



EAST KENTUCKY POWER COOPERATIVE

RECEIVED

MAR 20 2012

PUBLIC SERVICE
COMMISSION

March 20, 2012

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

Dear Mr. Derouen:

Re: East Kentucky Power Cooperative, Inc. Financial Information

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

- Monthly accounting of expenses and revenues in a monthly format and a 12-month ended format
- Monthly budget information for calendar year 2012
- Calculation of TIER and DSC for the 12-month period ended February 29, 2012

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

Very truly yours,

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

Ann F. Wood
Director, Regulatory Services

Attachments

**EAST KENTUCKY POWER COOPERATIVE, INC.
STATEMENT OF OPERATIONS**

	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	12 month period ended 2/29/12
Electric Energy Revenues													
Power Sales—Member Cooperatives	69,212,434	53,527,285	65,888,134	62,774,084	79,780,726	73,417,695	63,541,844	60,930,989	64,425,493	78,731,208	79,789,477	72,747,381	824,766,750
Power Sales—Off-System	1,532,325	5,661,518	3,369,058	3,285,823	4,623,756	3,574,494	2,204,638	275,217	497,548	464,628	1,416,725	944,224	27,849,954
Total Electric Energy Revenue	70,744,759	59,188,803	69,257,192	66,059,907	84,404,482	76,992,189	65,746,482	61,206,206	64,923,041	79,195,836	81,206,202	73,691,605	852,616,704
Other Operating Revenue—Income	1,296,469	1,214,374	1,447,123	1,257,090	1,515,479	1,370,312	1,420,262	1,684,468	1,349,084	1,674,365	1,567,020	1,558,975	17,355,022
Total Operating Revenue & Patronage Capital	72,041,228	60,403,177	70,704,315	67,316,997	85,919,961	78,362,502	67,166,744	62,890,674	66,272,125	80,870,201	82,773,223	75,250,580	869,971,726
Operation Expenses													
Production Costs Excluding Fuel	5,492,852	5,527,857	5,237,781	5,952,090	5,656,996	5,655,267	5,120,998	4,940,044	4,696,381	6,785,419	4,808,007	4,909,804	64,783,494
Fuel	28,303,030	26,213,285	27,790,585	30,923,813	38,790,552	36,220,922	28,436,731	24,200,291	28,686,629	30,981,883	30,475,494	26,348,009	357,371,223
Other Power Supply	4,802,219	2,093,273	3,987,528	2,183,331	2,804,227	1,826,891	1,482,511	6,216,806	3,750,020	7,195,188	9,078,770	7,652,366	53,073,131
Transmission	2,928,963	2,202,212	2,485,804	2,176,877	2,299,092	3,226,237	2,444,778	3,370,236	2,975,848	3,251,824	2,821,129	2,952,048	33,135,047
Distribution	73,580	73,093	77,017	81,838	77,384	85,176	130,262	70,029	149,156	85,618	74,369	70,123	1,047,646
Customer Service & Information	201,602	156,903	193,111	159,030	172,170	181,953	232,875	149,502	152,499	250,400	179,723	353,211	2,382,978
Sales	1,102	2,358	1,041	1,065	4,102	(1,911)	1,029	849	773	1,201	6,869	921	19,397
Administration & General	3,053,035	2,173,643	3,498,555	4,510,226	2,429,075	2,926,358	2,300,523	1,967,819	2,902,758	2,509,995	3,133,041	2,260,078	33,665,105
Total Operation Expenses	44,856,382	38,442,624	43,271,422	45,988,269	52,233,596	50,120,893	40,149,707	40,915,576	43,314,063	51,061,529	50,577,402	44,546,559	545,478,020
Maintenance Expenses													
Production	4,674,800	4,470,783	5,321,473	3,766,963	3,317,925	3,029,425	4,356,782	5,852,540	5,762,743	9,018,933	2,261,723	3,006,932	54,841,022
Transmission	303,995	457,179	336,466	508,611	475,230	504,216	774,343	383,722	441,978	983,904	199,073	489,896	5,858,613
Distribution	105,203	156,087	108,911	144,788	86,341	353,620	147,257	112,118	151,147	339,401	73,803	86,995	1,865,670
General Plant	146,597	46,009	139,970	72,361	69,057	94,562	81,550	125,372	258,703	161,271	44,969	209,128	1,449,549
Total Maintenance Expenses	5,230,596	5,130,058	5,906,820	4,492,723	3,948,553	3,981,823	5,359,931	6,473,752	6,614,571	10,503,510	2,579,567	3,792,950	64,014,854
Operating Expenses													
Depreciation/Amortization	6,209,510	6,220,202	6,197,463	6,255,978	6,275,399	6,228,979	6,235,252	6,514,637	6,310,789	6,375,939	6,319,572	6,369,289	75,513,009
Taxes	-	800.00	-	-	-	-	-	-	-	-	-	-	800
Interest on Long-Term Debt	10,112,442	9,749,930	10,100,343	9,873,734	10,098,588	9,741,023	9,335,129	9,595,820	9,298,616	9,651,347	9,624,932	8,998,915	116,180,820
Other Interest Expense	19,822	27,359	27,842	28,543	26,124	25,117	18,219	19,202	19,023	18,904	14,297	14,978	259,429
Asset Retirement Obligations	7,621	7,621	7,621	7,621	7,621	7,621	7,621	7,621	7,621	7,621	7,621	7,621	91,453
Other Deductions	290,680	432,756	470,100	800,075	2,566,130	4,564,223	949,560	703,638	2,040,770	4,201,834	191,980	(24,387)	17,187,359
Total Operating Expenses	16,640,075	16,438,668	16,803,368	16,965,951	18,973,862	20,566,963	16,545,782	16,840,918	17,676,819	20,255,645	16,158,402	15,366,416	209,232,870
Total Cost of Electric Service	66,727,052	60,011,350	65,981,610	67,446,943	75,156,012	74,669,679	62,055,420	64,230,245	67,605,453	81,820,683	69,315,372	63,705,925	818,725,744
Operating Margins (Deficit)	5,314,176	391,827	4,722,704	(129,946)	10,763,949	3,692,823	5,111,324	(1,339,571)	(1,333,328)	(950,483)	13,457,851	11,544,655	51,245,982
Non-Operating Items													
Interest Income	332,626	222,455	245,925	314,140	174,048	195,138	352,094	260,883	249,892	277,243	266,000	306,315	3,196,758
Allowance for Funds Used Dunning Construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Income	(4,532)	(5,714)	(4,307)	(4,349)	(4,594)	12,767	(5,451)	19,894	5,122	118,831	33,480	16,576	177,722
Other Capital Credits/Patronage	48,491	25	6,031	601	-	-	16,852.67	60,951.08	594.40	12.45	-	192.34	133,752
Total Non-Operating Items	376,585	216,766	247,649	310,392	169,455	207,905	363,496	341,728	255,608	396,086	299,480	323,083	3,508,232
Net Patronage Capital & Margins (Deficit)	5,690,761	608,593	4,970,353	180,447	10,933,404	3,900,728	5,474,820	(997,843)	(1,077,720)	(554,396)	13,757,331	11,867,738	54,754,214

TIER 1.47
DSC 1.19



East Kentucky Power Cooperative

Budgeted Statement of Operations
2012

STATEMENT OF OPERATIONS	January	February	March	April	May	June	July	August	September	October	November	December	Totals
Electric Energy Revenues													
Power Sales-Member Coops - Basic Rate	\$80,280,086	\$71,567,133	\$65,595,911	\$53,656,719	\$54,150,506	\$60,377,618	\$67,131,667	\$66,058,253	\$56,156,302	\$53,899,869	\$63,415,139	\$77,268,048	\$769,557,251
Power Sales-Member Coops - Fuel Clause	1,290,399	1,838,546	(313,683)	(809,713)	(463,282)	(466,784)	485,113	1,022,782	1,863,680	17,966	1,178,271	854,049	6,497,344
Power Sales-Member Coops - Environmental Surcharge	8,531,506	8,856,977	8,797,568	8,948,025	9,156,581	9,144,385	10,422,292	10,511,609	10,495,520	10,705,426	10,817,184	10,850,472	117,237,545
Power Sales-Member Coops - Steam	1,164,637	1,120,421	1,070,618	994,259	1,017,447	951,523	978,325	1,000,752	1,008,529	1,064,609	1,042,642	1,166,647	12,581,409
Power Sales - Off System	1,602,698	1,215,849	1,190,568	1,111,099	911,316	1,178,129	1,873,017	1,753,449	61,124	693,122	367,094	893,625	12,851,090
Wheeling Revenue	205,103	136,004	195,299	160,614	159,283	207,316	210,935	209,754	212,551	175,843	194,613	243,249	2,310,564
Other Operating Revenue - Income	189,642	189,642	189,642	189,642	189,642	189,642	189,642	189,642	189,734	189,734	189,734	189,727	2,276,065
Total Operating Revenue & Patronage Capital	\$93,264,071	\$84,924,572	\$76,725,923	\$64,250,645	\$65,121,493	\$71,581,829	\$81,291,991	\$80,746,241	\$69,987,440	\$66,746,569	\$77,204,677	\$91,465,817	\$923,311,268
Operation Expenses													
Production Costs Excludes Fuel	\$5,944,920	\$5,273,024	\$5,408,725	\$5,210,248	\$5,170,420	\$5,480,215	\$6,351,589	\$6,215,540	\$5,767,444	\$6,050,258	\$5,881,095	\$7,483,513	\$70,238,991
Fuel	38,328,390	34,645,680	32,644,852	27,184,324	27,873,872	31,009,726	36,317,805	36,081,663	28,005,209	27,624,623	31,443,008	35,722,439	386,881,591
Other Power Supply	7,352,621	6,624,080	3,651,299	3,379,356	3,044,828	3,090,094	2,980,570	2,836,495	4,602,982	3,557,996	4,302,967	6,846,158	52,269,446
Transmission	3,584,882	3,446,250	3,541,058	3,246,490	3,298,245	3,768,941	3,424,879	3,470,933	3,456,770	3,781,357	3,653,678	3,991,197	42,662,690
Distribution	114,975	114,995	128,625	111,288	151,140	144,430	126,328	127,912	127,544	126,328	122,165	117,903	1,513,633
Customer Accounts	0	0	0	0	0	0	0	0	0	0	0	0	0
Customer Service & Information	464,856	382,461	580,989	411,810	382,678	388,152	371,844	374,096	387,715	377,214	377,976	386,221	4,886,012
Sales	7,242	3,875	11,850	4,053	3,808	4,095	3,770	3,788	4,183	3,935	3,932	4,147	58,688
Administration and General	3,859,055	3,018,035	3,274,964	2,867,817	3,483,992	2,979,270	4,221,011	2,941,068	1,701,205	1,774,543	2,028,246	1,779,128	33,928,334
Total Operation Expenses	\$59,656,941	\$53,508,400	\$49,242,382	\$42,415,386	\$43,408,983	\$46,862,923	\$53,797,796	\$52,051,495	\$44,053,052	\$43,296,254	\$47,813,067	\$56,330,706	\$592,437,385
Maintenance Expenses													
Production	\$2,575,376	\$3,951,805	\$4,522,589	\$7,284,142	\$6,453,494	\$5,372,479	\$4,149,139	\$4,065,261	\$5,909,997	\$7,697,136	\$6,311,238	\$4,973,704	\$63,266,360
Transmission Expense	377,977	418,476	428,726	419,091	446,491	492,516	506,151	491,151	495,151	502,113	491,001	535,389	5,605,033
Distribution Expense	72,220	90,983	93,733	91,188	91,988	92,863	90,613	90,738	97,388	97,488	90,613	112,078	1,105,118
General Plant	192,400	148,436	122,436	111,936	125,436	171,436	176,955	126,705	97,805	126,418	90,705	114,733	1,605,401
Total Maintenance Expenses	\$3,217,973	\$4,609,700	\$5,167,484	\$7,906,357	\$7,117,409	\$6,129,294	\$4,922,858	\$4,773,730	\$6,593,691	\$8,423,155	\$6,984,357	\$5,735,904	\$71,581,912
Fixed Costs													
Depreciation/Amortization	\$6,253,378	\$6,259,453	\$6,282,321	\$6,300,619	\$6,334,896	\$6,380,360	\$7,635,472	\$7,639,603	\$7,640,070	\$7,661,553	\$7,679,931	\$7,810,194	\$83,877,850
Taxes	0	0	800	0	0	0	0	0	0	0	0	0	800
Interest on Long-Term Debt	10,566,889	10,563,130	10,572,263	10,762,439	10,765,472	10,762,094	10,813,802	10,813,287	10,809,582	10,937,541	10,925,728	10,928,069	129,220,296
Interest During Construction	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Interest Expense	22,167	22,167	22,167	22,167	22,167	22,167	22,167	22,167	22,166	22,166	22,166	22,166	266,000
Asset Retirement Obligation	6,605	6,605	6,605	6,605	6,605	6,605	6,605	6,605	6,605	6,605	6,605	6,605	79,260
Other Deductions	49,975	44,608	138,553	56,371	45,488	173,638	47,534	43,357	169,507	44,974	43,257	118,342	1,075,704
Total Fixed Costs	\$16,899,014	\$16,895,963	\$17,022,809	\$17,148,201	\$17,174,628	\$17,344,864	\$18,525,580	\$18,525,019	\$18,647,930	\$18,672,839	\$18,677,687	\$18,985,376	\$214,519,910
Total Cost of Electric Service	\$79,773,928	\$75,014,063	\$71,432,675	\$67,469,944	\$67,701,020	\$70,337,081	\$77,246,234	\$75,350,244	\$69,294,673	\$70,392,248	\$73,475,111	\$81,051,986	\$878,539,207
Operating Margins	\$13,490,143	\$9,910,509	\$5,293,248	(\$3,219,299)	(\$2,579,527)	\$1,244,748	\$4,045,757	\$5,395,997	\$692,767	(\$3,645,679)	\$3,729,566	\$10,413,831	\$44,772,061
Non-Operating Items													
Interest Income	\$98,999	\$95,694	\$98,837	\$97,681	\$98,674	\$97,518	\$89,136	\$89,054	\$87,897	\$80,866	\$79,710	\$80,711	\$1,094,777
Allowance for Funds used for Construction	0	0	0	0	0	0	0	0	0	0	0	0	0
Other Non-Operating Income	(6,303)	(7,449)	(6,459)	(9,063)	(6,949)	(6,423)	(6,321)	(6,805)	(6,521)	(6,305)	(6,813)	(6,304)	(81,715)
Other Capital Credits/Patronage Dividends	6,250	6,250	6,250	6,250	6,250	6,250	6,250	106,250	6,250	6,250	6,250	6,250	175,000
Total Non-Operating Items	\$98,946	\$94,495	\$98,628	\$94,868	\$97,975	\$97,345	\$89,065	\$188,499	\$87,626	\$80,811	\$79,147	\$80,657	\$1,168,062
Net Patronage Capital & Margins/Deficits	\$13,589,089	\$10,005,004	\$5,391,876	(\$3,124,431)	(\$2,481,552)	\$1,342,093	\$4,134,822	\$5,584,496	\$780,393	(\$3,564,868)	\$3,808,713	\$10,494,488	\$45,960,123