
| 1943 | 10,328 | 66.5 | 171.8 | 0.14881 | 1,537 | 36.888 | 36.81 | 0.669 | 5.00 | 2.9 | 223 |
| 1942 | 38,612 | 67.5 | 174.4 | 0.14018 | 5,413 | 37.029 | 36.96 | 0.520 | 4.21 | 2.9 | 661 |
| 1941 | 30,208 | 68.5 | 176.9 | 0.13462 | 4,067 | 37.163 | 37.10 | 0.380 | 3.32 | 2.9 | 392 |
| 1940 | 28,707 | 69.5 | 179.5 | 0.12655 | 3,633 | 37.290 | 37.23 | 0.245 | 2.44 | 2.9 | 257 |
| 1939 | 21,168 | 70.5 | 182.1 | 0.11883 | 2,515 | 37.409 | 37.35 | 0.119 | 1.50 | 2.9 | 109 |
| Total | | | | | 29,201,195 | | | | | | 25,060,708 |
| | | Service Life | 39.0 | | | | | | | | |
| | | | | | -33% | Net Salvage Adjustment | | | | | |
| | | | | | 38,837,589 | | | | | Theoretical Reserve | 13,776,880 |
| | | | | | | | | | | Reserve Percent | 35% |

Kenergy Theoretical Reserve Analysis

Account 369

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|------|-----------|------|------------|-----------------------|-------------------|---------------|---------------|-----------------|----------------|---------------|-----------------|
| 2009 | 1,171,797 | 0.5 | 1.7 | 1.00000 | 1,171,797 | 1.000 | 0.50 | 29.910 | 30.41 | 3.8 | 1,354,087 |
| 2008 | 1,460,250 | 1.5 | 5.0 | 0.99601 | 1,454,419 | 1.996 | 1.50 | 28.910 | 29.53 | 3.8 | 1,631,813 |
| 2007 | 1,808,181 | 2.5 | 8.3 | 0.99264 | 1,794,879 | 2.989 | 2.49 | 27.914 | 28.62 | 3.8 | 1,952,070 |
| 2006 | 1,896,955 | 3.5 | 11.7 | 0.98894 | 1,875,967 | 3.978 | 3.48 | 26.921 | 27.72 | 3.8 | 1,976,220 |
| 2005 | 1,620,734 | 4.5 | 15.0 | 0.98341 | 1,593,847 | 4.961 | 4.47 | 25.932 | 26.87 | 3.8 | 1,627,381 |
| 2004 | 1,463,444 | 5.5 | 20.0 | 0.97547 | 1,427,550 | 5.936 | 5.45 | 24.949 | 26.08 | 3.8 | 1,414,537 |
| 2003 | 1,486,747 | 6.5 | 23.3 | 0.97011 | 1,442,303 | 6.907 | 6.42 | 23.973 | 25.21 | 3.8 | 1,381,798 |
| 2002 | 1,210,999 | 7.5 | 26.7 | 0.96425 | 1,167,703 | 7.871 | 7.39 | 23.003 | 24.36 | 3.8 | 1,080,738 |
| 2001 | 944,720 | 8.5 | 30.0 | 0.95561 | 902,784 | 8.826 | 8.35 | 22.039 | 23.56 | 3.8 | 808,331 |
| 2000 | 873,554 | 9.5 | 33.3 | 0.94847 | 828,535 | 9.775 | 9.30 | 21.083 | 22.73 | 3.8 | 715,599 |
| 1999 | 1,466,842 | 10.5 | 36.7 | 0.94071 | 1,379,869 | 10.716 | 10.25 | 20.135 | 21.90 | 3.8 | 1,148,525 |
| 1998 | 695,661 | 11.5 | 40.0 | 0.92934 | 646,506 | 11.645 | 11.18 | 19.194 | 21.15 | 3.8 | 519,679 |
| 1997 | 648,283 | 12.5 | 43.3 | 0.91999 | 596,417 | 12.565 | 12.10 | 18.265 | 20.35 | 3.8 | 461,277 |
| 1996 | 610,516 | 13.5 | 46.7 | 0.90990 | 555,506 | 13.475 | 13.02 | 17.345 | 19.56 | 3.8 | 412,944 |
| 1995 | 553,447 | 14.5 | 50.0 | 0.89518 | 495,435 | 14.370 | 13.92 | 16.435 | 18.86 | 3.8 | 355,053 |
| 1994 | 498,643 | 15.5 | 53.3 | 0.88315 | 440,374 | 15.253 | 14.81 | 15.540 | 18.10 | 3.8 | 302,818 |
| 1993 | 425,680 | 16.5 | 56.7 | 0.87020 | 370,427 | 16.123 | 15.69 | 14.656 | 17.34 | 3.8 | 244,118 |
| 1992 | 419,430 | 17.5 | 60.0 | 0.85144 | 357,119 | 16.975 | 16.55 | 13.786 | 16.69 | 3.8 | 226,515 |
| 1991 | 422,902 | 18.5 | 63.3 | 0.83618 | 353,623 | 17.811 | 17.39 | 12.935 | 15.97 | 3.8 | 214,585 |
| 1990 | 416,055 | 19.5 | 66.7 | 0.81985 | 341,102 | 18.631 | 18.22 | 12.099 | 15.26 | 3.8 | 197,761 |
| 1989 | 423,251 | 20.5 | 70.0 | 0.79632 | 337,043 | 19.427 | 19.03 | 11.279 | 14.66 | 3.8 | 187,806 |
| 1988 | 351,028 | 21.5 | 73.3 | 0.77730 | 272,855 | 20.204 | 19.82 | 10.482 | 13.99 | 3.8 | 145,010 |
| 1987 | 283,822 | 22.5 | 76.7 | 0.75707 | 214,873 | 20.962 | 20.58 | 9.705 | 13.32 | 3.8 | 108,755 |
| 1986 | 330,786 | 23.5 | 80.0 | 0.72815 | 240,863 | 21.690 | 21.33 | 8.948 | 12.79 | 3.8 | 117,052 |
| 1985 | 361,060 | 24.5 | 83.3 | 0.70499 | 254,542 | 22.395 | 22.04 | 8.220 | 12.16 | 3.8 | 117,616 |
| 1984 | 374,928 | 25.5 | 86.7 | 0.68054 | 255,154 | 23.075 | 22.73 | 7.515 | 11.54 | 3.8 | 111,915 |
| 1983 | 368,529 | 26.5 | 90.0 | 0.64598 | 238,063 | 23.721 | 23.40 | 6.834 | 11.08 | 3.8 | 100,233 |
| 1982 | 262,731 | 27.5 | 93.3 | 0.61863 | 162,534 | 24.340 | 24.03 | 6.188 | 10.50 | 3.8 | 64,872 |
| 1981 | 290,625 | 28.5 | 96.7 | 0.59012 | 171,504 | 24.930 | 24.63 | 5.570 | 9.94 | 3.8 | 64,770 |
| 1980 | 311,745 | 29.5 | 100.0 | 0.55044 | 171,597 | 25.480 | 25.21 | 4.980 | 9.55 | 3.8 | 62,251 |
| 1979 | 370,963 | 30.5 | 103.3 | 0.51958 | 192,745 | 26.000 | 25.74 | 4.429 | 9.02 | 3.8 | 66,099 |
| 1978 | 306,653 | 31.5 | 106.7 | 0.48794 | 149,628 | 26.488 | 26.24 | 3.910 | 8.51 | 3.8 | 48,401 |
| 1977 | 250,783 | 32.5 | 110.0 | 0.44485 | 111,560 | 26.933 | 26.71 | 3.422 | 8.19 | 3.8 | 34,727 |
| 1976 | 137,726 | 33.5 | 113.3 | 0.41212 | 56,759 | 27.345 | 27.14 | 2.977 | 7.72 | 3.8 | 16,658 |
| 1975 | 166,720 | 34.5 | 116.7 | 0.37930 | 63,237 | 27.724 | 27.53 | 2.565 | 7.26 | 3.8 | 17,450 |
| 1974 | 119,169 | 35.5 | 120.0 | 0.33585 | 40,023 | 28.060 | 27.89 | 2.185 | 7.01 | 3.8 | 10,657 |
| 1973 | 106,693 | 36.5 | 123.3 | 0.30385 | 32,419 | 28.364 | 28.21 | 1.850 | 6.59 | 3.8 | 8,115 |
| 1972 | 96,856 | 37.5 | 126.7 | 0.27266 | 26,409 | 28.637 | 28.50 | 1.546 | 6.17 | 3.8 | 6,191 |
| 1971 | 104,339 | 38.5 | 130.0 | 0.23279 | 24,289 | 28.869 | 28.75 | 1.273 | 5.97 | 3.8 | 5,509 |

Kenergy Theoretical Reserve Analysis

Account 369

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|-------|-----------|--------------|------------|-----------------------|-------------------|------------------------|---------------|-----------------|---------------------|---------------|-----------------|
| 1970 | 97,155 | 39.5 | 133.3 | 0.20450 | 19,868 | 29.074 | 28.97 | 1.040 | 5.59 | 3.8 | 4,218 |
| 1969 | 91,456 | 40.5 | 136.7 | 0.17782 | 16,263 | 29.252 | 29.16 | 0.836 | 5.20 | 3.8 | 3,214 |
| 1968 | 71,814 | 41.5 | 140.0 | 0.14508 | 10,418 | 29.397 | 29.32 | 0.658 | 5.04 | 3.8 | 1,993 |
| 1967 | 76,609 | 42.5 | 143.3 | 0.12279 | 9,407 | 29.520 | 29.46 | 0.513 | 4.68 | 3.8 | 1,672 |
| 1966 | 77,993 | 43.5 | 146.7 | 0.10252 | 7,996 | 29.622 | 29.57 | 0.390 | 4.30 | 3.8 | 1,308 |
| 1965 | 81,454 | 44.5 | 150.0 | 0.07869 | 6,410 | 29.701 | 29.66 | 0.288 | 4.15 | 3.8 | 1,012 |
| 1964 | 67,396 | 45.5 | 153.3 | 0.06317 | 4,257 | 29.764 | 29.73 | 0.209 | 3.81 | 3.8 | 616 |
| 1963 | 69,726 | 46.5 | 156.7 | 0.04961 | 3,459 | 29.813 | 29.79 | 0.146 | 3.44 | 3.8 | 452 |
| 1962 | 45,111 | 47.5 | 160.0 | 0.03444 | 1,553 | 29.848 | 29.83 | 0.096 | 3.29 | 3.8 | 194 |
| 1961 | 56,743 | 48.5 | 163.3 | 0.02513 | 1,426 | 29.873 | 29.86 | 0.062 | 2.95 | 3.8 | 160 |
| 1960 | 51,335 | 49.5 | 166.7 | 0.01749 | 898 | 29.891 | 29.88 | 0.037 | 2.59 | 3.8 | 88 |
| 1959 | 52,429 | 50.5 | 170.0 | 0.00975 | 511 | 29.900 | 29.90 | 0.019 | 2.45 | 3.8 | 48 |
| 1958 | 47,831 | 51.5 | 173.3 | 0.00563 | 269 | 29.906 | 29.90 | 0.009 | 2.15 | 3.8 | 22 |
| 1957 | 55,523 | 52.5 | 176.7 | 0.00280 | 156 | 29.909 | 29.91 | 0.004 | 1.81 | 3.8 | 11 |
| 1956 | 55,450 | 53.5 | 180.0 | 0.00073 | 40 | 29.909 | 29.91 | 0.001 | 1.68 | 3.8 | 3 |
| 1955 | 62,466 | 54.5 | 183.3 | 0.00013 | 8 | 29.910 | 29.91 | 0.000 | 1.51 | 3.8 | 0 |
| 1954 | 38,662 | 55.5 | 186.7 | 0.00000 | 0 | 29.910 | 29.91 | 0.000 | 1.50 | 3.8 | 0 |
| 1953 | 58,785 | 56.5 | 190.0 | - | - | 29.910 | 29.91 | - | 3.8 | - | - |
| 1952 | 69,269 | 57.5 | 193.3 | - | - | 29.910 | 29.91 | - | 3.8 | - | - |
| 1951 | 31,103 | 58.5 | 196.7 | - | - | 29.910 | 29.91 | - | 3.8 | - | - |
| 1950 | 97,217 | 59.5 | 200.0 | - | - | 29.910 | 29.91 | - | 3.8 | - | - |
| 1949 | 147,945 | 60.5 | 203.3 | - | - | 29.910 | 29.91 | - | 3.8 | - | - |
| 1948 | 12,969 | 61.5 | 206.7 | - | - | 29.910 | 29.91 | - | 3.8 | - | - |
| 1947 | 2,205 | 62.5 | 210.0 | - | - | 29.910 | 29.91 | - | 3.8 | - | - |
| 1946 | 2,721 | 63.5 | 213.3 | - | - | 29.910 | 29.91 | - | 3.8 | - | - |
| 1945 | 3,373 | 64.5 | 216.7 | - | - | 29.910 | 29.91 | - | 3.8 | - | - |
| 1944 | 9,842 | 65.5 | 220.0 | - | - | 29.910 | 29.91 | - | 3.8 | - | - |
| 1943 | 1,460 | 66.5 | 223.3 | - | - | 29.910 | 29.91 | - | 3.8 | - | - |
| 1942 | 7,692 | 67.5 | 226.7 | - | - | 29.910 | 29.91 | - | 3.8 | - | - |
| 1941 | 12,016 | 68.5 | 230.0 | - | - | 29.910 | 29.91 | - | 3.8 | - | - |
| 1940 | 8,542 | 69.5 | 233.3 | - | - | 29.910 | 29.91 | - | 3.8 | - | - |
| 1939 | 22,754 | 70.5 | 236.7 | - | - | 29.910 | 29.91 | - | 3.8 | - | - |
| Total | | | | | 22,295,202 | | | | | | 19,334,943 |
| | | Service Life | 30.0 | | -32% | Net Salvage Adjustment | | | | | |
| | | | | | 29,429,666 | | | | Theoretical Reserve | | 10,094,723 |
| | | | | | | | | | Reserve Percent | | 34% |

Kenergy Theoretical Reserve Analysis

Account 370

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|------|-----------|------|------------|-----------------------|-------------------|---------------|---------------|-----------------|----------------|---------------|-----------------|
| 2009 | 104,533 | 0.5 | 1.2 | 1.00000 | 104,533 | 1.000 | 0.50 | 41.840 | 42.34 | 5.0 | 221,296 |
| 2008 | 249,768 | 1.5 | 3.5 | 0.99000 | 247,270 | 1.990 | 1.49 | 40.840 | 41.75 | 5.0 | 516,208 |
| 2007 | 233,932 | 2.5 | 5.8 | 0.98000 | 229,253 | 2.970 | 2.48 | 39.850 | 41.16 | 5.0 | 471,841 |
| 2006 | 221,620 | 3.5 | 8.1 | 0.96500 | 213,863 | 3.935 | 3.45 | 38.870 | 40.78 | 5.0 | 436,065 |
| 2005 | 230,154 | 4.5 | 10.5 | 0.95500 | 219,797 | 4.890 | 4.41 | 37.905 | 40.19 | 5.0 | 441,695 |
| 2004 | 198,198 | 5.5 | 14.0 | 0.94000 | 186,306 | 5.830 | 5.36 | 36.950 | 39.81 | 5.0 | 370,829 |
| 2003 | 205,107 | 6.5 | 16.3 | 0.92500 | 189,724 | 6.755 | 6.29 | 36.010 | 39.43 | 5.0 | 374,038 |
| 2002 | 156,209 | 7.5 | 18.6 | 0.91500 | 142,931 | 7.670 | 7.21 | 35.085 | 38.84 | 5.0 | 277,603 |
| 2001 | 265,631 | 8.5 | 20.9 | 0.90500 | 240,396 | 8.575 | 8.12 | 34.170 | 38.26 | 5.0 | 459,840 |
| 2000 | 84,260 | 9.5 | 23.3 | 0.89000 | 74,991 | 9.465 | 9.02 | 33.265 | 37.88 | 5.0 | 142,020 |
| 1999 | 245,737 | 10.5 | 25.6 | 0.88000 | 216,249 | 10.345 | 9.90 | 32.375 | 37.29 | 5.0 | 403,193 |
| 1998 | 208,298 | 11.5 | 27.9 | 0.87000 | 181,219 | 11.215 | 10.78 | 31.495 | 36.70 | 5.0 | 332,547 |
| 1997 | 195,091 | 12.5 | 30.2 | 0.85500 | 166,803 | 12.070 | 11.64 | 30.625 | 36.32 | 5.0 | 302,903 |
| 1996 | 198,946 | 13.5 | 32.6 | 0.84500 | 168,110 | 12.915 | 12.49 | 29.770 | 35.73 | 5.0 | 300,335 |
| 1995 | 155,382 | 14.5 | 34.9 | 0.83500 | 129,744 | 13.750 | 13.33 | 28.925 | 35.14 | 5.0 | 227,965 |
| 1994 | 138,361 | 15.5 | 37.2 | 0.82000 | 113,456 | 14.570 | 14.16 | 28.090 | 34.76 | 5.0 | 197,164 |
| 1993 | 142,912 | 16.5 | 39.5 | 0.81000 | 115,759 | 15.380 | 14.97 | 27.270 | 34.17 | 5.0 | 197,755 |
| 1992 | 178,929 | 17.5 | 41.9 | 0.80000 | 143,143 | 16.180 | 15.78 | 26.460 | 33.58 | 5.0 | 240,302 |
| 1991 | 152,954 | 18.5 | 44.2 | 0.78500 | 120,069 | 16.965 | 16.57 | 25.660 | 33.19 | 5.0 | 199,241 |
| 1990 | 142,083 | 19.5 | 46.5 | 0.77500 | 110,115 | 17.740 | 17.35 | 24.875 | 32.60 | 5.0 | 179,469 |
| 1989 | 118,019 | 20.5 | 48.8 | 0.76500 | 90,285 | 18.505 | 18.12 | 24.100 | 32.00 | 5.0 | 144,470 |
| 1988 | 154,794 | 21.5 | 51.2 | 0.75000 | 116,096 | 19.255 | 18.88 | 23.335 | 31.61 | 5.0 | 183,509 |
| 1987 | 117,602 | 22.5 | 53.5 | 0.74000 | 87,025 | 19.995 | 19.62 | 22.585 | 31.02 | 5.0 | 134,977 |
| 1986 | 124,784 | 23.5 | 55.8 | 0.73000 | 91,092 | 20.725 | 20.36 | 21.845 | 30.42 | 5.0 | 138,572 |
| 1985 | 121,796 | 24.5 | 58.1 | 0.71500 | 87,084 | 21.440 | 21.08 | 21.115 | 30.03 | 5.0 | 130,763 |
| 1984 | 145,904 | 25.5 | 60.5 | 0.70500 | 102,862 | 22.145 | 21.79 | 20.400 | 29.44 | 5.0 | 151,393 |
| 1983 | 183,500 | 26.5 | 62.8 | 0.69500 | 127,533 | 22.840 | 22.49 | 19.695 | 28.84 | 5.0 | 183,890 |
| 1982 | 136,184 | 27.5 | 65.1 | 0.68000 | 92,605 | 23.520 | 23.18 | 19.000 | 28.44 | 5.0 | 131,690 |
| 1981 | 130,891 | 28.5 | 67.4 | 0.67000 | 87,697 | 24.190 | 23.85 | 18.320 | 27.84 | 5.0 | 122,089 |
| 1980 | 76,763 | 29.5 | 69.8 | 0.66000 | 50,664 | 24.850 | 24.52 | 17.650 | 27.24 | 5.0 | 69,010 |
| 1979 | 105,352 | 30.5 | 72.1 | 0.64500 | 67,952 | 25.495 | 25.17 | 16.990 | 26.84 | 5.0 | 91,195 |
| 1978 | 140,672 | 31.5 | 74.4 | 0.63500 | 89,327 | 26.130 | 25.81 | 16.345 | 26.24 | 5.0 | 117,198 |
| 1977 | 122,207 | 32.5 | 76.7 | 0.62500 | 76,379 | 26.755 | 26.44 | 15.710 | 25.64 | 5.0 | 97,903 |
| 1976 | 95,824 | 33.5 | 79.1 | 0.61000 | 58,452 | 27.365 | 27.06 | 15.085 | 25.23 | 5.0 | 73,736 |
| 1975 | 75,279 | 34.5 | 81.4 | 0.60000 | 45,167 | 27.965 | 27.66 | 14.475 | 24.63 | 5.0 | 55,612 |
| 1974 | 78,405 | 35.5 | 83.7 | 0.59000 | 46,259 | 28.555 | 28.26 | 13.875 | 24.02 | 5.0 | 55,550 |
| 1973 | 76,492 | 36.5 | 86.0 | 0.57500 | 43,983 | 29.130 | 28.84 | 13.285 | 23.60 | 5.0 | 51,909 |
| 1972 | 63,390 | 37.5 | 88.4 | 0.56500 | 35,816 | 29.695 | 29.41 | 12.710 | 23.00 | 5.0 | 41,180 |
| 1971 | 61,555 | 38.5 | 90.7 | 0.55500 | 34,163 | 30.250 | 29.97 | 12.145 | 22.38 | 5.0 | 38,233 |

Kenergy Theoretical Reserve Analysis

Account 370

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|--------------|-----------|--------------|------------|-----------------------|-------------------|------------------------|---------------|-----------------|---------------------|---------------|-----------------|
| 1970 | 48,805 | 39.5 | 93.0 | 0.54000 | 26,355 | 30.790 | 30.52 | 11.590 | 21.96 | 5.0 | 28,942 |
| 1969 | 51,697 | 40.5 | 95.3 | 0.53000 | 27,399 | 31.320 | 31.05 | 11.050 | 21.35 | 5.0 | 29,247 |
| 1968 | 54,350 | 41.5 | 97.7 | 0.52000 | 28,262 | 31.840 | 31.58 | 10.520 | 20.73 | 5.0 | 29,295 |
| 1967 | 60,803 | 42.5 | 100.0 | 0.50500 | 30,706 | 32.345 | 32.09 | 10.000 | 20.30 | 5.0 | 31,169 |
| 1966 | 58,447 | 43.5 | 102.3 | 0.49500 | 28,931 | 32.840 | 32.59 | 9.495 | 19.68 | 5.0 | 28,471 |
| 1965 | 39,016 | 44.5 | 104.7 | 0.48500 | 18,923 | 33.325 | 33.08 | 9.000 | 19.06 | 5.0 | 18,030 |
| 1964 | 49,426 | 45.5 | 107.0 | 0.47500 | 23,477 | 33.800 | 33.56 | 8.515 | 18.43 | 5.0 | 21,630 |
| 1963 | 42,383 | 46.5 | 109.3 | 0.46000 | 19,496 | 34.260 | 34.03 | 8.040 | 17.98 | 5.0 | 17,525 |
| 1962 | 41,952 | 47.5 | 111.6 | 0.45000 | 18,878 | 34.710 | 34.48 | 7.580 | 17.34 | 5.0 | 16,372 |
| 1961 | 29,820 | 48.5 | 114.0 | 0.44000 | 13,121 | 35.150 | 34.93 | 7.130 | 16.70 | 5.0 | 10,959 |
| 1960 | 33,230 | 49.5 | 116.3 | 0.42500 | 14,123 | 35.575 | 35.36 | 6.690 | 16.24 | 5.0 | 11,469 |
| 1959 | 31,869 | 50.5 | 118.6 | 0.41500 | 13,226 | 35.990 | 35.78 | 6.265 | 15.60 | 5.0 | 10,314 |
| 1958 | 42,648 | 51.5 | 120.9 | 0.40500 | 17,272 | 36.395 | 36.19 | 5.850 | 14.94 | 5.0 | 12,906 |
| 1957 | 28,101 | 52.5 | 123.3 | 0.39000 | 10,959 | 36.785 | 36.59 | 5.445 | 14.46 | 5.0 | 7,924 |
| 1956 | 29,984 | 53.5 | 125.6 | 0.38000 | 11,394 | 37.165 | 36.97 | 5.055 | 13.80 | 5.0 | 7,863 |
| 1955 | 35,767 | 54.5 | 127.9 | 0.37000 | 13,234 | 37.535 | 37.35 | 4.675 | 13.14 | 5.0 | 8,692 |
| 1954 | 29,685 | 55.5 | 130.2 | 0.35500 | 10,538 | 37.890 | 37.71 | 4.305 | 12.63 | 5.0 | 6,653 |
| 1953 | 34,387 | 56.5 | 132.6 | 0.34500 | 11,863 | 38.235 | 38.06 | 3.950 | 11.95 | 5.0 | 7,088 |
| 1952 | 47,293 | 57.5 | 134.9 | 0.33500 | 15,843 | 38.570 | 38.40 | 3.605 | 11.26 | 5.0 | 8,921 |
| 1951 | 22,076 | 58.5 | 137.2 | 0.32000 | 7,064 | 38.890 | 38.73 | 3.270 | 10.72 | 5.0 | 3,786 |
| 1950 | 48,842 | 59.5 | 139.5 | 0.31000 | 15,141 | 39.200 | 39.04 | 2.950 | 10.02 | 5.0 | 7,583 |
| 1949 | 59,674 | 60.5 | 141.9 | 0.30000 | 17,902 | 39.500 | 39.35 | 2.640 | 9.30 | 5.0 | 8,325 |
| 1948 | 37,766 | 61.5 | 144.2 | 0.28500 | 10,763 | 39.785 | 39.64 | 2.340 | 8.71 | 5.0 | 4,688 |
| 1947 | 27,455 | 62.5 | 146.5 | 0.27500 | 7,550 | 40.060 | 39.92 | 2.055 | 7.97 | 5.0 | 3,010 |
| 1946 | 11,283 | 63.5 | 148.8 | 0.26500 | 2,990 | 40.325 | 40.19 | 1.780 | 7.22 | 5.0 | 1,079 |
| 1945 | 7,385 | 64.5 | 151.2 | 0.25000 | 1,846 | 40.575 | 40.45 | 1.515 | 6.56 | 5.0 | 606 |
| 1944 | 11,373 | 65.5 | 153.5 | 0.24000 | 2,729 | 40.815 | 40.69 | 1.265 | 5.77 | 5.0 | 788 |
| 1943 | 3,267 | 66.5 | 155.8 | 0.23000 | 751 | 41.045 | 40.93 | 1.025 | 4.96 | 5.0 | 186 |
| 1942 | 3,798 | 67.5 | 158.1 | 0.21500 | 816 | 41.260 | 41.15 | 0.795 | 4.20 | 5.0 | 171 |
| 1941 | 13,087 | 68.5 | 160.5 | 0.20500 | 2,683 | 41.465 | 41.36 | 0.580 | 3.33 | 5.0 | 447 |
| 1940 | 8,408 | 69.5 | 162.8 | 0.19500 | 1,640 | 41.660 | 41.56 | 0.375 | 2.42 | 5.0 | 199 |
| 1939 | 11,105 | 70.5 | 165.1 | 0.18000 | 1,999 | 41.840 | 41.75 | 0.180 | 1.50 | 5.0 | 150 |
| Total | | | | | 5,172,048 | | | | | | 8,649,673 |
| | | Service Life | 43.0 | | | | | | | | |
| | | | | | -114% | Net Salvage Adjustment | | | | | |
| | | | | | 11,068,183 | | | | Theoretical Reserve | | 2,418,510 |
| | | | | | | | | | Reserve Percent | | 22% |

Kenergy Theoretical Reserve Analysis

Account 371

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|------|-----------|------|---------------|--------------------------|----------------------|------------------|------------------|--------------------|-------------------|------------------|--------------------|
| 2009 | 139,272 | 0.5 | 1.6 | 1.00000 | 139,272 | 1.000 | 0.50 | 31.000 | 31.50 | 5.4 | 236,902 |
| 2008 | 155,502 | 1.5 | 4.8 | 0.98500 | 153,169 | 1.985 | 1.49 | 30.000 | 30.96 | 5.4 | 256,049 |
| 2007 | 158,788 | 2.5 | 8.1 | 0.96500 | 153,230 | 2.950 | 2.47 | 29.015 | 30.57 | 5.4 | 252,928 |
| 2006 | 184,777 | 3.5 | 11.3 | 0.95000 | 175,538 | 3.900 | 3.43 | 28.050 | 30.03 | 5.4 | 284,621 |
| 2005 | 145,873 | 4.5 | 14.5 | 0.93500 | 136,391 | 4.835 | 4.37 | 27.100 | 29.48 | 5.4 | 217,153 |
| 2004 | 128,918 | 5.5 | 19.4 | 0.91000 | 117,316 | 5.745 | 5.29 | 26.165 | 29.25 | 5.4 | 185,318 |
| 2003 | 132,927 | 6.5 | 22.6 | 0.89500 | 118,969 | 6.640 | 6.19 | 25.255 | 28.72 | 5.4 | 184,494 |
| 2002 | 170,433 | 7.5 | 25.8 | 0.88000 | 149,981 | 7.520 | 7.08 | 24.360 | 28.18 | 5.4 | 228,243 |
| 2001 | 102,064 | 8.5 | 29.0 | 0.86000 | 87,775 | 8.380 | 7.95 | 23.480 | 27.80 | 5.4 | 131,778 |
| 2000 | 98,931 | 9.5 | 32.3 | 0.84500 | 83,597 | 9.225 | 8.80 | 22.620 | 27.27 | 5.4 | 123,100 |
| 1999 | 153,539 | 10.5 | 35.5 | 0.83000 | 127,437 | 10.055 | 9.64 | 21.775 | 26.73 | 5.4 | 183,980 |
| 1998 | 151,011 | 11.5 | 38.7 | 0.81500 | 123,074 | 10.870 | 10.46 | 20.945 | 26.20 | 5.4 | 174,121 |
| 1997 | 126,453 | 12.5 | 41.9 | 0.80000 | 101,162 | 11.670 | 11.27 | 20.130 | 25.66 | 5.4 | 140,188 |
| 1996 | 131,616 | 13.5 | 45.2 | 0.78000 | 102,661 | 12.450 | 12.06 | 19.330 | 25.28 | 5.4 | 140,155 |
| 1995 | 128,980 | 14.5 | 48.4 | 0.76500 | 98,669 | 13.215 | 12.83 | 18.550 | 24.75 | 5.4 | 131,863 |
| 1994 | 124,438 | 15.5 | 51.6 | 0.75000 | 93,328 | 13.965 | 13.59 | 17.785 | 24.21 | 5.4 | 122,029 |
| 1993 | 127,287 | 16.5 | 54.8 | 0.73500 | 93,556 | 14.700 | 14.33 | 17.035 | 23.68 | 5.4 | 119,616 |
| 1992 | 121,426 | 17.5 | 58.1 | 0.71500 | 86,820 | 15.415 | 15.06 | 16.300 | 23.30 | 5.4 | 109,224 |
| 1991 | 79,143 | 18.5 | 61.3 | 0.70000 | 55,400 | 16.115 | 15.77 | 15.585 | 22.76 | 5.4 | 68,102 |
| 1990 | 80,414 | 19.5 | 64.5 | 0.68500 | 55,084 | 16.800 | 16.46 | 14.885 | 22.23 | 5.4 | 66,123 |
| 1989 | 77,514 | 20.5 | 67.7 | 0.67000 | 51,935 | 17.470 | 17.14 | 14.200 | 21.69 | 5.4 | 60,840 |
| 1988 | 87,587 | 21.5 | 71.0 | 0.65500 | 57,370 | 18.125 | 17.80 | 13.530 | 21.16 | 5.4 | 65,542 |
| 1987 | 65,636 | 22.5 | 74.2 | 0.63500 | 41,679 | 18.760 | 18.44 | 12.875 | 20.78 | 5.4 | 46,759 |
| 1986 | 91,073 | 23.5 | 77.4 | 0.62000 | 56,465 | 19.380 | 19.07 | 12.240 | 20.24 | 5.4 | 61,720 |
| 1985 | 58,474 | 24.5 | 80.6 | 0.60500 | 35,377 | 19.985 | 19.68 | 11.620 | 19.71 | 5.4 | 37,646 |
| 1984 | 71,119 | 25.5 | 83.9 | 0.59000 | 41,960 | 20.575 | 20.28 | 11.015 | 19.17 | 5.4 | 43,435 |
| 1983 | 55,418 | 26.5 | 87.1 | 0.57000 | 31,588 | 21.145 | 20.86 | 10.425 | 18.79 | 5.4 | 32,050 |
| 1982 | 57,341 | 27.5 | 90.3 | 0.55500 | 31,824 | 21.700 | 21.42 | 9.855 | 18.26 | 5.4 | 31,375 |
| 1981 | 59,916 | 28.5 | 93.5 | 0.54000 | 32,355 | 22.240 | 21.97 | 9.300 | 17.72 | 5.4 | 30,963 |
| 1980 | 70,909 | 29.5 | 96.8 | 0.52500 | 37,227 | 22.765 | 22.50 | 8.760 | 17.19 | 5.4 | 34,548 |
| 1979 | 82,185 | 30.5 | 100.0 | 0.50500 | 41,504 | 23.270 | 23.02 | 8.235 | 16.81 | 5.4 | 37,668 |
| 1978 | 84,818 | 31.5 | 103.2 | 0.49000 | 41,561 | 23.760 | 23.52 | 7.730 | 16.28 | 5.4 | 36,527 |
| 1977 | 90,728 | 32.5 | 106.5 | 0.47500 | 43,096 | 24.235 | 24.00 | 7.240 | 15.74 | 5.4 | 36,635 |
| 1976 | 57,465 | 33.5 | 109.7 | 0.46000 | 26,434 | 24.695 | 24.47 | 6.765 | 15.21 | 5.4 | 21,706 |
| 1975 | 94,366 | 34.5 | 112.9 | 0.44500 | 41,993 | 25.140 | 24.92 | 6.305 | 14.67 | 5.4 | 33,262 |

Kenergy Theoretical Reserve Analysis

Account 371

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|-------|-----------|--------------|------------|-----------------------|-------------------|---------------|------------------------|-----------------|----------------|---------------------|-----------------|
| 1974 | 75,436 | 35.5 | 116.1 | 0.42500 | 32,060 | 25,565 | 25.35 | 5,860 | 14.29 | 5.4 | 24,736 |
| 1973 | 96,230 | 36.5 | 119.4 | 0.41000 | 39,454 | 25,975 | 25.77 | 5,435 | 13.76 | 5.4 | 29,308 |
| 1972 | 93,340 | 37.5 | 122.6 | 0.39500 | 36,869 | 26,370 | 26.17 | 5,025 | 13.22 | 5.4 | 26,323 |
| 1971 | 90,688 | 38.5 | 125.8 | 0.38000 | 34,461 | 26,750 | 26.56 | 4,630 | 12.68 | 5.4 | 23,604 |
| 1970 | 70,557 | 39.5 | 129.0 | 0.36000 | 25,400 | 27,110 | 26.93 | 4,250 | 12.31 | 5.4 | 16,879 |
| 1969 | 32,851 | 40.5 | 132.3 | 0.34500 | 11,334 | 27,455 | 27.28 | 3,890 | 11.78 | 5.4 | 7,207 |
| 1968 | 22,664 | 41.5 | 135.5 | 0.33000 | 7,479 | 27,785 | 27.62 | 3,545 | 11.24 | 5.4 | 4,540 |
| 1967 | 20,037 | 42.5 | 138.7 | 0.31500 | 6,312 | 28,100 | 27.94 | 3,215 | 10.71 | 5.4 | 3,649 |
| 1966 | 15,515 | 43.5 | 141.9 | 0.30000 | 4,655 | 28,400 | 28.25 | 2,900 | 10.17 | 5.4 | 2,555 |
| 1965 | 17,212 | 44.5 | 145.2 | 0.28000 | 4,819 | 28,680 | 28.54 | 2,600 | 9.79 | 5.4 | 2,547 |
| 1964 | 18,397 | 45.5 | 148.4 | 0.26500 | 4,875 | 28,945 | 28.81 | 2,320 | 9.25 | 5.4 | 2,436 |
| 1963 | 24,476 | 46.5 | 151.6 | 0.25000 | 6,119 | 29,195 | 29.07 | 2,055 | 8.72 | 5.4 | 2,881 |
| 1962 | 25,001 | 47.5 | 154.8 | 0.23500 | 5,875 | 29,430 | 29.31 | 1,805 | 8.18 | 5.4 | 2,595 |
| 1961 | 8,292 | 48.5 | 158.1 | 0.21500 | 1,783 | 29,645 | 29.54 | 1,570 | 7.80 | 5.4 | 751 |
| 1960 | 40,047 | 49.5 | 161.3 | 0.20000 | 8,009 | 29,845 | 29.75 | 1,355 | 7.28 | 5.4 | 3,146 |
| 1959 | 40,741 | 50.5 | 164.5 | 0.18500 | 7,537 | 30,030 | 29.94 | 1,155 | 6.74 | 5.4 | 2,745 |
| 1958 | 64,562 | 51.5 | 167.7 | 0.17000 | 10,976 | 30,200 | 30.12 | 0,970 | 6.21 | 5.4 | 3,678 |
| 1957 | 299,881 | 52.5 | 171.0 | 0.15500 | 46,482 | 30,355 | 30.28 | 0,800 | 5.66 | 5.4 | 14,210 |
| 1956 | 50,170 | 53.5 | 174.2 | 0.13500 | 6,773 | 30,490 | 30.42 | 0,645 | 5.28 | 5.4 | 1,930 |
| 1955 | 80,403 | 54.5 | 177.4 | 0.12000 | 9,648 | 30,610 | 30.55 | 0,510 | 4.75 | 5.4 | 2,475 |
| 1954 | 90,431 | 55.5 | 180.6 | 0.10500 | 9,495 | 30,715 | 30.66 | 0,390 | 4.21 | 5.4 | 2,161 |
| 1953 | 86,467 | 56.5 | 183.9 | 0.09000 | 7,782 | 30,805 | 30.76 | 0,285 | 3.67 | 5.4 | 1,541 |
| 1952 | 217,637 | 57.5 | 187.1 | 0.07000 | 15,235 | 30,875 | 30.84 | 0,195 | 3.29 | 5.4 | 2,703 |
| 1951 | | 58.5 | 190.3 | 0.05500 | - | 30,930 | 30.90 | 0,125 | 2.77 | 5.4 | - |
| 1950 | 33,140 | 59.5 | 193.5 | 0.04000 | 1,326 | 30,970 | 30.95 | 0,070 | 2.25 | 5.4 | 161 |
| 1949 | 64,550 | 60.5 | 196.8 | 0.02500 | 1,614 | 30,995 | 30.98 | 0,030 | 1.70 | 5.4 | 148 |
| 1948 | 11,324 | 61.5 | 200.0 | 0.00500 | 57 | 31,000 | 31.00 | 0,005 | 1.50 | 5.4 | 5 |
| Total | | | | | 3,211,225 | | | | | | 4,151,578 |
| | | Service Life | 31.0 | | | | | | | | |
| | | | | | | -66% | Net Salvage Adjustment | | | | |
| | | | | | 5,330,633 | | | | | Theoretical Reserve | 1,179,056 |
| | | | | | | | | | | Reserve Percent | 22% |

Kenergy Theoretical Reserve Analysis

Account 373

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|------|-----------|------|---------------|--------------------------|----------------------|------------------|------------------|--------------------|-------------------|------------------|--------------------|
| 2009 | 13,288 | 0.5 | 1.9 | 1.00000 | 13,288 | 1.000 | 0.50 | 26.912 | 27.41 | 3.8 | 13,842 |
| 2008 | 71,602 | 1.5 | 5.6 | 0.99601 | 71,316 | 1.996 | 1.50 | 25.912 | 26.52 | 3.8 | 71,858 |
| 2007 | 109,515 | 2.5 | 9.3 | 0.99145 | 108,578 | 2.987 | 2.49 | 24.916 | 25.63 | 3.8 | 105,752 |
| 2006 | 56,162 | 3.5 | 13.0 | 0.98762 | 55,467 | 3.975 | 3.48 | 23.925 | 24.72 | 3.8 | 52,113 |
| 2005 | 53,586 | 4.5 | 16.7 | 0.98192 | 52,617 | 4.957 | 4.47 | 22.937 | 23.86 | 3.8 | 47,705 |
| 2004 | 53,399 | 5.5 | 22.2 | 0.97195 | 51,902 | 5.929 | 5.44 | 21.955 | 23.09 | 3.8 | 45,537 |
| 2003 | 80,327 | 6.5 | 25.9 | 0.96626 | 77,616 | 6.895 | 6.41 | 20.983 | 22.22 | 3.8 | 65,524 |
| 2002 | 50,660 | 7.5 | 29.6 | 0.95786 | 48,525 | 7.853 | 7.37 | 20.017 | 21.40 | 3.8 | 39,456 |
| 2001 | 31,573 | 8.5 | 33.3 | 0.94847 | 29,946 | 8.802 | 8.33 | 19.059 | 20.59 | 3.8 | 23,435 |
| 2000 | 89,397 | 9.5 | 37.0 | 0.93798 | 83,852 | 9.740 | 9.27 | 18.110 | 19.81 | 3.8 | 63,116 |
| 1999 | 14,442 | 10.5 | 40.7 | 0.92934 | 13,422 | 10.669 | 10.20 | 17.172 | 18.98 | 3.8 | 9,679 |
| 1998 | 23,935 | 11.5 | 44.4 | 0.91671 | 21,942 | 11.586 | 11.13 | 16.243 | 18.22 | 3.8 | 15,191 |
| 1997 | 5,171 | 12.5 | 48.1 | 0.90272 | 4,668 | 12.488 | 12.04 | 15.326 | 17.48 | 3.8 | 3,100 |
| 1996 | 40,053 | 13.5 | 51.9 | 0.89127 | 35,698 | 13.380 | 12.93 | 14.424 | 16.68 | 3.8 | 22,631 |
| 1995 | 28,471 | 14.5 | 55.6 | 0.87462 | 24,902 | 14.254 | 13.82 | 13.532 | 15.97 | 3.8 | 15,114 |
| 1994 | 19,665 | 15.5 | 59.3 | 0.85630 | 16,839 | 15.110 | 14.68 | 12.658 | 15.28 | 3.8 | 9,779 |
| 1993 | 8,973 | 16.5 | 63.0 | 0.84138 | 7,549 | 15.952 | 15.53 | 11.802 | 14.53 | 3.8 | 4,167 |
| 1992 | 5,667 | 17.5 | 66.7 | 0.81985 | 4,646 | 16.772 | 16.36 | 10.960 | 13.87 | 3.8 | 2,448 |
| 1991 | 2,970 | 18.5 | 70.4 | 0.79632 | 2,365 | 17.568 | 17.17 | 10.140 | 13.23 | 3.8 | 1,189 |
| 1990 | 2,874 | 19.5 | 74.1 | 0.77070 | 2,215 | 18.339 | 17.95 | 9.344 | 12.62 | 3.8 | 1,063 |
| 1989 | 7,778 | 20.5 | 77.8 | 0.75005 | 5,834 | 19.089 | 18.71 | 8.573 | 11.93 | 3.8 | 2,645 |
| 1988 | 1,726 | 21.5 | 81.5 | 0.72057 | 1,244 | 19.809 | 19.45 | 7.823 | 11.36 | 3.8 | 537 |
| 1987 | 19,979 | 22.5 | 85.2 | 0.68883 | 13,762 | 20.498 | 20.15 | 7.103 | 10.81 | 3.8 | 5,654 |
| 1986 | 5,084 | 23.5 | 88.9 | 0.66354 | 3,373 | 21.162 | 20.83 | 6.414 | 10.17 | 3.8 | 1,303 |
| 1985 | 9,972 | 24.5 | 92.6 | 0.62788 | 6,261 | 21.790 | 21.48 | 5.750 | 9.66 | 3.8 | 2,298 |
| 1984 | 563 | 25.5 | 96.3 | 0.59012 | 332 | 22.380 | 22.08 | 5.122 | 9.18 | 3.8 | 116 |
| 1983 | 6,682 | 26.5 | 100.0 | 0.55044 | 3,678 | 22.930 | 22.65 | 4.532 | 8.73 | 3.8 | 1,221 |
| 1982 | 3,159 | 27.5 | 103.7 | 0.51958 | 1,641 | 23.450 | 23.19 | 3.982 | 8.16 | 3.8 | 509 |
| 1981 | 7,081 | 28.5 | 107.4 | 0.47725 | 3,379 | 23.927 | 23.69 | 3.462 | 7.75 | 3.8 | 996 |
| 1980 | 17,957 | 29.5 | 111.1 | 0.43396 | 7,793 | 24.361 | 24.14 | 2.985 | 7.38 | 3.8 | 2,185 |
| 1979 | 8,584 | 30.5 | 114.8 | 0.40117 | 3,444 | 24.762 | 24.56 | 2.551 | 6.86 | 3.8 | 898 |
| 1978 | 7,364 | 31.5 | 118.5 | 0.35750 | 2,632 | 25.120 | 24.94 | 2.150 | 6.51 | 3.8 | 652 |
| 1977 | 5,229 | 32.5 | 122.2 | 0.31444 | 1,644 | 25.434 | 25.28 | 1.792 | 6.20 | 3.8 | 387 |
| 1976 | 4,714 | 33.5 | 125.9 | 0.28295 | 1,334 | 25.717 | 25.58 | 1.478 | 5.72 | 3.8 | 290 |
| 1975 | 659 | 34.5 | 129.6 | 0.24254 | 160 | 25.960 | 25.84 | 1.195 | 5.43 | 3.8 | 33 |

Kenergy Theoretical Reserve Analysis

Account 373

| Year | Additions | Age | Age / Life | Proportion in Service | Simulated Balance | Realized Area | Realized Life | Unrealized Area | Remaining Life | Proposed Rate | Future Accruals |
|-------|-----------|--------------|------------|-----------------------|-----------------------------|---------------|---------------|-----------------|----------------|---------------------|-----------------|
| 1974 | 3,267 | 35.5 | 133.3 | 0.20450 | 668 | 26.164 | 26.06 | 0.952 | 5.16 | 3.8 | 131 |
| 1973 | 7,783 | 36.5 | 137.0 | 0.16932 | 1,318 | 26.333 | 26.25 | 0.748 | 4.92 | 3.8 | 246 |
| 1972 | 2,648 | 37.5 | 140.7 | 0.14508 | 384 | 26.478 | 26.41 | 0.579 | 4.49 | 3.8 | 66 |
| 1971 | 326 | 38.5 | 144.4 | 0.11580 | 38 | 26.594 | 26.54 | 0.434 | 4.24 | 3.8 | 6 |
| 1970 | 1,291 | 39.5 | 148.1 | 0.09015 | 116 | 26.684 | 26.64 | 0.318 | 4.02 | 3.8 | 18 |
| 1969 | 406 | 40.5 | 151.9 | 0.07329 | 30 | 26.758 | 26.72 | 0.228 | 3.60 | 3.8 | 4 |
| 1968 | 178 | 41.5 | 155.6 | 0.05392 | 10 | 26.812 | 26.78 | 0.154 | 3.36 | 3.8 | 1 |
| 1967 | 585 | 42.5 | 159.3 | 0.03793 | 22 | 26.850 | 26.83 | 0.100 | 3.15 | 3.8 | 3 |
| 1966 | 1,220 | 43.5 | 163.0 | 0.02804 | 34 | 26.878 | 26.86 | 0.062 | 2.73 | 3.8 | 4 |
| 1965 | 508 | 44.5 | 166.7 | 0.01749 | 9 | 26.895 | 26.89 | 0.034 | 2.47 | 3.8 | 1 |
| 1964 | 249 | 45.5 | 170.4 | 0.00975 | 2 | 26.905 | 26.90 | 0.017 | 2.23 | 3.8 | 0 |
| 1963 | 677 | 46.5 | 174.1 | 0.00455 | 3 | 26.909 | 26.91 | 0.007 | 2.07 | 3.8 | 0 |
| 1962 | | 47.5 | 177.8 | 0.00212 | - | 26.911 | 26.91 | 0.003 | 1.72 | 3.8 | - |
| 1961 | 25,844 | 48.5 | 181.5 | 0.00046 | 12 | 26.912 | 26.91 | 0.000 | 1.53 | 3.8 | 1 |
| 1960 | 522 | 49.5 | 185.2 | 0.00001 | 0 | 26.912 | 26.91 | 0.000 | 1.50 | 3.8 | 0 |
| 1959 | 115 | 50.5 | 188.9 | - | - | 26.912 | 26.91 | - | 3.8 | - | - |
| 1958 | 3,404 | 51.5 | 192.6 | - | - | 26.912 | 26.91 | - | 3.8 | - | - |
| 1957 | 6,702 | 52.5 | 196.3 | - | - | 26.912 | 26.91 | - | 3.8 | - | - |
| 1956 | | 53.5 | 200.0 | - | - | 26.912 | 26.91 | - | 3.8 | - | - |
| 1955 | 86 | 54.5 | 203.7 | - | - | 26.912 | 26.91 | - | 3.8 | - | - |
| 1954 | 37 | 55.5 | 207.4 | - | - | 26.912 | 26.91 | - | 3.8 | - | - |
| 1953 | | 56.5 | 211.1 | - | - | 26.912 | 26.91 | - | 3.8 | - | - |
| 1952 | | 57.5 | 214.8 | - | - | 26.912 | 26.91 | - | 3.8 | - | - |
| 1951 | 315 | 58.5 | 218.5 | - | - | 26.912 | 26.91 | - | 3.8 | - | - |
| 1950 | 4,295 | 59.5 | 222.2 | - | - | 26.912 | 26.91 | - | 3.8 | - | - |
| 1949 | 651 | 60.5 | 225.9 | - | - | 26.912 | 26.91 | - | 3.8 | - | - |
| 1948 | | 61.5 | 229.6 | - | - | 26.912 | 26.91 | - | 3.8 | - | - |
| Total | | | | | 786,510 | | | | | | 632,901 |
| | | Service Life | 27.0 | | -19% Net Salvage Adjustment | | | | | | |
| | | | | | 935,947 | | | | | Theoretical Reserve | 303,046 |
| | | | | | | | | | | Reserve Percent | 32% |



Kenergy's outage map among first in state

Co-op unveils new communications technology

HENDERSON, Ky. – Kenergy members now have access to real-time information about outages at their fingertips.

The co-op recently unveiled Outage Central, a new page on Kenergy's Web site. Outage Central provides access to an outage map with all types of information about the 14 counties the co-op serves.

During a large-scale event that affects at least 10,000 members for a prolonged period of time, Outage Central will become the Web site's home page. Members will still be able to pay bills and enter meter readings from the Outage Central page, as usual; however, outage information will take center stage.

On any day, members can access Outage Central and the outage map by double clicking on the Outage Information/Map icon on the Web site's home page. At a glance, a table on the Outage Central page shows how many members are experiencing a power outage by county. Look on the Outage Central page for access to the outage map.



Once members access the outage map, they can place their cursors on colored triangles that represent outages in progress. A dialog box will pop up, providing details such as number of members affected, the time the outage started and an estimated restoration time. Members will notice a "zoom in" feature that allows visitors to see street and road names in the affected area.

If a yellow hard hat appears on an outage triangle, it means a crew has been dispatched and is working on the problem. The outage map and table of outages by county refresh every

15 minutes.

Kenergy is among the first utilities in the state to offer this new technology, which provides the most up-to-date information on outages.

Prior to the ice storm of January 2009, Kenergy received an average of 12,000 visits to its Web site per month. But during the ice storm, that number skyrocketed to 47,000. Kenergy officials realized its members were searching the Web site for outage information and knew this was a logical place to enhance communications.

Many members have asked how they can view online information when they don't have electricity to operate a computer. Smart phones remain one source. Public libraries and workplaces often are on priority lists for power restoration, and they offer computer access. And during prolonged outages, people activate generators or stay with friends or family who are not involved in the outage.

Kenergy officials urge members to become familiar with Outage Central and the outage map before another large-scale event takes place. Make it part of your preparedness routine.

For members who do not own computers, Kenergy will offer another way to stay in touch during severe outages. The co-op is contracting with a firm that can deliver phone calls with outage information. Kenergy expects that technology to be available by midsummer.

If you have questions about Outage Central or any communications issue, please contact Renee Beasley Jones at 800-844-4832, extension 6103.

Kenergy member accepts lead role with Kentucky Soybean Association

Growers elect Keith Tapp as president



WEBSTER COUNTY, Ky. – When Keith Tapp looks back at his life, one theme remains constant: farming.

It has defined his life and his family's life. His nephews Kaleb and Kelby mark the fifth generation of Tapps to work the soil at their Webster County farm, which is located on Highway 283.

Keith and his family run a large grain and tobacco operation.

But Keith's dedication to farming goes much deeper than just raising crops. He has always involved himself in organizations that promote farmers and their commodities.

He is president of the Webster County Extension Board. He holds a seat on the Kentucky Grain Insurance Board and the Kentucky Farm Bureau Soybean Advisory Committee. He serves as a Webster County Farm Bureau board member.

And recently, the Kentucky Soybean Association elected him as president. He's been a member of the association since the mid 1970s.

Continued on page 2

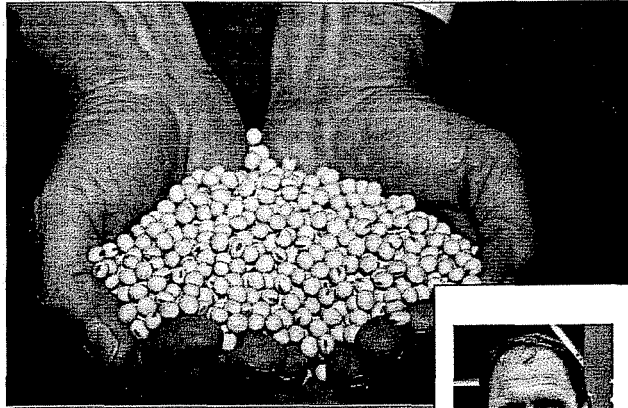
Growers elect Keith Tapp... continued on page 1

"It's a great board," he says of the Kentucky Soybean Association. "It is truly a grassroots organization."

Education and lobbying will fill his agenda during his tenure as president.

"We're continually working to increase soybean profitability," Keith says. "One way we are doing this is through the promotion of the animal agriculture industry. Over 98 percent of domestic soybean meal is consumed by animal agriculture in the United States. The Kentucky Soybean Association is helping to carry the message that farmers are the No. 1 advocates for animals. And our hard work and dedication lead to affordable, safe, high-quality food."

As far as lobbying, there's a big push to reinstate a tax incen-



tive for biodiesel production, which creates a competitive marketplace for fuel made from soybeans and helps decrease the nation's dependency on foreign oil. Biodiesel products are environmentally friendly as well.

The Soybean Association has nearly 1,000 grower-members statewide.

Keith is a member of Kenergy Corp.'s Member Resource Committee. Its members represent the co-op in the communities it serves.



Name: Keith Tapp
Residence: Webster County
Age: 55
Family: Son, Andy, 31; daughter, Katie, 26; granddaughter, Haddie, 2; and grandson, Nash, infant
Hobbies: Spending time with family and friends

Keith Tapp is a Webster County farmer and member of Kenergy Corp.'s Member Resource Committee. He recently was named president of the Kentucky Soybean Association.

Cookin' up coconut cream pies

Hawesville restaurant reveals secret recipe



HANCOCK COUNTY, Ky. — Marie Irby arrives at her Hawesville restaurant — Irby's — about 1:30 every morning.

Everything at Irby's is made from scratch, including her pies. Early morning is a good time for baking.

Years ago, Irby found a recipe for Coconut Cream Pie. "I experimented with it until I got it the way I wanted."

Now, it's an Irby's favorite.

To-die-for meringue sits 3 to 4 inches high on top the dreamy coconut filling. But what's so different about Irby's recipe?

The biggie: Instead of vanilla flavoring, she uses coconut flavoring. And she adds lots of grated coconut in the filling.

"When you take a bit of my coconut pie, it tastes like coconut," she says.

The restaurant goes through tons of desserts each day. Irby mixes things up a bit. Chess and pecan are popular pies, too. And her Punch Bowl Cake is a crowd pleaser.

Irby doesn't put Coconut Cream Pies on the menu every day. She fears people will tire of them. But when Irby makes them, guests chow through about four a day.

Here's her secret recipe:

Coconut Cream Pie

$\frac{3}{4}$ c. sugar
 $\frac{1}{4}$ c. cornstarch
4 eggs (separated)
1 tsp coconut flavoring
 $2\frac{1}{2}$ c. whole milk

Mix together the sugar and cornstarch. Then, mix dry and wet ingredients. Stir with a whisk. Microwave $6\frac{1}{2}$ to 7 minutes, stirring two or three times. Add $\frac{1}{2}$ cup of grated coconut. Stir ingredients and pour into baked pie shell.

Meringue
2 tbsp sugar
1 tbsp cornstarch
 $\frac{1}{2}$ c. water

Mix together the sugar and cornstarch. Add the water. Cook in the microwave until clear.

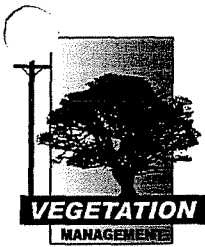
4 egg whites
 $\frac{1}{4}$ c. sugar

Beat the egg whites and sugar until the mixture stands in peaks. Add the sugar-cornstarch-water mixture and beat one minute more. Heap this meringue mixture on top the pie filling. Add the rest of the grated coconut on top and bake at 350 degrees until golden brown.



"Changing the Oil"

(Why Do You Have To Prune My Trees?)



Automobile manufacturers recommend that a vehicle's oil be changed at regular intervals to improve performance and extend the life of the engine. They also recommend performing a number of other routine maintenance items periodically to improve the performance of the vehicle and extend

its useful life. Combined, all of these things are referred to as preventive maintenance.

Kenergy is often asked why we prune trees that are not yet touching the power lines. Similar to an automobile, Kenergy performs routine preventive maintenance on the electric system, including the removal and pruning of trees near power lines. Trees are one of the leading causes of electrical power outages. Maintaining proper clearances between power lines and trees is an important aspect of delivering power to you that is safe, reliable and affordable. Proper right-of-way maintenance also results in the elimination of safety hazards for the public and creates safer working conditions for employees working on the lines.

Over the last 5 years Townsend, Kenergy's vegetation management contractor, has pruned or removed an average of 161,565 trees each year.

Maintenance is continual and deliberate. Most people don't wait until the engine oil light comes on or the engine fails to change the oil. Likewise, Kenergy doesn't wait until the trees and limbs are in the power lines before they are removed. It takes between 5 and 6 years for Kenergy to clear trees away from the approximately 5,300 miles of overhead power lines (laid end-to-end, that's about the same as traveling from New York City to Los Angeles and back) and then we start all over again. An aggressive removal program helps permanently eliminate tree hazards between trimming cycles and reduces the potential for power outages.

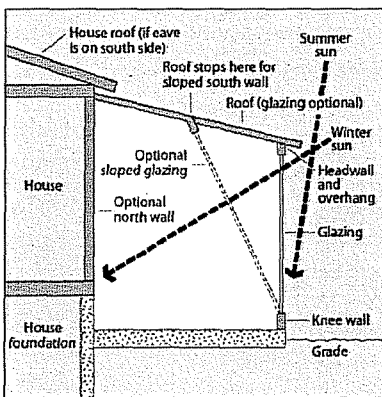
Your understanding and cooperation greatly affect this process. Nobody can control the wind blowing limbs into power lines or snow and ice pushing the trees into the power lines but, with your help, we can try to eliminate

those possibilities. The electric system is interconnected in such a way that one tree limb can knock the power out to many hundreds of people. Therefore, it is vitally important that all trees are pruned or removed during the regularly scheduled maintenance cycle. By doing so, the performance and safety of your electric system will be improved.

Roof overhangs

Keep out sun in summer, allow it to warm in winter

In passive solar home design, exterior roof overhangs provide a practical method for shading building elements such as windows, doors and walls.



Overhangs are most effective for south-facing elements and at midday. If the building element bears more than about 30 degrees off true south, the effectiveness of an overhang, as with any solar feature, begins to decrease significantly.

Overhangs usually only affect the amount of direct solar radiation that strikes a

surface. Diffuse sky and reflected radiation gains are not often

directly affected by overhangs.

The higher overhead the sun is, the shorter the shadow a person will cast on the ground. However, the short brim of a baseball cap can create a long shadow across the body of a standing person.

The same concept applies in designing overhangs for buildings. The higher, or more vertical, the arc of the sun, the longer the shadow that the building overhang generates along the face of the wall.

Summer shadows extend down walls the furthest, winter shadows the least.

Overhangs may be solid, louvered, vegetation-supporting or a combination of all of these. Some shutters, eaves, trellises, light shelves, and awnings serve the same purpose as an overhang.

This information comes from the U.S. Department of Energy.



More than 1,700 members entered our contest for the \$100 Wal-Mart gift certificate. The winner was contacted by telephone on the day of the drawing (May 15); however, the Focus deadline was not conducive for printing the winner's name in the June issue. Look for the name in July.

Kenergy business hours

Business hours at Kenergy's Henderson headquarters and Owensboro office are 7:30 a.m. to 4:30 p.m. Monday through Friday. Branch offices in Hanson, Hartford, Hawesville and Marion are open weekdays from 9 a.m. to noon and 1 p.m. to 4 p.m.

2009 Annual Report



Sandy Novick
Kenergy President/CEO

One cannot think about Kenergy and 2009 without remembering the famous and infamous January/February ice storm. It was the worst natural disaster in the recorded history of not only Kenergy, but of Kentucky. It was most definitely a trial by "ice", and your Cooperative not only survived it, but grew stronger as a result of it.

The employees are to be commended for their super-human efforts to restore the members' power. And we must also thank our brother cooperatives from all over the eastern U.S. who sent over 1,415 of their employees to assist us.

The finally tally was 3,350 broken poles, 1,225 downed transformers, and a cost of \$33.7 million.

And, of course, many frustrated members who wanted restoration information.

Subsequently, we made a significant push in improved communication capability including a new telephone system, satellite telephones in our three district offices, the use of Twitter and Facebook, a new Outage Central webpage with real time maps showing outage locations, crew status, and expected restoration times, a contract for an overflow call center in another location, and a contract for reverse 911 communications.

Financially, we are proud to report that even with the ice storm, thanks to the efforts of the employees and FEMA assistance, we actually finished the year in the black. We certainly didn't make our budget, but we did have a positive bottom line. We also were able to allocate capital credits to all of our members for 2009.

Our strategic focus remains on the areas of Safety, Service, People, and Performance. Even with the worst natural disaster

in our history, we survived, grew stronger, and delivered a positive financial result. Our rates are among the lowest in the entire country, and our commitment to our members is to continue to pursue excellence to make you proud of your cooperative.

STATEMENT OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2009 AND 2008

| | 2009 | 2008 |
|--|----------------------|----------------------|
| Electric Revenue | \$348,382,526 | \$357,812,521 |
| Miscellaneous | 1,400,340 | 1,686,081 |
| TOTAL OPERATING REVENUE | \$349,782,866 | \$359,498,602 |
| Cost of Purchased Power | \$313,964,053 | \$325,438,771 |
| Distribution Plant Expense | 12,507,860 | 13,873,450 |
| Customer Accounting & Collecting Expense | 3,049,582 | 2,991,255 |
| Customer Service & Information Expense | 271,430 | 309,338 |
| General Office, Administrative & General Expense | 3,071,248 | 2,676,293 |
| TOTAL OPERATING EXPENSE | \$332,864,173 | \$345,289,107 |
| Depreciation Expense | \$7,970,349 | \$7,726,978 |
| Interest on Long-Term Debt | 6,114,726 | 6,048,338 |
| Other Deductions | 878,751 | 464,143 |
| TOTAL COST OF ELECTRIC SERVICE | \$347,827,999 | \$359,528,566 |
| Operating Margins (Loss) | \$1,954,867 | (\$29,964) |
| Non-Operating Margins | 985,051 | 815,095 |
| TOTAL MARGINS (Loss) | \$2,939,918 | \$785,131 |

BALANCE SHEET

| | | |
|--|----------------------|----------------------|
| ASSETS | | |
| Total Utility Plant | \$239,783,186 | \$233,759,559 |
| Less Accumulated Provision for Depreciation | (62,290,462) | (59,219,789) |
| NET UTILITY PLANT | \$177,492,724 | \$174,539,770 |
| Investments | \$7,107,120 | \$7,461,198 |
| Cash & Cash Equivalents | 5,752,057 | 2,854,305 |
| Accounts Receivable | 35,106,377 | 28,085,103 |
| Other Assets | 12,708,278 | 10,809,111 |
| TOTAL ASSETS | \$238,166,556 | \$223,749,487 |
| MEMBERS' EQUITIES | | |
| Memberships | \$242,960 | \$242,250 |
| Patronage Capital | 55,445,506 | 52,677,977 |
| Other | 2,297,317 | 1,322,502 |
| TOTAL MEMBERS' EQUITIES | \$57,985,783 | \$54,242,729 |
| LIABILITIES | | |
| Long-Term Debt | \$133,279,836 | \$127,078,111 |
| Current Liabilities | 42,903,167 | 37,817,288 |
| Other | 3,997,770 | 4,611,345 |
| TOTAL LIABILITIES | \$180,180,773 | \$169,506,758 |
| TOTAL MEMBERS' EQUITIES & LIABILITIES | \$238,166,556 | \$223,749,487 |

mark **YOU** calendar

| | |
|-------------|-----------------------------------|
| July 5 | Kenergy Offices Closed |
| September 6 | Kenergy Offices Closed |
| October 1 | Kenergy Customer Appreciation Day |
| October 11 | Kenergy Offices Closed |

1-800-844-4832 ANY OFFICE, ANY TIME

No matter where you live -- local or long distance -- Kenergy wants you to call 1-800-844-4832 for regular business or to report an outage. The toll-free line will enhance communications and provide faster service.

Follow Kenergy on Twitter

To improve communications, Kenergy has activated Twitter on its Web site's home page. If you would like Tweets when the co-op experiences an outage or posts other valuable information, go to www.kenergycorp.com and sign up as a co-op Twitter follower.

Only outages that number 500 customers or more will appear on Twitter, so you won't be inundated with Tweets. During severe outages, Kenergy will update Twitter every two hours.

For more information, call 1-800-844-4832 and ask for Renee Beasley Jones, communications manager.



Energy Expo and Annual Membership Meeting

Join us for Kenergy's Energy Expo/Annual Membership Meeting.

The Second Annual "Kenergy Energy Efficiency Expo" will be held in conjunction with its Annual Meeting on June 23, 2009, from 3:00 p.m. to 6:30 p.m., at the Henderson County High School.

At the Expo Kenergy members can expect to learn about energy savings associated with energy efficient products and services

available through area vendors and builders.

The event is FREE and all participants will receive compact fluorescent light bulbs, buckets, caulk, and information pamphlets. Cash drawings will be held periodically throughout the evening. A complimentary light meal will be served to customers and vendors in attendance.

In addition, educational sponsors will be in

attendance offering information to members about tax credits and solar and green building practices.

The business meeting portion of the evening will begin at 6:30 p.m. and last approximately 40 minutes. At the conclusion of the business meeting, Kenergy will award twenty \$500 scholarships by method of random drawings and several drawings for nice door prizes.

Win a \$500 Scholarship

Kenergy, through random drawings to be held on June 23, 2009, during the Annual Membership Meeting held at the Henderson County High School, will award up to twenty (20) scholarships in the amount of \$500 each as one-time awards to qualifying students.

The scholarship can be used for tuition, books, housing, lab fees or other costs directly related to the recipient's education.

The student must be accompanied by his/her parent(s) or legal guardian(s) at the Kenergy Annual Meeting on June 23. The parent or guardian must first register for the meeting between 3:00 p.m. and 6:30 p.m. and then accompany the student to the Scholarship Registration Booth to register for the scholarship drawings.

Scholarship funds will be paid directly to the student contingent upon the submission of proof to Kenergy of his/her full-time student status in the Fall of 2009, and the payment of eligible expenses for reimbursement.

Official Notice of Annual Membership Meeting

The Annual Meeting of the Members of Kenergy will be held at the Henderson County High School located at 2424 Zion Road, Henderson, KY, at 6:30 p.m. CDT on Tuesday, June 23, 2009, to consider and take action with respect to the following:

1. Reports of officers, directors, and committees
2. Reports of the Credentials and Election Committee
3. Such other business as may properly come before the meeting or adjournment thereof.

Sandra Wood
Secretary-Treasurer

Christopher Mitchell
Chairman

• Safety

• People

• Performance

Kenergy 2008 Year-End Financials

STATEMENT OF OPERATIONS FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007

| | 2008 | 2007 |
|--|----------------------|----------------------|
| Electric Revenue | \$357,812,521 | \$354,342,273 |
| Miscellaneous | 1,686,081 | 1,531,502 |
| TOTAL OPERATING REVENUE | \$359,498,602 | \$355,873,775 |
| Cost of Purchased Power | \$325,438,771 | \$321,978,888 |
| Distribution Plant Expense | 13,873,450 | 12,044,557 |
| Customer Accounting & Collecting Expense | 2,991,255 | 2,803,081 |
| Customer Service & Information Expense | 309,338 | 312,939 |
| General Office, Administrative & General Expense | 2,676,293 | 2,903,160 |
| TOTAL OPERATING EXPENSE | \$345,289,107 | \$340,042,625 |
| Depreciation Expense | \$7,726,978 | \$7,415,078 |
| Interest on Long-Term Debt | 6,048,338 | 5,776,152 |
| Other Deductions | 464,143 | 489,052 |
| TOTAL COST OF ELECTRIC SERVICE | \$359,528,566 | \$353,722,907 |
| Operating Margins (Loss) | (\$29,964) | \$2,150,868 |
| Non-Operating Margins | 815,095 | 1,256,081 |
| TOTAL MARGINS | 785,131 | \$3,406,949 |

Balance Sheet

| | | |
|--|----------------------|----------------------|
| ASSETS | \$233,759,559 | \$224,786,799 |
| Total Utility Plant | (59,219,789) | (53,319,540) |
| Less Accumulated Provision for Depreciation | | |
| NET UTILITY PLANT | \$174,539,770 | \$171,467,259 |
| Investments | \$7,461,198 | \$8,386,663 |
| Cash & Cash Equivalents | 2,854,305 | 7,553,350 |
| Accounts Receivable | 28,085,103 | 27,492,004 |
| Other Assets | 10,809,111 | 9,605,673 |
| TOTAL ASSETS | \$223,749,487 | \$224,504,949 |
| MEMBERS' EQUITIES | | |
| Memberships | \$242,250 | \$241,010 |
| Patronage Capital | 52,677,977 | 52,037,295 |
| Other | 1,322,502 | 3,029,211 |
| TOTAL MEMBERS' EQUITIES | \$54,242,729 | \$55,307,516 |
| LIABILITIES | | |
| Long-Term Debt | \$127,078,125 | \$129,556,979 |
| Current Liabilities | 37,817,288 | 36,586,134 |
| Other | 4,611,345 | 3,054,320 |
| TOTAL LIABILITIES | \$169,506,758 | \$169,197,433 |
| TOTAL MEMBERS' EQUITIES & LIABILITIES | \$223,749,487 | \$224,504,949 |

Get quick energy saving tips online at www.kenergycorp.com

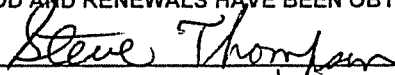
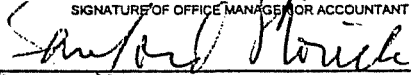
| | | |
|---|--|--|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION KENTUCKY 65 | |
| | BORROWER NAME AND ADDRESS KENERGY P.O. BOX 18 HENDERSON, KY 42420 | |

| | | |
|--|-------------------------------|--------------|
| INSTRUCTIONS - Submit an original and two copies to RUS. Round all amounts to nearest dollar. For detailed instructions, see RUS Bulletin 1717B-2. | PERIOD ENDED June 30, 2009 | RUS USE ONLY |
|--|-------------------------------|--------------|

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES

| | |
|--|---|
|  _____ <small>SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT</small> | 7/27/09 _____ <small>DATE</small> |
|  _____ <small>SIGNATURE OF MANAGER</small> | 7/27/09 _____ <small>DATE</small> |

| PART A. STATEMENT OF OPERATIONS | | | | |
|---|------------------|------------------|---------------|------------|
| ITEM | YEAR-TO-DATE | | | THIS MONTH |
| | LAST YEAR (a) | THIS YEAR (b) | BUDGET (c) | |
| 1. Operating Revenue and Patronage Capital..... | 179,163,446 | 154,445,724 | 188,720,230 | 25,318,576 |
| 2. Power Production Expense..... | | | | |
| 3. Cost of Purchased Power..... | 162,305,180 | 138,382,105 | 171,337,170 | 22,248,954 |
| 4. Transmission Expense..... | | | | |
| 5. Distribution Expense - Operation..... | 2,220,822 | 1,743,982 | 2,246,754 | 321,762 |
| 6. Distribution Expense - Maintenance..... | 5,383,791 | 3,703,838 | 4,422,676 | 891,883 |
| 7. Consumer Accounts Expense..... | 1,439,871 | 1,441,336 | 1,511,149 | 269,779 |
| 8. Customer Service and Informational Expense..... | 114,700 | 115,227 | 113,755 | 19,158 |
| 9. Sales Expense..... | 39,351 | 35,954 | 48,172 | 7,289 |
| 10. Administrative and General Expense..... | 1,460,786 | 1,472,286 | 1,419,318 | 248,080 |
| 11. Total Operation & Maintenance Expense (2 thru 10)..... | 172,964,501 | 146,894,728 | 181,098,994 | 24,006,905 |
| 12. Depreciation and Amortization Expense..... | 3,826,463 | 3,948,318 | 3,967,961 | 659,830 |
| 13. Tax Expense - Property & Gross Receipts..... | | | | |
| 14. Tax Expense - Other..... | 151,134 | 176,371 | 171,680 | 26,113 |
| 15. Interest on Long-Term Debt..... | 2,965,717 | 3,052,098 | 3,087,160 | 497,490 |
| 16. Interest Charged to Construction - Credit..... | (22,455) | (25,692) | (25,020) | (11,404) |
| 17. Interest Expense - Other..... | 65,156 | 242,052 | 70,530 | 68,418 |
| 18. Other Deductions..... | 34,389 | 39,963 | 32,590 | 15,164 |
| 19. Total Cost of Electric Service (11 thru 18)..... | 179,984,905 | 154,327,838 | 188,403,895 | 25,262,516 |
| 20. Patronage Capital & Operating Margins (1 minus 19)..... | (821,459) | 117,886 | 316,335 | 56,060 |
| 21. Non-Operating Margins - Interest..... | 403,555 | 414,243 | 435,000 | 61,195 |
| 22. Allowance for Funds Used During Construction..... | | | | |
| 23. Income (Loss) from Equity Investments..... | | | | |
| 24. Non-Operating Margins - Other..... | 27,342 | 11,663 | (53,057) | (394) |
| 25. Generation and Transmission Capital Credits..... | | | | |
| 26. Other Capital Credits & Patronage Dividends..... | 70,027 | 53,206 | 71,230 | 10,124 |
| 27. Extraordinary Items....(See Page 2, Part D)..... | | | | |
| 28. Patronage Capital or Margins (20 thru 26)..... | (320,535) | 596,998 | 769,507 | 126,985 |

| PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT | | | | | |
|--|---------------|---------------|-----------------------------------|---------------|---------------|
| ITEM | YEAR-TO-DATE | | ITEM | YEAR-TO-DATE | |
| | LAST YEAR (a) | THIS YEAR (b) | | LAST YEAR (a) | THIS YEAR (b) |
| 1. New Services Connected | 346 | 229 | 5. Miles Transmission | | |
| 2. Services Retired | 98 | 100 | 6. Miles Distribution-Overhead | 6,209 | 6,205 |
| 3. Total Services in Place | 57,629 | 58,095 | 7. Miles Distribution-Underground | 776 | 794 |
| 4. Idle Services (Exclude Seasonal) | 2,960 | 3,376 | 8. Total Miles Energized (5+6+7) | 6,985 | 6,999 |

| | | |
|---|----------------------|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION | |
| | KENERGY | |
| | PERIOD ENDED | RUS USE ONLY |
| INSTRUCTIONS - See RUS Bulletin 1717B-2 | JUNE 30, 2009 | |

PART C. BALANCE SHEET

| ASSETS AND OTHER DEBITS | | LIABILITIES AND OTHER CREDITS | |
|---|-------------|--|-------------|
| 1. Total Utility Plant in Service..... | 236,117,207 | 30. Memberships..... | 242,650 |
| 2. Construction Work in Progress..... | 1,673,712 | 31. Patronage Capital..... | 52,585,474 |
| 3. Total Utility Plant (1+2)..... | 237,790,919 | 32. Operating Margins - Prior Years..... | 78,651 |
| 4. Accum. Provision for Depreciation and Amort..... | 61,168,471 | 33. Operating Margins - Current Years..... | 171,092 |
| 5. Net Utility Plant (3-4)..... | 176,622,448 | 34. Non-Operating Margins..... | 426,245 |
| 6. Non-Utility Property (Net)..... | 17,417 | 35. Other Margins and Equities..... | 1,281,005 |
| 7. Investments in Subsidiary Companies..... | | 36. Total Margins & Equities (30 thru 35)..... | 54,785,117 |
| 8. Invest. In Assoc.Org.-Patronage Capital..... | 747,695 | 37. Long-Term Debt - RUS (Net)..... | 58,190,579 |
| 9. Invest. In Assoc.Org-Other-General Funds..... | 259,809 | (Payments-Unapplied \$13,003,232) | |
| 10. Invest. In Assoc.Org.-Other-Nongeneral Funds.... | 4,271,241 | 38. Long-Term Debt - RUS - Econ. Devel. (Net) | 951,341 |
| 11. Investments in Economic Development Projects.... | 1,284,674 | 39. Long-Term Debt Other - REA Guaranteed | 55,171,614 |
| 12. Other Investments..... | 6,600 | 40. Long-Term Debt - Other (Net)..... | 19,035,016 |
| 13. Special Funds..... | 471,385 | 41. Total Long-Term Debt (37 thru 40)..... | 133,348,550 |
| 14. Total Other Property and Investments (6 thru 13)... | 7,058,821 | 42. Obligations Under Capital Leases..... | |
| 15. Cash - General Funds..... | 631,467 | 43. Accumulated Operating Provisions..... | 3,360,915 |
| 16. Cash - Construction Funds - Trustee..... | | 44. Total Other Noncurrent Liabilities (42 + 43).... | 3,360,915 |
| 17. Special Deposits..... | | 45. Notes Payable..... | 25,857,820 |
| 18. Temporary Investments..... | 1,066,565 | 46. Accounts Payable..... | 22,956,535 |
| 19. Notes Receivable (Net)..... | | 47. Consumer Deposits..... | 2,768,152 |
| 20. Accounts Receivable - Sales of Energy (Net)..... | 20,251,558 | 48. Other Current and Accrued Liabilities..... | 2,425,290 |
| 21. Accounts Receivable - Other (Net)..... | 28,112,272 | 49. Total Current & Accrued Liabilities (45 thru 48) | 54,007,797 |
| 22. Materials and Supplies - Electric and Other..... | 2,915,013 | 50. Deferred Credits..... | 554,370 |
| 23. Prepayments..... | 844,302 | 51. Accumulated Deferred Income Taxes..... | |
| 24. Other Current and Accrued Assets..... | 8,010,814 | 52. Total Liabilities and Other Credits | |
| 25. Total Current and Accrued Assets (15 thru 24)..... | 61,831,991 | (36 + 41 + 44 + 49 thru 51)..... | 246,056,749 |
| 26. Regulatory Assets..... | | ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION | |
| 27. Other Deferred Debits..... | 543,489 | 53. Balance Beginning of Year..... | |
| 28. Accumulated Deferred Income Taxes..... | | 54. Amount Received This Year(Net)..... | |
| 29. Total Assets and Other Debits (5+14+25 thru 28) | 246,056,749 | 55. Total Contributions in Aid of Construction..... | |

PART D. NOTES TO FINANCIAL STATEMENTS

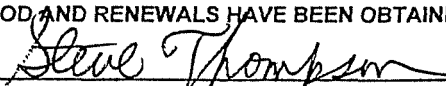
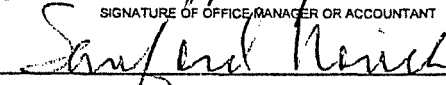
THIS SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.
(IF ADDITIONAL SPACE IS NEEDED, USE SEPARATE SHEET.)

| | | |
|--|--|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION KENTUCKY 65 | |
| | BORROWER NAME AND ADDRESS KENERGY P.O. BOX 18 HENDERSON, KY 42420 | |
| INSTRUCTIONS - Submit an original and two copies to RUS. Round all amounts to nearest dollar. For detailed instructions, see RUS Bulletin 1717B-2. | PERIOD ENDED JULY 31, 2009 | RUS USE ONLY |

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES

| | |
|--|---------------------------------------|
|  _____ <small>SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT</small> | <u>8/21/09</u> <small>DATE</small> |
|  _____ <small>SIGNATURE OF MANAGER</small> | <u>8/21/09</u> <small>DATE</small> |

| ITEM | PART A. STATEMENT OF OPERATIONS | | | |
|---|---------------------------------|-------------|-------------|------------|
| | YEAR-TO-DATE | | | THIS MONTH |
| | LAST YEAR | THIS YEAR | BUDGET | |
| | (a) | (b) | (c) | (d) |
| 1. Operating Revenue and Patronage Capital..... | 212,249,733 | 183,205,526 | 222,433,590 | 28,759,802 |
| 2. Power Production Expense..... | | | | |
| 3. Cost of Purchased Power..... | 192,232,583 | 164,029,513 | 201,526,770 | 25,647,408 |
| 4. Transmission Expense..... | | | | |
| 5. Distribution Expense - Operation..... | 2,539,813 | 2,115,676 | 2,631,805 | 371,694 |
| 6. Distribution Expense - Maintenance..... | 6,158,883 | 4,315,712 | 5,199,928 | 611,874 |
| 7. Consumer Accounts Expense..... | 1,702,318 | 1,704,908 | 1,774,889 | 263,572 |
| 8. Customer Service and Informational Expense..... | 135,023 | 133,397 | 133,793 | 18,170 |
| 9. Sales Expense..... | 44,368 | 43,470 | 55,461 | 7,516 |
| 10. Administrative and General Expense..... | 1,686,797 | 1,717,034 | 1,675,608 | 244,748 |
| 11. Total Operation & Maintenance Expense (2 thru 10)..... | 204,499,785 | 174,059,710 | 212,998,254 | 27,164,982 |
| 12. Depreciation and Amortization Expense..... | 4,470,878 | 4,615,413 | 4,640,944 | 667,095 |
| 13. Tax Expense - Property & Gross Receipts..... | | | | |
| 14. Tax Expense - Other..... | 177,248 | 201,673 | 198,750 | 25,302 |
| 15. Interest on Long-Term Debt..... | 3,471,800 | 3,568,778 | 3,602,280 | 516,680 |
| 16. Interest Charged to Construction - Credit..... | (22,455) | (25,692) | (25,020) | |
| 17. Interest Expense - Other..... | 79,512 | 354,449 | 82,290 | 112,397 |
| 18. Other Deductions..... | 34,652 | 40,113 | 38,010 | 150 |
| 19. Total Cost of Electric Service (11 thru 18)..... | 212,711,420 | 182,814,444 | 221,535,508 | 28,486,606 |
| 20. Patronage Capital & Operating Margins (1 minus 19)..... | (461,687) | 391,082 | 898,082 | 273,196 |
| 21. Non-Operating Margins - Interest..... | 451,250 | 477,659 | 507,500 | 63,416 |
| 22. Allowance for Funds Used During Construction..... | | | | |
| 23. Income (Loss) from Equity Investments..... | | | | |
| 24. Non-Operating Margins - Other..... | 37,622 | 7,192 | (52,078) | (4,471) |
| 25. Generation and Transmission Capital Credits..... | | | | |
| 26. Other Capital Credits & Patronage Dividends..... | 80,664 | 63,368 | 83,110 | 10,162 |
| 27. Extraordinary Items....(See Page 2, Part D)..... | | | | |
| 28. Patronage Capital or Margins (20 thru 26)..... | 107,849 | 939,301 | 1,436,613 | 342,303 |

| PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT | | | | | |
|---|---------------|---------------|-----------------------------------|---------------|---------------|
| ITEM | YEAR-TO-DATE | | ITEM | YEAR-TO-DATE | |
| | LAST YEAR (a) | THIS YEAR (b) | | LAST YEAR (a) | THIS YEAR (b) |
| 1. New Services Connected | 407 | 270 | 5. Miles Transmission | | |
| 2. Services Retired | 127 | 131 | 6. Miles Distribution-Overhead | 6,208 | 6,202 |
| 3. Total Services in Place | 57,661 | 58,105 | 7. Miles Distribution-Underground | 778 | 795 |
| 4. Idle Services (Exclude Seasonal) | 3,003 | 3,378 | 8. Total Miles Energized | | |
| | | | (5+6+7) | 6,986 | 6,997 |

| | | |
|---|----------------------|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION | |
| | KENERGY | |
| | PERIOD ENDED | RUS USE ONLY |
| INSTRUCTIONS - See RUS Bulletin 1717B-2 | JULY 31, 2009 | |

| PART C. BALANCE SHEET | | | |
|---|-------------|--|-------------|
| ASSETS AND OTHER DEBITS | | LIABILITIES AND OTHER CREDITS | |
| 1. Total Utility Plant in Service..... | 236,564,544 | 30. Memberships..... | 242,580 |
| 2. Construction Work in Progress..... | 1,767,718 | 31. Patronage Capital..... | 52,567,506 |
| 3. Total Utility Plant (1+2)..... | 238,332,262 | 32. Operating Margins - Prior Years..... | 78,651 |
| 4. Accum. Provision for Depreciation and Amort..... | 61,630,253 | 33. Operating Margins - Current Years..... | 454,450 |
| 5. Net Utility Plant (3-4)..... | 176,702,009 | 34. Non-Operating Margins..... | 485,190 |
| 6. Non-Utility Property (Net)..... | 16,418 | 35. Other Margins and Equities..... | 1,290,449 |
| 7. Investments in Subsidiary Companies..... | | 36. Total Margins & Equities (30 thru 35)..... | 55,118,826 |
| 8. Invest. In Assoc.Org.-Patronage Capital..... | 747,695 | 37. Long-Term Debt - RUS (Net)..... | 57,960,525 |
| 9. Invest. In Assoc.Org.-Other-General Funds..... | 261,545 | (Payments-Unapplied \$13,058,448) | |
| 10. Invest. In Assoc.Org.-Other-Nongeneral Funds.... | 4,279,667 | 38. Long-Term Debt - RUS - Econ. Devel. (Net) | 923,563 |
| 11. Investments in Economic Development Projects.... | 1,256,896 | 39. Long-Term Debt Other - REA Guaranteed | 55,142,606 |
| 12. Other Investments..... | 6,600 | 40. Long-Term Debt - Other (Net)..... | 18,952,896 |
| 13. Special Funds..... | 471,385 | 41. Total Long-Term Debt (37 thru 40)..... | 132,979,590 |
| 14. Total Other Property and Investments (6 thru 13)... | 7,040,206 | 42. Obligations Under Capital Leases..... | |
| 15. Cash - General Funds..... | 192,250 | 43. Accumulated Operating Provisions..... | 3,356,616 |
| 16. Cash - Construction Funds - Trustee..... | | 44. Total Other Noncurrent Liabilites (42 + 43).... | 3,356,616 |
| 17. Special Deposits..... | | 45. Notes Payable..... | 26,657,819 |
| 18. Temporary Investments..... | 1,623,427 | 46. Accounts Payable..... | 27,249,065 |
| 19. Notes Receivable (Net)..... | | 47. Consumer Deposits..... | 2,796,205 |
| 20. Accounts Receivable - Sales of Energy (Net)..... | 24,564,712 | 48. Other Current and Accrued Liabilities..... | 2,212,288 |
| 21. Accounts Receivable - Other (Net)..... | 28,455,929 | 49. Total Current & Accrued Liabilities (45 thru 48) | 58,915,377 |
| 22. Materials and Supplies - Electric and Other..... | 2,792,454 | 50. Deferred Credits..... | 544,087 |
| 23. Prepayments..... | 745,800 | 51. Accumulated Deferred Income Taxes..... | |
| 24. Other Current and Accrued Assets..... | 8,291,483 | 52. Total Liabilities and Other Credits | |
| 25. Total Current and Accrued Assets (15 thru 24)..... | 66,666,055 | (36 + 41 + 44 + 49 thru 51)..... | 250,914,496 |
| 26. Regulatory Assets..... | | ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION | |
| 27. Other Deferred Debits..... | 506,226 | 53. Balance Beginning of Year..... | |
| 28. Accumulated Deferred Income Taxes..... | | 54. Amount Received This Year(Net)..... | |
| 29. Total Assets and Other Debits (5+14+25 thru 28) | 250,914,496 | 55. Total Contributions in Aid of Construction..... | |

PART D. NOTES TO FINANCIAL STATEMENTS

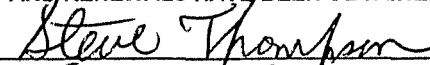
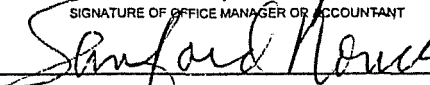
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(IF ADDITIONAL SPACE IS NEEDED, USE SEPARATE SHEET.)

| | | |
|--|--|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION KENTUCKY 65 | |
| | BORROWER NAME AND ADDRESS KENERGY P.O. BOX 18 HENDERSON, KY 42420 | |
| INSTRUCTIONS - Submit an original and two copies to RUS. Round all amounts to nearest dollar. For detailed instructions, see RUS Bulletin 1717B-2. | PERIOD ENDED AUGUST 31, 2009 | RUS USE ONLY |

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES

| | |
|--|---------------------------------------|
|  _____ <small>SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT</small> | <u>9-25-09</u> <small>DATE</small> |
|  _____ <small>SIGNATURE OF MANAGER</small> | <u>9-25-09</u> <small>DATE</small> |

| ITEM | PART A. STATEMENT OF OPERATIONS | | | |
|---|---------------------------------|-------------|-------------|------------|
| | YEAR-TO-DATE | | | THIS MONTH |
| | LAST YEAR | THIS YEAR | BUDGET | |
| | (a) | (b) | (c) | (d) |
| 1. Operating Revenue and Patronage Capital..... | 243,685,470 | 215,752,417 | 255,925,820 | 32,546,891 |
| 2. Power Production Expense..... | | | | |
| 3. Cost of Purchased Power..... | 220,679,598 | 193,379,504 | 231,534,580 | 29,349,991 |
| 4. Transmission Expense..... | | | | |
| 5. Distribution Expense - Operation..... | 2,880,975 | 2,525,072 | 2,992,017 | 409,396 |
| 6. Distribution Expense - Maintenance..... | 6,819,386 | 5,257,380 | 6,063,810 | 941,668 |
| 7. Consumer Accounts Expense..... | 1,981,160 | 1,973,065 | 2,021,843 | 268,157 |
| 8. Customer Service and Informational Expense..... | 159,065 | 152,772 | 152,237 | 19,375 |
| 9. Sales Expense..... | 53,933 | 42,957 | 61,455 | -513 |
| 10. Administrative and General Expense..... | 1,924,585 | 1,963,353 | 1,894,542 | 246,319 |
| 11. Total Operation & Maintenance Expense (2 thru 10)..... | 234,498,702 | 205,294,103 | 244,720,484 | 31,234,393 |
| 12. Depreciation and Amortization Expense..... | 5,119,386 | 5,283,114 | 5,316,478 | 667,701 |
| 13. Tax Expense - Property & Gross Receipts..... | | | | |
| 14. Tax Expense - Other..... | 218,435 | 261,864 | 225,820 | 60,191 |
| 15. Interest on Long-Term Debt..... | 4,002,082 | 4,084,443 | 4,131,150 | 515,665 |
| 16. Interest Charged to Construction - Credit..... | (22,455) | (25,692) | (25,020) | |
| 17. Interest Expense - Other..... | 90,771 | 386,173 | 94,050 | 31,724 |
| 18. Other Deductions..... | 35,863 | 40,727 | 43,530 | 614 |
| 19. Total Cost of Electric Service (11 thru 18)..... | 243,942,784 | 215,324,732 | 254,506,492 | 32,510,288 |
| 20. Patronage Capital & Operating Margins (1 minus 19)..... | (257,314) | 427,685 | 1,419,328 | 36,603 |
| 21. Non-Operating Margins - Interest..... | 506,207 | 493,961 | 580,000 | 16,302 |
| 22. Allowance for Funds Used During Construction..... | | | | |
| 23. Income (Loss) from Equity Investments..... | | | | |
| 24. Non-Operating Margins - Other..... | 30,535 | 4,137 | (50,857) | (3,055) |
| 25. Generation and Transmission Capital Credits..... | | | | |
| 26. Other Capital Credits & Patronage Dividends..... | 91,301 | 73,759 | 94,990 | 10,391 |
| 27. Extraordinary Items....(See Page 2, Part D)..... | | | | |
| 28. Patronage Capital or Margins (20 thru 26)..... | 370,729 | 999,542 | 2,043,460 | 60,241 |

| PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT | | | | | |
|---|---------------|---------------|-----------------------------------|---------------|---------------|
| ITEM | YEAR-TO-DATE | | ITEM | YEAR-TO-DATE | |
| | LAST YEAR (a) | THIS YEAR (b) | | LAST YEAR (a) | THIS YEAR (b) |
| 1. New Services Connected | 474 | 339 | 5. Miles Transmission | | |
| 2. Services Retired | 154 | 155 | 6. Miles Distribution-Overhead | 6,207 | 6,202 |
| 3. Total Services in Place | 57,701 | 58,150 | 7. Miles Distribution-Underground | 781 | 797 |
| 1. Idle Services (Exclude Seasonal) | 2,974 | 3,433 | 8. Total Miles Energized (5+6+7) | 6,988 | 6,999 |

| | | |
|---|----------------------|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION | |
| | KENERGY | |
| | PERIOD ENDED | RUS USE ONLY |
| INSTRUCTIONS - See RUS Bulletin 1717B-2 | AUGUST 31, 2009 | |

| PART C. BALANCE SHEET | | | |
|---|-------------------------------|--|-------------|
| ASSETS AND OTHER DEBITS | LIABILITIES AND OTHER CREDITS | | |
| 1. Total Utility Plant in Service..... | 236,643,170 | 30. Memberships..... | 242,600 |
| 2. Construction Work in Progress..... | 1,987,080 | 31. Patronage Capital..... | 52,555,819 |
| 3. Total Utility Plant (1+2)..... | 238,630,250 | 32. Operating Margins - Prior Years..... | 78,651 |
| 4. Accum. Provision for Depreciation and Amort..... | 61,704,236 | 33. Operating Margins - Current Years..... | 501,443 |
| 5. Net Utility Plant (3-4)..... | 176,926,014 | 34. Non-Operating Margins..... | 498,437 |
| 6. Non-Utility Property (Net)..... | 16,178 | 35. Other Margins and Equities..... | 1,412,816 |
| 7. Investments in Subsidiary Companies..... | | 36. Total Margins & Equities (30 thru 35)..... | 55,289,766 |
| 8. Invest. In Assoc.Org.-Patronage Capital..... | 747,695 | 37. Long-Term Debt - RUS (Net)..... | 57,729,706 |
| 9. Invest. In Assoc.Org.-Other-General Funds..... | 263,281 | (Payments-Unapplied \$13,113,899) | |
| 10. Invest. In Assoc.Org.-Other-Nongeneral Funds.... | 4,288,321 | 38. Long-Term Debt - RUS - Econ. Devel. (Net) | 895,785 |
| 11. Investments in Economic Development Projects.... | 1,229,118 | 39. Long-Term Debt Other - REA Guaranteed | 55,113,479 |
| 12. Other Investments..... | 6,600 | 40. Long-Term Debt - Other (Net)..... | 18,714,098 |
| 13. Special Funds..... | 471,385 | 41. Total Long-Term Debt (37 thru 40)..... | 132,453,068 |
| 14. Total Other Property and Investments (6 thru 13)... | 7,022,578 | 42. Obligations Under Capital Leases..... | |
| 15. Cash - General Funds..... | 46,501 | 43. Accumulated Operating Provisions..... | 3,223,350 |
| 16. Cash - Construction Funds - Trustee..... | | 44. Total Other Noncurrent Liabilites (42 + 43)... | 3,223,350 |
| 17. Special Deposits..... | | 45. Notes Payable..... | 27,157,819 |
| 18. Temporary Investments..... | 1,738,560 | 46. Accounts Payable..... | 30,403,909 |
| 19. Notes Receivable (Net)..... | | 47. Consumer Deposits..... | 3,143,658 |
| 20. Accounts Receivable - Sales of Energy (Net)..... | 27,855,682 | 48. Other Current and Accrued Liabilities..... | 2,158,431 |
| 21. Accounts Receivable - Other (Net)..... | 28,693,255 | 49. Total Current & Accrued Liabilities (45 thru 48) | 62,863,817 |
| 22. Materials and Supplies - Electric and Other..... | 2,676,309 | 50. Deferred Credits..... | 637,524 |
| 23. Prepayments..... | 595,986 | 51. Accumulated Deferred Income Taxes..... | |
| 24. Other Current and Accrued Assets..... | 8,440,581 | 52. Total Liabilities and Other Credits | |
| 25. Total Current and Accrued Assets (15 thru 24)..... | 70,046,874 | (36 + 41 + 44 + 49 thru 51)..... | 254,467,525 |
| 26. Regulatory Assets..... | | ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION | |
| 27. Other Deferred Debits..... | 472,059 | 53. Balance Beginning of Year..... | |
| 28. Accumulated Deferred Income Taxes..... | | 54. Amount Received This Year(Net)..... | |
| 29. Total Assets and Other Debits (5+14+25 thru 28) | 254,467,525 | 55. Total Contributions in Aid of Construction..... | |

PART D. NOTES TO FINANCIAL STATEMENTS

THIS SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.
(IF ADDITIONAL SPACE IS NEEDED, USE SEPARATE SHEET.)

| | | |
|--|--|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION KENTUCKY 65 | |
| | BORROWER NAME AND ADDRESS KENERGY P.O. BOX 18 HENDERSON, KY 42420 | |
| INSTRUCTIONS - Submit an original and two copies to RUS. Round all amounts to nearest dollar. For detailed instructions, see RUS Bulletin 1717B-2. | PERIOD ENDED SEPTEMBER 30, 2009 | RUS USE ONLY |

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES

Steve Thompson

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

Samford Nivola

SIGNATURE OF MANAGER

10/16/09

DATE

10/16/09

DATE

| PART A. STATEMENT OF OPERATIONS | | | | |
|---|------------------|------------------|---------------|------------|
| ITEM | YEAR-TO-DATE | | | THIS MONTH |
| | LAST YEAR (a) | THIS YEAR (b) | BUDGET (c) | |
| 1. Operating Revenue and Patronage Capital..... | 272,575,116 | 247,690,784 | 287,229,970 | 31,938,367 |
| 2. Power Production Expense..... | | | | |
| 3. Cost of Purchased Power..... | 247,240,651 | 222,436,163 | 260,074,380 | 29,056,659 |
| 4. Transmission Expense..... | | | | |
| 5. Distribution Expense - Operation..... | 3,336,098 | 2,931,379 | 3,399,297 | 406,307 |
| 6. Distribution Expense - Maintenance..... | 8,242,254 | 5,908,542 | 6,786,520 | 651,162 |
| 7. Consumer Accounts Expense..... | 2,208,379 | 2,226,946 | 2,277,252 | 253,881 |
| 8. Customer Service and Informational Expense..... | 179,038 | 166,229 | 171,814 | 13,457 |
| 1. Sales Expense..... | 57,251 | 49,050 | 70,189 | 6,093 |
| 10. Administrative and General Expense..... | 2,135,372 | 2,176,488 | 2,121,939 | 213,135 |
| 11. Total Operation & Maintenance Expense (2 thru 10)..... | 263,399,043 | 235,894,797 | 274,901,391 | 30,600,694 |
| 12. Depreciation and Amortization Expense..... | 5,768,254 | 5,952,471 | 5,994,555 | 669,357 |
| 13. Tax Expense - Property & Gross Receipts..... | | | | |
| 14. Tax Expense - Other..... | 244,547 | 287,166 | 252,900 | 25,302 |
| 15. Interest on Long-Term Debt..... | 4,508,031 | 4,588,759 | 4,651,070 | 504,316 |
| 16. Interest Charged to Construction - Credit..... | (36,618) | (38,750) | (37,530) | (13,058) |
| 17. Interest Expense - Other..... | 102,025 | 447,272 | 105,810 | 61,099 |
| 18. Other Deductions..... | 43,553 | 50,324 | 48,950 | 9,597 |
| 19. Total Cost of Electric Service (11 thru 18)..... | 274,028,835 | 247,182,039 | 285,917,146 | 31,857,307 |
| 20. Patronage Capital & Operating Margins (1 minus 19)..... | (1,453,719) | 508,745 | 1,312,824 | 81,060 |
| 21. Non-Operating Margins - Interest..... | 632,720 | 562,381 | 652,500 | 68,420 |
| 22. Allowance for Funds Used During Construction..... | | | | |
| 23. Income (Loss) from Equity Investments..... | | | | |
| 24. Non-Operating Margins - Other..... | 32,596 | 4,723 | (104,758) | 586 |
| 25. Generation and Transmission Capital Credits..... | | | | |
| 26. Other Capital Credits & Patronage Dividends..... | 138,929 | 128,029 | 106,870 | 54,270 |
| 27. Extraordinary Items....(See Page 2, Part D)..... | | | | |
| 28. Patronage Capital or Margins (20 thru 26)..... | (649,474) | 1,203,878 | 1,967,435 | 204,336 |

| PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT (1) | | | | | |
|--|---------------|---------------|-----------------------------------|---------------|---------------|
| ITEM | YEAR-TO-DATE | | ITEM | YEAR-TO-DATE | |
| | LAST YEAR (a) | THIS YEAR (b) | | LAST YEAR (a) | THIS YEAR (b) |
| 1. New Services Connected | 592 | 421 | 5. Miles Transmission | | |
| 2. Services Retired | 180 | 188 | 6. Miles Distribution-Overhead | 6,207 | 6,203 |
| 3. Total Services in Place | 57,793 | 58,199 | 7. Miles Distribution-Underground | 783 | 800 |
| 4. Idle Services (Exclude Seasonal) | 3,035 | 3,460 | 8. Total Miles Energized (5+6+7) | 6,990 | 7,003 |

(1) Does not reflect FEMA receivable of \$748,845.

| | | |
|---|----------------------|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION | |
| | KENERGY | |
| | PERIOD ENDED | RUS USE ONLY |
| INSTRUCTIONS - See RUS Bulletin 1717B-2 | SEPTEMBER 30, 2009 | |

| PART C. BALANCE SHEET | | | |
|---|-------------------------------|--|-------------|
| ASSETS AND OTHER DEBITS | LIABILITIES AND OTHER CREDITS | | |
| 1. Total Utility Plant in Service..... | 237,174,695 | 30. Memberships..... | 242,585 |
| 2. Construction Work in Progress..... | 1,735,227 | 31. Patronage Capital..... | 52,542,934 |
| 3. Total Utility Plant (1+2)..... | 238,909,922 | 32. Operating Margins - Prior Years..... | 78,651 |
| 4. Accum. Provision for Depreciation and Amort..... | 61,881,742 | 33. Operating Margins - Current Years..... | 636,773 |
| 5. Net Utility Plant (3-4)..... | 177,028,180 | 34. Non-Operating Margins..... | 567,444 |
| 6. Non-Utility Property (Net)..... | 15,179 | 35. Other Margins and Equities..... | 1,536,629 |
| 7. Investments in Subsidiary Companies..... | | 36. Total Margins & Equities (30 thru 35)..... | 55,605,016 |
| 8. Invest. In Assoc.Org.-Patronage Capital..... | 792,936 | 37. Long-Term Debt - RUS (Net)..... | 49,424,054 |
| 9. Invest. In Assoc.Org.-Other-General Funds..... | 265,017 | (Payments-Unapplied \$21,236,823) | |
| 10. Invest. In Assoc.Org.-Other-Nongeneral Funds.... | 4,295,614 | 38. Long-Term Debt - RUS - Econ. Devel. (Net) | 868,006 |
| 11. Investments in Economic Development Projects.... | 1,201,340 | 39. Long-Term Debt Other - REA Guaranteed | 63,999,582 |
| 12. Other Investments..... | 6,600 | 40. Long-Term Debt - Other (Net)..... | 18,620,672 |
| 13. Special Funds..... | 471,385 | 41. Total Long-Term Debt (37 thru 40)..... | 132,912,314 |
| 14. Total Other Property and Investments (6 thru 13)... | 7,048,071 | 42. Obligations Under Capital Leases..... | |
| 15. Cash - General Funds..... | 740,414 | 43. Accumulated Operating Provisions..... | 3,088,582 |
| 16. Cash - Construction Funds - Trustee..... | | 44. Total Other Noncurrent Liabilities (42 + 43)... | 3,088,582 |
| 17. Special Deposits..... | | 45. Notes Payable..... | 4,757,819 |
| 18. Temporary Investments..... | 1,932,395 | 46. Accounts Payable..... | 30,202,219 |
| 19. Notes Receivable (Net)..... | | 47. Consumer Deposits..... | 3,171,516 |
| 20. Accounts Receivable - Sales of Energy (Net)..... | 29,086,472 | 48. Other Current and Accrued Liabilities..... | 2,147,207 |
| 21. Accounts Receivable - Other (Net)..... | 5,641,992 | 49. Total Current & Accrued Liabilities (45 thru 48) | 40,278,761 |
| 22. Materials and Supplies - Electric and Other..... | 2,724,979 | 50. Deferred Credits..... | 591,498 |
| 23. Prepayments..... | 494,261 | 51. Accumulated Deferred Income Taxes..... | |
| 24. Other Current and Accrued Assets..... | 7,401,708 | 52. Total Liabilities and Other Credits | |
| 25. Total Current and Accrued Assets (15 thru 24)..... | 48,022,221 | (36 + 41 + 44 + 49 thru 51)..... | 232,476,171 |
| 26. Regulatory Assets..... | | ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION | |
| 27. Other Deferred Debits..... | 377,699 | 53. Balance Beginning of Year..... | |
| 28. Accumulated Deferred Income Taxes..... | | 54. Amount Received This Year(Net)..... | |
| 29. Total Assets and Other Debits (5+14+25 thru 28) | 232,476,171 | 55. Total Contributions in Aid of Construction..... | |

PART D. NOTES TO FINANCIAL STATEMENTS

THIS SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.
(IF ADDITIONAL SPACE IS NEEDED, USE SEPARATE SHEET.)

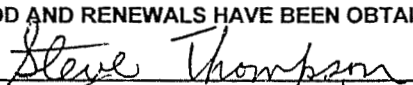
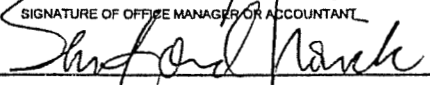
| | | |
|---|--|--|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION KENTUCKY 65 | |
| | BORROWER NAME AND ADDRESS KENERGY P.O. BOX 18 HENDERSON, KY 42420 | |

| | | |
|--|----------------------------------|--------------|
| INSTRUCTIONS - Submit an original and two copies to RUS. Round all amounts to nearest dollar. For detailed instructions, see RUS Bulletin 1717B-2. | PERIOD ENDED OCTOBER 31, 2009 | RUS USE ONLY |
|--|----------------------------------|--------------|

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES

| | |
|--|--|
|  _____ <small>SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT</small> | 11/12/09 _____ <small>DATE</small> |
|  _____ <small>SIGNATURE OF MANAGER</small> | 11/13/09 _____ <small>DATE</small> |

PART A. STATEMENT OF OPERATIONS

| ITEM | YEAR-TO-DATE | | | THIS MONTH |
|---|--------------|-------------|-------------|------------|
| | LAST YEAR | THIS YEAR | BUDGET | |
| | (a) | (b) | (c) | |
| 1. Operating Revenue and Patronage Capital..... | 300,900,661 | 280,548,381 | 318,907,260 | 32,857,597 |
| 2. Power Production Expense..... | | | | |
| 3. Cost of Purchased Power..... | 273,029,024 | 252,432,150 | 288,864,320 | 29,995,987 |
| 4. Transmission Expense..... | | | | |
| 5. Distribution Expense - Operation..... | 3,633,911 | 3,392,685 | 3,781,014 | 461,306 |
| 6. Distribution Expense - Maintenance..... | 8,050,769 | 6,653,467 | 7,489,204 | 744,925 |
| 7. Consumer Accounts Expense..... | 2,447,173 | 2,483,411 | 2,532,457 | 256,465 |
| 8. Customer Service and Informational Expense..... | 199,413 | 180,209 | 191,792 | 13,980 |
| 9. Sales Expense..... | 62,022 | 57,292 | 77,321 | 8,242 |
| 10. Administrative and General Expense..... | 2,392,756 | 2,427,210 | 2,371,075 | 250,722 |
| 11. Total Operation & Maintenance Expense (2 thru 10)..... | 289,815,068 | 267,626,424 | 305,307,183 | 31,731,627 |
| 12. Depreciation and Amortization Expense..... | 6,419,035 | 6,623,584 | 6,676,611 | 671,113 |
| 13. Tax Expense - Property & Gross Receipts..... | | | | |
| 14. Tax Expense - Other..... | 270,659 | 312,468 | 279,980 | 25,302 |
| 15. Interest on Long-Term Debt..... | 5,029,189 | 5,096,358 | 5,177,330 | 507,599 |
| 16. Interest Charged to Construction - Credit..... | (36,618) | (38,750) | (37,530) | |
| 17. Interest Expense - Other..... | 114,431 | 462,121 | 117,570 | 14,849 |
| 18. Other Deductions..... | 45,379 | 54,050 | 54,370 | 3,726 |
| 19. Total Cost of Electric Service (11 thru 18)..... | 301,657,143 | 280,136,255 | 317,575,514 | 32,954,216 |
| 20. Patronage Capital & Operating Margins (1 minus 19)..... | (756,482) | 412,126 | 1,331,746 | (96,619) |
| 21. Non-Operating Margins - Interest..... | 709,277 | 660,964 | 725,000 | 98,583 |
| 22. Allowance for Funds Used During Construction..... | | | | |
| 23. Income (Loss) from Equity Investments..... | | | | |
| 24. Non-Operating Margins - Other..... | 29,771 | (10,106) | (103,673) | (14,829) |
| 25. Generation and Transmission Capital Credits..... | | | | |
| 26. Other Capital Credits & Patronage Dividends..... | 149,566 | 131,999 | 118,750 | 3,970 |
| 27. Extraordinary Items.....(See Page 2, Part D)..... | | | | |
| 28. Patronage Capital or Margins (20 thru 26)..... | 132,132 | 1,194,983 | 2,071,822 | (8,895) |

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

| ITEM | YEAR-TO-DATE | | ITEM | YEAR-TO-DATE | |
|-------------------------------------|---------------|---------------|-----------------------------------|---------------|---------------|
| | LAST YEAR (a) | THIS YEAR (b) | | LAST YEAR (a) | THIS YEAR (b) |
| 1. New Services Connected | 659 | 498 | 5. Miles Transmission | | |
| 2. Services Retired | 191 | 201 | 6. Miles Distribution-Overhead | 6,207 | 6,204 |
| 3. Total Services in Place | 57,849 | 58,263 | 7. Miles Distribution-Underground | 785 | 801 |
| 4. Idle Services (Exclude Seasonal) | 2,989 | 3,497 | 8. Total Miles Energized (5+6+7) | 6,992 | 7,005 |

| | | |
|---|----------------------|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION | |
| | KENERGY | |
| INSTRUCTIONS - See RUS Bulletin 1717B-2 | PERIOD ENDED | RUS USE ONLY |
| | OCTOBER 31, 2009 | |

PART C. BALANCE SHEET

| ASSETS AND OTHER DEBITS | | LIABILITIES AND OTHER CREDITS | |
|---|-------------|--|-------------|
| 1. Total Utility Plant in Service..... | 237,213,914 | 30. Memberships..... | 242,560 |
| 2. Construction Work in Progress..... | 1,551,199 | 31. Patronage Capital..... | 52,530,181 |
| 3. Total Utility Plant (1+2)..... | 238,765,113 | 32. Operating Margins - Prior Years..... | 78,651 |
| 4. Accum. Provision for Depreciation and Amort..... | 61,993,772 | 33. Operating Margins - Current Years..... | 544,124 |
| 5. Net Utility Plant (3-4)..... | 176,771,341 | 34. Non-Operating Margins..... | 651,198 |
| 6. Non-Utility Property (Net)..... | 14,939 | 35. Other Margins and Equities..... | 1,660,220 |
| 7. Investments in Subsidiary Companies..... | | 36. Total Margins & Equities (30 thru 35)..... | 55,706,934 |
| 8. Invest. In Assoc.Org.-Patronage Capital..... | 792,937 | 37. Long-Term Debt - RUS (Net)..... | 49,683,392 |
| 9. Invest. In Assoc.Org.-Other-General Funds..... | 266,753 | (Payments-Unapplied \$20,801,031) | |
| 10. Invest. In Assoc.Org.-Other-Nongeneral Funds.... | 4,297,848 | 38. Long-Term Debt - RUS - Econ. Devel. (Net) | 840,228 |
| 11. Investments in Economic Development Projects.... | 1,173,561 | 39. Long-Term Debt Other - REA Guaranteed | 63,970,204 |
| 12. Other Investments..... | 6,600 | 40. Long-Term Debt - Other (Net)..... | 18,538,967 |
| 13. Special Funds..... | 471,385 | 41. Total Long-Term Debt (37 thru 40)..... | 133,032,791 |
| 14. Total Other Property and Investments (6 thru 13)... | 7,024,023 | 42. Obligations Under Capital Leases..... | |
| 15. Cash - General Funds..... | | 43. Accumulated Operating Provisions..... | 2,952,110 |
| 16. Cash - Construction Funds - Trustee..... | | 44. Total Other Noncurrent Liabilites (42 + 43).... | 2,952,110 |
| 17. Special Deposits..... | | 45. Notes Payable..... | 4,757,819 |
| 18. Temporary Investments..... | 3,816,889 | 46. Accounts Payable..... | 30,782,438 |
| 19. Notes Receivable (Net)..... | | 47. Consumer Deposits..... | 3,324,794 |
| 20. Accounts Receivable - Sales of Energy (Net)..... | 30,233,979 | 48. Other Current and Accrued Liabilities..... | 1,758,291 |
| 21. Accounts Receivable - Other (Net)..... | 5,763,057 | 49. Total Current & Accrued Liabilities (45 thru 48) | 40,623,342 |
| 22. Materials and Supplies - Electric and Other..... | 2,640,068 | 50. Deferred Credits..... | 1,005,711 |
| 23. Prepayments..... | 421,545 | 51. Accumulated Deferred Income Taxes..... | |
| 24. Other Current and Accrued Assets..... | 6,437,329 | 52. Total Liabilities and Other Credits | |
| 25. Total Current and Accrued Assets (15 thru 24)..... | 49,312,867 | (36 + 41 + 44 + 49 thru 51)..... | 233,320,888 |
| 26. Regulatory Assets..... | | ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION | |
| 27. Other Deferred Debits..... | 212,657 | 53. Balance Beginning of Year..... | |
| 28. Accumulated Deferred Income Taxes..... | | 54. Amount Received This Year(Net)..... | |
| 29. Total Assets and Other Debits (5+14+25 thru 28) | 233,320,888 | 55. Total Contributions in Aid of Construction..... | |

PART D. NOTES TO FINANCIAL STATEMENTS

THIS SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.
(IF ADDITIONAL SPACE IS NEEDED, USE SEPARATE SHEET.)

| | | |
|--|--|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION KENTUCKY 65 | |
| | BORROWER NAME AND ADDRESS KENERGY P.O. BOX 18 HENDERSON, KY 42420 | |
| INSTRUCTIONS - Submit an original and two copies to RUS. Round all amounts to nearest dollar. For detailed instructions, see RUS Bulletin 1717B-2. | PERIOD ENDED NOVEMBER 30, 2009 | RUS USE ONLY |

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES

Steve Thompson

 SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

Samford Knuck

 SIGNATURE OF MANAGER

12-15-09
 DATE

12/15/09
 DATE

PART A. STATEMENT OF OPERATIONS

| ITEM | YEAR-TO-DATE | | | THIS MONTH (d) |
|---|------------------|------------------|---------------|-------------------|
| | LAST YEAR (a) | THIS YEAR (b) | BUDGET (c) | |
| 1. Operating Revenue and Patronage Capital..... | 328,695,926 | 313,315,464 | 350,146,330 | 32,767,083 |
| 2. Power Production Expense..... | | | | |
| 3. Cost of Purchased Power..... | 298,107,545 | 282,328,272 | 317,030,720 | 29,896,122 |
| 4. Transmission Expense..... | | | | |
| 5. Distribution Expense - Operation..... | 3,973,163 | 3,814,769 | 4,144,184 | 422,084 |
| 6. Distribution Expense - Maintenance..... | 8,862,298 | 7,385,296 | 8,148,272 | 731,829 |
| 7. Consumer Accounts Expense..... | 2,682,912 | 2,729,422 | 2,776,387 | 246,011 |
| 8. Customer Service and Informational Expense..... | 217,019 | 185,399 | 210,710 | 5,190 |
| 9. Sales Expense..... | 66,573 | 63,056 | 87,410 | 5,764 |
| 10. Administrative and General Expense..... | 2,606,768 | 2,632,652 | 2,610,651 | 205,442 |
| 11. Total Operation & Maintenance Expense (2 thru 10)..... | 316,516,278 | 299,138,866 | 335,008,334 | 31,512,442 |
| 12. Depreciation and Amortization Expense..... | 7,071,274 | 7,296,415 | 7,361,209 | 672,831 |
| 13. Tax Expense - Property & Gross Receipts..... | | | | |
| 14. Tax Expense - Other..... | 296,771 | 337,769 | 307,060 | 25,301 |
| 15. Interest on Long-Term Debt..... | 5,531,292 | 5,592,805 | 5,694,960 | 496,447 |
| 16. Interest Charged to Construction - Credit..... | (36,618) | (38,750) | (37,530) | |
| 17. Interest Expense - Other..... | 124,665 | 476,604 | 129,330 | 14,483 |
| 18. Other Deductions..... | 46,323 | 55,130 | 59,790 | 1,080 |
| 19. Total Cost of Electric Service (11 thru 18)..... | 329,549,985 | 312,858,839 | 348,523,153 | 32,722,584 |
| 20. Patronage Capital & Operating Margins (1 minus 19)..... | (854,059) | 456,625 | 1,623,177 | 44,499 |
| 21. Non-Operating Margins - Interest..... | 776,538 | 754,814 | 797,500 | 93,850 |
| 22. Allowance for Funds Used During Construction..... | | | | |
| 23. Income (Loss) from Equity Investments..... | | | | |
| 24. Non-Operating Margins - Other..... | 36,725 | (60,039) | (102,442) | (49,933) |
| 25. Generation and Transmission Capital Credits..... | | | | |
| 26. Other Capital Credits & Patronage Dividends..... | 160,203 | 135,970 | 130,630 | 3,971 |
| 27. Extraordinary Items....(See Page 2, Part D)..... | | | | |
| 28. Patronage Capital or Margins (20 thru 26)..... | 119,407 | 1,287,370 | 2,448,864 | 92,387 |

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

| ITEM | YEAR-TO-DATE | | ITEM | YEAR-TO-DATE | |
|-------------------------------------|---------------|---------------|-----------------------------------|---------------|---------------|
| | LAST YEAR (a) | THIS YEAR (b) | | LAST YEAR (a) | THIS YEAR (b) |
| 1. New Services Connected | 745 | 554 | 5. Miles Transmission | | |
| 2. Services Retired | 208 | 229 | 6. Miles Distribution-Overhead | 6,208 | 6,204 |
| 3. Total Services in Place | 57,918 | 58,291 | 7. Miles Distribution-Underground | 788 | 803 |
| 4. Idle Services (Exclude Seasonal) | 3,065 | 3,501 | 8. Total Miles Energized (5+6+7) | 6,996 | 7,007 |

| | | |
|---|----------------------|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION | |
| | KENERGY | |
| INSTRUCTIONS - See RUS Bulletin 1717B-2 | PERIOD ENDED | RUS USE ONLY |
| | NOVEMBER 30, 2009 | |

PART C. BALANCE SHEET

| ASSETS AND OTHER DEBITS | | LIABILITIES AND OTHER CREDITS | |
|---|-------------|--|-------------|
| 1. Total Utility Plant in Service..... | 237,483,231 | 30. Memberships..... | 242,970 |
| 2. Construction Work in Progress..... | 1,656,428 | 31. Patronage Capital..... | 52,522,164 |
| 3. Total Utility Plant (1+2)..... | 239,139,659 | 32. Operating Margins - Prior Years..... | 78,651 |
| 4. Accum. Provision for Depreciation and Amort..... | 62,185,655 | 33. Operating Margins - Current Years..... | 592,593 |
| 5. Net Utility Plant (3-4)..... | 176,954,004 | 34. Non-Operating Margins..... | 695,115 |
| 6. Non-Utility Property (Net)..... | 14,698 | 35. Other Margins and Equities..... | 1,780,872 |
| 7. Investments in Subsidiary Companies..... | | 36. Total Margins & Equities (30 thru 35)..... | 55,912,365 |
| 8. Invest. In Assoc.Org.-Patronage Capital..... | 792,936 | 37. Long-Term Debt - RUS (Net)..... | 49,940,030 |
| 9. Invest. In Assoc.Org.-Other-General Funds..... | 268,489 | (Payments-Unapplied \$20,360,610) | |
| 10. Invest. In Assoc.Org.-Other-Nongeneral Funds.... | 4,300,083 | 38. Long-Term Debt - RUS - Econ. Devel. (Net) | 812,450 |
| 11. Investments in Economic Development Projects.... | 1,145,784 | 39. Long-Term Debt Other - REA Guaranteed | 63,937,198 |
| 12. Other Investments..... | 6,600 | 40. Long-Term Debt - Other (Net)..... | 18,471,801 |
| 13. Special Funds..... | 471,385 | 41. Total Long-Term Debt (37 thru 40)..... | 133,161,479 |
| 14. Total Other Property and Investments (6 thru 13)... | 6,999,975 | 42. Obligations Under Capital Leases..... | |
| 15. Cash - General Funds..... | 738,360 | 43. Accumulated Operating Provisions..... | 2,820,227 |
| 16. Cash - Construction Funds - Trustee..... | | 44. Total Other Noncurrent Liabilites (42 + 43).... | 2,820,227 |
| 17. Special Deposits..... | | 45. Notes Payable..... | 4,757,820 |
| 18. Temporary Investments..... | 5,081,991 | 46. Accounts Payable..... | 31,238,387 |
| 19. Notes Receivable (Net)..... | | 47. Consumer Deposits..... | 3,240,778 |
| 20. Accounts Receivable - Sales of Energy (Net)..... | 29,862,127 | 48. Other Current and Accrued Liabilities..... | 1,828,918 |
| 21. Accounts Receivable - Other (Net)..... | 4,272,020 | 49. Total Current & Accrued Liabilities (45 thru 48) | 41,065,903 |
| 22. Materials and Supplies - Electric and Other..... | 2,600,160 | 50. Deferred Credits..... | 994,432 |
| 23. Prepayments..... | 790,985 | 51. Accumulated Deferred Income Taxes..... | |
| 24. Other Current and Accrued Assets..... | 6,571,244 | 52. Total Liabilities and Other Credits | |
| 25. Total Current and Accrued Assets (15 thru 24)..... | 49,916,887 | (36 + 41 + 44 + 49 thru 51)..... | 233,954,406 |
| 26. Regulatory Assets..... | | ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION | |
| 27. Other Deferred Debits..... | 83,540 | 53. Balance Beginning of Year..... | |
| 28. Accumulated Deferred Income Taxes..... | | 54. Amount Received This Year(Net)..... | |
| 29. Total Assets and Other Debits (5+14+25 thru 28) | 233,954,406 | 55. Total Contributions in Aid of Construction..... | |

PART D. NOTES TO FINANCIAL STATEMENTS

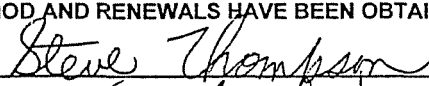
THIS SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.
(IF ADDITIONAL SPACE IS NEEDED, USE SEPARATE SHEET.)

| | | |
|--|--|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION KENTUCKY 65 | |
| | BORROWER NAME AND ADDRESS KENERGY P.O. BOX 18 HENDERSON, KY 42420 | |
| INSTRUCTIONS - Submit an original and two copies to RUS. Round all amounts to nearest dollar. For detailed instructions, see RUS Bulletin 1717B-2. | PERIOD ENDED DECEMBER 31, 2009 | RUS USE ONLY |

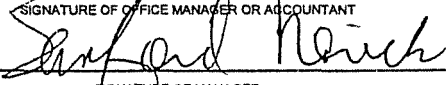
CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES


1/26/10
DATE

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT


1/20/10
DATE

SIGNATURE OF MANAGER

| ITEM | YEAR-TO-DATE | | | |
|---|--------------|-------------|-------------|------------|
| | LAST YEAR | THIS YEAR | BUDGET | THIS MONTH |
| | (a) | (b) | (c) | (d) |
| 1. Operating Revenue and Patronage Capital..... | 359,498,602 | 349,782,866 | 383,809,050 | 36,467,402 |
| 2. Power Production Expense..... | | | | |
| 3. Cost of Purchased Power..... | 325,438,771 | 313,964,053 | 346,666,400 | 31,635,781 |
| 4. Transmission Expense..... | | | | |
| 5. Distribution Expense - Operation..... | 4,272,439 | 4,219,432 | 4,548,332 | 404,663 |
| 6. Distribution Expense - Maintenance..... | 9,601,011 | 8,288,428 | 8,863,706 | 903,132 |
| 7. Consumer Accounts Expense..... | 2,991,255 | 3,049,582 | 3,056,228 | 324,964 |
| 8. Customer Service and Informational Expense..... | 237,298 | 200,423 | 232,948 | 15,024 |
| 9. Sales Expense..... | 72,040 | 71,007 | 95,052 | 7,951 |
| 10. Administrative and General Expense..... | 2,676,293 | 3,071,248 | 2,979,901 | 433,792 |
| 11. Total Operation & Maintenance Expense (2 thru 10)..... | 345,289,107 | 332,864,173 | 366,442,567 | 33,725,307 |
| 12. Depreciation and Amortization Expense..... | 7,726,978 | 7,970,349 | 8,048,325 | 673,934 |
| 13. Tax Expense - Property & Gross Receipts..... | | | | |
| 14. Tax Expense - Other..... | 322,879 | 363,079 | 334,140 | 25,310 |
| 15. Interest on Long-Term Debt..... | 6,048,338 | 6,114,726 | 6,218,780 | 521,921 |
| 16. Interest Charged to Construction - Credit..... | (50,820) | (51,452) | (50,000) | (12,702) |
| 17. Interest Expense - Other..... | 136,707 | 490,678 | 141,090 | 14,074 |
| 18. Other Deductions..... | 55,377 | 76,446 | 65,210 | 21,316 |
| 19. Total Cost of Electric Service (11 thru 18)..... | 359,528,566 | 347,827,999 | 381,200,112 | 34,969,160 |
| 20. Patronage Capital & Operating Margins (1 minus 19)..... | (29,964) | 1,954,867 | 2,608,938 | 1,498,242 |
| 21. Non-Operating Margins - Interest..... | 607,800 | 941,167 | 970,000 | 186,353 |
| 22. Allowance for Funds Used During Construction..... | | | | |
| 23. Income (Loss) from Equity Investments..... | | | | |
| 24. Non-Operating Margins - Other..... | 53,674 | (127,977) | (101,478) | (67,938) |
| 25. Generation and Transmission Capital Credits..... | | | | |
| 26. Other Capital Credits & Patronage Dividends..... | 153,621 | 171,861 | 142,500 | 35,891 |
| 27. Extraordinary Items.....(See Page 2, Part D)..... | | | | |
| 28. Patronage Capital or Margins (20 thru 26)..... | 785,131 | 2,939,918 | 3,619,959 | 1,652,548 |

| PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT | | | | | |
|---|---------------|---------------|-----------------------------------|---------------|---------------|
| ITEM | YEAR-TO-DATE | | ITEM | YEAR-TO-DATE | |
| | LAST YEAR (a) | THIS YEAR (b) | | LAST YEAR (a) | THIS YEAR (b) |
| 1. New Services Connected | 818 | 609 | 5. Miles Transmission | | |
| 2. Services Retired | 233 | 237 | 6. Miles Distribution-Overhead | 6,207 | 6,205 |
| 3. Total Services in Place | 57,966 | 58,338 | 7. Miles Distribution-Underground | 790 | 804 |
| 4. Idle Services (Exclude Seasonal) | 3,070 | 3,494 | 8. Total Miles Energized (5+6+7) | 6,997 | 7,009 |

| | | |
|---|----------------------|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION | |
| | KENERGY | |
| INSTRUCTIONS - See RUS Bulletin 1717B-2 | PERIOD ENDED | RUS USE ONLY |
| | DECEMBER 31, 2009 | |

PART C. BALANCE SHEET

| ASSETS AND OTHER DEBITS | | LIABILITIES AND OTHER CREDITS | |
|---|-------------|--|-------------|
| 1. Total Utility Plant in Service..... | 238,137,057 | 30. Memberships..... | 242,960 |
| 2. Construction Work in Progress..... | 1,487,267 | 31. Patronage Capital..... | 52,505,587 |
| 3. Total Utility Plant (1+2)..... | 239,624,324 | 32. Operating Margins - Prior Years..... | 78,651 |
| 4. Accum. Provision for Depreciation and Amort..... | 62,290,462 | 33. Operating Margins - Current Years..... | 2,126,727 |
| 5. Net Utility Plant (3-4)..... | 177,333,862 | 34. Non-Operating Margins..... | 813,530 |
| 6. Non-Utility Property (Net)..... | 20,286 | 35. Other Margins and Equities..... | 2,218,328 |
| 7. Investments in Subsidiary Companies..... | | 36. Total Margins & Equities (30 thru 35)..... | 57,985,783 |
| 8. Invest. In Assoc.Org.-Patronage Capital..... | 792,936 | 37. Long-Term Debt - RUS (Net)..... | 50,439,419 |
| 9. Invest. In Assoc.Org-Other-General Funds..... | 273,153 | (Payments-Unapplied \$19,501,072) | |
| 10. Invest. In Assoc.Org.-Other-Nongeneral Funds.... | 4,331,310 | 38. Long-Term Debt - RUS - Econ. Devel. (Net) | 889,375 |
| 11. Investments in Economic Development Projects.... | 1,117,983 | 39. Long-Term Debt Other - REA Guaranteed | 63,760,784 |
| 12. Other Investments..... | 6,600 | 40. Long-Term Debt - Other (Net)..... | 18,190,258 |
| 13. Special Funds..... | 564,852 | 41. Total Long-Term Debt (37 thru 40)..... | 133,279,836 |
| 14. Total Other Property and Investments (6 thru 13)... | 7,107,120 | 42. Obligations Under Capital Leases..... | |
| 15. Cash - General Funds..... | 332,124 | 43. Accumulated Operating Provisions..... | 2,587,641 |
| 16. Cash - Construction Funds - Trustee..... | | 44. Total Other Noncurrent Liabilites (42 + 43)... | 2,587,641 |
| 17. Special Deposits..... | | 45. Notes Payable..... | 4,915,136 |
| 18. Temporary Investments..... | 5,419,933 | 46. Accounts Payable..... | 32,884,492 |
| 19. Notes Receivable (Net)..... | | 47. Consumer Deposits..... | 3,240,555 |
| 20. Accounts Receivable - Sales of Energy (Net)..... | 30,072,216 | 48. Other Current and Accrued Liabilities..... | 1,704,122 |
| 21. Accounts Receivable - Other (Net)..... | 5,034,161 | 49. Total Current & Accrued Liabilities (45 thru 48) | 42,744,305 |
| 22. Materials and Supplies - Electric and Other..... | 2,493,007 | 50. Deferred Credits..... | 1,410,129 |
| 23. Prepayments..... | 705,457 | 51. Accumulated Deferred Income Taxes..... | |
| 24. Other Current and Accrued Assets..... | 9,430,581 | 52. Total Liabilities and Other Credits | |
| 25. Total Current and Accrued Assets (15 thru 24)..... | 53,487,479 | (36 + 41 + 44 + 49 thru 51)..... | 238,007,694 |
| 26. Regulatory Assets..... | | ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION | |
| 27. Other Deferred Debits..... | 79,233 | 53. Balance Beginning of Year..... | |
| 28. Accumulated Deferred Income Taxes..... | | 54. Amount Received This Year(Net)..... | |
| 29. Total Assets and Other Debits (5+14+25 thru 28) | 238,007,694 | 55. Total Contributions in Aid of Construction..... | |

PART D. NOTES TO FINANCIAL STATEMENTS

THIS SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.
(IF ADDITIONAL SPACE IS NEEDED, USE SEPARATE SHEET.)

| | | |
|---|--|--|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION KENTUCKY 65 | |
| | BORROWER NAME AND ADDRESS KENERGY P.O. BOX 18 HENDERSON, KY 42420 | |

| | | |
|--|----------------------------------|--------------|
| INSTRUCTIONS - Submit an original and two copies to RUS. Round all amounts to nearest dollar. For detailed instructions, see RUS Bulletin 1717B-2. | PERIOD ENDED JANUARY 31, 2010 | RUS USE ONLY |
|--|----------------------------------|--------------|

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES

| | |
|---|---------------------------------------|
| <u>Steve Thompson</u> <small>SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT</small> | <u>2-15-10</u> <small>DATE</small> |
| <u>Imford Noide</u> <small>SIGNATURE OF MANAGER</small> | <u>2-17-10</u> <small>DATE</small> |

PART A. STATEMENT OF OPERATIONS

| ITEM | YEAR-TO-DATE | | | THIS MONTH (d) |
|---|------------------|------------------|---------------|-------------------|
| | LAST YEAR (a) | THIS YEAR (b) | BUDGET (c) | |
| 1. Operating Revenue and Patronage Capital..... | 30,054,242 | 35,144,664 | 33,612,130 | 35,144,664 |
| 2. Power Production Expense..... | | | | |
| 3. Cost of Purchased Power..... | 27,296,277 | 31,121,887 | 30,080,020 | 31,121,887 |
| 4. Transmission Expense..... | | | | |
| 5. Distribution Expense - Operation..... | 347,272 | 383,144 | 358,581 | 383,144 |
| 6. Distribution Expense - Maintenance..... | 661,053 | 733,269 | 677,281 | 733,269 |
| 7. Consumer Accounts Expense..... | 213,469 | 256,395 | 247,769 | 256,395 |
| 8. Customer Service and Informational Expense..... | 26,745 | 15,472 | 15,465 | 15,472 |
| 9. Sales Expense..... | 4,143 | 6,365 | 7,240 | 6,365 |
| 10. Administrative and General Expense..... | 213,632 | 266,071 | 255,219 | 266,071 |
| 11. Total Operation & Maintenance Expense (2 thru 10)..... | 28,762,591 | 32,782,603 | 31,641,575 | 32,782,603 |
| 12. Depreciation and Amortization Expense..... | 655,365 | 677,491 | 681,107 | 677,491 |
| 13. Tax Expense - Property & Gross Receipts..... | | | | |
| 14. Tax Expense - Other..... | 26,113 | 25,302 | 25,220 | 25,302 |
| 15. Interest on Long-Term Debt..... | 515,818 | 544,820 | 542,230 | 544,820 |
| 16. Interest Charged to Construction - Credit..... | | | | |
| 17. Interest Expense - Other..... | 12,328 | 14,717 | 15,200 | 14,717 |
| 18. Other Deductions..... | 2,006 | 1,746 | 5,400 | 1,746 |
| 19. Total Cost of Electric Service (11 thru 18)..... | 29,974,221 | 34,046,679 | 32,910,732 | 34,046,679 |
| 20. Patronage Capital & Operating Margins (1 minus 19)..... | 80,021 | 1,097,985 | 701,398 | 1,097,985 |
| 21. Non-Operating Margins - Interest..... | 62,753 | 91,789 | 76,210 | 91,789 |
| 22. Allowance for Funds Used During Construction..... | | | | |
| 23. Income (Loss) from Equity Investments..... | | | | |
| 24. Non-Operating Margins - Other..... | (314) | (1,464) | 1,204 | (1,464) |
| 25. Generation and Transmission Capital Credits..... | | | | |
| 26. Other Capital Credits & Patronage Dividends..... | 9,520 | 7,758 | 10,750 | 7,758 |
| 27. Extraordinary Items....(See Page 2, Part D)..... | | | | |
| 28. Patronage Capital or Margins (20 thru 26)..... | 151,980 | 1,196,068 | 789,562 | 1,196,068 |

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

| ITEM | YEAR-TO-DATE | | ITEM | YEAR-TO-DATE | |
|-------------------------------------|---------------|---------------|-----------------------------------|---------------|---------------|
| | LAST YEAR (a) | THIS YEAR (b) | | LAST YEAR (a) | THIS YEAR (b) |
| 1. New Services Connected | 58 | 48 | 5. Miles Transmission | | |
| 2. Services Retired | 14 | 13 | 6. Miles Distribution-Overhead | 6,208 | 6,205 |
| 3. Total Services in Place | 58,010 | 58,373 | 7. Miles Distribution-Underground | 791 | 806 |
| 1. Idle Services (Exclude Seasonal) | 2,994 | 3,422 | 8. Total Miles Energized (5+6+7) | 6,999 | 7,011 |

| | | |
|---|----------------------|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION | |
| | KENERGY | |
| | PERIOD ENDED | RUS USE ONLY |
| INSTRUCTIONS - See RUS Bulletin 1717B-2 | JANUARY 31, 2010 | |

PART C. BALANCE SHEET

| ASSETS AND OTHER DEBITS | | LIABILITIES AND OTHER CREDITS | |
|---|-------------|---|-------------|
| 1. Total Utility Plant in Service..... | 238,854,715 | 30. Memberships..... | 243,120 |
| 2. Construction Work in Progress..... | 1,537,403 | 31. Patronage Capital..... | 55,428,451 |
| 3. Total Utility Plant (1+2)..... | 240,392,118 | 32. Operating Margins - Prior Years..... | 78,651 |
| 4. Accum. Provision for Depreciation and Amort..... | 62,868,034 | 33. Operating Margins - Current Years..... | 1,105,743 |
| 5. Net Utility Plant (3-4)..... | 177,524,084 | 34. Non-Operating Margins..... | 90,663 |
| 6. Non-Utility Property (Net)..... | 20,483 | 35. Other Margins and Equities..... | 2,227,031 |
| 7. Investments in Subsidiary Companies..... | | 36. Total Margins & Equities (30 thru 35)..... | 59,173,659 |
| 8. Invest. In Assoc.Org.-Patronage Capital..... | 792,936 | 37. Long-Term Debt - RUS (Net)..... | 50,178,520 |
| 9. Invest. In Assoc.Org.-Other-General Funds..... | 275,341 | (Payments-Unapplied \$19,583,885) | |
| 10. Invest. In Assoc.Org.-Other-Nongeneral Funds.... | 4,336,880 | 38. Long-Term Debt - RUS - Econ. Devel. (Net) | 865,740 |
| 11. Investments in Economic Development Projects.... | 1,094,371 | 39. Long-Term Debt Other - REA Guaranteed | 63,731,031 |
| 12. Other Investments..... | 6,600 | 40. Long-Term Debt - Other (Net)..... | 18,107,115 |
| 13. Special Funds..... | 376,566 | 41. Total Long-Term Debt (37 thru 40)..... | 132,882,406 |
| 14. Total Other Property and Investments (6 thru 13)... | 6,903,177 | 42. Obligations Under Capital Leases..... | |
| 15. Cash - General Funds..... | 152,409 | 43. Accumulated Operating Provisions..... | 2,391,432 |
| 16. Cash - Construction Funds - Trustee..... | | 44. Total Other Noncurrent Liabilities (42 + 43)... | 2,391,432 |
| 17. Special Deposits..... | | 45. Notes Payable..... | 4,915,136 |
| 18. Temporary Investments..... | 4,413,485 | 46. Accounts Payable..... | 33,245,343 |
| 19. Notes Receivable (Net)..... | | 47. Consumer Deposits..... | 3,226,791 |
| 20. Accounts Receivable - Sales of Energy (Net)..... | 30,713,577 | 48. Other Current and Accrued Liabilities..... | 1,653,607 |
| 21. Accounts Receivable - Other (Net)..... | 5,025,414 | 49. Total Current & Accrued Liabilities (45 thru 48) | 43,040,877 |
| 22. Materials and Supplies - Electric and Other..... | 2,466,441 | 50. Deferred Credits..... | 1,336,282 |
| 23. Prepayments..... | 776,669 | 51. Accumulated Deferred Income Taxes..... | |
| 24. Other Current and Accrued Assets..... | 10,848,805 | 52. Total Liabilities and Other Credits | |
| 25. Total Current and Accrued Assets (15 thru 24)..... | 54,396,800 | (36 + 41 + 44 + 49 thru 51)..... | 238,824,656 |
| 26. Regulatory Assets..... | | ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION | |
| 27. Other Deferred Debits..... | 595 | 53. Balance Beginning of Year..... | |
| 28. Accumulated Deferred Income Taxes..... | | 54. Amount Received This Year(Net)..... | |
| 29. Total Assets and Other Debits (5+14+25 thru 28) | 238,824,656 | 55. Total Contributions in Aid of Construction..... | |

PART D. NOTES TO FINANCIAL STATEMENTS

THIS SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.
 (IF ADDITIONAL SPACE IS NEEDED, USE SEPARATE SHEET.)

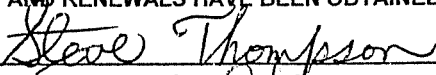
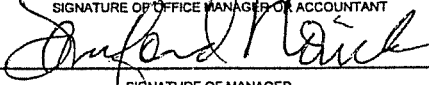
| | | |
|---|--|--|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION KENTUCKY 65 | |
| | BORROWER NAME AND ADDRESS KENERGY P.O. BOX 18 HENDERSON, KY 42420 | |

| | | |
|--|-----------------------------------|--------------|
| INSTRUCTIONS - Submit an original and two copies to RUS. Round all amounts to nearest dollar. For detailed instructions, see RUS Bulletin 1717B-2. | PERIOD ENDED FEBRUARY 28, 2010 | RUS USE ONLY |
|--|-----------------------------------|--------------|

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES

| | |
|--|---|
|  _____ <small>SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT</small> | 3-15-10 _____ <small>DATE</small> |
|  _____ <small>SIGNATURE OF MANAGER</small> | 3-15-10 _____ <small>DATE</small> |

PART A. STATEMENT OF OPERATIONS

| ITEM | YEAR-TO-DATE | | | THIS MONTH (d) |
|---|------------------|------------------|---------------|-------------------|
| | LAST YEAR (a) | THIS YEAR (b) | BUDGET (c) | |
| 1. Operating Revenue and Patronage Capital..... | 56,092,519 | 66,095,791 | 63,439,105 | 30,951,127 |
| 2. Power Production Expense..... | | | | |
| 3. Cost of Purchased Power..... | 50,926,473 | 58,677,231 | 56,755,762 | 27,555,344 |
| 4. Transmission Expense..... | | | | |
| 5. Distribution Expense - Operation..... | 473,635 | 727,916 | 710,281 | 344,772 |
| 6. Distribution Expense - Maintenance..... | 683,713 | 1,606,892 | 1,403,540 | 873,623 |
| 7. Consumer Accounts Expense..... | 421,065 | 499,408 | 485,881 | 243,013 |
| 8. Customer Service and Informational Expense..... | 38,330 | 29,791 | 30,506 | 14,319 |
| 9. Sales Expense..... | 6,077 | 12,707 | 18,495 | 6,342 |
| 10. Administrative and General Expense..... | 386,811 | 510,704 | 500,826 | 244,633 |
| 11. Total Operation & Maintenance Expense (2 thru 10)..... | 52,936,104 | 62,064,649 | 59,905,291 | 29,282,046 |
| 12. Depreciation and Amortization Expense..... | 1,311,380 | 1,357,951 | 1,364,230 | 680,460 |
| 13. Tax Expense - Property & Gross Receipts..... | | | | |
| 14. Tax Expense - Other..... | 52,226 | 50,604 | 50,440 | 25,302 |
| 15. Interest on Long-Term Debt..... | 978,265 | 1,033,210 | 1,033,360 | 488,390 |
| 16. Interest Charged to Construction - Credit..... | | | | |
| 17. Interest Expense - Other..... | 24,358 | 29,373 | 30,450 | 14,656 |
| 18. Other Deductions..... | 2,906 | 2,222 | 10,800 | 476 |
| 19. Total Cost of Electric Service (11 thru 18)..... | 55,305,239 | 64,538,009 | 62,394,571 | 30,491,330 |
| 20. Patronage Capital & Operating Margins (1 minus 19)..... | 787,280 | 1,557,782 | 1,044,534 | 459,797 |
| 21. Non-Operating Margins - Interest..... | 119,124 | 172,359 | 152,420 | 80,570 |
| 22. Allowance for Funds Used During Construction..... | | | | |
| 23. Income (Loss) from Equity Investments..... | | | | |
| 24. Non-Operating Margins - Other..... | 1,989 | 6,320 | 2,547 | 7,784 |
| 25. Generation and Transmission Capital Credits..... | | | | |
| 26. Other Capital Credits & Patronage Dividends..... | 19,040 | 15,515 | 21,500 | 7,757 |
| 27. Extraordinary Items....(See Page 2, Part D)..... | | | | |
| 28. Patronage Capital or Margins (20 thru 26)..... | 927,433 | 1,751,976 | 1,221,001 | 555,908 |

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

| ITEM | YEAR-TO-DATE | | ITEM | YEAR-TO-DATE | |
|-------------------------------------|---------------|---------------|-----------------------------------|---------------|---------------|
| | LAST YEAR (a) | THIS YEAR (b) | | LAST YEAR (a) | THIS YEAR (b) |
| 1. New Services Connected | 87 | 134 | 5. Miles Transmission | | |
| 2. Services Retired | 23 | 49 | 6. Miles Distribution-Overhead | 6,208 | 6,204 |
| 3. Total Services in Place | 58,030 | 58,423 | 7. Miles Distribution-Underground | 792 | 808 |
| 4. Idle Services (Exclude Seasonal) | 3,032 | 3,433 | 8. Total Miles Energized (5+6+7) | 7,000 | 7,012 |

| | | |
|---|----------------------|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION | |
| | KENERGY | |
| INSTRUCTIONS - See RUS Bulletin 1717B-2 | PERIOD ENDED | RUS USE ONLY |
| | FEBRUARY 28, 2010 | |

PART C. BALANCE SHEET

| ASSETS AND OTHER DEBITS | | LIABILITIES AND OTHER CREDITS | |
|---|-------------|---|-------------|
| 1. Total Utility Plant in Service..... | 239,814,768 | 30. Memberships..... | 243,485 |
| 2. Construction Work in Progress..... | 1,261,591 | 31. Patronage Capital..... | 55,421,206 |
| 3. Total Utility Plant (1+2)..... | 241,076,359 | 32. Operating Margins - Prior Years..... | 78,651 |
| 4. Accum. Provision for Depreciation and Amort..... | 63,389,344 | 33. Operating Margins - Current Years..... | 1,573,298 |
| 5. Net Utility Plant (3-4)..... | 177,687,015 | 34. Non-Operating Margins..... | 179,017 |
| 6. Non-Utility Property (Net)..... | 20,306 | 35. Other Margins and Equities..... | 2,230,822 |
| 7. Investments in Subsidiary Companies..... | | 36. Total Margins & Equities (30 thru 35)..... | 59,726,479 |
| 8. Invest. In Assoc.Org.-Patronage Capital..... | 792,937 | 37. Long-Term Debt - RUS (Net)..... | 50,433,032 |
| 9. Invest. In Assoc.Org.-Other-General Funds..... | 277,528 | (Payments-Unapplied \$19,130,488) | |
| 10. Invest. In Assoc.Org.-Other-Nongeneral Funds.... | 4,342,450 | 38. Long-Term Debt - RUS - Econ. Devel. (Net) | 842,192 |
| 11. Investments in Economic Development Projects.... | 1,070,760 | 39. Long-Term Debt Other - REA Guaranteed | 63,690,661 |
| 12. Other Investments..... | 6,600 | 40. Long-Term Debt - Other (Net)..... | 18,038,931 |
| 13. Special Funds..... | 376,566 | 41. Total Long-Term Debt (37 thru 40)..... | 133,004,816 |
| 14. Total Other Property and Investments (6 thru 13)... | 6,887,147 | 42. Obligations Under Capital Leases..... | |
| 15. Cash - General Funds..... | 186,310 | 43. Accumulated Operating Provisions..... | 2,480,866 |
| 16. Cash - Construction Funds - Trustee..... | | 44. Total Other Noncurrent Liabilities (42 + 43).... | 2,480,866 |
| 17. Special Deposits..... | | 45. Notes Payable..... | 4,915,136 |
| 18. Temporary Investments..... | 4,556,830 | 46. Accounts Payable..... | 28,954,549 |
| 19. Notes Receivable (Net)..... | | 47. Consumer Deposits..... | 3,364,742 |
| 20. Accounts Receivable - Sales of Energy (Net)..... | 28,170,114 | 48. Other Current and Accrued Liabilities..... | 1,976,049 |
| 21. Accounts Receivable - Other (Net)..... | 5,074,460 | 49. Total Current & Accrued Liabilities (45 thru 48) | 39,210,476 |
| 22. Materials and Supplies - Electric and Other..... | 2,575,710 | 50. Deferred Credits..... | 1,471,620 |
| 23. Prepayments..... | 659,885 | 51. Accumulated Deferred Income Taxes..... | |
| 24. Other Current and Accrued Assets..... | 10,054,514 | 52. Total Liabilities and Other Credits | |
| 25. Total Current and Accrued Assets (15 thru 24)..... | 51,277,823 | (36 + 41 + 44 + 49 thru 51)..... | 235,894,257 |
| 26. Regulatory Assets..... | | ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION | |
| 27. Other Deferred Debits..... | 42,272 | 53. Balance Beginning of Year..... | |
| 28. Accumulated Deferred Income Taxes..... | | 54. Amount Received This Year(Net)..... | |
| 29. Total Assets and Other Debits (5+14+25 thru 28) | 235,894,257 | 55. Total Contributions in Aid of Construction..... | |

PART D. NOTES TO FINANCIAL STATEMENTS

THIS SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.
(IF ADDITIONAL SPACE IS NEEDED, USE SEPARATE SHEET.)

| | | |
|--|--|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION KENTUCKY 65 | |
| | BORROWER NAME AND ADDRESS KENERGY P.O. BOX 18 HENDERSON, KY 42420 | |
| INSTRUCTIONS - Submit an original and two copies to RUS. Round all amounts to nearest dollar. For detailed instructions, see RUS Bulletin 1717B-2. | PERIOD ENDED MARCH 31, 2010 | RUS USE ONLY |

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES

Steve Thompson

SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT

Samford Welch

SIGNATURE OF MANAGER

4-19-10

DATE

4/19/10

DATE

| ITEM | PART A. STATEMENT OF OPERATIONS | | | |
|---|---------------------------------|------------------|---------------|------------|
| | YEAR-TO-DATE | | | THIS MONTH |
| | LAST YEAR (a) | THIS YEAR (b) | BUDGET (c) | |
| 1. Operating Revenue and Patronage Capital..... | 81,382,749 | 99,318,755 | 94,982,984 | 33,222,964 |
| 2. Power Production Expense..... | | | | |
| 3. Cost of Purchased Power..... | 73,628,224 | 88,896,883 | 85,401,699 | 30,219,652 |
| 4. Transmission Expense..... | | | | |
| 5. Distribution Expense - Operation..... | 859,709 | 1,087,163 | 1,089,689 | 359,247 |
| 6. Distribution Expense - Maintenance..... | 1,137,933 | 2,689,080 | 2,245,083 | 1,082,188 |
| 7. Consumer Accounts Expense..... | 669,246 | 766,599 | 751,614 | 267,191 |
| 8. Customer Service and Informational Expense..... | 62,260 | 42,787 | 47,668 | 12,996 |
| 9. Sales Expense..... | 16,528 | 16,631 | 26,338 | 3,924 |
| 10. Administrative and General Expense..... | 663,647 | 763,862 | 778,416 | 253,158 |
| 11. Total Operation & Maintenance Expense (2 thru 10)..... | 77,037,547 | 94,263,005 | 90,340,507 | 32,198,356 |
| 12. Depreciation and Amortization Expense..... | 1,969,429 | 2,042,791 | 2,049,381 | 684,840 |
| 13. Tax Expense - Property & Gross Receipts..... | | | | |
| 14. Tax Expense - Other..... | 78,339 | 75,906 | 75,660 | 25,302 |
| 15. Interest on Long-Term Debt..... | 1,527,503 | 1,571,542 | 1,571,570 | 538,332 |
| 16. Interest Charged to Construction - Credit..... | (14,288) | (10,322) | (12,500) | (10,322) |
| 17. Interest Expense - Other..... | 52,514 | 43,646 | 45,750 | 14,273 |
| 18. Other Deductions..... | 18,320 | 17,547 | 16,430 | 15,325 |
| 19. Total Cost of Electric Service (11 thru 18)..... | 80,669,364 | 98,004,115 | 94,086,798 | 33,466,106 |
| 20. Patronage Capital & Operating Margins (1 minus 19)..... | 713,385 | 1,314,640 | 896,186 | (243,142) |
| 21. Non-Operating Margins - Interest..... | 181,980 | 259,667 | 228,630 | 87,308 |
| 22. Allowance for Funds Used During Construction..... | | | | |
| 23. Income (Loss) from Equity Investments..... | | | | |
| 24. Non-Operating Margins - Other..... | 2,791 | 11,409 | 3,483 | 5,089 |
| 25. Generation and Transmission Capital Credits..... | | | | |
| 26. Other Capital Credits & Patronage Dividends..... | 20,859 | 38,158 | 32,250 | 22,643 |
| 27. Extraordinary Items....(See Page 2, Part D)..... | | | | |
| 28. Patronage Capital or Margins (20 thru 26)..... | 919,015 | 1,623,874 | 1,160,549 | (128,102) |

| PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT | | | | | |
|---|---------------|---------------|-----------------------------------|---------------|---------------|
| ITEM | YEAR-TO-DATE | | ITEM | YEAR-TO-DATE | |
| | LAST YEAR (a) | THIS YEAR (b) | | LAST YEAR (a) | THIS YEAR (b) |
| 1. New Services Connected | 98 | 177 | 5. Miles Transmission | | |
| 2. Services Retired | 59 | 23 | 6. Miles Distribution-Overhead | 6,206 | 6,202 |
| 3. Total Services in Place | 58,005 | 58,492 | 7. Miles Distribution-Underground | 792 | 809 |
| | | | 8. Total Miles Energized | | |
| 1. Idle Services (Exclude Seasonal) | 2,985 | 3,512 | (5+6+7) | 6,998 | 7,011 |

| | | |
|---|----------------------|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION | |
| | KENERGY | |
| | PERIOD ENDED | RUS USE ONLY |
| INSTRUCTIONS - See RUS Bulletin 1717B-2 | MARCH 31, 2010 | |

PART C. BALANCE SHEET

| ASSETS AND OTHER DEBITS | | LIABILITIES AND OTHER CREDITS | |
|---|-------------|--|-------------|
| 1. Total Utility Plant in Service..... | 240,468,133 | 30. Memberships..... | 243,495 |
| 2. Construction Work in Progress..... | 1,129,524 | 31. Patronage Capital..... | 55,410,582 |
| 3. Total Utility Plant (1+2)..... | 241,597,657 | 32. Operating Margins - Prior Years..... | 78,651 |
| 4. Accum. Provision for Depreciation and Amort..... | 63,875,549 | 33. Operating Margins - Current Years..... | 1,319,904 |
| 5. Net Utility Plant (3-4)..... | 177,722,108 | 34. Non-Operating Margins..... | 271,413 |
| 6. Non-Utility Property (Net)..... | 19,756 | 35. Other Margins and Equities..... | 2,236,382 |
| 7. Investments in Subsidiary Companies..... | | 36. Total Margins & Equities (30 thru 35)..... | 59,560,427 |
| 8. Invest. In Assoc.Org.-Patronage Capital..... | 792,937 | 37. Long-Term Debt - RUS (Net)..... | 51,211,509 |
| 9. Invest. In Assoc.Org.-Other-General Funds..... | 294,601 | (Payments-Unapplied \$181,172,777) | |
| 10. Invest. In Assoc.Org.-Other-Nongeneral Funds.... | 4,217,543 | 38. Long-Term Debt - RUS - Econ. Devel. (Net) | 822,747 |
| 11. Investments in Economic Development Projects.... | 1,051,379 | 39. Long-Term Debt Other - REA Guaranteed | 63,572,245 |
| 12. Other Investments..... | 6,600 | 40. Long-Term Debt - Other (Net)..... | 17,767,799 |
| 13. Special Funds..... | 376,566 | 41. Total Long-Term Debt (37 thru 40)..... | 133,374,300 |
| 14. Total Other Property and Investments (6 thru 13)... | 6,759,382 | 42. Obligations Under Capital Leases..... | |
| 15. Cash - General Funds..... | 544,168 | 43. Accumulated Operating Provisions..... | 2,381,046 |
| 16. Cash - Construction Funds - Trustee..... | | 44. Total Other Noncurrent Liabilities (42 + 43)... | 2,381,046 |
| 17. Special Deposits..... | | 45. Notes Payable..... | 4,915,136 |
| 18. Temporary Investments..... | 5,956,637 | 46. Accounts Payable..... | 31,649,720 |
| 19. Notes Receivable (Net)..... | | 47. Consumer Deposits..... | 3,360,499 |
| 20. Accounts Receivable - Sales of Energy (Net)..... | 30,746,101 | 48. Other Current and Accrued Liabilities..... | 1,900,560 |
| 21. Accounts Receivable - Other (Net)..... | 5,026,066 | 49. Total Current & Accrued Liabilities (45 thru 48) | 41,825,915 |
| 22. Materials and Supplies - Electric and Other..... | 2,544,231 | 50. Deferred Credits..... | 1,504,685 |
| 23. Prepayments..... | 597,938 | 51. Accumulated Deferred Income Taxes..... | |
| 24. Other Current and Accrued Assets..... | 8,388,480 | 52. Total Liabilities and Other Credits | |
| 25. Total Current and Accrued Assets (15 thru 24)..... | 53,803,621 | (36 + 41 + 44 + 49 thru 51)..... | 238,646,373 |
| 26. Regulatory Assets..... | | ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION | |
| 27. Other Deferred Debits..... | 361,262 | 53. Balance Beginning of Year..... | |
| 28. Accumulated Deferred Income Taxes..... | | 54. Amount Received This Year(Net)..... | |
| 29. Total Assets and Other Debits (5+14+25 thru 28) | 238,646,373 | 55. Total Contributions in Aid of Construction..... | |

PART D. NOTES TO FINANCIAL STATEMENTS

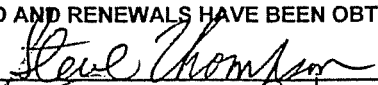
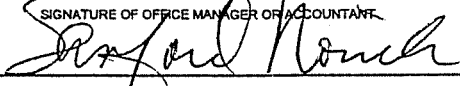
THIS SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.
(IF ADDITIONAL SPACE IS NEEDED, USE SEPARATE SHEET.)

| | | |
|--|--|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION KENTUCKY 65 | |
| | BORROWER NAME AND ADDRESS KENERGY P.O. BOX 18 HENDERSON, KY 42420 | |
| INSTRUCTIONS - Submit an original and two copies to RUS. Round all amounts to nearest dollar. For detailed instructions, see RUS Bulletin 1717B-2. | PERIOD ENDED APRIL 30, 2010 | RUS USE ONLY |

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES

| | |
|---|--------------------------|
|  _____ SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT | 5-24-10 _____ DATE |
|  _____ SIGNATURE OF MANAGER | 5/24/10 _____ DATE |

| ITEM | PART A. STATEMENT OF OPERATIONS | | | |
|---|---------------------------------|------------------|---------------|------------|
| | YEAR-TO-DATE | | | THIS MONTH |
| | LAST YEAR (a) | THIS YEAR (b) | BUDGET (c) | |
| 1. Operating Revenue and Patronage Capital..... | 105,009,590 | 129,390,869 | 124,670,265 | 30,072,114 |
| 2. Power Production Expense..... | | | | |
| 3. Cost of Purchased Power..... | 94,690,873 | 116,545,698 | 112,401,112 | 27,648,815 |
| 4. Transmission Expense..... | | | | |
| 5. Distribution Expense - Operation..... | 1,135,667 | 1,469,162 | 1,463,581 | 381,999 |
| 6. Distribution Expense - Maintenance..... | 2,064,987 | 3,534,333 | 3,091,569 | 845,253 |
| 7. Consumer Accounts Expense..... | 923,638 | 1,031,060 | 1,008,565 | 264,461 |
| 8. Customer Service and Informational Expense..... | 77,857 | 53,092 | 63,983 | 10,305 |
| 9. Sales Expense..... | 21,773 | 24,685 | 34,402 | 8,054 |
| 10. Administrative and General Expense..... | 942,218 | 1,078,746 | 1,047,351 | 314,884 |
| 11. Total Operation & Maintenance Expense (2 thru 10)..... | 99,857,013 | 123,736,776 | 119,110,563 | 29,473,771 |
| 12. Depreciation and Amortization Expense..... | 2,628,793 | 2,727,144 | 2,736,548 | 684,353 |
| 13. Tax Expense - Property & Gross Receipts..... | | | | |
| 14. Tax Expense - Other..... | 104,452 | 122,480 | 100,880 | 46,574 |
| 15. Interest on Long-Term Debt..... | 2,084,051 | 2,091,261 | 2,090,870 | 519,719 |
| 16. Interest Charged to Construction - Credit..... | (14,288) | (10,322) | (12,500) | |
| 17. Interest Expense - Other..... | 106,325 | 58,733 | 62,400 | 15,087 |
| 18. Other Deductions..... | 19,470 | 18,809 | 21,850 | 1,262 |
| 19. Total Cost of Electric Service (11 thru 18)..... | 104,785,816 | 128,744,881 | 124,110,611 | 30,740,766 |
| 20. Patronage Capital & Operating Margins (1 minus 19)..... | 223,774 | 645,988 | 559,654 | (668,652) |
| 21. Non-Operating Margins - Interest..... | 290,108 | 340,728 | 304,840 | 81,061 |
| 22. Allowance for Funds Used During Construction..... | | | | |
| 23. Income (Loss) from Equity Investments..... | | | | |
| 24. Non-Operating Margins - Other..... | 11,489 | 9,880 | 4,560 | (1,529) |
| 25. Generation and Transmission Capital Credits..... | | | | |
| 26. Other Capital Credits & Patronage Dividends..... | 33,376 | 47,060 | 43,000 | 8,902 |
| 27. Extraordinary Items.....(See Page 2, Part D)..... | | | | |
| 28. Patronage Capital or Margins (20 thru 26)..... | 558,747 | 1,043,656 | 912,054 | (580,218) |

| PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT | | | | | |
|---|---------------|---------------|-----------------------------------|---------------|---------------|
| ITEM | YEAR-TO-DATE | | ITEM | YEAR-TO-DATE | |
| | LAST YEAR (a) | THIS YEAR (b) | | LAST YEAR (a) | THIS YEAR (b) |
| 1. New Services Connected | 153 | 243 | 5. Miles Transmission | | |
| 2. Services Retired | 78 | 74 | 6. Miles Distribution-Overhead | 6,206 | 6,192 |
| 3. Total Services in Place | 58,041 | 58,507 | 7. Miles Distribution-Underground | 793 | 810 |
| Idle Services (Exclude Seasonal) | 3,150 | 3,475 | 8. Total Miles Energized (5+6+7) | 6,999 | 7,002 |

| | | |
|---|----------------------|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION | |
| | KENERGY | |
| | PERIOD ENDED | RUS USE ONLY |
| INSTRUCTIONS - See RUS Bulletin 1717B-2 | APRIL 30, 2010 | |

PART C. BALANCE SHEET

| ASSETS AND OTHER DEBITS | | LIABILITIES AND OTHER CREDITS | |
|---|-------------|---|-------------|
| 1. Total Utility Plant in Service..... | 241,179,485 | 30. Memberships..... | 243,505 |
| 2. Construction Work in Progress..... | 1,837,733 | 31. Patronage Capital..... | 55,391,034 |
| 3. Total Utility Plant (1+2)..... | 243,017,218 | 32. Operating Margins - Prior Years..... | 78,651 |
| 4. Accum. Provision for Depreciation and Amort..... | 64,532,583 | 33. Operating Margins - Current Years..... | 693,049 |
| 5. Net Utility Plant (3-4)..... | 178,484,635 | 34. Non-Operating Margins..... | 350,945 |
| 6. Non-Utility Property (Net)..... | 19,574 | 35. Other Margins and Equities..... | 2,246,611 |
| 7. Investments in Subsidiary Companies..... | | 36. Total Margins & Equities (30 thru 35)..... | 59,003,795 |
| 8. Invest. In Assoc.Org.-Patronage Capital..... | 792,937 | 37. Long-Term Debt - RUS (Net)..... | 51,478,656 |
| 9. Invest. In Assoc.Org.-Other-General Funds..... | 297,933 | (Payments-Unapplied \$17,719,147) | |
| 10. Invest. In Assoc.Org.-Other-Nongeneral Funds.... | 4,223,113 | 38. Long-Term Debt - RUS - Econ. Devel. (Net) | 803,303 |
| 11. Investments in Economic Development Projects.... | 1,031,934 | 39. Long-Term Debt Other - REA Guaranteed | 63,538,597 |
| 12. Other Investments..... | 6,600 | 40. Long-Term Debt - Other (Net)..... | 17,683,187 |
| 13. Special Funds..... | 376,566 | 41. Total Long-Term Debt (37 thru 40)..... | 133,503,743 |
| 14. Total Other Property and Investments (6 thru 13)... | 6,748,657 | 42. Obligations Under Capital Leases..... | |
| 15. Cash - General Funds..... | -140,808 | 43. Accumulated Operating Provisions..... | 2,380,460 |
| 16. Cash - Construction Funds - Trustee..... | | 44. Total Other Noncurrent Liabilites (42 + 43)... | 2,380,460 |
| 17. Special Deposits..... | | 45. Notes Payable..... | 4,915,136 |
| 18. Temporary Investments..... | 6,800,290 | 46. Accounts Payable..... | 28,312,931 |
| 19. Notes Receivable (Net)..... | | 47. Consumer Deposits..... | 3,549,582 |
| 20. Accounts Receivable - Sales of Energy (Net)..... | 28,131,748 | 48. Other Current and Accrued Liabilities..... | 2,167,537 |
| 21. Accounts Receivable - Other (Net)..... | 4,824,440 | 49. Total Current & Accrued Liabilities (45 thru 48) | 38,945,186 |
| 22. Materials and Supplies - Electric and Other..... | 2,469,940 | 50. Deferred Credits..... | 1,471,155 |
| 23. Prepayments..... | 854,047 | 51. Accumulated Deferred Income Taxes..... | |
| 24. Other Current and Accrued Assets..... | 6,837,772 | 52. Total Liabilities and Other Credits | |
| 25. Total Current and Accrued Assets (15 thru 24)..... | 49,777,429 | (36 + 41 + 44 + 49 thru 51)..... | 235,304,339 |
| 26. Regulatory Assets..... | | ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION | |
| 27. Other Deferred Debits..... | 293,618 | 53. Balance Beginning of Year..... | |
| 28. Accumulated Deferred Income Taxes..... | | 54. Amount Received This Year(Net)..... | |
| 29. Total Assets and Other Debits (5+14+25 thru 28) | 235,304,339 | 55. Total Contributions in Aid of Construction..... | |

PART D. NOTES TO FINANCIAL STATEMENTS

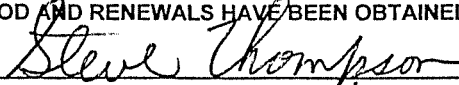
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(IF ADDITIONAL SPACE IS NEEDED, USE SEPARATE SHEET.)

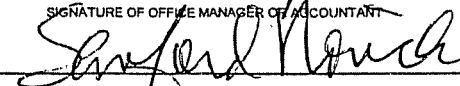
| | | |
|--|--|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION KENTUCKY 65 | |
| | BORROWER NAME AND ADDRESS KENERGY P.O. BOX 18 HENDERSON, KY 42420 | |
| INSTRUCTIONS - Submit an original and two copies to RUS. Round all amounts to nearest dollar. For detailed instructions, see RUS Bulletin 1717B-2. | PERIOD ENDED MAY 31, 2010 | RUS USE ONLY |

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES


 SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT


 SIGNATURE OF MANAGER

6-14-10
 DATE

6/15/10
 DATE

| ITEM | PART A. STATEMENT OF OPERATIONS | | | |
|---|---------------------------------|-------------|-------------|------------|
| | YEAR-TO-DATE | | | THIS MONTH |
| | LAST YEAR | THIS YEAR | BUDGET | |
| | (a) | (b) | (c) | (d) |
| 1. Operating Revenue and Patronage Capital..... | 129,127,148 | 161,967,800 | 155,633,781 | 32,576,931 |
| 2. Power Production Expense..... | | | | |
| 3. Cost of Purchased Power..... | 116,133,151 | 146,405,767 | 140,676,613 | 29,860,069 |
| 4. Transmission Expense..... | | | | |
| 5. Distribution Expense - Operation..... | 1,422,220 | 1,842,870 | 1,817,153 | 373,708 |
| 6. Distribution Expense - Maintenance..... | 2,811,955 | 4,391,793 | 3,902,030 | 857,460 |
| 7. Consumer Accounts Expense..... | 1,171,557 | 1,276,386 | 1,257,232 | 245,326 |
| 8. Customer Service and Informational Expense..... | 96,069 | 65,944 | 79,186 | 12,852 |
| 9. Sales Expense..... | 28,665 | 29,119 | 39,607 | 4,434 |
| 10. Administrative and General Expense..... | 1,224,206 | 1,333,069 | 1,275,311 | 254,323 |
| 11. Total Operation & Maintenance Expense (2 thru 10)..... | 122,887,823 | 155,344,948 | 149,047,132 | 31,608,172 |
| 12. Depreciation and Amortization Expense..... | 3,288,488 | 3,412,372 | 3,425,743 | 685,228 |
| 13. Tax Expense - Property & Gross Receipts..... | | | | |
| 14. Tax Expense - Other..... | 150,258 | 147,782 | 161,100 | 25,302 |
| 15. Interest on Long-Term Debt..... | 2,554,608 | 2,619,994 | 2,618,960 | 528,733 |
| 16. Interest Charged to Construction - Credit..... | (14,288) | (10,322) | (12,500) | |
| 17. Interest Expense - Other..... | 173,634 | 73,073 | 79,100 | 14,340 |
| 18. Other Deductions..... | 24,799 | 21,775 | 27,270 | 2,966 |
| 19. Total Cost of Electric Service (11 thru 18)..... | 129,065,322 | 161,609,622 | 155,346,805 | 32,864,741 |
| 20. Patronage Capital & Operating Margins (1 minus 19)..... | 61,826 | 358,178 | 286,976 | (287,810) |
| 21. Non-Operating Margins - Interest..... | 353,048 | 422,828 | 381,050 | 82,100 |
| 22. Allowance for Funds Used During Construction..... | | | | |
| 23. Income (Loss) from Equity Investments..... | | | | |
| 24. Non-Operating Margins - Other..... | 12,057 | 7,132 | 5,784 | (2,748) |
| 25. Generation and Transmission Capital Credits..... | | | | |
| 26. Other Capital Credits & Patronage Dividends..... | 43,082 | 55,962 | 53,750 | 8,902 |
| 27. Extraordinary Items....(See Page 2, Part D)..... | | | | |
| 28. Patronage Capital or Margins (20 thru 26)..... | 470,013 | 844,100 | 727,560 | (199,556) |

| PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT | | | | | |
|---|---------------|---------------|-----------------------------------|---------------|---------------|
| ITEM | YEAR-TO-DATE | | ITEM | YEAR-TO-DATE | |
| | LAST YEAR (a) | THIS YEAR (b) | | LAST YEAR (a) | THIS YEAR (b) |
| 1. New Services Connected | 193 | 298 | 5. Miles Transmission | | |
| 2. Services Retired | 81 | 111 | 6. Miles Distribution-Overhead | 6,206 | 6,192 |
| 3. Total Services in Place | 58,078 | 58,525 | 7. Miles Distribution-Underground | 793 | 811 |
| Idle Services (Exclude Seasonal) | 3,241 | 3,547 | 8. Total Miles Energized (5+6+7) | 6,999 | 7,003 |

| | | |
|---|----------------------|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION | |
| | KENERGY | |
| INSTRUCTIONS - See RUS Bulletin 1717B-2 | PERIOD ENDED | RUS USE ONLY |
| | MAY 31, 2010 | |

PART C. BALANCE SHEET

| ASSETS AND OTHER DEBITS | | LIABILITIES AND OTHER CREDITS | |
|---|-------------|---|-------------|
| 1. Total Utility Plant in Service..... | 242,385,818 | 30. Memberships..... | 243,460 |
| 2. Construction Work in Progress..... | 1,148,262 | 31. Patronage Capital..... | 55,381,562 |
| 3. Total Utility Plant (1+2)..... | 243,534,080 | 32. Operating Margins - Prior Years..... | 78,651 |
| 4. Accum. Provision for Depreciation and Amort..... | 65,086,380 | 33. Operating Margins - Current Years..... | 414,141 |
| 5. Net Utility Plant (3-4)..... | 178,447,700 | 34. Non-Operating Margins..... | 430,297 |
| 6. Non-Utility Property (Net)..... | 19,582 | 35. Other Margins and Equities..... | 2,251,535 |
| 7. Investments in Subsidiary Companies..... | | 36. Total Margins & Equities (30 thru 35)..... | 58,799,646 |
| 8. Invest. In Assoc.Org.-Patronage Capital..... | 792,937 | 37. Long-Term Debt - RUS (Net)..... | 51,743,651 |
| 9. Invest. In Assoc.Org.-Other-General Funds..... | 313,765 | (Payments-Unapplied \$17,270,783) | |
| 10. Invest. In Assoc.Org.-Other-Nongeneral Funds.... | 4,228,683 | 38. Long-Term Debt - RUS - Econ. Devel. (Net) | 604,702 |
| 11. Investments in Economic Development Projects.... | 833,333 | 39. Long-Term Debt Other - REA Guaranteed | 63,508,298 |
| 12. Other Investments..... | 6,600 | 40. Long-Term Debt - Other (Net)..... | 17,613,969 |
| 13. Special Funds..... | 376,566 | 41. Total Long-Term Debt (37 thru 40)..... | 133,470,620 |
| 14. Total Other Property and Investments (6 thru 13)... | 6,571,466 | 42. Obligations Under Capital Leases..... | |
| 15. Cash - General Funds..... | 179,658 | 43. Accumulated Operating Provisions..... | 2,379,875 |
| 16. Cash - Construction Funds - Trustee..... | | 44. Total Other Noncurrent Liabilites (42 + 43).... | 2,379,875 |
| 17. Special Deposits..... | | 45. Notes Payable..... | 4,915,136 |
| 18. Temporary Investments..... | 7,929,366 | 46. Accounts Payable..... | 30,568,158 |
| 19. Notes Receivable (Net)..... | | 47. Consumer Deposits..... | 3,563,564 |
| 20. Accounts Receivable - Sales of Energy (Net)..... | 29,386,109 | 48. Other Current and Accrued Liabilities..... | 2,487,005 |
| 21. Accounts Receivable - Other (Net)..... | 4,403,338 | 49. Total Current & Accrued Liabilities (45 thru 48) | 41,533,863 |
| 22. Materials and Supplies - Electric and Other..... | 2,460,057 | 50. Deferred Credits..... | 1,423,702 |
| 23. Prepayments..... | 745,904 | 51. Accumulated Deferred Income Taxes..... | |
| 24. Other Current and Accrued Assets..... | 7,257,993 | 52. Total Liabilities and Other Credits | |
| 25. Total Current and Accrued Assets (15 thru 24)..... | 52,362,425 | (36 + 41 + 44 + 49 thru 51)..... | 237,607,706 |
| 26. Regulatory Assets..... | | ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION | |
| 27. Other Deferred Debits..... | 226,115 | 53. Balance Beginning of Year..... | |
| 28. Accumulated Deferred Income Taxes..... | | 54. Amount Received This Year(Net)..... | |
| 29. Total Assets and Other Debits (5+14+25 thru 28) | 237,607,706 | 55. Total Contributions in Aid of Construction..... | |

PART D. NOTES TO FINANCIAL STATEMENTS

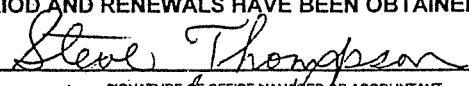
THIS SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.
(IF ADDITIONAL SPACE IS NEEDED, USE SEPARATE SHEET.)

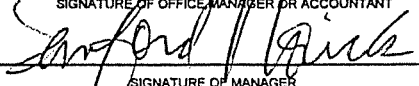
| | | |
|--|--|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION KENTUCKY 65 | |
| | BORROWER NAME AND ADDRESS KENERGY P.O. BOX 18 HENDERSON, KY 42420 | |
| INSTRUCTIONS - Submit an original and two copies to RUS. Round all amounts to nearest dollar. For detailed instructions, see RUS Bulletin 1717B-2. | PERIOD ENDED JUNE 30, 2010 | RUS USE ONLY |

CERTIFICATION

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

-ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES


 SIGNATURE OF OFFICE MANAGER OR ACCOUNTANT


 SIGNATURE OF MANAGER

DATE 7-16-10
 DATE 7/16/10

PART A. STATEMENT OF OPERATIONS

| ITEM | YEAR-TO-DATE | | | THIS MONTH (d) |
|---|------------------|------------------|---------------|-------------------|
| | LAST YEAR (a) | THIS YEAR (b) | BUDGET (c) | |
| 1. Operating Revenue and Patronage Capital..... | 154,445,724 | 194,641,847 | 186,812,485 | 32,674,047 |
| 2. Power Production Expense..... | | | | |
| 3. Cost of Purchased Power..... | 138,382,105 | 175,530,234 | 168,843,932 | 29,124,467 |
| 4. Transmission Expense..... | | | | |
| 5. Distribution Expense - Operation..... | 1,743,982 | 2,183,309 | 2,191,347 | 340,439 |
| 6. Distribution Expense - Maintenance..... | 3,703,838 | 5,178,217 | 4,802,190 | 786,424 |
| 7. Consumer Accounts Expense..... | 1,441,336 | 1,561,808 | 1,513,990 | 285,422 |
| 8. Customer Service and Informational Expense..... | 115,227 | 79,516 | 95,262 | 13,572 |
| 9. Sales Expense..... | 35,954 | 34,720 | 47,739 | 5,601 |
| 10. Administrative and General Expense..... | 1,472,286 | 1,608,681 | 1,544,223 | 275,612 |
| 11. Total Operation & Maintenance Expense (2 thru 10)..... | 146,894,728 | 186,176,485 | 179,038,683 | 30,831,537 |
| 12. Depreciation and Amortization Expense..... | 3,948,318 | 4,101,996 | 4,116,954 | 689,624 |
| 13. Tax Expense - Property & Gross Receipts..... | | | | |
| 14. Tax Expense - Other..... | 176,371 | 187,093 | 186,320 | 39,311 |
| 15. Interest on Long-Term Debt..... | 3,052,098 | 3,130,853 | 3,129,770 | 510,859 |
| 16. Interest Charged to Construction - Credit..... | (25,692) | (18,714) | (25,000) | (8,392) |
| 17. Interest Expense - Other..... | 242,052 | 90,217 | 95,850 | 17,144 |
| 18. Other Deductions..... | 39,963 | 32,645 | 32,690 | 10,870 |
| 19. Total Cost of Electric Service (11 thru 18)..... | 154,327,838 | 193,700,575 | 186,575,267 | 32,090,953 |
| 20. Patronage Capital & Operating Margins (1 minus 19)..... | 117,886 | 941,272 | 237,218 | 583,094 |
| 21. Non-Operating Margins - Interest..... | 414,243 | 507,478 | 457,260 | 84,650 |
| 22. Allowance for Funds Used During Construction..... | | | | |
| 23. Income (Loss) from Equity Investments..... | | | | |
| 24. Non-Operating Margins - Other..... | 11,663 | 11,196 | 6,863 | 4,064 |
| 25. Generation and Transmission Capital Credits..... | | | | |
| 26. Other Capital Credits & Patronage Dividends..... | 53,206 | 64,864 | 64,500 | 8,902 |
| 27. Extraordinary Items.....(See Page 2, Part D)..... | | | | |
| 28. Patronage Capital or Margins (20 thru 26)..... | 596,998 | 1,524,810 | 765,841 | 680,710 |

PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT

| ITEM | YEAR-TO-DATE | | ITEM | YEAR-TO-DATE | |
|-------------------------------------|---------------|---------------|-----------------------------------|---------------|---------------|
| | LAST YEAR (a) | THIS YEAR (b) | | LAST YEAR (a) | THIS YEAR (b) |
| 1. New Services Connected | 229 | 377 | 5. Miles Transmission | | |
| 2. Services Retired | 100 | 130 | 6. Miles Distribution-Overhead | 6,205 | 6,191 |
| 3. Total Services in Place | 58,095 | 58,585 | 7. Miles Distribution-Underground | 794 | 813 |
| 4. Idle Services (Exclude Seasonal) | 3,376 | 3,683 | 8. Total Miles Energized (5+6+7) | 6,999 | 7,004 |

| | | |
|---|----------------------|--------------|
| FINANCIAL AND STATISTICAL REPORT | BORROWER DESIGNATION | |
| | KENERGY | |
| | PERIOD ENDED | RUS USE ONLY |
| INSTRUCTIONS - See RUS Bulletin 1717B-2 | JUNE 30, 2010 | |

PART C. BALANCE SHEET

| ASSETS AND OTHER DEBITS | | LIABILITIES AND OTHER CREDITS | |
|---|-------------|--|-------------|
| 1. Total Utility Plant in Service..... | 243,259,109 | 30. Memberships..... | 243,785 |
| 2. Construction Work in Progress..... | 964,749 | 31. Patronage Capital..... | 55,372,035 |
| 3. Total Utility Plant (1+2)..... | 244,223,858 | 32. Operating Margins - Prior Years..... | 78,651 |
| 4. Accum. Provision for Depreciation and Amort..... | 65,610,393 | 33. Operating Margins - Current Years..... | 1,006,136 |
| 5. Net Utility Plant (3-4)..... | 178,613,465 | 34. Non-Operating Margins..... | 519,012 |
| 6. Non-Utility Property (Net)..... | 19,490 | 35. Other Margins and Equities..... | 2,256,436 |
| 7. Investments in Subsidiary Companies..... | | 36. Total Margins & Equities (30 thru 35)..... | 59,476,055 |
| 8. Invest. In Assoc.Org.-Patronage Capital..... | 792,936 | 37. Long-Term Debt - RUS (Net)..... | 43,322,238 |
| 9. Invest. In Assoc.Org.-Other-General Funds..... | 317,097 | (Payments-Unapplied \$16,391,779) | |
| 10. Invest. In Assoc.Org.-Other-Nongeneral Funds.... | 4,234,253 | 38. Long-Term Debt - RUS - Econ. Devel. (Net) | 591,276 |
| 11. Investments in Economic Development Projects.... | 819,907 | 39. Long-Term Debt Other - REA Guaranteed | 63,387,589 |
| 12. Other Investments..... | 6,600 | 40. Long-Term Debt - Other (Net)..... | 26,456,535 |
| 13. Special Funds..... | 376,566 | 41. Total Long-Term Debt (37 thru 40)..... | 133,757,638 |
| 14. Total Other Property and Investments (6 thru 13)... | 6,566,849 | 42. Obligations Under Capital Leases..... | |
| 15. Cash - General Funds..... | 576,851 | 43. Accumulated Operating Provisions..... | 2,377,233 |
| 16. Cash - Construction Funds - Trustee..... | | 44. Total Other Noncurrent Liabilities (42 + 43).... | 2,377,233 |
| 17. Special Deposits..... | | 45. Notes Payable..... | 4,915,136 |
| 18. Temporary Investments..... | 7,641,815 | 46. Accounts Payable..... | 29,895,077 |
| 19. Notes Receivable (Net)..... | | 47. Consumer Deposits..... | 3,984,537 |
| 20. Accounts Receivable - Sales of Energy (Net)..... | 27,325,998 | 48. Other Current and Accrued Liabilities..... | 2,395,466 |
| 21. Accounts Receivable - Other (Net)..... | 4,413,303 | 49. Total Current & Accrued Liabilities (45 thru 48) | 41,190,216 |
| 22. Materials and Supplies - Electric and Other..... | 2,416,403 | 50. Deferred Credits..... | 1,369,458 |
| 23. Prepayments..... | 1,002,280 | 51. Accumulated Deferred Income Taxes..... | |
| 24. Other Current and Accrued Assets..... | 9,459,734 | 52. Total Liabilities and Other Credits | |
| 25. Total Current and Accrued Assets (15 thru 24)..... | 52,836,384 | (36 + 41 + 44 + 49 thru 51)..... | 238,170,600 |
| 26. Regulatory Assets..... | | ESTIMATED CONTRIBUTIONS IN AID OF CONSTRUCTION | |
| 27. Other Deferred Debits..... | 153,902 | 53. Balance Beginning of Year..... | |
| 28. Accumulated Deferred Income Taxes..... | | 54. Amount Received This Year(Net)..... | |
| 29. Total Assets and Other Debits (5+14+25 thru 28) | 238,170,600 | 55. Total Contributions in Aid of Construction..... | |

PART D. NOTES TO FINANCIAL STATEMENTS

THIS SPACE BELOW IS PROVIDED FOR IMPORTANT NOTES REGARDING THE FINANCIAL STATEMENT CONTAINED IN THIS REPORT.
(IF ADDITIONAL SPACE IS NEEDED, USE SEPARATE SHEET.)

KENERGY CORP.

2009 FORM 7 BUDGET AMOUNTS

| LINE NO | | JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER | TOTAL |
|---------|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| 1 | Operating Revenue & Pat Capital | 33,008,870 | 29,736,380 | 31,861,150 | 30,482,180 | 31,676,140 | 31,955,510 | 33,713,360 | 33,492,230 | 31,304,150 | 31,677,260 | 31,239,070 | 33,862,720 | 393,809,050 |
| 2 | | | | | | | | | | | | | | |
| 3 | Cost of Purchased Power | 29,735,750 | 27,007,860 | 29,039,620 | 27,718,130 | 28,944,130 | 28,891,580 | 30,169,600 | 30,007,610 | 28,539,800 | 28,789,940 | 28,168,400 | 29,635,680 | 346,888,400 |
| 4 | | | | | | | | | | | | | | |
| 5 | Distribution Expense - Operation - 580 | 389,375 | 360,133 | 382,571 | 380,381 | 357,119 | 377,165 | 385,051 | 380,212 | 407,280 | 381,717 | 363,170 | 404,148 | 4,548,332 |
| 6 | Distribution Expense - Maintenance - 590 | 684,212 | 687,858 | 734,580 | 774,752 | 777,344 | 783,952 | 777,252 | 883,882 | 722,710 | 702,893 | 659,068 | 715,434 | 8,863,708 |
| 7 | Consumer Accounts Expense - 903 | 252,585 | 239,435 | 258,801 | 258,518 | 247,544 | 256,466 | 283,740 | 246,954 | 255,409 | 255,205 | 243,830 | 279,841 | 3,058,229 |
| 8 | Customer Service and Info Expense - 908 | 19,371 | 17,997 | 19,829 | 19,334 | 18,116 | 19,308 | 20,038 | 18,444 | 19,577 | 19,978 | 18,818 | 22,238 | 232,849 |
| 9 | Sales Expense - 912 | 11,597 | 5,933 | 9,573 | 6,237 | 5,930 | 8,902 | 7,289 | 5,994 | 8,734 | 7,132 | 10,089 | 7,642 | 65,053 |
| 10 | Admin & General Expense - 920-935 | 245,462 | 214,409 | 239,230 | 248,918 | 220,844 | 250,453 | 258,280 | 218,934 | 227,368 | 249,138 | 239,576 | 389,250 | 2,879,801 |
| 11 | Total Operation & Main. Expense (2 - 10) | 31,338,352 | 28,513,723 | 30,683,785 | 29,404,280 | 30,571,028 | 30,587,828 | 31,899,281 | 31,722,230 | 30,180,908 | 30,405,782 | 29,701,151 | 31,434,233 | 368,442,569 |
| 12 | Depreciation & Amort. Expense | 654,879 | 657,473 | 680,058 | 682,644 | 665,178 | 687,729 | 672,983 | 675,534 | 678,077 | 682,059 | 684,598 | 687,116 | 8,048,324 |
| 13 | Tax Expense - Property & Gross Receipts | | | | | | | | | | | | | 0 |
| 14 | Tax Expense - Other | 26,030 | 26,030 | 26,030 | 26,030 | 41,530 | 28,030 | 27,070 | 27,070 | 27,080 | 27,080 | 27,080 | 27,080 | 334,140 |
| 15 | Interest on Long-Term Debt | 515,650 | 506,160 | 527,480 | 517,900 | 514,900 | 505,060 | 515,120 | 528,870 | 519,920 | 528,260 | 517,830 | 523,820 | 6,218,780 |
| 16 | Interest Charged to Construction - Credit | 0 | 0 | (12,510) | 0 | 0 | (12,510) | 0 | 0 | (12,510) | 0 | 0 | (12,470) | (50,000) |
| 17 | Interest Expense - Other | 11,750 | 11,750 | 11,750 | 11,780 | 11,780 | 11,780 | 11,780 | 11,780 | 11,780 | 11,780 | 11,780 | 11,780 | 141,090 |
| 18 | Other Deductions | 5,510 | 5,400 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 65,210 |
| 19 | Total Cost of Electric Service (11 - 18) | 32,552,171 | 29,720,588 | 31,901,994 | 30,828,034 | 31,809,818 | 31,791,316 | 33,131,613 | 32,970,984 | 31,410,654 | 31,858,368 | 30,947,640 | 32,878,958 | 381,200,114 |
| 20 | Patronage Capital & Oper Margins (1 minus 19) | 456,699 | 15,814 | (40,844) | (145,854) | (133,678) | 184,194 | 581,747 | 521,246 | (108,504) | 18,922 | 29,143 | 985,762 | 2,608,936 |
| 21 | Non-Operating Margins - Interest | 72,500 | 72,500 | 72,500 | 72,500 | 72,500 | 72,500 | 72,500 | 72,500 | 72,500 | 72,500 | 72,500 | 72,500 | 970,000 |
| 22 | | | | | | | | | | | | | | |
| 23 | | | | | | | | | | | | | | |
| 24 | Non-Operating Margins - Other | 1,108 | 1,329 | 1,102 | 1,084 | 1,232 | (58,912) | 979 | 1,221 | (53,901) | 1,085 | 1,231 | 984 | (101,477) |
| 25 | | | | | | | | | | | | | | |
| 26 | Other Capital Credits & Patronage Dividends | 11,870 | 11,870 | 11,870 | 11,870 | 11,870 | 11,880 | 11,880 | 11,880 | 11,880 | 11,880 | 11,880 | 11,870 | 142,500 |
| 27 | | | | | | | | | | | | | | |
| 28 | Patronage Capital or Margins (20 - 26) | 542,177 | 101,514 | 44,828 | (80,400) | (48,074) | 189,862 | 667,106 | 606,847 | (78,025) | 104,387 | 377,042 | 1,171,088 | 3,819,959 |

Exhibit 15b, Page 1

2010 FORM 7 BUDGET AMOUNTS

| LINE NO | | JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER | TOTAL |
|---------|---|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| 1 | Operating Revenue & Pat Capital | 33,612,145 | 29,826,975 | 31,543,879 | 29,887,281 | 30,963,518 | 31,178,704 | 33,898,982 | 33,649,745 | 30,962,585 | 31,695,285 | 30,971,448 | 34,095,749 | 382,086,275 |
| 2 | | | | | | | | | | | | | | |
| 3 | Cost of Purchased Power | 30,080,033 | 26,875,742 | 28,645,837 | 28,999,413 | 28,275,501 | 28,187,319 | 30,375,974 | 30,217,307 | 28,249,313 | 28,899,872 | 28,018,369 | 30,082,160 | 344,686,740 |
| 4 | | | | | | | | | | | | | | |
| 5 | Distribution Expense - Operation - 580 | 358,581 | 351,700 | 379,409 | 373,892 | 353,572 | 374,194 | 367,320 | 365,023 | 378,670 | 361,587 | 353,772 | 403,333 | 4,421,052 |
| 6 | Distribution Expense - Maintenance - 590 | 677,291 | 728,259 | 841,543 | 846,487 | 810,461 | 900,182 | 883,544 | 780,531 | 780,598 | 727,852 | 671,827 | 755,056 | 9,381,499 |
| 7 | Consumer Accounts Expense - 903 | 247,769 | 238,112 | 265,733 | 256,951 | 248,667 | 256,758 | 255,373 | 254,541 | 255,851 | 252,527 | 251,135 | 292,472 | 3,075,989 |
| 8 | Customer Service and Info Expense - 908 | 15,465 | 15,041 | 17,162 | 16,315 | 15,203 | 16,078 | 15,943 | 15,943 | 16,080 | 15,512 | 15,959 | 18,112 | 183,811 |
| 9 | Sales Expense - 912 | 7,240 | 11,255 | 7,843 | 8,084 | 5,205 | 8,132 | 11,455 | 5,525 | 7,587 | 6,811 | 5,340 | 8,694 | 92,951 |
| 10 | Admin & General Expense - 920-935 | 255,219 | 245,607 | 277,590 | 268,935 | 227,960 | 288,912 | 152,443 | 237,707 | 273,909 | 238,807 | 229,522 | 366,839 | 3,043,449 |
| 11 | Total Operation & Main. Expense (2 - 10) | 31,641,589 | 28,263,715 | 30,435,217 | 28,770,058 | 29,938,589 | 29,991,553 | 32,082,052 | 31,858,578 | 29,982,108 | 30,502,687 | 29,545,725 | 31,927,668 | 364,895,491 |
| 12 | Depreciation & Amort. Expense | 681,107 | 683,123 | 685,151 | 687,167 | 689,185 | 691,211 | 698,042 | 698,058 | 700,086 | 702,102 | 704,130 | 708,146 | 8,323,516 |
| 13 | Tax Expense - Property & Gross Receipts | | | | | | | | | | | | | 0 |
| 14 | Tax Expense - Other | 25,220 | 25,220 | 25,220 | 25,220 | 80,220 | 25,220 | 25,730 | 25,720 | 25,730 | 25,720 | 25,730 | 25,720 | 340,870 |
| 15 | Interest on Long-Term Debt | 542,230 | 491,130 | 538,210 | 519,300 | 528,090 | 510,810 | 524,980 | 523,720 | 506,980 | 521,050 | 504,580 | 518,830 | 6,229,710 |
| 16 | Interest Charged to Construction - Credit | | | (12,500) | | | (12,500) | | | (12,500) | | | (12,500) | (50,000) |
| 17 | Interest Expense - Other | 15,200 | 15,250 | 15,300 | 16,850 | 16,700 | 16,750 | 16,800 | 16,850 | 16,900 | 16,950 | 17,000 | 17,050 | 197,400 |
| 18 | Other Deductions | 5,400 | 5,400 | 5,630 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 65,210 |
| 19 | Total Cost of Electric Service (11 - 18) | 32,910,745 | 29,483,838 | 31,692,227 | 30,023,813 | 31,238,194 | 31,228,464 | 33,331,023 | 33,128,344 | 31,204,722 | 31,773,909 | 30,802,585 | 33,188,132 | 380,001,997 |
| 20 | Patronage Capital & Oper Margins (1 minus 19) | 701,400 | 343,137 | (148,348) | (336,532) | (272,678) | (49,760) | 567,959 | 523,401 | (242,157) | (78,824) | 168,863 | 807,617 | 2,084,278 |
| 21 | Non-Operating Margins - Interest | 76,210 | 76,210 | 76,210 | 76,210 | 76,210 | 76,210 | 76,210 | 76,210 | 76,210 | 76,210 | 76,210 | 76,210 | 979,500 |
| 22 | | | | | | | | | | | | | | |
| 23 | | | | | | | | | | | | | | |
| 24 | Non-Operating Margins - Other | 1,204 | 1,343 | 936 | 1,077 | 1,224 | 1,079 | (49,913) | 1,082 | 1,077 | 1,219 | 1,090 | 404 | (38,177) |
| 25 | | | | | | | | | | | | | | |
| 26 | Other Capital Credits & Patronage Dividends | 10,750 | 10,750 | 10,750 | 10,750 | 10,750 | 10,750 | 10,750 | 10,750 | 10,750 | 10,750 | 10,750 | 10,750 | 129,000 |
| 27 | | | | | | | | | | | | | | |
| 28 | Patronage Capital or Margins (20 - 26) | 789,584 | 431,439 | (60,452) | (248,495) | (184,494) | 38,279 | 605,005 | 611,443 | (154,119) | 9,558 | 256,913 | 1,059,961 | 3,154,601 |

KENERGY CORP.
2011 OPERATING BUDGET-MONTHLY

note: some sections will need rounding adjustment

EAC

2011 FORM 7 BUDGET AMOUNTS

LINE NO

| | JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER | TOTAL |
|--|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| 1 Operating Revenue & Pat Capital | 38,847,840 | 34,971,240 | 37,235,928 | 35,339,022 | 38,683,700 | 38,868,888 | 38,195,379 | 39,040,510 | 36,534,283 | 38,861,539 | 36,570,894 | 39,314,610 | 447,663,231 |
| 2 | | | | | | | | | | | | | |
| 3 Cost of Purchased Power | 35,333,540 | 31,786,100 | 34,333,960 | 32,839,280 | 33,974,860 | 33,798,420 | 35,668,330 | 35,550,820 | 33,786,480 | 34,141,800 | 33,582,830 | 35,389,360 | 409,875,782 |
| 4 | | | | | | | | | | | | | |
| 5 Distribution Expense - Operation - 580 | 375,328 | 365,039 | 403,757 | 373,929 | 367,091 | 375,038 | 360,305 | 384,937 | 369,634 | 382,590 | 365,765 | 380,938 | 4,504,351 |
| 6 Distribution Expense - Maintenance - 590 | 845,907 | 720,118 | 884,078 | 879,549 | 845,883 | 834,738 | 748,310 | 883,270 | 878,278 | 678,444 | 628,061 | 646,822 | 9,074,458 |
| 7 Consumer Accounts Expense - 803 | 270,751 | 259,569 | 302,484 | 270,571 | 278,361 | 281,901 | 272,475 | 293,298 | 277,745 | 274,289 | 274,944 | 283,516 | 3,349,814 |
| 8 Customer Service and Info Expense - 908 | 13,745 | 11,577 | 13,248 | 12,358 | 12,251 | 12,411 | 11,839 | 12,798 | 12,250 | 12,002 | 12,373 | 13,216 | 149,866 |
| 9 Sales Expense - 912 | 14,891 | 12,792 | 11,236 | 10,754 | 8,327 | 10,917 | 14,058 | 8,626 | 10,438 | 9,552 | 8,427 | 11,233 | 131,051 |
| 10 Admin & General Expense - 920-935 | 277,949 | 252,055 | 279,569 | 298,715 | 314,087 | 309,281 | 279,413 | 278,614 | 279,409 | 275,859 | 252,851 | 310,122 | 3,407,724 |
| 11 Total Operation & Main. Expense (2 - 10) | 38,931,911 | 33,417,250 | 38,228,332 | 34,485,156 | 35,800,860 | 35,822,706 | 37,354,530 | 37,412,361 | 35,414,234 | 35,775,546 | 35,125,051 | 37,025,207 | 430,593,146 |
| 12 Depreciation & Amort. Expense | 704,702 | 708,718 | 708,748 | 710,763 | 712,791 | 714,807 | 720,150 | 722,167 | 724,194 | 726,220 | 728,239 | 730,255 | 8,609,752 |
| 13 Tax Expense - Property & Gross Receipts | | | | | | | | | | | | | 0 |
| 14 Tax Expense - Other | 25,518 | 25,517 | 25,528 | 39,517 | 25,518 | 38,527 | 26,028 | 40,037 | 26,028 | 26,027 | 26,038 | 26,027 | 351,310 |
| 15 Interest on Long-Term Debt | 510,110 | 476,890 | 525,480 | 504,670 | 520,830 | 502,180 | 520,510 | 632,630 | 515,040 | 530,140 | 512,550 | 527,540 | 6,178,570 |
| 16 Interest Charged to Construction - Credit | | | (9,000) | | | (9,000) | | | (9,000) | | | (9,000) | (36,000) |
| 17 Interest Expense - Other | 18,280 | 18,280 | 18,280 | 18,280 | 18,280 | 18,280 | 18,280 | 18,280 | 18,280 | 20,280 | 20,280 | 20,270 | 225,310 |
| 18 Other Deductions | 5,400 | 5,400 | 5,630 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 5,420 | 65,210 |
| 19 Total Cost of Electric Service (11 - 18) | 38,195,921 | 34,650,055 | 37,502,998 | 35,763,806 | 37,083,899 | 38,893,920 | 38,644,918 | 38,730,895 | 38,894,198 | 37,083,613 | 36,417,558 | 38,325,719 | 445,987,298 |
| 20 Patronage Capital & Oper Margins (1 minus 19) | 761,719 | 321,185 | (267,070) | (424,785) | (399,999) | (25,233) | 550,461 | 309,615 | (159,913) | (122,074) | 153,136 | 988,891 | 1,675,932 |
| 21 Non-Operating Margins - Interest | 79,800 | 79,800 | 79,800 | 79,800 | 79,800 | 79,800 | 79,800 | 79,800 | 79,800 | 79,800 | 79,800 | 83,300 | 971,100 |
| 22 | | | | | | | | | | | | | |
| 23 | | | | | | | | | | | | | |
| 24 Non-Operating Margins - Other | (10,081) | 2,576 | 2,102 | 12,402 | 2,292 | 2,269 | 2,465 | 2,105 | 2,290 | (37,882) | (118,716) | 1,716 | (136,142) |
| 25 | | | | | | | | | | | | | |
| 26 Other Capital Credits & Patronage Dividends | 14,750 | 14,750 | 14,750 | 14,750 | 14,750 | 14,750 | 14,750 | 14,750 | 14,750 | 14,750 | 14,750 | 14,750 | 177,000 |
| 27 | | | | | | | | | | | | | |
| 28 Patronage Capital or Margins (20 - 26) | 836,208 | 418,311 | (170,418) | (317,833) | (303,157) | 71,586 | 847,478 | 406,270 | (83,073) | (65,106) | 128,970 | 1,098,657 | 2,887,890 |

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Cost Of Service Study Kenergy Corp

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Kenergy Corp.
Separation Of Direct Serves From Regular Tariff Cost of Service
2011 rate application
(\$ in Thousands)

| Line No. | <u>Item</u> (a) | Per Books Total <u>System</u> (b) | Per Books Total <u>Direct Serve</u> (c) | Per Books Regular <u>Tariff</u> (d) | Regular Tariff <u>Adjust.</u> (e) | Cost of Service <u>Totals</u> (f) |
|----------|----------------------|--|--|--|--|--|
| 1 | Operating Revenue | \$ 389,979 | \$ 309,406 | \$ 80,573 | \$ 6,661 | \$ 87,234 |
| 2 | Purchased Power: | \$ 351,112 | \$ 307,887 | \$ 43,225 | \$ 7,451 | \$ 50,677 |
| 3 | Operations | \$ 4,659 | \$ - | \$ 4,659 | \$ (200) | \$ 4,459 |
| 4 | Maintenance | \$ 9,763 | \$ 64 | \$ 9,698 | \$ (1,052) | \$ 8,646 |
| 5 | Consumer Accounts | \$ 3,170 | \$ 1 | \$ 3,169 | \$ (9) | \$ 3,160 |
| 6 | Customer service | \$ 165 | \$ - | \$ 165 | \$ 1 | \$ 166 |
| 7 | Sales | \$ 70 | \$ 0 | \$ 70 | \$ (1) | \$ 69 |
| 8 | Admin. and General | \$ 3,208 | \$ 126 | \$ 3,082 | \$ (141) | \$ 2,940 |
| 9 | Depreciation | \$ 8,124 | \$ 37 | \$ 8,087 | \$ 747 | \$ 8,834 |
| 10 | Tax expense | \$ 374 | \$ 224 | \$ 150 | \$ 65 | \$ 215 |
| 11 | Interest-LTD | \$ 6,193 | \$ 45 | \$ 6,149 | \$ (132) | \$ 6,017 |
| 12 | Int. chg. to constr. | \$ (44) | \$ - | \$ (44) | \$ - | \$ (44) |
| 13 | Interest - other | \$ 339 | \$ 56 | \$ 283 | \$ (100) | \$ 184 |
| 14 | Other deductions | \$ 69 | \$ - | \$ 69 | \$ (69) | \$ - |
| 15 | Subtotal | \$ 36,089 | \$ 553 | \$ 35,536 | \$ (891) | \$ 34,645 |
| 18 | Total Expense | \$ 387,201 | \$ 308,440 | \$ 78,761 | \$ 6,560 | \$ 85,321 |
| 19 | Operating Margins | \$ 2,778 | \$ 966 | \$ 1,812 | \$ 100 | \$ 1,912 |
| 20 | Interest Income | \$ 1,034 | \$ 56 | \$ 979 | \$ (18) | \$ 961 |
| 21 | Other Margins | \$ (128) | \$ - | \$ (128) | \$ 118 | \$ (11) |
| 22 | Capital Credits | \$ 184 | \$ - | \$ 184 | \$ 0 | \$ 184 |
| 23 | Total Margins | \$ 3,868 | \$ 1,022 | \$ 2,846 | \$ 201 | \$ 3,046 |

Kenergy Corp.
Separation Of Direct Serves From Regular Tariff Cost of Service
2011 rate application
(\$ in Thousands)

| Line No. | <u>Item</u> (a) | Per Books Total <u>Direct Serve</u> (b) | Per Books <u>Class A</u> (c) | Per Books <u>Class B</u> (d) | Per Books <u>Class C</u> (e) | Total Direct Serve <u>Adjust.</u> (f) | Total Direct Serve (g) |
|----------|----------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|--|------------------------------|
| 1 | Operating Revenue | \$ 309,406 | \$ 275,723 | \$ 23,106 | \$ 10,576 | \$ 26,270 | \$ 335,676 |
| 2 | Purchased Power: | \$ 307,887 | \$ 275,346 | \$ 22,898 | \$ 9,642 | \$ 26,261 | \$ 334,148 |
| 3 | Operations | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Maintenance | \$ 64 | \$ - | \$ - | \$ 64 | \$ (7) | \$ 57 |
| 5 | Consumer Accounts | \$ 1 | \$ 0 | \$ 0 | \$ 1 | \$ (0) | \$ 1 |
| 6 | Customer service | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Sales | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ (0) | \$ 0 |
| 8 | Admin. and General | \$ 126 | \$ 28 | \$ 27 | \$ 71 | \$ (6) | \$ 120 |
| 9 | Depreciation | \$ 37 | \$ - | \$ - | \$ 37 | \$ 3 | \$ 41 |
| 10 | Tax expense | \$ 224 | \$ 196 | \$ 19 | \$ 9 | \$ - | \$ 224 |
| 11 | Interest-LTD | \$ 45 | \$ - | \$ - | \$ 45 | \$ (1) | \$ 44 |
| 12 | Int. chg. to constr. | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | Interest - other | \$ 56 | \$ - | \$ - | \$ - | \$ - | \$ 56 |
| 14 | Other deductions | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | Subtotal | \$ 553 | \$ 224 | \$ 46 | \$ 227 | \$ (10) | \$ 543 |
| 18 | Total Expense | \$ 308,440 | \$ 275,570 | \$ 22,944 | \$ 9,869 | \$ 26,251 | \$ 334,691 |
| 19 | Operating Margins | \$ 966 | \$ 153 | \$ 162 | \$ 707 | \$ 19 | \$ 985 |
| 20 | Interest Income | \$ 56 | \$ - | \$ 56 | \$ - | \$ - | \$ 56 |
| 21 | Other Margins | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | Capital Credits | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | Total Margins | \$ 1,022 | \$ 153 | \$ 217 | \$ 707 | \$ 19 | \$ 1,041 |

Kenergy Corp.
Separation Of Rate Base Of Direct Serves From Regular Tariff Cost of Service
2011 rate application

| Line No. | <u>Item</u> (a) | Per Books Total <u>System</u> (b) | Per Books Total <u>Direct Serve</u> (c) | Per Books Regular <u>Tariff</u> (d) | Regular Tariff <u>Adjust.</u> (e) | Cost of Service <u>Totals</u> (f) |
|----------|-------------------------------|--|--|--|--|--|
| 1 | Total Utility Plant | \$ 244,223,860 | \$ 1,160,449 | \$ 243,063,411 | \$ - | \$ 243,063,411 |
| 2 | Accumulated Depr. | <u>\$ 65,610,394</u> | <u>\$ 411,321</u> | <u>\$ 65,199,073</u> | <u>\$ -</u> | <u>\$ 65,199,073</u> |
| 3 | Net Utility Plant | \$ 178,613,466 | \$ 749,128 | \$ 177,864,338 | \$ - | \$ 177,864,338 |
| 4 | Allowance For Working Capital | <u>\$ 4,568,208</u> | <u>\$ 23,978</u> | <u>\$ 4,544,230</u> | <u>\$ (175,344)</u> | <u>\$ 4,368,886</u> |
| 5 | Net Rate Base | \$ 183,181,674 | \$ 773,106 | \$ 182,408,568 | \$ (175,344) | \$ 182,233,224 |

Kenergy Corp.
Separation Of Rate Base Of Direct Serves From Regular Tariff Cost of Service
2011 rate application

| Line No. | <u>Item</u> (a) | Per Books Total <u>Direct Serve</u> (b) | Per Books <u>Class A</u> (c) | Per Books <u>Class B</u> (d) | Per Books <u>Class C</u> (e) | Total Direct Serve <u>Adjust.</u> (f) | Total Direct Serve (g) |
|----------|-------------------------------|--|---------------------------------------|---------------------------------------|---------------------------------------|--|------------------------------|
| 1 | Total Utility Plant | \$ 1,160,449 | \$ - | \$ - | \$ 1,160,449 | \$ - | \$ 1,160,449 |
| 2 | Accumulated Depr. | <u>\$ 411,321</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 411,321</u> | <u>\$ -</u> | <u>\$ 411,321</u> |
| 3 | Net Utility Plant | \$ 749,128 | \$ - | \$ - | \$ 749,128 | \$ - | \$ 749,128 |
| 4 | Allowance For Working Capital | <u>\$ 23,978</u> | <u>\$ 3,545</u> | <u>\$ 3,366</u> | <u>\$ 17,068</u> | <u>\$ (1,598)</u> | <u>\$ 22,381</u> |
| 5 | Net Rate Base | \$ 773,106 | \$ 3,545 | \$ 3,366 | \$ 766,196 | \$ (1,598) | \$ 771,509 |

KENERGY CORP
Allocated Income Statement - Present Revenue

| <u>Line No.</u> | <u>Item (a)</u> | <u>TOTAL (b)</u> | <u>Lights (c)</u> | <u>Residential (d)</u> | <u>Non -Resid. 1 Phase (e)</u> | <u>3 Phase 0-1000 kW (f)</u> | <u>3 Phase 1001 kW & Over (g)</u> |
|-----------------|----------------------------|------------------|-------------------|------------------------|--------------------------------|------------------------------|---------------------------------------|
| 1 | Sales Revenue | \$ 85,713 | \$ 1,609 | \$ 56,997 | \$ 9,470 | \$ 13,284 | \$ 4,353 |
| 2 | Other Revenue | \$ 1,521 | \$ 7 | \$ 1,248 | \$ 211 | \$ 44 | \$ 10 |
| 3 | Total Revenue | \$ 87,234 | \$ 1,617 | \$ 58,245 | \$ 9,681 | \$ 13,328 | \$ 4,363 |
| 4 | | | | | | | |
| 5 | Operating Expenses | | | | | | |
| 6 | Purchased Power: | \$ 50,677 | \$ 467 | \$ 33,197 | \$ 5,042 | \$ 8,394 | \$ 3,577 |
| 7 | Other O&M | \$ 19,439 | \$ 328 | \$ 14,703 | \$ 2,379 | \$ 1,790 | \$ 240 |
| 8 | Depreciation | \$ 8,834 | \$ 243 | \$ 6,730 | \$ 997 | \$ 699 | \$ 166 |
| 9 | Taxes | \$ 216 | \$ 4 | \$ 160 | \$ 27 | \$ 22 | \$ 2 |
| 10 | Interest-LTD | \$ 5,973 | \$ 172 | \$ 4,561 | \$ 677 | \$ 457 | \$ 105 |
| 11 | Other Deductions | \$ 184 | \$ 6 | \$ 141 | \$ 20 | \$ 13 | \$ 4 |
| 12 | | | | | | | |
| 13 | Total Expenses | \$ 85,321 | \$ 1,218 | \$ 59,492 | \$ 9,142 | \$ 11,375 | \$ 4,094 |
| 14 | | | | | | | |
| 15 | Operating Margins | \$ 1,912 | \$ 398 | \$ (1,248) | \$ 539 | \$ 1,953 | \$ 269 |
| 16 | Interest Income | \$ 961 | \$ 21 | \$ 587 | \$ 89 | \$ 62 | \$ 13 |
| 17 | Other Income | \$ (11) | \$ - | \$ (9) | \$ (2) | \$ (0) | \$ (0) |
| 18 | Capital Credits | \$ 184 | \$ 3 | \$ 122 | \$ 20 | \$ 28 | \$ 9 |
| 19 | Total Margins | \$ 3,046 | \$ 423 | \$ (547) | \$ 647 | \$ 2,043 | \$ 291 |
| 20 | | | | | | | |
| 21 | Net Rate Base | \$ 182,233 | \$ 5,168 | \$ 139,134 | \$ 20,721 | \$ 14,023 | \$ 3,187 |
| 22 | | | | | | | |
| 23 | Operating Margin - ROR (1) | 4.33% | 11.03% | 2.38% | 5.87% | 17.18% | 11.76% |
| 24 | | | | | | | |
| 25 | Relative Rate of Return | 1.00 | 2.55 | 0.55 | 1.36 | 3.97 | 2.72 |
| 26 | | | | | | | |
| 27 | Total Margin - ROR (1) | 4.95% | 11.50% | 2.89% | 6.39% | 17.83% | 12.45% |
| 28 | | | | | | | |
| 29 | Relative Rate of Return | 1.00 | 2.32 | 0.58 | 1.29 | 3.60 | 2.52 |

(1) ROR is rate of return which is applicable margins plus interest divided by rate base.

| | | | | | | |
|--------------------------|----------|--------|----------|----------|----------|--------|
| Return (Ln. 10 + Ln. 15) | \$ 7,885 | \$ 570 | \$ 3,314 | \$ 1,217 | \$ 2,410 | \$ 375 |
|--------------------------|----------|--------|----------|----------|----------|--------|

KENERGY CORP
Allocated Income Statement - Proposed Revenue

| <u>Line No.</u> | <u>Item (a)</u> | <u>TOTAL (b)</u> | <u>Lights (c)</u> | <u>Residential (d)</u> | <u>Non -Resid. 1 Phase (e)</u> | <u>3 Phase 0-1000 kW (f)</u> | <u>3 Phase 1001 kW & Over (g)</u> |
|-----------------|-------------------------|------------------|-------------------|------------------------|--------------------------------|------------------------------|---------------------------------------|
| 1 | Sales Revenue | \$ 87,675 | \$ 1,623 | \$ 58,519 | \$ 9,701 | \$ 13,419 | \$ 4,413 |
| 2 | Other Revenue | \$ 1,549 | \$ 8 | \$ 1,271 | \$ 215 | \$ 45 | \$ 10 |
| 3 | Total Revenue | \$ 89,224 | \$ 1,631 | \$ 59,790 | \$ 9,916 | \$ 13,464 | \$ 4,423 |
| 4 | | | | | | | |
| 5 | Operating Expenses | | | | | | |
| 6 | Purchased Power: | \$ 50,677 | \$ 467 | \$ 33,197 | \$ 5,042 | \$ 8,394 | \$ 3,577 |
| 7 | Other O&M | \$ 19,439 | \$ 328 | \$ 14,703 | \$ 2,379 | \$ 1,790 | \$ 240 |
| 8 | Depreciation | \$ 8,834 | \$ 243 | \$ 6,730 | \$ 997 | \$ 699 | \$ 166 |
| 9 | Taxes | \$ 219 | \$ 4 | \$ 163 | \$ 27 | \$ 23 | \$ 2 |
| 10 | Interest-LTD | \$ 5,973 | \$ 172 | \$ 4,561 | \$ 677 | \$ 457 | \$ 105 |
| 11 | Other Deductions | \$ 184 | \$ 6 | \$ 141 | \$ 20 | \$ 13 | \$ 4 |
| 12 | | | | | | | |
| 13 | Total Expenses | \$ 85,325 | \$ 1,218 | \$ 59,495 | \$ 9,142 | \$ 11,375 | \$ 4,094 |
| 14 | | | | | | | |
| 15 | Operating Margins | \$ 3,899 | \$ 412 | \$ 295 | \$ 774 | \$ 2,089 | \$ 329 |
| 16 | Interest Income | \$ 961 | \$ 21 | \$ 587 | \$ 89 | \$ 62 | \$ 13 |
| 17 | Other Income | \$ (11) | \$ - | \$ (9) | \$ (2) | \$ (0) | \$ (0) |
| 18 | Capital Credits | \$ 184 | \$ 3 | \$ 122 | \$ 20 | \$ 28 | \$ 9 |
| 19 | Total Margins | \$ 5,033 | \$ 437 | \$ 996 | \$ 881 | \$ 2,179 | \$ 351 |
| 20 | | | | | | | |
| 21 | Net Rate Base | \$ 182,233 | \$ 5,168 | \$ 139,134 | \$ 20,721 | \$ 14,023 | \$ 3,187 |
| 22 | | | | | | | |
| 23 | Rate of Return (1) | 5.42% | 11.30% | 3.49% | 7.00% | 18.15% | 13.64% |
| 24 | | | | | | | |
| 25 | Relative Rate of Return | 1.00 | 2.09 | 0.64 | 1.29 | 3.35 | 2.52 |
| 26 | | | | | | | |
| 27 | Total Margin - ROR (1) | 6.04% | 11.77% | 3.99% | 7.52% | 18.79% | 14.33% |
| 28 | | | | | | | |
| 29 | Relative Rate of Return | 1.00 | 1.95 | 0.66 | 1.25 | 3.11 | 2.37 |

(1) ROR is rate of return which is applicable margins plus interest divided by rate base.

KENERGY CORP.

Unit Charges

Mills per kWh Including Margins @

2.14% of Rate Base

| A | B | C | D | E | F | G | H | I |
|------|---------------------------------|--------|----------|--------------|--------------|-------------|--------------|--------------|
| Line | | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | Production | | | | | | | |
| 1 | Generation | 44.43 | 34.11 | 44.96 | 43.86 | 43.86 | 43.86 | 43.16 |
| 2 | Not Applicable | - | - | - | - | - | - | - |
| 3 | Transmission | - | - | - | - | - | - | - |
| 4 | Total Production | 44.43 | 34.11 | 44.96 | 43.86 | 43.86 | 43.86 | 43.16 |
| 5 | Subtransmission | - | - | - | - | - | - | - |
| 6 | Substation | 2.73 | 1.48 | 2.83 | 2.58 | 2.58 | 2.58 | 2.53 |
| 7 | Primary | 17.67 | 13.43 | 22.44 | 21.14 | 3.91 | 2.78 | 2.77 |
| 8 | Transformers | 2.75 | 2.16 | 3.10 | 2.74 | 2.22 | 1.51 | - |
| 9 | Secondary and Services | 3.76 | 1.82 | 4.45 | 4.59 | 2.01 | 1.28 | - |
| 10 | 3 Phase Meters | 0.87 | - | - | - | 5.13 | 0.18 | 0.15 |
| 11 | 1 Phase Meters | 1.54 | - | 1.99 | 2.47 | - | - | - |
| 12 | Metering | 0.45 | - | 0.45 | 0.56 | 0.64 | 0.02 | 0.02 |
| 13 | Billing | 3.20 | - | 4.00 | 4.98 | 0.64 | 0.02 | 0.02 |
| 14 | Consumer Ser 1 | 0.30 | - | 0.38 | 0.48 | 0.03 | 0.00 | 0.00 |
| 15 | Consumer Ser 2 | - | - | - | - | - | - | - |
| 16 | Consumer Ser 3 | - | - | - | - | - | - | - |
| 17 | Security Lights | 0.53 | 44.08 | - | - | - | - | - |
| 18 | Street Lights | - | - | - | - | - | - | - |
| 19 | Total Distribution | 33.80 | 62.96 | 39.64 | 39.53 | 17.14 | 8.36 | 5.49 |
| 20 | Total Costs - Including Margins | 78.23 | 97.08 | 84.60 | 83.39 | 61.01 | 52.22 | 48.66 |
| 21 | Present Revenue | 76.49 | 118.11 | 78.88 | 84.22 | 69.64 | 54.35 | 51.53 |
| 22 | Excess or (Deficiency) | (1.74) | 21.03 | (5.72) | 0.84 | 8.64 | 2.13 | 2.87 |

KENERGY CORP.

Calculation of Unbundled Revenue Charges (Consumer Related)

\$ per Consumer/Month Incl. Margins @ 2.14% of Rate Base

| A | B | C | D | E | F | G | H | I |
|------|-----------------------------|----------|----------|--------------|--------------|-------------|--------------|--------------|
| Line | | TOTAL | Lighting | Residential | Non-Res. | Three Phase | Three Phase | Primary |
| No. | Account | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Production | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Transmission | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Subtransmission | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Substation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | Primary | \$ 8.80 | \$ - | \$ 8.86 | \$ 8.86 | \$ 5.45 | \$ 5.45 | \$ 5.45 |
| 6 | Transformers | \$ 0.72 | \$ - | \$ 0.70 | \$ 0.70 | \$ 2.09 | \$ 2.09 | \$ - |
| 7 | Secondary and Services | \$ 3.12 | \$ - | \$ 3.10 | \$ 3.10 | \$ 4.14 | \$ 4.14 | \$ - |
| 8 | 3 Phase Meters | \$ 1.52 | \$ - | \$ - | \$ - | \$ 88.43 | \$ 88.43 | \$ 88.43 |
| 9 | 1 Phase Meters | \$ 2.67 | \$ - | \$ 2.72 | \$ 2.72 | \$ - | \$ - | \$ - |
| 10 | Metering | \$ 0.79 | \$ - | \$ 0.61 | \$ 0.61 | \$ 11.03 | \$ 11.03 | \$ 11.03 |
| 11 | Billing | \$ 5.57 | \$ - | \$ 5.48 | \$ 5.48 | \$ 10.96 | \$ 10.96 | \$ 10.96 |
| 12 | Consumer Ser 1 | \$ 0.52 | \$ - | \$ 0.52 | \$ 0.52 | \$ 0.52 | \$ 0.52 | \$ 0.52 |
| 13 | Consumer Ser 2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | Consumer Ser 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | Total Distribution | \$ 23.72 | \$ - | \$ 21.99 | \$ 21.99 | \$ 122.63 | \$ 122.63 | \$ 116.40 |
| 16 | Total | \$ 23.72 | \$ - | \$ 21.99 | \$ 21.99 | \$ 122.63 | \$ 122.63 | \$ 116.40 |
| 17 | Less: Fee Revenue per Cons. | \$ 1.11 | \$ - | \$ 1.11 | \$ 1.11 | \$ 1.11 | \$ 1.11 | \$ 1.11 |
| 18 | Base Cost per Consumer | \$ 22.62 | \$ - | \$ 20.89 | \$ 20.89 | \$ 121.52 | \$ 121.52 | \$ 115.29 |

KENERGY CORP.

Calculation of Unbundled Revenue Charges (Demand Related)
\$ per Billing kW Including Margins @ 2.14%

| A | B | C | G | H | I |
|-------------|------------------------|----------|-------------|--------------|--------------|
| Line | | TOTAL | Three Phase | Three Phase | Primary |
| No. | Account | SYSTEM | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | Production | | | | |
| 1 | Generation | \$ 29.84 | \$ 6.36 | \$ 9.15 | \$ 8.60 |
| 2 | Transmission | \$ - | \$ - | \$ - | \$ - |
| 3 | Not Applicable | \$ - | \$ - | \$ - | \$ - |
| 4 | Not Applicable | \$ - | \$ - | \$ - | \$ - |
| 5 | Total Production | \$ 29.84 | \$ 6.36 | \$ 9.15 | \$ 8.60 |
| 6 | Subtransmission | \$ - | \$ - | \$ - | \$ - |
| 7 | Substation | \$ 3.67 | \$ 0.76 | \$ 1.09 | \$ 1.03 |
| 8 | Primary | \$ 17.00 | \$ 1.06 | \$ 1.17 | \$ 1.12 |
| 9 | Transformers | \$ 3.14 | \$ 0.62 | \$ 0.64 | \$ - |
| 10 | Secondary and Services | \$ 2.64 | \$ 0.52 | \$ 0.54 | \$ - |
| 11 | 3 Phase Meters | \$ - | \$ - | \$ - | \$ - |
| 12 | 1 Phase Meters | \$ - | \$ - | \$ - | \$ - |
| 13 | Metering | \$ - | \$ - | \$ - | \$ - |
| 14 | Billing | \$ - | \$ - | \$ - | \$ - |
| 15 | Consumer Ser 1 | \$ - | \$ - | \$ - | \$ - |
| 16 | Consumer Ser 2 | \$ - | \$ - | \$ - | \$ - |
| 17 | Consumer Ser 3 | \$ - | \$ - | \$ - | \$ - |
| 18 | Total Distribution | \$ 26.45 | \$ 2.96 | \$ 3.44 | \$ 2.15 |
| 19 | Total | \$ 56.29 | \$ 9.31 | \$ 12.59 | \$ 10.75 |

KENERGY CORP.

Calculation of Unbundled Revenue Charges (Demand Related)

Mills per kWh Including Margins @ 2.14% of Rate Base

| A | B | C | D | E | F | G | H | I |
|------|------------------------|--------|----------|--------------|--------------|-------------|--------------|--------------|
| Line | | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | Production | | | | | | | |
| 1 | Generation | 22.16 | 11.83 | 22.68 | 21.58 | 21.58 | 21.58 | 21.24 |
| 2 | Transmission | - | - | - | - | - | - | - |
| 3 | Not Applicable | - | - | - | - | - | - | - |
| 4 | Not Applicable | - | - | - | - | - | - | - |
| 5 | Total Production | 22.16 | 11.83 | 22.68 | 21.58 | 21.58 | 21.58 | 21.24 |
| 6 | Subtransmission | - | - | - | - | - | - | - |
| 7 | Substation | 2.73 | 1.48 | 2.83 | 2.58 | 2.58 | 2.58 | 2.53 |
| 8 | Primary | 12.62 | 13.43 | 15.97 | 13.09 | 3.59 | 2.76 | 2.76 |
| 9 | Transformers | 2.33 | 2.16 | 2.60 | 2.11 | 2.10 | 1.50 | - |
| 10 | Secondary and Services | 1.96 | 1.82 | 2.18 | 1.77 | 1.77 | 1.27 | - |
| 11 | 3 Phase Meters | - | - | - | - | - | - | - |
| 12 | 1 Phase Meters | - | - | - | - | - | - | - |
| 13 | Metering | - | - | - | - | - | - | - |
| 14 | Billing | - | - | - | - | - | - | - |
| 15 | Consumer Ser 1 | - | - | - | - | - | - | - |
| 16 | Consumer Ser 2 | - | - | - | - | - | - | - |
| 17 | Consumer Ser 3 | - | - | - | - | - | - | - |
| 18 | Security Lights | - | - | - | - | - | - | - |
| 19 | Street Lights | - | - | - | - | - | - | - |
| 20 | Total Distribution | 19.65 | 18.89 | 23.58 | 19.55 | 10.03 | 8.11 | 5.30 |
| 21 | Total | 41.81 | 30.72 | 46.26 | 41.13 | 31.61 | 29.69 | 26.53 |

KENERGY CORP.
Revenue Input

| Line No. | Item | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
|----------|---|---------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) |
| | Operating Revenue | | | | | | | |
| 1 | Base Rate Revenue | \$ 83,436,245 | \$ 1,582,070 | \$ 55,522,550 | \$ 9,240,651 | \$ 12,901,696 | \$ 2,443,127 | \$ 1,746,151 |
| 2 | Fuel Revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | ES Revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Unwind Surcredit Revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | MRSM Revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Flow Through | \$ 2,276,754 | \$ 27,328 | \$ 1,474,010 | \$ 229,469 | \$ 382,031 | \$ 93,370 | \$ 70,545 |
| 7 | Subtotal Sales Revenue | \$ 85,712,999 | \$ 1,609,398 | \$ 56,996,560 | \$ 9,470,120 | \$ 13,283,727 | \$ 2,536,497 | \$ 1,816,696 |
| 8 | Other Revenue - 1 - Forfeited Discounts | \$ 496,600 | \$ - | \$ 408,894 | \$ 79,170 | \$ 8,417 | \$ 73 | \$ 45 |
| 9 | Other Revenue - 2 - Connection Fees | \$ 1,980 | \$ - | \$ 1,630 | \$ 316 | \$ 34 | \$ 0 | \$ 0 |
| 10 | Other Revenue - 3 - Rent - Pole Attachments | \$ 778,660 | \$ 7,148 | \$ 639,995 | \$ 93,651 | \$ 29,010 | \$ 5,048 | \$ 3,807 |
| 11 | Other Revenue - 4 - Reconnect & Field Con. | \$ 146,160 | \$ - | \$ 120,346 | \$ 23,301 | \$ 2,477 | \$ 21 | \$ 13 |
| 12 | Other Revenue - 5 - Returned Checks | \$ 10,180 | \$ - | \$ 8,382 | \$ 1,623 | \$ 173 | \$ 1 | \$ 1 |
| 13 | Other Revenue - 6 - Miscellaneous | \$ 17,281 | \$ 328 | \$ 11,500 | \$ 1,914 | \$ 2,672 | \$ 506 | \$ 362 |
| 14 | Other Revenue - 7 - Service Trip | \$ 1,260 | \$ - | \$ 1,037 | \$ 201 | \$ 21 | \$ 0 | \$ 0 |
| 15 | Other Revenue - 8 - Special Meter Reading | \$ 66,090 | \$ - | \$ 54,418 | \$ 10,536 | \$ 1,120 | \$ 10 | \$ 6 |
| 16 | Other Revenue - 9 - Rent Personal Property | \$ 2,520 | \$ - | \$ 2,075 | \$ 402 | \$ 43 | \$ 0 | \$ 0 |
| 17 | Subtotal Other Revenue | \$ 1,520,731 | \$ 7,476 | \$ 1,248,278 | \$ 211,114 | \$ 43,967 | \$ 5,661 | \$ 4,235 |
| 18 | Total Revenue | \$ 87,233,730 | \$ 1,616,874 | \$ 58,244,838 | \$ 9,681,234 | \$ 13,327,694 | \$ 2,542,158 | \$ 1,820,931 |

KENERGY CORP.
DATA INPUT - RATE BASE

| A | B | C | D | E | F | G | H |
|---------------------------|----------------------------------|--------|-------------------------------|------------------|-------------------|--------------------------|-------------------|
| Plant Assignment | | | 6/30/2010 TOTAL COMPANY | Direct Served | Regular Tariff | Test Year Adjustments | Adjusted Total |
| Line No. | Account | Basis | | | | | |
| Distribution Plant | | | | | | | |
| 26 | 360 Land and Land Rights | DIRECT | \$ 902,202 | \$ 896 | \$ 901,306 | \$ - | \$ 901,306 |
| 27 | 361 Structures | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 28 | 362 Station Equipment | DIRECT | \$ 25,158,264 | \$ 1,159,553 | \$ 23,998,711 | \$ - | \$ 23,998,711 |
| 29 | 364 Poles, Towers, & Fixtures | DIRECT | \$ 69,679,825 | \$ - | \$ 69,679,825 | \$ - | \$ 69,679,825 |
| 30 | 365 Overhead Conductors | DIRECT | \$ 49,418,898 | \$ - | \$ 49,418,898 | \$ - | \$ 49,418,898 |
| 31 | 366 Underground Conduit | DIRECT | \$ 14,166 | \$ - | \$ 14,166 | \$ - | \$ 14,166 |
| 32 | 367 Underground Conductors | DIRECT | \$ 13,776,643 | \$ - | \$ 13,776,643 | \$ - | \$ 13,776,643 |
| 33 | 368 Line Transformers | DIRECT | \$ 30,314,848 | \$ - | \$ 30,314,848 | \$ - | \$ 30,314,848 |
| 34 | 369 Services | DIRECT | \$ 23,145,990 | \$ - | \$ 23,145,990 | \$ - | \$ 23,145,990 |
| 35 | 370 Meters | DIRECT | \$ 5,351,305 | \$ - | \$ 5,351,305 | \$ - | \$ 5,351,305 |
| 36 | 371 Security Lights | DIRECT | \$ 3,353,899 | \$ - | \$ 3,353,899 | \$ - | \$ 3,353,899 |
| 37 | 372 Leased Property | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 38 | 373 Street Lights | DIRECT | \$ 790,335 | \$ - | \$ 790,335 | \$ - | \$ 790,335 |
| 39 | User Defined | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | User Defined | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | User Defined | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | User Defined | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 | Total Distribution | | \$ 221,906,375 | \$ 1,160,449 | \$ 220,745,926 | \$ - | \$ 220,745,926 |
| 44 | Total Trans. & Distr. | | \$ 221,906,375 | \$ 1,160,449 | \$ 220,745,926 | \$ - | \$ 220,745,926 |
| General Plant | | | | | | | |
| 45 | 389 Land and Land Rights | LABOR | \$ 469,363 | \$ - | \$ 469,363 | \$ - | \$ 469,363 |
| 46 | 390 Structures and Improve. | LABOR | \$ 7,304,939 | \$ - | \$ 7,304,939 | \$ - | \$ 7,304,939 |
| 47 | 391 Office Furniture & Equipment | LABOR | \$ 986,949 | \$ - | \$ 986,949 | \$ - | \$ 986,949 |
| 48 | 392 Transportation Equipment | LABOR | \$ 7,735,103 | \$ - | \$ 7,735,103 | \$ - | \$ 7,735,103 |
| 49 | 393 Stores Equipment | LABOR | \$ 168,992 | \$ - | \$ 168,992 | \$ - | \$ 168,992 |
| 50 | 394 Tools, Shop & Garage Equip. | LABOR | \$ 855,230 | \$ - | \$ 855,230 | \$ - | \$ 855,230 |
| 51 | 395 Laboratory Equipment | LABOR | \$ 553,418 | \$ - | \$ 553,418 | \$ - | \$ 553,418 |
| 52 | 396 Power - Operated Equip. | LABOR | \$ 842,526 | \$ - | \$ 842,526 | \$ - | \$ 842,526 |
| 53 | 397 Communication Equipment | LABOR | \$ 1,899,741 | \$ - | \$ 1,899,741 | \$ - | \$ 1,899,741 |
| 54 | 398 Miscellaneous Equipment | LABOR | \$ 517,120 | \$ - | \$ 517,120 | \$ - | \$ 517,120 |

KENERGY CORP.
DATA INPUT - RATE BASE

| A | B | C | D | E | F | G | H |
|------------------|------------------------------------|----------------|-------------------------------|------------------|-------------------|--------------------------|-------------------|
| Plant Assignment | | | 6/30/2010 TOTAL COMPANY | Direct Served | Regular Tariff | Test Year Adjustments | Adjusted Total |
| Line No. | Account | Basis | | | | | |
| 55 | 302 Franchises and Consents | LABOR | \$ 19,355 | \$ - | \$ 19,355 | \$ - | \$ 19,355 |
| 56 | User Defined | LABOR | | \$ - | \$ - | \$ - | \$ - |
| 57 | User Defined | LABOR | | \$ - | \$ - | \$ - | \$ - |
| 58 | User Defined | LABOR | | \$ - | \$ - | \$ - | \$ - |
| 59 | General Plant | | \$ 21,352,736 | \$ - | \$ 21,352,736 | \$ - | \$ 21,352,736 |
| 60 | Total Plant In Service | | \$ 243,259,111 | \$ 1,160,449 | \$ 242,098,662 | \$ - | \$ 242,098,662 |
| 61 | CWIP | LANT IN SERVIC | \$ 964,749 | \$ - | \$ 964,749 | \$ - | \$ 964,749 |
| 62 | Total Utility Plant | | \$ 244,223,860 | \$ 1,160,449 | \$ 243,063,411 | \$ - | \$ 243,063,411 |
| | Accumulated Depreciation | | | | | | |
| 63 | Production | TUP | | \$ - | \$ - | \$ - | \$ - |
| 64 | Transmission | TUP | | \$ - | \$ - | \$ - | \$ - |
| 65 | Subtransmission | TUP | | \$ - | \$ - | \$ - | \$ - |
| 66 | Distribution | TUP | \$ 54,682,932 | \$ 411,321 | \$ 54,271,611 | \$ - | \$ 54,271,611 |
| 67 | General | TUP | \$ 10,927,462 | \$ - | \$ 10,927,462 | \$ - | \$ 10,927,462 |
| 68 | Retirement WIP | TUP | \$ - | \$ - | \$ - | \$ - | \$ - |
| 69 | User Defined | TUP | | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | TUP | | \$ - | \$ - | \$ - | \$ - |
| 71 | User Defined | TUP | | \$ - | \$ - | \$ - | \$ - |
| 72 | Subtotal | | \$ 65,610,394 | \$ 411,321 | \$ 65,199,073 | \$ - | \$ 65,199,073 |
| 73 | Net Utility Plant | | \$ 178,613,466 | \$ 749,128 | \$ 177,864,338 | \$ - | \$ 177,864,338 |
| 74 | Allowance for Working Capital | NUP | \$ 5,937,666 | \$ 23,978 | \$ 5,913,688 | \$ (175,344) | \$ 5,738,344 |
| 75 | Customer Advances for Construction | CONS | \$ (1,369,458) | \$ - | \$ (1,369,458) | \$ - | \$ (1,369,458) |
| 76 | Net Rate Base | | \$ 183,181,674 | \$ 773,106 | \$ 182,408,568 | \$ (175,344) | \$ 182,233,224 |

KENERGY CORP.

DATA INPUT - LABOR

| A | B | C | D | E | F | G | H |
|----------|----------------------------------|-------|---------------|---------------|----------------|-----------------------|----------------|
| Line No. | Account | Basis | 06/30/10 | Direct Served | Regular Tariff | Test Year Adjustments | Adjusted Total |
| | | | TOTAL COMPANY | | | | |
| | Distribution Operations: | | | | | | |
| 60 | 580 - Operations Supervision | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 61 | 581 - Load Dispatching | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 62 | 582 - Station Expense | ELECT | \$ 24,764 | \$ - | \$ 24,764 | \$ - | \$ 24,764 |
| 63 | 583 - Overhead Line Expense | ELECT | \$ 296,617 | \$ - | \$ 296,617 | \$ - | \$ 296,617 |
| 64 | 584 - Underground Line Exp. | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | 585 - Street Lighting | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | 586 - Meter Expense | ELECT | \$ 327,853 | \$ - | \$ 327,853 | \$ - | \$ 327,853 |
| 67 | 587 - Customer Installations | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 68 | 588 - Miscellaneous Operations | ELECT | \$ 851,995 | \$ - | \$ 851,995 | \$ - | \$ 851,995 |
| 69 | 589 - Rents | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 73 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 74 | Subtotal | | \$ 1,501,229 | \$ - | \$ 1,501,229 | \$ - | \$ 1,501,229 |
| | Distribution Maintenance: | | | | | | |
| 75 | 590 - Maintenance Supervision | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 76 | 591 - Load Management | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 592 - Station Equipment | ELECT | \$ 251,156 | \$ - | \$ 251,156 | \$ - | \$ 251,156 |
| 78 | 593 - Overhead Lines | ELECT | \$ 1,699,782 | \$ - | \$ 1,699,782 | \$ - | \$ 1,699,782 |
| 79 | 594 - Underground Lines | ELECT | \$ 118,323 | \$ - | \$ 118,323 | \$ - | \$ 118,323 |
| 80 | 595 - Line Transformers | ELECT | \$ 43,286 | \$ - | \$ 43,286 | \$ - | \$ 43,286 |
| 81 | 596 - Street Lights | ELECT | \$ 62,379 | \$ - | \$ 62,379 | \$ - | \$ 62,379 |
| 82 | 597 - Meters | ELECT | \$ 24,984 | \$ - | \$ 24,984 | \$ - | \$ 24,984 |
| 83 | 598 - Misc. Maintenance | ELECT | \$ 39,533 | \$ - | \$ 39,533 | \$ - | \$ 39,533 |
| 84 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 88 | Subtotal | | \$ 2,239,443 | \$ - | \$ 2,239,443 | \$ - | \$ 2,239,443 |

KENERGY CORP.

DATA INPUT - LABOR

| A | B | C | D | E | F | G | H |
|----------|------------------------------|-------|------------------------------|------------------|-------------------|--------------------------|-------------------|
| Line No. | Account | Basis | 06/30/10 TOTAL COMPANY | Direct Served | Regular Tariff | Test Year Adjustments | Adjusted Total |
| 89 | Subtotal - Distribution O&M | | \$ 3,740,672 | \$ - | \$ 3,740,672 | \$ - | \$ 3,740,672 |
| | Customer Accounts: | | | | | | |
| 90 | 901 - Supervision | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91 | 902 - Meter Reading | ELECT | \$ 235,238 | \$ - | \$ 235,238 | \$ - | \$ 235,238 |
| 92 | 903 - Customer Records | ELECT | \$ 1,300,365 | \$ - | \$ 1,300,365 | \$ - | \$ 1,300,365 |
| 93 | 904 - Uncollectible Accounts | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | 905 - Miscellaneous | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 95 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 99 | Subtotal - Customer Accounts | | \$ 1,535,603 | \$ - | \$ 1,535,603 | \$ - | \$ 1,535,603 |
| 100 | Customer Service: | | | | | | |
| 101 | 907 - Supervision | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 102 | 908 - Customer Assistance | ELECT | \$ 100,646 | \$ - | \$ 100,646 | \$ - | \$ 100,646 |
| 103 | 909 - Advertising | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 104 | 910 - Miscellaneous | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 105 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 106 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 107 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 108 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 109 | Subtotal - Customer Service | | \$ 100,646 | \$ - | \$ 100,646 | \$ - | \$ 100,646 |
| | Sales: | | | | | | |
| 110 | 911 - Supervision | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 111 | 912 - Demonstrating | ELECT | \$ 40,322 | \$ - | \$ 40,322 | \$ - | \$ 40,322 |
| 112 | 913 - Advertising | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 113 | 914 - Key Accounts | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 114 | 915 - Costs | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | 916 - Miscellaneous | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 116 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |

KENERGY CORP.

DATA INPUT - LABOR

| A | B | C | D | E | F | G | H |
|----------|---------------------------------|-------|------------------------------|------------------|-------------------|--------------------------|-------------------|
| Line No. | Account | Basis | 06/30/10 TOTAL COMPANY | Direct Served | Regular Tariff | Test Year Adjustments | Adjusted Total |
| | | | | | | | |
| 117 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 119 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | Subtotal - Sales | | \$ 40,322 | \$ - | \$ 40,322 | \$ - | \$ 40,322 |
| 121 | Distribution O & M Before A & G | | \$ 5,417,243 | \$ - | \$ 5,417,243 | \$ - | \$ 5,417,243 |
| 122 | A&G Labor | | \$ 1,405,508 | \$ 38,297 | \$ 1,367,211 | \$ - | \$ 1,367,211 |
| 123 | Total Labor | | \$ 6,822,751 | \$ 38,297 | \$ 6,784,454 | \$ - | \$ 6,784,454 |
| 124 | Corporate Labor Ratio | | 1.00 | 0.01 | 0.99 | - | 0.99 |

KENERGY CORP.

DATA INPUT - EXPENSES

| A | B | C | D | E | F | G | H |
|----------|-------------------------------------|-------|------------------------------|------------------|-------------------|--------------------------|-------------------|
| Line No. | Account | Basis | 06/30/10 TOTAL COMPANY | Direct Served | Regular Tariff | Test Year Adjustments | Adjusted Total |
| | Other Power Supply Expenses: | | | | | | |
| 10 | Regular Tariff Demand | ELECT | \$ 18,680,540 | \$ - | \$ 18,680,540 | \$ 6,596,401 | \$ 25,276,941 |
| 11 | Regular Tariff Energy | ELECT | \$ 24,642,722 | \$ - | \$ 24,642,722 | \$ (1,403,475) | \$ 23,239,247 |
| 12 | Regular Tariff unwind | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | Classes A, B, and C | ELECT | \$ 307,886,735 | \$ 307,886,735 | \$ - | \$ - | \$ - |
| 14 | Own Use | ELECT | \$ (97,816) | \$ - | \$ (97,816) | \$ (18,771) | \$ (116,587) |
| 15 | Fuel | ELECT | \$ 11,280,993 | \$ - | \$ 11,280,993 | \$ - | \$ 11,280,993 |
| 16 | Environmental Surcharge | ELECT | \$ 2,486,851 | \$ - | \$ 2,486,851 | \$ - | \$ 2,486,851 |
| 17 | Unwind Surcredit | ELECT | \$ (3,756,542) | \$ - | \$ (3,756,542) | \$ - | \$ (3,756,542) |
| 18 | Member Rate Stability Mechanism | ELECT | \$ (10,011,302) | \$ - | \$ (10,011,302) | \$ 2,380,569 | \$ (7,630,733) |
| 19 | Non-FAC PPA | ELECT | \$ - | \$ - | \$ - | \$ (1,146,244) | \$ (1,146,244) |
| 20 | Non-FAC PPA Roll-in | ELECT | \$ - | \$ - | \$ - | \$ 1,042,689 | \$ 1,042,689 |
| 21 | Not Applicable | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | Not Applicable | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | Not Applicable | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Not Applicable | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 25 | Not Applicable | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | Not Applicable | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 27 | Not Applicable | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 28 | Not Applicable | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 29 | Not Applicable | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 30 | 556 - System Control & Load Disp. | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 31 | 557 - Other Power Supply Exp. | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 32 | Total Purchased Power Costs | | \$ 351,112,181 | \$ 307,886,735 | \$ 43,225,446 | \$ 7,451,169 | \$ 50,676,615 |
| 33 | Total Production Costs | | \$ 351,112,181 | \$ 307,886,735 | \$ 43,225,446 | \$ 7,451,169 | \$ 50,676,615 |
| | Transmission Operations: | | | | | | |
| 34 | 560 - Operations Supervision | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 35 | 561 - Load Dispatching | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36 | 562 - Station Expense | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 37 | 563 - Overhead Line Expense | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 38 | 564 - Underground Line Exp. | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | 565 - Transmission By Others | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | 566 - Miscellaneous | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | 567 - Rents | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 44 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 45 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 46 | Subtotal - Transmission Operations | | \$ - | \$ - | \$ - | \$ - | \$ - |

KENERGY CORP.

DATA INPUT - EXPENSES

| A | B | C | D | E | F | G | H |
|----------|--|-------|------------------------------|---------------|----------------|-----------------------|----------------|
| Line No. | Account | Basis | 06/30/10 TOTAL COMPANY | Direct Served | Regular Tariff | Test Year Adjustments | Adjusted Total |
| | Transmission Maintenance: | | | | | | |
| 47 | 568 - Operations Supervision | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 48 | 569 - Structures | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 49 | 570 - Station Expense | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 50 | 571 - Overhead Line Expense | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 51 | 564 - Underground Line Exp. | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 52 | 566 - Miscellaneous | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 53 | User Defined | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 54 | User Defined | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 55 | User Defined | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 56 | User Defined | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 57 | Subtotal - Transmission Maintenance | | \$ - | \$ - | \$ - | | \$ - |
| 58 | Subtotal - Transmission O&M | | \$ - | \$ - | \$ - | | \$ - |
| | Subtransmission Operations: | | | | | | |
| 59 | 560 - Operations Supervision | ELECT | | \$ - | \$ - | | \$ - |
| 60 | 561 - Load Dispatching | ELECT | | \$ - | \$ - | | \$ - |
| 61 | 562 - Station Expense | ELECT | | \$ - | \$ - | | \$ - |
| 62 | 563 - Overhead Line Expense | ELECT | | \$ - | \$ - | | \$ - |
| 63 | 564 - Underground Line Exp. | ELECT | | \$ - | \$ - | | \$ - |
| 64 | 565 - Transmission By Others | ELECT | | \$ - | \$ - | | \$ - |
| 65 | 566 - Miscellaneous | ELECT | | \$ - | \$ - | | \$ - |
| 66 | 567 - Rents | ELECT | | \$ - | \$ - | | \$ - |
| 67 | User Defined | ELECT | | \$ - | \$ - | | \$ - |
| 68 | User Defined | ELECT | | \$ - | \$ - | | \$ - |
| 69 | User Defined | ELECT | | \$ - | \$ - | | \$ - |
| 70 | User Defined | ELECT | | \$ - | \$ - | | \$ - |
| 71 | Subtotal - Subtransmission Operations | | \$ - | \$ - | \$ - | | \$ - |
| | Subtransmission Maintenance: | | | | | | |
| 72 | 568 - Operations Supervision | ELECT | | \$ - | \$ - | | \$ - |
| 73 | 569 - Structures | ELECT | | \$ - | \$ - | | \$ - |
| 74 | 570 - Station Expense | ELECT | | \$ - | \$ - | | \$ - |
| 75 | 571 - Overhead Line Expense | ELECT | | \$ - | \$ - | | \$ - |
| 76 | 573 - | ELECT | | \$ - | \$ - | | \$ - |
| 77 | 578 - Miscellaneous | ELECT | | \$ - | \$ - | | \$ - |
| 78 | User Defined | ELECT | | \$ - | \$ - | | \$ - |
| 79 | User Defined | ELECT | | \$ - | \$ - | | \$ - |
| 80 | User Defined | ELECT | | \$ - | \$ - | | \$ - |
| 81 | User Defined | ELECT | | \$ - | \$ - | | \$ - |
| 82 | Subtotal - Subtransmission Maintenance | | \$ - | \$ - | \$ - | | \$ - |

KENERGY CORP.

DATA INPUT - EXPENSES

| A | B | C | D | E | F | G | H |
|----------|----------------------------------|-------|------------------------------|------------------|-------------------|--------------------------|-------------------|
| Line No. | Account | Basis | 06/30/10 TOTAL COMPANY | Direct Served | Regular Tariff | Test Year Adjustments | Adjusted Total |
| 83 | Subtotal - Subtransmission O&M | | \$ - | \$ - | \$ - | | \$ - |
| | Distribution Operations: | | | | | | |
| 84 | 580 - Operations Supervision | ELECT | | \$ - | \$ - | \$ - | \$ - |
| 85 | 581 - Load Dispatching | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | 582 - Station Expense | ELECT | \$ 328,057 | \$ - | \$ 328,057 | \$ (14,064) | \$ 313,993 |
| 87 | 583 - Overhead Line Expense | ELECT | \$ 1,663,810 | \$ - | \$ 1,663,810 | \$ (71,328) | \$ 1,592,482 |
| 88 | 584 - Underground Line Exp. | ELECT | \$ 91,755 | \$ - | \$ 91,755 | \$ (3,934) | \$ 87,821 |
| 89 | 585 - Street Lighting | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 90 | 586 - Meter Expense | ELECT | \$ 577,566 | \$ - | \$ 577,566 | \$ (24,760) | \$ 552,806 |
| 91 | 587 - Customer Installations | ELECT | \$ 23,246 | \$ - | \$ 23,246 | \$ (997) | \$ 22,249 |
| 92 | 588 - Miscellaneous Operations | ELECT | \$ 1,974,324 | \$ - | \$ 1,974,324 | \$ (84,640) | \$ 1,889,684 |
| 93 | 589 - Rents | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 95 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | Subtotal | | \$ 4,658,758 | \$ - | \$ 4,658,758 | \$ (199,722) | \$ 4,459,036 |
| | Distribution Maintenance: | | | | | | |
| 76 | 590 - Maintenance Supervision | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 591 - Structures | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 78 | 592 - Station Equipment | ELECT | \$ 680,167 | \$ 32,243 | \$ 647,924 | \$ (70,301) | \$ 577,623 |
| 79 | 593 - Overhead Lines | ELECT | \$ 7,924,694 | \$ 32,243 | \$ 7,892,451 | \$ (856,345) | \$ 7,036,106 |
| 80 | 594 - Underground Lines | ELECT | \$ 337,424 | \$ - | \$ 337,424 | \$ (36,611) | \$ 300,813 |
| 81 | 595 - Line Transformers | ELECT | \$ 224,176 | \$ - | \$ 224,176 | \$ (24,323) | \$ 199,853 |
| 82 | 596 - Street Lighting | ELECT | \$ 151,285 | \$ - | \$ 151,285 | \$ (16,415) | \$ 134,870 |
| 83 | 597 - Meters | ELECT | \$ 207,540 | \$ - | \$ 207,540 | \$ (22,518) | \$ 185,022 |
| 84 | 598 - Misc. Maintenance | ELECT | \$ 237,520 | \$ - | \$ 237,520 | \$ (25,771) | \$ 211,749 |
| 85 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 88 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 89 | Subtotal | | \$ 9,762,806 | \$ 64,486 | \$ 9,698,320 | \$ (1,052,285) | \$ 8,646,035 |
| 90 | Subtotal - Distribution O&M | | \$ 14,421,564 | \$ 64,486 | \$ 14,357,078 | \$ (1,252,007) | \$ 13,105,071 |
| | Customer Accounts: | | | | | | |
| 91 | 901 - Supervision | ELECT | | \$ - | \$ - | \$ - | \$ - |
| 92 | 902 - Meter Reading | ELECT | \$ 338,652 | \$ - | \$ 338,652 | \$ (1,010) | \$ 337,642 |
| 93 | 903 - Customer Records | ELECT | \$ 2,652,901 | \$ 1,101 | \$ 2,651,800 | \$ (7,909) | \$ 2,643,891 |
| 94 | 904 - Uncollectible Accounts | ELECT | \$ 178,498 | \$ - | \$ 178,498 | \$ (532) | \$ 177,966 |

KENERGY CORP.

DATA INPUT - EXPENSES

| A | B | C | D | E | F | G | H |
|----------|--------------------------------------|--------|------------------------------|------------------|-------------------|--------------------------|-------------------|
| Line No. | Account | Basis | 06/30/10 TOTAL COMPANY | Direct Served | Regular Tariff | Test Year Adjustments | Adjusted Total |
| 95 | 905 - Miscellaneous | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 99 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 100 | Subtotal - Customer Accounts | | \$ 3,170,051 | \$ 1,101 | \$ 3,168,950 | \$ (9,451) | \$ 3,159,499 |
| | Customer Service: | | | | | | |
| 101 | 907 - Supervision | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 102 | 908 - Customer Assistance | ELECT | \$ 164,649 | \$ - | \$ 164,649 | \$ 867 | \$ 165,516 |
| 103 | 909 - Advertising | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 104 | 910 - Miscellaneous | ELECT | \$ 61 | \$ - | \$ 61 | \$ 0 | \$ 61 |
| 105 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 106 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 107 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 108 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 109 | Subtotal - Customer Service | | \$ 164,710 | \$ - | \$ 164,710 | \$ 867 | \$ 165,577 |
| | Sales: | | | | | | |
| 110 | 911 - Supervision | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 111 | 912 - Demonstrating | ELECT | \$ 69,626 | \$ - | \$ 69,626 | \$ (938) | \$ 68,688 |
| 112 | 913- Advertising | ELECT | \$ 149 | \$ 149 | \$ - | \$ - | \$ - |
| 113 | 914 - Key Accounts | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 114 | 915 - Costs | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | 916 - Miscellaneous | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 116 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 117 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 119 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | Subtotal - Sales | | \$ 69,775 | \$ 149 | \$ 69,626 | \$ (938) | \$ 68,688 |
| 121 | Distribution O & M Before A & G | | \$ 17,826,100 | \$ 65,736 | \$ 17,760,364 | | \$ 16,498,835 |
| 122 | Total Non-Fuel O & M Before A & G | | \$ 17,826,100 | \$ 65,736 | \$ 17,760,364 | | \$ 16,498,835 |
| | Administrative & General: | | | | | | |
| 123 | 920 - Salaries | DIRECT | \$ 1,590,962 | \$ 59,417 | \$ 1,531,545 | \$ (70,188) | \$ 1,461,357 |
| 124 | 921 - Office Supplies | DIRECT | \$ 147,349 | \$ 6,155 | \$ 141,194 | \$ (6,471) | \$ 134,723 |
| 125 | 922 - | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 126 | 923 - Outside Services | DIRECT | \$ 159,670 | \$ 19,861 | \$ 139,809 | \$ (6,407) | \$ 133,402 |

KENERGY CORP.

DATA INPUT - EXPENSES

| A | B | C | D | E | F | G | H |
|----------|---|--------|------------------------------|------------------|-------------------|--------------------------|-------------------|
| Line No. | Account | Basis | 06/30/10 TOTAL COMPANY | Direct Served | Regular Tariff | Test Year Adjustments | Adjusted Total |
| 127 | 924 - Property Insurance | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 128 | 925 - Injuries and Damages | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 129 | 926 - Pensions & Benefits | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 130 | 927 - Franchise Requirements | DIRECT | \$ 10,690 | \$ - | \$ 10,690 | \$ (490) | \$ 10,200 |
| 131 | 928 - Regulatory Commission | DIRECT | \$ 11,698 | \$ - | \$ 11,698 | \$ (536) | \$ 11,162 |
| 132 | 929 - Electric - Own Supply | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 133 | 930 - Miscellaneous | DIRECT | \$ 643,714 | \$ 30,483 | \$ 613,231 | \$ (28,103) | \$ 585,128 |
| 134 | 932 - | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 135 | 935 - Maintenance | DIRECT | \$ 643,559 | \$ 10,173 | \$ 633,386 | \$ (29,027) | \$ 604,359 |
| 136 | User Defined | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 137 | User Defined | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 138 | User Defined | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 139 | User Defined | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 140 | Subtotal - A&G | | \$ 3,207,642 | \$ 126,089 | \$ 3,081,553 | \$ (141,223) | \$ 2,940,330 |
| | Depreciation & Amortization: | | | | | | |
| 141 | 403.1 - Production | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 142 | 403.5 - Subtransmission | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 143 | 403.6 - Distribution | DIRECT | \$ 7,750,145 | \$ 37,183 | \$ 7,712,962 | \$ 712,583 | \$ 8,425,545 |
| 144 | 403.7 - General | DIRECT | \$ 373,884 | \$ - | \$ 373,884 | \$ 34,542 | \$ 408,426 |
| 145 | User Defined | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 146 | User Defined | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 147 | User Defined | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 148 | User Defined | DIRECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 149 | Subtotal - Dep. & Amort. | | \$ 8,124,029 | \$ 37,183 | \$ 8,086,846 | \$ 747,125 | \$ 8,833,971 |
| | Property Tax: | | | | | | |
| 150 | 408.1 - Property Tax | ELECT | \$ 987 | \$ 987 | \$ - | \$ - | \$ - |
| | Tax - Other: | | | | | | |
| 151 | 408.2 - U.S. Unemployment | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 152 | 408.3 - F.I.C.A. | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 153 | 408.4 - State Social Security | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 154 | 408.5 - State Tax | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 155 | 408.7 - Other Tax | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 156 | 408.9 - PSC Assessment | ELECT | \$ 302,647 | \$ 222,711 | \$ 79,936 | \$ 34,826 | \$ 114,762 |
| 157 | Income Tax - Cell Phones | ELECT | \$ 70,169 | \$ - | \$ 70,169 | \$ 30,570 | \$ 100,739 |
| 158 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 159 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 160 | User Defined | ELECT | \$ - | \$ - | \$ - | \$ - | \$ - |
| 161 | Subtotal - Other Tax | | \$ 372,816 | \$ 222,711 | \$ 150,105 | \$ 65,396 | \$ 215,501 |

KENERGY CORP.

DATA INPUT - EXPENSES

| A | B | C | D | E | F | G | H |
|--------------------------|-------------------------------------|-------|------------------------------|------------------|-------------------|--------------------------|-------------------|
| Line No. | Account | Basis | 06/30/10 TOTAL COMPANY | Direct Served | Regular Tariff | Test Year Adjustments | Adjusted Total |
| Interest Expense: | | | | | | | |
| 162 | 427 - Interest (Long Term) | ELECT | \$ 3,738,931 | \$ 44,620 | \$ 3,694,311 | \$ (131,853) | \$ 3,562,458 |
| 163 | 427.3 - Construction Loan | ELECT | \$ 2,410,076 | \$ - | \$ 2,410,076 | \$ - | \$ 2,410,076 |
| 164 | User Defined | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 165 | User Defined | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 166 | User Defined | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 167 | User Defined | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 168 | Subtotal - Debt Service | | \$ 6,149,007 | \$ 44,620 | \$ 6,104,387 | \$ (131,853) | \$ 5,972,534 |
| Other Expenses | | | | | | | |
| 169 | 426 - Realized Gain/(Loss) | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 170 | 431 - Interest on Customer Deposits | ELECT | \$ 119,185 | \$ - | \$ 119,185 | \$ - | \$ 119,185 |
| 171 | 426.01 Donations | ELECT | \$ 56,231 | \$ - | \$ 56,231 | \$ (99,771) | \$ (43,540) |
| 172 | 426. Other | ELECT | \$ 12,897 | \$ - | \$ 12,897 | \$ - | \$ 12,897 |
| 173 | 431 - Interest - Short Term | ELECT | \$ 164,128 | \$ - | \$ 164,128 | \$ (69,128) | \$ 95,000 |
| 174 | 431 - Interest - Direct Serves | ELECT | \$ 55,530 | \$ 55,529 | \$ 1 | | \$ 1 |
| 175 | User Defined | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 176 | User Defined | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 177 | User Defined | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 178 | User Defined | ELECT | \$ - | \$ - | \$ - | | \$ - |
| 179 | Subtotal - Other Expenses | | \$ 407,971 | \$ 55,529 | \$ 352,442 | \$ (168,899) | \$ 183,543 |

| | | | | | | | |
|-----|-------------------------------|---------|----------------|----------------|---------------|----------------|---------------|
| 180 | Power Production (Incl. Fuel) | Summary | \$ 351,112,181 | \$ 307,886,735 | \$ 43,225,446 | \$ 7,451,169 | \$ 50,676,615 |
| 181 | Transmission O&M | Summary | \$ - | \$ - | \$ - | \$ - | \$ - |
| 182 | Distribution O&M | Summary | \$ 14,421,564 | \$ 64,486 | \$ 14,357,078 | \$ (1,252,007) | \$ 13,105,071 |
| 183 | Customer Accounts | Summary | \$ 3,170,051 | \$ 1,101 | \$ 3,168,950 | \$ (9,451) | \$ 3,159,499 |
| 184 | Customer Service | Summary | \$ 164,710 | \$ - | \$ 164,710 | \$ 867 | \$ 165,577 |
| 185 | Sales | Summary | \$ 69,775 | \$ 149 | \$ 69,626 | \$ (938) | \$ 68,688 |
| 186 | Administrative & General | Summary | \$ 3,207,642 | \$ 126,089 | \$ 3,081,553 | \$ (141,223) | \$ 2,940,330 |
| 187 | Depreciation & Amortization | Summary | \$ 8,124,029 | \$ 37,183 | \$ 8,086,846 | \$ 747,125 | \$ 8,833,971 |
| 188 | Property Tax | Summary | \$ 987 | \$ 987 | \$ - | \$ - | \$ - |
| 189 | Tax - Other | Summary | \$ 372,816 | \$ 222,711 | \$ 150,105 | \$ 65,396 | \$ 215,501 |
| 190 | Debt Service | Summary | \$ 6,149,007 | \$ 44,620 | \$ 6,104,387 | \$ (131,853) | \$ 5,972,534 |
| 191 | Other Expenses | Summary | \$ 407,971 | \$ 55,529 | \$ 352,442 | \$ (168,899) | \$ 183,543 |
| 192 | Total Expenses | | \$ 387,200,733 | \$ 308,439,590 | \$ 78,761,143 | \$ 6,560,186 | \$ 85,321,329 |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Plant Investment (Total System)**

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|-------------------------------------|-------|----------------|-------------------|--------|----------------|-----------|---------------|---------------|--------------------------|---------------|-----------------|
| Line No. | Plant Account | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Distribution Plant | | | | | | | | | | | |
| 26 | 360 Land and Land Rights | SUB | \$ 901,306 | \$ - | \$ - | \$ 901,306 | \$ - | \$ 901,306 | \$ - | \$ - | \$ - | \$ - |
| 27 | 361 Structures | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 28 | 362 Station Equipment | SUB | \$ 23,998,711 | \$ - | \$ - | \$ 23,998,711 | \$ - | \$ 23,998,711 | \$ - | \$ - | \$ - | \$ - |
| 29 | 364 Poles, Towers, & Fixtures | 364 | \$ 69,679,825 | \$ - | \$ - | \$ 69,679,825 | \$ - | \$ - | \$ 21,317,010 | \$ 46,356,037 | \$ - | \$ 2,006,779 |
| 30 | 365 Overhead Conductors | 365 | \$ 49,418,898 | \$ - | \$ - | \$ 49,418,898 | \$ - | \$ - | \$ 15,118,625 | \$ 32,877,009 | \$ - | \$ 1,423,264 |
| 31 | 366 Underground Conduit | 366 | \$ 14,166 | \$ - | \$ - | \$ 14,166 | \$ - | \$ - | \$ 4,334 | \$ 9,424 | \$ - | \$ 408 |
| 32 | 367 Underground Conductors | 367 | \$ 13,776,643 | \$ - | \$ - | \$ 13,776,643 | \$ - | \$ - | \$ 4,214,661 | \$ 9,165,215 | \$ - | \$ 396,767 |
| 33 | 368 Line Transformers | TRS | \$ 30,314,848 | \$ - | \$ - | \$ 30,314,848 | \$ - | \$ - | \$ - | \$ - | \$ 30,314,848 | \$ - |
| 34 | 369 Services | 369 | \$ 23,145,990 | \$ - | \$ - | \$ 23,145,990 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 22,902,726 |
| 35 | 370 Meters | MTR | \$ 5,351,305 | \$ - | \$ - | \$ 5,351,305 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36 | 371 Security Lights | LTS | \$ 3,353,899 | \$ - | \$ - | \$ 3,353,899 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 37 | 372 Leased Property | CS-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 38 | 373 Street Lights | LTS | \$ 790,335 | \$ - | \$ - | \$ 790,335 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 | Total Distribution | | \$ 220,745,926 | \$ - | \$ - | \$ 220,745,926 | \$ - | \$ 24,900,017 | \$ 40,654,629 | \$ 88,407,685 | \$ 30,314,848 | \$ 26,729,944 |
| 44 | Total SubTrans. & Distr. | | \$ 220,745,926 | \$ - | \$ - | \$ 220,745,926 | \$ - | \$ 24,900,017 | \$ 40,654,629 | \$ 88,407,685 | \$ 30,314,848 | \$ 26,729,944 |
| | General Plant | | | | | | | | | | | |
| 45 | 389 Land and Land Rights | LABOR | \$ 469,363 | \$ - | \$ - | \$ 469,363 | \$ - | \$ 27,113 | \$ 53,622 | \$ 116,607 | \$ 14,258 | \$ 38,754 |
| 46 | 390 Structures and Improve. | LABOR | \$ 7,304,939 | \$ - | \$ - | \$ 7,304,939 | \$ - | \$ 421,976 | \$ 834,552 | \$ 1,814,819 | \$ 221,897 | \$ 603,147 |
| 47 | 391 Office Furniture & Equipment | LABOR | \$ 986,949 | \$ - | \$ - | \$ 986,949 | \$ - | \$ 57,012 | \$ 112,754 | \$ 245,195 | \$ 29,980 | \$ 81,489 |
| 48 | 392 Transportation Equipment | LABOR | \$ 7,735,103 | \$ - | \$ - | \$ 7,735,103 | \$ - | \$ 446,824 | \$ 883,696 | \$ 1,921,687 | \$ 234,964 | \$ 638,665 |
| 49 | 393 Stores Equipment | LABOR | \$ 168,992 | \$ - | \$ - | \$ 168,992 | \$ - | \$ 9,762 | \$ 19,306 | \$ 41,984 | \$ 5,133 | \$ 13,953 |
| 50 | 394 Tools, Shop & Garage Equip. | LABOR | \$ 855,230 | \$ - | \$ - | \$ 855,230 | \$ - | \$ 49,403 | \$ 97,706 | \$ 212,471 | \$ 25,979 | \$ 70,614 |
| 51 | 395 Laboratory Equipment | LABOR | \$ 553,418 | \$ - | \$ - | \$ 553,418 | \$ - | \$ 31,969 | \$ 63,225 | \$ 137,490 | \$ 16,811 | \$ 45,694 |
| 52 | 396 Power - Operated Equip. | LABOR | \$ 842,526 | \$ - | \$ - | \$ 842,526 | \$ - | \$ 48,669 | \$ 96,254 | \$ 209,315 | \$ 25,593 | \$ 69,565 |
| 53 | 397 Communication Equipment | LABOR | \$ 1,899,741 | \$ - | \$ - | \$ 1,899,741 | \$ - | \$ 109,740 | \$ 217,036 | \$ 471,966 | \$ 57,707 | \$ 156,856 |
| 54 | 398 Miscellaneous Equipment | LABOR | \$ 517,120 | \$ - | \$ - | \$ 517,120 | \$ - | \$ 29,872 | \$ 59,078 | \$ 128,472 | \$ 15,708 | \$ 42,697 |
| 55 | 302 Franchises and Consents | LABOR | \$ 19,355 | \$ - | \$ - | \$ 19,355 | \$ - | \$ 1,118 | \$ 2,211 | \$ 4,809 | \$ 588 | \$ 1,598 |
| 56 | User Defined | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 57 | User Defined | LM | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 58 | User Defined | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 59 | General Plant | | \$ 21,352,736 | \$ - | \$ - | \$ 21,352,736 | \$ - | \$ 1,233,458 | \$ 2,439,440 | \$ 5,304,814 | \$ 648,617 | \$ 1,763,033 |
| 60 | Total Plant In Service | | \$ 242,098,662 | \$ - | \$ - | \$ 242,098,662 | \$ - | \$ 26,133,475 | \$ 43,094,069 | \$ 93,712,499 | \$ 30,963,465 | \$ 28,492,977 |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Plant Investment (Total System)**

| A | B | C | D | N | O | P | Q | R | S | T | U | V |
|----------|-------------------------------------|-------|----------------|-------------------------------------|----------------|------------|--------------|---------------------|---------------------|---------------------|-----------------|---------------|
| Line No. | Plant Account | Basis | Balance | Subfunctionalization - Distribution | | | | | | | | |
| | | | | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights |
| | Distribution Plant | | | | | | | | | | | |
| 26 | 360 Land and Land Rights | SUB | \$ 901,306 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 27 | 361 Structures | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 28 | 362 Station Equipment | SUB | \$ 23,998,711 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 29 | 364 Poles, Towers, & Fixtures | 364 | \$ 69,679,825 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 30 | 365 Overhead Conductors | 365 | \$ 49,418,898 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 31 | 366 Underground Conduit | 366 | \$ 14,166 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 32 | 367 Underground Conductors | 367 | \$ 13,776,643 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 33 | 368 Line Transformers | TRS | \$ 30,314,848 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 34 | 369 Services | 369 | \$ 23,145,990 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 35 | 370 Meters | MTR | \$ 5,351,305 | \$ 1,939,313 | \$ 3,411,992 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36 | 371 Security Lights | LTS | \$ 3,353,899 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,353,899 | \$ - |
| 37 | 372 Leased Property | CS-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 38 | 373 Street Lights | LTS | \$ 790,335 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 790,335 | \$ - |
| 39 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 | Total Distribution | | \$ 220,745,926 | \$ 1,939,313 | \$ 3,411,992 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,387,498 | \$ - |
| 44 | Total SubTrans. & Distr. | | \$ 220,745,926 | \$ 1,939,313 | \$ 3,411,992 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,387,498 | \$ - |
| | General Plant | | | | | | | | | | | |
| 45 | 389 Land and Land Rights | LABOR | \$ 469,363 | \$ 24,602 | \$ 43,285 | \$ 20,382 | \$ 112,667 | \$ 12,214 | \$ - | \$ - | \$ 5,860 | \$ - |
| 46 | 390 Structures and Improve. | LABOR | \$ 7,304,939 | \$ 382,897 | \$ 673,662 | \$ 317,209 | \$ 1,753,491 | \$ 190,090 | \$ - | \$ - | \$ 91,199 | \$ - |
| 47 | 391 Office Furniture & Equipment | LABOR | \$ 986,949 | \$ 51,732 | \$ 91,017 | \$ 42,857 | \$ 236,909 | \$ 25,682 | \$ - | \$ - | \$ 12,322 | \$ - |
| 48 | 392 Transportation Equipment | LABOR | \$ 7,735,103 | \$ 405,445 | \$ 713,332 | \$ 335,889 | \$ 1,856,748 | \$ 201,284 | \$ - | \$ - | \$ 96,570 | \$ - |
| 49 | 393 Stores Equipment | LABOR | \$ 168,992 | \$ 8,858 | \$ 15,584 | \$ 7,338 | \$ 40,565 | \$ 4,398 | \$ - | \$ - | \$ 2,110 | \$ - |
| 50 | 394 Tools, Shop & Garage Equip. | LABOR | \$ 855,230 | \$ 44,828 | \$ 78,869 | \$ 37,137 | \$ 205,291 | \$ 22,255 | \$ - | \$ - | \$ 10,677 | \$ - |
| 51 | 395 Laboratory Equipment | LABOR | \$ 553,418 | \$ 29,008 | \$ 51,036 | \$ 24,032 | \$ 132,843 | \$ 14,401 | \$ - | \$ - | \$ 6,909 | \$ - |
| 52 | 396 Power - Operated Equip. | LABOR | \$ 842,526 | \$ 44,162 | \$ 77,698 | \$ 36,586 | \$ 202,241 | \$ 21,924 | \$ - | \$ - | \$ 10,519 | \$ - |
| 53 | 397 Communication Equipment | LABOR | \$ 1,899,741 | \$ 99,577 | \$ 175,194 | \$ 82,494 | \$ 456,017 | \$ 49,435 | \$ - | \$ - | \$ 23,717 | \$ - |
| 54 | 398 Miscellaneous Equipment | LABOR | \$ 517,120 | \$ 27,105 | \$ 47,689 | \$ 22,455 | \$ 124,130 | \$ 13,457 | \$ - | \$ - | \$ 6,456 | \$ - |
| 55 | 302 Franchises and Consents | LABOR | \$ 19,355 | \$ 1,015 | \$ 1,785 | \$ 840 | \$ 4,646 | \$ 504 | \$ - | \$ - | \$ 242 | \$ - |
| 56 | User Defined | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 57 | User Defined | LM | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 58 | User Defined | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 59 | General Plant | | \$ 21,352,736 | \$ 1,119,229 | \$ 1,969,152 | \$ 927,220 | \$ 5,125,550 | \$ 555,643 | \$ - | \$ - | \$ 266,580 | \$ - |
| 60 | Total Plant In Service | | \$ 242,098,662 | \$ 3,058,542 | \$ 5,381,144 | \$ 927,220 | \$ 5,125,550 | \$ 555,643 | \$ - | \$ - | \$ 4,654,078 | \$ - |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Plant Investment (Total System)**

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|------------------------------------|-------------|----------------|-------------------|--------|----------------|-----------|---------------|---------------|--------------------------|---------------|-----------------|
| Line No. | Plant Account | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| 61 | CWIP | PLTINS-2 | \$ 964,749 | \$ - | \$ - | \$ 964,749 | \$ - | \$ 104,140 | \$ 171,727 | \$ 373,439 | \$ 123,388 | \$ 113,543 |
| 62 | Total Utility Plant | | \$ 243,063,411 | \$ - | \$ - | \$ 243,063,411 | \$ - | \$ 26,237,615 | \$ 43,265,796 | \$ 94,085,938 | \$ 31,086,853 | \$ 28,606,520 |
| | Accumulated Depreciation | | | | | | | | | | | |
| 63 | Production | PROD | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 64 | Transmission | TRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | Subtransmission | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | Distribution | Accum Depr. | \$ 54,271,611 | \$ - | \$ - | \$ 54,271,611 | \$ - | \$ 8,857,105 | \$ 8,435,637 | \$ 18,344,164 | \$ 9,599,230 | \$ 7,045,185 |
| 67 | General | GP | \$ 10,927,462 | \$ - | \$ - | \$ 10,927,462 | \$ - | \$ 631,234 | \$ 1,248,406 | \$ 2,714,788 | \$ 331,936 | \$ 902,248 |
| 68 | Retirement WIP | Accum Depr. | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 69 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72 | Subtotal | | \$ 65,199,073 | \$ - | \$ - | \$ 65,199,073 | \$ - | \$ 9,488,339 | \$ 9,684,044 | \$ 21,058,952 | \$ 9,931,166 | \$ 7,947,433 |
| 73 | Net Utility Plant | | \$ 177,864,338 | \$ - | \$ - | \$ 177,864,338 | \$ - | \$ 16,749,276 | \$ 33,581,753 | \$ 73,026,986 | \$ 21,155,686 | \$ 20,659,086 |
| 74 | Allowance for Working Capital | WORK CAP | \$ 5,738,344 | \$ - | \$ - | \$ 5,738,344 | \$ - | \$ 347,679 | \$ 835,384 | \$ 1,816,628 | \$ 225,717 | \$ 603,118 |
| 75 | Customer Advances for Construction | PLTINS-2 | \$ (1,369,458) | \$ - | \$ - | \$ (1,369,458) | \$ - | \$ (147,832) | \$ (243,773) | \$ (530,110) | \$ (175,159) | \$ (161,178) |
| 76 | Net Rate Base | | \$ 182,233,224 | \$ - | \$ - | \$ 182,233,224 | \$ - | \$ 16,949,123 | \$ 34,173,363 | \$ 74,313,504 | \$ 21,206,244 | \$ 21,101,026 |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Plant Investment (Total System)**

| A | B | C | D | N | O | P | Q | R | S | T | U | V |
|----------|------------------------------------|-------------|-------------------------------------|----------------|----------------|------------|--------------|---------------------|---------------------|---------------------|-----------------|---------------|
| Line No. | Plant Account | Basis | Subfunctionalization - Distribution | | | | | | | | | |
| | | | Balance | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights |
| 61 | CWIP | PLTINS-2 | \$ 964,749 | \$ 12,188 | \$ 21,444 | \$ 3,695 | \$ 20,425 | \$ 2,214 | \$ - | \$ - | \$ 18,546 | \$ - |
| 62 | Total Utility Plant | | \$ 243,063,411 | \$ 3,070,730 | \$ 5,402,587 | \$ 930,915 | \$ 5,145,975 | \$ 557,857 | \$ - | \$ - | \$ 4,672,625 | \$ - |
| | Accumulated Depreciation | | | | | | | | | | | |
| 63 | Production | PROD | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 64 | Transmission | TRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | Subtransmission | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | Distribution | Accum Depr. | \$ 54,271,611 | \$ 418,159 | \$ 735,701 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 836,430 | \$ - |
| 67 | General | GP | \$ 10,927,462 | \$ 572,776 | \$ 1,007,732 | \$ 474,513 | \$ 2,623,048 | \$ 284,355 | \$ - | \$ - | \$ 136,425 | \$ - |
| 68 | Retirement WIP | Accum Depr. | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 69 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72 | Subtotal | | \$ 65,199,073 | \$ 990,935 | \$ 1,743,433 | \$ 474,513 | \$ 2,623,048 | \$ 284,355 | \$ - | \$ - | \$ 972,854 | \$ - |
| 73 | Net Utility Plant | | \$ 177,864,338 | \$ 2,079,796 | \$ 3,659,155 | \$ 456,401 | \$ 2,522,927 | \$ 273,502 | \$ - | \$ - | \$ 3,699,770 | \$ - |
| 74 | Allowance for Working Capital | WORK CAP | \$ 5,738,344 | \$ 227,232 | \$ 399,788 | \$ 137,361 | \$ 988,813 | \$ 91,740 | \$ - | \$ - | \$ 64,885 | \$ - |
| 75 | Customer Advances for Construction | PLTINS-2 | \$ (1,369,458) | \$ (17,297) | \$ (30,431) | \$ (5,241) | \$ (28,969) | \$ (3,140) | \$ - | \$ - | \$ (26,327) | \$ - |
| 76 | Net Rate Base | | \$ 182,233,224 | \$ 2,289,731 | \$ 4,028,511 | \$ 588,522 | \$ 3,482,770 | \$ 362,101 | \$ - | \$ - | \$ 3,738,328 | \$ - |

KENERGY CORP.

**Classification
of Utility Plant Investment (Demand Related)**

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|----------------------------------|----------|----------------|-------------------|--------|----------------|-----------|---------------|---------------|--------------------------|---------------|-----------------|
| Line No. | Plant Account | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Distribution Plant | | | | | | | | | | | |
| 26 | 360 Land and Land Rights | SUB | \$ 901,306 | \$ - | \$ - | \$ 901,306 | \$ - | \$ 901,306 | \$ - | \$ - | \$ - | \$ - |
| 27 | 361 Structures | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 28 | 362 Station Equipment | SUB | \$ 23,998,711 | \$ - | \$ - | \$ 23,998,711 | \$ - | \$ 23,998,711 | \$ - | \$ - | \$ - | \$ - |
| 29 | 364 Poles, Towers, & Fixtures | 364 | \$ 43,640,474 | \$ - | \$ - | \$ 43,640,474 | \$ - | \$ - | \$ 13,350,843 | \$ 29,032,786 | \$ - | \$ 1,256,846 |
| 30 | 365 Overhead Conductors | 365 | \$ 40,656,927 | \$ - | \$ - | \$ 40,656,927 | \$ - | \$ - | \$ 12,438,092 | \$ 27,047,915 | \$ - | \$ 1,170,920 |
| 31 | 366 Underground Conduit | 366 | \$ 11,654 | \$ - | \$ - | \$ 11,654 | \$ - | \$ - | \$ 3,565 | \$ 7,753 | \$ - | \$ 336 |
| 32 | 367 Underground Conductors | 367 | \$ 11,334,044 | \$ - | \$ - | \$ 11,334,044 | \$ - | \$ - | \$ 3,467,401 | \$ 7,540,222 | \$ - | \$ 326,420 |
| 33 | 368 Line Transformers | TRS | \$ 25,749,432 | \$ - | \$ - | \$ 25,749,432 | \$ - | \$ - | \$ - | \$ - | \$ 25,749,432 | \$ - |
| 34 | 369 Services | 369 | \$ 11,279,592 | \$ - | \$ - | \$ 11,279,592 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 11,279,592 |
| 35 | 370 Meters | MTR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36 | 371 Security Lights | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 37 | 372 Leased Property | CS-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 38 | 373 Street Lights | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 | Total Distribution | | \$ 157,572,142 | \$ - | \$ - | \$ 157,572,142 | \$ - | \$ 24,900,017 | \$ 29,259,902 | \$ 63,628,677 | \$ 25,749,432 | \$ 14,034,114 |
| 44 | Total Trans. & Distr. | | \$ 157,572,142 | \$ - | \$ - | \$ 157,572,142 | \$ - | \$ 24,900,017 | \$ 29,259,902 | \$ 63,628,677 | \$ 25,749,432 | \$ 14,034,114 |
| | General Plant | | | | | | | | | | | |
| 45 | 389 Land and Land Rights | LABOR | \$ 179,884 | \$ - | \$ - | \$ 179,884 | \$ - | \$ 27,113 | \$ 37,954 | \$ 82,534 | \$ 12,110 | \$ 20,173 |
| 46 | 390 Structures and Improve. | LABOR | \$ 2,799,629 | \$ - | \$ - | \$ 2,799,629 | \$ - | \$ 421,976 | \$ 590,691 | \$ 1,284,518 | \$ 188,479 | \$ 313,965 |
| 47 | 391 Office Furniture & Equipment | LABOR | \$ 378,250 | \$ - | \$ - | \$ 378,250 | \$ - | \$ 57,012 | \$ 79,807 | \$ 173,548 | \$ 25,465 | \$ 42,419 |
| 48 | 392 Transportation Equipment | LABOR | \$ 2,964,490 | \$ - | \$ - | \$ 2,964,490 | \$ - | \$ 446,824 | \$ 625,475 | \$ 1,360,159 | \$ 199,578 | \$ 332,453 |
| 49 | 393 Stores Equipment | LABOR | \$ 64,766 | \$ - | \$ - | \$ 64,766 | \$ - | \$ 9,762 | \$ 13,665 | \$ 29,716 | \$ 4,360 | \$ 7,263 |
| 50 | 394 Tools, Shop & Garage Equip. | LABOR | \$ 327,768 | \$ - | \$ - | \$ 327,768 | \$ - | \$ 49,403 | \$ 69,155 | \$ 150,386 | \$ 22,066 | \$ 36,758 |
| 51 | 395 Laboratory Equipment | LABOR | \$ 212,098 | \$ - | \$ - | \$ 212,098 | \$ - | \$ 31,969 | \$ 44,750 | \$ 97,314 | \$ 14,279 | \$ 23,786 |
| 52 | 396 Power - Operated Equip. | LABOR | \$ 322,899 | \$ - | \$ - | \$ 322,899 | \$ - | \$ 48,669 | \$ 68,128 | \$ 148,152 | \$ 21,739 | \$ 36,212 |
| 53 | 397 Communication Equipment | LABOR | \$ 728,079 | \$ - | \$ - | \$ 728,079 | \$ - | \$ 109,740 | \$ 153,617 | \$ 334,055 | \$ 49,016 | \$ 81,650 |
| 54 | 398 Miscellaneous Equipment | LABOR | \$ 198,187 | \$ - | \$ - | \$ 198,187 | \$ - | \$ 29,872 | \$ 41,815 | \$ 90,932 | \$ 13,343 | \$ 22,226 |
| 55 | 302 Franchises and Consents | LABOR | \$ 7,418 | \$ - | \$ - | \$ 7,418 | \$ - | \$ 1,118 | \$ 1,565 | \$ 3,403 | \$ 499 | \$ 832 |
| 56 | User Defined | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 57 | User Defined | LM | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 58 | User Defined | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 59 | General Plant | | \$ 8,183,468 | \$ - | \$ - | \$ 8,183,468 | \$ - | \$ 1,233,458 | \$ 1,726,622 | \$ 3,754,717 | \$ 550,935 | \$ 917,736 |
| 60 | Total Plant In Service | | \$ 165,755,610 | \$ - | \$ - | \$ 165,755,610 | \$ - | \$ 26,133,475 | \$ 30,986,524 | \$ 67,383,394 | \$ 26,300,367 | \$ 14,951,849 |
| 61 | CWIP | PLTINS-2 | \$ 660,527 | \$ - | \$ - | \$ 660,527 | \$ - | \$ 104,140 | \$ 123,480 | \$ 268,519 | \$ 104,805 | \$ 59,582 |
| 62 | Total Utility Plant | | \$ 166,416,137 | \$ - | \$ - | \$ 166,416,137 | \$ - | \$ 26,237,615 | \$ 31,110,004 | \$ 67,651,913 | \$ 26,405,173 | \$ 15,011,432 |

KENERGY CORP.

Classification
of Utility Plant Investment (Demand Related)

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|------------------------------------|-------------|----------------|-------------------|--------|----------------|-----------|---------------|---------------|--------------------------|---------------|-----------------|
| Line No. | Plant Account | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Accumulated Depreciation | | | | | | | | | | | |
| 63 | Production | PROD | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 64 | Transmission | TRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | Subtransmission | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | Distribution | Accum Depr. | \$ 39,983,577 | \$ - | \$ - | \$ 39,983,577 | \$ - | \$ 8,857,105 | \$ 6,071,287 | \$ 13,202,640 | \$ 8,153,586 | \$ 3,698,957 |
| 67 | General | GP | \$ 4,187,966 | \$ - | \$ - | \$ 4,187,966 | \$ - | \$ 631,234 | \$ 883,615 | \$ 1,921,512 | \$ 281,946 | \$ 469,660 |
| 68 | Retirement WIP | Accum Depr. | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 69 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72 | Subtotal | | \$ 44,171,543 | \$ - | \$ - | \$ 44,171,543 | \$ - | \$ 9,488,339 | \$ 6,954,902 | \$ 15,124,152 | \$ 8,435,533 | \$ 4,168,617 |
| 73 | Net Utility Plant | | \$ 122,244,594 | \$ - | \$ - | \$ 122,244,594 | \$ - | \$ 16,749,276 | \$ 24,155,102 | \$ 52,527,761 | \$ 17,969,640 | \$ 10,842,814 |
| 74 | Allowance for Working Capital | WORK CAP | \$ 2,730,826 | \$ - | \$ - | \$ 2,730,826 | \$ - | \$ 347,679 | \$ 591,395 | \$ 1,286,050 | \$ 191,724 | \$ 313,978 |
| 75 | Customer Advances for Construction | PLTINS-2 | \$ (937,648) | \$ - | \$ - | \$ (937,648) | \$ - | \$ (147,832) | \$ (175,284) | \$ (381,173) | \$ (148,780) | \$ (84,579) |
| 76 | Net Rate Base | | \$ 124,037,772 | \$ - | \$ - | \$ 124,037,772 | \$ - | \$ 16,949,123 | \$ 24,571,213 | \$ 53,432,638 | \$ 18,012,584 | \$ 11,072,213 |

KENERGY CORP.

Classification
of Utility Investment (Consumer Related)

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|----------------------------------|----------|---------------|-------------------|--------|---------------|-----------|------|---------------|--------------------------|--------------|-----------------|
| Line No. | Plant Account | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Distribution Plant | | | | | | | | | | | |
| 26 | 360 Land and Land Rights | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 27 | 361 Structures | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 28 | 362 Station Equipment | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 29 | 364 Poles, Towers, & Fixtures | 364 | \$ 26,039,351 | \$ - | \$ - | \$ 26,039,351 | \$ - | \$ - | \$ 7,966,166 | \$ 17,323,251 | \$ - | \$ 749,933 |
| 30 | 365 Overhead Conductors | 365 | \$ 8,761,971 | \$ - | \$ - | \$ 8,761,971 | \$ - | \$ - | \$ 2,680,532 | \$ 5,829,094 | \$ - | \$ 252,345 |
| 31 | 366 Underground Conduit | 366 | \$ 2,512 | \$ - | \$ - | \$ 2,512 | \$ - | \$ - | \$ 768 | \$ 1,671 | \$ - | \$ 72 |
| 32 | 367 Underground Conductors | 367 | \$ 2,442,599 | \$ - | \$ - | \$ 2,442,599 | \$ - | \$ - | \$ 747,259 | \$ 1,624,993 | \$ - | \$ 70,347 |
| 33 | 368 Line Transformers | TRS | \$ 4,565,416 | \$ - | \$ - | \$ 4,565,416 | \$ - | \$ - | \$ - | \$ - | \$ 4,565,416 | \$ - |
| 34 | 369 Services | 369 | \$ 11,623,133 | \$ - | \$ - | \$ 11,623,133 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 11,623,133 |
| 35 | 370 Meters | MTR | \$ 5,351,305 | \$ - | \$ - | \$ 5,351,305 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36 | 371 Security Lights | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 37 | 372 Leased Property | CS-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 38 | 373 Street Lights | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 | Total Distribution | | \$ 58,786,286 | \$ - | \$ - | \$ 58,786,286 | \$ - | \$ - | \$ 11,394,726 | \$ 24,779,008 | \$ 4,565,416 | \$ 12,695,830 |
| 44 | Total Trans. & Distr. | | \$ 58,786,286 | \$ - | \$ - | \$ 58,786,286 | \$ - | \$ - | \$ 11,394,726 | \$ 24,779,008 | \$ 4,565,416 | \$ 12,695,830 |
| | General Plant | | | | | | | | | | | |
| 45 | 389 Land and Land Rights | LABOR | \$ 283,619 | \$ - | \$ - | \$ 283,619 | \$ - | \$ - | \$ 15,669 | \$ 34,073 | \$ 2,147 | \$ 18,581 |
| 46 | 390 Structures and Improve. | LABOR | \$ 4,414,111 | \$ - | \$ - | \$ 4,414,111 | \$ - | \$ - | \$ 243,861 | \$ 530,300 | \$ 33,418 | \$ 289,183 |
| 47 | 391 Office Furniture & Equipment | LABOR | \$ 596,378 | \$ - | \$ - | \$ 596,378 | \$ - | \$ - | \$ 32,947 | \$ 71,647 | \$ 4,515 | \$ 39,071 |
| 48 | 392 Transportation Equipment | LABOR | \$ 4,674,044 | \$ - | \$ - | \$ 4,674,044 | \$ - | \$ - | \$ 258,221 | \$ 561,528 | \$ 35,386 | \$ 306,212 |
| 49 | 393 Stores Equipment | LABOR | \$ 102,116 | \$ - | \$ - | \$ 102,116 | \$ - | \$ - | \$ 5,641 | \$ 12,268 | \$ 773 | \$ 6,690 |
| 50 | 394 Tools, Shop & Garage Equip. | LABOR | \$ 516,785 | \$ - | \$ - | \$ 516,785 | \$ - | \$ - | \$ 28,550 | \$ 62,085 | \$ 3,912 | \$ 33,856 |
| 51 | 395 Laboratory Equipment | LABOR | \$ 334,411 | \$ - | \$ - | \$ 334,411 | \$ - | \$ - | \$ 18,475 | \$ 40,175 | \$ 2,532 | \$ 21,908 |
| 52 | 396 Power - Operated Equip. | LABOR | \$ 509,108 | \$ - | \$ - | \$ 509,108 | \$ - | \$ - | \$ 28,126 | \$ 61,163 | \$ 3,854 | \$ 33,353 |
| 53 | 397 Communication Equipment | LABOR | \$ 1,147,945 | \$ - | \$ - | \$ 1,147,945 | \$ - | \$ - | \$ 63,419 | \$ 137,911 | \$ 8,691 | \$ 75,206 |
| 54 | 398 Miscellaneous Equipment | LABOR | \$ 312,477 | \$ - | \$ - | \$ 312,477 | \$ - | \$ - | \$ 17,263 | \$ 37,540 | \$ 2,366 | \$ 20,471 |
| 55 | 302 Franchises and Consents | LABOR | \$ 11,696 | \$ - | \$ - | \$ 11,696 | \$ - | \$ - | \$ 646 | \$ 1,405 | \$ 89 | \$ 766 |
| 56 | User Defined | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 57 | User Defined | LM | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 58 | User Defined | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 59 | General Plant | | \$ 12,902,688 | \$ - | \$ - | \$ 12,902,688 | \$ - | \$ - | \$ 712,818 | \$ 1,550,097 | \$ 97,682 | \$ 845,297 |
| 60 | Total Plant In Service | | \$ 71,688,974 | \$ - | \$ - | \$ 71,688,974 | \$ - | \$ - | \$ 12,107,545 | \$ 26,329,105 | \$ 4,663,098 | \$ 13,541,128 |
| 61 | CWIP | PLTINS-2 | \$ 285,676 | \$ - | \$ - | \$ 285,676 | \$ - | \$ - | \$ 48,248 | \$ 104,920 | \$ 18,582 | \$ 53,961 |
| 62 | Total Utility Plant | | \$ 71,974,650 | \$ - | \$ - | \$ 71,974,650 | \$ - | \$ - | \$ 12,155,792 | \$ 26,434,025 | \$ 4,681,680 | \$ 13,595,088 |

KENERGY CORP.

Classification
of Utility Investment (Consumer Related)

| A | B | C | D | N | O | P | Q | R | S | T | U | V |
|----------|----------------------------------|----------|---------------|-------------------------------------|----------------|------------|--------------|---------------------|---------------------|---------------------|-----------------|---------------|
| Line No. | Plant Account | Basis | Balance | Subfunctionalization - Distribution | | | | | | | | |
| | | | | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights |
| | Distribution Plant | | | | | | | | | | | |
| 26 | 360 Land and Land Rights | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 27 | 361 Structures | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 28 | 362 Station Equipment | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 29 | 364 Poles, Towers, & Fixtures | 364 | \$ 26,039,351 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 30 | 365 Overhead Conductors | 365 | \$ 8,761,971 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 31 | 366 Underground Conduit | 366 | \$ 2,512 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 32 | 367 Underground Conductors | 367 | \$ 2,442,599 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 33 | 368 Line Transformers | TRS | \$ 4,565,416 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 34 | 369 Services | 369 | \$ 11,623,133 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 35 | 370 Meters | MTR | \$ 5,351,305 | \$ 1,939,313 | \$ 3,411,992 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36 | 371 Security Lights | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 37 | 372 Leased Property | CS-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 38 | 373 Street Lights | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 | Total Distribution | | \$ 58,786,286 | \$ 1,939,313 | \$ 3,411,992 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 44 | Total Trans. & Distr. | | \$ 58,786,286 | \$ 1,939,313 | \$ 3,411,992 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | General Plant | | | | | | | | | | | |
| 45 | 389 Land and Land Rights | LABOR | \$ 283,619 | \$ 24,602 | \$ 43,285 | \$ 20,382 | \$ 112,667 | \$ 12,214 | \$ - | \$ - | \$ - | \$ - |
| 46 | 390 Structures and Improve. | LABOR | \$ 4,414,111 | \$ 382,897 | \$ 673,662 | \$ 317,209 | \$ 1,753,491 | \$ 190,090 | \$ - | \$ - | \$ - | \$ - |
| 47 | 391 Office Furniture & Equipment | LABOR | \$ 596,378 | \$ 51,732 | \$ 91,017 | \$ 42,857 | \$ 236,909 | \$ 25,682 | \$ - | \$ - | \$ - | \$ - |
| 48 | 392 Transportation Equipment | LABOR | \$ 4,674,044 | \$ 405,445 | \$ 713,332 | \$ 335,889 | \$ 1,856,748 | \$ 201,284 | \$ - | \$ - | \$ - | \$ - |
| 49 | 393 Stores Equipment | LABOR | \$ 102,116 | \$ 8,858 | \$ 15,584 | \$ 7,338 | \$ 40,565 | \$ 4,398 | \$ - | \$ - | \$ - | \$ - |
| 50 | 394 Tools, Shop & Garage Equip. | LABOR | \$ 516,785 | \$ 44,828 | \$ 78,869 | \$ 37,137 | \$ 205,291 | \$ 22,255 | \$ - | \$ - | \$ - | \$ - |
| 51 | 395 Laboratory Equipment | LABOR | \$ 334,411 | \$ 29,008 | \$ 51,036 | \$ 24,032 | \$ 132,843 | \$ 14,401 | \$ - | \$ - | \$ - | \$ - |
| 52 | 396 Power - Operated Equip. | LABOR | \$ 509,108 | \$ 44,162 | \$ 77,698 | \$ 36,586 | \$ 202,241 | \$ 21,924 | \$ - | \$ - | \$ - | \$ - |
| 53 | 397 Communication Equipment | LABOR | \$ 1,147,945 | \$ 99,577 | \$ 175,194 | \$ 82,494 | \$ 456,017 | \$ 49,435 | \$ - | \$ - | \$ - | \$ - |
| 54 | 398 Miscellaneous Equipment | LABOR | \$ 312,477 | \$ 27,105 | \$ 47,689 | \$ 22,455 | \$ 124,130 | \$ 13,457 | \$ - | \$ - | \$ - | \$ - |
| 55 | 302 Franchises and Consents | LABOR | \$ 11,696 | \$ 1,015 | \$ 1,785 | \$ 840 | \$ 4,646 | \$ 504 | \$ - | \$ - | \$ - | \$ - |
| 56 | User Defined | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 57 | User Defined | LM | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 58 | User Defined | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 59 | General Plant | | \$ 12,902,688 | \$ 1,119,229 | \$ 1,969,152 | \$ 927,220 | \$ 5,125,550 | \$ 555,643 | \$ - | \$ - | \$ - | \$ - |
| 60 | Total Plant In Service | | \$ 71,688,974 | \$ 3,058,542 | \$ 5,381,144 | \$ 927,220 | \$ 5,125,550 | \$ 555,643 | \$ - | \$ - | \$ - | \$ - |
| 61 | CWIP | PLTINS-2 | \$ 285,676 | \$ 12,188 | \$ 21,444 | \$ 3,695 | \$ 20,425 | \$ 2,214 | \$ - | \$ - | \$ - | \$ - |
| 62 | Total Utility Plant | | \$ 71,974,650 | \$ 3,070,730 | \$ 5,402,587 | \$ 930,915 | \$ 5,145,975 | \$ 557,857 | \$ - | \$ - | \$ - | \$ - |

KENERGY CORP.

Classification
of Utility Investment (Consumer Related)

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|------------------------------------|-------------|---------------|-------------------|--------|---------------|-----------|------|--------------|--------------------------|--------------|-----------------|
| Line No. | Plant Account | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Accumulated Depreciation | | | | | | | | | | | |
| 63 | Production | PROD | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 64 | Transmission | TRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | Subtransmission | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | Distribution | Accum Depr. | \$ 13,451,605 | \$ - | \$ - | \$ 13,451,605 | \$ - | \$ - | \$ 2,364,350 | \$ 5,141,523 | \$ 1,445,644 | \$ 3,346,228 |
| 67 | General | GP | \$ 6,603,071 | \$ - | \$ - | \$ 6,603,071 | \$ - | \$ - | \$ 364,791 | \$ 793,276 | \$ 49,990 | \$ 432,589 |
| 68 | Retirement WIP | Accum Depr. | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 69 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72 | Subtotal | | \$ 20,054,676 | \$ - | \$ - | \$ 20,054,676 | \$ - | \$ - | \$ 2,729,142 | \$ 5,934,800 | \$ 1,495,634 | \$ 3,778,816 |
| 73 | Net Utility Plant | | \$ 51,919,974 | \$ - | \$ - | \$ 51,919,974 | \$ - | \$ - | \$ 9,426,651 | \$ 20,499,225 | \$ 3,186,046 | \$ 9,816,272 |
| 74 | Allowance for Working Capital | WORK CAP | \$ 2,942,633 | \$ - | \$ - | \$ 2,942,633 | \$ - | \$ - | \$ 243,989 | \$ 530,578 | \$ 33,993 | \$ 289,140 |
| 75 | Customer Advances for Construction | PLTINS-2 | \$ (405,483) | \$ - | \$ - | \$ (405,483) | \$ - | \$ - | \$ (68,489) | \$ (148,937) | \$ (26,379) | \$ (76,599) |
| 76 | Net Rate Base | | \$ 54,457,124 | \$ - | \$ - | \$ 54,457,124 | \$ - | \$ - | \$ 9,602,150 | \$ 20,880,865 | \$ 3,193,660 | \$ 10,028,813 |

KENERGY CORP.

Classification
of Utility Investment (Consumer Related)

| A | B | C | D | N | O | P | Q | R | S | T | U | V |
|-------------------------------------|------------------------------------|-------------|---------------|----------------|----------------|------------|--------------|---------------------|---------------------|---------------------|-----------------|---------------|
| Subfunctionalization - Distribution | | | | | | | | | | | | |
| Line No. | Plant Account | Basis | Balance | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights |
| | Accumulated Depreciation | | | | | | | | | | | |
| 63 | Production | PROD | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 64 | Transmission | TRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | Subtransmission | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | Distribution | Accum Depr. | \$ 13,451,605 | \$ 418,159 | \$ 735,701 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 67 | General | GP | \$ 6,603,071 | \$ 572,776 | \$ 1,007,732 | \$ 474,513 | \$ 2,623,048 | \$ 284,355 | \$ - | \$ - | \$ - | \$ - |
| 68 | Retirement WIP | Accum Depr. | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 69 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72 | Subtotal | | \$ 20,054,676 | \$ 990,935 | \$ 1,743,433 | \$ 474,513 | \$ 2,623,048 | \$ 284,355 | \$ - | \$ - | \$ - | \$ - |
| 73 | Net Utility Plant | | \$ 51,919,974 | \$ 2,079,796 | \$ 3,659,155 | \$ 456,401 | \$ 2,522,927 | \$ 273,502 | \$ - | \$ - | \$ - | \$ - |
| 74 | Allowance for Working Capital | WORK CAP | \$ 2,942,633 | \$ 227,232 | \$ 399,788 | \$ 137,361 | \$ 988,813 | \$ 91,740 | \$ - | \$ - | \$ - | \$ - |
| 75 | Customer Advances for Construction | PLTINS-2 | \$ (405,483) | \$ (17,297) | \$ (30,431) | \$ (5,241) | \$ (28,969) | \$ (3,140) | \$ - | \$ - | \$ - | \$ - |
| 76 | Net Rate Base | | \$ 54,457,124 | \$ 2,289,731 | \$ 4,028,511 | \$ 588,522 | \$ 3,482,770 | \$ 362,101 | \$ - | \$ - | \$ - | \$ - |

KENERGY CORP.

Classification
of Utility Plant Investment (Direct Assignments)

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|----------------------------------|----------|--------------|-------------------|--------|--------------|-----------|------|---------|--------------------------|---------|-----------------|
| Line No. | Plant Account | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Distribution Plant | | | | | | | | | | | |
| 26 | 360 Land and Land Rights | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 27 | 361 Structures | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 28 | 362 Station Equipment | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 29 | 364 Poles, Towers, & Fixtures | 364 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 30 | 365 Overhead Conductors | 365 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 31 | 366 Underground Conduit | 366 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 32 | 367 Underground Conductors | 367 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 33 | 368 Line Transformers | TRS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 34 | 369 Services | 369 | \$ 243,264 | \$ - | \$ - | \$ 243,264 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 35 | 370 Meters | MTR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36 | 371 Security Lights | LTS | \$ 3,353,899 | \$ - | \$ - | \$ 3,353,899 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 37 | 372 Leased Property | CS-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 38 | 373 Street Lights | LTS | \$ 790,335 | \$ - | \$ - | \$ 790,335 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 | Total Distribution | | \$ 4,387,498 | \$ - | \$ - | \$ 4,387,498 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 44 | Total Trans. & Distr. | | \$ 4,387,498 | \$ - | \$ - | \$ 4,387,498 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | General Plant | | | | | | | | | | | |
| 45 | 389 Land and Land Rights | LABOR | \$ 5,860 | \$ - | \$ - | \$ 5,860 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 46 | 390 Structures and Improve. | LABOR | \$ 91,199 | \$ - | \$ - | \$ 91,199 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 47 | 391 Office Furniture & Equipment | LABOR | \$ 12,322 | \$ - | \$ - | \$ 12,322 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 48 | 392 Transportation Equipment | LABOR | \$ 96,570 | \$ - | \$ - | \$ 96,570 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 49 | 393 Stores Equipment | LABOR | \$ 2,110 | \$ - | \$ - | \$ 2,110 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 50 | 394 Tools, Shop & Garage Equip. | LABOR | \$ 10,677 | \$ - | \$ - | \$ 10,677 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 51 | 395 Laboratory Equipment | LABOR | \$ 6,909 | \$ - | \$ - | \$ 6,909 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 52 | 396 Power - Operated Equip. | LABOR | \$ 10,519 | \$ - | \$ - | \$ 10,519 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 53 | 397 Communication Equipment | LABOR | \$ 23,717 | \$ - | \$ - | \$ 23,717 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 54 | 398 Miscellaneous Equipment | LABOR | \$ 6,456 | \$ - | \$ - | \$ 6,456 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 55 | 302 Franchises and Consents | LABOR | \$ 242 | \$ - | \$ - | \$ 242 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 56 | User Defined | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 57 | User Defined | LM | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 58 | User Defined | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 59 | General Plant | | \$ 266,580 | \$ - | \$ - | \$ 266,580 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 60 | Total Plant In Service | | \$ 4,654,078 | \$ - | \$ - | \$ 4,654,078 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 61 | CWIP | PLTINS-2 | \$ 18,546 | \$ - | \$ - | \$ 18,546 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 62 | Total Utility Plant | | \$ 4,672,625 | \$ - | \$ - | \$ 4,672,625 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

KENERGY CORP.

Classification
of Utility Plant Investment (Direct Assignments)

| A | B | C | D | N | O | P | Q | R | S | T | U | V |
|----------|----------------------------------|----------|--------------|-------------------------------------|----------------|----------|---------|---------------------|---------------------|---------------------|-----------------|---------------|
| Line No. | Plant Account | Basis | Balance | Subfunctionalization - Distribution | | | | | | | | |
| | | | | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights |
| | Distribution Plant | | | | | | | | | | | |
| 26 | 360 Land and Land Rights | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 27 | 361 Structures | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 28 | 362 Station Equipment | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 29 | 364 Poles, Towers, & Fixtures | 364 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 30 | 365 Overhead Conductors | 365 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 31 | 366 Underground Conduit | 366 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 32 | 367 Underground Conductors | 367 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 33 | 368 Line Transformers | TRS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 34 | 369 Services | 369 | \$ 243,264 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 243,264 | \$ - |
| 35 | 370 Meters | MTR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36 | 371 Security Lights | LTS | \$ 3,353,899 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,353,899 | \$ - |
| 37 | 372 Leased Property | CS-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 38 | 373 Street Lights | LTS | \$ 790,335 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 790,335 | \$ - |
| 39 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 | Total Distribution | | \$ 4,387,498 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,387,498 | \$ - |
| 44 | Total Trans. & Distr. | | \$ 4,387,498 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,387,498 | \$ - |
| | General Plant | | | | | | | | | | | |
| 45 | 389 Land and Land Rights | LABOR | \$ 5,860 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 5,860 | \$ - |
| 46 | 390 Structures and Improve. | LABOR | \$ 91,199 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 91,199 | \$ - |
| 47 | 391 Office Furniture & Equipment | LABOR | \$ 12,322 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 12,322 | \$ - |
| 48 | 392 Transportation Equipment | LABOR | \$ 96,570 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 96,570 | \$ - |
| 49 | 393 Stores Equipment | LABOR | \$ 2,110 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,110 | \$ - |
| 50 | 394 Tools, Shop & Garage Equip. | LABOR | \$ 10,677 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 10,677 | \$ - |
| 51 | 395 Laboratory Equipment | LABOR | \$ 6,909 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,909 | \$ - |
| 52 | 396 Power - Operated Equip. | LABOR | \$ 10,519 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 10,519 | \$ - |
| 53 | 397 Communication Equipment | LABOR | \$ 23,717 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 23,717 | \$ - |
| 54 | 398 Miscellaneous Equipment | LABOR | \$ 6,456 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,456 | \$ - |
| 55 | 302 Franchises and Consents | LABOR | \$ 242 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 242 | \$ - |
| 56 | User Defined | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 57 | User Defined | LM | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 58 | User Defined | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 59 | General Plant | | \$ 266,580 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 266,580 | \$ - |
| 60 | Total Plant In Service | | \$ 4,654,078 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,654,078 | \$ - |
| 61 | CWIP | PLTINS-2 | \$ 18,546 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 18,546 | \$ - |
| 62 | Total Utility Plant | | \$ 4,672,625 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,672,625 | \$ - |

KENERGY CORP.

Classification
of Utility Plant Investment (Direct Assignments)

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|---------------------------------|-------------|--------------|-------------------|--------|--------------|-----------|------|---------|--------------------------|---------|-----------------|
| Line No. | Plant Account | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Accumulated Depreciation | | | | | | | | | | | |
| 63 | Production | PROD | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 64 | Transmission | TRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | Subtransmission | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | Distribution | Accum Depr. | \$ 836,430 | \$ - | \$ - | \$ 836,430 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 67 | General | GP | \$ 136,425 | \$ - | \$ - | \$ 136,425 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 68 | Retirement WIP | Accum Depr. | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 69 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72 | Subtotal | | \$ 972,854 | \$ - | \$ - | \$ 972,854 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 73 | Net Utility Plant | | \$ 3,699,770 | \$ - | \$ - | \$ 3,699,770 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 74 | Allowance for Working Capital | WORK CAP | \$ 64,885 | \$ - | \$ - | \$ 64,885 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 75 | Consumer Deposits | PLTINS-2 | \$ (26,327) | \$ - | \$ - | \$ (26,327) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 76 | Net Rate Base | | \$ 3,738,328 | \$ - | \$ - | \$ 3,738,328 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

KENERGY CORP.

Classification
of Utility Plant Investment (Direct Assignments)

| A | B | C | Subfunctionalization - Distribution | | | | | | | | | |
|----------|---------------------------------|-------------|-------------------------------------|----------------|----------------|----------|---------|---------------------|---------------------|---------------------|-----------------|---------------|
| Line No. | Plant Account | Basis | Balance | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights |
| | Accumulated Depreciation | | | | | | | | | | | |
| 63 | Production | PROD | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 64 | Transmission | TRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | Subtransmission | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | Distribution | Accum Depr. | \$ 836,430 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 836,430 | \$ - |
| 67 | General | GP | \$ 136,425 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 68 | Retirement WIP | Accum Depr. | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 69 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72 | Subtotal | | \$ 972,854 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 972,854 | \$ - |
| 73 | Net Utility Plant | | \$ 3,699,770 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,699,770 | \$ - |
| 74 | Allowance for Working Capital | WORK CAP | \$ 64,885 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 64,885 | \$ - |
| 75 | Consumer Deposits | PLTINS-2 | \$ (26,327) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (26,327) | \$ - |
| 76 | Net Rate Base | | \$ 3,738,328 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,738,328 | \$ - |

KENERGY CORP.

Functionalization and Subfunctionalization of Labor (Total System)

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------------------------------|--------------------------------|----------|--------------|-------------------|--------|--------------|-----------|------------|------------|--------------------------|------------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| Distribution Operations: | | | | | | | | | | | | |
| 60 | 580 - Operations Supervision | DOL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 61 | 581 - Load Dispatching | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 62 | 582 - Station Expense | SUB | \$ 24,764 | \$ - | \$ - | \$ 24,764 | \$ - | \$ 24,764 | \$ - | \$ - | \$ - | \$ - |
| 63 | 583 - Overhead Line Expense | DIST-OH2 | \$ 296,617 | \$ - | \$ - | \$ 296,617 | \$ - | \$ - | \$ 62,630 | \$ 136,196 | \$ 52,109 | \$ 45,264 |
| 64 | 584 - Underground Line Exp. | DIST-OH2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | 585 - Street Lighting | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | 586 - Meter Expense | MTR | \$ 327,853 | \$ - | \$ - | \$ 327,853 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 67 | 587 - Customer Installations | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 68 | 588 - Miscellaneous Operations | DOL | \$ 851,995 | \$ - | \$ - | \$ 851,995 | \$ - | \$ 32,498 | \$ 82,190 | \$ 178,731 | \$ 68,383 | \$ 59,400 |
| 69 | 589 - Rents | DIST-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 73 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 74 | Subtotal | | \$ 1,501,229 | \$ - | \$ - | \$ 1,501,229 | \$ - | \$ 57,262 | \$ 144,820 | \$ 314,926 | \$ 120,492 | \$ 104,664 |
| Distribution Maintenance: | | | | | | | | | | | | |
| 75 | 590 - Maintenance Supervision | DML | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 76 | 591 - Load Management | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 592 - Station Equipment | SUB | \$ 251,156 | \$ - | \$ - | \$ 251,156 | \$ - | \$ 251,156 | \$ - | \$ - | \$ - | \$ - |
| 78 | 593 - Overhead Lines | DIST-OH1 | \$ 1,699,782 | \$ - | \$ - | \$ 1,699,782 | \$ - | \$ - | \$ 435,395 | \$ 946,811 | \$ - | \$ 314,669 |
| 79 | 594 - Underground Lines | DIST-OH1 | \$ 118,323 | \$ - | \$ - | \$ 118,323 | \$ - | \$ - | \$ 30,308 | \$ 65,908 | \$ - | \$ 21,904 |
| 80 | 595 - Line Transformers | TRS | \$ 43,286 | \$ - | \$ - | \$ 43,286 | \$ - | \$ - | \$ - | \$ - | \$ 43,286 | \$ - |
| 81 | 596 - Street Lights | LTS | \$ 62,379 | \$ - | \$ - | \$ 62,379 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 82 | 597 - Meters | MTR | \$ 24,984 | \$ - | \$ - | \$ 24,984 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | 598 - Misc. Maintenance | DML | \$ 39,533 | \$ - | \$ - | \$ 39,533 | \$ - | \$ 4,513 | \$ 8,369 | \$ 18,199 | \$ 778 | \$ 6,048 |
| 84 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 88 | Subtotal | | \$ 2,239,443 | \$ - | \$ - | \$ 2,239,443 | \$ - | \$ 255,669 | \$ 474,072 | \$ 1,030,918 | \$ 44,064 | \$ 342,621 |
| 89 | Subtotal - Distribution O&M | | \$ 3,740,672 | \$ - | \$ - | \$ 3,740,672 | \$ - | \$ 312,931 | \$ 618,892 | \$ 1,345,845 | \$ 164,556 | \$ 447,286 |

KENERGY CORP.

Functionalization and Subfunctionalization of Labor (Total System)

| A | B | C | D | N | O | P | Q | R | S | T | U | V |
|----------|----------------------------------|----------|--------------|-------------------------------------|----------------|----------|---------|---------------------|---------------------|---------------------|-----------------|---------------|
| Line No. | Cost Item | Basis | Balance | Subfunctionalization - Distribution | | | | | | | | |
| | | | | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights |
| | Distribution Operations: | | | | | | | | | | | |
| 60 | 580 - Operations Supervision | DOL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 61 | 581 - Load Dispatching | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 62 | 582 - Station Expense | SUB | \$ 24,764 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 63 | 583 - Overhead Line Expense | DIST-OH2 | \$ 296,617 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 418 | \$ - |
| 64 | 584 - Underground Line Exp. | DIST-OH2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | 585 - Street Lighting | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | 586 - Meter Expense | MTR | \$ 327,853 | \$ 118,814 | \$ 209,039 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 67 | 587 - Customer Installations | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 68 | 588 - Miscellaneous Operations | DOL | \$ 851,995 | \$ 155,920 | \$ 274,324 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 549 | \$ - |
| 69 | 589 - Rents | DIST-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 73 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 74 | Subtotal | | \$ 1,501,229 | \$ 274,734 | \$ 483,363 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 967 | \$ - |
| | Distribution Maintenance: | | | | | | | | | | | |
| 75 | 590 - Maintenance Supervision | DML | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 76 | 591 - Load Management | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 592 - Station Equipment | SUB | \$ 251,156 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 78 | 593 - Overhead Lines | DIST-OH1 | \$ 1,699,782 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,907 | \$ - |
| 79 | 594 - Underground Lines | DIST-OH1 | \$ 118,323 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 202 | \$ - |
| 80 | 595 - Line Transformers | TRS | \$ 43,286 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 81 | 596 - Street Lights | LTS | \$ 62,379 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 62,379 | \$ - |
| 82 | 597 - Meters | MTR | \$ 24,984 | \$ 9,054 | \$ 15,930 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | 598 - Misc. Maintenance | DML | \$ 39,533 | \$ 163 | \$ 286 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,177 | \$ - |
| 84 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 88 | Subtotal | | \$ 2,239,443 | \$ 9,217 | \$ 16,216 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 66,665 | \$ - |
| 89 | Subtotal - Distribution O&M | | \$ 3,740,672 | \$ 283,951 | \$ 499,579 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 67,632 | \$ - |

KENERGY CORP.

Functionalization and Subfunctionalization of Labor (Total System)

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|---------------------------------|-------|--------------|-------------------|--------|--------------|-----------|------------|------------|--------------------------|------------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Customer Accounts: | | | | | | | | | | | |
| 90 | 901 - Supervision | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91 | 902 - Meter Reading | MTRNG | \$ 235,238 | \$ - | \$ - | \$ 235,238 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 903 - Customer Records | BILL | \$ 1,300,365 | \$ - | \$ - | \$ 1,300,365 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 93 | 904 - Uncollectible Accounts | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | 905 - Miscellaneous | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 95 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 99 | Subtotal - Customer Accounts | | \$ 1,535,603 | \$ - | \$ - | \$ 1,535,603 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Customer Service: | | | | | | | | | | | |
| 101 | 907 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 102 | 908 - Customer Assistance | CS-1 | \$ 100,646 | \$ - | \$ - | \$ 100,646 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 103 | 909 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 104 | 910 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 105 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 106 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 107 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 108 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 109 | Subtotal - Customer Service | | \$ 100,646 | \$ - | \$ - | \$ 100,646 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Sales: | | | | | | | | | | | |
| 110 | 911 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 111 | 912 - Demonstrating | CS-1 | \$ 40,322 | \$ - | \$ - | \$ 40,322 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 112 | 913 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 113 | 914 - Key Accounts | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 114 | 915 - Costs | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | 916 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 116 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 117 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 119 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | Subtotal - Sales | | \$ 40,322 | \$ - | \$ - | \$ 40,322 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 121 | Distribution O & M Before A & G | | \$ 5,417,243 | \$ - | \$ - | \$ 5,417,243 | \$ - | \$ 312,931 | \$ 618,892 | \$ 1,345,845 | \$ 164,556 | \$ 447,286 |
| 122 | A&G Labor | GP | \$ 1,367,211 | \$ - | \$ - | \$ 1,367,211 | \$ - | \$ 78,978 | \$ 156,197 | \$ 339,666 | \$ 41,531 | \$ 112,887 |
| 123 | Total Labor | | \$ 6,784,454 | \$ - | \$ - | \$ 6,784,454 | \$ - | \$ 391,909 | \$ 775,089 | \$ 1,685,511 | \$ 206,087 | \$ 560,172 |

KENERGY CORP.

Functionalization and Subfunctionalization of Labor (Total System)

| A | B | C | D | N | O | P | Q | R | S | T | U | V | | |
|----------|---------------------------------|-------|--------------|-------------------------------------|----------------|------------|--------------|------------|---------|---------------------|---------------------|---------------------|-----------------|---------------|
| Line No. | Cost Item | Basis | Balance | Subfunctionalization - Distribution | | | | | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights |
| | | | | 3-Phase Meters | 1-Phase Meters | Metering | | | | | | | | |
| | Customer Accounts: | | | | | | | | | | | | | |
| 90 | 901 - Supervision | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 91 | 902 - Meter Reading | MTRNG | \$ 235,238 | \$ - | \$ - | \$ 235,238 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 92 | 903 - Customer Records | BILL | \$ 1,300,365 | \$ - | \$ - | \$ - | \$ 1,300,365 | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 93 | 904 - Uncollectible Accounts | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 94 | 905 - Miscellaneous | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 95 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 96 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 97 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 98 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 99 | Subtotal - Customer Accounts | | \$ 1,535,603 | \$ - | \$ - | \$ 235,238 | \$ 1,300,365 | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| | Customer Service: | | | | | | | | | | | | | |
| 100 | 907 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 101 | 907 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 100,646 | \$ - | \$ - | \$ - | \$ - | | |
| 102 | 908 - Customer Assistance | CS-1 | \$ 100,646 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 103 | 909 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 104 | 910 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 105 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 106 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 107 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 108 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 109 | Subtotal - Customer Service | | \$ 100,646 | \$ - | \$ - | \$ - | \$ - | \$ 100,646 | \$ - | \$ - | \$ - | \$ - | | |
| | Sales: | | | | | | | | | | | | | |
| 110 | 911 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 111 | 912 - Demonstrating | CS-1 | \$ 40,322 | \$ - | \$ - | \$ - | \$ - | \$ 40,322 | \$ - | \$ - | \$ - | \$ - | | |
| 112 | 913 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 113 | 914 - Key Accounts | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 114 | 915 - Costs | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 115 | 916 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 116 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 117 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 118 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 119 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | |
| 120 | Subtotal - Sales | | \$ 40,322 | \$ - | \$ - | \$ - | \$ - | \$ 40,322 | \$ - | \$ - | \$ - | \$ - | | |
| 121 | Distribution O & M Before A & G | | \$ 5,417,243 | \$ 283,951 | \$ 499,579 | \$ 235,238 | \$ 1,300,365 | \$ 140,968 | \$ - | \$ - | \$ 67,632 | \$ - | | |
| 122 | A&G Labor | GP | \$ 1,367,211 | \$ 71,664 | \$ 126,084 | \$ 59,370 | \$ 328,188 | \$ 35,578 | \$ - | \$ - | \$ 17,069 | \$ - | | |
| 123 | Total Labor | | \$ 6,784,454 | \$ 355,615 | \$ 625,663 | \$ 294,608 | \$ 1,628,553 | \$ 176,546 | \$ - | \$ - | \$ 84,701 | \$ - | | |

KENERGY CORP.

Determination of Labor Classification (Demand Related)

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|----------------------------------|----------|--------------|-------------------|--------|--------------|-----------|------------|------------|--------------------------|------------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Distribution Operations: | | | | | | | | | | | |
| 60 | 580 - Operations Supervision | DOL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 61 | 581 - Load Dispatching | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 62 | 582 - Station Expense | SUB | \$ 24,764 | \$ - | \$ - | \$ 24,764 | \$ - | \$ 24,764 | \$ - | \$ - | \$ - | \$ - |
| 63 | 583 - Overhead Line Expense | DIST-OH2 | \$ 208,551 | \$ - | \$ - | \$ 208,551 | \$ - | \$ - | \$ 44,329 | \$ 96,399 | \$ 44,261 | \$ 23,562 |
| 64 | 584 - Underground Line Exp. | DIST-OH2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | 585 - Street Lighting | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | 586 - Meter Expense | MTR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 67 | 587 - Customer Installations | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 68 | 588 - Miscellaneous Operations | DOL | \$ 306,181 | \$ - | \$ - | \$ 306,181 | \$ - | \$ 32,498 | \$ 58,174 | \$ 126,505 | \$ 58,085 | \$ 30,921 |
| 69 | 589 - Rents | DIST-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 73 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 74 | Subtotal | | \$ 539,496 | \$ - | \$ - | \$ 539,496 | \$ - | \$ 57,262 | \$ 102,503 | \$ 222,903 | \$ 102,346 | \$ 54,482 |
| | Distribution Maintenance: | | | | | | | | | | | |
| 75 | 590 - Maintenance Supervision | DML | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 76 | 591 - Load Management | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 592 - Station Equipment | SUB | \$ 251,156 | \$ - | \$ - | \$ 251,156 | \$ - | \$ 251,156 | \$ - | \$ - | \$ - | \$ - |
| 78 | 593 - Overhead Lines | DIST-OH1 | \$ 1,142,117 | \$ - | \$ - | \$ 1,142,117 | \$ - | \$ - | \$ 308,170 | \$ 670,148 | \$ - | \$ 163,799 |
| 79 | 594 - Underground Lines | DIST-OH1 | \$ 79,504 | \$ - | \$ - | \$ 79,504 | \$ - | \$ - | \$ 21,452 | \$ 46,649 | \$ - | \$ 11,402 |
| 80 | 595 - Line Transformers | TRS | \$ 36,767 | \$ - | \$ - | \$ 36,767 | \$ - | \$ - | \$ - | \$ - | \$ 36,767 | \$ - |
| 81 | 596 - Street Lights | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 82 | 597 - Meters | MTR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | 598 - Misc. Maintenance | DML | \$ 27,127 | \$ - | \$ - | \$ 27,127 | \$ - | \$ 4,513 | \$ 5,923 | \$ 12,881 | \$ 661 | \$ 3,148 |
| 84 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 88 | Subtotal | | \$ 1,536,670 | \$ - | \$ - | \$ 1,536,670 | \$ - | \$ 255,669 | \$ 335,545 | \$ 729,678 | \$ 37,428 | \$ 178,349 |
| 89 | Subtotal - Distribution O&M | | \$ 2,076,167 | \$ - | \$ - | \$ 2,076,167 | \$ - | \$ 312,931 | \$ 438,048 | \$ 952,581 | \$ 139,774 | \$ 232,832 |

KENERGY CORP.

Determination of Labor Classification (Demand Related)

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|---------------------------|---------------------------------|-------|--------------|-------------------|--------|--------------|-----------|------------|------------|--------------------------|------------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| Customer Accounts: | | | | | | | | | | | | |
| 90 | 901 - Supervision | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91 | 902 - Meter Reading | MTRNG | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 903 - Customer Records | BILL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 93 | 904 - Uncollectible Accounts | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | 905 - Miscellaneous | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 95 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 99 | Subtotal - Customer Accounts | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Customer Service: | | | | | | | | | | | | |
| 101 | 907 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 102 | 908 - Customer Assistance | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 103 | 909 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 104 | 910 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 105 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 106 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 107 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 108 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 109 | Subtotal - Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales: | | | | | | | | | | | | |
| 110 | 911 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 111 | 912 - Demonstrating | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 112 | 913 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 113 | 914 - Key Accounts | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 114 | 915 - Costs | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | 916 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 116 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 117 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 119 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | Subtotal - Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 121 | Distribution O & M Before A & G | | \$ 2,076,167 | \$ - | \$ - | \$ 2,076,167 | \$ - | \$ 312,931 | \$ 438,048 | \$ 952,581 | \$ 139,774 | \$ 232,832 |
| 122 | A&G Labor | GP | \$ 523,986 | \$ - | \$ - | \$ 523,986 | \$ - | \$ 78,978 | \$ 110,555 | \$ 240,414 | \$ 35,276 | \$ 58,762 |
| 123 | Total Labor | | \$ 2,600,152 | \$ - | \$ - | \$ 2,600,152 | \$ - | \$ 391,909 | \$ 548,604 | \$ 1,192,995 | \$ 175,050 | \$ 291,594 |

KENERGY CORP.

Determination of Labor Classification (Consumer Related)

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|----------------------------------|----------|--------------|-------------------|--------|--------------|-----------|------|------------|--------------------------|-----------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Distribution Operations: | | | | | | | | | | | |
| 60 | 580 - Operations Supervision | DOL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 61 | 581 - Load Dispatching | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 62 | 582 - Station Expense | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 63 | 583 - Overhead Line Expense | DIST-OH2 | \$ 87,648 | \$ - | \$ - | \$ 87,648 | \$ - | \$ - | \$ 18,301 | \$ 39,797 | \$ 7,848 | \$ 21,702 |
| 64 | 584 - Underground Line Exp. | DIST-OH2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | 585 - Street Lighting | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | 586 - Meter Expense | MTR | \$ 327,853 | \$ - | \$ - | \$ 327,853 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 67 | 587 - Customer Installations | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 68 | 588 - Miscellaneous Operations | DOL | \$ 545,265 | \$ - | \$ - | \$ 545,265 | \$ - | \$ - | \$ 24,016 | \$ 52,226 | \$ 10,298 | \$ 28,480 |
| 69 | 589 - Rents | DIST-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 73 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 74 | Subtotal | | \$ 960,766 | \$ - | \$ - | \$ 960,766 | \$ - | \$ - | \$ 42,317 | \$ 92,023 | \$ 18,146 | \$ 50,182 |
| | Distribution Maintenance: | | | | | | | | | | | |
| 75 | 590 - Maintenance Supervision | DML | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 76 | 591 - Load Management | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 592 - Station Equipment | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 78 | 593 - Overhead Lines | DIST-OH1 | \$ 554,758 | \$ - | \$ - | \$ 554,758 | \$ - | \$ - | \$ 127,225 | \$ 276,664 | \$ - | \$ 150,870 |
| 79 | 594 - Underground Lines | DIST-OH1 | \$ 38,617 | \$ - | \$ - | \$ 38,617 | \$ - | \$ - | \$ 8,856 | \$ 19,259 | \$ - | \$ 10,502 |
| 80 | 595 - Line Transformers | TRS | \$ 6,519 | \$ - | \$ - | \$ 6,519 | \$ - | \$ - | \$ - | \$ - | \$ 6,519 | \$ - |
| 81 | 596 - Street Lights | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 82 | 597 - Meters | MTR | \$ 24,984 | \$ - | \$ - | \$ 24,984 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | 598 - Misc. Maintenance | DML | \$ 11,229 | \$ - | \$ - | \$ 11,229 | \$ - | \$ - | \$ 2,445 | \$ 5,318 | \$ 117 | \$ 2,900 |
| 84 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 88 | Subtotal | | \$ 636,108 | \$ - | \$ - | \$ 636,108 | \$ - | \$ - | \$ 138,527 | \$ 301,240 | \$ 6,636 | \$ 164,272 |
| 89 | Subtotal - Distribution O&M | | \$ 1,596,873 | \$ - | \$ - | \$ 1,596,873 | \$ - | \$ - | \$ 180,844 | \$ 393,263 | \$ 24,782 | \$ 214,454 |

KENERGY CORP.

Determination of Labor Classification (Consumer Related)

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|---------------------------|---------------------------------|-------|--------------|-------------------|--------|--------------|-----------|------|------------|--------------------------|-----------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| Customer Accounts: | | | | | | | | | | | | |
| 90 | 901 - Supervision | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91 | 902 - Meter Reading | MTRNG | \$ 235,238 | \$ - | \$ - | \$ 235,238 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 903 - Customer Records | BILL | \$ 1,300,365 | \$ - | \$ - | \$ 1,300,365 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 93 | 904 - Uncollectible Accounts | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | 905 - Miscellaneous | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 95 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 99 | Subtotal - Customer Accounts | | \$ 1,535,603 | \$ - | \$ - | \$ 1,535,603 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Customer Service: | | | | | | | | | | | | |
| 101 | 907 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 102 | 908 - Customer Assistance | CS-1 | \$ 100,646 | \$ - | \$ - | \$ 100,646 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 103 | 909 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 104 | 910 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 105 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 106 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 107 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 108 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 109 | Subtotal - Customer Service | | \$ 100,646 | \$ - | \$ - | \$ 100,646 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales: | | | | | | | | | | | | |
| 110 | 911 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 111 | 912 - Demonstrating | CS-1 | \$ 40,322 | \$ - | \$ - | \$ 40,322 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 112 | 913 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 113 | 914 - Key Accounts | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 114 | 915 - Costs | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | 916 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 116 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 117 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 119 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | Subtotal - Sales | | \$ 40,322 | \$ - | \$ - | \$ 40,322 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 121 | Distribution O & M Before A & G | | \$ 3,273,444 | \$ - | \$ - | \$ 3,273,444 | \$ - | \$ - | \$ 180,844 | \$ 393,263 | \$ 24,782 | \$ 214,454 |
| 122 | A&G Labor | GP | \$ 826,156 | \$ - | \$ - | \$ 826,156 | \$ - | \$ - | \$ 45,642 | \$ 99,252 | \$ 6,255 | \$ 54,124 |
| 123 | Total Labor | | \$ 4,099,601 | \$ - | \$ - | \$ 4,099,601 | \$ - | \$ - | \$ 226,485 | \$ 492,516 | \$ 31,037 | \$ 268,578 |

KENERGY CORP.

Determination of Labor Classification (Consumer Related)

| A | B | C | D | N O P | | | | Q | R | S | T | U | V |
|----------|---------------------------------|-------|--------------|-------------------------------------|----------------|------------|--------------|---------------------|---------------------|---------------------|-----------------|---------------|------|
| Line No. | Cost Item | Basis | Balance | Subfunctionalization - Distribution | | | | | | | | | |
| | | | | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights | |
| | Customer Accounts: | | | | | | | | | | | | |
| 90 | 901 - Supervision | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91 | 902 - Meter Reading | MTRNG | \$ 235,238 | \$ - | \$ - | \$ 235,238 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 903 - Customer Records | BILL | \$ 1,300,365 | \$ - | \$ - | \$ - | \$ 1,300,365 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 93 | 904 - Uncollectible Accounts | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | 905 - Miscellaneous | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 95 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 99 | Subtotal - Customer Accounts | | \$ 1,535,603 | \$ - | \$ - | \$ 235,238 | \$ 1,300,365 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Customer Service: | | | | | | | | | | | | |
| 101 | 907 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 102 | 908 - Customer Assistance | CS-1 | \$ 100,646 | \$ - | \$ - | \$ - | \$ - | \$ 100,646 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 103 | 909 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 104 | 910 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 105 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 106 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 107 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 108 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 109 | Subtotal - Customer Service | | \$ 100,646 | \$ - | \$ - | \$ - | \$ - | \$ 100,646 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Sales: | | | | | | | | | | | | |
| 110 | 911 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 111 | 912 - Demonstrating | CS-1 | \$ 40,322 | \$ - | \$ - | \$ - | \$ - | \$ 40,322 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 112 | 913 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 113 | 914 - Key Accounts | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 114 | 915 - Costs | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | 916 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 116 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 117 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 119 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | Subtotal - Sales | | \$ 40,322 | \$ - | \$ - | \$ - | \$ - | \$ 40,322 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 121 | Distribution O & M Before A & G | | \$ 3,273,444 | \$ 283,951 | \$ 499,579 | \$ 235,238 | \$ 1,300,365 | \$ 140,968 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 122 | A&G Labor | GP | \$ 826,156 | \$ 71,664 | \$ 126,084 | \$ 59,370 | \$ 328,188 | \$ 35,578 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 123 | Total Labor | | \$ 4,099,601 | \$ 355,615 | \$ 625,663 | \$ 294,608 | \$ 1,628,553 | \$ 176,546 | \$ - | \$ - | \$ - | \$ - | \$ - |

KENERGY CORP.

Determination of Labor Classification (Direct Assignment)

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|----------------------------------|----------|-----------|-------------------|--------|--------------|-----------|------|---------|--------------------------|---------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Distribution Operations: | | | | | | | | | | | |
| 60 | 580 - Operations Supervision | DOL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 61 | 581 - Load Dispatching | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 62 | 582 - Station Expense | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 63 | 583 - Overhead Line Expense | DIST-OH2 | \$ 418 | \$ - | \$ - | \$ 418 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 64 | 584 - Underground Line Exp. | DIST-OH2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | 585 - Street Lighting | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | 586 - Meter Expense | MTR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 67 | 587 - Customer Installations | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 68 | 588 - Miscellaneous Operations | DOL | \$ 549 | \$ - | \$ - | \$ 549 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 69 | 589 - Rents | DIST-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 73 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 74 | Subtotal | | \$ 967 | \$ - | \$ - | \$ 967 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Distribution Maintenance: | | | | | | | | | | | |
| 75 | 590 - Maintenance Supervision | DML | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 76 | 591 - Load Management | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 592 - Station Equipment | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 78 | 593 - Overhead Lines | DIST-OH1 | \$ 2,907 | \$ - | \$ - | \$ 2,907 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 79 | 594 - Underground Lines | DIST-OH1 | \$ 202 | \$ - | \$ - | \$ 202 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 80 | 595 - Line Transformers | TRS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 81 | 596 - Street Lights | LTS | \$ 62,379 | \$ - | \$ - | \$ 62,379 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 82 | 597 - Meters | MTR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | 598 - Misc. Maintenance | DML | \$ 1,177 | \$ - | \$ - | \$ 1,177 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 84 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 88 | Subtotal | | \$ 66,665 | \$ - | \$ - | \$ 66,665 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 89 | Subtotal - Distribution O&M | | \$ 67,632 | \$ - | \$ - | \$ 67,632 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

KENERGY CORP.

Determination of Labor Classification (Direct Assignment)

| A | B | C | D | N O P | | | Q | R | S | T | U | V |
|----------|----------------------------------|----------|-----------|-------------------------------------|----------------|----------|---------|---------------------|---------------------|---------------------|-----------------|---------------|
| Line No. | Cost Item | Basis | Balance | Subfunctionalization - Distribution | | | | | | | | |
| | | | | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights |
| | Distribution Operations: | | | | | | | | | | | |
| 60 | 580 - Operations Supervision | DOL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 61 | 581 - Load Dispatching | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 62 | 582 - Station Expense | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 63 | 583 - Overhead Line Expense | DIST-OH2 | \$ 418 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 418 | \$ - |
| 64 | 584 - Underground Line Exp. | DIST-OH2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | 585 - Street Lighting | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | 586 - Meter Expense | MTR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 67 | 587 - Customer Installations | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 68 | 588 - Miscellaneous Operations | DOL | \$ 549 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 549 | \$ - |
| 69 | 589 - Rents | DIST-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 72 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 73 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 74 | Subtotal | | \$ 967 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 967 | \$ - |
| | Distribution Maintenance: | | | | | | | | | | | |
| 75 | 590 - Maintenance Supervision | DML | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 76 | 591 - Load Management | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 592 - Station Equipment | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 78 | 593 - Overhead Lines | DIST-OH1 | \$ 2,907 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,907 | \$ - |
| 79 | 594 - Underground Lines | DIST-OH1 | \$ 202 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 202 | \$ - |
| 80 | 595 - Line Transformers | TRS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 81 | 596 - Street Lights | LTS | \$ 62,379 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 62,379 | \$ - |
| 82 | 597 - Meters | MTR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | 598 - Misc. Maintenance | DML | \$ 1,177 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,177 | \$ - |
| 84 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 88 | Subtotal | | \$ 66,665 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 66,665 | \$ - |
| 89 | Subtotal - Distribution O&M | | \$ 67,632 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 67,632 | \$ - |

KENERGY CORP.

Determination of Labor Classification (Direct Assignment)

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|---------------------------------|-------|-----------|-------------------|--------|--------------|-----------|------|---------|--------------------------|---------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Customer Accounts: | | | | | | | | | | | |
| 90 | 901 - Supervision | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91 | 902 - Meter Reading | MTRNG | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 903 - Customer Records | BILL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 93 | 904 - Uncollectible Accounts | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | 905 - Miscellaneous | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 95 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 99 | Subtotal - Customer Accounts | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Customer Service: | | | | | | | | | | | |
| 101 | 907 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 102 | 908 - Customer Assistance | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 103 | 909 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 104 | 910 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 105 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 106 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 107 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 108 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 109 | Subtotal - Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Sales: | | | | | | | | | | | |
| 110 | 911 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 111 | 912 - Demonstrating | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 112 | 913 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 113 | 914 - Key Accounts | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 114 | 915 - Costs | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | 916 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 116 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 117 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 119 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | Subtotal - Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 121 | Distribution O & M Before A & G | | \$ 67,632 | \$ - | \$ - | \$ 67,632 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 122 | A&G Labor | GP | \$ 17,069 | \$ - | \$ - | \$ 17,069 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 123 | Total Labor | | \$ 84,701 | \$ - | \$ - | \$ 84,701 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

KENERGY CORP.

Determination of Labor Classification (Direct Assignment)

| A | B | C | D | N O P | | | Q | R | S | T | U | V |
|----------|---------------------------------|-------|-----------|-------------------------------------|----------------|----------|---------|---------------------|---------------------|---------------------|-----------------|---------------|
| Line No. | Cost Item | Basis | Balance | Subfunctionalization - Distribution | | | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights |
| | | | | 3-Phase Meters | 1-Phase Meters | Metering | | | | | | |
| | Customer Accounts: | | | | | | | | | | | |
| 90 | 901 - Supervision | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91 | 902 - Meter Reading | MTRNG | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 903 - Customer Records | BILL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 93 | 904 - Uncollectible Accounts | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | 905 - Miscellaneous | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 95 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 99 | Subtotal - Customer Accounts | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Customer Service: | | | | | | | | | | | |
| 101 | 907 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 102 | 908 - Customer Assistance | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 103 | 909 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 104 | 910 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 105 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 106 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 107 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 108 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 109 | Subtotal - Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Sales: | | | | | | | | | | | |
| 110 | 911 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 111 | 912 - Demonstrating | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 112 | 913 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 113 | 914 - Key Accounts | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 114 | 915 - Costs | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | 916 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 116 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 117 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 119 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | Subtotal - Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 121 | Distribution O & M Before A & G | | \$ 67,632 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 67,632 | \$ - |
| 122 | A&G Labor | GP | \$ 17,069 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 17,069 | \$ - |
| 123 | Total Labor | | \$ 84,701 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 84,701 | \$ - |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Total System)**

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|-------------------------------------|--|----------|---------------|-------------------|--------|---------------|-----------|------------|--------------|--------------------------|------------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| Subtransmission Operations: | | | | | | | | | | | | |
| 59 | 560 - Operations Supervision | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 60 | 561 - Load Dispatching | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 61 | 562 - Station Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 62 | 563 - Overhead Line Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 63 | 564 - Underground Line Exp. | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 64 | 565 - Transmission By Others | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | 566 - Miscellaneous | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | 567 - Rents | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 67 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 68 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 69 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | Subtotal - Subtransmission Operations | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Subtransmission Maintenance: | | | | | | | | | | | | |
| 72 | 568 - Operations Supervision | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 73 | 569 - Structures | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 74 | 570 - Station Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 75 | 571 - Overhead Line Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 76 | 573 - | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 578 - Miscellaneous | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 78 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 79 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 80 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 81 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 82 | Subtotal - Subtransmission Maintenance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | Subtotal - Subtransmission O&M | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Distribution Operations: | | | | | | | | | | | | |
| 84 | 580 - Operations Supervision | DOL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | 581 - Load Dispatching | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | 582 - Station Expense | SUB | \$ 313,993 | \$ - | \$ - | \$ 313,993 | \$ - | \$ 313,993 | \$ - | \$ - | \$ - | \$ - |
| 87 | 583 - Overhead Line Expense | DIST-OH2 | \$ 1,592,482 | \$ - | \$ - | \$ 1,592,482 | \$ - | \$ - | \$ 336,250 | \$ 731,210 | \$ 279,763 | \$ 243,014 |
| 88 | 584 - Underground Line Exp. | DIST-OH2 | \$ 87,821 | \$ - | \$ - | \$ 87,821 | \$ - | \$ - | \$ 18,543 | \$ 40,324 | \$ 15,428 | \$ 13,402 |
| 89 | 585 - Street Lighting | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 90 | 586 - Meter Expense | MTR | \$ 552,806 | \$ - | \$ - | \$ 552,806 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91 | 587 - Customer Installations | LTS | \$ 22,249 | \$ - | \$ - | \$ 22,249 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 588 - Miscellaneous Operations | DOL | \$ 1,889,684 | \$ - | \$ - | \$ 1,889,684 | \$ - | \$ 72,079 | \$ 182,294 | \$ 396,416 | \$ 151,670 | \$ 131,747 |
| 93 | 589 - Rents | DIST-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 95 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | Subtotal | | \$ 4,459,036 | \$ - | \$ - | \$ 4,459,036 | \$ - | \$ 386,072 | \$ 537,087 | \$ 1,167,950 | \$ 446,862 | \$ 388,163 |
| Distribution Maintenance: | | | | | | | | | | | | |
| 76 | 590 - Maintenance Supervision | DML | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 591 - Structures | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 78 | 592 - Station Equipment | SUB | \$ 577,623 | \$ - | \$ - | \$ 577,623 | \$ - | \$ 577,623 | \$ - | \$ - | \$ - | \$ - |
| 79 | 593 - Overhead Lines | DIST-OH1 | \$ 7,036,106 | \$ - | \$ - | \$ 7,036,106 | \$ - | \$ - | \$ 1,802,281 | \$ 3,919,247 | \$ - | \$ 1,302,545 |
| 80 | 594 - Underground Lines | DIST-OH1 | \$ 300,813 | \$ - | \$ - | \$ 300,813 | \$ - | \$ - | \$ 77,052 | \$ 167,559 | \$ - | \$ 55,687 |
| 81 | 595 - Line Transformers | TRS | \$ 199,853 | \$ - | \$ - | \$ 199,853 | \$ - | \$ - | \$ - | \$ - | \$ 199,853 | \$ - |
| 82 | 596 - Street Lighting | LTS | \$ 134,870 | \$ - | \$ - | \$ 134,870 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | 597 - Meters | MTR | \$ 185,022 | \$ - | \$ - | \$ 185,022 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 84 | 598 - Misc. Maintenance | DML | \$ 211,749 | \$ - | \$ - | \$ 211,749 | \$ - | \$ 24,175 | \$ 44,825 | \$ 97,478 | \$ 4,166 | \$ 32,396 |
| 85 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 88 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 89 | Subtotal | | \$ 8,646,035 | \$ - | \$ - | \$ 8,646,035 | \$ - | \$ 601,798 | \$ 1,924,159 | \$ 4,184,283 | \$ 204,019 | \$ 1,390,629 |
| 90 | Subtotal - Distribution O&M | | \$ 13,105,071 | \$ - | \$ - | \$ 13,105,071 | \$ - | \$ 987,870 | \$ 2,461,246 | \$ 5,352,233 | \$ 650,881 | \$ 1,778,792 |

KENERGY CORP.

Functionalization and Subfunctionalization
of Utility Expenses (Total System)

| A | B | C | D | N | O | P | Q | R | S | T | U | V |
|-------------------------------------|--|----------|-------------------------------------|----------------|----------------|----------|---------|---------------------|---------------------|---------------------|-----------------|---------------|
| Line No. | Cost Item | Basis | Subfunctionalization - Distribution | | | | | | | | | |
| | | | Balance | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights |
| Subtransmission Operations: | | | | | | | | | | | | |
| 59 | 560 - Operations Supervision | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 60 | 561 - Load Dispatching | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 61 | 562 - Station Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 62 | 563 - Overhead Line Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 63 | 564 - Underground Line Exp. | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 64 | 565 - Transmission By Others | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | 566 - Miscellaneous | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | 567 - Rents | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 67 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 68 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 69 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | Subtotal - Subtransmission Operations | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Subtransmission Maintenance: | | | | | | | | | | | | |
| 72 | 568 - Operations Supervision | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 73 | 569 - Structures | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 74 | 570 - Station Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 75 | 571 - Overhead Line Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 76 | 573 - | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 578 - Miscellaneous | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 78 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 79 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 80 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 81 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 82 | Subtotal - Subtransmission Maintenance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | Subtotal - Subtransmission O&M | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Distribution Operations: | | | | | | | | | | | | |
| 84 | 580 - Operations Supervision | DOL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | 581 - Load Dispatching | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | 582 - Station Expense | SUB | \$ 313,993 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 2,245 | \$ - |
| 87 | 583 - Overhead Line Expense | DIST-OH2 | \$ 1,592,482 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 124 | \$ - |
| 88 | 584 - Underground Line Exp. | DIST-OH2 | \$ 87,821 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 89 | 585 - Street Lighting | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 90 | 586 - Meter Expense | MTR | \$ 552,806 | \$ 200,337 | \$ 352,469 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 22,249 | \$ - |
| 91 | 587 - Customer Installations | LTS | \$ 22,249 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,217 | \$ - |
| 92 | 588 - Miscellaneous Operations | DOL | \$ 1,889,684 | \$ 345,824 | \$ 608,437 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 93 | 589 - Rents | DIST-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 95 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | Subtotal | | \$ 4,459,036 | \$ 546,161 | \$ 960,906 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 25,835 | \$ - |
| Distribution Maintenance: | | | | | | | | | | | | |
| 76 | 590 - Maintenance Supervision | DML | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 591 - Structures | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 78 | 592 - Station Equipment | SUB | \$ 577,623 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 12,033 | \$ - |
| 79 | 593 - Overhead Lines | DIST-OH1 | \$ 7,036,106 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 514 | \$ - |
| 80 | 594 - Underground Lines | DIST-OH1 | \$ 300,813 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 81 | 595 - Line Transformers | TRS | \$ 199,853 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 134,870 | \$ - |
| 82 | 596 - Street Lighting | LTS | \$ 134,870 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | 597 - Meters | MTR | \$ 185,022 | \$ 67,052 | \$ 117,970 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,303 | \$ - |
| 84 | 598 - Misc. Maintenance | DML | \$ 211,749 | \$ 871 | \$ 1,533 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 88 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 89 | Subtotal | | \$ 8,646,035 | \$ 67,923 | \$ 119,503 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 153,721 | \$ - |
| 90 | Subtotal - Distribution O&M | | \$ 13,105,071 | \$ 614,084 | \$ 1,080,409 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 179,557 | \$ - |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Total System)**

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|--------------------------------------|-----------------------------------|--------|---------------|-------------------|--------|---------------|-----------|--------------|--------------|--------------------------|------------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| Customer Accounts: | | | | | | | | | | | | |
| 91 | 901 - Supervision | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 902 - Meter Reading | MTRNG | \$ 337,642 | \$ - | \$ - | \$ 337,642 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 93 | 903 - Customer Records | BILL | \$ 2,643,891 | \$ - | \$ - | \$ 2,643,891 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | 904 - Uncollectible Accounts | SubT&D | \$ 177,966 | \$ - | \$ - | \$ 177,966 | \$ - | \$ 20,074 | \$ 32,776 | \$ 71,274 | \$ 24,440 | \$ 21,550 |
| 95 | 905 - Miscellaneous | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 99 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 100 | Subtotal - Customer Accounts | | \$ 3,159,499 | \$ - | \$ - | \$ 3,159,499 | \$ - | \$ 20,074 | \$ 32,776 | \$ 71,274 | \$ 24,440 | \$ 21,550 |
| Customer Service: | | | | | | | | | | | | |
| 101 | 907 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 102 | 908 - Customer Assistance | CS-1 | \$ 165,516 | \$ - | \$ - | \$ 165,516 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 103 | 909 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 104 | 910 - Miscellaneous | CS-1 | \$ 61 | \$ - | \$ - | \$ 61 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 105 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 106 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 107 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 108 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 109 | Subtotal - Customer Service | | \$ 165,577 | \$ - | \$ - | \$ 165,577 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales: | | | | | | | | | | | | |
| 110 | 911 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 111 | 912 - Demonstrating | CS-1 | \$ 68,688 | \$ - | \$ - | \$ 68,688 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 112 | 913 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 113 | 914 - Key Accounts | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 114 | 915 - Costs | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | 916 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 116 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 117 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 119 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | Subtotal - Sales | | \$ 68,688 | \$ - | \$ - | \$ 68,688 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 121 | Distribution O & M Before A & G | | \$ 16,498,835 | \$ - | \$ - | \$ 16,498,835 | \$ - | \$ 1,007,944 | \$ 2,494,022 | \$ 5,423,507 | \$ 675,321 | \$ 1,800,342 |
| 122 | Total Non-Fuel O & M Before A & G | | \$ 67,175,450 | \$ 50,676,615 | \$ - | \$ 16,498,835 | \$ - | \$ 1,007,944 | \$ 2,494,022 | \$ 5,423,507 | \$ 675,321 | \$ 1,800,342 |
| | | | \$ 1 | \$ 1 | \$ - | \$ 0 | \$ - | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Administrative & General: | | | | | | | | | | | | |
| 123 | 920 - Salaries | LABOR | \$ 1,461,357 | \$ - | \$ - | \$ 1,461,357 | \$ - | \$ 84,416 | \$ 166,952 | \$ 363,055 | \$ 44,391 | \$ 120,660 |
| 124 | 921 - Office Supplies | LABOR | \$ 134,723 | \$ - | \$ - | \$ 134,723 | \$ - | \$ 7,782 | \$ 15,391 | \$ 33,470 | \$ 4,092 | \$ 11,124 |
| 125 | 922 - | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 126 | 923 - Outside Services | LABOR | \$ 133,402 | \$ - | \$ - | \$ 133,402 | \$ - | \$ 7,706 | \$ 15,240 | \$ 33,142 | \$ 4,052 | \$ 11,015 |
| 127 | 924 - Property Insurance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 128 | 925 - Injuries and Damages | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 129 | 926 - Pensions & Benefits | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 130 | 927 - Franchise Requirements | LABOR | \$ 10,200 | \$ - | \$ - | \$ 10,200 | \$ - | \$ 589 | \$ 1,165 | \$ 2,534 | \$ 310 | \$ 842 |
| 131 | 928 - Regulatory Commission | LABOR | \$ 11,162 | \$ - | \$ - | \$ 11,162 | \$ - | \$ 645 | \$ 1,275 | \$ 2,773 | \$ 339 | \$ 922 |
| 132 | 929 - Electric - Own Supply | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 133 | 930 - Miscellaneous | LABOR | \$ 585,128 | \$ - | \$ - | \$ 585,128 | \$ - | \$ 33,800 | \$ 66,848 | \$ 145,367 | \$ 17,774 | \$ 48,312 |
| 134 | 932 - | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 135 | 935 - Maintenance | LABOR | \$ 604,359 | \$ - | \$ - | \$ 604,359 | \$ - | \$ 34,911 | \$ 69,045 | \$ 150,145 | \$ 18,358 | \$ 49,900 |
| 136 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 137 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 138 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 139 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 140 | Subtotal - A&G | | \$ 2,940,330 | \$ - | \$ - | \$ 2,940,330 | \$ - | \$ 169,850 | \$ 335,918 | \$ 730,487 | \$ 89,316 | \$ 242,774 |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Total System)**

| Line No. | Cost Item | Basis | Subfunctionalization - Distribution | | | | | | | | | |
|--------------------------------------|-----------------------------------|--------|-------------------------------------|----------------|----------------|------------|--------------|---------------------|---------------------|---------------------|-----------------|---------------|
| | | | Balance | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights |
| Customer Accounts: | | | | | | | | | | | | |
| 91 | 901 - Supervision | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 902 - Meter Reading | MTRNG | \$ 337,642 | \$ - | \$ - | \$ 337,642 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 93 | 903 - Customer Records | BILL | \$ 2,643,891 | \$ - | \$ - | \$ - | \$ 2,643,891 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | 904 - Uncollectible Accounts | SubT&D | \$ 177,966 | \$ 1,563 | \$ 2,751 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,537 | \$ - |
| 95 | 905 - Miscellaneous | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 99 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 100 | Subtotal - Customer Accounts | | \$ 3,159,499 | \$ 1,563 | \$ 2,751 | \$ 337,642 | \$ 2,643,891 | \$ - | \$ - | \$ - | \$ 3,537 | \$ - |
| Customer Service: | | | | | | | | | | | | |
| 101 | 907 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 165,516 | \$ - | \$ - | \$ - | \$ - |
| 102 | 908 - Customer Assistance | CS-1 | \$ 165,516 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 103 | 909 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 61 | \$ - | \$ - | \$ - | \$ - |
| 104 | 910 - Miscellaneous | CS-1 | \$ 61 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 105 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 106 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 107 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 108 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 109 | Subtotal - Customer Service | | \$ 165,577 | \$ - | \$ - | \$ - | \$ - | \$ 165,577 | \$ - | \$ - | \$ - | \$ - |
| Sales: | | | | | | | | | | | | |
| 110 | 911 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 111 | 912 - Demonstrating | CS-1 | \$ 68,688 | \$ - | \$ - | \$ - | \$ - | \$ 68,688 | \$ - | \$ - | \$ - | \$ - |
| 112 | 913 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 113 | 914 - Key Accounts | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 114 | 915 - Costs | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | 916 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 116 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 117 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 119 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | Subtotal - Sales | | \$ 68,688 | \$ - | \$ - | \$ - | \$ - | \$ 68,688 | \$ - | \$ - | \$ - | \$ - |
| 121 | Distribution O & M Before A & G | | \$ 16,498,835 | \$ 615,648 | \$ 1,083,159 | \$ 337,642 | \$ 2,643,891 | \$ 234,265 | \$ - | \$ - | \$ 183,094 | \$ - |
| 122 | Total Non-Fuel O & M Before A & G | | \$ 67,175,450 | \$ 615,648 | \$ 1,083,159 | \$ 337,642 | \$ 2,643,891 | \$ 234,265 | \$ - | \$ - | \$ 183,094 | \$ - |
| | | | \$ 1 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ - | \$ - | \$ 0 | \$ - |
| Administrative & General: | | | | | | | | | | | | |
| 123 | 920 - Salaries | LABOR | \$ 1,461,357 | \$ 76,599 | \$ 134,766 | \$ 63,458 | \$ 350,787 | \$ 38,028 | \$ - | \$ - | \$ 18,244 | \$ - |
| 124 | 921 - Office Supplies | LABOR | \$ 134,723 | \$ 7,062 | \$ 12,424 | \$ 5,850 | \$ 32,339 | \$ 3,506 | \$ - | \$ - | \$ 1,682 | \$ - |
| 125 | 922 - | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 126 | 923 - Outside Services | LABOR | \$ 133,402 | \$ 6,992 | \$ 12,302 | \$ 5,793 | \$ 32,022 | \$ 3,471 | \$ - | \$ - | \$ 1,665 | \$ - |
| 127 | 924 - Property Insurance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 128 | 925 - Injuries and Damages | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 129 | 926 - Pensions & Benefits | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 127 | \$ - |
| 130 | 927 - Franchise Requirements | LABOR | \$ 10,200 | \$ 535 | \$ 941 | \$ 443 | \$ 2,448 | \$ 265 | \$ - | \$ - | \$ 139 | \$ - |
| 131 | 928 - Regulatory Commission | LABOR | \$ 11,162 | \$ 585 | \$ 1,029 | \$ 485 | \$ 2,679 | \$ 290 | \$ - | \$ - | \$ - | \$ - |
| 132 | 929 - Electric - Own Supply | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 133 | 930 - Miscellaneous | LABOR | \$ 585,128 | \$ 30,670 | \$ 53,961 | \$ 25,409 | \$ 140,455 | \$ 15,226 | \$ - | \$ - | \$ 7,305 | \$ - |
| 134 | 932 - | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,545 | \$ - |
| 135 | 935 - Maintenance | LABOR | \$ 604,359 | \$ 31,678 | \$ 55,734 | \$ 26,244 | \$ 145,071 | \$ 15,727 | \$ - | \$ - | \$ - | \$ - |
| 136 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 137 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 138 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 139 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 140 | Subtotal - A&G | | \$ 2,940,330 | \$ 154,121 | \$ 271,158 | \$ 127,681 | \$ 705,802 | \$ 76,514 | \$ - | \$ - | \$ 36,709 | \$ - |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Total System)**

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|---|-------------------------------------|----------|---------------|-------------------|--------|---------------|-----------|--------------|--------------|--------------------------|--------------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| Depreciation & Amortization: | | | | | | | | | | | | |
| 141 | 403.1 - Production | PROD | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 142 | 403.5 - Subtransmission | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 143 | 403.6 - Distribution | DIST-2 | \$ 8,425,545 | \$ - | \$ - | \$ 8,425,545 | \$ - | \$ 950,397 | \$ 1,551,727 | \$ 3,374,390 | \$ 1,157,073 | \$ 1,020,242 |
| 144 | 403.7 - General | GP | \$ 408,426 | \$ - | \$ - | \$ 408,426 | \$ - | \$ 23,593 | \$ 46,661 | \$ 101,468 | \$ 12,406 | \$ 33,723 |
| 145 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 146 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 147 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 148 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 149 | Subtotal - Dep. & Amort. | | \$ 8,833,971 | \$ - | \$ - | \$ 8,833,971 | \$ - | \$ 973,990 | \$ 1,598,388 | \$ 3,475,859 | \$ 1,169,479 | \$ 1,053,965 |
| Property Tax: | | | | | | | | | | | | |
| 150 | 408.1 - Property Tax | PLTINS-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Tax - Payroll: | | | | | | | | | | | | |
| 151 | 408.2 - U.S. Unemployment | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 152 | 408.3 - F.I.C.A. | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 153 | 408.4 - State Social Security | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 154 | 408.5 - State Tax | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 155 | 408.7 - Other Tax | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 156 | 408.9 - PSC Assessment | LABOR | \$ 114,762 | \$ - | \$ - | \$ 114,762 | \$ - | \$ 6,629 | \$ 13,111 | \$ 28,511 | \$ 3,486 | \$ 9,476 |
| 157 | Income Tax - Cell Phones | LABOR | \$ 100,739 | \$ - | \$ - | \$ 100,739 | \$ - | \$ 5,819 | \$ 11,509 | \$ 25,027 | \$ 3,060 | \$ 8,318 |
| 158 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 159 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 160 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 161 | Subtotal - Payroll Tax | | \$ 215,501 | \$ - | \$ - | \$ 215,501 | \$ - | \$ 12,449 | \$ 24,620 | \$ 53,538 | \$ 6,546 | \$ 17,793 |
| Debt Service: | | | | | | | | | | | | |
| 162 | 427 - Interest (Long Term) | NUP-2 | \$ 3,562,458 | \$ - | \$ - | \$ 3,562,458 | \$ - | \$ 335,487 | \$ 672,640 | \$ 1,462,726 | \$ 423,763 | \$ 413,795 |
| 163 | 427.3 - Construction Loan | NUP-2 | \$ 2,410,076 | \$ - | \$ - | \$ 2,410,076 | \$ - | \$ 226,964 | \$ 455,055 | \$ 989,564 | \$ 286,684 | \$ 279,941 |
| 164 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 165 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 166 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 167 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 168 | Subtotal - Debt Service | | \$ 5,972,534 | \$ - | \$ - | \$ 5,972,534 | \$ - | \$ 562,450 | \$ 1,127,695 | \$ 2,452,290 | \$ 710,448 | \$ 693,736 |
| Other Expenses | | | | | | | | | | | | |
| 169 | 426 - Realized Gain/(Loss) | NUP-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 170 | 431 - Interest on Customer Deposits | NUP-2 | \$ 119,185 | \$ - | \$ - | \$ 119,185 | \$ - | \$ 11,224 | \$ 22,504 | \$ 48,937 | \$ 14,177 | \$ 13,844 |
| 171 | 426.01 Donations | Labor | \$ (43,540) | \$ - | \$ - | \$ (43,540) | \$ - | \$ (2,515) | \$ (4,974) | \$ (10,817) | \$ (1,323) | \$ (3,595) |
| 172 | 426. Other | NUP-2 | \$ 12,897 | \$ - | \$ - | \$ 12,897 | \$ - | \$ 1,215 | \$ 2,435 | \$ 5,295 | \$ 1,534 | \$ 1,498 |
| 173 | 431 - Interest - Short Term | SubT&D | \$ 95,000 | \$ - | \$ - | \$ 95,000 | \$ - | \$ 10,716 | \$ 17,496 | \$ 38,047 | \$ 13,046 | \$ 11,503 |
| 174 | 431 - Interest - Direct Serves | SubT&D | \$ 1 | \$ - | \$ - | \$ 1 | \$ - | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 175 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 176 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 177 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 178 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 179 | Subtotal - Other Expenses | | \$ 183,543 | \$ - | \$ - | \$ 183,543 | \$ - | \$ 20,639 | \$ 37,461 | \$ 81,463 | \$ 27,435 | \$ 23,251 |
| 180 | Power Production (Incl. Fuel) | Summary | \$ 50,676,615 | \$ 50,676,615 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 181 | Transmission O&M | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 182 | Subtransmission O&M | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 183 | Distribution O&M | Summary | \$ 13,105,071 | \$ - | \$ - | \$ 13,105,071 | \$ - | \$ 987,870 | \$ 2,461,246 | \$ 5,352,233 | \$ 650,881 | \$ 1,778,792 |
| 184 | Customer Accounts | Summary | \$ 3,159,499 | \$ - | \$ - | \$ 3,159,499 | \$ - | \$ 20,074 | \$ 32,776 | \$ 71,274 | \$ 24,440 | \$ 21,550 |
| 185 | Customer Service | Summary | \$ 165,577 | \$ - | \$ - | \$ 165,577 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 186 | Sales | Summary | \$ 68,688 | \$ - | \$ - | \$ 68,688 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 187 | Administrative & General | Summary | \$ 2,940,330 | \$ - | \$ - | \$ 2,940,330 | \$ - | \$ 169,850 | \$ 335,918 | \$ 730,487 | \$ 89,316 | \$ 242,774 |
| 188 | Depreciation & Amortization | Summary | \$ 8,833,971 | \$ - | \$ - | \$ 8,833,971 | \$ - | \$ 973,990 | \$ 1,598,388 | \$ 3,475,859 | \$ 1,169,479 | \$ 1,053,965 |
| 189 | Property Tax | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 190 | Tax - Other | Summary | \$ 215,501 | \$ - | \$ - | \$ 215,501 | \$ - | \$ 12,449 | \$ 24,620 | \$ 53,538 | \$ 6,546 | \$ 17,793 |
| 191 | Debt Service | Summary | \$ 5,972,534 | \$ - | \$ - | \$ 5,972,534 | \$ - | \$ 562,450 | \$ 1,127,695 | \$ 2,452,290 | \$ 710,448 | \$ 693,736 |
| 192 | Other Expenses | Summary | \$ 183,543 | \$ - | \$ - | \$ 183,543 | \$ - | \$ 20,639 | \$ 37,461 | \$ 81,463 | \$ 27,435 | \$ 23,251 |
| 193 | Total Expenses | | \$ 85,321,329 | \$ 50,676,615 | \$ - | \$ 34,644,714 | \$ - | \$ 2,747,323 | \$ 5,618,103 | \$ 12,217,144 | \$ 2,678,545 | \$ 3,831,861 |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Total System)**

| A | B | C | D | | N | | O | P | Q | R | S | T | U | V |
|---|-------------------------------------|----------|-------------------------------------|----------------|----------------|------------|--------------|---------------------|---------------------|---------------------|-----------------|---------------|------------|------|
| | | | Subfunctionalization - Distribution | | | | | | | | | | | |
| Line No. | Cost Item | Basis | Balance | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights | | |
| Depreciation & Amortization: | | | | | | | | | | | | | | |
| 141 | 403.1 - Production | PROD | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 142 | 403.5 - Subtransmission | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 143 | 403.6 - Distribution | DIST-2 | \$ 8,425,545 | \$ 74,021 | \$ 130,231 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 167,464 | \$ - |
| 144 | 403.7 - General | GP | \$ 408,426 | \$ 21,408 | \$ 37,665 | \$ 17,735 | \$ 98,039 | \$ 10,628 | \$ - | \$ - | \$ - | \$ - | \$ 5,099 | \$ - |
| 145 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 146 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 147 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 148 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 149 | Subtotal - Dep. & Amort. | | \$ 8,833,971 | \$ 95,429 | \$ 167,896 | \$ 17,735 | \$ 98,039 | \$ 10,628 | \$ - | \$ - | \$ - | \$ - | \$ 172,563 | \$ - |
| Property Tax: | | | | | | | | | | | | | | |
| 150 | 408.1 - Property Tax | PLTINS-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Tax - Payroll: | | | | | | | | | | | | | | |
| 151 | 408.2 - U.S. Unemployment | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 152 | 408.3 - F.I.C.A. | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 153 | 408.4 - State Social Security | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 154 | 408.5 - State Tax | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 155 | 408.7 - Other Tax | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 156 | 408.9 - PSC Assessment | LABOR | \$ 114,762 | \$ 6,015 | \$ 10,583 | \$ 4,983 | \$ 27,548 | \$ 2,986 | \$ - | \$ - | \$ - | \$ - | \$ 1,433 | \$ - |
| 157 | Income Tax - Cell Phones | LABOR | \$ 100,739 | \$ 5,280 | \$ 9,290 | \$ 4,375 | \$ 24,182 | \$ 2,621 | \$ - | \$ - | \$ - | \$ - | \$ 1,258 | \$ - |
| 158 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 159 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 160 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 161 | Subtotal - Payroll Tax | | \$ 215,501 | \$ 11,296 | \$ 19,874 | \$ 9,358 | \$ 51,729 | \$ 5,608 | \$ - | \$ - | \$ - | \$ - | \$ 2,690 | \$ - |
| Debt Service: | | | | | | | | | | | | | | |
| 162 | 427 - Interest (Long Term) | NUP-2 | \$ 3,562,458 | \$ 41,641 | \$ 73,262 | \$ 9,125 | \$ 50,444 | \$ 5,468 | \$ - | \$ - | \$ - | \$ - | \$ 74,106 | \$ - |
| 163 | 427.3 - Construction Loan | NUP-2 | \$ 2,410,076 | \$ 28,171 | \$ 49,563 | \$ 6,174 | \$ 34,127 | \$ 3,700 | \$ - | \$ - | \$ - | \$ - | \$ 50,134 | \$ - |
| 164 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 165 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 166 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 167 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 168 | Subtotal - Debt Service | | \$ 5,972,534 | \$ 69,811 | \$ 122,825 | \$ 15,299 | \$ 84,571 | \$ 9,168 | \$ - | \$ - | \$ - | \$ - | \$ 124,241 | \$ - |
| Other Expenses | | | | | | | | | | | | | | |
| 169 | 426 - Realized Gain/(Loss) | NUP-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 170 | 431 - Interest on Customer Deposits | NUP-2 | \$ 119,185 | \$ 1,393 | \$ 2,451 | \$ 305 | \$ 1,688 | \$ 183 | \$ - | \$ - | \$ - | \$ - | \$ 2,479 | \$ - |
| 171 | 426.01 Donations | Labor | \$ (43,540) | \$ (2,292) | \$ (4,015) | \$ (1,891) | \$ (10,451) | \$ (1,133) | \$ - | \$ - | \$ - | \$ - | \$ (544) | \$ - |
| 172 | 426. Other | NUP-2 | \$ 12,897 | \$ 151 | \$ 265 | \$ 33 | \$ 183 | \$ 20 | \$ - | \$ - | \$ - | \$ - | \$ 1,888 | \$ - |
| 173 | 431 - Interest - Short Term | SubT&D | \$ 95,000 | \$ 835 | \$ 1,468 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 174 | 431 - Interest - Direct Serves | SubT&D | \$ 1 | \$ 0 | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 0 | \$ - |
| 175 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 176 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 177 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 178 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 179 | Subtotal - Other Expenses | | \$ 183,543 | \$ 96 | \$ 169 | \$ (1,552) | \$ (8,581) | \$ (930) | \$ - | \$ - | \$ - | \$ - | \$ 4,092 | \$ - |
| 180 | Power Production (Incl. Fuel) | Summary | \$ 50,676,615 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 181 | Transmission O&M | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 182 | Subtransmission O&M | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 183 | Distribution O&M | Summary | \$ 13,105,071 | \$ 614,084 | \$ 1,080,409 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 179,557 | \$ - |
| 184 | Customer Accounts | Summary | \$ 3,159,499 | \$ 1,563 | \$ 2,751 | \$ 337,642 | \$ 2,643,891 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,537 | \$ - |
| 185 | Customer Service | Summary | \$ 165,577 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 165,577 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 186 | Sales | Summary | \$ 68,688 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 68,688 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 187 | Administrative & General | Summary | \$ 2,940,330 | \$ 154,121 | \$ 271,158 | \$ 127,681 | \$ 705,802 | \$ 76,514 | \$ - | \$ - | \$ - | \$ - | \$ 36,709 | \$ - |
| 188 | Depreciation & Amortization | Summary | \$ 8,833,971 | \$ 95,429 | \$ 167,896 | \$ 17,735 | \$ 98,039 | \$ 10,628 | \$ - | \$ - | \$ - | \$ - | \$ 172,563 | \$ - |
| 189 | Property Tax | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 190 | Tax - Other | Summary | \$ 215,501 | \$ 11,296 | \$ 19,874 | \$ 9,358 | \$ 51,729 | \$ 5,608 | \$ - | \$ - | \$ - | \$ - | \$ 2,690 | \$ - |
| 191 | Debt Service | Summary | \$ 5,972,534 | \$ 69,811 | \$ 122,825 | \$ 15,299 | \$ 84,571 | \$ 9,168 | \$ - | \$ - | \$ - | \$ - | \$ 124,241 | \$ - |
| 192 | Other Expenses | Summary | \$ 183,543 | \$ 96 | \$ 169 | \$ (1,552) | \$ (8,581) | \$ (930) | \$ - | \$ - | \$ - | \$ - | \$ 4,092 | \$ - |
| 193 | Total Expenses | | \$ 85,321,329 | \$ 946,401 | \$ 1,665,080 | \$ 506,163 | \$ 3,575,452 | \$ 335,252 | \$ - | \$ - | \$ - | \$ - | \$ 523,389 | \$ - |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Demand Related)**

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|-------------------------------------|--|----------|--------------|-------------------|--------|--------------|-----------|------------|--------------|--------------------------|------------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| Subtransmission Operations: | | | | | | | | | | | | |
| 59 | 560 - Operations Supervision | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 60 | 561 - Load Dispatching | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 61 | 562 - Station Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 62 | 563 - Overhead Line Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 63 | 564 - Underground Line Exp. | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 64 | 565 - Transmission By Others | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | 566 - Miscellaneous | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | 567 - Rents | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 67 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 68 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 69 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | Subtotal - Subtransmission Operations | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Subtransmission Maintenance: | | | | | | | | | | | | |
| 72 | 568 - Operations Supervision | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 73 | 569 - Structures | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 74 | 570 - Station Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 75 | 571 - Overhead Line Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 76 | 573 - | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 578 - Miscellaneous | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 78 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 79 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 80 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 81 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 82 | Subtotal - Subtransmission Maintenance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | Subtotal - Subtransmission O&M | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Distribution Operations: | | | | | | | | | | | | |
| 84 | 580 - Operations Supervision | DOL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | 581 - Load Dispatching | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | 582 - Station Expense | SUB | \$ 313,993 | \$ - | \$ - | \$ 313,993 | \$ - | \$ 313,993 | \$ - | \$ - | \$ - | \$ - |
| 87 | 583 - Overhead Line Expense | DIST-OH2 | \$ 1,119,672 | \$ - | \$ - | \$ 1,119,672 | \$ - | \$ - | \$ 237,996 | \$ 517,546 | \$ 237,631 | \$ 126,500 |
| 88 | 584 - Underground Line Exp. | DIST-OH2 | \$ 61,747 | \$ - | \$ - | \$ 61,747 | \$ - | \$ - | \$ 13,125 | \$ 28,541 | \$ 13,105 | \$ 6,976 |
| 89 | 585 - Street Lighting | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 90 | 586 - Meter Expense | MTR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91 | 587 - Customer Installations | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 588 - Miscellaneous Operations | DOL | \$ 679,095 | \$ - | \$ - | \$ 679,095 | \$ - | \$ 72,079 | \$ 129,026 | \$ 280,581 | \$ 128,829 | \$ 68,580 |
| 93 | 589 - Rents | DIST-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 95 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | Subtotal | | \$ 2,174,508 | \$ - | \$ - | \$ 2,174,508 | \$ - | \$ 386,072 | \$ 380,147 | \$ 826,669 | \$ 379,565 | \$ 202,056 |
| Distribution Maintenance: | | | | | | | | | | | | |
| 76 | 590 - Maintenance Supervision | DML | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 591 - Structures | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 78 | 592 - Station Equipment | SUB | \$ 577,623 | \$ - | \$ - | \$ 577,623 | \$ - | \$ 577,623 | \$ - | \$ - | \$ - | \$ - |
| 79 | 593 - Overhead Lines | DIST-OH1 | \$ 4,727,697 | \$ - | \$ - | \$ 4,727,697 | \$ - | \$ - | \$ 1,275,644 | \$ 2,774,021 | \$ - | \$ 678,032 |
| 80 | 594 - Underground Lines | DIST-OH1 | \$ 202,122 | \$ - | \$ - | \$ 202,122 | \$ - | \$ - | \$ 54,537 | \$ 118,597 | \$ - | \$ 28,988 |
| 81 | 595 - Line Transformers | TRS | \$ 169,755 | \$ - | \$ - | \$ 169,755 | \$ - | \$ - | \$ - | \$ - | \$ 169,755 | \$ - |
| 82 | 596 - Street Lighting | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | 597 - Meters | MTR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 84 | 598 - Misc. Maintenance | DML | \$ 145,299 | \$ - | \$ - | \$ 145,299 | \$ - | \$ 24,175 | \$ 31,727 | \$ 68,994 | \$ 3,539 | \$ 16,864 |
| 85 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 88 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 89 | Subtotal | | \$ 5,822,495 | \$ - | \$ - | \$ 5,822,495 | \$ - | \$ 601,798 | \$ 1,361,909 | \$ 2,961,612 | \$ 173,294 | \$ 723,883 |
| 90 | Subtotal - Distribution O&M | | \$ 7,997,003 | \$ - | \$ - | \$ 7,997,003 | \$ - | \$ 987,870 | \$ 1,742,056 | \$ 3,788,280 | \$ 552,858 | \$ 925,939 |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Demand Related)**

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|--------------------------------------|-----------------------------------|--------|---------------|-------------------|--------|--------------|-----------|--------------|--------------|--------------------------|------------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| Customer Accounts: | | | | | | | | | | | | |
| 91 | 901 - Supervision | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 902 - Meter Reading | MTRNG | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 93 | 903 - Customer Records | BILL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | 904 - Uncollectible Accounts | SubT&D | \$ 127,035 | \$ - | \$ - | \$ 127,035 | \$ - | \$ 20,074 | \$ 23,589 | \$ 51,298 | \$ 20,759 | \$ 11,314 |
| 95 | 905 - Miscellaneous | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 99 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 100 | Subtotal - Customer Accounts | | \$ 127,035 | \$ - | \$ - | \$ 127,035 | \$ - | \$ 20,074 | \$ 23,589 | \$ 51,298 | \$ 20,759 | \$ 11,314 |
| Customer Service: | | | | | | | | | | | | |
| 101 | 907 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 102 | 908 - Customer Assistance | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 103 | 909 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 104 | 910 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 105 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 106 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 107 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 108 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 109 | Subtotal - Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales: | | | | | | | | | | | | |
| 110 | 911 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 111 | 912 - Demonstrating | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 112 | 913- Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 113 | 914 - Key Accounts | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 114 | 915 - Costs | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | 916 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 116 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 117 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 119 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | Subtotal - Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 121 | Distribution O & M Before A & G | | \$ 8,124,038 | \$ - | \$ - | \$ 8,124,038 | \$ - | \$ 1,007,944 | \$ 1,765,645 | \$ 3,839,578 | \$ 573,617 | \$ 937,253 |
| 122 | Total Non-Fuel O & M Before A & G | | \$ 33,400,979 | \$ 25,276,941 | \$ - | \$ 8,124,038 | \$ - | \$ 1,007,944 | \$ 1,765,645 | \$ 3,839,578 | \$ 573,617 | \$ 937,253 |
| | | | \$ 0 | \$ 0 | \$ - | \$ 0 | \$ - | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Administrative & General: | | | | | | | | | | | | |
| 123 | 920 - Salaries | LABOR | \$ 560,067 | \$ - | \$ - | \$ 560,067 | \$ - | \$ 84,416 | \$ 118,168 | \$ 256,969 | \$ 37,705 | \$ 62,809 |
| 124 | 921 - Office Supplies | LABOR | \$ 51,633 | \$ - | \$ - | \$ 51,633 | \$ - | \$ 7,782 | \$ 10,894 | \$ 23,690 | \$ 3,476 | \$ 5,790 |
| 125 | 922 - | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 126 | 923 - Outside Services | LABOR | \$ 51,126 | \$ - | \$ - | \$ 51,126 | \$ - | \$ 7,706 | \$ 10,787 | \$ 23,458 | \$ 3,442 | \$ 5,734 |
| 127 | 924 - Property Insurance | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 128 | 925 - Injuries and Damages | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 129 | 926 - Pensions & Benefits | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 130 | 927 - Franchise Requirements | LABOR | \$ 3,909 | \$ - | \$ - | \$ 3,909 | \$ - | \$ 589 | \$ 825 | \$ 1,794 | \$ 263 | \$ 438 |
| 131 | 928 - Regulatory Commission | LABOR | \$ 4,278 | \$ - | \$ - | \$ 4,278 | \$ - | \$ 645 | \$ 903 | \$ 1,963 | \$ 288 | \$ 480 |
| 132 | 929 - Electric - Own Supply | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 133 | 930 - Miscellaneous | LABOR | \$ 224,251 | \$ - | \$ - | \$ 224,251 | \$ - | \$ 33,800 | \$ 47,314 | \$ 102,890 | \$ 15,097 | \$ 25,149 |
| 134 | 932 - | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 135 | 935 - Maintenance | LABOR | \$ 231,621 | \$ - | \$ - | \$ 231,621 | \$ - | \$ 34,911 | \$ 48,870 | \$ 106,272 | \$ 15,593 | \$ 25,975 |
| 136 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 137 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 138 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 139 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 140 | Subtotal - A&G | | \$ 1,126,886 | \$ - | \$ - | \$ 1,126,886 | \$ - | \$ 169,850 | \$ 237,761 | \$ 517,035 | \$ 75,865 | \$ 126,375 |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Demand Related)**

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|---|----------|---------------|-------------------|--------|---------------|-----------|--------------|--------------|--------------------------|--------------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Depreciation & Amortization: | | | | | | | | | | | |
| 141 | 403.1 - Production | PROD | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 142 | 403.5 - Subtransmission | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 143 | 403.6 - Distribution | DIST-2 | \$ 6,014,295 | \$ - | \$ - | \$ 6,014,295 | \$ - | \$ 950,397 | \$ 1,116,807 | \$ 2,428,612 | \$ 982,818 | \$ 535,661 |
| 144 | 403.7 - General | GP | \$ 156,530 | \$ - | \$ - | \$ 156,530 | \$ - | \$ 23,593 | \$ 33,026 | \$ 71,819 | \$ 10,538 | \$ 17,554 |
| 145 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 146 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 147 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 148 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 149 | Subtotal - Dep. & Amort. | | \$ 6,170,825 | \$ - | \$ - | \$ 6,170,825 | \$ - | \$ 973,990 | \$ 1,149,833 | \$ 2,500,431 | \$ 993,356 | \$ 553,215 |
| | Property Tax: | | | | | | | | | | | |
| 150 | 408.1 - Property Tax | PLTINS-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Tax - Payroll: | | | | | | | | | | | |
| 151 | 408.2 - U.S. Unemployment | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 152 | 408.3 - F.I.C.A. | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 153 | 408.4 - State Social Security | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 154 | 408.5 - State Tax | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 155 | 408.7 - Other Tax | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 156 | 408.9 - PSC Assessment | LABOR | \$ 43,983 | \$ - | \$ - | \$ 43,983 | \$ - | \$ 6,629 | \$ 9,280 | \$ 20,180 | \$ 2,961 | \$ 4,932 |
| 157 | Income Tax - Cell Phones | LABOR | \$ 38,609 | \$ - | \$ - | \$ 38,609 | \$ - | \$ 5,819 | \$ 8,146 | \$ 17,714 | \$ 2,599 | \$ 4,330 |
| 158 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 159 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 160 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 161 | Subtotal - Payroll Tax | | \$ 82,591 | \$ - | \$ - | \$ 82,591 | \$ - | \$ 12,449 | \$ 17,426 | \$ 37,894 | \$ 5,560 | \$ 9,262 |
| | Debt Service: | | | | | | | | | | | |
| 162 | 427 - Interest (Long Term) | NUP-2 | \$ 2,448,564 | \$ - | \$ - | \$ 2,448,564 | \$ - | \$ 335,487 | \$ 483,826 | \$ 1,052,129 | \$ 359,944 | \$ 217,179 |
| 163 | 427.3 - Construction Loan | NUP-2 | \$ 1,656,504 | \$ - | \$ - | \$ 1,656,504 | \$ - | \$ 226,964 | \$ 327,318 | \$ 711,787 | \$ 243,510 | \$ 146,926 |
| 164 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 165 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 166 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 167 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 168 | Subtotal - Debt Service | | \$ 4,105,068 | \$ - | \$ - | \$ 4,105,068 | \$ - | \$ 562,450 | \$ 811,144 | \$ 1,763,915 | \$ 603,454 | \$ 364,104 |
| | Other Expenses | | | | | | | | | | | |
| 169 | 426 - Realized Gain/(Loss) | NUP-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 170 | 431 - Interest on Customer Deposits | NUP-2 | \$ 81,919 | \$ - | \$ - | \$ 81,919 | \$ - | \$ 11,224 | \$ 16,187 | \$ 35,200 | \$ 12,042 | \$ 7,266 |
| 171 | 426.01 Donations | Labor | \$ (16,687) | \$ - | \$ - | \$ (16,687) | \$ - | \$ (2,515) | \$ (3,521) | \$ (7,656) | \$ (1,123) | \$ (1,871) |
| 172 | 426. Other | NUP-2 | \$ 8,864 | \$ - | \$ - | \$ 8,864 | \$ - | \$ 1,215 | \$ 1,752 | \$ 3,809 | \$ 1,303 | \$ 786 |
| 173 | 431 - Interest - Short Term | SubT&D | \$ 67,813 | \$ - | \$ - | \$ 67,813 | \$ - | \$ 10,716 | \$ 12,592 | \$ 27,383 | \$ 11,082 | \$ 6,040 |
| 174 | 431 - Interest - Direct Serves | SubT&D | \$ 1 | \$ - | \$ - | \$ 1 | \$ - | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 175 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 176 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 177 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 178 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 179 | Subtotal - Other Expenses | | \$ 141,910 | \$ - | \$ - | \$ 141,910 | \$ - | \$ 20,639 | \$ 27,010 | \$ 58,736 | \$ 23,304 | \$ 12,221 |
| 180 | Power Production (Incl. Fuel) | Summary | \$ 25,276,941 | \$ 25,276,941 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 181 | Transmission O&M | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 182 | Subtransmission O&M | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 183 | Distribution O&M | Summary | \$ 7,997,003 | \$ - | \$ - | \$ 7,997,003 | \$ - | \$ 987,870 | \$ 1,742,056 | \$ 3,788,280 | \$ 552,858 | \$ 925,939 |
| 184 | Customer Accounts | Summary | \$ 127,035 | \$ - | \$ - | \$ 127,035 | \$ - | \$ 20,074 | \$ 23,589 | \$ 51,298 | \$ 20,759 | \$ 11,314 |
| 185 | Customer Service | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 186 | Sales | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 187 | Administrative & General | Summary | \$ 1,126,886 | \$ - | \$ - | \$ 1,126,886 | \$ - | \$ 169,850 | \$ 237,761 | \$ 517,035 | \$ 75,865 | \$ 126,375 |
| 188 | Depreciation & Amortization | Summary | \$ 6,170,825 | \$ - | \$ - | \$ 6,170,825 | \$ - | \$ 973,990 | \$ 1,149,833 | \$ 2,500,431 | \$ 993,356 | \$ 553,215 |
| 189 | Property Tax | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 190 | Tax - Other | Summary | \$ 82,591 | \$ - | \$ - | \$ 82,591 | \$ - | \$ 12,449 | \$ 17,426 | \$ 37,894 | \$ 5,560 | \$ 9,262 |
| 191 | Debt Service | Summary | \$ 4,105,068 | \$ - | \$ - | \$ 4,105,068 | \$ - | \$ 562,450 | \$ 811,144 | \$ 1,763,915 | \$ 603,454 | \$ 364,104 |
| 192 | Other Expenses | Summary | \$ 141,910 | \$ - | \$ - | \$ 141,910 | \$ - | \$ 20,639 | \$ 27,010 | \$ 58,736 | \$ 23,304 | \$ 12,221 |
| 193 | Total Expenses | | \$ 45,028,258 | \$ 25,276,941 | \$ - | \$ 19,751,317 | \$ - | \$ 2,747,323 | \$ 4,008,818 | \$ 8,717,589 | \$ 2,275,156 | \$ 2,002,430 |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Consumer Related)**

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|-------------------------------------|--|----------|--------------|-------------------|--------|--------------|-----------|------|------------|--------------------------|-----------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| Subtransmission Operations: | | | | | | | | | | | | |
| 59 | 560 - Operations Supervision | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 60 | 561 - Load Dispatching | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 61 | 562 - Station Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 62 | 563 - Overhead Line Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 63 | 564 - Underground Line Exp. | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 64 | 565 - Transmission By Others | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | 566 - Miscellaneous | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | 567 - Rents | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 67 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 68 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 69 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | Subtotal - Subtransmission Operations | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Subtransmission Maintenance: | | | | | | | | | | | | |
| 72 | 568 - Operations Supervision | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 73 | 569 - Structures | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 74 | 570 - Station Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 75 | 571 - Overhead Line Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 76 | 573 - | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 578 - Miscellaneous | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 78 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 79 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 80 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 81 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 82 | Subtotal - Subtransmission Maintenance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | Subtotal - Subtransmission O&M | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Distribution Operations: | | | | | | | | | | | | |
| 84 | 580 - Operations Supervision | DOL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | 581 - Load Dispatching | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | 582 - Station Expense | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87 | 583 - Overhead Line Expense | DIST-OH2 | \$ 470,565 | \$ - | \$ - | \$ 470,565 | \$ - | \$ - | \$ 98,254 | \$ 213,664 | \$ 42,132 | \$ 116,515 |
| 88 | 584 - Underground Line Exp. | DIST-OH2 | \$ 25,950 | \$ - | \$ - | \$ 25,950 | \$ - | \$ - | \$ 5,418 | \$ 11,783 | \$ 2,323 | \$ 6,426 |
| 89 | 585 - Street Lighting | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 90 | 586 - Meter Expense | MTR | \$ 552,806 | \$ - | \$ - | \$ 552,806 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91 | 587 - Customer Installations | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 588 - Miscellaneous Operations | DOL | \$ 1,209,372 | \$ - | \$ - | \$ 1,209,372 | \$ - | \$ - | \$ 53,267 | \$ 115,835 | \$ 22,842 | \$ 63,167 |
| 93 | 589 - Rents | DIST-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 95 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | Subtotal | | \$ 2,258,693 | \$ - | \$ - | \$ 2,258,693 | \$ - | \$ - | \$ 156,940 | \$ 341,282 | \$ 67,297 | \$ 186,107 |
| Distribution Maintenance: | | | | | | | | | | | | |
| 76 | 590 - Maintenance Supervision | DML | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 591 - Structures | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 78 | 592 - Station Equipment | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 79 | 593 - Overhead Lines | DIST-OH1 | \$ 2,296,376 | \$ - | \$ - | \$ 2,296,376 | \$ - | \$ - | \$ 526,837 | \$ 1,145,226 | \$ - | \$ 624,513 |
| 80 | 594 - Underground Lines | DIST-OH1 | \$ 98,176 | \$ - | \$ - | \$ 98,176 | \$ - | \$ - | \$ 22,515 | \$ 48,962 | \$ - | \$ 26,700 |
| 81 | 595 - Line Transformers | TRS | \$ 30,098 | \$ - | \$ - | \$ 30,098 | \$ - | \$ - | \$ - | \$ - | \$ 30,098 | \$ - |
| 82 | 596 - Street Lighting | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | 597 - Meters | MTR | \$ 185,022 | \$ - | \$ - | \$ 185,022 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 84 | 598 - Misc. Maintenance | DML | \$ 60,147 | \$ - | \$ - | \$ 60,147 | \$ - | \$ - | \$ 13,098 | \$ 28,484 | \$ 627 | \$ 15,533 |
| 85 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 88 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 89 | Subtotal | | \$ 2,669,819 | \$ - | \$ - | \$ 2,669,819 | \$ - | \$ - | \$ 562,250 | \$ 1,222,671 | \$ 30,725 | \$ 666,746 |
| 90 | Subtotal - Distribution O&M | | \$ 4,928,511 | \$ - | \$ - | \$ 4,928,511 | \$ - | \$ - | \$ 719,190 | \$ 1,563,953 | \$ 98,023 | \$ 852,853 |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Consumer Related)**

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|--------------------------------------|-----------------------------------|--------|--------------|-------------------|--------|--------------|-----------|------|------------|--------------------------|------------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| Customer Accounts: | | | | | | | | | | | | |
| 91 | 901 - Supervision | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 902 - Meter Reading | MTRNG | \$ 337,642 | \$ - | \$ - | \$ 337,642 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 93 | 903 - Customer Records | BILL | \$ 2,643,891 | \$ - | \$ - | \$ 2,643,891 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | 904 - Uncollectible Accounts | SubT&D | \$ 47,394 | \$ - | \$ - | \$ 47,394 | \$ - | \$ - | \$ 9,186 | \$ 19,977 | \$ 3,681 | \$ 10,235 |
| 95 | 905 - Miscellaneous | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 99 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 100 | Subtotal - Customer Accounts | | \$ 3,028,927 | \$ - | \$ - | \$ 3,028,927 | \$ - | \$ - | \$ 9,186 | \$ 19,977 | \$ 3,681 | \$ 10,235 |
| Customer Service: | | | | | | | | | | | | |
| 101 | 907 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 102 | 908 - Customer Assistance | CS-1 | \$ 165,516 | \$ - | \$ - | \$ 165,516 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 103 | 909 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 104 | 910 - Miscellaneous | CS-1 | \$ 61 | \$ - | \$ - | \$ 61 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 105 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 106 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 107 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 108 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 109 | Subtotal - Customer Service | | \$ 165,577 | \$ - | \$ - | \$ 165,577 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales: | | | | | | | | | | | | |
| 110 | 911 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 111 | 912 - Demonstrating | CS-1 | \$ 68,688 | \$ - | \$ - | \$ 68,688 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 112 | 913- Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 113 | 914 - Key Accounts | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 114 | 915 - Costs | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | 916 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 116 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 117 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 119 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | Subtotal - Sales | | \$ 68,688 | \$ - | \$ - | \$ 68,688 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 121 | Distribution O & M Before A & G | | \$ 8,191,703 | \$ - | \$ - | \$ 8,191,703 | \$ - | \$ - | \$ 728,376 | \$ 1,583,930 | \$ 101,703 | \$ 863,088 |
| 122 | Total Non-Fuel O & M Before A & G | | \$ 8,191,703 | \$ - | \$ - | \$ 8,191,703 | \$ - | \$ - | \$ 728,376 | \$ 1,583,930 | \$ 101,703 | \$ 863,088 |
| | | | \$ 0 | \$ - | \$ - | \$ 0 | \$ - | \$ - | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| Administrative & General: | | | | | | | | | | | | |
| 123 | 920 - Salaries | LABOR | \$ 883,045 | \$ - | \$ - | \$ 883,045 | \$ - | \$ - | \$ 48,784 | \$ 106,087 | \$ 6,685 | \$ 57,851 |
| 124 | 921 - Office Supplies | LABOR | \$ 81,408 | \$ - | \$ - | \$ 81,408 | \$ - | \$ - | \$ 4,497 | \$ 9,780 | \$ 616 | \$ 5,333 |
| 125 | 922 - | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 126 | 923 - Outside Services | LABOR | \$ 80,610 | \$ - | \$ - | \$ 80,610 | \$ - | \$ - | \$ 4,453 | \$ 9,684 | \$ 610 | \$ 5,281 |
| 127 | 924 - Property Insurance | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 128 | 925 - Injuries and Damages | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 129 | 926 - Pensions & Benefits | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 341 | \$ 740 | \$ 47 | \$ 404 |
| 130 | 927 - Franchise Requirements | LABOR | \$ 6,164 | \$ - | \$ - | \$ 6,164 | \$ - | \$ - | \$ 373 | \$ 810 | \$ 51 | \$ 442 |
| 131 | 928 - Regulatory Commission | LABOR | \$ 6,745 | \$ - | \$ - | \$ 6,745 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 132 | 929 - Electric - Own Supply | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 19,533 | \$ 42,477 | \$ 2,677 | \$ 23,164 |
| 133 | 930 - Miscellaneous | LABOR | \$ 353,571 | \$ - | \$ - | \$ 353,571 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 134 | 932 - | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 20,175 | \$ 43,873 | \$ 2,765 | \$ 23,925 |
| 135 | 935 - Maintenance | LABOR | \$ 365,192 | \$ - | \$ - | \$ 365,192 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 136 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 137 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 138 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 139 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 140 | Subtotal - A&G | | \$ 1,776,735 | \$ - | \$ - | \$ 1,776,735 | \$ - | \$ - | \$ 98,157 | \$ 213,453 | \$ 13,451 | \$ 116,400 |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Consumer Related)**

| A | B | C | D | N | O | P | Q | R | S | T | U | V |
|----------|--------------------------------------|--------|-------------------------------------|----------------|----------------|------------|--------------|---------------------|---------------------|---------------------|-----------------|---------------|
| Line No. | Cost Item | Basis | Subfunctionalization - Distribution | | | | | | | | | |
| | | | Balance | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights |
| | Customer Accounts: | | | | | | | | | | | |
| 91 | 901 - Supervision | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 902 - Meter Reading | MTRNG | \$ 337,642 | \$ - | \$ - | \$ 337,642 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 93 | 903 - Customer Records | BILL | \$ 2,643,891 | \$ - | \$ - | \$ - | \$ 2,643,891 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | 904 - Uncollectible Accounts | SubT&D | \$ 47,394 | \$ 1,563 | \$ 2,751 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 95 | 905 - Miscellaneous | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 99 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 100 | Subtotal - Customer Accounts | | \$ 3,028,927 | \$ 1,563 | \$ 2,751 | \$ 337,642 | \$ 2,643,891 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Customer Service: | | | | | | | | | | | |
| 101 | 907 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 165,516 | \$ - | \$ - | \$ - | \$ - |
| 102 | 908 - Customer Assistance | CS-1 | \$ 165,516 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 103 | 909 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 61 | \$ - | \$ - | \$ - | \$ - |
| 104 | 910 - Miscellaneous | CS-1 | \$ 61 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 105 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 106 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 107 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 108 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 109 | Subtotal - Customer Service | | \$ 165,577 | \$ - | \$ - | \$ - | \$ - | \$ 165,577 | \$ - | \$ - | \$ - | \$ - |
| | Sales: | | | | | | | | | | | |
| 110 | 911 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 68,688 | \$ - | \$ - | \$ - | \$ - |
| 111 | 912 - Demonstrating | CS-1 | \$ 68,688 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 112 | 913 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 113 | 914 - Key Accounts | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 114 | 915 - Costs | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | 916 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 116 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 117 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 119 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | Subtotal - Sales | | \$ 68,688 | \$ - | \$ - | \$ - | \$ - | \$ 68,688 | \$ - | \$ - | \$ - | \$ - |
| 121 | Distribution O & M Before A & G | | \$ 8,191,703 | \$ 615,648 | \$ 1,083,159 | \$ 337,642 | \$ 2,643,891 | \$ 234,265 | \$ - | \$ - | \$ - | \$ - |
| 122 | Total Non-Fuel O & M Before A & G | | \$ 8,191,703 | \$ 615,648 | \$ 1,083,159 | \$ 337,642 | \$ 2,643,891 | \$ 234,265 | \$ - | \$ - | \$ - | \$ - |
| | | | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ 0 | \$ - | \$ - | \$ - | \$ - |
| | Administrative & General: | | | | | | | | | | | |
| 123 | 920 - Salaries | LABOR | \$ 883,045 | \$ 76,599 | \$ 134,766 | \$ 63,458 | \$ 350,787 | \$ 38,028 | \$ - | \$ - | \$ - | \$ - |
| 124 | 921 - Office Supplies | LABOR | \$ 81,408 | \$ 7,062 | \$ 12,424 | \$ 5,850 | \$ 32,339 | \$ 3,506 | \$ - | \$ - | \$ - | \$ - |
| 125 | 922 - | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 126 | 923 - Outside Services | LABOR | \$ 80,610 | \$ 6,992 | \$ 12,302 | \$ 5,793 | \$ 32,022 | \$ 3,471 | \$ - | \$ - | \$ - | \$ - |
| 127 | 924 - Property Insurance | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 128 | 925 - Injuries and Damages | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 129 | 926 - Pensions & Benefits | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 130 | 927 - Franchise Requirements | LABOR | \$ 6,164 | \$ 535 | \$ 941 | \$ 443 | \$ 2,448 | \$ 265 | \$ - | \$ - | \$ - | \$ - |
| 131 | 928 - Regulatory Commission | LABOR | \$ 6,745 | \$ 585 | \$ 1,029 | \$ 485 | \$ 2,679 | \$ 290 | \$ - | \$ - | \$ - | \$ - |
| 132 | 929 - Electric - Own Supply | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 133 | 930 - Miscellaneous | LABOR | \$ 353,571 | \$ 30,670 | \$ 53,961 | \$ 25,409 | \$ 140,455 | \$ 15,226 | \$ - | \$ - | \$ - | \$ - |
| 134 | 932 - | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 135 | 935 - Maintenance | LABOR | \$ 365,192 | \$ 31,678 | \$ 55,734 | \$ 26,244 | \$ 145,071 | \$ 15,727 | \$ - | \$ - | \$ - | \$ - |
| 136 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 137 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 138 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 139 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 140 | Subtotal - A&G | | \$ 1,776,735 | \$ 154,121 | \$ 271,158 | \$ 127,681 | \$ 705,802 | \$ 76,514 | \$ - | \$ - | \$ - | \$ - |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Consumer Related)**

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|---|----------|---------------|-------------------|--------|---------------|-----------|------|--------------|--------------------------|------------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Depreciation & Amortization: | | | | | | | | | | | |
| 141 | 403.1 - Production | PROD | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 142 | 403.5 - Subtransmission | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 143 | 403.6 - Distribution | DIST-2 | \$ 2,243,785 | \$ - | \$ - | \$ 2,243,785 | \$ - | \$ - | \$ 434,920 | \$ 945,778 | \$ 174,255 | \$ 484,581 |
| 144 | 403.7 - General | GP | \$ 246,797 | \$ - | \$ - | \$ 246,797 | \$ - | \$ - | \$ 13,634 | \$ 29,650 | \$ 1,868 | \$ 16,168 |
| 145 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 146 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 147 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 148 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 149 | Subtotal - Dep. & Amort. | | \$ 2,490,583 | \$ - | \$ - | \$ 2,490,583 | \$ - | \$ - | \$ 448,554 | \$ 975,428 | \$ 176,124 | \$ 500,750 |
| | Property Tax: | | | | | | | | | | | |
| 150 | 408.1 - Property Tax | PLTINS-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Tax - Payroll: | | | | | | | | | | | |
| 151 | 408.2 - U.S. Unemployment | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 152 | 408.3 - F.I.C.A. | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 153 | 408.4 - State Social Security | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 154 | 408.5 - State Tax | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 155 | 408.7 - Other Tax | LABOR | \$ - | \$ - | \$ - | \$ 69,346 | \$ - | \$ - | \$ 3,831 | \$ 8,331 | \$ 525 | \$ 4,543 |
| 156 | 408.9 - PSC Assessment | LABOR | \$ 69,346 | \$ - | \$ - | \$ 60,873 | \$ - | \$ - | \$ 3,363 | \$ 7,313 | \$ 461 | \$ 3,988 |
| 157 | Income Tax - Cell Phones | LABOR | \$ 60,873 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 158 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 159 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 160 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 161 | Subtotal - Payroll Tax | | \$ 130,219 | \$ - | \$ - | \$ 130,219 | \$ - | \$ - | \$ 7,194 | \$ 15,644 | \$ 986 | \$ 8,531 |
| | Debt Service: | | | | | | | | | | | |
| 162 | 427 - Interest (Long Term) | NUP-2 | \$ 1,039,788 | \$ - | \$ - | \$ 1,039,788 | \$ - | \$ - | \$ 188,815 | \$ 410,597 | \$ 63,819 | \$ 196,617 |
| 163 | 427.3 - Construction Loan | NUP-2 | \$ 703,438 | \$ - | \$ - | \$ 703,438 | \$ - | \$ - | \$ 127,737 | \$ 277,777 | \$ 43,175 | \$ 133,015 |
| 164 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 165 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 166 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 167 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 168 | Subtotal - Debt Service | | \$ 1,743,226 | \$ - | \$ - | \$ 1,743,226 | \$ - | \$ - | \$ 316,552 | \$ 688,374 | \$ 106,993 | \$ 329,632 |
| | Other Expenses | | | | | | | | | | | |
| 169 | 426 - Realized Gain/(Loss) | NUP-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 170 | 431 - Interest on Customer Deposits | NUP-2 | \$ 34,787 | \$ - | \$ - | \$ 34,787 | \$ - | \$ - | \$ 6,317 | \$ 13,737 | \$ 2,135 | \$ 6,578 |
| 171 | 426.01 Donations | Labor | \$ (26,310) | \$ - | \$ - | \$ (26,310) | \$ - | \$ - | \$ (1,453) | \$ (3,161) | \$ (199) | \$ (1,724) |
| 172 | 426. Other | NUP-2 | \$ 3,764 | \$ - | \$ - | \$ 3,764 | \$ - | \$ - | \$ 684 | \$ 1,486 | \$ 231 | \$ 712 |
| 173 | 431 - Interest - Short Term | SubT&D | \$ 25,299 | \$ - | \$ - | \$ 25,299 | \$ - | \$ - | \$ 4,904 | \$ 10,664 | \$ 1,965 | \$ 5,464 |
| 174 | 431 - Interest - Direct Serves | SubT&D | \$ 0 | \$ - | \$ - | \$ 0 | \$ - | \$ - | \$ 0 | \$ 0 | \$ 0 | \$ 0 |
| 175 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 176 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 177 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 178 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 179 | Subtotal - Other Expenses | | \$ 37,541 | \$ - | \$ - | \$ 37,541 | \$ - | \$ - | \$ 10,451 | \$ 22,727 | \$ 4,132 | \$ 11,030 |
| 180 | Power Production (Incl. Fuel) | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 181 | Transmission O&M | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 182 | Subtransmission O&M | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 719,190 | \$ 1,563,953 | \$ 98,023 | \$ 852,853 |
| 183 | Distribution O&M | Summary | \$ 4,928,511 | \$ - | \$ - | \$ 4,928,511 | \$ - | \$ - | \$ 9,186 | \$ 19,977 | \$ 3,681 | \$ 10,235 |
| 184 | Customer Accounts | Summary | \$ 3,028,927 | \$ - | \$ - | \$ 3,028,927 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 185 | Customer Service | Summary | \$ 165,577 | \$ - | \$ - | \$ 165,577 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 186 | Sales | Summary | \$ 68,688 | \$ - | \$ - | \$ 68,688 | \$ - | \$ - | \$ 98,157 | \$ 213,453 | \$ 13,451 | \$ 116,400 |
| 187 | Administrative & General | Summary | \$ 1,776,735 | \$ - | \$ - | \$ 1,776,735 | \$ - | \$ - | \$ 448,554 | \$ 975,428 | \$ 176,124 | \$ 500,750 |
| 188 | Depreciation & Amortization | Summary | \$ 2,490,583 | \$ - | \$ - | \$ 2,490,583 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 189 | Property Tax | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,194 | \$ 15,644 | \$ 986 | \$ 8,531 |
| 190 | Tax - Other | Summary | \$ 130,219 | \$ - | \$ - | \$ 130,219 | \$ - | \$ - | \$ 316,552 | \$ 688,374 | \$ 106,993 | \$ 329,632 |
| 191 | Debt Service | Summary | \$ 1,743,226 | \$ - | \$ - | \$ 1,743,226 | \$ - | \$ - | \$ 316,552 | \$ 688,374 | \$ 106,993 | \$ 329,632 |
| 192 | Other Expenses | Summary | \$ 37,541 | \$ - | \$ - | \$ 37,541 | \$ - | \$ - | \$ 10,451 | \$ 22,727 | \$ 4,132 | \$ 11,030 |
| 193 | Total Expenses | | \$ 14,370,008 | \$ - | \$ - | \$ 14,370,008 | \$ - | \$ - | \$ 1,609,284 | \$ 3,499,555 | \$ 403,389 | \$ 1,829,431 |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Consumer Related)**

| A | B | C | D N O P | | | | | Q | R | S | T | U | V |
|----------|---|----------|-------------------------------------|----------------|----------------|------------|--------------|---------------------|---------------------|---------------------|-----------------|---------------|---|
| Line No. | Cost Item | Basis | Subfunctionalization - Distribution | | | | | | | | | | |
| | | | Balance | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights | |
| | Depreciation & Amortization: | | | | | | | | | | | | |
| 141 | 403.1 - Production | PROD | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 142 | 403.5 - Subtransmission | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 143 | 403.6 - Distribution | DIST-2 | \$ 2,243,785 | \$ 74,021 | \$ 130,231 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 144 | 403.7 - General | GP | \$ 246,797 | \$ 21,408 | \$ 37,665 | \$ 17,735 | \$ 98,039 | \$ 10,628 | \$ - | \$ - | \$ - | \$ - | |
| 145 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 146 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 147 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 148 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 149 | Subtotal - Dep. & Amort. | | \$ 2,490,583 | \$ 95,429 | \$ 167,896 | \$ 17,735 | \$ 98,039 | \$ 10,628 | \$ - | \$ - | \$ - | \$ - | |
| | Property Tax: | | | | | | | | | | | | |
| 150 | 408.1 - Property Tax | PLTINS-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| | Tax - Payroll: | | | | | | | | | | | | |
| 151 | 408.2 - U.S. Unemployment | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 152 | 408.3 - F.I.C.A. | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 153 | 408.4 - State Social Security | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 154 | 408.5 - State Tax | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 155 | 408.7 - Other Tax | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 156 | 408.9 - PSC Assessment | LABOR | \$ 69,346 | \$ 6,015 | \$ 10,583 | \$ 4,983 | \$ 27,548 | \$ 2,986 | \$ - | \$ - | \$ - | \$ - | |
| 157 | Income Tax - Cell Phones | LABOR | \$ 60,873 | \$ 5,280 | \$ 9,290 | \$ 4,375 | \$ 24,182 | \$ 2,621 | \$ - | \$ - | \$ - | \$ - | |
| 158 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 159 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 160 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 161 | Subtotal - Payroll Tax | | \$ 130,219 | \$ 11,296 | \$ 19,874 | \$ 9,358 | \$ 51,729 | \$ 5,608 | \$ - | \$ - | \$ - | \$ - | |
| | Debt Service: | | | | | | | | | | | | |
| 162 | 427 - Interest (Long Term) | NUP-2 | \$ 1,039,788 | \$ 41,641 | \$ 73,262 | \$ 9,125 | \$ 50,444 | \$ 5,468 | \$ - | \$ - | \$ - | \$ - | |
| 163 | 427.3 - Construction Loan | NUP-2 | \$ 703,438 | \$ 28,171 | \$ 49,563 | \$ 6,174 | \$ 34,127 | \$ 3,700 | \$ - | \$ - | \$ - | \$ - | |
| 164 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 165 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 166 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 167 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 168 | Subtotal - Debt Service | | \$ 1,743,226 | \$ 69,811 | \$ 122,825 | \$ 15,299 | \$ 84,571 | \$ 9,168 | \$ - | \$ - | \$ - | \$ - | |
| | Other Expenses | | | | | | | | | | | | |
| 169 | 426 - Realized Gain/(Loss) | NUP-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 170 | 431 - Interest on Customer Deposits | NUP-2 | \$ 34,787 | \$ 1,393 | \$ 2,451 | \$ 305 | \$ 1,688 | \$ 183 | \$ - | \$ - | \$ - | \$ - | |
| 171 | 426.01 Donations | Labor | \$ (26,310) | \$ (2,282) | \$ (4,015) | \$ (1,891) | \$ (10,451) | \$ (1,133) | \$ - | \$ - | \$ - | \$ - | |
| 172 | 426. Other | NUP-2 | \$ 3,764 | \$ 151 | \$ 265 | \$ 33 | \$ 183 | \$ 20 | \$ - | \$ - | \$ - | \$ - | |
| 173 | 431 - Interest - Short Term | SubT&D | \$ 25,299 | \$ 835 | \$ 1,468 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 174 | 431 - Interest - Direct Serves | SubT&D | \$ 0 | \$ 0 | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 175 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 176 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 177 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 178 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 179 | Subtotal - Other Expenses | | \$ 37,541 | \$ 96 | \$ 169 | \$ (1,552) | \$ (8,581) | \$ (930) | \$ - | \$ - | \$ - | \$ - | |
| 180 | Power Production (Incl. Fuel) | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 181 | Transmission O&M | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 182 | Subtransmission O&M | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 183 | Distribution O&M | Summary | \$ 4,928,511 | \$ 614,084 | \$ 1,080,409 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 184 | Customer Accounts | Summary | \$ 3,028,927 | \$ 1,563 | \$ 2,751 | \$ 337,642 | \$ 2,643,891 | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 185 | Customer Service | Summary | \$ 165,577 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 165,577 | \$ - | \$ - | \$ - | |
| 186 | Sales | Summary | \$ 68,688 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 68,688 | \$ - | \$ - | \$ - | |
| 187 | Administrative & General | Summary | \$ 1,776,735 | \$ 154,121 | \$ 271,158 | \$ 127,681 | \$ 705,802 | \$ 76,514 | \$ - | \$ - | \$ - | \$ - | |
| 188 | Depreciation & Amortization | Summary | \$ 2,490,583 | \$ 95,429 | \$ 167,896 | \$ 17,735 | \$ 98,039 | \$ 10,628 | \$ - | \$ - | \$ - | \$ - | |
| 189 | Property Tax | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| 190 | Tax - Other | Summary | \$ 130,219 | \$ 11,296 | \$ 19,874 | \$ 9,358 | \$ 51,729 | \$ 5,608 | \$ - | \$ - | \$ - | \$ - | |
| 191 | Debt Service | Summary | \$ 1,743,226 | \$ 69,811 | \$ 122,825 | \$ 15,299 | \$ 84,571 | \$ 9,168 | \$ - | \$ - | \$ - | \$ - | |
| 192 | Other Expenses | Summary | \$ 37,541 | \$ 96 | \$ 169 | \$ (1,552) | \$ (8,581) | \$ (930) | \$ - | \$ - | \$ - | \$ - | |
| 193 | Total Expenses | | \$ 14,370,008 | \$ 946,401 | \$ 1,665,080 | \$ 506,163 | \$ 3,575,452 | \$ 335,252 | \$ - | \$ - | \$ - | \$ - | |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Direct Assignments)**

| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
|-------------------------------------|--|----------|------------|-------------------|--------|--------------|------------|------|---------|--------------------------|---------|-----------------|
| | | | | Prod. | Trans. | Distribution | | | | | | |
| Subtransmission Operations: | | | | | | | | | | | | |
| 59 | 560 - Operations Supervision | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 60 | 561 - Load Dispatching | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 61 | 562 - Station Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 62 | 563 - Overhead Line Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 63 | 564 - Underground Line Exp. | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 64 | 565 - Transmission By Others | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 65 | 566 - Miscellaneous | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 66 | 567 - Rents | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 67 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 68 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 69 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 70 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 71 | Subtotal - Subtransmission Operations | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Subtransmission Maintenance: | | | | | | | | | | | | |
| 72 | 568 - Operations Supervision | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 73 | 569 - Structures | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 74 | 570 - Station Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 75 | 571 - Overhead Line Expense | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 76 | 573 - | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 578 - Miscellaneous | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 78 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 79 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 80 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 81 | User Defined | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 82 | Subtotal - Subtransmission Maintenance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | Subtotal - Subtransmission O&M | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Distribution Operations: | | | | | | | | | | | | |
| 84 | 580 - Operations Supervision | DOL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | 581 - Load Dispatching | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | 582 - Station Expense | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87 | 583 - Overhead Line Expense | DIST-OH2 | \$ 2,245 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 88 | 584 - Underground Line Exp. | DIST-OH2 | \$ 124 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 89 | 585 - Street Lighting | LTS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 90 | 586 - Meter Expense | MTR | \$ - | \$ - | \$ - | \$ - | \$ 22,249 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 91 | 587 - Customer Installations | LTS | \$ 22,249 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 588 - Miscellaneous Operations | DOL | \$ 1,217 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 93 | 589 - Rents | DIST-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 95 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | Subtotal | | \$ 25,835 | \$ - | \$ - | \$ - | \$ 25,835 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Distribution Maintenance: | | | | | | | | | | | | |
| 76 | 590 - Maintenance Supervision | DML | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 77 | 591 - Structures | SUB | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 78 | 592 - Station Equipment | SUB | \$ - | \$ - | \$ - | \$ - | \$ 12,033 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 79 | 593 - Overhead Lines | DIST-OH1 | \$ 12,033 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 80 | 594 - Underground Lines | DIST-OH1 | \$ 514 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 81 | 595 - Line Transformers | TRS | \$ - | \$ - | \$ - | \$ - | \$ 134,870 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 82 | 596 - Street Lighting | LTS | \$ 134,870 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 83 | 597 - Meters | MTR | \$ - | \$ - | \$ - | \$ - | \$ 6,303 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 84 | 598 - Misc. Maintenance | DML | \$ 6,303 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 85 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 86 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 87 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 88 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 89 | Subtotal | | \$ 153,721 | \$ - | \$ - | \$ - | \$ 153,721 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 90 | Subtotal - Distribution O&M | | \$ 179,557 | \$ - | \$ - | \$ - | \$ 179,557 | \$ - | \$ - | \$ - | \$ - | \$ - |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Direct Assignments)**

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|--------------------------------------|--------|------------|-------------------|--------|--------------|------------|------|---------|--------------------------|---------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Customer Accounts: | | | | | | | | | | | |
| 91 | 901 - Supervision | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 902 - Meter Reading | MTRNG | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 93 | 903 - Customer Records | BILL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | 904 - Uncollectible Accounts | SubT&D | \$ 3,537 | \$ - | \$ - | \$ - | \$ 3,537 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 95 | 905 - Miscellaneous | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 99 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 100 | Subtotal - Customer Accounts | | \$ 3,537 | \$ - | \$ - | \$ - | \$ 3,537 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Customer Service: | | | | | | | | | | | |
| 101 | 907 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 102 | 908 - Customer Assistance | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 103 | 909 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 104 | 910 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 105 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 106 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 107 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 108 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 109 | Subtotal - Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Sales: | | | | | | | | | | | |
| 110 | 911 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 111 | 912 - Demonstrating | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 112 | 913- Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 113 | 914 - Key Accounts | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 114 | 915 - Costs | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | 916 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 116 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 117 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 119 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | Subtotal - Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 121 | Distribution O & M Before A & G | | \$ 183,094 | \$ - | \$ - | \$ - | \$ 183,094 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 122 | Total Non-Fuel O & M Before A & G | | \$ 183,094 | \$ - | \$ - | \$ - | \$ 183,094 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | | \$ 0 | \$ - | \$ - | \$ - | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Administrative & General: | | | | | | | | | | | |
| 123 | 920 - Salaries | LABOR | \$ 18,244 | \$ - | \$ - | \$ - | \$ 18,244 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 124 | 921 - Office Supplies | LABOR | \$ 1,682 | \$ - | \$ - | \$ - | \$ 1,682 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 125 | 922 - | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 126 | 923 - Outside Services | LABOR | \$ 1,665 | \$ - | \$ - | \$ - | \$ 1,665 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 127 | 924 - Property Insurance | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 128 | 925 - Injuries and Damages | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 129 | 926 - Pensions & Benefits | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 130 | 927 - Franchise Requirements | LABOR | \$ 127 | \$ - | \$ - | \$ - | \$ 127 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 131 | 928 - Regulatory Commission | LABOR | \$ 139 | \$ - | \$ - | \$ - | \$ 139 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 132 | 929 - Electric - Own Supply | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 133 | 930 - Miscellaneous | LABOR | \$ 7,305 | \$ - | \$ - | \$ - | \$ 7,305 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 134 | 932 - | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 135 | 935 - Maintenance | LABOR | \$ 7,545 | \$ - | \$ - | \$ - | \$ 7,545 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 136 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 137 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 138 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 139 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 140 | Subtotal - A&G | | \$ 36,709 | \$ - | \$ - | \$ - | \$ 36,709 | \$ - | \$ - | \$ - | \$ - | \$ - |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Direct Assignments)**

| A | B | C | D N O P Q R S T U V | | | | | | | | | | | |
|--------------------------------------|-----------------------------------|--------|-------------------------------------|----------------|----------------|----------|---------|---------------------|---------------------|---------------------|-----------------|---------------|------------|------|
| Line No. | Cost Item | Basis | Subfunctionalization - Distribution | | | | | | | | | | | |
| | | | Balance | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights | | |
| Customer Accounts: | | | | | | | | | | | | | | |
| 91 | 901 - Supervision | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 92 | 902 - Meter Reading | MTRNG | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 93 | 903 - Customer Records | BILL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 94 | 904 - Uncollectible Accounts | SubT&D | \$ 3,537 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,537 | \$ - |
| 95 | 905 - Miscellaneous | CAL | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 96 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 97 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 98 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 99 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 100 | Subtotal - Customer Accounts | | \$ 3,537 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,537 | \$ - |
| Customer Service: | | | | | | | | | | | | | | |
| 101 | 907 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 102 | 908 - Customer Assistance | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 103 | 909 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 104 | 910 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 105 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 106 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 107 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 108 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 109 | Subtotal - Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Sales: | | | | | | | | | | | | | | |
| 110 | 911 - Supervision | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 111 | 912 - Demonstrating | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 112 | 913 - Advertising | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 113 | 914 - Key Accounts | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 114 | 915 - Costs | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 115 | 916 - Miscellaneous | CS-1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 116 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 117 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 118 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 119 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 120 | Subtotal - Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 121 | Distribution O & M Before A & G | | \$ 183,094 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 183,094 | \$ - |
| 122 | Total Non-Fuel O & M Before A & G | | \$ 183,094 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 183,094 | \$ - |
| | | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 0 | \$ - |
| Administrative & General: | | | | | | | | | | | | | | |
| 123 | 920 - Salaries | LABOR | \$ 18,244 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 18,244 | \$ - |
| 124 | 921 - Office Supplies | LABOR | \$ 1,682 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,682 | \$ - |
| 125 | 922 - | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 126 | 923 - Outside Services | LABOR | \$ 1,665 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,665 | \$ - |
| 127 | 924 - Property Insurance | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 128 | 925 - Injuries and Damages | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 129 | 926 - Pensions & Benefits | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 130 | 927 - Franchise Requirements | LABOR | \$ 127 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 127 | \$ - |
| 131 | 928 - Regulatory Commission | LABOR | \$ 139 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 139 | \$ - |
| 132 | 929 - Electric - Own Supply | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 133 | 930 - Miscellaneous | LABOR | \$ 7,305 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,305 | \$ - |
| 134 | 932 - | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 135 | 935 - Maintenance | LABOR | \$ 7,545 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 7,545 | \$ - |
| 136 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 137 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 138 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 139 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 140 | Subtotal - A&G | | \$ 36,709 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 36,709 | \$ - |

KENERGY CORP.

**Functionalization and Subfunctionalization
of Utility Expenses (Direct Assignments)**

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|---|-------------------------------------|----------|------------|-------------------|--------|--------------|-----------|------|---------|--------------------------|---------|-----------------|
| Line No. | Cost Item | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| Depreciation & Amortization: | | | | | | | | | | | | |
| 141 | 403.1 - Production | PROD | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 142 | 403.5 - Subtransmission | SUBTRANS | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 143 | 403.6 - Distribution | DIST-2 | \$ 167,464 | \$ - | \$ - | \$ 167,464 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 144 | 403.7 - General | GP | \$ 5,099 | \$ - | \$ - | \$ 5,099 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 145 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 146 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 147 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 148 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 149 | Subtotal - Dep. & Amort. | | \$ 172,563 | \$ - | \$ - | \$ 172,563 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Property Tax: | | | | | | | | | | | | |
| 150 | 408.1 - Property Tax | PLTINS-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Tax - Payroll: | | | | | | | | | | | | |
| 151 | 408.2 - U.S. Unemployment | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 152 | 408.3 - F.I.C.A. | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 153 | 408.4 - State Social Security | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 154 | 408.5 - State Tax | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 155 | 408.7 - Other Tax | LABOR | \$ 1,433 | \$ - | \$ - | \$ 1,433 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 156 | 408.9 - PSC Assessment | LABOR | \$ 1,258 | \$ - | \$ - | \$ 1,258 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 157 | Income Tax - Cell Phones | LABOR | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 158 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 159 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 160 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 161 | Subtotal - Payroll Tax | | \$ 2,690 | \$ - | \$ - | \$ 2,690 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Debt Service: | | | | | | | | | | | | |
| 162 | 427 - Interest (Long Term) | NUP-2 | \$ 74,106 | \$ - | \$ - | \$ 74,106 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 163 | 427.3 - Construction Loan | NUP-2 | \$ 50,134 | \$ - | \$ - | \$ 50,134 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 164 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 165 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 166 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 167 | User Defined | 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 168 | Subtotal - Debt Service | | \$ 124,241 | \$ - | \$ - | \$ 124,241 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other Expenses | | | | | | | | | | | | |
| 169 | 426 - Realized Gain/(Loss) | NUP-2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 170 | 431 - Interest on Customer Deposits | NUP-2 | \$ 2,479 | \$ - | \$ - | \$ 2,479 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 171 | 426.01 Donations | Labor | \$ (544) | \$ - | \$ - | \$ (544) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 172 | 426. Other | NUP-2 | \$ 268 | \$ - | \$ - | \$ 268 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 173 | 431 - Interest - Short Term | SubT&D | \$ 1,888 | \$ - | \$ - | \$ 1,888 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 174 | 431 - Interest - Direct Serves | SubT&D | \$ 0 | \$ - | \$ - | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 175 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 176 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 177 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 178 | User Defined | SubT&D | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 179 | Subtotal - Other Expenses | | \$ 4,092 | \$ - | \$ - | \$ 4,092 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 180 | Power Production (Incl. Fuel) | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 181 | Transmission O&M | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 182 | Subtransmission O&M | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 183 | Distribution O&M | Summary | \$ 179,557 | \$ - | \$ - | \$ 179,557 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 184 | Customer Accounts | Summary | \$ 3,537 | \$ - | \$ - | \$ 3,537 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 185 | Customer Service | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 186 | Sales | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 187 | Administrative & General | Summary | \$ 36,709 | \$ - | \$ - | \$ 36,709 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 188 | Depreciation & Amortization | Summary | \$ 172,563 | \$ - | \$ - | \$ 172,563 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 189 | Property Tax | Summary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 190 | Tax - Other | Summary | \$ 2,690 | \$ - | \$ - | \$ 2,690 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 191 | Debt Service | Summary | \$ 124,241 | \$ - | \$ - | \$ 124,241 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 192 | Other Expenses | Summary | \$ 4,092 | \$ - | \$ - | \$ 4,092 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 193 | Total Expenses | | \$ 523,389 | \$ - | \$ - | \$ 523,389 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

KENERGY CORP.

Classification Ratios (Demand Related)

| A | B | C | D | E | F | G | H | I | J | K | L | M | |
|----------|---------------------------------|-------------|---------|-------------------|----------|--------------|-----------|----------|----------|--------------------------|----------|-----------------|----------|
| Line No. | Plant Account | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services | |
| | | | | Prod. | Trans. | Distribution | | | | | | | |
| | Ratios | | | | | | | | | | | | |
| 1 | Production Plant | PROD | | - | - | | - | - | - | - | - | - | |
| 2 | Transmission Plant | TRANS | | - | 1.000000 | | - | - | - | - | - | - | |
| 3 | Subtransmission | SUBTRANS | | | | | 1.000000 | 1.000000 | - | - | - | - | |
| 4 | Distribution Plant | DIST | | - | - | | - | 1.000000 | 0.719719 | 0.719719 | 0.849400 | 0.525033 | |
| 5 | Dist. Plant - W/O Direct Assig. | DIST-2 | | - | - | | - | 1.000000 | 0.719719 | 0.719719 | 0.849400 | 0.525033 | |
| 6 | Metering | MTRNG | | | | | - | - | - | - | - | - | |
| 7 | Substation | SUB | | | | | - | 1.000000 | - | - | - | - | |
| 8 | 364 | 364 | | | | | - | - | 0.626300 | 0.626300 | 0.626300 | 0.626300 | |
| 9 | 365 | 365 | | | | | - | - | 0.822700 | 0.822700 | 0.822700 | 0.822700 | |
| 10 | 366 | 366 | | | | | - | - | 0.822700 | 0.822700 | 0.822700 | 0.822700 | |
| 11 | 367 | 367 | | | | | - | - | 0.822700 | 0.822700 | 0.822700 | 0.822700 | |
| 12 | Line Transformers (368) | TRS | | | | | - | - | - | - | 0.849400 | 0.849400 | |
| 13 | Services (369) | 369 | | | | | - | - | - | - | - | 0.492500 | |
| 14 | Meters (370) | MTR | | | | | - | - | - | - | - | - | |
| 15 | | | | - | - | | - | - | - | - | - | - | |
| 16 | | | | - | - | | - | - | - | - | - | - | |
| 17 | | | | - | - | | - | - | - | - | - | - | |
| 18 | | | | - | - | | - | - | - | - | - | - | |
| 19 | 364,365 & 369 | DIST-OH1 | | | | | - | - | 0.707794 | 0.707794 | - | 0.520544 | |
| 20 | 366,367 & 369 | DIST-UG1 | | | | | - | - | 0.822700 | 0.822700 | - | 0.498129 | |
| 21 | 364,365,368 & 369 | DIST-OH2 | | | | | - | - | 0.707794 | 0.707794 | 0.849400 | 0.520544 | |
| 22 | 366,367,368 & 369 | DIST-UG2 | | | | | - | - | 0.822700 | 0.822700 | 0.849400 | 0.498129 | |
| 23 | Security Lights | LTS | | | | | - | - | - | - | - | - | |
| 24 | Subtrans & Distr. | SubT&D | | | | | - | 1.000000 | 0.719719 | 0.719719 | 0.849400 | 0.525033 | |
| 25 | Plant In Service | PLTINS | | 1.000000 | | | - | 1.000000 | 0.719044 | 0.719044 | 0.849400 | 0.524756 | |
| 26 | Net Utility Plant | NUP | | - | | | - | 1.000000 | 0.719292 | 0.719292 | 0.849400 | 0.524845 | |
| 27 | Labor - Total O&M | LABOR | | - | - | | - | 1.000000 | 0.707794 | 0.707794 | 0.849400 | 0.520544 | |
| 28 | Net Utility Plant w/o Direct | NUP-2 | | - | - | | - | 1.000000 | 0.719293 | 0.719293 | 0.849400 | 0.524845 | |
| 29 | General Plant | GP | | - | | | - | 1.000000 | 0.707794 | 0.707794 | 0.849400 | 0.520544 | |
| 30 | Plant in Service - w/o Direct | PLTINS-2 | | - | - | | - | 1.000000 | 0.719044 | 0.719044 | 0.849400 | 0.524756 | |
| 31 | Dist. Operations Labor | DOL | | | | | - | 1.000000 | 0.707794 | 0.707794 | 0.849400 | 0.520544 | |
| 32 | Purchased Power Energy | PPE | | | | | - | - | - | - | - | - | |
| 33 | Purchased Power Demand | PPD | | 1.000000 | | | - | - | - | - | - | - | |
| 34 | Billing | BILL | | | | | - | - | - | - | - | - | |
| 35 | Overhead/URD Line Exp. | OH/URD | | - | - | | - | - | 0.903000 | - | - | 0.903000 | |
| 36 | Customer Accounts - Labor | CAL | | | | | - | - | - | - | - | - | |
| 37 | Consumer Services - 1 | CS-1 | | | | | - | - | - | - | - | - | |
| 38 | Dist. Maintenance Labor | DML | | | | | - | 1.000000 | 0.707794 | 0.707794 | 0.849400 | 0.520544 | |
| 39 | Consumer Services -2 | CS-2 | | | | | - | - | - | - | - | - | |
| 40 | Consumer Services -3 | CS-3 | | | | | - | - | - | - | - | - | |
| 41 | Consumer Deposits | CD | | 0.498789 | - | | - | 1.000000 | 0.713554 | 0.713554 | 0.849400 | 0.522574 | |
| 42 | Allowance for Working Capital | WORK CAP | | - | - | | - | 1.000000 | 0.707932 | 0.707932 | 0.849400 | 0.520591 | |
| 43 | Uncollectible Accounts | UNCOLL | | 0.498789 | - | | - | 1.000000 | 0.713518 | 0.713518 | 0.849400 | 0.522560 | |
| 44 | Accumulated Depreciation | Accum Depr. | | | | | - | - | 1.000000 | 0.719719 | 0.719719 | 0.849400 | 0.525033 |

KENERGY CORP.

Classification Ratios (Consumer Related)

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|---------------------------------|-------------|---------|-------------------|--------|--------------|-----------|----------|----------|--------------------------|----------|-----------------|
| Line No. | Plant Account | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Ratios | | | | | | | | | | | |
| 1 | Production Plant | PROD | - | - | - | - | - | - | - | - | - | - |
| 2 | Transmission Plant | TRANS | - | - | - | - | - | - | - | - | - | - |
| 3 | Subtransmission | SUBTRANS | - | - | - | - | - | - | - | - | - | - |
| 4 | Distribution Plant | DIST | - | - | - | - | - | 0.280281 | 0.280281 | 0.150600 | 0.474967 | - |
| | Dist. Plant - W/O Direct Assig. | DIST-2 | - | - | - | - | - | 0.280281 | 0.280281 | 0.150600 | 0.474967 | - |
| 5 | Metering | MTRNG | - | - | - | - | - | - | - | - | - | - |
| 6 | Substation | SUB | - | - | - | - | - | - | - | - | - | - |
| 7 | 364 | 364 | - | - | - | - | - | 0.373700 | 0.373700 | 0.373700 | 0.373700 | 0.373700 |
| 8 | 365 | 365 | - | - | - | - | - | 0.177300 | 0.177300 | 0.177300 | 0.177300 | 0.177300 |
| 9 | 366 | 366 | - | - | - | - | - | 0.177300 | 0.177300 | 0.177300 | 0.177300 | 0.177300 |
| 10 | 367 | 367 | - | - | - | - | - | 0.177300 | 0.177300 | 0.177300 | 0.177300 | 0.177300 |
| 11 | Line Transformers (368) | TRS | - | - | - | - | - | - | - | 0.150600 | 0.150600 | 0.150600 |
| 12 | Services (369) | 369 | - | - | - | - | - | - | - | - | - | 0.507500 |
| 13 | Meters (370) | MTR | - | - | - | - | - | - | - | - | - | - |
| 14 | | | - | - | - | - | - | - | - | - | - | - |
| 15 | | | - | - | - | - | - | - | - | - | - | - |
| 16 | | | - | - | - | - | - | - | - | - | - | - |
| 17 | | | - | - | - | - | - | - | - | - | - | - |
| 18 | 364,365 & 369 | DIST-OH1 | - | - | - | - | - | 0.292206 | 0.292206 | - | 0.479456 | - |
| 19 | 366,367 & 369 | DIST-UG1 | - | - | - | - | - | 0.177300 | 0.177300 | - | 0.501871 | - |
| 20 | 364,365,368 & 369 | DIST-OH2 | - | - | - | - | - | 0.292206 | 0.292206 | 0.150600 | 0.479456 | - |
| 21 | 366,367,368 & 369 | DIST-UG2 | - | - | - | - | - | 0.177300 | 0.177300 | 0.150600 | 0.501871 | - |
| 22 | Security Lights | LTS | - | - | - | - | - | - | - | - | - | - |
| 23 | Subtrans & Distr. | SubT&D | - | - | - | - | - | 0.280281 | 0.280281 | 0.150600 | 0.474967 | - |
| 24 | Plant In Service | PLTINS | - | - | - | - | - | 0.280956 | 0.280956 | 0.150600 | 0.475244 | - |
| 25 | Net Utility Plant | NUP | - | - | - | - | - | 0.280708 | 0.280708 | 0.150600 | 0.475155 | - |
| 26 | Labor - Total O&M | LABOR | - | - | - | - | - | 0.292206 | 0.292206 | 0.150600 | 0.479456 | - |
| 27 | Net Utility Plant w/o Direct | NUP-2 | - | - | - | - | - | 0.280707 | 0.280707 | 0.150600 | 0.475155 | - |
| 28 | General Plant | GP | - | - | - | - | - | 0.292206 | 0.292206 | 0.150600 | 0.479456 | - |
| 29 | Plant in Service - w/o Direct | PLTINS-2 | - | - | - | - | - | 0.280956 | 0.280956 | 0.150600 | 0.475244 | - |
| 30 | Dist. Operations Labor | DOL | - | - | - | - | - | 0.292206 | 0.292206 | 0.150600 | 0.479456 | - |
| 31 | Purchased Power Energy | PPE | - | - | - | - | - | - | - | - | - | - |
| 32 | Purchased Power Demand | PPD | - | - | - | - | - | - | - | - | - | - |
| 33 | Billing | BILL | - | - | - | - | - | - | - | - | - | - |
| 34 | Overhead/URD Line Exp. | OH/URD | - | - | - | - | - | 0.097000 | - | - | 0.097000 | - |
| 35 | Customer Accounts - Labor | CAL | - | - | - | - | - | - | - | - | - | - |
| 36 | Consumer Services - 1 | CS-1 | - | - | - | - | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 |
| 37 | Dist. Maintenance Labor | DML | - | - | - | - | - | 0.292206 | 0.292206 | 0.150600 | 0.479456 | - |
| 38 | Consumer Services -2 | CS-2 | - | - | - | - | - | - | - | - | - | - |
| 39 | Consumer Services -3 | CS-3 | - | - | - | - | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 |
| 40 | Consumer Deposits | CD | - | - | - | - | - | 0.286446 | 0.286446 | 0.150600 | 0.477426 | - |
| 41 | Allowance for Working Capital | WORK CAP | - | - | - | - | - | 0.292068 | 0.292068 | 0.150600 | 0.479409 | - |
| 42 | Uncollectible Accounts | UNCOLL | - | - | - | - | - | 0.286482 | 0.286482 | 0.150600 | 0.477440 | - |
| 43 | Accumulated Depreciation | Accum Depr. | - | - | - | - | - | 0.280281 | 0.280281 | 0.150600 | 0.474967 | - |

KENERGY CORP.

Classification Ratios (Consumer Related)

| A | B | C | D | Subfunctionalization - Distribution | | | Q | R | S | T | U | V |
|----------|---------------------------------|-------------|---------|-------------------------------------|----------------|----------|----------|---------------------|---------------------|---------------------|-----------------|---------------|
| Line No. | Plant Account | Basis | Balance | 3-Phase Meters | 1-Phase Meters | Metering | Billing | Consumer Services 1 | Consumer Services 2 | Consumer Services 3 | Security Lights | Street Lights |
| | Ratios | | | | | | | | | | | |
| 1 | Production Plant | PROD | | - | - | - | - | - | - | - | - | - |
| 2 | Transmission Plant | TRANS | | - | - | - | - | - | - | - | - | - |
| 3 | Subtransmission | SUBTRANS | | - | - | - | - | - | - | - | - | - |
| 4 | Distribution Plant | DIST | | 1.000000 | 1.000000 | - | - | - | - | - | - | - |
| | Dist. Plant - W/O Direct Assig. | DIST-2 | | 1.000000 | 1.000000 | - | - | - | - | - | - | - |
| 5 | Metering | MTRNG | | - | - | 1.000000 | - | - | - | - | - | - |
| 6 | Substation | SUB | | - | - | - | - | - | - | - | - | - |
| 7 | 364 | 364 | | - | - | - | - | - | - | - | - | - |
| 8 | 365 | 365 | | - | - | - | - | - | - | - | - | - |
| 9 | 366 | 366 | | - | - | - | - | - | - | - | - | - |
| 10 | 367 | 367 | | - | - | - | - | - | - | - | - | - |
| 11 | Line Transformers (368) | TRS | | - | - | - | - | - | - | - | - | - |
| 12 | Services (369) | 369 | | - | - | - | - | - | - | - | - | - |
| 13 | Meters (370) | MTR | | 1.000000 | 1.000000 | - | - | - | - | - | - | - |
| 14 | | | | - | - | - | - | - | - | - | - | - |
| 15 | | | | - | - | - | - | - | - | - | - | - |
| 16 | | | | - | - | - | - | - | - | - | - | - |
| 17 | | | | - | - | - | - | - | - | - | - | - |
| 18 | 364,365 & 369 | DIST-OH1 | | - | - | - | - | - | - | - | - | - |
| 19 | 366,367 & 369 | DIST-UG1 | | - | - | - | - | - | - | - | - | - |
| 20 | 364,365,368 & 369 | DIST-OH2 | | - | - | - | - | - | - | - | - | - |
| 21 | 366,367,368 & 369 | DIST-UG2 | | - | - | - | - | - | - | - | - | - |
| 22 | Security Lights | LTS | | - | - | - | - | - | - | - | - | - |
| 23 | Subtrans & Distr. | SubT&D | | 1.000000 | 1.000000 | - | - | - | - | - | - | - |
| 24 | Plant In Service | PLTINS | | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | - | - | - | - |
| 25 | Net Utility Plant | NUP | | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | - | - | - | - |
| 26 | Labor - Total O&M | LABOR | | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | - | - | - | - |
| 27 | Net Utility Plant w/o Direct | NUP-2 | | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | - | - | - | - |
| 28 | General Plant | GP | | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | - | - | - | - |
| 29 | Plant in Service - w/o Direct | PLTINS-2 | | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | - | - | - | - |
| 30 | Dist. Operations Labor | DOL | | 1.000000 | 1.000000 | - | - | - | - | - | - | - |
| 31 | Purchased Power Energy | PPE | | - | - | - | - | - | - | - | - | - |
| 32 | Purchased Power Demand | PPD | | - | - | - | - | - | - | - | - | - |
| 33 | Billing | BILL | | - | - | - | 1.000000 | - | - | - | - | - |
| 34 | Overhead/URD Line Exp. | OH/URD | | - | - | - | - | - | - | - | - | - |
| 35 | Customer Accounts - Labor | CAL | | - | - | 1.000000 | 1.000000 | - | - | - | - | - |
| 36 | Consumer Services - 1 | CS-1 | | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 |
| 37 | Dist. Maintenance Labor | DML | | 1.000000 | 1.000000 | - | - | - | - | - | - | - |
| 38 | Consumer Services -2 | CS-2 | | - | - | - | - | - | 1.000000 | - | - | - |
| 39 | Consumer Services -3 | CS-3 | | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 |
| 40 | Consumer Deposits | CD | | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | - | - | - | - |
| 41 | Allowance for Working Capital | WORK CAP | | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | - | - | - | - |
| 42 | Uncollectible Accounts | UNCOLL | | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | - | - | - | - |
| 43 | Accumulated Depreciation | Accum Depr. | | 1.000000 | 1.000000 | - | - | - | - | - | - | - |

KENERGY CORP.

Classification Ratios (Direct Assignments)

| A | B | C | D | E | F | G | H | I | J | K | L | M |
|----------|---------------------------------|-------------|---------|-------------------|----------|--------------|-----------|----------|----------|--------------------------|----------|-----------------|
| Line No. | Plant Account | Basis | Balance | Functionalization | | | Sub-Trans | Subs | Primary | Optional Primary 1-Phase | Transf. | Sec. & Services |
| | | | | Prod. | Trans. | Distribution | | | | | | |
| | Ratios | | | | | | | | | | | |
| 1 | Production Plant | PROD | | 1.000000 | - | | - | - | - | - | - | - |
| 2 | Transmission Plant | TRANS | | - | - | | - | - | - | - | - | - |
| 3 | Subtransmission | SUBTRANS | | | | | - | - | - | - | - | - |
| 4 | Distribution Plant | DIST | | - | - | | - | - | - | - | - | - |
| | Dist. Plant - W/O Direct Assig. | DIST-2 | | - | - | | - | - | - | - | - | - |
| 5 | Metering | MTRNG | | | | | - | - | - | - | - | - |
| 6 | Substation | SUB | | | | | - | - | - | - | - | - |
| 7 | 364 | 364 | | | | | - | - | - | - | - | - |
| 8 | 365 | 365 | | | | | - | - | - | - | - | - |
| 9 | 366 | 366 | | | | | - | - | - | - | - | - |
| 10 | 367 | 367 | | | | | - | - | - | - | - | - |
| 11 | Line Transformers (368) | TRS | | | | | - | - | - | - | - | - |
| 12 | Services (369) | 369 | | | | | - | - | - | - | - | - |
| 13 | Meters (370) | MTR | | | | | - | - | - | - | - | - |
| 14 | | | | 1.000000 | 1.000000 | | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 |
| 15 | | | | 1.000000 | 1.000000 | | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 |
| 16 | | | | 1.000000 | 1.000000 | | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 |
| 17 | | | | 1.000000 | 1.000000 | | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 | 1.000000 |
| 18 | 364,365 & 369 | DIST-OH1 | | | | | - | - | - | - | - | - |
| 19 | 366,367 & 369 | DIST-UG1 | | | | | - | - | - | - | - | - |
| 20 | 364,365,368 & 369 | DIST-OH2 | | | | | - | - | - | - | - | - |
| 21 | 366,367,368 & 369 | DIST-UG2 | | | | | - | - | - | - | - | - |
| 22 | Security Lights | LTS | | | | | - | - | - | - | - | - |
| 23 | Subtrans & Distr. | SubT&D | | | | | - | - | - | - | - | - |
| 24 | Plant In Service | PLTINS | | - | - | | - | - | - | - | - | - |
| 25 | Net Utility Plant | NUP | | - | - | | - | - | - | - | - | - |
| 26 | Labor - Total O&M | LABOR | | - | - | | - | - | - | - | - | - |
| 27 | Net Utility Plant w/o Direct | NUP-2 | | - | - | | - | - | - | - | - | - |
| 28 | General Plant | GP | | - | - | | - | - | - | - | - | - |
| 29 | Plant in Service - w/o Direct | PLTINS-2 | | - | - | | - | - | - | - | - | - |
| 30 | Dist. Operations Labor | DOL | | | | | - | - | - | - | - | - |
| 31 | Purchased Power Energy | PPE | | | | | - | - | - | - | - | - |
| 32 | Purchased Power Demand | PPD | | | | | - | - | - | - | - | - |
| 33 | Billing | BILL | | | | | - | - | - | - | - | - |
| 34 | Overhead/URD Line Exp. | OH/URD | | 1.000000 | - | | - | - | - | - | - | - |
| 35 | Customer Accounts - Labor | CAL | | | | | - | - | - | - | - | - |
| 36 | Consumer Services - 1 | CS-1 | | | | | - | - | - | - | - | - |
| 37 | Dist. Maintenance Labor | DML | | | | | - | - | - | - | - | - |
| 38 | Consumer Services -2 | CS-2 | | 1.000000 | | | - | - | - | - | - | - |
| 39 | Consumer Services -3 | CS-3 | | 1.000000 | | | - | - | - | - | - | - |
| 40 | Consumer Deposits | CD | | | | | - | - | - | - | - | - |
| 41 | Allowance for Working Capital | WORK CAP | | - | - | | - | - | - | - | - | - |
| 42 | Uncollectible Accounts | UNCOLL | | | | | - | - | - | - | - | - |
| 43 | Accumulated Depreciation | Accum Depr. | | 1.000000 | | | - | - | - | - | - | - |

KENERGY CORP.
Summary of Allocation Factors

| Line No. | | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
|----------|----------------------------------|-------------------|--------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| 1 | Energy - | 1 | 1.00000 | 0.01201 | 0.64774 | 0.10084 | 0.16788 | 0.04103 | 0.03051 |
| 2 | WDA | 2 | - | - | - | - | - | - | - |
| 3 | Production - | 3 | 1.00000 | 0.00641 | 0.66246 | 0.09813 | 0.16338 | 0.03993 | 0.02969 |
| 4 | User Defined | 4 | - | - | - | - | - | - | - |
| 5 | User Defined | 5 | - | - | - | - | - | - | - |
| 6 | User Defined | 6 | - | - | - | - | - | - | - |
| 7 | SubTransmission & Substation All | 7 | 1.00000 | 0.00650 | 0.67229 | 0.09519 | 0.15848 | 0.03873 | 0.02880 |
| 8 | Substation W/O Direct | 8 | 1.00000 | 0.00650 | 0.67229 | 0.09519 | 0.15848 | 0.03873 | 0.02880 |
| 9 | Demand - Primary MP | 9 | 1.00000 | 0.01110 | 0.69617 | 0.09123 | 0.15147 | 0.02851 | 0.02152 |
| 10 | Demand - Primary SP | 10 | 1.00000 | 0.01353 | 0.87578 | 0.11069 | - | - | - |
| 11 | Consumers - Primary MP | 11 | 1.00000 | - | 0.80947 | 0.15673 | 0.03333 | 0.00029 | 0.00018 |
| 12 | Consumers - Primary SP | 12 | 1.00000 | - | 0.83779 | 0.16221 | - | - | - |
| 13 | Meters - Three Phase | 13 | - | - | - | - | 0.98614 | 0.00853 | 0.00533 |
| 14 | Demand - Secondary | 14 | 1.00000 | 0.01113 | 0.72031 | 0.09104 | 0.15106 | 0.02646 | - |
| 15 | Consumers - Secondary | 15 | 1.00000 | - | 0.81880 | 0.15854 | 0.02247 | 0.00019 | - |
| 16 | Consumer - Transformers | 16 | 1.00000 | - | 0.79624 | 0.15417 | 0.04917 | 0.00043 | - |
| 17 | Meters - Single Phase | 17 | 1.00000 | - | 0.83779 | 0.16221 | - | - | - |
| 18 | Metering | 18 | 1.00000 | - | 0.63720 | 0.12337 | 0.23611 | 0.00204 | 0.00128 |
| 19 | Billing | 19 | 1.00000 | - | 0.80947 | 0.15673 | 0.03333 | 0.00029 | 0.00018 |
| 20 | Consumer Services 1 | 20 | 1.00000 | - | 0.82339 | 0.15942 | 0.01695 | 0.00015 | 0.00009 |
| 21 | User Defined | 21 | - | - | - | - | - | - | - |
| 22 | User Defined | 22 | - | - | - | - | - | - | - |
| 23 | Security Lights Only | 23 | 1.00000 | 1.00000 | - | - | - | - | - |

KENERGY CORP.

Summary of Rate Class Billing Units

| A | B | C | D | E | F | G | H | I |
|----------|--|---------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| Line No. | | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| 1 | Service Level Code | | 5 | 5 | 5 | 4 | 4 | 3 |
| 2 | Number of Consumers | 54,573 | - | 44,934 | 8,700 | 925 | 8 | 5 |
| 3 | Number of Meters | 54,573 | - | 44,934 | 8,700 | 925 | 8 | 5 |
| 4 | Metered kWh Sold | 1,140,513,641 | 13,689,863 | 738,388,323 | 114,949,687 | 191,374,160 | 46,772,808 | 35,338,800 |
| 5 | Metered Demand | 847,044 | - | - | - | 649,476 | 110,343 | 87,225 |
| 6 | Load Mgt. Switches | - | - | - | - | - | - | - |
| 7 | Number of Secondary Consumers | 54,568 | - | 44,934 | 8,700 | 925 | 8 | - |
| 8 | Consumers - Secondary Allocator | 1.000000 | - | 0.823463 | 0.159439 | 0.016951 | 0.000147 | - |
| 9 | Number of Single-Phase Sec. Consumers | 53,635 | - | 44,934 | 8,700 | - | - | - |
| 10 | Single-Phase Consumer Allocator | 1.000000 | - | 0.837788 | 0.162212 | - | - | - |
| 11 | Primary System - Consumers | 54,573 | - | 44,934 | 8,700 | 925 | 8 | 5 |
| 12 | Primary System Weighting Factor | | 1.00 | 1.00 | 1.00 | 2.00 | 2.00 | 2.00 |
| 13 | Primary System Weighted Consumers | 55,511 | - | 44,934 | 8,700 | 1,850 | 16 | 10 |
| 14 | Primary Three-Phase Consumer Allocator | 1.000000 | - | 0.809474 | 0.156730 | 0.033327 | 0.000288 | 0.000180 |
| 15 | Services - Act. 369 Weighting Factor | | 3.00 | 3.00 | 3.00 | 4.00 | 4.00 | 4.00 |
| 16 | Services - Act. 369 Weighted Consumers | 164,656 | - | 134,803 | 26,101 | 3,700 | 32 | 20 |
| 17 | Account 369 Weighting Factor | 1.000000 | - | 0.818697 | 0.158516 | 0.022471 | 0.000194 | 0.000121 |
| 18 | Three Phase Customers | 938 | - | - | - | 925 | 8 | 5 |
| 19 | Three Phase Customers Allocator | 1.000000 | - | - | - | 0.986141 | 0.008529 | 0.005330 |

KENERGY CORP.

**Determination of Class Demand Contributions for Allocation of
Purchased Power Cost
12 Month Average CP
@ System Input Voltage**

| Line No. | | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non-Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
|----------|---|---------------|-------------------|--------------------------|-----------------------|-----------------------|--------------------------|----------------------|
| | | 1,140,513,641 | 13,689,863 | 738,388,323 | 114,949,687 | 191,374,160 | 46,772,808 | 35,338,800 |
| 1 | Metered kWh Delivered | 4.18% | 4.23% | 4.23% | 4.23% | 4.23% | 4.23% | 2.68% |
| 2 | Loss Factor | 1,190,284,548 | 14,294,323 | 770,991,025 | 120,025,161 | 199,824,070 | 48,838,008 | 36,311,961 |
| 3 | kWh Delivered Adjusted to System Input | 135,877 | 1,632 | 88,013 | 13,702 | 22,811 | 5,575 | 4,145 |
| 5 | Average Demand | 211,221 | 1,354 | 139,925 | 20,728 | 34,509 | 8,434 | 6,271 |
| 6 | Peak Demand | - | - | - | - | - | - | - |
| 7 | Less Direct Assigned Power Cost | 211,221 | 1,354 | 139,925 | 20,728 | 34,509 | 8,434 | 6,271 |
| 8 | Modified CP Demand Before Load Mgt <3> | 1.00000 | 0.00641 | 0.66246 | 0.09813 | 0.16338 | 0.03993 | 0.02969 |
| 9 | System Allocator | 1,190,284,548 | 14,294,323 | 770,991,025 | 120,025,161 | 199,824,070 | 48,838,008 | 36,311,961 |
| 10 | kWh Delivered at System input - no D.A. | 1.00000 | 0.01201 | 0.64774 | 0.10084 | 0.16788 | 0.04103 | 0.03051 |
| 11 | System Allocator | | | | | | | |

**Determination of Class Demand Contributions for Allocation of
Sub-Transmission & Substation
12 Month Average Kenergy System Non-Coincident Peak
@ System Input Voltage
(Average And Excess Method)**

| Line No. | | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
|----------|--|---------------|------------|--------------|--------------|-------------|--------------|--------------|
| | | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | | 1,140,513,641 | 13,689,863 | 738,388,323 | 114,949,687 | 191,374,160 | 46,772,808 | 35,338,800 |
| 1 | kWh Sales | 4.18% | 4.23% | 4.23% | 4.23% | 4.23% | 4.23% | 2.68% |
| 2 | Loss Factor | 1,190,284,548 | 14,294,323 | 770,991,025 | 120,025,161 | 199,824,070 | 48,838,008 | 36,311,961 |
| 3 | Total kWh Purch & Generated | 135,877 | 1,632 | 88,013 | 13,702 | 22,811 | 5,575 | 4,145 |
| 4 | Average Demand | 208,130 | 1,354 | 139,925 | 19,812 | 32,984 | 8,062 | 5,994 |
| 5 | Contribution to System Peak | 208,130 | 1,354 | 139,925 | 19,812 | 32,984 | 8,062 | 5,994 |
| 6 | Modified Demand Before Load Management | - | - | - | - | - | - | - |
| 7 | Less Direct Assigned Subtransmission | 208,130 | 1,354 | 139,925 | 19,812 | 32,984 | 8,062 | 5,994 |
| 8 | Subtransmission Demand | 1.000000 | 0.006504 | 0.672294 | 0.095191 | 0.158479 | 0.038733 | 0.028799 |
| 9 | Sub-Transmission Demand Allocator | - | - | - | - | - | - | - |
| 10 | | - | - | - | - | - | - | - |
| 11 | | 208,130 | 1,354 | 139,925 | 19,812 | 32,984 | 8,062 | 5,994 |
| 12 | Substation Demand - No Direct Assignment | 1.000000 | 0.006504 | 0.672294 | 0.095191 | 0.158479 | 0.038733 | 0.028799 |
| 13 | Substation Demand Allocator | | | | | | | |

**Determination of Class Demand Contributions for Allocation of
Distribution-Related Investment and Expenses**

@ System Input Voltage

| Line No. | | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
|----------|---|---------------|------------|--------------|--------------|-------------|--------------|--------------|
| | | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | | 1,140,513,641 | 13,689,863 | 738,388,323 | 114,949,687 | 191,374,160 | 46,772,808 | 35,338,800 |
| 1 | kWh Sales | 4.18% | 4.23% | 4.23% | 4.23% | 4.23% | 4.23% | 2.68% |
| 2 | Loss Factor | | | | | | | |
| 3 | Total kWh Purch & Generated | 1,190,284,548 | 14,294,323 | 770,991,025 | 120,025,161 | 199,824,070 | 48,838,008 | 36,311,961 |
| 4 | Average Demand | 135,877 | 1,632 | 88,013 | 13,702 | 22,811 | 5,575 | 4,145 |
| 5 | Maximum Demand (Class NCP) | 319,503 | 3,487 | 225,616 | 28,515 | 47,316 | 8,286 | 6,283 |
| 6 | Excess Demand | 183,626 | 1,855 | 137,603 | 14,814 | 24,505 | 2,711 | 2,138 |
| 7 | Allocated Excess Demand | 123,723 | 1,250 | 92,714 | 9,981 | 16,511 | 1,827 | 1,441 |
| 8 | Allocated System Demand A & E | 259,600 | 2,882 | 180,726 | 23,683 | 39,322 | 7,402 | 5,586 |
| 9 | Distribution Demand Allocator 1 | 1.000000 | 0.011100 | 0.696172 | 0.091227 | 0.151471 | 0.028513 | 0.021517 |
| 10 | Allocated System Demand 2 | 319,503 | 3,487 | 225,616 | 28,515 | 47,316 | 8,286 | 6,283 |
| 11 | Allocated System Demand Secondary | 313,220 | 3,487 | 225,616 | 28,515 | 47,316 | 8,286 | - |
| 12 | Distribution Demand Allocator 2 - Secondary | 1.000000 | 0.011132 | 0.720311 | 0.091039 | 0.151063 | 0.026456 | - |
| 13 | Allocated System Demand Primary SP | 257,617 | 3,487 | 225,616 | 28,515 | - | - | - |
| 14 | Distribution Demand Allocator 3 - Prim SP | 0.822482 | 0.013534 | 0.875778 | 0.110688 | - | - | - |
| 15 | Allocated System Demand Secondary SP | 257,617 | 3,487 | 225,616 | 28,515 | - | - | - |
| 16 | Distribution Demand Allocator 4 - Sec. SP | 1.000000 | 0.013534 | 0.875778 | 0.110688 | - | - | - |
| 17 | Allocated System Demand Three-Phase | 259,600 | 2,882 | 180,726 | 23,683 | 39,322 | 7,402 | 5,586 |
| 18 | Distribution Demand Allocator 5- Prim. TP | 1.000000 | 0.011100 | 0.696172 | 0.091227 | 0.151471 | 0.028513 | 0.021517 |
| 19 | Allocated System Demand Primary & Secondary | 259,600 | 2,882 | 180,726 | 23,683 | 39,322 | 7,402 | 5,586 |
| 20 | Distribution Demand Allocator 6- Prim. & Sec. | 1.000000 | 0.011100 | 0.696172 | 0.091227 | 0.151471 | 0.028513 | 0.021517 |
| 21 | Allocated System Demand - Lighting Only | 3,487 | 3,487 | - | - | - | - | - |
| 22 | Distribution Demand Allocator 7 - Lighting Only | 1.000000 | 1.000000 | - | - | - | - | - |

Determination of Unweighted Consumer

| Line No. | | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
|----------|---|----------|----------|--------------|--------------|-------------|--------------|--------------|
| | | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | | | 5 | 5 | 5 | 4 | 4 | 3 |
| 1 | Service Code | | | | | | | |
| 2 | Number of Consumers | 54,573 | - | 44,934 | 8,700 | 925 | 8 | 5 |
| 3 | Unweighted Consumer Allocator | 1.000000 | - | 0.823388 | 0.159424 | 0.016950 | 0.000147 | 0.000092 |
| 4 | Consumers | 54,568 | - | 44,934 | 8,700 | 925 | 8 | - |
| 5 | Consumer Allocator | 1.000000 | - | 0.823463 | 0.159439 | 0.016951 | 0.000147 | - |
| 6 | Weighting Factor-Secondary and Services | | 3.00 | 3.00 | 3.00 | 4.00 | 4.00 | - |
| 7 | Weighted Consumers-Secondary and Services | 164,636 | - | 134,803 | 26,101 | 3,700 | 32 | - |
| 8 | Consumer Allocator- Secondary Services | 1.000000 | - | 0.818797 | 0.158535 | 0.022474 | 0.000194 | - |
| 9 | Transformer Weighting Factor | | 1.00 | 1.00 | 1.00 | 3.00 | 3.00 | - |
| 10 | Transformer Weighted Consumers | 56,434 | - | 44,934 | 8,700 | 2,775 | 24 | - |
| 11 | Transformer Allocator | 1.000000 | - | 0.796235 | 0.154167 | 0.049173 | 0.000425 | - |
| 12 | Consumers - Single Phase | 53,635 | - | 44,934 | 8,700 | - | - | - |
| 13 | Consumers - Single Phase Allocator | 1.000000 | - | 0.837788 | 0.162212 | - | - | - |

Determination of Weighted Meter Reading and Billing Allocator

| Line No. | | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
|----------|---------------------------------------|----------|----------|--------------|--------------|-------------|--------------|--------------|
| | | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | | | 5 | 5 | 5 | 4 | 4 | 3 |
| 1 | Service Level Code | | | | | | | |
| 2 | Number of Meters | 54,573 | - | 44,934 | 8,700 | 925 | 8 | 5 |
| 3 | Meter Readings Weighting Factor | | 1.00 | 1.00 | 1.00 | 18.00 | 18.00 | 18.00 |
| 4 | Weighted Number of Meters | 70,519 | - | 44,934 | 8,700 | 16,650 | 144 | 90 |
| 5 | Meter Readings Allocation Factor | 1.000000 | - | 0.63720 | 0.12337 | 0.23611 | 0.00204 | 0.00128 |
| 6 | Number of Consumers | 54,573 | - | 44,934 | 8,700 | 925 | 8 | 5 |
| 7 | Billing Weighting Factor | | 1.00 | 1.00 | 1.00 | 2.00 | 2.00 | 2.00 |
| 8 | Weighted Billings | 55,511 | - | 44,934 | 8,700 | 1,850 | 16 | 10 |
| 9 | Weighted Billing Allocation Factor | 1.000000 | - | 0.80947 | 0.15673 | 0.03333 | 0.00029 | 0.00018 |
| 10 | Single-Phase Meter Weighting Factor | | 1.00 | 1.00 | 1.00 | - | - | - |
| 11 | Single-Phase Meters | 53,635 | - | 44,934 | 8,700 | - | - | - |
| 12 | Single-Phase Meters Allocation Factor | 1.000000 | - | 0.83779 | 0.16221 | - | - | - |
| | | | | | | | | |
| 14 | Number of Three Phase Meters | 938 | - | - | - | 925 | 8 | 5 |
| 15 | Three Phase Meter Weighting Factors | | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 16 | Weighted Number of Three Phase | 938 | - | - | - | 925 | 8 | 5 |
| 17 | Three Phase Weighting Allocator | 0.01690 | - | - | - | 0.98614 | 0.00853 | 0.00533 |

Determination of Consumer Services Allocators

| Line No. | | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
|----------|--------------------------------------|---------|----------|--------------|--------------|-------------|--------------|--------------|
| | | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | | | 5 | 5 | 5 | 4 | 4 | 3 |
| 1 | Service Level Code | | | | | | | |
| 2 | Number of Consumers | 54,573 | - | 44,934 | 8,700 | 925 | 8 | 5 |
| 3 | Customer Services Weighting Factor 1 | | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 4 | Weighted Number of Consumers | 54,573 | - | 44,934 | 8,700 | 925 | 8 | 5 |
| 5 | Customers Services Allocator 1 | 1.00000 | - | 0.82339 | 0.15942 | 0.01695 | 0.00015 | 0.00009 |
| 6 | Not Applicable | | | | | | | |
| 7 | Number of LM Switches | - | - | - | - | - | - | - |
| 8 | Customers Services Allocator 2 | - | - | - | - | - | - | - |
| 9 | Customer Services Weighting Factor 3 | | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 |
| 10 | Weighted Number of Consumers 3 | 54,573 | - | 44,934 | 8,700 | 925 | 8 | 5 |
| 11 | Customers Services Allocator 3 | 1.00000 | - | 0.82339 | 0.15942 | 0.01695 | 0.00015 | 0.00009 |

**Allocation of Substation Utility Plant
Demand**

| A | B | C | D | E | F | G | H | I | J |
|------|---------------------------------|------------|---------------|------------|---------------|--------------|--------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | | | | | | | | | |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | 7 | \$ 24,900,017 | \$ 161,941 | \$ 16,740,137 | \$ 2,370,261 | \$ 3,946,133 | \$ 964,455 | \$ 717,090 |
| 3 | General Plant | 7 | \$ 1,233,458 | \$ 8,022 | \$ 829,246 | \$ 117,414 | \$ 195,477 | \$ 47,776 | \$ 35,522 |
| | | | | | | | | | |
| 4 | Plant In Service | | \$ 26,133,475 | \$ 169,963 | \$ 17,569,383 | \$ 2,487,676 | \$ 4,141,610 | \$ 1,012,230 | \$ 752,612 |
| | | | | | | | | | |
| 5 | CWIP | 7 | \$ 104,140 | \$ 677 | \$ 70,013 | \$ 9,913 | \$ 16,504 | \$ 4,034 | \$ 2,999 |
| | | | | | | | | | |
| 6 | Total Utility Plant | | \$ 26,237,615 | \$ 170,640 | \$ 17,639,396 | \$ 2,497,589 | \$ 4,158,115 | \$ 1,016,264 | \$ 755,611 |
| | | | | | | | | | |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | 7 | \$ 8,857,105 | \$ 57,604 | \$ 5,954,581 | \$ 843,118 | \$ 1,403,666 | \$ 343,063 | \$ 255,074 |
| 8 | General | 7 | \$ 631,234 | \$ 4,105 | \$ 424,375 | \$ 60,088 | \$ 100,037 | \$ 24,450 | \$ 18,179 |
| | | | | | | | | | |
| 9 | Subtotal | | \$ 9,488,339 | \$ 61,709 | \$ 6,378,955 | \$ 903,206 | \$ 1,503,704 | \$ 367,513 | \$ 273,253 |
| | | | | | | | | | |
| 10 | Net Utility Plant | | \$ 16,749,276 | \$ 108,931 | \$ 11,260,441 | \$ 1,594,383 | \$ 2,654,411 | \$ 648,751 | \$ 482,359 |
| | | | | | | | | | |
| 11 | Allowance for Working Capital | | \$ 347,679 | \$ 2,261 | \$ 233,743 | \$ 33,096 | \$ 55,100 | \$ 13,467 | \$ 10,013 |
| 12 | Consumer Deposits | | \$ (147,832) | \$ (961) | \$ (99,387) | \$ (14,072) | \$ (23,428) | \$ (5,726) | \$ (4,257) |
| | | | | | | | | | |
| 13 | Net Rate Base | | \$ 16,949,123 | \$ 110,231 | \$ 11,394,797 | \$ 1,613,407 | \$ 2,686,082 | \$ 656,492 | \$ 488,114 |

Allocation of Primary 3-Phase Utility Plant

| Total | | | | | | | | | |
|-------|---------------------------------|------------|----------------------|-------------------|----------------------|---------------------|---------------------|-------------------|-------------------|
| A | B | C | D | E | F | G | H | I | J |
| Line | | Allocation | TOTAL | Lighting | Residential | Non-Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | | | | | | | | | |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | | \$ 40,654,629 | \$ 324,786 | \$ 29,593,667 | \$ 4,455,191 | \$ 4,811,767 | \$ 837,568 | \$ 631,649 |
| 3 | General Plant | | \$ 2,439,440 | \$ 19,166 | \$ 1,779,034 | \$ 269,235 | \$ 285,289 | \$ 49,436 | \$ 37,281 |
| 4 | Plant In Service | | \$ 43,094,069 | \$ 343,952 | \$ 31,372,701 | \$ 4,724,426 | \$ 5,097,055 | \$ 887,004 | \$ 668,930 |
| 5 | CWIP | | \$ 171,727 | \$ 1,371 | \$ 125,018 | \$ 18,827 | \$ 20,311 | \$ 3,535 | \$ 2,666 |
| 6 | Total Utility Plant | | \$ 43,265,796 | \$ 345,323 | \$ 31,497,720 | \$ 4,743,253 | \$ 5,117,367 | \$ 890,539 | \$ 671,595 |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | | \$ 8,435,637 | \$ 67,392 | \$ 6,140,542 | \$ 924,431 | \$ 998,418 | \$ 173,791 | \$ 131,064 |
| 8 | General | | \$ 1,248,406 | \$ 9,808 | \$ 910,437 | \$ 137,783 | \$ 145,999 | \$ 25,300 | \$ 19,079 |
| 9 | Subtotal | | \$ 9,684,044 | \$ 77,200 | \$ 7,050,979 | \$ 1,062,214 | \$ 1,144,417 | \$ 199,091 | \$ 150,143 |
| 10 | Net Utility Plant | | \$ 33,581,753 | \$ 268,123 | \$ 24,446,741 | \$ 3,681,039 | \$ 3,972,950 | \$ 691,448 | \$ 521,453 |
| 11 | Allowance for Working Capital | | \$ 835,384 | \$ 6,565 | \$ 609,215 | \$ 92,192 | \$ 97,710 | \$ 16,933 | \$ 12,769 |
| 12 | Consumer Deposits | | \$ (243,773) | \$ (1,946) | \$ (177,468) | \$ (26,725) | \$ (28,833) | \$ (5,018) | \$ (3,784) |
| 13 | Net Rate Base | | \$ 34,173,363 | \$ 272,742 | \$ 24,878,488 | \$ 3,746,505 | \$ 4,041,827 | \$ 703,363 | \$ 530,438 |

Allocation of Primary 3-Phase Utility Plant
Demand

| A | B | C | D | E | F | G | H | I | J |
|------|---------------------------------|-------------------|---------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| Line | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| No. | | | | | | | | | |
| | | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | 9 | \$ 29,259,902 | \$ 324,786 | \$ 20,369,927 | \$ 2,669,295 | \$ 4,432,014 | \$ 834,284 | \$ 629,596 |
| 3 | General Plant | 9 | \$ 1,726,622 | \$ 19,166 | \$ 1,202,026 | \$ 157,515 | \$ 261,532 | \$ 49,231 | \$ 37,152 |
| | | | \$ 30,986,524 | \$ 343,952 | \$ 21,571,953 | \$ 2,826,809 | \$ 4,693,547 | \$ 883,514 | \$ 666,749 |
| 4 | Plant In Service | | | | | | | | |
| 5 | CWIP | 9 | \$ 123,480 | \$ 1,371 | \$ 85,963 | \$ 11,265 | \$ 18,704 | \$ 3,521 | \$ 2,657 |
| 6 | Total Utility Plant | | \$ 31,110,004 | \$ 345,323 | \$ 21,657,916 | \$ 2,838,074 | \$ 4,712,250 | \$ 887,035 | \$ 669,406 |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | 9 | \$ 6,071,287 | \$ 67,392 | \$ 4,226,661 | \$ 553,866 | \$ 919,621 | \$ 173,110 | \$ 130,638 |
| 8 | General | 9 | \$ 883,615 | \$ 9,808 | \$ 615,148 | \$ 80,610 | \$ 133,842 | \$ 25,194 | \$ 19,013 |
| 9 | Subtotal | | \$ 6,954,902 | \$ 77,200 | \$ 4,841,809 | \$ 634,475 | \$ 1,053,463 | \$ 198,304 | \$ 149,651 |
| 10 | Net Utility Plant | | \$ 24,155,102 | \$ 268,123 | \$ 16,816,107 | \$ 2,203,599 | \$ 3,658,787 | \$ 688,731 | \$ 519,754 |
| 11 | Allowance for Working Capital | | \$ 591,395 | \$ 6,565 | \$ 411,713 | \$ 53,951 | \$ 89,579 | \$ 16,862 | \$ 12,725 |
| 12 | Consumer Deposits | | \$ (175,284) | \$ (1,946) | \$ (122,028) | \$ (15,991) | \$ (26,550) | \$ (4,998) | \$ (3,772) |
| 13 | Net Rate Base | | \$ 24,571,213 | \$ 272,742 | \$ 17,105,792 | \$ 2,241,559 | \$ 3,721,816 | \$ 700,596 | \$ 528,708 |

Allocation of Primary 3-Phase Utility Plant
Consumer

| A | B | C | D | E | F | G | H | I | J |
|------|---------------------------------|------------|---------------|----------|--------------|--------------|-------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | | | | | | | | | |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | 11 | \$ 11,394,726 | \$ - | \$ 9,223,740 | \$ 1,785,897 | \$ 379,752 | \$ 3,284 | \$ 2,053 |
| 3 | General Plant | 11 | \$ 712,818 | \$ - | \$ 577,008 | \$ 111,720 | \$ 23,756 | \$ 205 | \$ 128 |
| 4 | Plant In Service | | \$ 12,107,545 | \$ - | \$ 9,800,748 | \$ 1,897,617 | \$ 403,508 | \$ 3,490 | \$ 2,181 |
| 5 | CWIP | 11 | \$ 48,248 | \$ - | \$ 39,055 | \$ 7,562 | \$ 1,608 | \$ 14 | \$ 9 |
| 6 | Total Utility Plant | | \$ 12,155,792 | \$ - | \$ 9,839,804 | \$ 1,905,179 | \$ 405,116 | \$ 3,504 | \$ 2,190 |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | 11 | \$ 2,364,350 | \$ - | \$ 1,913,881 | \$ 370,565 | \$ 78,797 | \$ 681 | \$ 426 |
| 8 | General | 11 | \$ 364,791 | \$ - | \$ 295,289 | \$ 57,174 | \$ 12,157 | \$ 105 | \$ 66 |
| 9 | Subtotal | | \$ 2,729,142 | \$ - | \$ 2,209,170 | \$ 427,739 | \$ 90,954 | \$ 787 | \$ 492 |
| 10 | Net Utility Plant | | \$ 9,426,651 | \$ - | \$ 7,630,633 | \$ 1,477,440 | \$ 314,162 | \$ 2,717 | \$ 1,698 |
| 11 | Allowance for Working Capital | | \$ 243,989 | \$ - | \$ 197,502 | \$ 38,240 | \$ 8,131 | \$ 70 | \$ 44 |
| 12 | Consumer Deposits | | \$ (68,489) | \$ - | \$ (55,440) | \$ (10,734) | \$ (2,283) | \$ (20) | \$ (12) |
| 13 | Net Rate Base | | \$ 9,602,150 | \$ - | \$ 7,772,695 | \$ 1,504,946 | \$ 320,011 | \$ 2,768 | \$ 1,730 |

Allocation of Primary 1-Phase Utility Plant

| Total | | | | | | | | | |
|----------|---------------------------------|-------------------|----------------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| A | B | C | D | E | F | G | H | I | J |
| Line No. | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | | \$ 88,407,685 | \$ 861,175 | \$ 76,484,140 | \$ 11,062,370 | \$ - | \$ - | \$ - |
| 3 | General Plant | | \$ 5,304,814 | \$ 50,818 | \$ 4,586,951 | \$ 667,046 | \$ - | \$ - | \$ - |
| 4 | Plant In Service | | \$ 93,712,499 | \$ 911,992 | \$ 81,071,091 | \$ 11,729,416 | \$ - | \$ - | \$ - |
| 5 | CWIP | | \$ 373,439 | \$ 3,634 | \$ 323,064 | \$ 46,741 | \$ - | \$ - | \$ - |
| 6 | Total Utility Plant | | \$ 94,085,938 | \$ 915,627 | \$ 81,394,154 | \$ 11,776,157 | \$ - | \$ - | \$ - |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | | \$ 18,344,164 | \$ 178,690 | \$ 15,870,086 | \$ 2,295,388 | \$ - | \$ - | \$ - |
| 8 | General | | \$ 2,714,788 | \$ 26,006 | \$ 2,347,415 | \$ 341,367 | \$ - | \$ - | \$ - |
| 9 | Subtotal | | \$ 21,058,952 | \$ 204,696 | \$ 18,217,501 | \$ 2,636,755 | \$ - | \$ - | \$ - |
| 10 | Net Utility Plant | | \$ 73,026,986 | \$ 710,931 | \$ 63,176,653 | \$ 9,139,402 | \$ - | \$ - | \$ - |
| 11 | Allowance for Working Capital | | \$ 1,816,628 | \$ 17,406 | \$ 1,570,806 | \$ 228,416 | \$ - | \$ - | \$ - |
| 12 | Consumer Deposits | | \$ (530,110) | \$ (5,159) | \$ (458,601) | \$ (66,351) | \$ - | \$ - | \$ - |
| 13 | Net Rate Base | | \$ 74,313,504 | \$ 723,178 | \$ 64,288,859 | \$ 9,301,467 | \$ - | \$ - | \$ - |

**Allocation of Primary 1-Phase Utility Plant
Demand**

| A | B | C | D | E | F | G | H | I | J |
|------|---------------------------------|------------|----------------------|-------------------|----------------------|---------------------|-------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | 10 | \$ 63,628,677 | \$ 861,175 | \$ 55,724,588 | \$ 7,042,914 | \$ - | \$ - | \$ - |
| 3 | General Plant | 10 | \$ 3,754,717 | \$ 50,818 | \$ 3,288,299 | \$ 415,601 | \$ - | \$ - | \$ - |
| 4 | Plant In Service | | \$ 67,383,394 | \$ 911,992 | \$ 59,012,886 | \$ 7,458,515 | \$ - | \$ - | \$ - |
| 5 | CWIP | 10 | \$ 268,519 | \$ 3,634 | \$ 235,163 | \$ 29,722 | \$ - | \$ - | \$ - |
| 6 | Total Utility Plant | | \$ 67,651,913 | \$ 915,627 | \$ 59,248,049 | \$ 7,488,237 | \$ - | \$ - | \$ - |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | 10 | \$ 13,202,640 | \$ 178,690 | \$ 11,562,580 | \$ 1,461,370 | \$ - | \$ - | \$ - |
| 8 | General | 10 | \$ 1,921,512 | \$ 26,006 | \$ 1,682,817 | \$ 212,688 | \$ - | \$ - | \$ - |
| 9 | Subtotal | | \$ 15,124,152 | \$ 204,696 | \$ 13,245,398 | \$ 1,674,058 | \$ - | \$ - | \$ - |
| 10 | Net Utility Plant | | \$ 52,527,761 | \$ 710,931 | \$ 46,002,651 | \$ 5,814,179 | \$ - | \$ - | \$ - |
| 11 | Allowance for Working Capital | | \$ 1,286,050 | \$ 17,406 | \$ 1,126,294 | \$ 142,350 | \$ - | \$ - | \$ - |
| 12 | Consumer Deposits | | \$ (381,173) | \$ (5,159) | \$ (333,823) | \$ (42,191) | \$ - | \$ - | \$ - |
| 13 | Net Rate Base | | \$ 53,432,638 | \$ 723,178 | \$ 46,795,123 | \$ 5,914,338 | \$ - | \$ - | \$ - |

**Allocation of Primary 1-Phase Utility Plant
Consumer**

| A | B | C | D | E | F | G | H | I |
|------|---------------------------------|------------|----------------------|-------------|----------------------|---------------------|-------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | 12 | \$ 24,779,008 | \$ - | \$ 20,759,552 | \$ 4,019,456 | \$ - | \$ - |
| 3 | General Plant | 12 | \$ 1,550,097 | \$ - | \$ 1,298,652 | \$ 251,445 | \$ - | \$ - |
| 4 | Plant In Service | | \$ 26,329,105 | \$ - | \$ 22,058,205 | \$ 4,270,900 | \$ - | \$ - |
| 5 | CWIP | 12 | \$ 104,920 | \$ - | \$ 87,900 | \$ 17,019 | \$ - | \$ - |
| 6 | Total Utility Plant | | \$ 26,434,025 | \$ - | \$ 22,146,105 | \$ 4,287,920 | \$ - | \$ - |
| | Accumulated Depreciation | | | | | | | |
| 7 | Distribution | 12 | \$ 5,141,523 | \$ - | \$ 4,307,506 | \$ 834,017 | \$ - | \$ - |
| 8 | General | 12 | \$ 793,276 | \$ - | \$ 664,597 | \$ 128,679 | \$ - | \$ - |
| 9 | Subtotal | | \$ 5,934,800 | \$ - | \$ 4,972,103 | \$ 962,697 | \$ - | \$ - |
| 10 | Net Utility Plant | | \$ 20,499,225 | \$ - | \$ 17,174,002 | \$ 3,325,223 | \$ - | \$ - |
| 11 | Allowance for Working Capital | | \$ 530,578 | \$ - | \$ 444,512 | \$ 86,066 | \$ - | \$ - |
| 12 | Consumer Deposits | | \$ (148,937) | \$ - | \$ (124,778) | \$ (24,159) | \$ - | \$ - |
| 13 | Net Rate Base | | \$ 20,880,865 | \$ - | \$ 17,493,736 | \$ 3,387,130 | \$ - | \$ - |

Allocation of Transformers Utility Plant

| Total | | | | | | | | | |
|-------|---------------------------------|------------|----------------------|-------------------|----------------------|---------------------|---------------------|-------------------|--------------|
| A | B | C | D | E | F | G | H | I | J |
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Transformers Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | | \$ 30,314,848 | \$ 286,637 | \$ 22,182,748 | \$ 3,048,028 | \$ 4,114,275 | \$ 683,160 | \$ - |
| 3 | General Plant | | \$ 648,617 | \$ 6,133 | \$ 474,623 | \$ 65,216 | \$ 88,029 | \$ 14,617 | \$ - |
| 4 | Plant In Service | | \$ 30,963,465 | \$ 292,770 | \$ 22,657,370 | \$ 3,113,244 | \$ 4,202,304 | \$ 697,777 | \$ - |
| 5 | CWIP | | \$ 123,388 | \$ 1,167 | \$ 90,288 | \$ 12,406 | \$ 16,746 | \$ 2,781 | \$ - |
| 6 | Total Utility Plant | | \$ 31,086,853 | \$ 293,937 | \$ 22,747,659 | \$ 3,125,650 | \$ 4,219,050 | \$ 700,558 | \$ - |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | | \$ 9,599,230 | \$ 90,764 | \$ 7,024,192 | \$ 965,161 | \$ 1,302,790 | \$ 216,323 | \$ - |
| 8 | General | | \$ 331,936 | \$ 3,139 | \$ 242,893 | \$ 33,375 | \$ 45,050 | \$ 7,480 | \$ - |
| 9 | Subtotal | | \$ 9,931,166 | \$ 93,902 | \$ 7,267,084 | \$ 998,536 | \$ 1,347,840 | \$ 223,804 | \$ - |
| 10 | Net Utility Plant | | \$ 21,155,686 | \$ 200,034 | \$ 15,480,574 | \$ 2,127,114 | \$ 2,871,211 | \$ 476,754 | \$ - |
| 11 | Allowance for Working Capital | | \$ 225,717 | \$ 2,134 | \$ 165,167 | \$ 22,695 | \$ 30,634 | \$ 5,087 | \$ - |
| 12 | Consumer Deposits | | \$ (175,159) | \$ (1,656) | \$ (128,172) | \$ (17,611) | \$ (23,772) | \$ (3,947) | \$ - |
| 13 | Net Rate Base | | \$ 21,206,244 | \$ 200,512 | \$ 15,517,570 | \$ 2,132,197 | \$ 2,878,072 | \$ 477,893 | \$ - |

Allocation of Transformers Utility Plant

| Demand | | | | | | | | | |
|--------|---------------------------------|-------------------|---------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| A | B | C | D | E | F | G | H | I | J |
| Line | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| No. | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| 1 | Subtransmission Plant | 13 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | 14 | \$ 25,749,432 | \$ 286,637 | \$ 18,547,603 | \$ 2,344,193 | \$ 3,889,780 | \$ 681,218 | \$ - |
| 3 | General Plant | 14 | \$ 550,935 | \$ 6,133 | \$ 396,845 | \$ 50,156 | \$ 83,226 | \$ 14,575 | \$ - |
| | | | | | | | | | |
| 4 | Plant In Service | | \$ 26,300,367 | \$ 292,770 | \$ 18,944,448 | \$ 2,394,349 | \$ 3,973,006 | \$ 695,794 | \$ - |
| | | | | | | | | | |
| 5 | CWIP | 14 | \$ 104,805 | \$ 1,167 | \$ 75,493 | \$ 9,541 | \$ 15,832 | \$ 2,773 | \$ - |
| | | | | | | | | | |
| 6 | Total Utility Plant | | \$ 26,405,173 | \$ 293,937 | \$ 19,019,941 | \$ 2,403,891 | \$ 3,988,839 | \$ 698,566 | \$ - |
| | | | | | | | | | |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | 14 | \$ 8,153,586 | \$ 90,764 | \$ 5,873,119 | \$ 742,291 | \$ 1,231,703 | \$ 215,709 | \$ - |
| 8 | General | 14 | \$ 281,946 | \$ 3,139 | \$ 203,089 | \$ 25,668 | \$ 42,592 | \$ 7,459 | \$ - |
| | | | | | | | | | |
| 9 | Subtotal | | \$ 8,435,533 | \$ 93,902 | \$ 6,076,208 | \$ 767,959 | \$ 1,274,295 | \$ 223,168 | \$ - |
| | | | | | | | | | |
| 10 | Net Utility Plant | | \$ 17,969,640 | \$ 200,034 | \$ 12,943,732 | \$ 1,635,931 | \$ 2,714,544 | \$ 475,399 | \$ - |
| | | | | | | | | | |
| 11 | Allowance for Working Capital | | \$ 191,724 | \$ 2,134 | \$ 138,101 | \$ 17,454 | \$ 28,962 | \$ 5,072 | \$ - |
| 12 | Consumer Deposits | | \$ (148,780) | \$ (1,656) | \$ (107,168) | \$ (13,545) | \$ (22,475) | \$ (3,936) | \$ - |
| | | | | | | | | | |
| 13 | Net Rate Base | | \$ 18,012,584 | \$ 200,512 | \$ 12,974,665 | \$ 1,639,841 | \$ 2,721,031 | \$ 476,535 | \$ - |

Allocation of Transformers Utility Plant
Consumer

| A | B | C | D | E | F | G | H | I | J |
|------|---------------------------------|------------|--------------|----------|--------------|--------------|-------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | | | | | | | | | |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | 16 | \$ 4,565,416 | \$ - | \$ 3,635,145 | \$ 703,835 | \$ 224,495 | \$ 1,942 | \$ - |
| 3 | General Plant | 16 | \$ 97,682 | \$ - | \$ 77,778 | \$ 15,059 | \$ 4,803 | \$ 42 | \$ - |
| 4 | Plant In Service | | \$ 4,663,098 | \$ - | \$ 3,712,922 | \$ 718,894 | \$ 229,298 | \$ 1,983 | \$ - |
| 5 | CWIP | 16 | \$ 18,582 | \$ - | \$ 14,796 | \$ 2,865 | \$ 914 | \$ 8 | \$ - |
| 6 | Total Utility Plant | | \$ 4,681,680 | \$ - | \$ 3,727,718 | \$ 721,759 | \$ 230,212 | \$ 1,991 | \$ - |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | 16 | \$ 1,445,644 | \$ - | \$ 1,151,073 | \$ 222,870 | \$ 71,087 | \$ 615 | \$ - |
| 8 | General | 16 | \$ 49,990 | \$ - | \$ 39,803 | \$ 7,707 | \$ 2,458 | \$ 21 | \$ - |
| 9 | Subtotal | | \$ 1,495,634 | \$ - | \$ 1,190,876 | \$ 230,577 | \$ 73,545 | \$ 636 | \$ - |
| 10 | Net Utility Plant | | \$ 3,186,046 | \$ - | \$ 2,536,842 | \$ 491,182 | \$ 156,667 | \$ 1,355 | \$ - |
| 11 | Allowance for Working Capital | | \$ 33,993 | \$ - | \$ 27,066 | \$ 5,241 | \$ 1,672 | \$ 14 | \$ - |
| 12 | Consumer Deposits | | \$ (26,379) | \$ - | \$ (21,004) | \$ (4,067) | \$ (1,297) | \$ (11) | \$ - |
| 13 | Net Rate Base | | \$ 3,193,660 | \$ - | \$ 2,542,905 | \$ 492,356 | \$ 157,042 | \$ 1,358 | \$ - |

Allocation of Secondary and Services Utility Plant

| Total | | | | | | | | | |
|-------|---------------------------------|------------|----------------------|-------------------|----------------------|---------------------|---------------------|-------------------|--------------|
| A | B | C | D | E | F | G | H | I | J |
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | | \$ 26,729,944 | \$ 156,225 | \$ 20,504,233 | \$ 3,290,381 | \$ 2,405,357 | \$ 373,750 | \$ - |
| 3 | General Plant | | \$ 1,763,033 | \$ 10,216 | \$ 1,353,182 | \$ 217,559 | \$ 157,633 | \$ 24,444 | \$ - |
| 4 | Plant In Service | | \$ 28,492,977 | \$ 166,441 | \$ 21,857,414 | \$ 3,507,939 | \$ 2,562,990 | \$ 398,193 | \$ - |
| 5 | CWIP | | \$ 113,543 | \$ 663 | \$ 87,101 | \$ 13,979 | \$ 10,213 | \$ 1,587 | \$ - |
| 6 | Total Utility Plant | | \$ 28,606,520 | \$ 167,104 | \$ 21,944,515 | \$ 3,521,918 | \$ 2,573,203 | \$ 399,780 | \$ - |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | | \$ 7,045,185 | \$ 41,176 | \$ 5,404,280 | \$ 867,242 | \$ 633,978 | \$ 98,509 | \$ - |
| 8 | General | | \$ 902,248 | \$ 5,228 | \$ 692,503 | \$ 111,338 | \$ 80,670 | \$ 12,509 | \$ - |
| 9 | Subtotal | | \$ 7,947,433 | \$ 46,404 | \$ 6,096,784 | \$ 978,580 | \$ 714,648 | \$ 111,018 | \$ - |
| 10 | Net Utility Plant | | \$ 20,659,086 | \$ 120,700 | \$ 15,847,731 | \$ 2,543,338 | \$ 1,858,555 | \$ 288,762 | \$ - |
| 11 | Allowance for Working Capital | | \$ 603,118 | \$ 3,495 | \$ 462,908 | \$ 74,423 | \$ 53,928 | \$ 8,363 | \$ - |
| 12 | Consumer Deposits | | \$ (161,178) | \$ (942) | \$ (123,642) | \$ (19,844) | \$ (14,498) | \$ (2,252) | \$ - |
| 13 | Net Rate Base | | \$ 21,101,026 | \$ 123,253 | \$ 16,186,998 | \$ 2,597,918 | \$ 1,897,986 | \$ 294,872 | \$ - |

**Allocation of Secondary and Services Utility Plant
Demand**

| A | B | C | D | E | F | G | H | I | J |
|------|---------------------------------|------------|---------------|------------|---------------|--------------|--------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | 14 | \$ 14,034,114 | \$ 156,225 | \$ 10,108,929 | \$ 1,277,646 | \$ 2,120,032 | \$ 371,282 | \$ - |
| 3 | General Plant | 14 | \$ 917,736 | \$ 10,216 | \$ 661,055 | \$ 83,549 | \$ 138,636 | \$ 24,279 | \$ - |
| 4 | Plant In Service | | \$ 14,951,849 | \$ 166,441 | \$ 10,769,984 | \$ 1,361,196 | \$ 2,258,668 | \$ 395,561 | \$ - |
| 5 | CWIP | 14 | \$ 59,582 | \$ 663 | \$ 42,918 | \$ 5,424 | \$ 9,001 | \$ 1,576 | \$ - |
| 6 | Total Utility Plant | | \$ 15,011,432 | \$ 167,104 | \$ 10,812,902 | \$ 1,366,620 | \$ 2,267,668 | \$ 397,137 | \$ - |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | 14 | \$ 3,698,957 | \$ 41,176 | \$ 2,664,400 | \$ 336,748 | \$ 558,775 | \$ 97,858 | \$ - |
| 8 | General | 14 | \$ 469,660 | \$ 5,228 | \$ 338,301 | \$ 42,757 | \$ 70,948 | \$ 12,425 | \$ - |
| 9 | Subtotal | | \$ 4,168,617 | \$ 46,404 | \$ 3,002,702 | \$ 379,505 | \$ 629,723 | \$ 110,284 | \$ - |
| 10 | Net Utility Plant | | \$ 10,842,814 | \$ 120,700 | \$ 7,810,200 | \$ 987,115 | \$ 1,637,946 | \$ 286,854 | \$ - |
| 11 | Allowance for Working Capital | | \$ 313,978 | \$ 3,495 | \$ 226,162 | \$ 28,584 | \$ 47,430 | \$ 8,306 | \$ - |
| 12 | Consumer Deposits | | \$ (84,579) | \$ (942) | \$ (60,923) | \$ (7,700) | \$ (12,777) | \$ (2,238) | \$ - |
| 13 | Net Rate Base | | \$ 11,072,213 | \$ 123,253 | \$ 7,975,439 | \$ 1,007,999 | \$ 1,672,599 | \$ 292,923 | \$ - |

**Allocation of Secondary and Services Utility Plant
Consumer**

| A | B | C | D | E | F | G | H | I | J |
|----------|---------------------------------|-------------------|---------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| Line No. | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | 15 | \$ 12,695,830 | \$ - | \$ 10,395,304 | \$ 2,012,734 | \$ 285,325 | \$ 2,468 | \$ - |
| 3 | General Plant | 15 | \$ 845,297 | \$ - | \$ 692,126 | \$ 134,009 | \$ 18,997 | \$ 164 | \$ - |
| 4 | Plant In Service | | \$ 13,541,128 | \$ - | \$ 11,087,430 | \$ 2,146,744 | \$ 304,322 | \$ 2,632 | \$ - |
| 5 | CWIP | 15 | \$ 53,961 | \$ - | \$ 44,183 | \$ 8,555 | \$ 1,213 | \$ 10 | \$ - |
| 6 | Total Utility Plant | | \$ 13,595,088 | \$ - | \$ 11,131,613 | \$ 2,155,298 | \$ 305,535 | \$ 2,642 | \$ - |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | 15 | \$ 3,346,228 | \$ - | \$ 2,739,880 | \$ 530,494 | \$ 75,203 | \$ 650 | \$ - |
| 8 | General | 15 | \$ 432,589 | \$ - | \$ 354,202 | \$ 68,580 | \$ 9,722 | \$ 84 | \$ - |
| 9 | Subtotal | | \$ 3,778,816 | \$ - | \$ 3,094,082 | \$ 599,075 | \$ 84,925 | \$ 734 | \$ - |
| 10 | Net Utility Plant | | \$ 9,816,272 | \$ - | \$ 8,037,531 | \$ 1,556,223 | \$ 220,610 | \$ 1,908 | \$ - |
| 11 | Allowance for Working Capital | | \$ 289,140 | \$ - | \$ 236,747 | \$ 45,839 | \$ 6,498 | \$ 56 | \$ - |
| 12 | Consumer Deposits | | \$ (76,599) | \$ - | \$ (62,719) | \$ (12,144) | \$ (1,721) | \$ (15) | \$ - |
| 13 | Net Rate Base | | \$ 10,028,813 | \$ - | \$ 8,211,559 | \$ 1,589,919 | \$ 225,386 | \$ 1,949 | \$ - |

Allocation of 3-Phase Meters Utility Plant
Consumer

| A | B | C | D | E | F | G | H | I | J |
|------|---------------------------------|-----------|--------------|----------|--------------|--------------|--------------|--------------|--------------|
| Line | | Allocatio | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | | | | | | | | | |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | 13 | \$ 1,939,313 | \$ - | \$ - | \$ - | \$ 1,912,435 | \$ 16,540 | \$ 10,337 |
| 3 | General Plant | 13 | \$ 1,119,229 | \$ - | \$ - | \$ - | \$ 1,103,718 | \$ 9,546 | \$ 5,966 |
| | | | | | | | | | |
| 4 | Plant In Service | | \$ 3,058,542 | \$ - | \$ - | \$ - | \$ 3,016,153 | \$ 26,086 | \$ 16,304 |
| | | | | | | | | | |
| 5 | CWIP | 13 | \$ 12,188 | \$ - | \$ - | \$ - | \$ 12,019 | \$ 104 | \$ 65 |
| | | | | | | | | | |
| 6 | Total Utility Plant | | \$ 3,070,730 | \$ - | \$ - | \$ - | \$ 3,028,172 | \$ 26,190 | \$ 16,368 |
| | | | | | | | | | |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | 13 | \$ 418,159 | \$ - | \$ - | \$ - | \$ 412,363 | \$ 3,566 | \$ 2,229 |
| 8 | General | 13 | \$ 572,776 | \$ - | \$ - | \$ - | \$ 564,838 | \$ 4,885 | \$ 3,053 |
| | | | | | | | | | |
| 9 | Subtotal | | \$ 990,935 | \$ - | \$ - | \$ - | \$ 977,201 | \$ 8,451 | \$ 5,282 |
| | | | | | | | | | |
| 10 | Net Utility Plant | | \$ 2,079,796 | \$ - | \$ - | \$ - | \$ 2,050,971 | \$ 17,738 | \$ 11,086 |
| | | | | | | | | | |
| 11 | Allowance for Working Capital | | \$ 227,232 | \$ - | \$ - | \$ - | \$ 224,083 | \$ 1,938 | \$ 1,211 |
| 12 | Consumer Deposits | | \$ (17,297) | \$ - | \$ - | \$ - | \$ (17,057) | \$ (148) | \$ (92) |
| | | | | | | | | | |
| 13 | Net Rate Base | | \$ 2,289,731 | \$ - | \$ - | \$ - | \$ 2,257,997 | \$ 19,529 | \$ 12,205 |

Allocation of 1-Phase Meters Utility Plant
Consumer

| A | B | C | D | E | F | G | H | I | J |
|---------------------------------|-------------------------------|------------|--------------|----------|--------------|--------------|-------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | 17 | \$ 3,411,992 | \$ - | \$ 2,858,526 | \$ 553,467 | \$ - | \$ - | \$ - |
| 3 | General Plant | 17 | \$ 1,969,152 | \$ - | \$ 1,649,732 | \$ 319,420 | \$ - | \$ - | \$ - |
| 4 | Plant In Service | | \$ 5,381,144 | \$ - | \$ 4,508,257 | \$ 872,887 | \$ - | \$ - | \$ - |
| 5 | CWIP | 17 | \$ 21,444 | \$ - | \$ 17,965 | \$ 3,478 | \$ - | \$ - | \$ - |
| 6 | Total Utility Plant | | \$ 5,402,587 | \$ - | \$ 4,526,222 | \$ 876,365 | \$ - | \$ - | \$ - |
| Accumulated Depreciation | | | | | | | | | |
| 7 | Distribution | 17 | \$ 735,701 | \$ - | \$ 616,361 | \$ 119,340 | \$ - | \$ - | \$ - |
| 8 | General | 17 | \$ 1,007,732 | \$ - | \$ 844,266 | \$ 163,466 | \$ - | \$ - | \$ - |
| 9 | Subtotal | | \$ 1,743,433 | \$ - | \$ 1,460,627 | \$ 282,806 | \$ - | \$ - | \$ - |
| 10 | Net Utility Plant | | \$ 3,659,155 | \$ - | \$ 3,065,596 | \$ 593,559 | \$ - | \$ - | \$ - |
| 11 | Allowance for Working Capital | | \$ 399,788 | \$ - | \$ 334,937 | \$ 64,850 | \$ - | \$ - | \$ - |
| 12 | Consumer Deposits | | \$ (30,431) | \$ - | \$ (25,495) | \$ (4,936) | \$ - | \$ - | \$ - |
| 13 | Net Rate Base | | \$ 4,028,511 | \$ - | \$ 3,375,038 | \$ 653,473 | \$ - | \$ - | \$ - |

Allocation of Metering Utility Plant
Consumer

| A | B | C | D | E | F | G | H | I | J |
|----------|---------------------------------|-------------------|--------------|-------------------|--------------------------|-----------------------|-----------------------|--------------------------|----------------------|
| Line No. | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non-Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | General Plant | 18 | \$ 927,220 | \$ - | \$ 590,824 | \$ 114,395 | \$ 218,924 | \$ 1,893 | \$ 1,183 |
| 4 | Plant In Service | | \$ 927,220 | \$ - | \$ 590,824 | \$ 114,395 | \$ 218,924 | \$ 1,893 | \$ 1,183 |
| 5 | CWIP | 18 | \$ 3,695 | \$ - | \$ 2,354 | \$ 456 | \$ 872 | \$ 8 | \$ 5 |
| 6 | Total Utility Plant | | \$ 930,915 | \$ - | \$ 593,178 | \$ 114,851 | \$ 219,797 | \$ 1,901 | \$ 1,188 |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | 18 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8 | General | 18 | \$ 474,513 | \$ - | \$ 302,360 | \$ 58,543 | \$ 112,037 | \$ 969 | \$ 606 |
| 9 | Subtotal | | \$ 474,513 | \$ - | \$ 302,360 | \$ 58,543 | \$ 112,037 | \$ 969 | \$ 606 |
| 10 | Net Utility Plant | | \$ 456,401 | \$ - | \$ 290,819 | \$ 56,308 | \$ 107,760 | \$ 932 | \$ 582 |
| 11 | Allowance for Working Capital | | \$ 137,361 | \$ - | \$ 87,526 | \$ 16,947 | \$ 32,432 | \$ 280 | \$ 175 |
| 12 | Consumer Deposits | | \$ (5,241) | \$ - | \$ (3,339) | \$ (647) | \$ (1,237) | \$ (11) | \$ (7) |
| 13 | Net Rate Base | | \$ 588,522 | \$ - | \$ 375,006 | \$ 72,608 | \$ 138,955 | \$ 1,202 | \$ 751 |

Allocation of Billing Utility Plant
Consumer

| A | B | C | D | E | F | G | H | I | J |
|------|---------------------------------|-------------------|--------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| Line | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| No. | | | | | | | | | |
| | | | | | | | | | |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | General Plant | 19 | \$ 5,125,550 | \$ - | \$ 4,149,002 | \$ 803,328 | \$ 170,819 | \$ 1,477 | \$ 923 |
| 4 | Plant In Service | | \$ 5,125,550 | \$ - | \$ 4,149,002 | \$ 803,328 | \$ 170,819 | \$ 1,477 | \$ 923 |
| 5 | CWIP | 19 | \$ 20,425 | \$ - | \$ 16,534 | \$ 3,201 | \$ 681 | \$ 6 | \$ 4 |
| 6 | Total Utility Plant | | \$ 5,145,975 | \$ - | \$ 4,165,536 | \$ 806,529 | \$ 171,500 | \$ 1,483 | \$ 927 |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | 19 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8 | General | 19 | \$ 2,623,048 | \$ - | \$ 2,123,291 | \$ 411,111 | \$ 87,418 | \$ 756 | \$ 473 |
| 9 | Subtotal | | \$ 2,623,048 | \$ - | \$ 2,123,291 | \$ 411,111 | \$ 87,418 | \$ 756 | \$ 473 |
| 10 | Net Utility Plant | | \$ 2,522,927 | \$ - | \$ 2,042,245 | \$ 395,419 | \$ 84,082 | \$ 727 | \$ 454 |
| 11 | Allowance for Working Capital | | \$ 988,813 | \$ - | \$ 800,419 | \$ 154,977 | \$ 32,954 | \$ 285 | \$ 178 |
| 12 | Consumer Deposits | | \$ (28,969) | \$ - | \$ (23,450) | \$ (4,540) | \$ (965) | \$ (8) | \$ (5) |
| 13 | Net Rate Base | | \$ 3,482,770 | \$ - | \$ 2,819,214 | \$ 545,855 | \$ 116,070 | \$ 1,004 | \$ 627 |

Allocation of Consumer Services 1 Utility Plant
Consumer

| A | B | C | D | E | F | G | H | I | J |
|---------------------------------|-------------------------------|-------------------|--------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| Line No. | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| 1 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | General Plant | 20 | \$ 555,643 | \$ - | \$ 457,510 | \$ 88,583 | \$ 9,418 | \$ 81 | \$ 51 |
| 4 | Plant In Service | | \$ 555,643 | \$ - | \$ 457,510 | \$ 88,583 | \$ 9,418 | \$ 81 | \$ 51 |
| 5 | CWIP | 20 | \$ 2,214 | \$ - | \$ 1,823 | \$ 353 | \$ 38 | \$ 0 | \$ 0 |
| 6 | Total Utility Plant | | \$ 557,857 | \$ - | \$ 459,333 | \$ 88,936 | \$ 9,456 | \$ 82 | \$ 51 |
| Accumulated Depreciation | | | | | | | | | |
| 7 | Distribution | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8 | General | 20 | \$ 284,355 | \$ - | \$ 234,135 | \$ 45,333 | \$ 4,820 | \$ 42 | \$ 26 |
| 9 | Subtotal | | \$ 284,355 | \$ - | \$ 234,135 | \$ 45,333 | \$ 4,820 | \$ 42 | \$ 26 |
| 10 | Net Utility Plant | | \$ 273,502 | \$ - | \$ 225,198 | \$ 43,603 | \$ 4,636 | \$ 40 | \$ 25 |
| 11 | Allowance for Working Capital | | \$ 91,740 | \$ - | \$ 75,538 | \$ 14,626 | \$ 1,555 | \$ 13 | \$ 8 |
| 12 | Consumer Deposits | | \$ (3,140) | \$ - | \$ (2,586) | \$ (501) | \$ (53) | \$ (0) | \$ (0) |
| 13 | Net Rate Base | | \$ 362,101 | \$ - | \$ 298,150 | \$ 57,728 | \$ 6,138 | \$ 53 | \$ 33 |

**Allocation of Security Lights Utility Plant
Direct Assignments**

| A | B | C | D | E | F | G | H | I | J |
|------|---------------------------------|------------|--------------|--------------|--------------|--------------|-------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Subtransmission Plant | 23 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Plant | 23 | \$ 4,387,498 | \$ 4,387,498 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | General Plant | 23 | \$ 266,580 | \$ 266,580 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Plant In Service | | \$ 4,654,078 | \$ 4,654,078 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | CWIP | 23 | \$ 18,546 | \$ 18,546 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Total Utility Plant | | \$ 4,672,625 | \$ 4,672,625 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Accumulated Depreciation | | | | | | | | |
| 7 | Distribution | 23 | \$ 836,430 | \$ 836,430 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8 | General | 23 | \$ 136,425 | \$ 136,425 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Subtotal | | \$ 972,854 | \$ 972,854 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | Net Utility Plant | | \$ 3,699,770 | \$ 3,699,770 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11 | Allowance for Working Capital | 23 | \$ 64,885 | \$ 64,885 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12 | Consumer Deposits | 23 | \$ (26,327) | \$ (26,327) | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | Net Rate Base | | \$ 3,738,328 | \$ 3,738,328 | \$ - | \$ - | \$ - | \$ - | \$ - |

Total Utility Plant
Total System

| A | B | C | D | E | F | G | H | I | J |
|----------|---------------------------------|-------------------|-----------------------|---------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| Line No. | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| | | | | | | | | | |
| 1 | Production Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Transmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Distribution Plant | | \$ 220,745,926 | \$ 6,178,262 | \$ 168,363,450 | \$ 24,779,698 | \$ 17,189,967 | \$ 2,875,472 | \$ 1,359,076 |
| 5 | General Plant | | \$ 21,352,736 | \$ 360,934 | \$ 15,870,102 | \$ 2,662,195 | \$ 2,229,307 | \$ 149,270 | \$ 80,927 |
| 6 | Plant In Service | | \$ 242,098,662 | \$ 6,539,196 | \$ 184,233,553 | \$ 27,441,893 | \$ 19,419,275 | \$ 3,024,743 | \$ 1,440,003 |
| 7 | CWIP | | \$ 964,749 | \$ 26,058 | \$ 734,160 | \$ 109,354 | \$ 77,385 | \$ 12,053 | \$ 5,738 |
| 8 | Total Utility Plant | | \$ 243,063,411 | \$ 6,565,255 | \$ 184,967,713 | \$ 27,551,247 | \$ 19,496,659 | \$ 3,036,796 | \$ 1,445,741 |
| | Accumulated Depreciation | | | | | | | | |
| 9 | Distribution | | \$ 54,271,611 | \$ 1,272,054 | \$ 41,010,042 | \$ 6,014,680 | \$ 4,751,215 | \$ 835,253 | \$ 388,367 |
| 10 | General | | \$ 10,927,462 | \$ 184,712 | \$ 8,121,673 | \$ 1,362,403 | \$ 1,140,869 | \$ 76,391 | \$ 41,415 |
| 11 | Subtotal | | \$ 65,199,073 | \$ 1,456,766 | \$ 49,131,715 | \$ 7,377,083 | \$ 5,892,084 | \$ 911,643 | \$ 429,782 |
| 12 | Net Utility Plant | | \$ 177,864,338 | \$ 5,108,489 | \$ 135,835,997 | \$ 20,174,164 | \$ 13,604,575 | \$ 2,125,153 | \$ 1,015,960 |
| 13 | Allowance for Working Capital | | \$ 5,738,344 | \$ 96,746 | \$ 4,340,260 | \$ 702,221 | \$ 528,396 | \$ 46,366 | \$ 24,355 |
| 14 | Consumer Deposits | | \$ (1,369,458) | \$ (36,991) | \$ (1,042,140) | \$ (155,227) | \$ (109,845) | \$ (17,110) | \$ (8,146) |
| 15 | Net Rate Base | | \$ 182,233,224 | \$ 5,168,244 | \$ 139,134,118 | \$ 20,721,158 | \$ 14,023,127 | \$ 2,154,408 | \$ 1,032,169 |

Total Utility Plant
Demand

| A | B | C | D | E | F | G | H | I | J |
|------|---------------------------------|-------------------|----------------|-------------------|--------------------------|-----------------------|-----------------------|--------------------------|----------------------|
| Line | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non-Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| No. | | | | | | | | | |
| | | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 1 | Production Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Transmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Distribution Plant | | \$ 157,572,142 | \$ 1,790,764 | \$ 121,491,184 | \$ 15,704,309 | \$ 14,387,960 | \$ 2,851,239 | \$ 1,346,686 |
| 5 | General Plant | | \$ 8,183,468 | \$ 94,354 | \$ 6,377,471 | \$ 824,236 | \$ 678,871 | \$ 135,861 | \$ 72,674 |
| | | | \$ 165,755,610 | \$ 1,885,118 | \$ 127,868,655 | \$ 16,528,545 | \$ 15,066,831 | \$ 2,987,100 | \$ 1,419,361 |
| 6 | Plant In Service | | \$ 165,755,610 | \$ 1,885,118 | \$ 127,868,655 | \$ 16,528,545 | \$ 15,066,831 | \$ 2,987,100 | \$ 1,419,361 |
| | | | \$ 660,527 | \$ 7,512 | \$ 509,549 | \$ 65,865 | \$ 60,040 | \$ 11,903 | \$ 5,656 |
| 7 | CWIP | | \$ 660,527 | \$ 7,512 | \$ 509,549 | \$ 65,865 | \$ 60,040 | \$ 11,903 | \$ 5,656 |
| | | | \$ 166,416,137 | \$ 1,892,630 | \$ 128,378,204 | \$ 16,594,411 | \$ 15,126,872 | \$ 2,999,003 | \$ 1,425,017 |
| 8 | Total Utility Plant | | \$ 166,416,137 | \$ 1,892,630 | \$ 128,378,204 | \$ 16,594,411 | \$ 15,126,872 | \$ 2,999,003 | \$ 1,425,017 |
| | Accumulated Depreciation | | \$ 39,983,577 | \$ 435,625 | \$ 30,281,341 | \$ 3,937,393 | \$ 4,113,766 | \$ 829,740 | \$ 385,712 |
| 9 | Distribution | | \$ 39,983,577 | \$ 435,625 | \$ 30,281,341 | \$ 3,937,393 | \$ 4,113,766 | \$ 829,740 | \$ 385,712 |
| 10 | General | | \$ 4,187,966 | \$ 48,287 | \$ 3,263,730 | \$ 421,810 | \$ 347,419 | \$ 69,528 | \$ 37,192 |
| | | | \$ 44,171,543 | \$ 483,911 | \$ 33,545,072 | \$ 4,359,204 | \$ 4,461,185 | \$ 899,268 | \$ 422,904 |
| 11 | Subtotal | | \$ 44,171,543 | \$ 483,911 | \$ 33,545,072 | \$ 4,359,204 | \$ 4,461,185 | \$ 899,268 | \$ 422,904 |
| | | | \$ 122,244,594 | \$ 1,408,719 | \$ 94,833,133 | \$ 12,235,207 | \$ 10,665,687 | \$ 2,099,735 | \$ 1,002,113 |
| 12 | Net Utility Plant | | \$ 122,244,594 | \$ 1,408,719 | \$ 94,833,133 | \$ 12,235,207 | \$ 10,665,687 | \$ 2,099,735 | \$ 1,002,113 |
| | | | \$ 2,730,826 | \$ 31,861 | \$ 2,136,012 | \$ 275,436 | \$ 221,072 | \$ 43,708 | \$ 22,738 |
| 13 | Allowance for Working Capital | | \$ 2,730,826 | \$ 31,861 | \$ 2,136,012 | \$ 275,436 | \$ 221,072 | \$ 43,708 | \$ 22,738 |
| 14 | Consumer Deposits | | \$ (937,648) | \$ (10,664) | \$ (723,328) | \$ (93,499) | \$ (85,231) | \$ (16,898) | \$ (8,029) |
| | | | \$ 124,037,772 | \$ 1,429,916 | \$ 96,245,816 | \$ 12,417,144 | \$ 10,801,528 | \$ 2,126,545 | \$ 1,016,822 |
| 15 | Net Rate Base | | \$ 124,037,772 | \$ 1,429,916 | \$ 96,245,816 | \$ 12,417,144 | \$ 10,801,528 | \$ 2,126,545 | \$ 1,016,822 |

Total Utility Plant
Consumer

| A | B | C | D | E | F | G | H | I | J |
|----------|---------------------------------|-------------------|----------------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| Line No. | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| | | | | | | | | | |
| | | | | | | | | | |
| 1 | Production Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Transmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Distribution Plant | | \$ 58,786,286 | \$ - | \$ 46,872,266 | \$ 9,075,388 | \$ 2,802,007 | \$ 24,234 | \$ 12,390 |
| 5 | General Plant | | \$ 12,902,688 | \$ - | \$ 9,492,631 | \$ 1,837,959 | \$ 1,550,436 | \$ 13,409 | \$ 8,252 |
| | | | | | | | | | |
| 6 | Plant In Service | | \$ 71,688,974 | \$ - | \$ 56,364,898 | \$ 10,913,348 | \$ 4,352,443 | \$ 37,643 | \$ 20,642 |
| | | | | | | | | | |
| 7 | CWIP | | \$ 285,676 | \$ - | \$ 224,611 | \$ 43,489 | \$ 17,344 | \$ 150 | \$ 82 |
| | | | | | | | | | |
| 8 | Total Utility Plant | | \$ 71,974,650 | \$ - | \$ 56,589,508 | \$ 10,956,837 | \$ 4,369,787 | \$ 37,793 | \$ 20,725 |
| | | | | | | | | | |
| | Accumulated Depreciation | | | | | | | | |
| 9 | Distribution | | \$ 13,451,605 | \$ - | \$ 10,728,701 | \$ 2,077,287 | \$ 637,449 | \$ 5,513 | \$ 2,655 |
| 10 | General | | \$ 6,603,071 | \$ - | \$ 4,857,943 | \$ 940,593 | \$ 793,450 | \$ 6,862 | \$ 4,223 |
| | | | | | | | | | |
| 11 | Subtotal | | \$ 20,054,676 | \$ - | \$ 15,586,644 | \$ 3,017,879 | \$ 1,430,899 | \$ 12,375 | \$ 6,878 |
| | | | | | | | | | |
| 12 | Net Utility Plant | | \$ 51,919,974 | \$ - | \$ 41,002,865 | \$ 7,938,957 | \$ 2,938,888 | \$ 25,417 | \$ 13,847 |
| | | | | | | | | | |
| 13 | Allowance for Working Capital | | \$ 2,942,633 | \$ - | \$ 2,204,248 | \$ 426,785 | \$ 307,325 | \$ 2,658 | \$ 1,617 |
| 14 | Consumer Deposits | | \$ (405,483) | \$ - | \$ (318,811) | \$ (61,728) | \$ (24,614) | \$ (213) | \$ (117) |
| | | | | | | | | | |
| 15 | Net Rate Base | | \$ 54,457,124 | \$ - | \$ 42,888,301 | \$ 8,304,015 | \$ 3,221,599 | \$ 27,862 | \$ 15,347 |

**Total Utility Plant
Direct Assignments**

| A | B | C | D | E | F | G | H | I | J |
|---------------------------------|-------------------------------|------------|---------------------|---------------------|--------------|--------------|-------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Production Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Transmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Subtransmission Plant | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Distribution Plant | | \$ 4,387,498 | \$ 4,387,498 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | General Plant | | \$ 266,580 | \$ 266,580 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Plant In Service | | \$ 4,654,078 | \$ 4,654,078 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | CWIP | | \$ 18,546 | \$ 18,546 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8 | Total Utility Plant | | \$ 4,672,625 | \$ 4,672,625 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Accumulated Depreciation | | | | | | | | | |
| 9 | Distribution | | \$ 836,430 | \$ 836,430 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | General | | \$ 136,425 | \$ 136,425 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11 | Subtotal | | \$ 972,854 | \$ 972,854 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12 | Net Utility Plant | | \$ 3,699,770 | \$ 3,699,770 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | Allowance for Working Capital | | \$ 64,885 | \$ 64,885 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | Consumer Deposits | | \$ (26,327) | \$ (26,327) | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | Net Rate Base | | \$ 3,738,328 | \$ 3,738,328 | \$ - | \$ - | \$ - | \$ - | \$ - |

Allocation of Production Expenses
Total System

| A | B | C | D | E | F | G | H | I | J |
|----------|--|------------------|----------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| Line No. | Account | Allocatio Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| | | | | | | | | | |
| 1 | Regular Tariff Demand | | \$ 25,276,941 | \$ 161,987 | \$ 16,744,877 | \$ 2,480,548 | \$ 4,129,744 | \$ 1,009,330 | \$ 750,456 |
| 2 | Regular Tariff Energy | | \$ 23,239,247 | \$ 279,084 | \$ 15,052,914 | \$ 2,343,384 | \$ 3,901,387 | \$ 953,519 | \$ 708,959 |
| 3 | Regular Tariff unwind | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Classes A, B, and C | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | Own Use | | \$ (116,587) | \$ (1,400) | \$ (75,518) | \$ (11,756) | \$ (19,573) | \$ (4,784) | \$ (3,557) |
| 6 | Fuel | | \$ 11,280,993 | \$ 135,475 | \$ 7,307,114 | \$ 1,137,546 | \$ 1,893,845 | \$ 462,865 | \$ 344,149 |
| 7 | Environmental Surcharge | | \$ 2,486,851 | \$ 29,865 | \$ 1,610,825 | \$ 250,768 | \$ 417,491 | \$ 102,037 | \$ 75,866 |
| 8 | Unwind Surcredit | | \$ (3,756,542) | \$ (45,113) | \$ (2,433,250) | \$ (378,800) | \$ (630,645) | \$ (154,133) | \$ (114,601) |
| 9 | Member Rate Stability Mechanism | | \$ (7,630,733) | \$ (91,639) | \$ (4,942,706) | \$ (769,463) | \$ (1,281,042) | \$ (313,093) | \$ (232,790) |
| 10 | Non-FAC PPA | | \$ (1,146,244) | \$ (13,765) | \$ (742,464) | \$ (115,584) | \$ (192,431) | \$ (47,031) | \$ (34,968) |
| 11 | Non-FAC PPA Roll-in | | \$ 1,042,689 | \$ 12,522 | \$ 675,388 | \$ 105,142 | \$ 175,046 | \$ 42,782 | \$ 31,809 |
| 12 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 16 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | 556 - System Control & Load Disp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | 557 - Other Power Supply Exp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | Total Purchased Power Costs | | \$ 50,676,615 | \$ 467,016 | \$ 33,197,179 | \$ 5,041,784 | \$ 8,393,822 | \$ 2,051,492 | \$ 1,525,322 |
| 24 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 25 | Distribution Operations | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | Distribution Maintenance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 27 | Customer Accounts | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 28 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 29 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 30 | Distribution O&M Before A&G | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 31 | Administrative & General | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Depreciation and Amortization | | | | | | | | |
| 32 | Distribution | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 33 | General | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 34 | Subtotal - Dep. & Amort. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 35 | Taxes | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36 | Debt Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 37 | 426 - Realized Gain/(Loss) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 38 | 431 - Interest on Customer Deposits | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | 426.01 Donations | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | 426. Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | 431 - Interest - Short Term | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | 431 - Interest - Direct Serves | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 44 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 45 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 46 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 47 | Subtotal - Other Expenses | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 48 | Total Expenses | | \$ 50,676,615 | \$ 467,016 | \$ 33,197,179 | \$ 5,041,784 | \$ 8,393,822 | \$ 2,051,492 | \$ 1,525,322 |

Allocation of Production Expenses
Demand Related

| A | B | C | D | E | F | G | H | I | J |
|------|-------------------------------------|-----------|---------------|------------|---------------|--------------|--------------|--------------|--------------|
| Line | Account | Allocatio | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | | | | | | | | | |
| 1 | Regular Tariff Demand | 3 | \$ 25,276,941 | \$ 161,987 | \$ 16,744,877 | \$ 2,480,548 | \$ 4,129,744 | \$ 1,009,330 | \$ 750,456 |
| 2 | Regular Tariff Energy | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Regular Tariff unwind | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Classes A, B, and C | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | Own Use | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Fuel | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Environmental Surcharge | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8 | Unwind Surcredit | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Member Rate Stability Mechanism | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | Non-FAC PPA | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11 | Non-FAC PPA Roll-in | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12 | Not Applicable | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 16 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | 556 - System Control & Load Disp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | 557 - Other Power Supply Exp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | Total Purchased Power Costs | | \$ 25,276,941 | \$ 161,987 | \$ 16,744,877 | \$ 2,480,548 | \$ 4,129,744 | \$ 1,009,330 | \$ 750,456 |
| 24 | Subtransmission | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 25 | Distribution Operations | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | Distribution Maintenance | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 27 | Customer Accounts | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 28 | Customer Service | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 29 | Sales | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 30 | Distribution O&M Before A&G | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 31 | Administrative & General | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Depreciation and Amortization | | | | | | | | |
| 32 | Distribution | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 33 | General | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 34 | Subtotal - Dep. & Amort. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 35 | Taxes | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36 | Debt Service | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 37 | 426 - Realized Gain/(Loss) | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 38 | 431 - Interest on Customer Deposits | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | 426.01 Donations | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | 426. Other | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | 431 - Interest - Short Term | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | 431 - Interest - Direct Serves | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 | User Defined | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 44 | User Defined | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 45 | User Defined | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 46 | User Defined | 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 47 | Subtotal - Other Expenses | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 48 | Total Expenses | | \$ 25,276,941 | \$ 161,987 | \$ 16,744,877 | \$ 2,480,548 | \$ 4,129,744 | \$ 1,009,330 | \$ 750,456 |

Allocation of Production Expenses
Energy Related

| A | B | C | D | E | F | G | H | I | J |
|----------|--|------------------|----------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| Line No. | Account | Allocatio Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| 1 | Regular Tariff Demand | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Regular Tariff Energy | 1 | \$ 23,239,247 | \$ 279,084 | \$ 15,052,914 | \$ 2,343,384 | \$ 3,901,387 | \$ 953,519 | \$ 708,959 |
| 3 | Regular Tariff unwind | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Classes A, B, and C | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | Own Use | 1 | \$ (116,587) | \$ (1,400) | \$ (75,518) | \$ (11,756) | \$ (19,573) | \$ (4,784) | \$ (3,557) |
| 6 | Fuel | 1 | \$ 11,280,993 | \$ 135,475 | \$ 7,307,114 | \$ 1,137,546 | \$ 1,893,845 | \$ 462,865 | \$ 344,149 |
| 7 | Environmental Surcharge | 1 | \$ 2,486,851 | \$ 29,865 | \$ 1,610,825 | \$ 250,768 | \$ 417,491 | \$ 102,037 | \$ 75,866 |
| 8 | Unwind Surcredit | 1 | \$ (3,756,542) | \$ (45,113) | \$ (2,433,250) | \$ (378,800) | \$ (630,645) | \$ (154,133) | \$ (114,601) |
| 9 | Member Rate Stability Mechanism | 1 | \$ (7,630,733) | \$ (91,639) | \$ (4,942,706) | \$ (769,463) | \$ (1,281,042) | \$ (313,093) | \$ (232,790) |
| 10 | Non-FAC PPA | 1 | \$ (1,146,244) | \$ (13,765) | \$ (742,464) | \$ (115,584) | \$ (192,431) | \$ (47,031) | \$ (34,968) |
| 11 | Non-FAC PPA Roll-in | 1 | \$ 1,042,689 | \$ 12,522 | \$ 675,388 | \$ 105,142 | \$ 175,046 | \$ 42,782 | \$ 31,809 |
| 12 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 16 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | 556 - System Control & Load Disp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | 557 - Other Power Supply Exp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | Total Purchased Power Costs | | \$ 25,399,674 | \$ 305,029 | \$ 16,452,302 | \$ 2,561,236 | \$ 4,264,078 | \$ 1,042,162 | \$ 774,867 |
| 24 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 25 | Distribution Operations | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | Distribution Maintenance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 27 | Customer Accounts | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 28 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 29 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 30 | Distribution O&M Before A&G | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 31 | Administrative & General | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Depreciation and Amortization | | | | | | | | |
| 32 | Distribution | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 33 | General | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 34 | Subtotal - Dep. & Amort. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 35 | Taxes | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36 | Debt Service | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 37 | 426 - Realized Gain/(Loss) | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 38 | 431 - Interest on Customer Deposits | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | 426.01 Donations | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | 426. Other | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | 431 - Interest - Short Term | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | 431 - Interest - Direct Serves | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 | User Defined | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 44 | User Defined | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 45 | User Defined | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 46 | User Defined | 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 47 | Subtotal - Other Expenses | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 48 | Total Expenses | | \$ 25,399,674 | \$ 305,029 | \$ 16,452,302 | \$ 2,561,236 | \$ 4,264,078 | \$ 1,042,162 | \$ 774,867 |

Allocation of Substation Expenses
Demand Related

| A | B | C | D | E | F | G | H | I | J |
|------|--|------------|--------------|-----------|--------------|--------------|-------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | 7 | \$ 386,072 | \$ 2,511 | \$ 259,554 | \$ 36,751 | \$ 61,184 | \$ 14,954 | \$ 11,118 |
| 3 | Distribution Maintenance | 7 | \$ 601,798 | \$ 3,914 | \$ 404,585 | \$ 57,286 | \$ 95,372 | \$ 23,309 | \$ 17,331 |
| 4 | Customer Accounts | 7 | \$ 20,074 | \$ 131 | \$ 13,496 | \$ 1,911 | \$ 3,181 | \$ 778 | \$ 578 |
| 5 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Distribution O&M Before A&G | | \$ 1,007,944 | \$ 6,555 | \$ 677,635 | \$ 95,947 | \$ 159,738 | \$ 39,041 | \$ 29,028 |
| 8 | Administrative & General | 7 | \$ 169,850 | \$ 1,105 | \$ 114,190 | \$ 16,168 | \$ 26,918 | \$ 6,579 | \$ 4,891 |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | 7 | \$ 950,397 | \$ 6,181 | \$ 638,946 | \$ 90,469 | \$ 150,618 | \$ 36,812 | \$ 27,370 |
| 10 | General | 7 | \$ 23,593 | \$ 153 | \$ 15,861 | \$ 2,246 | \$ 3,739 | \$ 914 | \$ 679 |
| 11 | Subtotal - Dep. & Amort. | | \$ 973,990 | \$ 6,334 | \$ 654,808 | \$ 92,715 | \$ 154,357 | \$ 37,726 | \$ 28,050 |
| 12 | Taxes | PLTINS | \$ 12,449 | \$ 81 | \$ 8,369 | \$ 1,185 | \$ 1,973 | \$ 482 | \$ 359 |
| 13 | Debt Service | Rate Base | \$ 562,450 | \$ 3,658 | \$ 378,132 | \$ 53,540 | \$ 89,137 | \$ 21,785 | \$ 16,198 |
| 14 | 426 - Realized Gain/(Loss) | Rate Base | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | Rate Base | \$ 11,224 | \$ 73 | \$ 7,546 | \$ 1,068 | \$ 1,779 | \$ 435 | \$ 323 |
| 16 | 426.01 Donations | 7 | \$ (2,515) | \$ (16) | \$ (1,691) | \$ (239) | \$ (399) | \$ (97) | \$ (72) |
| 17 | 426. Other | 7 | \$ 1,215 | \$ 8 | \$ 817 | \$ 116 | \$ 192 | \$ 47 | \$ 35 |
| 18 | 431 - Interest - Short Term | 7 | \$ 10,716 | \$ 70 | \$ 7,204 | \$ 1,020 | \$ 1,698 | \$ 415 | \$ 309 |
| 19 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 595,538 | \$ 3,873 | \$ 400,377 | \$ 56,690 | \$ 94,380 | \$ 23,067 | \$ 17,151 |
| 25 | Total Expenses | | \$ 2,747,323 | \$ 17,868 | \$ 1,847,009 | \$ 261,521 | \$ 435,393 | \$ 106,412 | \$ 79,120 |

Allocation of Primary 3-Phase Expenses
Total System

| A | B | C | D | E | F | G | H | I | J |
|------|--|-------------------|--------------|-------------------|--------------------------|-----------------------|-----------------------|--------------------------|----------------------|
| Line | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non-Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| No. | | | | | | | | | |
| | | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 1 | Subtransmission | | \$ 537,087 | \$ 4,220 | \$ 391,686 | \$ 59,277 | \$ 62,811 | \$ 10,884 | \$ 8,208 |
| 2 | Distribution Operations | | \$ 1,924,159 | \$ 15,117 | \$ 1,403,250 | \$ 212,364 | \$ 225,027 | \$ 38,994 | \$ 29,406 |
| 3 | Distribution Maintenance | | \$ 32,776 | \$ 262 | \$ 23,858 | \$ 3,592 | \$ 3,879 | \$ 675 | \$ 509 |
| 4 | Customer Accounts | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Distribution O&M Before A&G | | \$ 2,494,022 | \$ 19,599 | \$ 1,818,795 | \$ 275,233 | \$ 291,718 | \$ 50,554 | \$ 38,123 |
| 8 | Administrative & General | | \$ 335,918 | \$ 2,639 | \$ 244,978 | \$ 37,074 | \$ 39,285 | \$ 6,808 | \$ 5,134 |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | | \$ 1,551,727 | \$ 12,397 | \$ 1,129,546 | \$ 170,048 | \$ 183,658 | \$ 31,969 | \$ 24,109 |
| 10 | General | | \$ 46,661 | \$ 367 | \$ 34,029 | \$ 5,150 | \$ 5,457 | \$ 946 | \$ 713 |
| 11 | Subtotal - Dep. & Amort. | | \$ 1,598,388 | \$ 12,763 | \$ 1,163,575 | \$ 175,198 | \$ 189,115 | \$ 32,914 | \$ 24,822 |
| 12 | Taxes | | \$ 24,620 | \$ 193 | \$ 17,955 | \$ 2,717 | \$ 2,879 | \$ 499 | \$ 376 |
| 13 | Debt Service | | \$ 1,127,695 | \$ 9,004 | \$ 820,936 | \$ 123,611 | \$ 133,414 | \$ 23,219 | \$ 17,511 |
| 14 | 426 - Realized Gain/(Loss) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | | \$ 22,504 | \$ 180 | \$ 16,382 | \$ 2,467 | \$ 2,662 | \$ 463 | \$ 349 |
| 16 | 426.01 Donations | | \$ (4,974) | \$ (39) | \$ (3,628) | \$ (549) | \$ (582) | \$ (101) | \$ (76) |
| 17 | 426. Other | | \$ 2,435 | \$ 19 | \$ 1,773 | \$ 267 | \$ 288 | \$ 50 | \$ 38 |
| 18 | 431 - Interest - Short Term | | \$ 17,496 | \$ 140 | \$ 12,736 | \$ 1,917 | \$ 2,071 | \$ 360 | \$ 272 |
| 19 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 1,189,776 | \$ 9,497 | \$ 866,154 | \$ 130,431 | \$ 140,733 | \$ 24,491 | \$ 18,470 |
| 25 | Total Expenses | | \$ 5,618,103 | \$ 44,498 | \$ 4,093,502 | \$ 617,936 | \$ 660,851 | \$ 114,767 | \$ 86,549 |

Allocation of Primary 3-Phase Expenses
Demand Related

| A | B | C | D | E | F | G | H | I | J |
|------|--|------------|--------------|-----------|--------------|--------------|-------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | 9 | \$ 380,147 | \$ 4,220 | \$ 264,648 | \$ 34,680 | \$ 57,581 | \$ 10,839 | \$ 8,180 |
| 3 | Distribution Maintenance | 9 | \$ 1,361,909 | \$ 15,117 | \$ 948,123 | \$ 124,243 | \$ 206,289 | \$ 38,832 | \$ 29,305 |
| 4 | Customer Accounts | 9 | \$ 23,589 | \$ 262 | \$ 16,422 | \$ 2,152 | \$ 3,573 | \$ 673 | \$ 508 |
| 5 | Customer Service | 9 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | 9 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Distribution O&M Before A&G | | \$ 1,765,645 | \$ 19,599 | \$ 1,229,193 | \$ 161,075 | \$ 267,443 | \$ 50,344 | \$ 37,992 |
| 8 | Administrative & General | 9 | \$ 237,761 | \$ 2,639 | \$ 165,522 | \$ 21,690 | \$ 36,014 | \$ 6,779 | \$ 5,116 |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | 9 | \$ 1,116,807 | \$ 12,397 | \$ 777,490 | \$ 101,883 | \$ 169,163 | \$ 31,843 | \$ 24,031 |
| 10 | General | 9 | \$ 33,026 | \$ 367 | \$ 22,992 | \$ 3,013 | \$ 5,002 | \$ 942 | \$ 711 |
| 11 | Subtotal - Dep. & Amort. | | \$ 1,149,833 | \$ 12,763 | \$ 800,482 | \$ 104,896 | \$ 174,166 | \$ 32,785 | \$ 24,741 |
| 12 | Taxes | PLTINS | \$ 17,426 | \$ 193 | \$ 12,131 | \$ 1,590 | \$ 2,639 | \$ 497 | \$ 375 |
| 13 | Debt Service | Rate Base | \$ 811,144 | \$ 9,004 | \$ 564,696 | \$ 73,998 | \$ 122,864 | \$ 23,128 | \$ 17,454 |
| 14 | 426 - Realized Gain/(Loss) | Rate Base | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | 9 | \$ 16,187 | \$ 180 | \$ 11,269 | \$ 1,477 | \$ 2,452 | \$ 462 | \$ 348 |
| 16 | 426.01 Donations | 9 | \$ (3,521) | \$ (39) | \$ (2,451) | \$ (321) | \$ (533) | \$ (100) | \$ (76) |
| 17 | 426. Other | 9 | \$ 1,752 | \$ 19 | \$ 1,219 | \$ 160 | \$ 265 | \$ 50 | \$ 38 |
| 18 | 431 - Interest - Short Term | 9 | \$ 12,592 | \$ 140 | \$ 8,766 | \$ 1,149 | \$ 1,907 | \$ 359 | \$ 271 |
| 19 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 855,579 | \$ 9,497 | \$ 595,630 | \$ 78,052 | \$ 129,595 | \$ 24,395 | \$ 18,410 |
| 25 | Total Expenses | | \$ 4,008,818 | \$ 44,498 | \$ 2,790,827 | \$ 365,713 | \$ 607,218 | \$ 114,303 | \$ 86,259 |

Allocation of Primary 3-Phase Expenses
Consumer Related

| A | B | C | D | E | F | G | H | I | J |
|------|--|------------|--------------|----------|---------------|--------------|--------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Subtransmission | 11 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | 11 | \$ 156,940 | \$ - | \$ 127,039 | \$ 24,597 | \$ 5,230 | \$ 45 | \$ 28 |
| 3 | Distribution Maintenance | 11 | \$ 562,250 | \$ - | \$ 455,127 | \$ 88,122 | \$ 18,738 | \$ 162 | \$ 101 |
| 4 | Customer Accounts | 11 | \$ 9,186 | \$ - | \$ 7,436 | \$ 1,440 | \$ 306 | \$ 3 | \$ 2 |
| 5 | Customer Service | 11 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | 11 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Distribution O&M Before A&G | | \$ 728,376 | \$ - | \$ 589,602 | \$ 114,159 | \$ 24,275 | \$ 210 | \$ 131 |
| 8 | Administrative & General | 11 | \$ 98,157 | \$ - | \$ 79,456 | \$ 15,384 | \$ 3,271 | \$ 28 | \$ 18 |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | 11 | \$ 434,920 | \$ - | \$ 352,056 | \$ 68,165 | \$ 14,495 | \$ 125 | \$ 78 |
| 10 | General | 11 | \$ 13,634 | \$ - | \$ 11,037 | \$ 2,137 | \$ 454 | \$ 4 | \$ 2 |
| 11 | Subtotal - Dep. & Amort. | | \$ 448,554 | \$ - | \$ 363,093 | \$ 70,302 | \$ 14,949 | \$ 129 | \$ 81 |
| 12 | Taxes | PLTINS | \$ 7,194 | \$ - | \$ 5,823.41 | \$ 1,127.53 | \$ 239.76 | \$ 2.07 | \$ 1.30 |
| 13 | Debt Service | Rate Base | \$ 316,552 | \$ - | \$ 256,240.53 | \$ 49,613.18 | \$ 10,549.73 | \$ 91.24 | \$ 57.03 |
| 14 | 426 - Realized Gain/(Loss) | Rate Base | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | Rate Base | \$ 6,317 | \$ - | \$ 5,113.41 | \$ 990.06 | \$ 210.53 | \$ 1.82 | \$ 1.14 |
| 16 | 426.01 Donations | 11 | \$ (1,453) | \$ - | \$ (1,177) | \$ (228) | \$ (48) | \$ (0) | \$ (0) |
| 17 | 426. Other | 11 | \$ 684 | \$ - | \$ 553 | \$ 107 | \$ 23 | \$ 0 | \$ 0 |
| 18 | 431 - Interest - Short Term | 11 | \$ 4,904 | \$ - | \$ 3,970 | \$ 769 | \$ 163 | \$ 1 | \$ 1 |
| 19 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 334,197 | \$ - | \$ 270,524 | \$ 52,379 | \$ 11,138 | \$ 96 | \$ 60 |
| 25 | Total Expenses | | \$ 1,609,284 | \$ - | \$ 1,302,675 | \$ 252,223 | \$ 53,633 | \$ 464 | \$ 290 |

Allocation of Primary 1-Phase Expenses

| Total System | | | | | | | | | |
|--------------|--|------------|---------------|------------|---------------|--------------|-------------|--------------|--------------|
| A | B | C | D | E | F | G | H | I | J |
| Line | Account | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | | | | | | | | | |
| 1 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | | \$ 1,167,950 | \$ 11,188 | \$ 1,009,900 | \$ 146,862 | \$ - | \$ - | \$ - |
| 3 | Distribution Maintenance | | \$ 4,184,283 | \$ 40,084 | \$ 3,618,053 | \$ 526,146 | \$ - | \$ - | \$ - |
| 4 | Customer Accounts | | \$ 71,274 | \$ 694 | \$ 61,662 | \$ 8,918 | \$ - | \$ - | \$ - |
| 5 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | | | | | | | | |
| 7 | Distribution O&M Before A&G | | \$ 5,423,507 | \$ 51,966 | \$ 4,689,614 | \$ 681,927 | \$ - | \$ - | \$ - |
| | | | | | | | | | |
| 8 | Administrative & General | | \$ 730,487 | \$ 6,998 | \$ 631,636 | \$ 91,854 | \$ - | \$ - | \$ - |
| | | | | | | | | | |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | | \$ 3,374,390 | \$ 32,870 | \$ 2,919,286 | \$ 422,234 | \$ - | \$ - | \$ - |
| 10 | General | | \$ 101,468 | \$ 972 | \$ 87,737 | \$ 12,759 | \$ - | \$ - | \$ - |
| | | | | | | | | | |
| 11 | Subtotal - Dep. & Amort. | | \$ 3,475,859 | \$ 33,842 | \$ 3,007,024 | \$ 434,993 | \$ - | \$ - | \$ - |
| | | | | | | | | | |
| 12 | Taxes | | \$ 53,538 | \$ 513 | \$ 46,293 | \$ 6,732 | \$ - | \$ - | \$ - |
| 13 | Debt Service | | \$ 2,452,290 | \$ 23,874 | \$ 2,121,510 | \$ 306,906 | \$ - | \$ - | \$ - |
| 14 | 426 - Realized Gain/(Loss) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | | \$ 48,937 | \$ 476 | \$ 42,336 | \$ 6,124 | \$ - | \$ - | \$ - |
| 16 | 426.01 Donations | | \$ (10,817) | \$ (104) | \$ (9,353) | \$ (1,360) | \$ - | \$ - | \$ - |
| 17 | 426. Other | | \$ 5,295 | \$ 52 | \$ 4,581 | \$ 663 | \$ - | \$ - | \$ - |
| 18 | 431 - Interest - Short Term | | \$ 38,047 | \$ 371 | \$ 32,916 | \$ 4,761 | \$ - | \$ - | \$ - |
| 19 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | | | | | | | | |
| 24 | Subtotal - Other Expenses | | \$ 2,587,291 | \$ 25,181 | \$ 2,238,283 | \$ 323,826 | \$ - | \$ - | \$ - |
| | | | | | | | | | |
| 25 | Total Expenses | | \$ 12,217,144 | \$ 117,987 | \$ 10,566,556 | \$ 1,532,600 | \$ - | \$ - | \$ - |

**Allocation of Primary 1-Phase Expenses
Demand Related**

| A | B | C | D | E | F | G | H | I | J |
|------|--|-------------------|--------------|-------------------|--------------------------|-----------------------|-----------------------|--------------------------|----------------------|
| Line | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non-Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| No. | | | | | | | | | |
| 1 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | 10 | \$ 826,669 | \$ 11,188 | \$ 723,978 | \$ 91,502 | \$ - | \$ - | \$ - |
| 3 | Distribution Maintenance | 10 | \$ 2,961,612 | \$ 40,084 | \$ 2,593,714 | \$ 327,814 | \$ - | \$ - | \$ - |
| 4 | Customer Accounts | 10 | \$ 51,298 | \$ 694 | \$ 44,925 | \$ 5,678 | \$ - | \$ - | \$ - |
| 5 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Distribution O&M Before A&G | | \$ 3,839,578 | \$ 51,966 | \$ 3,362,617 | \$ 424,994 | \$ - | \$ - | \$ - |
| 8 | Administrative & General | 10 | \$ 517,035 | \$ 6,998 | \$ 452,808 | \$ 57,229 | \$ - | \$ - | \$ - |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | 10 | \$ 2,428,612 | \$ 32,870 | \$ 2,126,925 | \$ 268,818 | \$ - | \$ - | \$ - |
| 10 | General | 10 | \$ 71,819 | \$ 972 | \$ 62,897 | \$ 7,949 | \$ - | \$ - | \$ - |
| 11 | Subtotal - Dep. & Amort. | | \$ 2,500,431 | \$ 33,842 | \$ 2,189,822 | \$ 276,767 | \$ - | \$ - | \$ - |
| 12 | Taxes | PLTINS | \$ 37,894 | \$ 513 | \$ 33,187 | \$ 4,194 | \$ - | \$ - | \$ - |
| 13 | Debt Service | Rate Base | \$ 1,763,915 | \$ 23,874 | \$ 1,544,798 | \$ 195,244 | \$ - | \$ - | \$ - |
| 14 | 426 - Realized Gain/(Loss) | Rate Base | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | 10 | \$ 35,200 | \$ 476 | \$ 30,827 | \$ 3,896 | \$ - | \$ - | \$ - |
| 16 | 426.01 Donations | 10 | \$ (7,656) | \$ (104) | \$ (6,705) | \$ (847) | \$ - | \$ - | \$ - |
| 17 | 426. Other | 10 | \$ 3,809 | \$ 52 | \$ 3,336 | \$ 422 | \$ - | \$ - | \$ - |
| 18 | 431 - Interest - Short Term | 10 | \$ 27,383 | \$ 371 | \$ 23,982 | \$ 3,031 | \$ - | \$ - | \$ - |
| 19 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 1,860,546 | \$ 25,181 | \$ 1,629,425 | \$ 205,940 | \$ - | \$ - | \$ - |
| 25 | Total Expenses | | \$ 8,717,589 | \$ 117,987 | \$ 7,634,672 | \$ 964,930 | \$ - | \$ - | \$ - |

Allocation of Primary 1-Phase Expenses
Consumer Related

| A | B | C | D | E | F | G | H | I | J |
|------|--|------------|--------------|----------|--------------|--------------|-------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | 12 | \$ 341,282 | \$ - | \$ 285,922 | \$ 55,360 | \$ - | \$ - | \$ - |
| 3 | Distribution Maintenance | 12 | \$ 1,222,671 | \$ - | \$ 1,024,339 | \$ 198,332 | \$ - | \$ - | \$ - |
| 4 | Customer Accounts | 12 | \$ 19,977 | \$ - | \$ 16,736 | \$ 3,240 | \$ - | \$ - | \$ - |
| 5 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Distribution O&M Before A&G | | \$ 1,583,930 | \$ - | \$ 1,326,997 | \$ 256,933 | \$ - | \$ - | \$ - |
| 8 | Administrative & General | 12 | \$ 213,453 | \$ - | \$ 178,828 | \$ 34,625 | \$ - | \$ - | \$ - |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | 12 | \$ 945,778 | \$ - | \$ 792,361 | \$ 153,417 | \$ - | \$ - | \$ - |
| 10 | General | 12 | \$ 29,650 | \$ - | \$ 24,840 | \$ 4,810 | \$ - | \$ - | \$ - |
| 11 | Subtotal - Dep. & Amort. | | \$ 975,428 | \$ - | \$ 817,201 | \$ 158,226 | \$ - | \$ - | \$ - |
| 12 | Taxes | PLTINS | \$ 15,644 | \$ - | \$ 13,106.56 | \$ 2,537.69 | \$ - | \$ - | \$ - |
| 13 | Debt Service | Rate Base | \$ 688,374 | \$ - | \$ 576,712 | \$ 111,663 | \$ - | \$ - | \$ - |
| 14 | 426 - Realized Gain/(Loss) | Rate Base | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | 12 | \$ 13,737 | \$ - | \$ 11,508.58 | \$ 2,228.29 | \$ - | \$ - | \$ - |
| 16 | 426.01 Donations | 12 | \$ (3,161) | \$ - | \$ (2,648) | \$ (513) | \$ - | \$ - | \$ - |
| 17 | 426. Other | 12 | \$ 1,486 | \$ - | \$ 1,245 | \$ 241 | \$ - | \$ - | \$ - |
| 18 | 431 - Interest - Short Term | 12 | \$ 10,664 | \$ - | \$ 8,934 | \$ 1,730 | \$ - | \$ - | \$ - |
| 19 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 726,745 | \$ - | \$ 608,858 | \$ 117,887 | \$ - | \$ - | \$ - |
| 25 | Total Expenses | | \$ 3,499,555 | \$ - | \$ 2,931,885 | \$ 567,670 | \$ - | \$ - | \$ - |

Allocation of Transformers Expenses
Total System

| A | B | C | D | E | F | G | H | I | J |
|------|--|-------------------|--------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| Line | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| No. | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| 1 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | | \$ 446,862 | \$ 4,225 | \$ 326,989 | \$ 44,930 | \$ 60,647 | \$ 10,070 | \$ - |
| 3 | Distribution Maintenance | | \$ 204,019 | \$ 1,929 | \$ 149,290 | \$ 20,513 | \$ 27,689 | \$ 4,598 | \$ - |
| 4 | Customer Accounts | | \$ 24,440 | \$ 231 | \$ 17,884 | \$ 2,457 | \$ 3,317 | \$ 551 | \$ - |
| 5 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | | | | | | | | |
| 7 | Distribution O&M Before A&G | | \$ 675,321 | \$ 6,385 | \$ 494,163 | \$ 67,901 | \$ 91,653 | \$ 15,219 | \$ - |
| | | | | | | | | | |
| 8 | Administrative & General | | \$ 89,316 | \$ 845 | \$ 65,357 | \$ 8,980 | \$ 12,122 | \$ 2,013 | \$ - |
| | | | | | | | | | |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | | \$ 1,157,073 | \$ 10,941 | \$ 846,683 | \$ 116,339 | \$ 157,036 | \$ 26,075 | \$ - |
| 10 | General | | \$ 12,406 | \$ 117 | \$ 9,078 | \$ 1,247 | \$ 1,684 | \$ 280 | \$ - |
| | | | | | | | | | |
| 11 | Subtotal - Dep. & Amort. | | \$ 1,169,479 | \$ 11,058 | \$ 855,761 | \$ 117,586 | \$ 158,720 | \$ 26,355 | \$ - |
| | | | | | | | | | |
| 12 | Taxes | | \$ 6,546 | \$ 62 | \$ 4,790 | \$ 658 | \$ 888 | \$ 148 | \$ - |
| 13 | Debt Service | | \$ 710,448 | \$ 6,718 | \$ 519,867 | \$ 71,432 | \$ 96,421 | \$ 16,010 | \$ - |
| 14 | 426 - Realized Gain/(Loss) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | | \$ 14,177 | \$ 134 | \$ 10,374 | \$ 1,425 | \$ 1,924 | \$ 319 | \$ - |
| 16 | 426.01 Donations | | \$ (1,323) | \$ (13) | \$ (968) | \$ (133) | \$ (179) | \$ (30) | \$ - |
| 17 | 426. Other | | \$ 1,534 | \$ 15 | \$ 1,123 | \$ 154 | \$ 208 | \$ 35 | \$ - |
| 18 | 431 - Interest - Short Term | | \$ 13,046 | \$ 123 | \$ 9,547 | \$ 1,312 | \$ 1,771 | \$ 294 | \$ - |
| 19 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | | | | | | | | | |
| 24 | Subtotal - Other Expenses | | \$ 744,429 | \$ 7,039 | \$ 544,732 | \$ 74,849 | \$ 101,033 | \$ 16,776 | \$ - |
| | | | | | | | | | |
| 25 | Total Expenses | | \$ 2,678,545 | \$ 25,327 | \$ 1,960,013 | \$ 269,316 | \$ 363,527 | \$ 60,362 | \$ - |

Allocation of Transformers Expenses

Demand Related

| A | B | C | D | E | F | G | H | I | J |
|------|--|-----------|--------------|-------------|--------------|--------------|-------------|--------------|--------------|
| Line | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary | |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | 14 | \$ 379,565 | \$ 4,225 | \$ 273,405 | \$ 34,555 | \$ 57,338 | \$ 10,042 | \$ - |
| 3 | Distribution Maintenance | 14 | \$ 173,294 | \$ 1,929 | \$ 124,825 | \$ 15,776 | \$ 26,178 | \$ 4,585 | \$ - |
| 4 | Customer Accounts | 14 | \$ 20,759 | \$ 231 | \$ 14,953 | \$ 1,890 | \$ 3,136 | \$ 549 | \$ - |
| 5 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Distribution O&M Before A&G | | \$ 573,617 | \$ 6,385 | \$ 413,183 | \$ 52,221 | \$ 86,652 | \$ 15,175 | \$ - |
| 8 | Administrative & General | 14 | \$ 75,865 | \$ 845 | \$ 54,647 | \$ 6,907 | \$ 11,460 | \$ 2,007 | \$ - |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | 14 | \$ 982,818 | \$ 10,941 | \$ 707,935 | \$ 89,474 | \$ 148,467 | \$ 26,001 | \$ - |
| 10 | General | 14 | \$ 10,538 | \$ 117 | \$ 7,591 | \$ 959 | \$ 1,592 | \$ 279 | \$ - |
| 11 | Subtotal - Dep. & Amort. | | \$ 993,356 | \$ 11,058 | \$ 715,525 | \$ 90,434 | \$ 150,059 | \$ 26,280 | \$ - |
| 12 | Taxes | PLTINS | \$ 5,560 | \$ 62 | \$ 4,005 | \$ 506 | \$ 840 | \$ 147 | \$ - |
| 13 | Debt Service | Rate Base | \$ 603,454 | \$ 6,718 | \$ 434,675 | \$ 54,938 | \$ 91,159 | \$ 15,965 | \$ - |
| 14 | 426 - Realized Gain/(Loss) | Rate Base | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | Rate Base | \$ 12,042 | \$ 134 | \$ 8,674 | \$ 1,096 | \$ 1,819 | \$ 319 | \$ - |
| 16 | 426.01 Donations | 14 | \$ (1,123) | \$ (13) | \$ (809) | \$ (102) | \$ (170) | \$ (30) | \$ - |
| 17 | 426. Other | 14 | \$ 1,303 | \$ 15 | \$ 939 | \$ 119 | \$ 197 | \$ 34 | \$ - |
| 18 | 431 - Interest - Short Term | 14 | \$ 11,082 | \$ 123 | \$ 7,982 | \$ 1,009 | \$ 1,674 | \$ 293 | \$ - |
| 19 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 632,318 | \$ 7,039 | \$ 455,466 | \$ 57,565 | \$ 95,520 | \$ 16,728 | \$ - |
| 25 | Total Expenses | | \$ 2,275,156 | \$ 25,327 | \$ 1,638,821 | \$ 207,127 | \$ 343,691 | \$ 60,191 | \$ - |

Allocation of Transformers Expenses
Consumer Related

| A | B | C | D | E | F | G | H | I | J |
|----------|--|-------------------|--------------|-------------------|--------------------------|-----------------------|-----------------------|--------------------------|----------------------|
| Line No. | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non-Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| | | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 1 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | 16 | \$ 67,297 | \$ - | \$ 53,585 | \$ 10,375 | \$ 3,309 | \$ 29 | \$ - |
| 3 | Distribution Maintenance | 16 | \$ 30,725 | \$ - | \$ 24,465 | \$ 4,737 | \$ 1,511 | \$ 13 | \$ - |
| 4 | Customer Accounts | 16 | \$ 3,681 | \$ - | \$ 2,931 | \$ 567 | \$ 181 | \$ 2 | \$ - |
| 5 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Distribution O&M Before A&G | | \$ 101,703 | \$ - | \$ 80,980 | \$ 15,679 | \$ 5,001 | \$ 43 | \$ - |
| 8 | Administrative & General | 16 | \$ 13,451 | \$ - | \$ 10,710 | \$ 2,074 | \$ 661 | \$ 6 | \$ - |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | 16 | \$ 174,255 | \$ - | \$ 138,748 | \$ 26,864 | \$ 8,569 | \$ 74 | \$ - |
| 10 | General | 16 | \$ 1,868 | \$ - | \$ 1,488 | \$ 288 | \$ 92 | \$ 1 | \$ - |
| 11 | Subtotal - Dep. & Amort. | | \$ 176,124 | \$ - | \$ 140,236 | \$ 27,152 | \$ 8,661 | \$ 75 | \$ - |
| 12 | Taxes | PLTINS | \$ 986 | \$ - | \$ 784.97 | \$ 151.98 | \$ 48.48 | \$ 0.42 | \$ - |
| 13 | Debt Service | Rate Base | \$ 106,993 | \$ - | \$ 85,191.91 | \$ 16,494.82 | \$ 5,261.18 | \$ 45.50 | \$ - |
| 14 | 426 - Realized Gain/(Loss) | Rate Base | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | 16 | \$ 2,135 | \$ - | \$ 1,700.05 | \$ 329.16 | \$ 104.99 | \$ 0.91 | \$ - |
| 16 | 426.01 Donations | 16 | \$ (199) | \$ - | \$ (159) | \$ (31) | \$ (10) | \$ (0) | \$ - |
| 17 | 426. Other | 16 | \$ 231 | \$ - | \$ 184 | \$ 36 | \$ 11 | \$ 0 | \$ - |
| 18 | 431 - Interest - Short Term | 16 | \$ 1,965 | \$ - | \$ 1,564 | \$ 303 | \$ 97 | \$ 1 | \$ - |
| 19 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 112,111 | \$ - | \$ 89,267 | \$ 17,284 | \$ 5,513 | \$ 48 | \$ - |
| 25 | Total Expenses | | \$ 403,389 | \$ - | \$ 321,192 | \$ 62,189 | \$ 19,836 | \$ 172 | \$ - |

Allocation of Secondary and Services Expenses

Total System

| A | B | C | D | E | F | G | H | I | J |
|------|--|-------------------|--------------|-------------------|--------------------------|-----------------------|-----------------------|--------------------------|----------------------|
| Line | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non-Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| No. | | | | | | | | | |
| 1 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | | \$ 388,163 | \$ 2,249 | \$ 297,927 | \$ 47,899 | \$ 34,706 | \$ 5,382 | \$ - |
| 3 | Distribution Maintenance | | \$ 1,390,629 | \$ 8,058 | \$ 1,067,350 | \$ 171,604 | \$ 124,336 | \$ 19,280 | \$ - |
| 4 | Customer Accounts | | \$ 21,550 | \$ 126 | \$ 16,531 | \$ 2,653 | \$ 1,939 | \$ 301 | \$ - |
| 5 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Distribution O&M Before A&G | | \$ 1,800,342 | \$ 10,433 | \$ 1,381,808 | \$ 222,156 | \$ 160,981 | \$ 24,963 | \$ - |
| 8 | Administrative & General | | \$ 242,774 | \$ 1,407 | \$ 186,337 | \$ 29,958 | \$ 21,706 | \$ 3,366 | \$ - |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | | \$ 1,020,242 | \$ 5,963 | \$ 782,616 | \$ 125,589 | \$ 91,809 | \$ 14,265 | \$ - |
| 10 | General | | \$ 33,723 | \$ 195 | \$ 25,883 | \$ 4,161 | \$ 3,015 | \$ 468 | \$ - |
| 11 | Subtotal - Dep. & Amort. | | \$ 1,053,965 | \$ 6,158 | \$ 808,499 | \$ 129,750 | \$ 94,824 | \$ 14,733 | \$ - |
| 12 | Taxes | | \$ 17,793 | \$ 103 | \$ 13,657 | \$ 2,196 | \$ 1,591 | \$ 247 | \$ - |
| 13 | Debt Service | | \$ 693,736 | \$ 4,053 | \$ 532,170 | \$ 85,406 | \$ 62,411 | \$ 9,697 | \$ - |
| 14 | 426 - Realized Gain/(Loss) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | | \$ 13,844 | \$ 81 | \$ 10,620 | \$ 1,704 | \$ 1,245 | \$ 194 | \$ - |
| 16 | 426.01 Donations | | \$ (3,595) | \$ (21) | \$ (2,759) | \$ (444) | \$ (321) | \$ (50) | \$ - |
| 17 | 426. Other | | \$ 1,498 | \$ 9 | \$ 1,149 | \$ 184 | \$ 135 | \$ 21 | \$ - |
| 18 | 431 - Interest - Short Term | | \$ 11,503 | \$ 67 | \$ 8,824 | \$ 1,416 | \$ 1,035 | \$ 161 | \$ - |
| 19 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 734,780 | \$ 4,292 | \$ 563,661 | \$ 90,463 | \$ 66,096 | \$ 10,269 | \$ - |
| 25 | Total Expenses | | \$ 3,831,861 | \$ 22,291 | \$ 2,940,305 | \$ 472,327 | \$ 343,607 | \$ 53,331 | \$ - |

Allocation of Secondary and Services Expenses
Demand Related

| A | B | C | D | E | F | G | H | I | J |
|------|--|------------|--------------|-----------|--------------|--------------|-------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Subtransmission | 14 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | 14 | \$ 202,056 | \$ 2,249 | \$ 145,543 | \$ 18,395 | \$ 30,523 | \$ 5,346 | \$ - |
| 3 | Distribution Maintenance | 14 | \$ 723,883 | \$ 8,058 | \$ 521,421 | \$ 65,901 | \$ 109,352 | \$ 19,151 | \$ - |
| 4 | Customer Accounts | 14 | \$ 11,314 | \$ 126 | \$ 8,150 | \$ 1,030 | \$ 1,709 | \$ 299 | \$ - |
| 5 | Customer Service | 14 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | 14 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Distribution O&M Before A&G | | \$ 937,253 | \$ 10,433 | \$ 675,114 | \$ 85,326 | \$ 141,584 | \$ 24,796 | \$ - |
| 8 | Administrative & General | 14 | \$ 126,375 | \$ 1,407 | \$ 91,029 | \$ 11,505 | \$ 19,091 | \$ 3,343 | \$ - |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | 14 | \$ 535,661 | \$ 5,963 | \$ 385,843 | \$ 48,766 | \$ 80,918 | \$ 14,171 | \$ - |
| 10 | General | 14 | \$ 17,554 | \$ 195 | \$ 12,644 | \$ 1,598 | \$ 2,652 | \$ 464 | \$ - |
| 11 | Subtotal - Dep. & Amort. | | \$ 553,215 | \$ 6,158 | \$ 398,487 | \$ 50,364 | \$ 83,570 | \$ 14,636 | \$ - |
| 12 | Taxes | PLTINS | \$ 9,262 | \$ 103 | \$ 6,672 | \$ 843 | \$ 1,399 | \$ 245 | \$ - |
| 13 | Debt Service | Rate Bas | \$ 364,104 | \$ 4,053 | \$ 262,268 | \$ 33,148 | \$ 55,003 | \$ 9,633 | \$ - |
| 14 | 426 - Realized Gain/(Loss) | Rate Bas | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | Rate Bas | \$ 7,266 | \$ 81 | \$ 5,234 | \$ 661 | \$ 1,098 | \$ 192 | \$ - |
| 16 | 426.01 Donations | 14 | \$ (1,871) | \$ (21) | \$ (1,348) | \$ (170) | \$ (283) | \$ (50) | \$ - |
| 17 | 426. Other | 14 | \$ 786 | \$ 9 | \$ 566 | \$ 72 | \$ 119 | \$ 21 | \$ - |
| 18 | 431 - Interest - Short Term | 14 | \$ 6,040 | \$ 67 | \$ 4,350 | \$ 550 | \$ 912 | \$ 160 | \$ - |
| 19 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 385,587 | \$ 4,292 | \$ 277,743 | \$ 35,103 | \$ 58,248 | \$ 10,201 | \$ - |
| 25 | Total Expenses | | \$ 2,002,430 | \$ 22,291 | \$ 1,442,373 | \$ 182,298 | \$ 302,493 | \$ 52,976 | \$ - |

Allocation of Secondary and Services Expenses
Consumer Related

| A | B | C | D | E | F | G | H | I | J |
|------|--|------------|--------------|----------|---------------|--------------|-------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Subtransmission | 15 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | 15 | \$ 186,107 | \$ - | \$ 152,384 | \$ 29,505 | \$ 4,183 | \$ 36 | \$ - |
| 3 | Distribution Maintenance | 15 | \$ 666,746 | \$ - | \$ 545,929 | \$ 105,703 | \$ 14,984 | \$ 130 | \$ - |
| 4 | Customer Accounts | 15 | \$ 10,235 | \$ - | \$ 8,381 | \$ 1,623 | \$ 230 | \$ 2 | \$ - |
| 5 | Customer Service | 15 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | 15 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Distribution O&M Before A&G | | \$ 863,088 | \$ - | \$ 706,694 | \$ 136,830 | \$ 19,397 | \$ 168 | \$ - |
| 8 | Administrative & General | 15 | \$ 116,400 | \$ - | \$ 95,308 | \$ 18,453 | \$ 2,616 | \$ 23 | \$ - |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | 15 | \$ 484,581 | \$ - | \$ 396,773 | \$ 76,823 | \$ 10,890 | \$ 94 | \$ - |
| 10 | General | 15 | \$ 16,168 | \$ - | \$ 13,239 | \$ 2,563 | \$ 363 | \$ 3 | \$ - |
| 11 | Subtotal - Dep. & Amort. | | \$ 500,750 | \$ - | \$ 410,012 | \$ 79,386 | \$ 11,254 | \$ 97 | \$ - |
| 12 | Taxes | PLTINS | \$ 8,531 | \$ - | \$ 6,985.24 | \$ 1,352.48 | \$ 191.73 | \$ 1.66 | \$ - |
| 13 | Debt Service | Rate Bas | \$ 329,632 | \$ - | \$ 269,901.79 | \$ 52,258.27 | \$ 7,408.12 | \$ 64.07 | \$ - |
| 14 | 426 - Realized Gain/(Loss) | Rate Bas | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | Rate Bas | \$ 6,578 | \$ - | \$ 5,386.03 | \$ 1,042.84 | \$ 147.83 | \$ 1.28 | \$ - |
| 16 | 426.01 Donations | 15 | \$ (1,724) | \$ - | \$ (1,411) | \$ (273) | \$ (39) | \$ (0) | \$ - |
| 17 | 426. Other | 15 | \$ 712 | \$ - | \$ 583 | \$ 113 | \$ 16 | \$ 0 | \$ - |
| 18 | 431 - Interest - Short Term | 15 | \$ 5,464 | \$ - | \$ 4,474 | \$ 866 | \$ 123 | \$ 1 | \$ - |
| 19 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 349,193 | \$ - | \$ 285,918 | \$ 55,359 | \$ 7,848 | \$ 68 | \$ - |
| 25 | Total Expenses | | \$ 1,829,431 | \$ - | \$ 1,497,932 | \$ 290,029 | \$ 41,114 | \$ 356 | \$ - |

Allocation of 1-Phase Meters Expenses
Consumer Related

| A | B | C | D | E | F | G | H | I | J |
|------|--|------------|--------------|----------|---------------|--------------|-------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Subtransmission | 17 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | 17 | \$ 960,906 | \$ - | \$ 805,035 | \$ 155,871 | \$ - | \$ - | \$ - |
| 3 | Distribution Maintenance | 17 | \$ 119,503 | \$ - | \$ 100,118 | \$ 19,385 | \$ - | \$ - | \$ - |
| 4 | Customer Accounts | 17 | \$ 2,751 | \$ - | \$ 2,305 | \$ 446 | \$ - | \$ - | \$ - |
| 5 | Customer Service | 17 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | 17 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Distribution O&M Before A&G | | \$ 1,083,159 | \$ - | \$ 907,458 | \$ 175,702 | \$ - | \$ - | \$ - |
| 8 | Administrative & General | 17 | \$ 271,158 | \$ - | \$ 227,173 | \$ 43,985 | \$ - | \$ - | \$ - |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | 17 | \$ 130,231 | \$ - | \$ 109,106 | \$ 21,125 | \$ - | \$ - | \$ - |
| 10 | General | 17 | \$ 37,665 | \$ - | \$ 31,555 | \$ 6,110 | \$ - | \$ - | \$ - |
| 11 | Subtotal - Dep. & Amort. | | \$ 167,896 | \$ - | \$ 140,661 | \$ 27,235 | \$ - | \$ - | \$ - |
| 12 | Taxes | PLTINS | \$ 19,874 | \$ - | \$ 16,649.80 | \$ 3,223.73 | \$ - | \$ - | \$ - |
| 13 | Debt Service | Rate Base | \$ 122,825 | \$ - | \$ 102,901.09 | \$ 19,923.67 | \$ - | \$ - | \$ - |
| 14 | 426 - Realized Gain/(Loss) | Rate Base | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | Rate Base | \$ 2,451 | \$ - | \$ 2,053.44 | \$ 397.59 | \$ - | \$ - | \$ - |
| 16 | 426.01 Donations | 17 | \$ (4,015) | \$ - | \$ (3,364) | \$ (651) | \$ - | \$ - | \$ - |
| 17 | 426. Other | 17 | \$ 265 | \$ - | \$ 222 | \$ 43 | \$ - | \$ - | \$ - |
| 18 | 431 - Interest - Short Term | 17 | \$ 1,468 | \$ - | \$ 1,230 | \$ 238 | \$ - | \$ - | \$ - |
| 19 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 142,868 | \$ - | \$ 119,693 | \$ 23,175 | \$ - | \$ - | \$ - |
| 25 | Total Expenses | | \$ 1,665,080 | \$ - | \$ 1,394,984 | \$ 270,096 | \$ - | \$ - | \$ - |

Allocation of Metering Expenses
Consumer Related

| A | B | C | D | E | F | G | H | I | J |
|----------|--|-------------------|--------------|-------------------|--------------------------|-----------------------|-----------------------|--------------------------|----------------------|
| Line No. | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non-Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| 1 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Distribution Maintenance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Customer Accounts | 18 | \$ 337,642 | \$ - | \$ 215,145 | \$ 41,656 | \$ 79,720 | \$ 689 | \$ 431 |
| 5 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Distribution O&M Before A&G | | \$ 337,642 | \$ - | \$ 215,145 | \$ 41,656 | \$ 79,720 | \$ 689 | \$ 431 |
| 8 | Administrative & General | 18 | \$ 127,681 | \$ - | \$ 81,358 | \$ 15,753 | \$ 30,146 | \$ 261 | \$ 163 |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | 18 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | General | 18 | \$ 17,735 | \$ - | \$ 11,301 | \$ 2,188 | \$ 4,187 | \$ 36 | \$ 23 |
| 11 | Subtotal - Dep. & Amort. | | \$ 17,735 | \$ - | \$ 11,301 | \$ 2,188 | \$ 4,187 | \$ 36 | \$ 23 |
| 12 | Taxes | PLTINS | \$ 9,358 | \$ - | \$ 5,962.85 | \$ 1,154.52 | \$ 2,209.48 | \$ 19.11 | \$ 11.94 |
| 13 | Debt Service | Rate Base | \$ 15,299 | \$ - | \$ 9,748.52 | \$ 1,887.50 | \$ 3,612.22 | \$ 31.24 | \$ 19.53 |
| 14 | 426 - Realized Gain/(Loss) | Rate Base | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | 18 | \$ 305 | \$ - | \$ 194.54 | \$ 37.67 | \$ 72.08 | \$ 0.62 | \$ 0.39 |
| 16 | 426.01 Donations | 18 | \$ (1,891) | \$ - | \$ (1,205) | \$ (233) | \$ (446) | \$ (4) | \$ (2) |
| 17 | 426. Other | 18 | \$ 33 | \$ - | \$ 21 | \$ 4 | \$ 8 | \$ 0 | \$ 0 |
| 18 | 431 - Interest - Short Term | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | 431 - Interest - Direct Serves | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 23,105 | \$ - | \$ 14,722 | \$ 2,851 | \$ 5,455 | \$ 47 | \$ 29 |
| 25 | Total Expenses | | \$ 506,163 | \$ - | \$ 322,527 | \$ 62,447 | \$ 119,509 | \$ 1,034 | \$ 646 |

Allocation of Billing Expenses
Consumer Related

| A | B | C | D | E | F | G | H | I | J |
|------|--|------------|--------------|----------|--------------|--------------|-------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Distribution Maintenance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Customer Accounts | 19 | \$ 2,643,891 | \$ - | \$ 2,140,163 | \$ 414,377 | \$ 88,113 | \$ 762 | \$ 476 |
| 5 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Distribution O&M Before A&G | | \$ 2,643,891 | \$ - | \$ 2,140,163 | \$ 414,377 | \$ 88,113 | \$ 762 | \$ 476 |
| 8 | Administrative & General | 19 | \$ 705,802 | \$ - | \$ 571,329 | \$ 110,620 | \$ 23,522 | \$ 203 | \$ 127 |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | 19 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | General | 19 | \$ 98,039 | \$ - | \$ 79,360 | \$ 15,366 | \$ 3,267 | \$ 28 | \$ 18 |
| 11 | Subtotal - Dep. & Amort. | | \$ 98,039 | \$ - | \$ 79,360 | \$ 15,366 | \$ 3,267 | \$ 28 | \$ 18 |
| 12 | Taxes | PLTINS | \$ 51,729 | \$ - | \$ 41,873.51 | \$ 8,107.53 | \$ 1,723.98 | \$ 14.91 | \$ 9.32 |
| 13 | Debt Service | Rate Base | \$ 84,571 | \$ - | \$ 68,458.02 | \$ 13,254.81 | \$ 2,818.50 | \$ 24.38 | \$ 15.24 |
| 14 | 426 - Realized Gain/(Loss) | Rate Base | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | 19 | \$ 1,688 | \$ - | \$ 1,366.12 | \$ 264.51 | \$ 56.24 | \$ 0.49 | \$ 0.30 |
| 16 | 426.01 Donations | 19 | \$ (10,451) | \$ - | \$ (8,460) | \$ (1,638) | \$ (348) | \$ (3) | \$ (2) |
| 17 | 426. Other | 19 | \$ 183 | \$ - | \$ 148 | \$ 29 | \$ 6 | \$ 0 | \$ 0 |
| 18 | 431 - Interest - Short Term | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | 431 - Interest - Direct Serves | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 127,719 | \$ - | \$ 103,385 | \$ 20,017 | \$ 4,256 | \$ 37 | \$ 23 |
| 25 | Total Expenses | | \$ 3,575,452 | \$ - | \$ 2,894,237 | \$ 560,381 | \$ 119,159 | \$ 1,031 | \$ 644 |

Allocation of Consumer Services 1 Expenses

Consumer Related

| A | B | C | D | E | F | G | H | I | J |
|------|--|-------------------|--------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| Line | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| No. | | | | | | | | | |
| 1 | Subtransmission | 20 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | 20 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Distribution Maintenance | 20 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Customer Accounts | 20 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | Customer Service | 20 | \$ 165,577 | \$ - | \$ 136,334 | \$ 26,397 | \$ 2,807 | \$ 24 | \$ 15 |
| 6 | Sales | 20 | \$ 68,688 | \$ - | \$ 56,557 | \$ 10,951 | \$ 1,164 | \$ 10 | \$ 6 |
| 7 | Distribution O&M Before A&G | | \$ 234,265 | \$ - | \$ 192,891 | \$ 37,347 | \$ 3,971 | \$ 34 | \$ 21 |
| 8 | Administrative & General | 20 | \$ 76,514 | \$ - | \$ 63,000 | \$ 12,198 | \$ 1,297 | \$ 11 | \$ 7 |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | 20 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | General | 20 | \$ 10,628 | \$ - | \$ 8,751 | \$ 1,694 | \$ 180 | \$ 2 | \$ 1 |
| 11 | Subtotal - Dep. & Amort. | | \$ 10,628 | \$ - | \$ 8,751 | \$ 1,694 | \$ 180 | \$ 2 | \$ 1 |
| 12 | Taxes | PLTINS | \$ 5,608 | \$ - | \$ 4,617.38 | \$ 894.02 | \$ 95.05 | \$ 0.82 | \$ 0.51 |
| 13 | Debt Service | Rate Base | \$ 9,168 | \$ - | \$ 7,548.85 | \$ 1,461.61 | \$ 155.40 | \$ 1.34 | \$ 0.84 |
| 14 | 426 - Realized Gain/(Loss) | Rate Base | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | 20 | \$ 183 | \$ - | \$ 150.64 | \$ 29.17 | \$ 3.10 | \$ 0.03 | \$ 0.02 |
| 16 | 426.01 Donations | 20 | \$ (1,133) | \$ - | \$ (933) | \$ (181) | \$ (19) | \$ (0) | \$ (0) |
| 17 | 426. Other | 20 | \$ 20 | \$ - | \$ 16 | \$ 3 | \$ 0 | \$ 0 | \$ 0 |
| 18 | 431 - Interest - Short Term | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | 431 - Interest - Direct Serves | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 13,846 | \$ - | \$ 11,400 | \$ 2,207 | \$ 235 | \$ 2 | \$ 1 |
| 25 | Total Expenses | | \$ 335,252 | \$ - | \$ 276,043 | \$ 53,447 | \$ 5,683 | \$ 49 | \$ 31 |

Allocation of Security Lights Expenses
Direct Assignments

| A | B | C | D | E | F | G | H | I | J |
|------|--|-------------------|--------------|-------------------|--------------------------|-----------------------|-----------------------|--------------------------|----------------------|
| Line | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non-Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| 1 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Distribution Operations | 23 | \$ 25,835 | \$ 25,835 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Distribution Maintenance | 23 | \$ 153,721 | \$ 153,721 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Customer Accounts | 23 | \$ 3,537 | \$ 3,537 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Distribution O&M Before A&G | | \$ 183,094 | \$ 183,094 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8 | Administrative & General | 23 | \$ 36,709 | \$ 36,709 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Depreciation and Amortization | | | | | | | | |
| 9 | Distribution | 23 | \$ 167,464 | \$ 167,464 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | General | 23 | \$ 5,099 | \$ 5,099 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11 | Subtotal - Dep. & Amort. | | \$ 172,563 | \$ 172,563 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12 | Taxes | PLTINS | \$ 2,690 | \$ 2,690.44 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | Debt Service | Rate Bas | \$ 124,241 | \$ 124,240.56 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | 426 - Realized Gain/(Loss) | Rate Bas | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | 431 - Interest on Customer Deposits | | \$ 2,479 | \$ 2,479.28 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 16 | 426.01 Donations | 23 | \$ (544) | \$ (544) | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | 426. Other | 23 | \$ 268 | \$ 268 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | 431 - Interest - Short Term | 23 | \$ 1,888 | \$ 1,888 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Subtotal - Other Expenses | | \$ 131,023 | \$ 131,023 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 25 | Total Expenses | | \$ 523,389 | \$ 523,389 | \$ - | \$ - | \$ - | \$ - | \$ - |

Total Expenses

Total System

| A | B | C | D | E | F | G | H | I | J |
|------|-------------------------------------|------------|----------------|--------------|----------------|--------------|----------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non-Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | | | \$ 25,276,941 | \$ 161,987 | \$ 16,744,877 | \$ 2,480,548 | \$ 4,129,744 | \$ 1,009,330 | \$ 750,456 |
| 1 | Regular Tariff Demand | | \$ 23,239,247 | \$ 279,084 | \$ 15,052,914 | \$ 2,343,384 | \$ 3,901,387 | \$ 953,519 | \$ 708,959 |
| 2 | Regular Tariff Energy | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Regular Tariff unwind | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Classes A, B, and C | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | Own Use | | \$ (116,587) | \$ (1,400) | \$ (75,518) | \$ (11,756) | \$ (19,573) | \$ (4,784) | \$ (3,557) |
| 6 | Fuel | | \$ 11,280,993 | \$ 135,475 | \$ 7,307,114 | \$ 1,137,546 | \$ 1,893,845 | \$ 462,865 | \$ 344,149 |
| 7 | Environmental Surcharge | | \$ 2,486,851 | \$ 29,865 | \$ 1,610,825 | \$ 250,768 | \$ 417,491 | \$ 102,037 | \$ 75,866 |
| 8 | Unwind Surcredit | | \$ (3,756,542) | \$ (45,113) | \$ (2,433,250) | \$ (378,800) | \$ (630,645) | \$ (154,133) | \$ (114,601) |
| 9 | Member Rate Stability Mechanism | | \$ (7,630,733) | \$ (91,639) | \$ (4,942,706) | \$ (769,463) | \$ (1,281,042) | \$ (313,093) | \$ (232,790) |
| 10 | Non-FAC PPA | | \$ (1,146,244) | \$ (13,765) | \$ (742,464) | \$ (115,584) | \$ (192,431) | \$ (47,031) | \$ (34,968) |
| 11 | Non-FAC PPA Roll-in | | \$ 1,042,689 | \$ 12,522 | \$ 675,388 | \$ 105,142 | \$ 175,046 | \$ 42,782 | \$ 31,809 |
| 12 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 16 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | 556 - System Control & Load Disp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | 557 - Other Power Supply Exp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | Total Purchased Power Costs | | \$ 50,676,615 | \$ 467,016 | \$ 33,197,179 | \$ 5,041,784 | \$ 8,393,822 | \$ 2,051,492 | \$ 1,525,322 |
| 24 | Transmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 25 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | Distribution Operations | | \$ 4,459,036 | \$ 50,229 | \$ 3,091,091 | \$ 491,590 | \$ 757,940 | \$ 45,948 | \$ 22,238 |
| 27 | Distribution Maintenance | | \$ 8,646,035 | \$ 222,823 | \$ 6,742,647 | \$ 1,007,298 | \$ 539,407 | \$ 86,761 | \$ 47,099 |
| 28 | Customer Accounts | | \$ 3,159,499 | \$ 4,981 | \$ 2,491,043 | \$ 476,011 | \$ 181,692 | \$ 3,770 | \$ 2,003 |
| 29 | Customer Service | | \$ 165,577 | \$ - | \$ 136,334 | \$ 26,397 | \$ 2,807 | \$ 24 | \$ 15 |
| 30 | Sales | | \$ 68,688 | \$ - | \$ 56,557 | \$ 10,951 | \$ 1,164 | \$ 10 | \$ 6 |
| 31 | Distribution O&M Before A&G | | \$ 16,498,835 | \$ 278,033 | \$ 12,517,672 | \$ 2,012,247 | \$ 1,483,010 | \$ 136,513 | \$ 71,361 |
| 32 | Administrative & General | | \$ 2,940,330 | \$ 49,702 | \$ 2,185,356 | \$ 366,592 | \$ 306,982 | \$ 20,555 | \$ 11,144 |
| | Depreciation and Amortization | | | | | | | | |
| 33 | Distribution | | \$ 8,425,545 | \$ 235,815 | \$ 6,426,183 | \$ 945,804 | \$ 656,116 | \$ 109,753 | \$ 51,874 |
| 34 | General | | \$ 408,426 | \$ 6,904 | \$ 303,557 | \$ 50,921 | \$ 42,641 | \$ 2,855 | \$ 1,548 |
| 35 | Subtotal - Dep. & Amort. | | \$ 8,833,971 | \$ 242,719 | \$ 6,729,740 | \$ 996,726 | \$ 698,757 | \$ 112,608 | \$ 53,422 |
| 36 | Taxes | | \$ 215,501 | \$ 3,643 | \$ 160,168 | \$ 26,868 | \$ 22,499 | \$ 1,507 | \$ 817 |
| 37 | Debt Service | | \$ 5,972,534 | \$ 171,546 | \$ 4,561,271 | \$ 677,424 | \$ 456,812 | \$ 71,364 | \$ 34,116 |
| 38 | 426 - Realized Gain/(Loss) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | 431 - Interest on Customer Deposits | | \$ 119,185 | \$ 3,423 | \$ 91,023 | \$ 13,518 | \$ 9,116 | \$ 1,424 | \$ 681 |
| 40 | 426.01 Donations | | \$ (43,540) | \$ (736) | \$ (32,360) | \$ (5,428) | \$ (4,546) | \$ (304) | \$ (165) |
| 41 | 426. Other | | \$ 12,897 | \$ 370 | \$ 9,850 | \$ 1,463 | \$ 986 | \$ 154 | \$ 74 |
| 42 | 431 - Interest - Short Term | | \$ 95,000 | \$ 2,659 | \$ 72,457 | \$ 10,664 | \$ 7,398 | \$ 1,237 | \$ 585 |
| 43 | 431 - Interest - Direct Serves | | \$ 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 44 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 45 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 46 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 47 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 48 | Subtotal - Other Expenses | | \$ 6,371,578 | \$ 180,906 | \$ 4,862,407 | \$ 724,509 | \$ 492,266 | \$ 75,382 | \$ 36,107 |
| 49 | Total Expenses | | \$ 85,321,329 | \$ 1,218,375 | \$ 59,492,354 | \$ 9,141,857 | \$ 11,374,835 | \$ 2,396,550 | \$ 1,697,357 |

Total Expenses
Energy Related

| A | B | C | D | E | F | G | H | I | J |
|----------|--------------------------------------|-------------------|----------------|-------------------|--------------------------|-----------------------|-----------------------|--------------------------|----------------------|
| Line No. | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non-Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| 1 | Regular Tariff Demand | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Regular Tariff Energy | | \$ 23,239,247 | \$ 279,084 | \$ 15,052,914 | \$ 2,343,384 | \$ 3,901,387 | \$ 953,519 | \$ 708,959 |
| 3 | Regular Tariff unwind | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Classes A, B, and C | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | Own Use | | \$ (116,587) | \$ (1,400) | \$ (75,518) | \$ (11,756) | \$ (19,573) | \$ (4,784) | \$ (3,557) |
| 6 | Fuel | | \$ 11,280,993 | \$ 135,475 | \$ 7,307,114 | \$ 1,137,546 | \$ 1,893,845 | \$ 462,865 | \$ 344,149 |
| 7 | Environmental Surcharge | | \$ 2,486,851 | \$ 29,865 | \$ 1,610,825 | \$ 250,768 | \$ 417,491 | \$ 102,037 | \$ 75,866 |
| 8 | Unwind Surcredit | | \$ (3,756,542) | \$ (45,113) | \$ (2,433,250) | \$ (378,800) | \$ (630,645) | \$ (154,133) | \$ (114,601) |
| 9 | Member Rate Stability Mechanism | | \$ (7,630,733) | \$ (91,639) | \$ (4,942,706) | \$ (769,463) | \$ (1,281,042) | \$ (313,093) | \$ (232,790) |
| 10 | Non-FAC PPA | | \$ (1,146,244) | \$ (13,765) | \$ (742,464) | \$ (115,584) | \$ (192,431) | \$ (47,031) | \$ (34,968) |
| 11 | Non-FAC PPA Roll-in | | \$ 1,042,689 | \$ 12,522 | \$ 675,388 | \$ 105,142 | \$ 175,046 | \$ 42,782 | \$ 31,809 |
| 12 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 16 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | 556 - System Control & Load Disp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | 557 - Other Power Supply Exp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | Total Purchased Power Costs | | \$ 25,399,674 | \$ 305,029 | \$ 16,452,302 | \$ 2,561,236 | \$ 4,264,078 | \$ 1,042,162 | \$ 774,867 |
| 24 | Transmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 25 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | Distribution Operations | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 27 | Distribution Maintenance | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 28 | Customer Accounts | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 29 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 30 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 31 | Distribution O&M Before A&G | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 32 | Administrative & General | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Depreciation and Amortization | | | | | | | | |
| 33 | Distribution | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 34 | General | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 35 | Subtotal - Dep. & Amort. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36 | Taxes | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 37 | Debt Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 38 | 426 - Realized Gain/(Loss) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | 431 - Interest on Customer Deposits | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | 426.01 Donations | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | 426. Other | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | 431 - Interest - Short Term | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 | 431 - Interest - Direct Serves | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 44 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 45 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 46 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 47 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 48 | Subtotal - Other Expenses | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 49 | Total Expenses | | \$ 25,399,674 | \$ 305,029 | \$ 16,452,302 | \$ 2,561,236 | \$ 4,264,078 | \$ 1,042,162 | \$ 774,867 |

Total Expenses
Demand Related

| A | B | C | D | E | F | G | H | I | J |
|----------|-------------------------------------|-------------------|---------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| Line No. | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| 1 | Regular Tariff Demand | | \$ 25,276,941 | \$ 161,987 | \$ 16,744,877 | \$ 2,480,548 | \$ 4,129,744 | \$ 1,009,330 | \$ 750,456 |
| 2 | Regular Tariff Energy | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Regular Tariff unwind | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Classes A, B, and C | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | Own Use | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Fuel | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Environmental Surcharge | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8 | Unwind Surcredit | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Member Rate Stability Mechanism | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | Non-FAC PPA | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11 | Non-FAC PPA Roll-in | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 16 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | 556 - System Control & Load Disp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | 557 - Other Power Supply Exp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | Total Purchased Power Costs | | \$ 25,276,941 | \$ 161,987 | \$ 16,744,877 | \$ 2,480,548 | \$ 4,129,744 | \$ 1,009,330 | \$ 750,456 |
| 24 | Transmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 25 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | Distribution Operations | | \$ 2,174,508 | \$ 24,393 | \$ 1,667,127 | \$ 215,882 | \$ 206,627 | \$ 41,180 | \$ 19,298 |
| 27 | Distribution Maintenance | | \$ 5,822,495 | \$ 69,102 | \$ 4,592,669 | \$ 591,021 | \$ 437,192 | \$ 85,877 | \$ 46,636 |
| 28 | Customer Accounts | | \$ 127,035 | \$ 1,444 | \$ 97,946 | \$ 12,661 | \$ 11,600 | \$ 2,299 | \$ 1,086 |
| 29 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 30 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 31 | Distribution O&M Before A&G | | \$ 8,124,038 | \$ 94,939 | \$ 6,357,742 | \$ 819,564 | \$ 655,418 | \$ 129,355 | \$ 67,020 |
| 32 | Administrative & General | | \$ 1,126,886 | \$ 12,993 | \$ 878,195 | \$ 113,500 | \$ 93,482 | \$ 18,708 | \$ 10,007 |
| | Depreciation and Amortization | | | | | | | | |
| 33 | Distribution | | \$ 6,014,295 | \$ 68,351 | \$ 4,637,138 | \$ 599,410 | \$ 549,167 | \$ 108,828 | \$ 51,401 |
| 34 | General | | \$ 156,530 | \$ 1,805 | \$ 121,986 | \$ 15,766 | \$ 12,985 | \$ 2,599 | \$ 1,390 |
| 35 | Subtotal - Dep. & Amort. | | \$ 6,170,825 | \$ 70,156 | \$ 4,759,124 | \$ 615,176 | \$ 562,152 | \$ 111,426 | \$ 52,791 |
| 36 | Taxes | | \$ 82,591 | \$ 952 | \$ 64,364 | \$ 8,319 | \$ 6,851 | \$ 1,371 | \$ 733 |
| 37 | Debt Service | | \$ 4,105,068 | \$ 47,306 | \$ 3,184,569 | \$ 410,868 | \$ 358,163 | \$ 70,511 | \$ 33,652 |
| 38 | 426 - Realized Gain/(Loss) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | 431 - Interest on Customer Deposits | | \$ 81,919 | \$ 944 | \$ 63,550 | \$ 8,199 | \$ 7,147 | \$ 1,407 | \$ 672 |
| 40 | 426.01 Donations | | \$ (16,687) | \$ (192) | \$ (13,004) | \$ (1,681) | \$ (1,384) | \$ (277) | \$ (148) |
| 41 | 426. Other | | \$ 8,864 | \$ 102 | \$ 6,877 | \$ 887 | \$ 773 | \$ 152 | \$ 73 |
| 42 | 431 - Interest - Short Term | | \$ 67,813 | \$ 771 | \$ 52,285 | \$ 6,758 | \$ 6,192 | \$ 1,227 | \$ 580 |
| 43 | 431 - Interest - Direct Serves | | \$ 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 44 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 45 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 46 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 47 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 48 | Subtotal - Other Expenses | | \$ 4,329,568 | \$ 49,883 | \$ 3,358,640 | \$ 433,350 | \$ 377,743 | \$ 74,391 | \$ 35,561 |
| 49 | Total Expenses | | \$ 45,028,258 | \$ 389,957 | \$ 32,098,578 | \$ 4,462,137 | \$ 5,818,539 | \$ 1,343,212 | \$ 915,834 |

Total Expenses
Consumer Related

| A | B | C | D | E | F | G | H | I | J |
|------|-------------------------------------|------------|---------------|----------|---------------|--------------|--------------|--------------|--------------|
| Line | | Allocation | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | Account | Factor | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Regular Tariff Demand | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Regular Tariff Energy | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Regular Tariff unwind | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Classes A, B, and C | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | Own Use | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Fuel | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Environmental Surcharge | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8 | Unwind Surcredit | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Member Rate Stability Mechanism | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | Non-FAC PPA | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11 | Non-FAC PPA Roll-in | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 16 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | 556 - System Control & Load Disp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | 557 - Other Power Supply Exp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | Total Purchased Power Costs | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Transmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 25 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | Distribution Operations | | \$ 2,258,693 | \$ - | \$ 1,423,964 | \$ 275,707 | \$ 551,314 | \$ 4,768 | \$ 2,940 |
| 27 | Distribution Maintenance | | \$ 2,669,819 | \$ - | \$ 2,149,978 | \$ 416,278 | \$ 102,215 | \$ 884 | \$ 463 |
| 28 | Customer Accounts | | \$ 3,028,927 | \$ - | \$ 2,393,096 | \$ 463,350 | \$ 170,092 | \$ 1,471 | \$ 917 |
| 29 | Customer Service | | \$ 165,577 | \$ - | \$ 136,334 | \$ 26,397 | \$ 2,807 | \$ 24 | \$ 15 |
| 30 | Sales | | \$ 68,688 | \$ - | \$ 56,557 | \$ 10,951 | \$ 1,164 | \$ 10 | \$ 6 |
| 31 | Distribution O&M Before A&G | | \$ 8,191,703 | \$ - | \$ 6,159,929 | \$ 1,192,683 | \$ 827,592 | \$ 7,158 | \$ 4,342 |
| 32 | Administrative & General | | \$ 1,776,735 | \$ - | \$ 1,307,161 | \$ 253,092 | \$ 213,499 | \$ 1,846 | \$ 1,136 |
| | Depreciation and Amortization | | | | | | | | |
| 33 | Distribution | | \$ 2,243,785 | \$ - | \$ 1,789,045 | \$ 346,394 | \$ 106,948 | \$ 925 | \$ 473 |
| 34 | General | | \$ 246,797 | \$ - | \$ 181,571 | \$ 35,156 | \$ 29,656 | \$ 256 | \$ 158 |
| 35 | Subtotal - Dep. & Amort. | | \$ 2,490,583 | \$ - | \$ 1,970,616 | \$ 381,550 | \$ 136,605 | \$ 1,181 | \$ 631 |
| 36 | Taxes | | \$ 130,219 | \$ - | \$ 95,804 | \$ 18,549 | \$ 15,648 | \$ 135 | \$ 83 |
| 37 | Debt Service | | \$ 1,743,226 | \$ - | \$ 1,376,702 | \$ 266,557 | \$ 98,649 | \$ 853 | \$ 465 |
| 38 | 426 - Realized Gain/(Loss) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | 431 - Interest on Customer Deposits | | \$ 34,787 | \$ - | \$ 27,473 | \$ 5,319 | \$ 1,969 | \$ 17 | \$ 9 |
| 40 | 426.01 Donations | | \$ (26,310) | \$ - | \$ (19,356) | \$ (3,748) | \$ (3,161) | \$ (27) | \$ (17) |
| 41 | 426. Other | | \$ 3,764 | \$ - | \$ 2,973 | \$ 576 | \$ 213 | \$ 2 | \$ 1 |
| 42 | 431 - Interest - Short Term | | \$ 25,299 | \$ - | \$ 20,172 | \$ 3,906 | \$ 1,206 | \$ 10 | \$ 5 |
| 43 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 44 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 45 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 46 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 47 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 48 | Subtotal - Other Expenses | | \$ 1,910,986 | \$ - | \$ 1,503,767 | \$ 291,159 | \$ 114,523 | \$ 990 | \$ 547 |
| 49 | Total Expenses | | \$ 14,370,008 | \$ - | \$ 10,941,474 | \$ 2,118,484 | \$ 1,292,218 | \$ 11,176 | \$ 6,656 |

Total Expenses
Direct Assignments

| A | B | C | D | E | F | G | H | I | J |
|------|--------------------------------------|-------------------|--------------|-------------------|--------------------------|------------------------|-----------------------|--------------------------|----------------------|
| Line | Account | Allocation Factor | TOTAL SYSTEM | Lighting Schedule | Residential Single Phase | Non -Res. Single Phase | Three Phase 0-1000 kW | Three Phase Over 1000 kW | Primary Over 1000 kW |
| 1 | Regular Tariff Demand | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Regular Tariff Energy | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Regular Tariff unwind | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Classes A, B, and C | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | Own Use | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Fuel | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Environmental Surcharge | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8 | Unwind Surcredit | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Member Rate Stability Mechanism | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | Non-FAC PPA | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11 | Non-FAC PPA Roll-in | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 16 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | Not Applicable | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | 556 - System Control & Load Disp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | 557 - Other Power Supply Exp. | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 23 | Total Purchased Power Costs | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Transmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 25 | Subtransmission | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 26 | Distribution Operations | | \$ 25,835 | \$ 25,835 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 27 | Distribution Maintenance | | \$ 153,721 | \$ 153,721 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 28 | Customer Accounts | | \$ 3,537 | \$ 3,537 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 29 | Customer Service | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 30 | Sales | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 31 | Distribution O&M Before A&G | | \$ 183,094 | \$ 183,094 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 32 | Administrative & General | | \$ 36,709 | \$ 36,709 | \$ - | \$ - | \$ - | \$ - | \$ - |
| | Depreciation and Amortization | | | | | | | | |
| 33 | Distribution | | \$ 167,464 | \$ 167,464 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 34 | General | | \$ 5,099 | \$ 5,099 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 35 | Subtotal - Dep. & Amort. | | \$ 172,563 | \$ 172,563 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 36 | Taxes | | \$ 2,690 | \$ 2,690 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 37 | Debt Service | | \$ 124,241 | \$ 124,241 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 38 | 426 - Realized Gain/(Loss) | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 39 | 431 - Interest on Customer Deposits | | \$ 2,479 | \$ 2,479 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 40 | 426.01 Donations | | \$ (544) | \$ (544) | \$ - | \$ - | \$ - | \$ - | \$ - |
| 41 | 426. Other | | \$ 268 | \$ 268 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 42 | 431 - Interest - Short Term | | \$ 1,888 | \$ 1,888 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 43 | 431 - Interest - Direct Serves | | \$ 0 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 44 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 45 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 46 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 47 | User Defined | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 48 | Subtotal - Other Expenses | | \$ 131,023 | \$ 131,023 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 49 | Total Expenses | | \$ 519,297 | \$ 519,297 | \$ - | \$ - | \$ - | \$ - | \$ - |

KENERGY CORP.
Total Revenue Requirements (Present Rates)

| A | B | C | D | E | F | G | H | I |
|------|------------------------|----------------|--------------|----------------|--------------|---------------|--------------|--------------|
| Line | | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | Revenue | | | | | | | |
| 1 | Base Rate | \$ 85,712,999 | \$ 1,609,398 | \$ 56,996,560 | \$ 9,470,120 | \$ 13,283,727 | \$ 2,536,497 | \$ 1,816,696 |
| 2 | Other | \$ 1,520,731 | \$ 7,476 | \$ 1,248,278 | \$ 211,114 | \$ 43,967 | \$ 5,661 | \$ 4,235 |
| 3 | Total | \$ 87,233,730 | \$ 1,616,874 | \$ 58,244,838 | \$ 9,681,234 | \$ 13,327,694 | \$ 2,542,158 | \$ 1,820,931 |
| | Production | | | | | | | |
| 4 | Generation | \$ 50,676,615 | \$ 467,016 | \$ 33,197,179 | \$ 5,041,784 | \$ 8,393,822 | \$ 2,051,492 | \$ 1,525,322 |
| 5 | Not Applicable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 6 | Transmission | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Total Production | \$ 50,676,615 | \$ 467,016 | \$ 33,197,179 | \$ 5,041,784 | \$ 8,393,822 | \$ 2,051,492 | \$ 1,525,322 |
| 8 | Subtransmission | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Substation | \$ 3,110,000 | \$ 20,226 | \$ 2,090,835 | \$ 296,044 | \$ 492,870 | \$ 120,460 | \$ 89,564 |
| 10 | Primary | \$ 20,156,648 | \$ 183,796 | \$ 16,568,060 | \$ 2,429,737 | \$ 747,338 | \$ 129,817 | \$ 97,899 |
| 11 | Transformers | \$ 3,132,316 | \$ 29,617 | \$ 2,292,058 | \$ 314,941 | \$ 425,112 | \$ 70,588 | \$ - |
| 12 | Secondary and Services | \$ 4,283,381 | \$ 24,928 | \$ 3,286,674 | \$ 527,918 | \$ 384,220 | \$ 59,641 | \$ - |
| 13 | 3 Phase Meters | \$ 995,396 | \$ - | \$ - | \$ - | \$ 981,601 | \$ 8,490 | \$ 5,306 |
| 14 | 1 Phase Meters | \$ 1,751,283 | \$ - | \$ 1,467,203 | \$ 284,079 | \$ - | \$ - | \$ - |
| 15 | Metering | \$ 518,756 | \$ - | \$ 330,551 | \$ 64,001 | \$ 122,483 | \$ 1,059 | \$ 662 |
| 16 | Billing | \$ 3,649,976 | \$ - | \$ 2,954,563 | \$ 572,061 | \$ 121,643 | \$ 1,052 | \$ 658 |
| 17 | Consumer Ser 1 | \$ 343,000 | \$ - | \$ 282,422 | \$ 54,683 | \$ 5,814 | \$ 50 | \$ 31 |
| 18 | Consumer Ser 2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | Consumer Ser 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | Security Lights | \$ 603,382 | \$ 603,382 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | Street Lights | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 22 | Total Distribution | \$ 38,544,139 | \$ 861,949 | \$ 29,272,366 | \$ 4,543,464 | \$ 3,281,080 | \$ 391,158 | \$ 194,121 |
| 23 | Total Expenses | \$ 89,220,754 | \$ 1,328,965 | \$ 62,469,545 | \$ 9,585,248 | \$ 11,674,902 | \$ 2,442,650 | \$ 1,719,443 |
| 24 | Margins | \$ (1,987,024) | \$ 287,909 | \$ (4,224,707) | \$ 95,986 | \$ 1,652,792 | \$ 99,508 | \$ 101,488 |

KENERGY CORP.

Calculation of Unbundled Revenue Requirements (Energy Related)

| A | B | C | D | E | F | G | H | I |
|------|------------------------|---------------|------------|---------------|--------------|--------------|--------------|--------------|
| Line | | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | Production | | | | | | | |
| 1 | Generation | \$ 25,399,674 | \$ 305,029 | \$ 16,452,302 | \$ 2,561,236 | \$ 4,264,078 | \$ 1,042,162 | \$ 774,867 |
| 2 | Transmission | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Not Applicable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Not Applicable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | Total Production | \$ 25,399,674 | \$ 305,029 | \$ 16,452,302 | \$ 2,561,236 | \$ 4,264,078 | \$ 1,042,162 | \$ 774,867 |
| 6 | Subtransmission | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Substation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 8 | Primary | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 9 | Transformers | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 10 | Secondary and Services | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11 | 3 Phase Meters | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12 | 1 Phase Meters | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | Metering | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | Billing | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | Consumer Ser 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 16 | Consumer Ser 2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Consumer Ser 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | Security Lights | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | Street Lights | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | Total Distribution | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 21 | Total | \$ 25,399,674 | \$ 305,029 | \$ 16,452,302 | \$ 2,561,236 | \$ 4,264,078 | \$ 1,042,162 | \$ 774,867 |

KENERGY CORP.

Calculation of Unbundled Revenue Requirements (Demand Related)

| A | B | C | D | E | F | G | H | I |
|------|------------------------|---------------|------------|---------------|--------------|--------------|--------------|--------------|
| Line | | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| | Production | | | | | | | |
| 1 | Generation | \$ 25,276,941 | \$ 161,987 | \$ 16,744,877 | \$ 2,480,548 | \$ 4,129,744 | \$ 1,009,330 | \$ 750,456 |
| 2 | Transmission | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Not Applicable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Not Applicable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | Total Production | \$ 25,276,941 | \$ 161,987 | \$ 16,744,877 | \$ 2,480,548 | \$ 4,129,744 | \$ 1,009,330 | \$ 750,456 |
| 6 | Subtransmission | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 7 | Substation | \$ 3,110,000 | \$ 20,226 | \$ 2,090,835 | \$ 296,044 | \$ 492,870 | \$ 120,460 | \$ 89,564 |
| 8 | Primary | \$ 14,395,533 | \$ 183,796 | \$ 11,792,850 | \$ 1,505,163 | \$ 686,857 | \$ 129,294 | \$ 97,573 |
| 9 | Transformers | \$ 2,660,590 | \$ 29,617 | \$ 1,916,452 | \$ 242,216 | \$ 401,916 | \$ 70,388 | \$ - |
| 10 | Secondary and Services | \$ 2,239,354 | \$ 24,928 | \$ 1,613,031 | \$ 203,868 | \$ 338,283 | \$ 59,244 | \$ - |
| 11 | 3 Phase Meters | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12 | 1 Phase Meters | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 13 | Metering | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | Billing | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | Consumer Ser 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 16 | Consumer Ser 2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Consumer Ser 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 18 | Security Lights | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 19 | Street Lights | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 20 | Total Distribution | \$ 22,405,476 | \$ 258,567 | \$ 17,413,169 | \$ 2,247,291 | \$ 1,919,926 | \$ 379,385 | \$ 187,137 |
| 21 | Total | \$ 47,682,417 | \$ 420,554 | \$ 34,158,045 | \$ 4,727,839 | \$ 6,049,670 | \$ 1,388,716 | \$ 937,592 |

KENERGY CORP.

Calculation of Unbundled Revenue Requirements (Consumer Related)

| A | B | C | D | E | F | G | H | I |
|------|------------------------|---------------|----------|---------------|--------------|--------------|--------------|--------------|
| Line | | TOTAL | Lighting | Residential | Non -Res. | Three Phase | Three Phase | Primary |
| No. | | SYSTEM | Schedule | Single Phase | Single Phase | 0-1000 kW | Over 1000 kW | Over 1000 kW |
| 1 | Production | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | Transmission | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 | Subtransmission | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4 | Substation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 5 | Primary | \$ 5,761,115 | \$ - | \$ 4,775,210 | \$ 924,574 | \$ 60,480 | \$ 523 | \$ 327 |
| 6 | Transformers | \$ 471,727 | \$ - | \$ 375,605 | \$ 72,725 | \$ 23,196 | \$ 201 | \$ - |
| 7 | Secondary and Services | \$ 2,044,027 | \$ - | \$ 1,673,643 | \$ 324,050 | \$ 45,937 | \$ 397 | \$ - |
| 8 | 3 Phase Meters | \$ 995,396 | \$ - | \$ - | \$ - | \$ 981,601 | \$ 8,490 | \$ 5,306 |
| 9 | 1 Phase Meters | \$ 1,751,283 | \$ - | \$ 1,467,203 | \$ 284,079 | \$ - | \$ - | \$ - |
| 10 | Metering | \$ 518,756 | \$ - | \$ 330,551 | \$ 64,001 | \$ 122,483 | \$ 1,059 | \$ 662 |
| 11 | Billing | \$ 3,649,976 | \$ - | \$ 2,954,563 | \$ 572,061 | \$ 121,643 | \$ 1,052 | \$ 658 |
| 12 | Consumer Ser 1 | \$ 343,000 | \$ - | \$ 282,422 | \$ 54,683 | \$ 5,814 | \$ 50 | \$ 31 |
| 13 | Consumer Ser 2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | Consumer Ser 3 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | Security Lights | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 16 | Street Lights | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 17 | Total Distribution | \$ 15,535,281 | \$ - | \$ 11,859,198 | \$ 2,296,173 | \$ 1,361,154 | \$ 11,772 | \$ 6,984 |
| 18 | Total | \$ 15,535,281 | \$ - | \$ 11,859,198 | \$ 2,296,173 | \$ 1,361,154 | \$ 11,772 | \$ 6,984 |

KENERGY CORP.
Determination of Fixed Charge Rate

| Line No | Item (a) | Rate Calculation (b) |
|---------|--|----------------------|
| 1 | Distribution O & M Expense (Sub, Primary, Transf. & Sec.) | \$ 11,231,022 |
| 2 | Distribution Plant @ Year End (Sub, Primary, Transf. & Sec.) | ÷ \$ 216,430,630 |
| 3 | | |
| 4 | Dist. Exp. Cost Factor (Ln 1/Ln 2) | 5.19% |
| 5 | | |
| 6 | Test Year A & G Acct. Expense | \$ 2,940,330 |
| 7 | Test Year O & M Expense Excluding A & G | ÷ \$ 16,498,835 |
| 8 | | |
| 9 | Line 6/ Line 7 | 17.82% |
| 10 | Dist. Expense Carrying Cost Factor (Ln 4) | x 5.19% |
| 11 | | |
| 12 | A & G Cost Factor (Ln 9 x Ln 10) | 0.92% |
| 13 | | |
| 14 | Distribution Plant Depreciation Rate | 3.55% |
| 15 | | |
| 16 | Cost Of Capital | 5.42% |
| 17 | | |
| 18 | Amortization Factor | 7.00% |
| 19 | Replacement Cost Factor | x 1.260 |
| 20 | Capital Recovery Factor | 8.82% |
| 21 | | |
| 22 | General Plant Factor: | |
| 23 | General Plant @ Year End | \$ 21,352,736 |
| 24 | | |
| 25 | General Plant Depreciation Rate | 10.70% |
| 26 | Not Used | 0.00% |
| 27 | Amortization Factor | 7.00% |
| 28 | | |
| 29 | General Plant Fixed Charge Rate | 17.70% |
| 30 | | |
| 31 | General Plant Fixed Charges | \$ 3,779,434 |
| 32 | | |
| 33 | Total Utility Plant | \$ 243,063,411 |
| 34 | | |
| 35 | Percent of TUP - General Plant Factor (Ln. 31 ÷ Ln. 33) | 1.55% |
| 36 | | |
| 37 | SUMMARY: | |
| 38 | O & M Factor | 5.19% |
| 39 | A & G Factor | 0.92% |
| 40 | Capital Recovery Factor | 8.82% |
| 41 | General Plant Factor | 1.55% |
| 42 | | |
| 43 | Total Annual Carrying Cost | 16.49% |
| 44 | PSC Assessment | ÷ 0.998417 |
| 45 | | |
| 46 | Adjusted Annual Carrying Cost | 16.52% |
| 47 | | ÷ 12 |
| 48 | | |
| 49 | Monthly Fixed Charge Rate Charge | 1.38% |