

Kenergy Corp.  
Separation Of Direct Serves From Regular Tariff Cost of Service  
2015 rate application  
(\$ in Thousands)

Line No.	Item (a)	Per Books Total System (b)	Per Books Total Direct Serve (c)	Per Books Regular Tariff (d)	Regular Tariff Adjust. (e)	Cost of Service Totals (f)		
1	Operating Revenue	\$ 422,270	\$ 308,881	\$ 113,389	\$ 21,332	\$ 134,721		
2	Purchased Power:	\$ 383,068	\$ 306,512	\$ 76,556	\$ 21,260	\$ 97,816		
3	Operations	\$ 3,996	\$ -	\$ 3,996	\$ 196	\$ 4,193		
4	Maintenance	\$ 8,623	\$ 76	\$ 8,547	\$ (96)	\$ 8,452		
5	Consumer Accounts	\$ 4,236	\$ 4	\$ 4,231	\$ 74	\$ 4,305		
6	Customer service	\$ 154	\$ -	\$ 154	\$ 124	\$ 277		
7	Sales	\$ 123	\$ 0	\$ 122	\$ (121)	\$ 2		
8	Admin. and General	\$ 4,094	\$ 157	\$ 3,937	\$ (164)	\$ 3,773		
9	Depreciation	\$ 10,629	\$ 56	\$ 10,572	\$ 1,237	\$ 11,810		
10	Tax expense	\$ 650	\$ 458	\$ 192	\$ 32	\$ 224		
11	Interest-LTD	\$ 4,708	\$ 56	\$ 4,652	\$ 433	\$ 5,085		
12	Int. chg. to constr.	\$ -	\$ -	\$ -	\$ -	\$ -		
13	Interest - other	\$ 43	\$ 2	\$ 41	\$ 2	\$ 43		
14	Other deductions	\$ 98	\$ -	\$ 98	\$ (145)	\$ (47)		
15	Subtotal	\$ 37,353	\$ 809	\$ 36,544	\$ 1,572	\$ 38,116		
18	Total Expense	\$ 420,422	\$ 307,322	\$ 113,100	\$ 22,833	\$ 135,932		
19	Operating Margins	\$ 1,849	\$ 1,559	\$ 290	\$ (1,501)	\$ (1,211)		
20	Interest Income	\$ 1,953	\$ -	\$ 1,953	\$ (18)	\$ 1,935		
21	Other Margins	\$ (0)	\$ -	\$ (0)	\$ 118	\$ 117		
22	Capital Credits	\$ 227	\$ -	\$ 227	\$ 0	\$ 227		
23	Total Margins	\$ 4,029	\$ 1,559	\$ 2,469	\$ (1,401)	\$ 1,069		
1	Total Operating Revenue	\$ 422,270,470	\$ 308,881,140	\$ 113,389,330	\$ 21,332,028	\$ 134,721,359	\$ 321,812,256	\$ 456,533,615
2	Purchased Power:	\$ 383,068,260	\$ 306,512,393	\$ 76,555,867	\$ 21,260,252	\$ 97,816,119	\$ -	\$ 34,092,667
3	Distribution - operation	\$ 3,996,460	\$ -	\$ 3,996,460	\$ 196,151	\$ 4,192,611	\$ -	\$ 196,151
4	Distribution - maintenance	\$ 8,623,097	\$ 75,742	\$ 8,547,355	\$ (95,606)	\$ 8,451,749	\$ (847)	\$ (96,453)
5	Consumer Accounts	\$ 4,235,626	\$ 4,344	\$ 4,231,282	\$ 74,192	\$ 4,305,474	\$ 76	\$ 74,268
6	Customer service	\$ 153,750	\$ -	\$ 153,750	\$ 123,620	\$ 277,370	\$ -	\$ 123,620
7	Sales	\$ 122,695	\$ 251	\$ 122,444	\$ (120,568)	\$ 1,876	\$ (247)	\$ (120,815)
8	Administrative and General	\$ 4,094,487	\$ 157,424	\$ 3,937,063	\$ (163,934)	\$ 3,773,129	\$ (6,555)	\$ (170,489)
9	Depreciation	\$ 10,628,709	\$ 56,218	\$ 10,572,491	\$ 1,237,133	\$ 11,809,624	\$ -	\$ 1,237,133
10	Tax expense	\$ 649,618	\$ 457,698	\$ 191,920	\$ 32,130	\$ 224,050	\$ 96,896	\$ 129,026
11	Interest on long term debt	\$ 4,707,929	\$ 55,914	\$ 4,652,015	\$ 432,564	\$ 5,084,579	\$ 5,199	\$ 437,763
12	Int. chg. to construction-cr.	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
13	Interest - other	\$ 42,920	\$ 1,873	\$ 41,047	\$ 1,690	\$ 42,737	\$ -	\$ 1,690
14	Other deductions	\$ 98,059	\$ -	\$ 98,059	\$ (144,883)	\$ (46,824)	\$ -	\$ (144,883)
15	Subtotal	\$ 37,353,350	\$ 809,464	\$ 36,543,886	\$ 1,572,489	\$ 38,116,375	\$ 94,522	\$ 1,667,010
18	Total Expense	\$ 420,421,610	\$ 307,321,857	\$ 113,099,753	\$ 22,832,741	\$ 135,932,494		
19	Operating Margins	\$ 1,848,860	\$ 1,559,283	\$ 289,577	\$ (1,500,712)	\$ (1,211,135)		
20	Non op. margins - interest	\$ 1,952,682	\$ -	\$ 1,952,682	\$ (17,695)	\$ 1,934,987		
21	Non op. margins - other	\$ (163)	\$ -	\$ (163)	\$ 117,624	\$ 117,461		
22	Non cash capital credits	\$ 227,281	\$ -	\$ 227,281	\$ 135	\$ 227,416		
23	Total Margins	\$ 4,028,660	\$ 1,559,283	\$ 2,469,377	\$ (1,400,648)	\$ 1,068,729		
23	Times interest earned ratio	1.86		1.53		1.21		
24	Rate of Return	0.95%	0.50%	2.18%		0.79%		
1	Total Utility Plant	\$ 297,322,072	\$ 1,486,372	\$ 295,835,700	\$ -	\$ 295,835,700		
2	Accumulated Depr.	\$ 96,309,142	\$ 561,466	\$ 95,747,676	\$ -	\$ 95,747,676		
3	Net Utility Plant	\$ 201,012,930	\$ 924,906	\$ 200,088,024	\$ -	\$ 200,088,024		
4	Allowance For Working Capital	\$ 2,974,419	\$ 29,720	\$ 2,944,699	\$ 1,732	\$ 2,946,431		
5	Net Rate Base	\$ 203,987,349	\$ 954,626	\$ 203,032,723	\$ 1,732	\$ 203,034,455		