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February 1, 2011

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PUBLIC SERVICE
COMMISSION

Mr. Jeffrey Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602-0615

Re: PSC Case No. 2010-00449
In the Matter of: The Application of East Kentucky Power
Cooperative, Inc. for an Order Approving the Establishment of a
Regulatory Asset for the Amount Expended on Its Smith 1
Generating Unit

Dear Mr. Derouen:

Please find enclosed for filing with the Commission in the above-referenced case, an original and ten copies of the responses of East Kentucky Power Cooperative, Inc. ("EKPC") to the Commission Staff's Information Request from Informal Conference, held January 25, 2011.

Very truly yours,



Mark David Goss

Enclosures

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF EAST KENTUCKY POWER)	
COOPERATIVE, INC. FOR AN ORDER APPROVING)	
THE ESTABLISHMENT OF A REGULATORY ASSET)	CASE NO.
FOR THE AMOUNT EXPENDED ON ITS SMITH 1)	2010-00449
GENERATING UNIT)	

RESPONSE OF EAST KENTUCKY POWER COOPERATIVE, INC.
TO COMMISSION STAFF'S INFORMATION REQUEST FROM
INFORMAL CONFERENCE HELD ON JANUARY 25, 2011

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

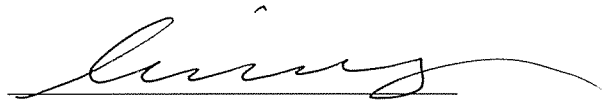
IN THE MATTER OF:

THE APPLICATION OF EAST KENTUCKY POWER)	
COOPERATIVE, INC. FOR AN ORDER APPROVING)	
THE ESTABLISHMENT OF A REGULATORY ASSET)	CASE NO.
FOR THE AMOUNT EXPENDED ON ITS SMITH 1)	2010-00449
GENERATING UNIT)	

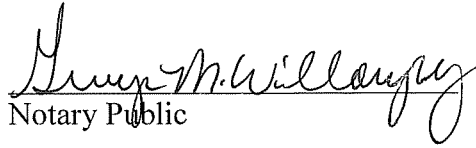
CERTIFICATE

STATE OF KENTUCKY)
)
 COUNTY OF CLARK)

Michael A. McNalley, being duly sworn, states that he has supervised the preparation of the response of East Kentucky Power Cooperative, Inc. to the Public Service Commission Staff's Information Request from an Informal Conference held on January 25, 2011 in the above-referenced case, and that the matters and things set forth therein are true and accurate to the best of his knowledge, information and belief, formed after reasonable inquiry.



Subscribed and sworn before me on this 31st day of January, 2011.


 Notary Public

MY COMMISSION EXPIRES NOVEMBER 30, 2013
 NOTARY ID #409352

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2010-00449

INFORMATION REQUEST RESPONSE

**COMMISSION STAFF'S DATA REQUEST FROM INFORMAL CONFERENCE HELD
ON JANUARY 25, 2011**

REQUEST 1

RESPONSIBLE PERSON: Michael A. McNalley

COMPANY: East Kentucky Power Cooperative, Inc.

Request 1. Assuming the Commission approves the pending regulatory asset request, provide the impact of the amortization of the regulatory asset, including interest expense, on EKPC's wholesale rates. Consider various mitigation scenarios, as well as the impact of securing RUS financing versus private placement financing.

Response 1. The requested information is provided on pages 5 through 11 of this response. Page 5 contains a rate summary comparing EKPC's rates currently in effect, as approved in Case No. 2010-00167, to the proportional reduction of \$6 million in interest expense plus TIER, or \$9 million, from base rates as outlined in the Settlement Agreement in Case No. 2010-00167. Page 6 contains a rate summary of the impacts the scenarios have on firm demand. Note that the Settlement Agreement in Case No. 2010-00238 indicated that the regulatory amortization would impact only firm demand rates. Below is an explanation of the scenarios.

Scenario 1, Page 7--Mitigation at Scrap Value--Assumes Regulatory Asset Balance of \$140 Million, Amortized Over 10 Years

The columns labeled "Current 2010-00167" represent EKPC's rates currently in effect, as approved in Case No. 2010-00167. The columns labeled "Remove \$9Mill fm base rates" reflect the reduction in base rates by removing \$6 million in interest expense plus TIER, or \$9 million, as outlined in the Settlement Agreement in Case No. 2010-00167. Please note that the \$9 million

reduction was done on a proportional basis, consistent with the calculation of rates approved in Case No. 2010-00167.

The box labeled “Private Placement” assumes a 10-year amortization period with long-term financing in the private placement market at an interest rate of 5.5%, plus 1.50 TIER. This yields \$25,550,000 of annual amortization and financing costs; applying this annual amount to firm demand only revenue (\$164,008,932) yields an increase in firm demand of 15.578%. This percentage increase was applied to the firm demand rates calculated after removing the \$9 million from base rates. This scenario increases overall revenues by 3.08%.

The box labeled “RUS Financing” assumes a 10-year amortization period with long-term financing from RUS at an interest rate of 3.5%, plus 1.50 TIER. This yields \$21,350,000 of annual amortization and financing costs; applying this annual amount to firm demand only revenue (\$164,008,932) yields an increase in firm demand of 13.018%. This percentage increase was applied to the firm demand rates calculated after removing the \$9 million from base rates. This scenario increases overall revenues by 2.58%.

Scenario 2, Pages 8 through 11--Mitigation at Intact Sale--Assumes Regulatory Asset Balance of \$160 Million, Amortized Over 10 Years; After 18 Months, through Mitigation Efforts, Balance is Reduced by \$60,000,000

The columns labeled “Current 2010-00167” and “Remove \$9,000,000 fm base rates” are described in Scenario 1.

Page 8-- The box labeled “Private Placement” assumes a 10-year amortization period with long-term financing in the private placement market at an interest rate of 5.5%, plus 1.50 TIER. This yields \$29,200,000 of annual amortization and financing costs; applying this annual amount to firm demand only revenue (\$164,008,932) yields an increase in firm demand of 17.804%. This

percentage increase was applied to the firm demand rates calculated after removing the \$9 million from base rates. This scenario increases overall revenues by 3.52%.

The box labeled “RUS Financing” assumes a 10-year amortization period with long-term financing from RUS at an interest rate of 3.5%, plus 1.50 TIER. This yields \$24,400,000 of annual amortization and financing costs; applying this annual amount to firm demand only revenue (\$164,008,932) yields an increase in firm demand of 14.877%. This percentage increase was applied to the firm demand rates calculated after removing the \$9 million from base rates. This scenario increases overall revenues by 2.94%.

Page 9--Assumes that after 18 months, the balance is reduced by \$60,000,000.

Pages 10 and 11 contain the amortization schedules and show the principal payments made during the first 18 months.

Please see the private placement amortization schedule on page 10, which reflects an unamortized balance of \$141,045,699 after 18 months. Assuming a \$60 million additional principal reduction, the remaining amount to be amortized is \$81,045,699. The box labeled “Private Placement” on page 9 assumes the remaining 8.5-year amortization period with long-term financing in the private placement market at an interest rate of 5.5%, plus 1.50 TIER. This yields \$16,221,056 of annual amortization and financing costs; applying this annual amount to firm demand only revenue (\$164,008,932) yields an increase in firm demand of 9.89%. This percentage increase was applied to the firm demand rates calculated after removing the \$9 million from base rates. This scenario increases overall revenues by 1.96%.

Please see the RUS financing amortization schedule on page 11, which reflects an unamortized balance of \$139,304,354 after 18 months. Assuming a \$60 million additional principal reduction, the remaining amount to be amortized is \$79,304,354. The box labeled “RUS

Financing” on page 9 assumes the remaining 8.5-year amortization period with long-term financing from RUS at an interest rate of 3.5%, plus 1.50 TIER. This yields \$13,493,403 of annual amortization and financing costs; applying this annual amount to firm demand only revenue (\$164,008,932) yields an increase in firm demand of 8.227%. This percentage increase was applied to the firm demand rates calculated after removing the \$9 million from base rates. This scenario increases overall revenues by 1.63%.

Remove \$9 per Settlement 2010-00167

Rate Effective 1/14/2011	Reduce proportionally by \$9 million
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Description	Rate Effective 1/14/2011	Reduce proportionally by \$9 million
RATE E - 16 Customers		
Metering Point Charge	\$ 144	\$ 143
Substation 1,000 - 2,999 kVa	1,088	1,077
Substation 3,000 - 7,499 kVa	2,737	2,708
Substation 7,500 - 14,999 kVa	3,292	3,257
Substation > 15,000 kVa	5,310	5,255
Demand Option 1 (Owen)	7.99	7.90
Demand Option 2	6.02	5.95
On-Peak Energy (Option 1)	0.051522	0.050981
Off-Peak Energy (Option 1)	0.050944	0.050409
On-Peak Energy (Option 2)	0.059669	0.059042
Off-Peak Energy (Option 2)	0.050944	0.050409
RATE B - 10 Customers		
Minimum Demand	7.17	7.10
Excess Demand	9.98	9.87
Energy Charge All kWh	0.049272	0.048755
RATE C - 5 Customers		
Demand Chg All kW	7.17	7.10
Energy Charge All kWh	0.049272	0.048755
RATE G - 2 Customers		
Meter Pt Charge	144	143
Substation Chg >15,000 kVa	5,310	5,255
Demand Charge All Kw	6.98	6.91
Energy Charge All kWh	0.047237	0.046741
Large Special Contract		
Firm Demand	6.92	6.85
Interruptible Demand	6.92	6.85
10-Min Interruptible Demand Credit	(6.22)	(6.22)
90-Min Interruptible Demand Credit	(4.20)	(4.20)
Energy On-Peak kWh	0.049195	\$ 0.048679
Energy Off-Peak kWh	0.045767	\$ 0.045287
Steam Service - 1 Customer		
Demand Per MMBTU	577.15	571.10
Energy Per MMBTU	\$ 5.195	\$ 5.140

Summary - Rate Impact of Amortization of Regulatory Asset

Description	Scenario 1 Mitigation at Scrap Values		Scenario 2 Mitigation at Intact Sale - Phase 1 - 1st 18 Months		Scenario 2 -Mitigation at Intact Sale - Phase 2 - After 18 Months	
	Private Placement Financing	RUS Financing	Private Placement Financing	RUS Financing	Private Placement Financing	RUS Financing
RATE E - 16 Customers						
Metering Point Charge						
Substation 1,000 - 2,999 kVa						
Substation 3,000 - 7,499 kVa						
Substation 7,500 - 14,999 kVa						
Substation > 15,000 kVa						
Demand Option 1 (Owen)	9.13	8.93	9.31	9.08	8.68	8.55
Demand Option 2	6.88	6.73	7.01	6.84	6.54	6.44
On-Peak Energy (Option 1)						
Off-Peak Energy (Option 1)						
On-Peak Energy (Option 2)						
Off-Peak Energy (Option 2)						
RATE B - 10 Customers						
Minimum Demand	8.20	8.02	8.36	8.15	7.80	7.68
Excess Demand	11.41	11.16	11.63	11.34	10.85	10.68
Energy Charge All kWh						
RATE C - 5 Customers						
Demand Chg All kW	8.20	8.02	8.36	8.15	7.80	7.68
Energy Charge All kWh						
RATE G - 2 Customers						
Meter Pt Charge						
Substation Chg >15,000 kVa						
Demand Charge All Kw	7.99	7.81	8.14	7.94	7.59	7.48
Energy Charge All kWh						
Large Special Contract						
Firm Demand	7.92	7.74	8.07	7.87	7.53	7.41
Interruptible Demand						
10-Min Interruptible Demand Credit						
90-Min Interruptible Demand Credit						
Energy On-Peak kWh						
Energy Off-Peak kWh						
Steam Service - 1 Customer						
Demand Per MMBTU	660.07	645.44	672.77	656.06	627.58	618.08
Energy Per MMBTU						

Scenario 1 - Mitigation at Scrap Values East Kentucky Power Cooperative, Inc. Billing Analysis Billing Units - Projected 2011 as presented in 2010-00167	Billing Units		Current 2010-00167		Remove \$9 Mill fm base rates		Private Placement		RUS Financing		
	Description	Rate	Current \$	Rate	Proposed \$	Rate	% Incr	Rate	% Incr	Rate	% Incr
RATE E - 16 Customers											
Melting Point Charge	3,783	\$	545,974	\$	540,243	143	-	143	540,243	540,243	-
Substation 1,000 - 2,999 kVA	36	\$	39,176	\$	38,765	1,077	-	1,077	38,765	38,765	-
Substation 3,000 - 7,499 kVA	504	\$	1,379,381	\$	1,364,904	2,708	-	2,708	1,364,904	1,364,904	-
Substation 7,500 - 14,999 kVA	2,583	\$	8,503,332	\$	8,414,085	3,257	-	3,257	8,414,085	8,414,085	-
Substation > 15,000 kVA	588	\$	3,122,545	\$	3,089,772	5,255	-	5,255	3,089,772	3,089,772	-
Demand Option 1 (Owen)	2,259,000	\$	18,038,489	\$	17,849,165	7,90	-	7,90	17,849,165	17,849,165	-
Demand Option 2	20,846,000	\$	125,393,074	\$	124,077,005	5,95	-	5,95	124,077,005	124,077,005	-
On-Peak Energy Option 1	554,132,000	\$	28,550,114	\$	28,250,465	0.050981	-	0.050981	28,250,465	28,250,465	-
Off-Peak Energy Option 1	515,058,000	\$	26,039,053	\$	25,963,660	0.050409	-	0.050409	25,963,660	25,963,660	-
On-Peak Energy Option 2	4,409,467,241	\$	260,345,151	\$	260,345,151	0.050942	-	0.050942	260,345,151	260,345,151	-
Off-Peak Energy Option 2	4,228,486,759	\$	215,415,522	\$	213,154,619	0.050409	-	0.050409	213,154,619	213,154,619	-
Sub-Total - Base Rates			690,333,259		683,087,833			705,197,688	705,197,688	22,109,855	3.26%
Total Billings Incl FAC, ES			\$ 691,526,609		\$ 674,281,184			\$ 696,391,039	\$ 696,391,039	\$ 22,109,855	3.26%
RATE B - 10 Customers											
Minimum Demand	1,367,930	\$	9,813,540	\$	9,710,541	7,10	-	7,10	9,710,541	9,710,541	-
Excess Demand	169,070	\$	1,696,674	\$	1,666,972	11,41	-	11,41	1,666,972	1,666,972	-
Energy Charge All kWh	923,361,000	\$	45,495,891	\$	45,018,387	0.048755	-	0.048755	45,018,387	45,018,387	-
Sub-Total - Base Rates			56,996,105		56,397,900			58,770,648	58,770,648	1,772,748	3.26%
Total Billings Incl FAC, ES			\$ 55,005,466		\$ 54,408,263			\$ 56,181,011	\$ 56,181,011	\$ 1,772,748	3.26%
RATE C - 5 Customers											
Demand Chrg All kW	465,000	\$	3,335,913	\$	3,300,901	7,10	-	7,10	3,300,901	3,300,901	-
Energy Charge All kWh	292,305,000	\$	14,402,467	\$	14,251,305	0.048755	-	0.048755	14,251,305	14,251,305	-
Sub-Total - Base Rates			17,738,381		17,552,207			18,066,435	18,066,435	514,228	3.05%
Total Billings Incl FAC, ES			\$ 17,069,047		\$ 16,881,873			\$ 17,356,102	\$ 17,356,102	\$ 514,228	3.05%
RATE G - 2 Customers											
Meter PI Charge	12	\$	1,732	\$	1,714	143	-	143	1,714	1,714	-
Substation Chrg >15,000 kVA	12	\$	63,725	\$	63,057	5,255	-	5,255	63,057	63,057	-
Demand Charge All kW	564,000	\$	3,997,194	\$	3,997,850	7,99	-	7,99	3,997,850	3,997,850	-
Energy Charge All kWh	338,237,000	\$	15,977,228	\$	15,809,538	0.046741	-	0.046741	15,809,538	15,809,538	-
Sub-Total - Base Rates			19,381,879		19,172,158			20,379,381	20,379,381	607,223	3.21%
Total Billings Incl FAC, ES			\$ 19,133,948		\$ 18,924,226			\$ 19,531,451	\$ 19,531,451	\$ 607,223	3.21%
Large Special Contract											
Firm Demand	1,740,000	\$	1,245,748	\$	1,232,673	6,85	-	6,85	1,232,673	1,232,673	-
Interruptible Demand	1,440,000	\$	12,042,231	\$	11,915,841	6,85	-	6,85	11,915,841	11,915,841	-
10-Min Interruptible Demand	300,000	\$	(8,956,800)	\$	(8,956,800)	(6,22)	-	(6,22)	(8,956,800)	(8,956,800)	-
90-Min Interruptible Demand	240,697,818	\$	11,841,190	\$	11,716,910	0.046679	-	0.046679	11,716,910	11,716,910	-
Energy Charge	728,252,182	\$	33,330,522	\$	32,980,700	0.045287	-	0.045287	32,980,700	32,980,700	-
Sub-Total - Base Rates			46,242,691		47,629,325			47,821,356	47,821,356	192,031	0.44%
Total Billings Incl FAC, ES			\$ 44,741,721		\$ 44,128,154			\$ 44,320,195	\$ 44,320,195	\$ 192,031	0.44%
Special Contract - Pumping Stations - 2 Customers											
Demand Charge All kW	444,000	\$	777,000	\$	777,000	1,75	-	1,75	777,000	777,000	-
Energy On-Peak	76,274,400	\$	2,929,457	\$	2,929,457	0.038407	-	0.038407	2,929,457	2,929,457	-
Sub-Total - Base Rates			89,539,600		89,539,600	0.031459	-	0.031459	89,539,600	89,539,600	-
Total Billings Incl FAC, ES			\$ 89,539,600		\$ 89,539,600			\$ 89,539,600	\$ 89,539,600		0.000%
Steam Service - 1 Customer											
Steam Adj	0,975	\$	2,295,921	\$	2,271,824	571,10	-	571,10	2,271,824	2,271,824	-
Demand Per MMBTU	4,080	\$	11,701,317	\$	11,578,505	5,140	-	5,140	11,578,505	11,578,505	-
Energy Per MMBTU	2,310,364	\$	13,927,238	\$	13,850,329	5,140	-	5,140	13,850,329	13,850,329	-
Sub-Total - Base Rates			25,924,466		25,700,658			25,620,658	25,620,658	203,808	0.79%
Total Billings Incl FAC, ES			\$ 25,924,466		\$ 25,700,658			\$ 25,620,658	\$ 25,620,658	\$ 203,808	0.79%
Total Base Rate Revenue EKPCC Members											
Total FAC			653,813,033		644,813,033			653,813,033	653,813,033	9,000,000	1.39%
Total ES			97,319,019		97,319,019			97,319,019	97,319,019		0.00%
Total EKPCC Member Revenue Incl FAC and ES			\$ 837,630,963		\$ 828,630,963			\$ 854,180,963	\$ 854,180,963	\$ 25,550,000	3.08%
Proposed Total											
Minimum Demand			9,813,540		9,710,541			9,710,541	9,710,541	1,264,078	2.74%
Excess Demand			1,696,674		1,666,972			1,666,972	1,666,972	217,260	2.72%
Energy Charge All kWh			45,495,891		45,018,387			45,018,387	45,018,387	429,698	2.55%
Sub-Total - Base Rates			56,996,105		56,397,900			58,770,648	58,770,648	1,772,748	3.26%
Total Billings Incl FAC, ES			\$ 55,005,466		\$ 54,408,263			\$ 56,181,011	\$ 56,181,011	\$ 1,813,339	2.72%
Demand Chrg All kW			3,335,913		3,300,901			3,300,901	3,300,901	428,698	2.55%
Energy Charge All kWh			14,402,467		14,251,305			14,251,305	14,251,305	429,698	2.55%
Sub-Total - Base Rates			17,738,381		17,552,207			18,066,435	18,066,435	514,228	3.05%
Total Billings Incl FAC, ES			\$ 17,069,047		\$ 16,881,873			\$ 17,356,102	\$ 17,356,102	\$ 428,698	2.55%
Meter PI Charge			1,732		1,714			1,714	1,714	1,714	-
Substation Chrg >15,000 kVA			63,725		63,057			63,057	63,057	63,057	-
Demand Charge All kW			3,997,194		3,997,850			3,997,850	3,997,850	507,406	2.68%
Energy Charge All kWh			15,977,228		15,809,538			15,809,538	15,809,538	507,406	2.68%
Sub-Total - Base Rates			19,381,879		19,172,158			20,379,381	20,379,381	507,406	2.68%
Total Billings Incl FAC, ES			\$ 19,133,948		\$ 18,924,226			\$ 19,531,451	\$ 19,531,451	\$ 507,406	2.68%
Firm Demand			1,245,748		1,232,673			1,232,673	1,232,673	160,464	2.68%
Interruptible Demand			12,042,231		11,915,841			11,915,841	11,915,841	160,464	2.68%
10-Min Interruptible Demand			(8,956,800)		(8,956,800)			(8,956,800)	(8,956,800)	-	
90-Min Interruptible Demand			11,841,190		11,716,910			11,716,910	11,716,910	-	
Energy Charge			33,330,522		32,980,700			32,980,700	32,980,700	-	
Sub-Total - Base Rates			46,242,691		47,629,325			47,821,356	47,821,356	160,464	0.36%
Total Billings Incl FAC, ES			\$ 44,741,721		\$ 44,128,154			\$ 44,320,195	\$ 44,320,195	\$ 160,464	0.36%
Demand Charge All kW			777,000		777,000			777,000	777,000	-	
Energy On-Peak			2,929,457		2,929,457			2,929,457	2,929,457	-	
Sub-Total - Base Rates			89,539,600		89,539,600			89,539,600	89,539,600	-	
Total Billings Incl FAC, ES			\$ 89,539,600		\$ 89,539,600			\$ 89,539,600	\$ 89,539,600		0.000%
Steam Adj			2,295,921		2,271,824			2,271,824	2,271,824	295,737	2.74%
Demand Per MMBTU			11,701,317		11,578,505			11,578,505	11,578,505	295,737	2.74%
Energy Per MMBTU			13,927,238		13,850,329			13,850,329	13,850,329	295,737	2.74%
Sub-Total - Base Rates			25,924,466		25,700,658			25,620,658	25,620,658	295,737	2.74%
Total Billings Incl FAC, ES			\$ 25,924,466		\$ 25,700,658			\$ 25,620,658	\$ 25,620,658	\$ 295,737	2.74%
Total Base Rate Revenue EKPCC Members											
Total FAC			653,813,033		644,813,033			653,813,033	653,813,033	9,000,000	1.39%
Total ES			97,319,019		97,319,019			97,319,019	97,319,019		0.00%
Total EKPCC Member Revenue Incl FAC and ES			\$ 837,630,963		\$ 828,630,963			\$ 854,180,963	\$ 854,180,963	\$ 25,550,000	3.08%
Proposed Total											
Minimum Demand			9,813,540		9,710,541			9,710,541	9,710,541	1,264,078	2.74%
Excess Demand			1,696,674		1,666,972			1,666,972	1,666,972	217,260	2.72%
Energy Charge All kWh			45,495,891		45,018,387			45,018,387	45,018,387	429,698	2.55%
Sub-Total - Base Rates			56,996,105		56,397,900			58,770,648	58,770,648	1,772,748	3.26%
Total Billings Incl FAC, ES			\$ 55,005,466		\$ 54,408,263			\$ 56,181,011	\$ 56,181,011	\$ 1,813,339	2.72%
Demand Chrg All kW			3,335,913		3,300,901			3,300,901	3,300,901	428,698	2.55%
Energy Charge All kWh			14,402,467		14,251,305			14,251,305	14,251,305	429,698	2.55%
Sub-Total - Base Rates			17,738,381		17,						

Scenario 2 - Mitigation at Intact Sale - Phase 1

East Kentucky Power Cooperative, Inc.

Billing Analysis - Projected 2011 as presented in 2010-20167

Description	Billing Units	Current 2010-20167		Remove \$9 Mill fm base rates		Private Placement		RUS Financing	
		Rate	Current \$	Rate	Proposed \$	Rate	Proportional \$	Rate	Proportional \$
RATE E - 16 Customers									
Metering Point Charge	3,763	\$	545,974	\$	540,243	143	540,243	143	540,243
Substation 1,000 - 2,989 kVA	36	\$	39,176	\$	38,765	1,077	38,765	1,077	38,765
Substation 3,000 - 7,699 kVA	504	\$	1,379,381	\$	1,364,904	2,708	1,364,904	2,708	1,364,904
Substation 7,500 - 14,999 kVA	2,563	\$	8,503,332	\$	8,414,085	3,257	8,414,085	3,257	8,414,085
Substation > 15,000 kVA	588	\$	3,122,545	\$	3,089,772	5,255	3,089,772	5,255	3,089,772
Demand Option 1 (Own)	2,259,000	\$	18,038,489	\$	17,849,165	7,90	17,849,165	7,90	17,849,165
Demand Option 2	20,916,000	\$	125,393,074	\$	124,077,005	5,95	124,077,005	5,95	124,077,005
On-Peak Energy (Option 1)	554,132,000	\$	28,550,114	\$	28,250,465	0.050981	28,250,465	0.050981	28,250,465
On-Peak Energy (Option 1)	515,058,000	\$	26,233,063	\$	25,963,660	0.050409	25,963,660	0.050409	25,963,660
On-Peak Energy (Option 2)	4,409,467,241	\$	283,106,599	\$	280,345,151	0.059042	280,345,151	0.059042	280,345,151
On-Peak Energy (Option 2)	4,228,466,759	\$	213,415,222	\$	213,154,619	0.050409	213,154,619	0.050409	213,154,619
Sub-Total - Base Rates			690,333,258		683,027,933		708,355,239		704,202,528
Total Billings Incl FAC, ES			\$ 681,526,039		\$ 674,281,164		\$ 699,549,589		\$ 704,202,528
RATE B - 10 Customers									
Minimum Demand	1,367,950	\$	9,813,540	\$	9,710,541	7.10	11,439,397	7.10	11,195,202
Excess Demand	169,070	\$	1,686,674	\$	1,668,972	9.87	1,966,114	9.87	1,917,269
Energy Charge All kWh	923,361,000	\$	45,495,691	\$	45,018,367	0.048755	45,018,367	0.048755	45,018,367
Sub-Total - Base Rates			55,956,105		55,397,900		58,223,698		56,930,857
Total Billings Incl FAC, ES			\$ 55,006,468		\$ 54,408,293		\$ 56,434,261		\$ 55,101,220
RATE C - 5 Customers									
Demand Chrg All kW	465,000	\$	3,335,913	\$	3,300,901	7.10	3,988,591	7.10	3,791,984
Energy Charge All kWh	292,305,000	\$	14,402,467	\$	14,251,305	0.048755	14,251,305	0.048755	14,251,305
Sub-Total - Base Rates			17,738,381		17,552,207		18,139,898		18,043,200
Total Billings Incl FAC, ES			\$ 17,069,047		\$ 16,961,873		\$ 17,476,563		\$ 17,372,956
RATE G - 2 Customers									
Meter Pt Charge	12	\$	1,732	\$	1,714	143	1,714	143	1,714
Substation, Chrg > 15,000 kVA	12	\$	63,725	\$	63,057	5,255	63,057	5,255	63,057
Demand Charge All Kw	564,000	\$	3,939,184	\$	3,897,950	6.91	4,591,819	6.91	4,477,742
Energy Charge All kWh	338,237,000	\$	15,972,228	\$	15,809,538	0.046741	15,809,538	0.046741	15,809,538
Sub-Total - Base Rates			19,981,672		19,772,155		20,665,128		20,352,050
Total Billings Incl FAC, ES			\$ 19,133,948		\$ 18,924,228		\$ 19,918,197		\$ 19,504,120
Large Special Contract									
Firm Demand	180,000	\$	1,245,748	\$	1,232,673	6.85	1,452,137	6.85	1,416,051
Interruptible Demand	1,740,000	\$	12,042,231	\$	11,915,841	6.85	11,915,841.42	6.85	11,915,841.42
10-Min Interruptible Demand	1,440,000	\$	(8,956,800)	\$	(8,956,800)	(6.22)	(8,956,800)	(6.22)	(8,956,800)
90-Min Interruptible Demand	300,000	\$	(1,260,000)	\$	(1,260,000)	(4.20)	(1,260,000)	(4.20)	(1,260,000)
Energy Charge	240,697,818	\$	11,841,190	\$	11,716,910	0.048679	11,716,910	0.048679	11,716,910
Energy On-Peak kWh	728,262,192	\$	33,330,522	\$	32,980,700	0.045287	32,980,700	0.045287	32,980,700
Sub-Total - Base Rates			48,242,891		47,629,325		47,848,789		47,812,712
Total Billings Incl FAC, ES			\$ 44,741,721		\$ 44,128,151		\$ 44,347,618		\$ 44,311,542
Special Contract - Pumping Stations - 2 Customers									
Demand Charge All Kw	444,000	\$	777,000	\$	777,000	1.75	777,000	1.75	777,000
Energy On-Peak	76,274,400	\$	2,929,457	\$	2,929,457	0.038407	2,929,457	0.038407	2,929,457
Sub-Total - Base Rates			6,523,281		6,523,281		6,523,281		6,523,281
Total Billings Incl ES			\$ 7,026,315		\$ 7,026,315		\$ 7,026,315		\$ 7,026,315
Steam Service - 1 Customer									
Steam Adj	0.975	\$	2,295,921	\$	2,271,824	571.10	2,676,298	571.10	2,609,809
Demand Per MMBTU	4.080	\$	11,701,317	\$	11,578,505	5.140	11,578,505	5.140	11,578,505
Equip kW 492,000			13,997,238		13,850,329		14,254,803		14,188,314
Energy Per MMBTU	2,310,364	\$	12,980,945	\$	12,980,945		13,365,419		13,316,930
Equip kWh 262,699,000			853,813,033		844,873,033		857,830,963		853,030,963
Sub-Total - Base Rates			853,813,033		844,873,033		857,830,963		853,030,963
Total Billings Incl FAC, ES			\$ 853,813,033		\$ 844,873,033		\$ 857,830,963		\$ 853,030,963
Total Base Rate Revenue EIKPC Members									
Total Base Rate Revenue EIKPC Members			\$ 681,526,039		\$ 674,281,164		\$ 699,549,589		\$ 704,202,528
Total EIKPC Member Revenue Incl FAC and ES			\$ 681,526,039		\$ 674,281,164		\$ 699,549,589		\$ 704,202,528
Proposed Total									
E	681,526,039		25,268,405		25,268,405	3.75%	25,268,405		25,268,405
B	681,526,039		2,095,699		2,095,699	3.12%	2,095,699		2,095,699
C	681,526,039		567,689		567,689	3.48%	567,689		567,689
G	681,526,039		19,618,197		19,618,197	3.67%	19,618,197		19,618,197
G	681,526,039		44,347,618		44,347,618	0.50%	44,347,618		44,347,618
Pumping	681,526,039		7,026,315		7,026,315	0.00%	7,026,315		7,026,315
Steam	681,526,039		13,316,930		13,316,930	3.12%	13,316,930		13,316,930
Proposed Total			828,630,963		828,630,963	3.52%	828,630,963		828,630,963
Firm Demand Only Revenue			164,008,932		164,008,932		164,008,932		164,008,932

Amortize Private Placement Financing

BEG BAL 160,000,000
 Int Rate 5.50%
 # pay (MOS.) 120
 Mo Pmt \$1,736,420.45

Month	Principal Due	Rate	Avg. # Days/Mo.	Scheduled Pmt	Interest Due	Principal Portion	Interest Portion
1	160,000,000.00	5.50%	30	1,736,420.45	723,287.67	1,013,132.78	723,287.67
2	158,986,867.22	5.50%	30	1,736,420.45	718,707.76	1,017,712.69	718,707.76
3	157,969,154.53	5.50%	30	1,736,420.45	714,107.14	1,022,313.31	714,107.14
4	156,946,841.22	5.50%	30	1,736,420.45	709,485.72	1,026,934.73	709,485.72
5	155,919,906.50	5.50%	30	1,736,420.45	704,843.41	1,031,577.03	704,843.42
6	154,888,329.46	5.50%	30	1,736,420.45	700,180.12	1,036,240.33	700,180.12
7	153,852,089.13	5.50%	30	1,736,420.45	695,495.75	1,040,924.70	695,495.75
8	152,811,164.43	5.50%	30	1,736,420.45	690,790.20	1,045,630.25	690,790.20
9	151,765,534.18	5.50%	30	1,736,420.45	686,063.37	1,050,357.07	686,063.38
10	150,715,177.11	5.50%	30	1,736,420.45	681,315.18	1,055,105.26	681,315.19
11	149,660,071.84	5.50%	30	1,736,420.45	676,545.53	1,059,874.92	676,545.53
12	148,600,196.92	5.50%	30	1,736,420.45	671,754.31	1,064,666.13	671,754.32
13	147,535,530.79	5.50%	30	1,736,420.45	666,941.44	1,069,479.01	666,941.44
14	146,466,051.79	5.50%	30	1,736,420.45	662,106.81	1,074,313.64	662,106.81
15	145,391,738.15	5.50%	30	1,736,420.45	657,250.32	1,079,170.12	657,250.33
16	144,312,568.02	5.50%	30	1,736,420.45	652,371.88	1,084,048.56	652,371.89
17	143,228,519.46	5.50%	30	1,736,420.45	647,471.39	1,088,949.06	647,471.39
18	142,139,570.40	5.50%	30	1,736,420.45	642,548.74	1,093,871.70	642,548.75
19	141,045,698.70	5.50%	30	1,736,420.45	637,603.84	1,098,816.60	637,603.85
20	139,946,882.09	5.50%	30	1,736,420.45	632,636.59	1,103,783.86	632,636.59
21	138,843,098.24	5.50%	30	1,736,420.45	627,646.88	1,108,773.56	627,646.89
22	137,734,324.67	5.50%	30	1,736,420.45	622,634.62	1,113,785.83	622,634.62
23	136,620,538.84	5.50%	30	1,736,420.45	617,599.70	1,118,820.75	617,599.70
24	135,501,718.09	5.50%	30	1,736,420.45	612,542.01	1,123,878.43	612,542.02
25	134,377,839.66	5.50%	30	1,736,420.45	607,461.47	1,128,958.98	607,461.47
26	133,248,880.68	5.50%	30	1,736,420.45	602,357.95	1,134,062.49	602,357.96
27	132,114,818.18	5.50%	30	1,736,420.45	597,231.37	1,139,189.08	597,231.37
28	130,975,629.10	5.50%	30	1,736,420.45	592,081.61	1,144,338.84	592,081.61

Amortize RUS Financing

BEG BAL 160,000,000
 Int Rate 3.50%
 # pay (MOS.) 120
 Mo Pmt \$1,582,173.88

Month	Principal Due	Rate	Avg. # Days/Mo.	Scheduled Pmt	Interest Due	Principal Portion	Interest Portion
1	160,000,000.00	3.50%	30	1,582,173.88	460,273.97	1,121,899.91	460,273.97
2	158,878,100.09	3.50%	30	1,582,173.88	457,046.59	1,125,127.29	457,046.59
3	157,752,972.80	3.50%	30	1,582,173.88	453,809.92	1,128,363.96	453,809.92
4	156,624,608.85	3.50%	30	1,582,173.88	450,563.94	1,131,609.94	450,563.94
5	155,492,998.91	3.50%	30	1,582,173.88	447,308.63	1,134,865.25	447,308.63
6	154,358,133.66	3.50%	30	1,582,173.88	444,043.95	1,138,129.93	444,043.95
7	153,220,003.72	3.50%	30	1,582,173.88	440,769.87	1,141,404.01	440,769.87
8	152,078,599.72	3.50%	30	1,582,173.88	437,486.38	1,144,687.50	437,486.38
9	150,933,912.22	3.50%	30	1,582,173.88	434,193.45	1,147,980.43	434,193.45
10	149,785,931.79	3.50%	30	1,582,173.88	430,891.04	1,151,282.84	430,891.04
11	148,634,648.95	3.50%	30	1,582,173.88	427,579.13	1,154,594.75	427,579.13
12	147,480,054.19	3.50%	30	1,582,173.88	424,257.69	1,157,916.19	424,257.69
13	146,322,138.00	3.50%	30	1,582,173.88	420,926.70	1,161,247.18	420,926.70
14	145,160,890.82	3.50%	30	1,582,173.88	417,586.12	1,164,587.76	417,586.12
15	143,996,303.07	3.50%	30	1,582,173.88	414,235.94	1,167,937.94	414,235.94
16	142,828,365.13	3.50%	30	1,582,173.88	410,876.12	1,171,297.76	410,876.12
17	141,657,067.37	3.50%	30	1,582,173.88	407,506.63	1,174,667.25	407,506.63
18	140,482,400.12	3.50%	30	1,582,173.88	404,127.45	1,178,046.43	404,127.45
19	139,304,353.69	3.50%	30	1,582,173.88	400,738.55	1,181,435.33	400,738.55
20	138,122,918.37	3.50%	30	1,582,173.88	397,339.90	1,184,833.98	397,339.90
21	136,938,084.39	3.50%	30	1,582,173.88	393,931.48	1,188,242.40	393,931.48
22	135,749,841.99	3.50%	30	1,582,173.88	390,513.24	1,191,660.64	390,513.24
23	134,558,181.35	3.50%	30	1,582,173.88	387,085.18	1,195,088.70	387,085.18
24	133,363,092.65	3.50%	30	1,582,173.88	383,647.25	1,198,526.63	383,647.25