

Grayson Rural Electric Cooperative
Case No. 2018-00272
Statement of Operations, Adjusted

Exhibit S
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Witness: James Adkins

| | <u>Actual</u> <u>Test Year</u> | <u>Normalized</u> <u>Adjustments</u> | <u>Normalized</u> <u>Test Year</u> | <u>Proposed</u> <u>Increase</u> | <u>Proposed</u> <u>Test Year</u> |
|---|-----------------------------------|---|---------------------------------------|------------------------------------|-------------------------------------|
| Operating Revenues: | | | | | |
| Base rates | \$ 25,564,196 | \$ 1,255,498 | \$ 26,819,694 | \$ 1,579,291 | \$ 28,398,985 |
| Fuel and surcharge | 907,226 | (907,226) | - | | - |
| Other electric revenue | 989,720 | (20,308) | 969,412 | | 969,412 |
| | <u>27,461,142</u> | <u>327,964</u> | <u>27,789,106</u> | <u>1,579,291</u> | <u>29,368,397</u> |
| Operating Expenses: | | | | | |
| Cost of power: | | | | | |
| Base rates | 15,900,076 | (393,645) | 15,506,431 | | 15,506,431 |
| Fuel and surcharge | 1,251,527 | (1,251,527) | - | | - |
| Distribution - operations | 1,299,965 | 2,479 | 1,302,444 | | 1,302,444 |
| Distribution - maintenance | 3,424,805 | (21,784) | 3,403,021 | | 3,403,021 |
| Consumer accounts | 1,070,977 | (11,815) | 1,059,162 | | 1,059,162 |
| Customer service | 260,150 | (2,189) | 257,961 | | 257,961 |
| Sales | 22,103 | (1,094) | 21,009 | | 21,009 |
| Administrative and general | 1,955,130 | (140,174) | 1,814,956 | | 1,814,956 |
| | <u>25,184,733</u> | <u>(1,819,749)</u> | <u>23,364,984</u> | <u>-</u> | <u>23,364,984</u> |
| Depreciation | 3,477,092 | 82,832 | 3,559,924 | | 3,559,924 |
| Taxes - other | 41,074 | - | 41,074 | | 41,074 |
| Interest on long-term debt | 980,167 | 325,334 | 1,305,501 | | 1,305,501 |
| Interest expense - other | 7,941 | - | 7,941 | | 7,941 |
| Other deductions | 35,148 | (35,148) | - | | - |
| | <u>29,726,155</u> | <u>(1,446,731)</u> | <u>28,279,424</u> | <u>-</u> | <u>28,279,424</u> |
| Utility operating margins | <u>(2,265,013)</u> | <u>1,774,695</u> | <u>(490,318)</u> | <u>1,579,291</u> | <u>1,088,973</u> |
| Nonoperating margins, interest | 33,944 | - | 33,944 | | 33,944 |
| Nonoperating margins, other | 94,790 | - | 94,790 | | 94,790 |
| G&T capital credits | 504,926 | (504,926) | - | | - |
| Other capital credits | 87,794 | - | 87,794 | | 87,794 |
| | <u>\$ (1,543,559)</u> | <u>\$ 1,269,769</u> | <u>\$ (273,790)</u> | <u>\$ 1,579,291</u> | <u>\$ 1,305,501</u> |
| TIER | (0.57) | | 0.79 | | 2.00 |
| excluding G&T | (1.09) | | | | |
| OTIER | (1.23) | | 0.68 | | 1.89 |
| (+Operating margins + Cash receipts from lenders + Interest on long-term debt) / Interest on long-term debt | | | | | |