

Witness: James Jacobus

Inter County Energy Cooperative
Case No. 2006-00415
July 31, 2006

Annual Meeting Information

The most recent Inter County Energy Electric annual meeting was held May 27, 2005. The minutes of that annual meeting are attached, along with the insert in the Kentucky Living Magazine, describing the annual meeting.

Data for the last five (5) annual meetings are as follows:

<u>Year</u>	<u>Members Attending</u>	<u>Members Voting</u>	<u>Cost</u>
2006	579	515	\$64,513
2005	539	0	\$61,729
2004	532	0	\$51,590
2003	452	0	\$60,277
2002	512	0	\$56,613

INTER-COUNTY ENERGY COOPERATIVE CORPORATION

ANNUAL MEETING OF THE MEMBERS

OF

May 12, 2006

The regular annual meeting of the members of Inter-County Energy Cooperative (hereinafter called the Cooperative) was held at the Boyle County High School gymnasium in Danville, Boyle County, Kentucky, between the hours of 5:00 p.m. and 10:00 p.m., with the business session at 7:00 p.m., on Friday, May 12, 2006, pursuant to a written or printed notice thereof given by mail to all of the members of the Cooperative as provided by the bylaws.

The Chairman of the Board, Paul Ballard, was present, but because of illness of Mr. Ballard, Joe Spalding, Vice-Chairman, acted in his place in calling the meeting to order pursuant to said notice. The Secretary, James K. Preston, acted as secretary of the meeting.

Mr. Spalding introduced Rev. Otis Clark, Pastor of Indian Hills Christian Church, who gave the invocation.

Mr. Spalding welcomed all members to the annual meeting and introduced the Directors and Attorney of the Cooperative. He then appointed Bill Barnett, Attorney, to serve as chairman of the business meeting.

Mr. Barnett called the business meeting to order and appointed Dan Yates as the Parliamentarian. He announced that a quorum of the members was present and, in fact, because of the large number in attendance, the quorum number had been exceeded in the first thirty minutes of registration and the attendance had gone far beyond the necessary quorum for a business meeting. He

affidavit would be filed with a copy of the notice and proof of attached mailing with the records of the Cooperative.

On motion, second, and unanimous vote, the members voted to dispense with reading of the minutes of the 2005 annual meeting.

Mr. Barnett then stated to the membership that the terms of three directors had expired with the annual meeting. He announced that two of the three were unopposed, having been nominated pursuant to the Bylaws, and on motion, second, and unanimous vote, Paul Ballard was re-elected to serve from the Garrard County District, and Robert Martin was re-elected to serve from the Mercer County district. He then announced that there would be an election by secret ballot for the Lincoln County district position and that Jason Todd had been nominated by the nominating committee, and Thomas G. Gooch had been nominated for Director by petition of members pursuant to the Bylaws and an election would be necessary. He indicated that the election would be by secret ballot. Prior to the beginning of the business portion of the meeting, Dennis Cannon, Master of Ceremonies, had on several occasions announced instructions for all members to proceed to the ballot box to vote their individual ballots received at registration. Mr. Barnett then asked if any member was present who had not had an opportunity to vote their individual member ballot, and only one member indicated the need to do so and proceeded to the ballot box. Thereafter, Mr. Barnett again asked if any member needed to vote an individual ballot, and no hands were raised and the Credentials and Elections Committee indicated that no one was waiting to vote at the ballot box. He then announced that it was time for anyone who was planning to vote as proxy to proceed to the ballot box and pick up their proxy ballots

introduced Roy Palk, President/CEO of East Kentucky Power Cooperative, who gave a report to the membership; and Dennis Cannon next introduced Ron Sheets, President of KAEC, who gave a report to the membership.

Mr. Barnett then asked the membership if there were any persons present who were voting by proxy who had not had an opportunity to vote their proxy, and no one indicated that they still had a proxy to vote, and the Credentials and Elections Committee indicated that all persons wanting to vote a proxy had an opportunity to do so and no one was left to vote proxies. He then announced that the election for the Board member from the Lincoln County district had closed and the Credentials and Elections Committee would count the ballots and announce the results, if available, prior to the close of the entertainment section of the program.

Mr. Barnett asked for any unfinished business, new business, or comments from the membership, and none were offered. He asked if there was any further business that anyone wanted to bring before the meeting, and none was offered, and on motion, second, and unanimous vote, the business session was adjourned.

After adjourning the business session, the Credentials and Elections Committee completed the counting of ballots, and James K. Preston, the Credentials and Elections Officer for the Board, returned to the meeting to announce that Jason Todd had been re-elected to serve for a three-year term from the Lincoln County district, and with the earlier unanimous voice vote of election by acclamation, the following Directors were elected and qualified to serve for three (3) years until the regular annual meeting of the members in the year 2009 and until their successors have been

The Credentials and Elections Committee tabulated the votes as follows:

	<u>Jason Todd</u>	<u>Thomas G. Goch</u>
Members Voting in Person	232	119
Proxies Voted	<u>150</u>	<u>14</u>
TOTAL	382	133

SECRETARY

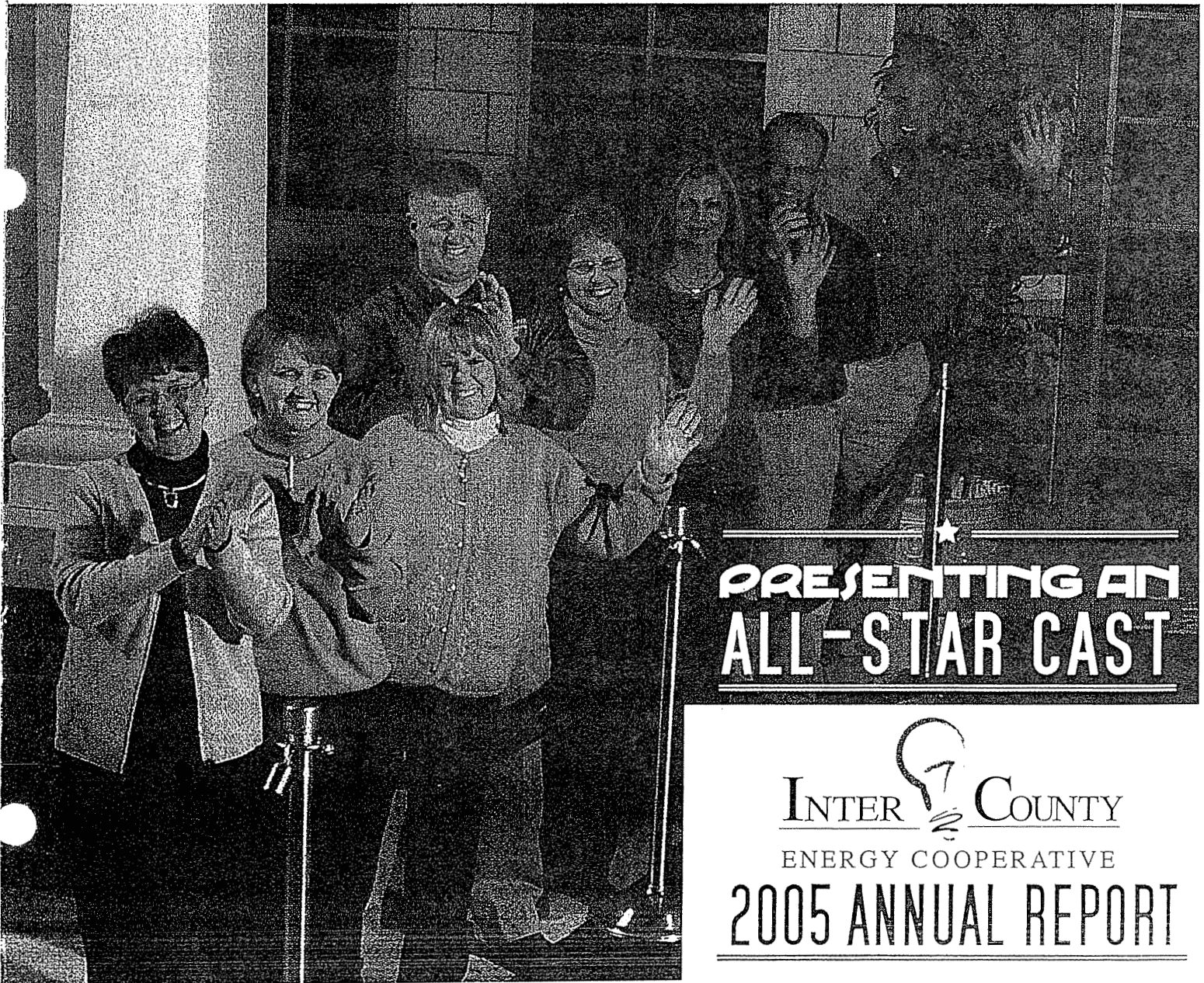
CHAIRMAN

NOW SHOWING AT
INTER-COUNTY ENERGY

ELECTRICITY

THE GREATEST VALUE

IT HEATS AND COOLS YOUR HOME, COOKS YOUR FOOD, RUNS YOUR TV,
SHINES YOUR LIGHTS 24/7. IT'S ONE OF THE BEST BARGAINS AROUND.



PRESENTING AN
ALL-STAR CAST

INTER  COUNTY
ENERGY COOPERATIVE

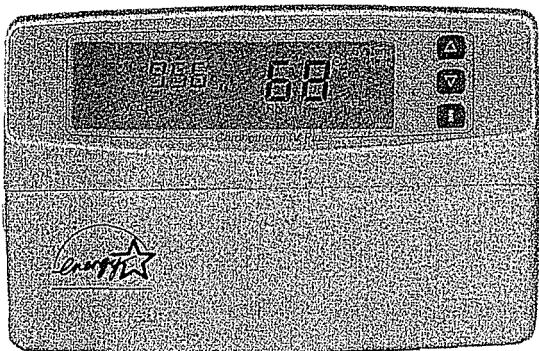
2005 ANNUAL REPORT



★

FEATURING BRILLIANT WAYS TO USE ELECTRICITY

On the cover: Staff welcoming you into the Inter-County Energy Co-op Danville Office are Judy Ross, Customer Accounts Representative, Farrah Coleman, Customer Accounts Representative, Sally Gray, Engineering Services Coordinator, Hank Smith, Customer Services Advisor, Jackie Raines, Manager, Customer Accounts Representative, Dan Hitchcock, Manager, Customer Services, Charlie Lewis, Customer Services Advisor. Photo: Jim Battles



ENERGY EXPERTS CAN SHOW YOU HOW TO SAVE MONEY

Just pick up the phone—an electric co-op energy-efficiency advisor will check your home for ways to reduce your bill.

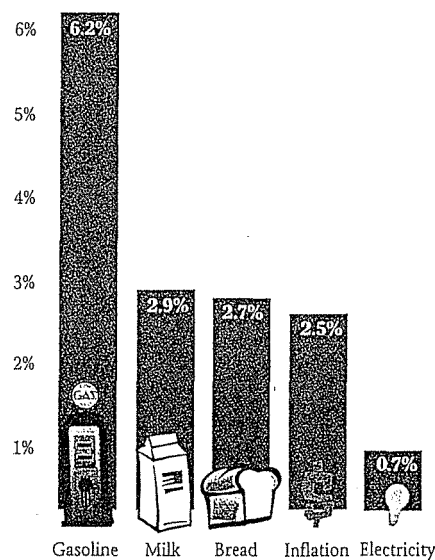
THE LATEST EQUIPMENT

From heat pumps to surge protectors for your sensitive electronic equipment, Inter-County Energy can hook you up with the right stuff to run your home reliably and economically.

★

INTRODUCING AN INCREDIBLY GOOD DEAL

For all that electricity does for you, it still offers one of the best returns on your money. Compared with other necessities of life, electricity's prices have increased less than milk and less than inflation. In addition to lower price increases, electric costs have been much more stable and reliable than other energy sources, such as gasoline and natural gas.



Average annual price increases 1994-2005. Source: Bureau of Labor Statistics, NRECA

KEEP THIS COUPON

TICKET

ADMIT ONE

FREE
ADMISSION
WITH THIS COUPON

TICKET

ADMIT ONE

ADMIT ONE

ADMIT ONE

ADMIT ONE

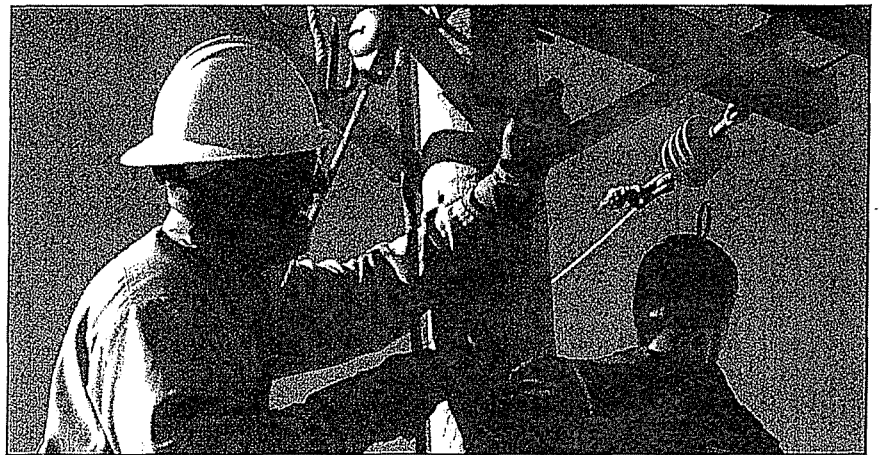
FREE
ADMISSION
WITH THIS COUPON

ADMIT ONE

WITH SPECIAL APPEARANCES BY

ELECTRIC SAFETY..... Linemen at Inter-County Energy showed off and brushed up on their safety skills and expertise at a safety training meeting held at Inter-County Energy. Bruce King uses a mannequin to demonstrate pole-top rescue techniques. Inter-County Energy Cooperative has an aggressive safety program to make sure that both customers and employees always use electricity safely.

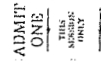
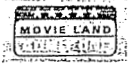
Photo: Lori Statom



AND EXPERT STAFF..... A staff of highly trained cooperative employees stay sharp with constant training, like the group of line technicians practicing their skills at a recent session on first aid and CPR lifesaving. Staff members study and attend conferences to do the best work possible, whether it's management, accounting, engineering, or any other disciplines needed to run a top-notch business as important, complex, and cutting-edge as an electric utility.

Shown in this recent class are David Turner, Maintenance Technician, Ralph Feldman, Line Technician, Daniel Renner, Crew Leader, and Claud Richards, Line Technician. Photo: Jim Battles



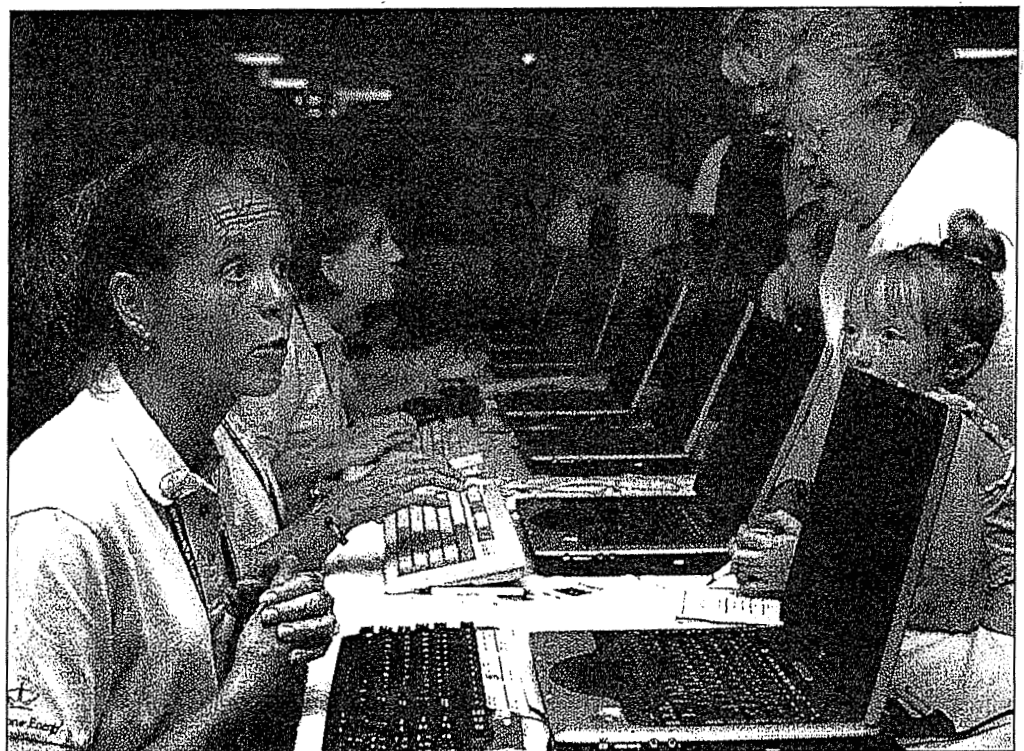


ELECTRICITY THE GREATEST VALUE

When you buy electricity from an electric cooperative, you become more than a customer. You're a member and an owner of the co-op. You have a say in the direction of the co-op by being able to vote for a representative on the board of directors. Inter-County Energy operates on a not-for-profit basis. That means all the efforts and income of the

co-op are used to give you the best possible combination of low prices and outstanding service. And since the co-op exists to provide electricity to the members in our community, it will remain located right here, serving your friends and neighbors. It all adds up to neighbors working together to provide you with electricity—the greatest value.

The annual meeting of Inter-County Energy Co-op is a chance to participate in the business of your local utility that is owned by the customers it serves, and to have some fun at the same time. This photo from last year's annual meeting shows staff members Sharon Morris, Lebanon Office Coordinator, and Farrah Coleman, Customer Accounts Representative, greeting and registering customer-owners. Photo: John Ginter



OFFICIAL NOTICE OF ANNUAL MEETING

Where:Boyle County High School
 When:Friday, May 12
 Registration Time:5:00 p.m.
 Business Meeting Time:7:00 p.m.

The annual membership meeting of Inter-County Energy Cooperative will be held at Boyle County High School located on Perryville Road, Danville, Kentucky, Friday, May 12, 2006.

Registration will begin at 5:00 p.m. Eastern Daylight Time. Business meeting time is 7:00 p.m. Eastern Daylight Time to take action upon the following:

- 1) The report of Officers, Directors, and Committees.
- 2) The election by members of three directors to hold office for a period of three years—pursuant to the Bylaws.
- 3) Such other business as may properly come before the meeting or any adjournment or adjournments thereof.

In connection with the election of three directors scheduled for this meeting, the following members have been nominated for directors by the Committee on Nominations appointed by the Board of Directors of the Cooperative—pursuant to the Bylaws:

Garrard District—Paul G. Ballard, 1127 Ballard Rd., Lancaster, 40444

Lincoln District—Jason E. Todd, 166 Logan Creek Rd., Stanford, 40484

Mercer District—Robert “Bob” L. Martin, 912 Beaumont Ave., Harrodsburg, 40330

One member was nominated for director by petition of members—pursuant to the Bylaws.

Lincoln District—Thomas G. Gooch, 127 Hilltopper Dr., Stanford, 40484

James K. Preston, Secretary

YOUR BOARD OF DIRECTORS



James L. Jacobus
President & CEO



Paul G. Ballard
Chairman



Joseph H. Spalding
Vice Chairman



James K. Preston
Secretary-Treasurer



Robert L. Martin



William H. Peyton



Daniel L. Divine



Jason E. Todd



James William Barnett
Attorney

INTER-COUNTY ENERGY

FINANCIAL RESULTS

STATEMENT OF OPERATIONS

For the Year Ending December 31, 2005

Operating Revenue and Patronage Capital	\$34,637,170
Operating Expense	
Cost of Purchased Power	\$24,176,063
Operating the Electric System	6,677,634
Depreciation	2,402,650
Taxes	32,450
Interest on Loans	1,711,137
Other Deductions	37,104
Total Cost of Electric Service	\$35,230,874
Patronage Capital or Operating Margins	(593,704)
Non-Operating Margins	(314,449)
Other Capital Credits	72,527
Patronage Capital or Margins	(855,506)

BALANCE SHEET

For the Year Ending December 31, 2005

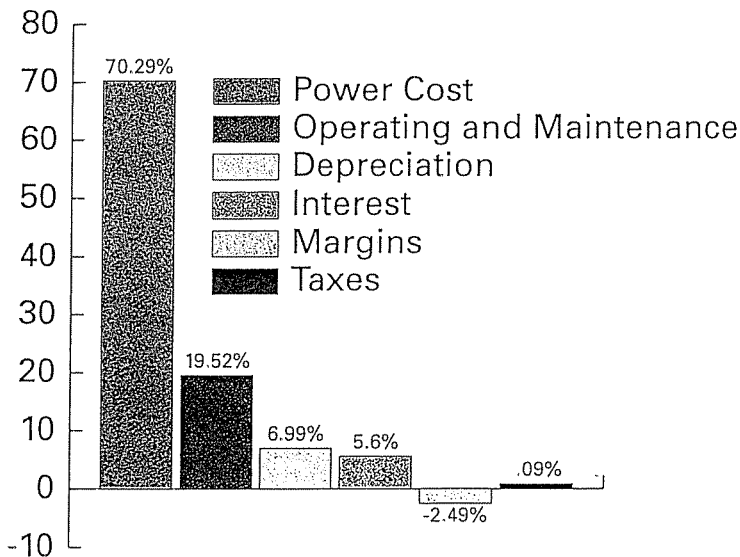
ASSETS

Total Utility Plant	\$79,833,292
Less Depreciation	14,920,643
Net Utility Plant Book Value	\$69,912,649
Non-Utility Property and Other Investments	\$8,952,284
Cash and Reserves	960,453
Accounts Receivable	4,724,945
Inventory	284,471
Expenses Paid in Advance	411,165
Deferred Debits and Other Assets	11,077
Total Assets	\$80,257,044

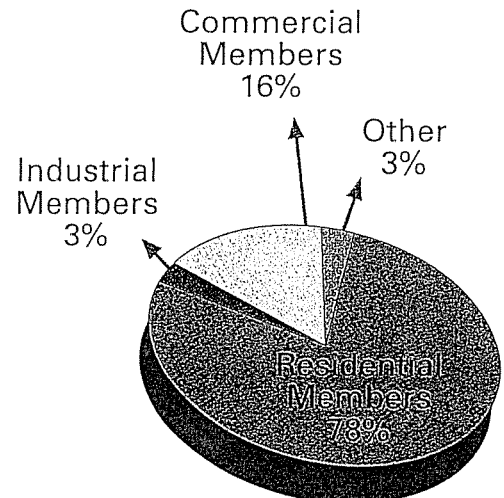
LIABILITIES

Consumer Deposits	390,595
Membership and Other Equities	24,704,238
Long-Term Debt	45,332,876
Notes and Accounts Payable	7,367,877
Other Current and Accrued Liabilities	888,937
Deferred Credits and Miscellaneous	1,572,521
Total Liabilities and Equities	\$80,257,044

MAJOR COSTS

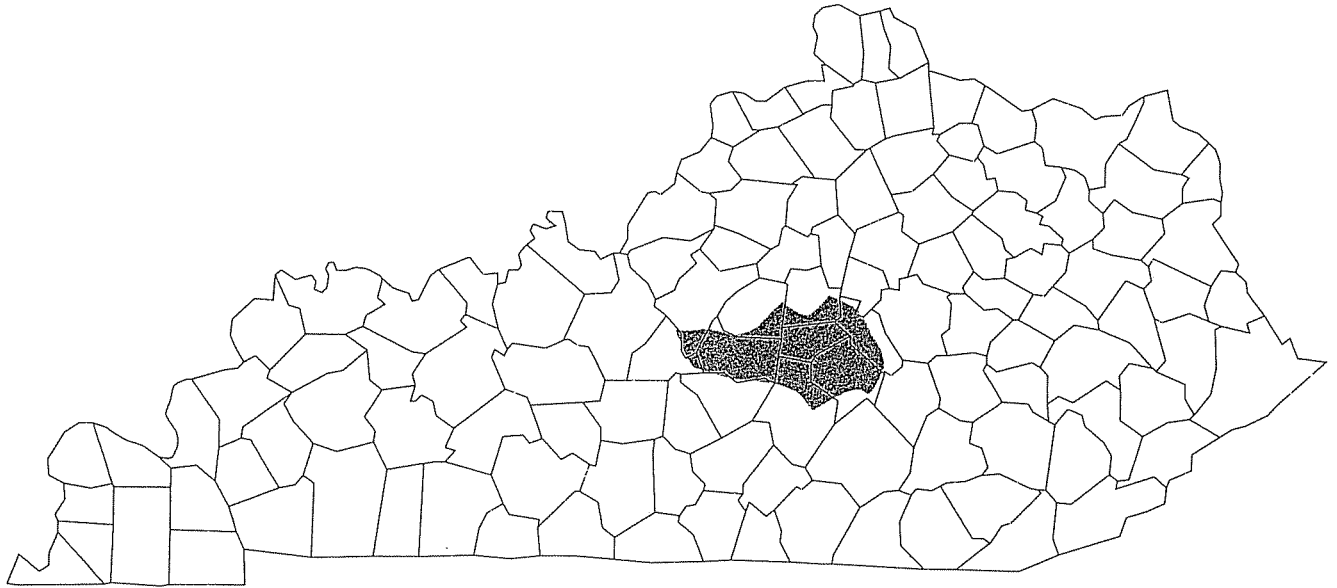


REVENUE SOURCES



INTER-COUNTY ENERGY

SERVICE TERRITORY



MEMBERS SERVED IN 2005

Garrard	4,480
Lincoln	7,229
Boyle	3,302
Marion.....	5,009
Mercer	1,872
Nelson	373
Casey	1,904
Larue	155
Washington.....	219
Taylor	85
Madison	59
Rockcastle.....	34

Accounts Billed24,721


Average
kWh usage
Residential per month1,347

Miles of Line3,501.94

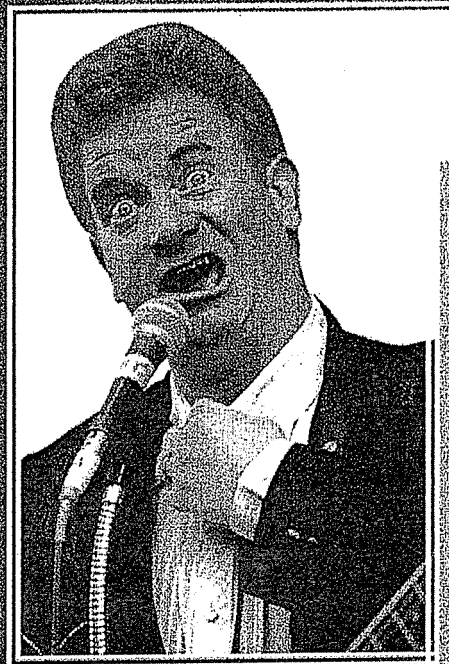
Consumers per Mile7.1

2006 ANNUAL MEETING

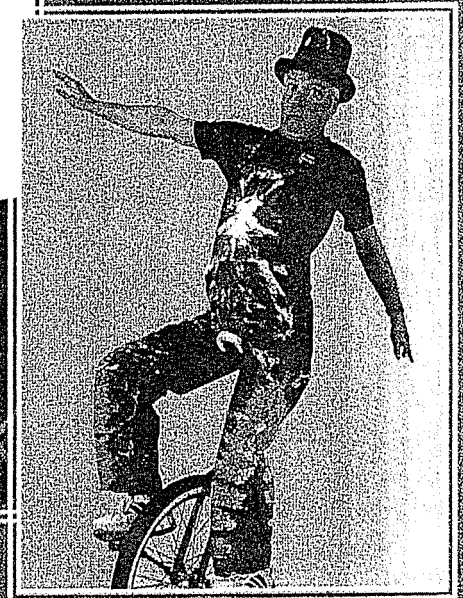
INTER  COUNTY
ENERGY COOPERATIVE

A Touchstone Energy Cooperative 

FREE FOOD
PRIZES
HEALTH FAIR
SCHOLARSHIPS
FREE BUCKET OF
BULBS



FEATURING JOHNNY
COUNTERFIT



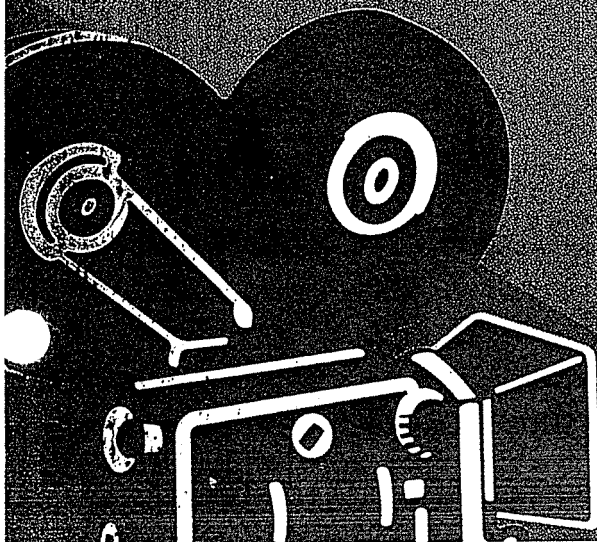
AND CHILDREN'S ENTERTAINER
* HARMLESS T. JESTER

FRIDAY, MAY 12

BOYLE COUNTY HIGH SCHOOL, DANVILLE

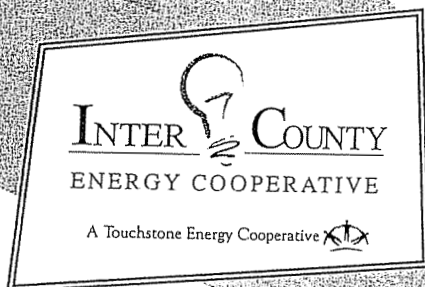
REGISTRATION: 5:00 P.M.

BUSINESS MEETING: 7:00 P.M.



2005 ANNUAL MEETING

FEATURING MUSIC BY THE PERRYS



**Free Food • Prizes
Health Fair
Scholarships
Free Bucket of Bulbs**

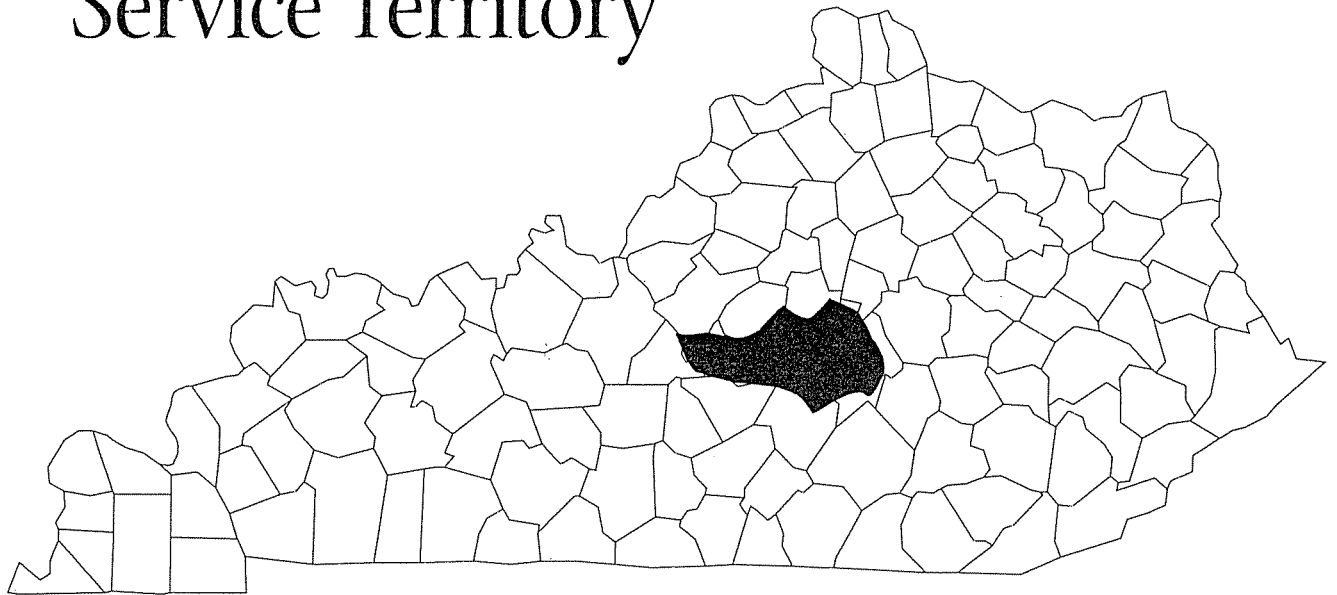


**AND
CHILDREN'S
ENTERTAINER
MARK WOOD**

FRIDAY, MAY 13

BOYLE COUNTY HIGH SCHOOL, DANVILLE
REGISTRATION 5 PM • BUSINESS MEETING 7 PM

Inter-County Energy Service Territory



MEMBERS SERVED IN 2004

Garrard	4,357
Lincoln	7,082
Boyle	3,291
Marion.....	4,927
Mercer	1,862
Nelson	368
Casey	1,854
Larue	153
Washington.....	214
Taylor	78
Madison	59
Rockcastle.....	35

Accounts Billed24,280

Average
kWh usage
Residential per month1,232

Miles of Line3,409.4

Consumers per Mile7.1

Inter-County Energy Financial Results

STATEMENT OF OPERATIONS

For the Year Ending December 31, 2004

Operating Revenue and Patronage Capital	\$29,045,813
Operating Expense	
Cost of Purchased Power	\$19,229,243
Operating the Electric System.....	5,995,793
Depreciation	2,201,193
Taxes	31,734
Interest on Loans	1,232,553
Other Deductions	76,184
 Total Cost of Electric Service.....	 \$28,766,700
 Patronage Capital or Operating Margins	 279,113
Non-Operating Margins	127,479
G & T Capital Credits	0
Other Capital Credits	35,784

BALANCE SHEET

For the Year Ending December 31, 2004

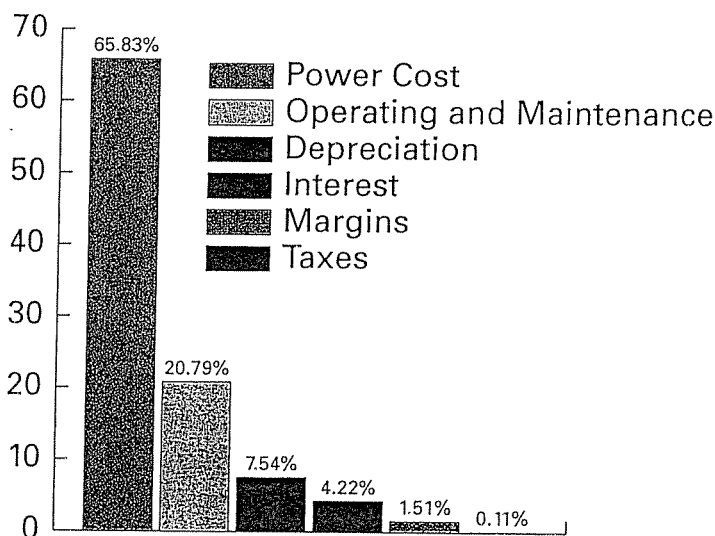
ASSETS

Total Utility Plant.....	\$73,516,435
Less Depreciation	14,242,099
Net Utility Plant Book Value	\$59,274,336
 Non-Utility Property and Other Investments	 \$8,933,290
Cash and Reserves	459,267
Accounts Receivable	4,077,474
Inventory	210,433
Expenses Paid in Advance	442,348
Deferred Debits and Other Assets	10,702
 Total Assets	 \$73,407,850

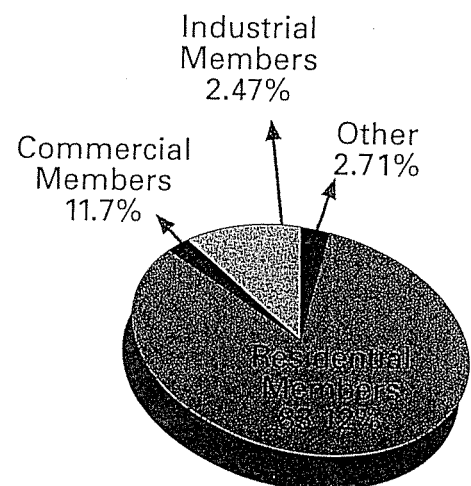
LIABILITIES

Consumer Deposits.....	368,408
Membership and Other Equities	25,735,790
Long-Term Debt	39,473,809
Notes and Accounts Payable	5,527,641
Other Current and Accrued Liabilities.....	821,676
Deferred Credits and Miscellaneous.....	1,480,526
 Total Liabilities and Equities	 \$73,407,850

Major Costs



Revenue Sources



Official Notice of Annual Meeting

Where: Boyle County High School
When: Friday, May 13, 2005
Registration Time: 5:00 p.m.
Business Meeting Time: 7:00 p.m.

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Registration will begin at 5:00 p.m. Eastern Daylight Time. Business meeting time is 7:00 p.m. Eastern Daylight Time to take action upon the following:

- 1) The report of Officers, Directors, and Committees.
- 2) The election by members of two directors to hold office for a period of three years –pursuant to the Bylaws.
- 3) Such other business as may properly come before the meeting or any adjournment or adjournments thereof.

In connection with the election of two directors scheduled for this meeting, the following members have been nominated for directors by the Committee on Nominations appointed by the Board of Directors of the Cooperative –pursuant to the bylaws:


Boyle District
Daniel L. Divine
151 Divine Road
Perryville KY 40468

Garrard District
James K. Preston
PO Box 494
Lancaster KY 40444

No members were nominated for director by petition of members –pursuant to the Bylaws.

James K. Preston, Secretary


INTER COUNTY
ENERGY COOPERATIVE

A Touchstone Energy Cooperative 

Your Board of Directors



Jim Jacobus
President & CEO



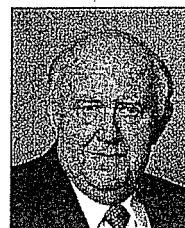
Paul G. Ballard
Chairman



Joseph H. Spalding
Vice Chairman



James K. Preston
Secretary-Treasurer



Robert L. Martin



William Peyton



Daniel L. Divine



William M. Dishman
Attorney

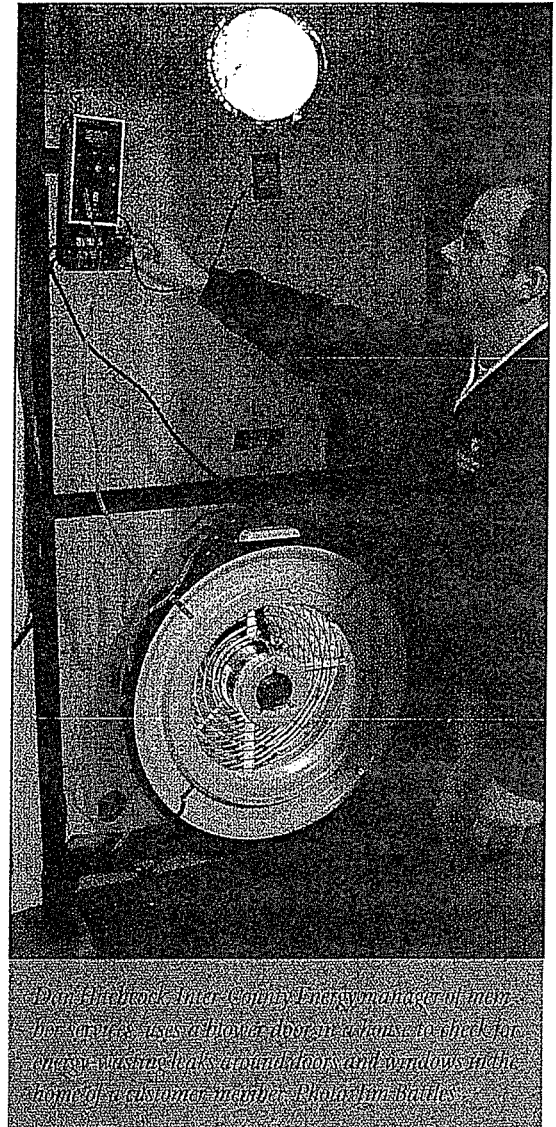
Economic Development

Inter-County Energy works with local agencies, builders, and developers in an on-site wastewater program to tackle the problem of rural wastewater management. Today, 30% of all existing septic systems are failing. This statistic, along with the need for future installations, creates a real need for a consistent strategy to combat these rural wastewater problems. Inter-County Energy has spearheaded a program to assist developers and builders in the planning, building, and management of an on-site wastewater system.

With proper wastewater facilities, communities can grow and prosper, creating a better place for our customers to live and work.

Most noticeably, Inter-County Energy is local. In these days of 1-800 phone numbers and international calling centers, there's more than just peace of mind in being headquartered in our own community. Knowing that you and your neighbors work at the co-op, run it, and even own it, makes real differences in the level of commitment to the community. And even the fanciest multinational corporate organizational chart can't overcome the advantage of being able to talk face-to-face when it's time to work out a problem.

Another huge benefit results from



Dan Grotz, Inter-County Energy manager of member services, uses a blow-up door to check for energy waste leaks in attics, doors, and windows in the home of a customer member, Phyllis Battles.

the co-op's not-for-profit nature, and the fact that it is owned by the consumers who use its services. When a co-op finishes its financial year in the black, the excess money isn't sent off to shareholders around the world who want to maximize their investments. Instead, it stays with the co-op, right here in the community. Inter-County Energy has no incentive to chase profits—its incentive is in providing you with the best value and service to its consumer-members.

The only reason Inter-County Energy exists is to deliver the best to you.

Delivering the Best: customer service

Answering your questions promptly and correctly and sending out accurate bills requires a surprisingly high level of knowledge and organization. Inter-County Energy supports its well-trained workers with strong management techniques and use of the latest business technology. Inter-County Energy employees work hard to make sure its billing and recordkeeping run as near to perfect as possible.

Delivering the Best: information

So much information is available so fast these days that besides getting it, we need help telling us what's important, and what's true. Inter-County Energy has a track record of integrity, and it packages and presents information you need in ways you can use it. *Kentucky Living* magazine provides a wide-ranging, high-quality digest of community people and news around the state and across the street. You can get information about Inter-County Energy through the Internet via e-mail and the co-op's Web site, www.intercountyenergy.net. For a more human touch, you can come to the co-op annual meeting, or stop by and talk with the folks at the co-op office.

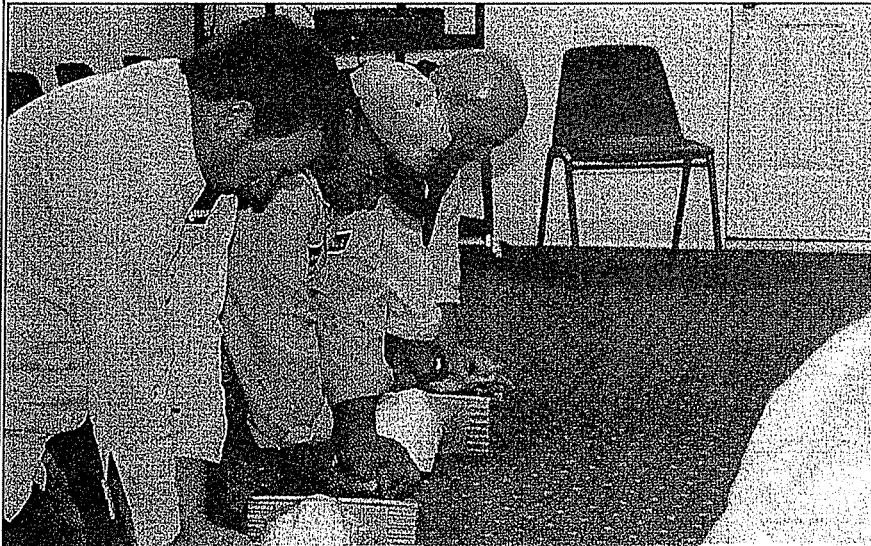
Delivering the Best: co-op business structure

When it comes to innovation and excellence, Inter-County Energy offers a business model uniquely and ideally suited to delivering the best combination of service, price, and value.

As a not-for-profit, consumer-owned utility, Inter-County Energy provides several advantages.



Inter-County Energy is committed to providing the highest quality of service to our customers. We are currently in the process of implementing a new safety program that will ensure the safety of our employees and the public. This program will include a comprehensive safety training program for all employees, as well as a strict safety protocol for all work activities. We are confident that this program will significantly reduce the number of safety incidents and ensure the safety of our employees and the public.



program that involved setting up two training centers in the state. In addition to regular, intensive, hands-on lineworker training at these sites, the program provides stricter testing and safety guidelines.

In addition to this employee safety program, electric co-ops have launched a second statewide safety initiative, this one focusing on customers and the general public. Those plans are being formulated and you'll be hearing more about this consumer safety awareness program in the coming months.

All this comes in addition to the regular strong emphasis Inter-County Energy puts on taking action to protect the safety of workers, members, and everyone else who might come in contact with electricity.

Delivering the Best: rates

The average Kentuckian pays a lower residential electric rate than the average resident of any other state. That's been welcome news for the past several years, and Inter-County Energy is working to make your rates even better. Those efforts include staying in close touch with co-ops around the state and nation to use the best management practices; supporting technical research investment nationwide to increase

the efficiency of how electricity is generated, transmitted, and distributed; and joining in state and national public policy networks to make sure the U.S. Congress, Kentucky Legislature, and state and national regulators maintain an effective business climate for electric utilities.

Delivering the Best: safety

The 26 electric co-ops in Kentucky, including Inter-County Energy, have launched a sweeping new worker safety

Delivering the Best: employees

Inter-County Energy not only takes care to hire and keep the best employees, it also makes sure they are kept up-to-date on the very best practices and techniques in their areas of expertise. In a word, that means training. Every day, in every profession, new equipment, skills, and ways of working are being perfected. Inter-County Energy takes advantage of training in the office and at state and national conferences, to make sure the employees serving you are the best in the world.

Delivering the Best

We're all connected to the world these days. Magazines, newspapers, TVs, radios, and computers keep us up-to-the-minute on the best and worst the global village has to offer.

Inter-County Energy serves as one of the main gateways for bringing the best of the world to our community.

Making and delivering electricity to your home or business is mind-numbingly complex. And Inter-County Energy does it every second of every day.

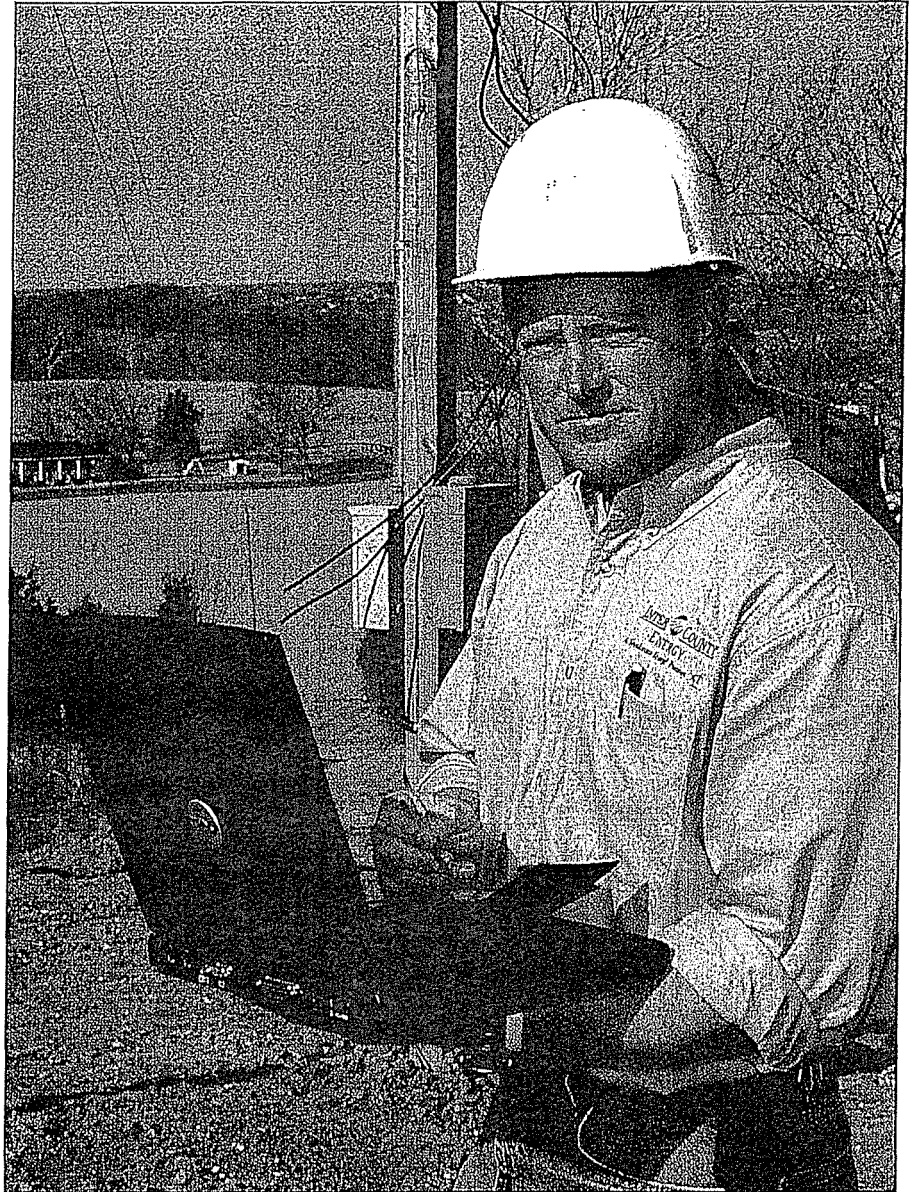
But we all know that's not enough. Researchers constantly find better and cheaper ways for us to live our lives, and information technology brings us the news of those discoveries at the speed of light.

During the past year, Inter-County Energy has continued its drive to stay on top of the latest on kinds of technologies, to help deliver the best of the world to you. In order to keep up, you need the best rates and service possible from Inter-County Energy. Here's how that's been achieved in the past year:

Delivering the Best: reliability

Electricity flows reliably to your lights and appliances virtually all the time, day and night. Inter-County Energy knows that's not enough, and is doing even better.

Today, even some of the most basic home appliances can be sensitive to tiny power fluctuations. That's why Inter-County Energy has made a priority over the past several years of

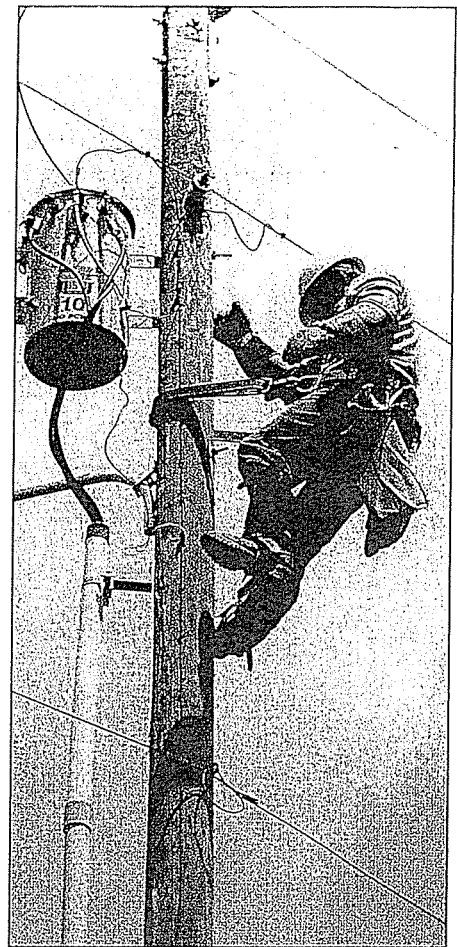
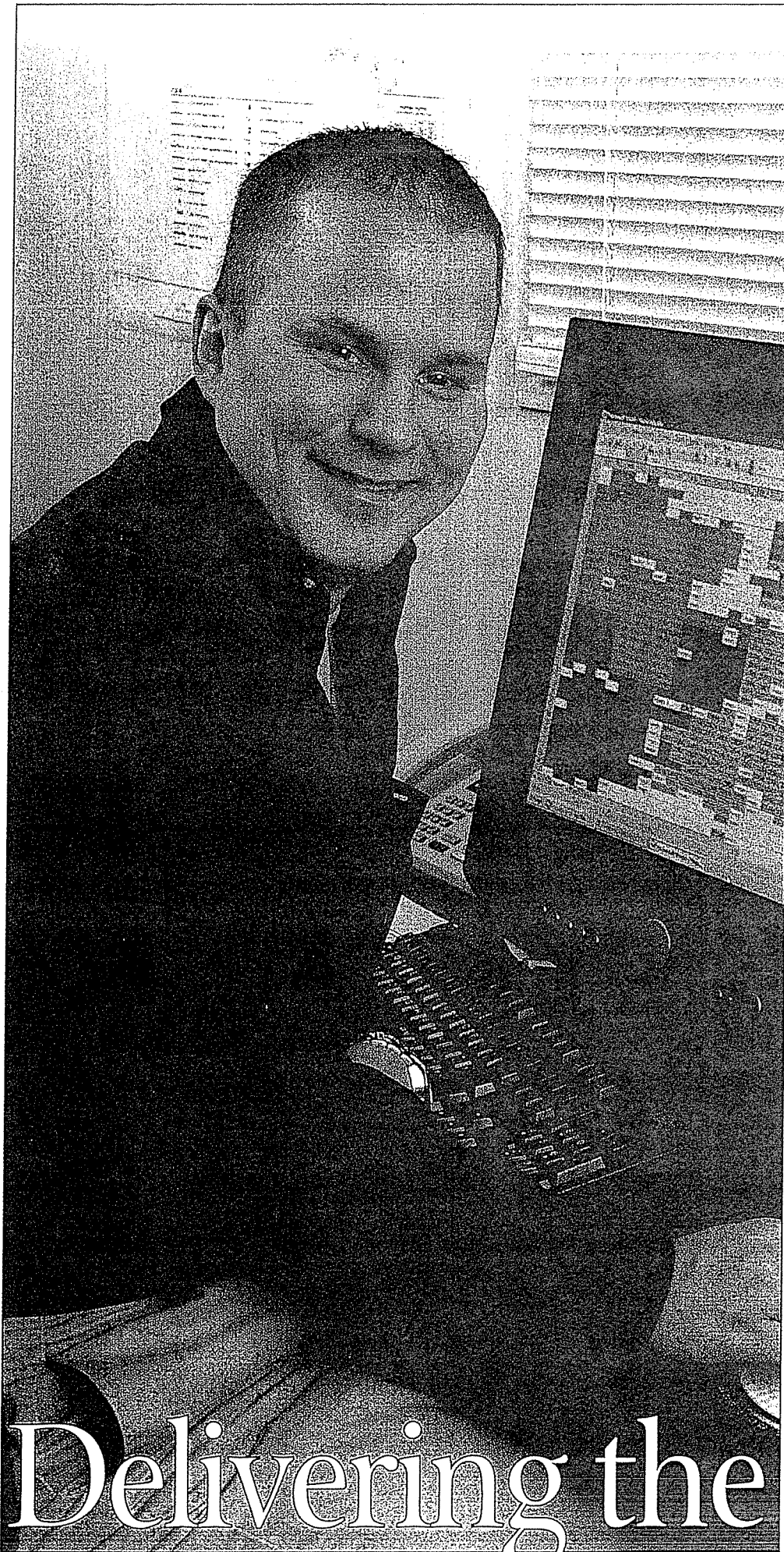


finding ways to further increase the already incredible electric reliability. Among the techniques has been keeping electric lines in good repair, keeping trees and other plants trimmed and away from power line right-of-ways, and constantly updating our storm response strategies. As an extra measure of security, Inter-County Energy can offer expert advice on equipment you can use in your home or business to assure the highest possible level of reliability.

On the cover, Inter-County Energy Corp. Manager, Technical David Sosa, uses computerized mapping to keep track of poles, lines, meters, meters, lines, and other utility-related data on a digital PDA handheld.


Kenny Gabbins, crew leader at Inter-County Energy, works on a pole during a substation conversion in Marion County. Photo: Lee Statton

Above: Danny Collins, Inter-County Energy Corp. manager, electrical, is at a substation in Marion County, working on the construction of a new line to a home in the Electric City area. Photo: Jim Battles



Inter-County Energy
2004 Annual Report

INTER  COUNTY
ENERGY COOPERATIVE

A Touchstone Energy Cooperative 

Delivering the

Best

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

BORROWER DESIGNATION

KY0027

PERIOD ENDED

7/2006

FINANCIAL AND STATISTICAL REPORT

BORROWER NAME AND ADDRESS

INTER-COUNTY ENERGY COOP CORP

1009 Hustonville Road

P. O. Box 87

Danville, KY 40423-0087

INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2.

This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and may be confidential.

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

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.

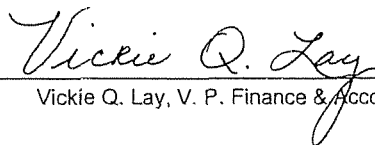
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII

(check one of the following)

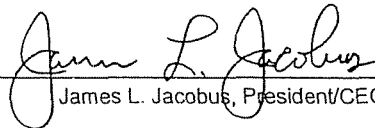
All of the obligations under the RUS loan documents have been fulfilled in all material respects

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.


Vickie Q. Lay, V. P. Finance & Accounting

08/29/2006

DATE


James L. Jacobus, President/CEO

08/29/2006

DATE

FINANCIAL AND STATISTICAL REPORT

KY0027

PERIOD ENDED

7/2006

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part A. Statement of Operations

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)	Year-to-date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	19,299,757	21,124,132	23,429,717	3,093,953
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	13,039,479	14,561,673	15,570,593	2,268,399
4. Transmission Expense	0	0	0	0
5. Distribution Expense - Operation	897,625	1,095,237	1,593,039	149,139
6. Distribution Expense - Maintenance	731,506	862,613	466,039	135,866
7. Customer Accounts Expense	875,651	894,141	867,650	125,638
8. Customer Service and Informational Expense	297,047	277,927	339,507	39,947
9. Sales Expense	0	0	0	0
10. Administrative and General Expense	936,139	936,071	1,011,171	131,393
11. Total Operation & Maintenance Expense (2 thru 10)	16,777,447	18,627,662	19,847,999	2,850,382
12. Depreciation and Amortization Expense	1,375,933	1,513,662	1,538,355	219,219
13. Tax Expense - Property & Gross Receipts	0	0	0	0
14. Tax Expense - Other	32,450	37,048	19,754	0
15. Interest on Long-Term Debt	908,339	1,362,753	1,423,100	225,648
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	93,814	108,393	18,382	2,271
18. Other Deductions	9,734	6,008	8,925	133
19. Total Cost of Electric Service (11 thru 18)	19,197,717	21,655,526	22,856,515	3,297,653
20. Patronage Capital & Operating Margins (1 minus 19)	102,040	(531,394)	573,202	(203,700)
21. Non Operating Margins - Interest	27,216	34,075	87,500	7,036
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	(102,536)	(11,051)	0	0
25. Generation and Transmission Capital Credits	0	0	0	0
26. Other Capital Credits and Patronage Dividends	21,294	17,180	0	0
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	48,014	(491,190)	660,702	(196,664)

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)
1. New Services Connected	366	314
2. Services Retired	155	141
3. Total Services in Place	25,302	25,685
4. Idle Services (Exclude Seasonal)	1,125	1,039
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	3,178.00	3,231.39
7. Miles Distribution - Underground	282.94	313.16
8. Total Miles Energized (5 + 6 + 7)	3,460.94	3,544.55

SDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0027	
INSTRUCTIONS-See RUS Bulletin 1717B-2		PERIOD ENDED 7/2006	
Part C. Balance Sheet			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	81,767,297	29. Memberships	976,280
2. Construction Work in Progress	357,986	30. Patronage Capital	24,264,002
3. Total Utility Plant (1 + 2)	82,125,283	31. Operating Margins - Prior Years	150,817
4. Accum. Provision for Depreciation and Amort.	15,903,564	32. Operating Margins - Current Year	(514,214)
5. Net Utility Plant (3 - 4)	66,221,719	33. Non-Operating Margins	23,024
6. Non-Utility Property (Net)	0	34. Other Margins and Equities	(782,234)
7. Investments in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	24,117,675
8. Invest. in Assoc. Org. - Patronage Capital	7,800,216	36. Long-Term Debt - RUS (Net)	17,573,573
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	48,310
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,132,870	37. Long-Term Debt - RUS - Econ. Devel. (Net)	0
11. Investments in Economic Development Projects	23,726	38. Long-Term Debt - FFB - RUS Guaranteed	26,447,336
12. Other Investments	9,800	39. Long-Term Debt - Other - RUS Guaranteed	0
13. Special Funds	0	40. Long-Term Debt Other (Net)	6,768,939
14. Total Other Property & Investments (6 thru 13)	8,966,612	41. Total Long-Term Debt (36 thru 40)	50,789,848
15. Cash - General Funds	488,559	42. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	43. Accumulated Operating Provisions and Asset Retirement Obligations	1,619,321
17. Special Deposits	0	44. Total Other Noncurrent Liabilities (42 + 43)	1,619,321
18. Temporary Investments	800,000	45. Notes Payable	0
19. Notes Receivable (Net)	32,593	46. Accounts Payable	2,750,089
20. Accounts Receivable - Sales of Energy (Net)	3,751,452	47. Consumers Deposits	395,175
21. Accounts Receivable - Other (Net)	3,862	48. Current Maturities Long-Term Debt	0
22. Materials and Supplies - Electric & Other	327,721	49. Current Maturities Long-Term Debt-Economic Development	0
23. Prepayments	181,652	50. Current Maturities Capital Leases	0
24. Other Current and Accrued Assets	0	51. Other Current and Accrued Liabilities	1,303,262
25. Total Current and Accrued Assets (15 thru 24)	5,585,839	52. Total Current & Accrued Liabilities (45 thru 51)	4,448,526
26. Regulatory Assets	0	53. Regulatory Liabilities	0
27. Other Deferred Debits	403,743	54. Other Deferred Credits	202,543
28. Total Assets and Other Debits (5+14+25 thru 27)	81,177,913	55. Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru 54)	81,177,913

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE	BORROWER DESIGNATION KY0027
	PERIOD ENDED 6/2006
FINANCIAL AND STATISTICAL REPORT	BORROWER NAME AND ADDRESS INTER-COUNTY ENERGY COOP CORP 1009 Hustonville Road P. O. Box 87 Danville, KY 40423-0087
	INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2. This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and may be confidential.

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

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.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII
(check one of the following)

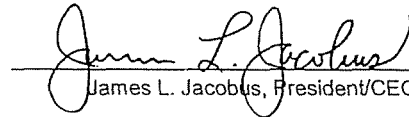
- All of the obligations under the RUS loan documents have been fulfilled in all material respects
- There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.



 Vickie Q. Lay, V.P. Finance & Accounting

08/02/2006

 DATE



 James L. Jacobus, President/CEO

08/02/2006

 DATE

FINANCIAL AND STATISTICAL REPORT

KY0027

PERIOD ENDED

6/2006

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part A. Statement of Operations

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)	Year-to-date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	16,561,413	18,030,179	20,080,636	2,707,598
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	10,932,616	12,293,274	13,235,549	1,902,113
4. Transmission Expense	0	0	0	0
5. Distribution Expense - Operation	787,102	946,099	1,365,462	166,689
6. Distribution Expense - Maintenance	610,299	726,747	399,462	152,914
7. Customer Accounts Expense	756,454	768,503	743,700	131,858
8. Customer Service and Informational Expense	261,382	237,980	291,006	30,121
9. Sales Expense	0	0	0	0
10. Administrative and General Expense	809,892	804,677	866,718	130,850
11. Total Operation & Maintenance Expense (2 thru 10)	14,157,745	15,777,280	16,901,897	2,514,545
12. Depreciation and Amortization Expense	1,180,431	1,294,443	1,318,590	218,288
13. Tax Expense - Property & Gross Receipts	0	0	0	0
14. Tax Expense - Other	32,450	37,048	16,932	37,048
15. Interest on Long-Term Debt	760,527	1,137,105	1,219,800	229,568
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	91,825	106,122	15,756	2,299
18. Other Deductions	10,379	5,875	7,650	(1,429)
19. Total Cost of Electric Service (11 thru 18)	16,233,357	18,357,873	19,480,625	3,000,319
20. Patronage Capital & Operating Margins (1 minus 19)	328,056	(327,694)	600,011	(292,721)
21. Non Operating Margins - Interest	24,532	27,039	75,000	9,225
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	(57,971)	(11,052)	0	0
25. Generation and Transmission Capital Credits	0	0	0	0
26. Other Capital Credits and Patronage Dividends	21,294	17,180	0	0
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	315,911	(294,527)	675,011	(283,496)

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)
1. New Services Connected	311	260
2. Services Retired	137	126
3. Total Services in Place	25,262	25,646
4. Idle Services (Exclude Seasonal)	1,099	1,035
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	3,164.92	3,230.65
7. Miles Distribution - Underground	278.32	311.81
8. Total Miles Energized (5 + 6 + 7)	3,443.24	3,542.46

FINANCIAL AND STATISTICAL REPORT

KY0027

PERIOD ENDED

6/2006

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part C. Balance Sheet

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	81,700,108	29. Memberships	975,235
2. Construction Work in Progress	309,840	30. Patronage Capital	24,281,753
3. Total Utility Plant (1 + 2)	82,009,948	31. Operating Margins - Prior Years	150,817
4. Accum. Provision for Depreciation and Amort.	15,937,205	32. Operating Margins - Current Year	(310,514)
5. Net Utility Plant (3 - 4)	66,072,743	33. Non-Operating Margins	15,987
6. Non-Utility Property (Net)	0	34. Other Margins and Equities	(782,191)
7. Investments in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	24,331,087
8. Invest. in Assoc. Org. - Patronage Capital	7,800,216	36. Long-Term Debt - RUS (Net)	17,600,007
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	48,107
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,132,870	37. Long-Term Debt - RUS - Econ. Devel. (Net)	0
11. Investments in Economic Development Projects	23,726	38. Long-Term Debt - FFB - RUS Guaranteed	26,447,336
12. Other Investments	9,800	39. Long-Term Debt - Other - RUS Guaranteed	0
13. Special Funds	0	40. Long-Term Debt Other (Net)	6,771,653
14. Total Other Property & Investments (6 thru 13)	8,966,612	41. Total Long-Term Debt (36 thru 40)	50,818,996
15. Cash - General Funds	934,944	42. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	43. Accumulated Operating Provisions and Asset Retirement Obligations	1,612,742
17. Special Deposits	0	44. Total Other Noncurrent Liabilities (42 + 43)	1,612,742
18. Temporary Investments	600,000	45. Notes Payable	0
19. Notes Receivable (Net)	34,175	46. Accounts Payable	2,357,339
20. Accounts Receivable - Sales of Energy (Net)	3,309,850	47. Consumers Deposits	394,375
21. Accounts Receivable - Other (Net)	7,258	48. Current Maturities Long-Term Debt	0
22. Materials and Supplies - Electric & Other	252,715	49. Current Maturities Long-Term Debt-Economic Development	0
23. Prepayments	224,953	50. Current Maturities Capital Leases	0
24. Other Current and Accrued Assets	0	51. Other Current and Accrued Liabilities	1,082,426
25. Total Current and Accrued Assets (15 thru 24)	5,363,895	52. Total Current & Accrued Liabilities (45 thru 51)	3,834,140
26. Regulatory Assets	0	53. Regulatory Liabilities	0
27. Other Deferred Debits	436,766	54. Other Deferred Credits	243,051
28. Total Assets and Other Debits (5+14+25 thru 27)	80,840,016	55. Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru 54)	80,840,016

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION	KY0027
	PERIOD ENDED	5/2006
INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2.	BORROWER NAME AND ADDRESS	
This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and may be confidential.	INTER-COUNTY ENERGY COOP CORP 1009 Hustonville Road P. O. Box 87 Danville, KY 40423-0087	

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DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII
(check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

Vickie Q. Lay
 Vickie Q. Lay, V. P. Finance & Accounting

07/07/2006
 DATE

James L. Jacobus
 James L. Jacobus, President/CEO

07/07/2006
 DATE

VA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION KY0027
	PERIOD ENDED 5/2006
INSTRUCTIONS-See RUS Bulletin 1717B-2	

Part A. Statement of Operations

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)	Year-to-date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	14,076,264	15,322,581	17,131,734	2,341,106
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	9,287,975	10,391,161	11,248,905	1,710,729
4. Transmission Expense	0	0	0	0
5. Distribution Expense - Operation	683,916	779,410	1,137,885	182,126
6. Distribution Expense - Maintenance	461,672	573,833	332,885	159,863
7. Customer Accounts Expense	628,113	636,645	619,750	127,276
8. Customer Service and Informational Expense	211,114	207,859	242,505	53,386
9. Sales Expense	0	0	0	0
10. Administrative and General Expense	698,638	673,827	722,265	159,572
11. Total Operation & Maintenance Expense (2 thru 10)	11,971,428	13,262,735	14,304,195	2,392,952
12. Depreciation and Amortization Expense	981,705	1,076,155	1,098,825	217,341
13. Tax Expense - Property & Gross Receipts	0	0	0	0
14. Tax Expense - Other	0	0	14,110	0
15. Interest on Long-Term Debt	623,833	907,537	1,016,500	195,002
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	59,225	103,823	13,130	2,308
18. Other Deductions	10,589	7,304	6,375	1,174
19. Total Cost of Electric Service (11 thru 18)	13,646,780	15,357,554	16,453,135	2,808,777
20. Patronage Capital & Operating Margins (1 minus 19)	429,484	(34,973)	678,599	(467,671)
21. Non Operating Margins - Interest	22,228	17,815	62,500	3,934
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	(6,922)	(11,052)	0	1,650
25. Generation and Transmission Capital Credits	0	0	0	0
26. Other Capital Credits and Patronage Dividends	21,231	17,180	0	0
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	466,021	(11,030)	741,099	(462,087)

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)
1. New Services Connected	223	200
2. Services Retired	121	112
3. Total Services in Place	25,190	25,600
4. Idle Services (Exclude Seasonal)	1,118	1,029
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	3,170.87	3,225.78
7. Miles Distribution - Underground	277.78	310.44
8. Total Miles Energized (5 + 6 + 7)	3,448.65	3,536.22

FINANCIAL AND STATISTICAL REPORT

KY0027

5/2006

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part C. Balance Sheet

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	81,366,650	29. Memberships	971,920
2. Construction Work in Progress	269,910	30. Patronage Capital	24,292,462
3. Total Utility Plant (1 + 2)	81,636,560	31. Operating Margins - Prior Years	150,817
4. Accum. Provision for Depreciation and Amort.	15,739,732	32. Operating Margins - Current Year	(17,793)
5. Net Utility Plant (3 - 4)	65,896,828	33. Non-Operating Margins	6,763
6. Non-Utility Property (Net)	0	34. Other Margins and Equities	(782,127)
7. Investments in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	24,622,042
8. Invest. in Assoc. Org. - Patronage Capital	7,800,216	36. Long-Term Debt - RUS (Net)	17,627,864
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	47,910
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,132,870	37. Long-Term Debt - RUS - Econ. Devel. (Net)	0
11. Investments in Economic Development Projects	24,726	38. Long-Term Debt - FFB - RUS Guaranteed	26,539,305
12. Other Investments	9,800	39. Long-Term Debt - Other - RUS Guaranteed	0
13. Special Funds	0	40. Long-Term Debt Other (Net)	6,774,357
14. Total Other Property & Investments (6 thru 13)	8,967,612	41. Total Long-Term Debt (36 thru 40)	50,941,526
15. Cash - General Funds	632,403	42. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	43. Accumulated Operating Provisions and Asset Retirement Obligations	1,606,163
17. Special Deposits	0	44. Total Other Noncurrent Liabilities (42 + 43)	1,606,163
18. Temporary Investments	1,600,000	45. Notes Payable	0
19. Notes Receivable (Net)	34,741	46. Accounts Payable	2,161,714
20. Accounts Receivable - Sales of Energy (Net)	3,124,737	47. Consumers Deposits	390,770
21. Accounts Receivable - Other (Net)	13,511	48. Current Maturities Long-Term Debt	0
22. Materials and Supplies - Electric & Other	259,366	49. Current Maturities Long-Term Debt-Economic Development	0
23. Prepayments	267,680	50. Current Maturities Capital Leases	0
24. Other Current and Accrued Assets	0	51. Other Current and Accrued Liabilities	1,153,228
25. Total Current and Accrued Assets (15 thru 24)	5,932,438	52. Total Current & Accrued Liabilities (45 thru 51)	3,705,712
26. Regulatory Assets	0	53. Regulatory Liabilities	0
27. Other Deferred Debits	362,124	54. Other Deferred Credits	283,559
28. Total Assets and Other Debits (5+14+25 thru 27)	81,159,002	55. Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru 54)	81,159,002

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION	KY0027
	PERIOD ENDED	4/2006
INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2. This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and may be confidential.	BORROWER NAME AND ADDRESS INTER-COUNTY ENERGY COOP CORP 1009 Hustonville Road P. O. Box 87 Danville, KY 40423-0087	

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

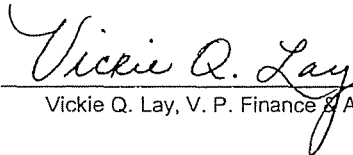
We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

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.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII
(check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects

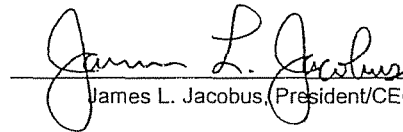
There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.



 Vickie Q. Lay, V. P. Finance & Accounting

06/02/2006

 DATE



 James L. Jacobus, President/CEO

06/02/2006

 DATE

SDA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION KY0027
	PERIOD ENDED 4/2006

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part A. Statement of Operations

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)	Year-to-date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	12,004,743	12,981,475	14,462,545	2,689,027
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	7,950,333	8,680,432	9,564,675	1,707,141
4. Transmission Expense	0	0	0	0
5. Distribution Expense - Operation	528,191	597,284	910,308	144,040
6. Distribution Expense - Maintenance	336,056	413,969	266,308	99,558
7. Customer Accounts Expense	525,640	509,369	495,800	122,870
8. Customer Service and Informational Expense	189,727	154,473	194,004	39,789
9. Sales Expense	0	0	0	0
10. Administrative and General Expense	522,276	514,255	577,812	131,188
11. Total Operation & Maintenance Expense (2 thru 10)	10,052,223	10,869,782	12,008,907	2,244,586
12. Depreciation and Amortization Expense	783,846	858,815	879,060	216,387
13. Tax Expense - Property & Gross Receipts	0	0	0	0
14. Tax Expense - Other	0	0	11,288	0
15. Interest on Long-Term Debt	476,139	712,535	813,200	199,220
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	56,923	101,515	10,504	22,670
18. Other Deductions	10,086	6,130	5,100	737
19. Total Cost of Electric Service (11 thru 18)	11,379,217	12,548,777	13,728,059	2,683,600
20. Patronage Capital & Operating Margins (1 minus 19)	625,526	432,698	734,486	5,427
21. Non Operating Margins - Interest	19,893	13,880	50,000	11,643
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	0	(12,702)	0	(12,722)
25. Generation and Transmission Capital Credits	0	0	0	0
26. Other Capital Credits and Patronage Dividends	21,231	17,180	0	0
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	666,650	451,056	784,486	4,348

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)
1. New Services Connected	175	156
2. Services Retired	101	92
3. Total Services in Place	25,162	25,576
4. Idle Services (Exclude Seasonal)	1,154	1,017
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	3,160.55	3,219.38
7. Miles Distribution - Underground	276.12	308.96
8. Total Miles Energized (5 + 6 + 7)	3,436.67	3,528.34

FINANCIAL AND STATISTICAL REPORT

KY0027

4/2006

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part C. Balance Sheet

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	81,031,984	29. Memberships	970,905
2. Construction Work in Progress	247,954	30. Patronage Capital	24,314,251
3. Total Utility Plant (1 + 2)	81,279,938	31. Operating Margins - Prior Years	150,817
4. Accum. Provision for Depreciation and Amort.	15,578,335	32. Operating Margins - Current Year	449,878
5. Net Utility Plant (3 - 4)	65,701,603	33. Non-Operating Margins	1,178
6. Non-Utility Property (Net)	0	34. Other Margins and Equities	(781,476)
7. Investments in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	25,105,553
8. Invest. in Assoc. Org. - Patronage Capital	7,800,216	36. Long-Term Debt - RUS (Net)	17,749,499
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	47,709
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,132,870	37. Long-Term Debt - RUS - Econ. Devel. (Net)	0
11. Investments in Economic Development Projects	22,726	38. Long-Term Debt - FFB - RUS Guaranteed	26,539,305
12. Other Investments	9,800	39. Long-Term Debt - Other - RUS Guaranteed	0
13. Special Funds	0	40. Long-Term Debt Other (Net)	6,850,881
14. Total Other Property & Investments (6 thru 13)	8,965,612	41. Total Long-Term Debt (36 thru 40)	51,139,685
15. Cash - General Funds	1,756,281	42. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	43. Accumulated Operating Provisions and Asset Retirement Obligations	1,599,739
17. Special Deposits	0	44. Total Other Noncurrent Liabilities (42 + 43)	1,599,739
18. Temporary Investments	0	45. Notes Payable	0
19. Notes Receivable (Net)	35,540	46. Accounts Payable	1,823,764
20. Accounts Receivable - Sales of Energy (Net)	3,855,161	47. Consumers Deposits	395,395
21. Accounts Receivable - Other (Net)	10,161	48. Current Maturities Long-Term Debt	0
22. Materials and Supplies - Electric & Other	267,956	49. Current Maturities Long-Term Debt-Economic Development	0
23. Prepayments	311,023	50. Current Maturities Capital Leases	0
24. Other Current and Accrued Assets	0	51. Other Current and Accrued Liabilities	1,098,505
25. Total Current and Accrued Assets (15 thru 24)	6,236,122	52. Total Current & Accrued Liabilities (45 thru 51)	3,317,664
26. Regulatory Assets	0	53. Regulatory Liabilities	0
27. Other Deferred Debits	307,293	54. Other Deferred Credits	47,989
28. Total Assets and Other Debits (5+14+25 thru 27)	81,210,630	55. Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru 54)	81,210,630

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION	KY0027
	PERIOD ENDED	3/2006
INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2.	BORROWER NAME AND ADDRESS	
This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and may be confidential.	INTER-COUNTY ENERGY COOP CORP 1009 Hustonville Road P. O. Box 87 Danville, KY 40423-0087	

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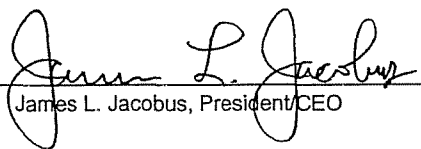
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(check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.



 Vickie Q. Lay, V. P. Finance & Accounting 05/10/2006
 DATE



 James L. Jacobus, President/CEO 05/10/2006
 DATE

DA-RUS	BORROWER DESIGNATION
FINANCIAL AND STATISTICAL REPORT	KY0027
INSTRUCTIONS-See RUS Bulletin 1717B-2	PERIOD ENDED
	3/2006

Part A. Statement of Operations

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)	Year-to-date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	9,622,496	10,292,448	11,576,769	3,177,219
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	6,552,992	6,973,291	7,787,584	2,299,276
4. Transmission Expense	0	0	0	0
5. Distribution Expense - Operation	383,504	453,244	682,731	145,520
6. Distribution Expense - Maintenance	246,809	314,411	199,731	119,848
7. Customer Accounts Expense	403,510	386,498	371,850	131,239
8. Customer Service and Informational Expense	149,323	114,684	145,503	33,250
9. Sales Expense	0	0	0	0
10. Administrative and General Expense	407,699	383,068	433,359	134,026
11. Total Operation & Maintenance Expense (2 thru 10)	8,143,837	8,625,196	9,620,758	2,863,159
12. Depreciation and Amortization Expense	586,398	642,428	659,295	215,090
13. Tax Expense - Property & Gross Receipts	0	0	0	0
14. Tax Expense - Other	0	0	8,466	0
15. Interest on Long-Term Debt	351,997	513,315	609,900	182,438
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	54,616	78,845	7,878	74,303
18. Other Deductions	6,811	5,393	3,825	(1,781)
19. Total Cost of Electric Service (11 thru 18)	9,143,659	9,865,177	10,910,122	3,333,209
20. Patronage Capital & Operating Margins (1 minus 19)	478,837	427,271	666,647	(155,990)
21. Non Operating Margins - Interest	11,163	2,237	37,500	943
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	0	20	0	20
25. Generation and Transmission Capital Credits	0	0	0	0
26. Other Capital Credits and Patronage Dividends	21,231	17,180	0	18,844
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	511,231	446,708	704,147	(136,183)

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)
1. New Services Connected	120	112
2. Services Retired	76	62
3. Total Services in Place	25,132	25,562
4. Idle Services (Exclude Seasonal)	1,113	1,019
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	3,155.20	3,215.39
7. Miles Distribution - Underground	272.76	306.16
8. Total Miles Energized (5 + 6 + 7)	3,427.96	3,521.55

DA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION KY0027
	PERIOD ENDED 3/2006
INSTRUCTIONS-See RUS Bulletin 1717B-2	

Part C. Balance Sheet

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	80,658,346	29. Memberships	969,890
2. Construction Work in Progress	295,153	30. Patronage Capital	24,332,234
3. Total Utility Plant (1 + 2)	80,953,499	31. Operating Margins - Prior Years	150,817
4. Accum. Provision for Depreciation and Amort.	15,445,000	32. Operating Margins - Current Year	444,451
5. Net Utility Plant (3 - 4)	65,508,499	33. Non-Operating Margins	2,257
6. Non-Utility Property (Net)	0	34. Other Margins and Equities	(781,476)
7. Investments in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	25,118,173
8. Invest. in Assoc. Org. - Patronage Capital	7,800,216	36. Long-Term Debt - RUS (Net)	14,777,834
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	47,515
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,132,870	37. Long-Term Debt - RUS - Econ. Devel. (Net)	0
11. Investments in Economic Development Projects	22,726	38. Long-Term Debt - FFB - RUS Guaranteed	23,345,305
12. Other Investments	9,800	39. Long-Term Debt - Other - RUS Guaranteed	0
13. Special Funds	0	40. Long-Term Debt Other (Net)	6,853,565
14. Total Other Property & Investments (6 thru 13)	8,965,612	41. Total Long-Term Debt (36 thru 40)	44,976,704
15. Cash - General Funds	745,159	42. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	43. Accumulated Operating Provisions and Asset Retirement Obligations	1,592,935
17. Special Deposits	0	44. Total Other Noncurrent Liabilities (42 + 43)	1,592,935
18. Temporary Investments	0	45. Notes Payable	4,700,000
19. Notes Receivable (Net)	44,563	46. Accounts Payable	2,608,374
20. Accounts Receivable - Sales of Energy (Net)	4,038,151	47. Consumers Deposits	395,170
21. Accounts Receivable - Other (Net)	10,007	48. Current Maturities Long-Term Debt	0
22. Materials and Supplies - Electric & Other	269,747	49. Current Maturities Long-Term Debt-Economic Development	0
23. Prepayments	354,432	50. Current Maturities Capital Leases	0
24. Other Current and Accrued Assets	10,555	51. Other Current and Accrued Liabilities	921,196
25. Total Current and Accrued Assets (15 thru 24)	5,472,614	52. Total Current & Accrued Liabilities (45 thru 51)	8,624,740
26. Regulatory Assets	0	53. Regulatory Liabilities	0
27. Other Deferred Debits	454,324	54. Other Deferred Credits	88,497
28. Total Assets and Other Debits (5+14+25 thru 27)	80,401,049	55. Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru 54)	80,401,049

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION KY0027
INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2.	PERIOD ENDED 2/2006
This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and may be confidential.	BORROWER NAME AND ADDRESS INTER-COUNTY ENERGY COOP CORP 1009 Hustonville Road P. O. Box 87 Danville, KY 40423-0087

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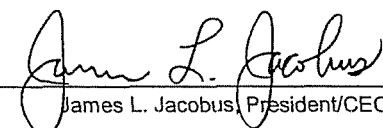
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(check one of the following)

- | | |
|--|---|
| <input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects | <input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report. |
|--|---|



 Vickie Q. Lay, V.P. Finance & Accounting

04/10/2006
DATE



 James L. Jacobus, President/CEO

04/10/2006
DATE

FINANCIAL AND STATISTICAL REPORT

KY0027

PERIOD ENDED

2/2006

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part A. Statement of Operations

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)	Year-to-date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	6,340,551	7,115,229	8,076,077	3,650,834
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	4,571,243	4,674,015	5,492,040	2,766,175
4. Transmission Expense	0	0	0	0
5. Distribution Expense - Operation	260,558	307,724	455,154	163,494
6. Distribution Expense - Maintenance	142,212	194,564	133,154	99,864
7. Customer Accounts Expense	267,313	255,260	247,900	126,412
8. Customer Service and Informational Expense	94,011	81,433	97,002	38,936
9. Sales Expense	0	0	0	0
10. Administrative and General Expense	250,833	249,042	288,906	124,727
11. Total Operation & Maintenance Expense (2 thru 10)	5,586,170	5,762,038	6,714,156	3,319,608
12. Depreciation and Amortization Expense	390,244	427,337	439,530	214,098
13. Tax Expense - Property & Gross Receipts	0	0	0	0
14. Tax Expense - Other	0	0	5,644	0
15. Interest on Long-Term Debt	217,409	330,876	406,600	154,259
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	24,493	4,542	5,252	2,260
18. Other Deductions	1,745	7,175	2,550	2,348
19. Total Cost of Electric Service (11 thru 18)	6,220,061	6,531,968	7,573,732	3,692,573
20. Patronage Capital & Operating Margins (1 minus 19)	120,490	583,261	502,345	(41,739)
21. Non Operating Margins - Interest	7,936	1,294	25,000	518
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	0	0	0	0
25. Generation and Transmission Capital Credits	0	0	0	0
26. Other Capital Credits and Patronage Dividends	500	(1,664)	0	(1,664)
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	128,926	582,891	527,345	(42,885)

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)
1. New Services Connected	77	78
2. Services Retired	44	27
3. Total Services in Place	25,121	25,563
4. Idle Services (Exclude Seasonal)	1,158	1,028
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	3,151.21	3,212.20
7. Miles Distribution - Underground	268.14	302.93
8. Total Miles Energized (5 + 6 + 7)	3,419.35	3,515.13

FINANCIAL AND STATISTICAL REPORT

KY0027

PERIOD ENDED

2/2006

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part C. Balance Sheet

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	80,181,024	29. Memberships	966,390
2. Construction Work in Progress	417,383	30. Patronage Capital	24,353,379
3. Total Utility Plant (1 + 2)	80,598,407	31. Operating Margins - Prior Years	150,817
4. Accum. Provision for Depreciation and Amort.	15,273,010	32. Operating Margins - Current Year	581,597
5. Net Utility Plant (3 - 4)	65,325,397	33. Non-Operating Margins	1,294
6. Non-Utility Property (Net)	0	34. Other Margins and Equities	(781,476)
7. Investments in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	25,272,001
8. Invest. in Assoc. Org. - Patronage Capital	7,800,216	36. Long-Term Debt - RUS (Net)	14,804,767
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	(47,135)
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,117,278	37. Long-Term Debt - RUS - Econ. Devel. (Net)	0
11. Investments in Economic Development Projects	22,726	38. Long-Term Debt - FFB - RUS Guaranteed	23,455,622
12. Other Investments	9,800	39. Long-Term Debt - Other - RUS Guaranteed	0
13. Special Funds	0	40. Long-Term Debt Other (Net)	6,843,023
14. Total Other Property & Investments (6 thru 13)	8,950,020	41. Total Long-Term Debt (36 thru 40)	45,103,412
15. Cash - General Funds	620,753	42. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	43. Accumulated Operating Provisions and Asset Retirement	
17. Special Deposits	0	Obligations	1,586,268
18. Temporary Investments	0	44. Total Other Noncurrent Liabilities (42 + 43)	1,586,268
19. Notes Receivable (Net)	51,039	45. Notes Payable	4,500,000
20. Accounts Receivable - Sales of Energy (Net)	4,787,208	46. Accounts Payable	3,025,352
21. Accounts Receivable - Other (Net)	14,812	47. Consumers Deposits	392,895
22. Materials and Supplies - Electric & Other	263,614	48. Current Maturities Long-Term Debt	0
23. Prepayments	397,130	49. Current Maturities Long-Term Debt-Economic	
24. Other Current and Accrued Assets	10,555	Development	0
25. Total Current and Accrued Assets (15 thru 24)	6,145,111	50. Current Maturities Capital Leases	0
26. Regulatory Assets	0	51. Other Current and Accrued Liabilities	981,068
27. Other Deferred Debits	532,681	52. Total Current & Accrued Liabilities (45 thru 51)	8,899,315
28. Total Assets and Other Debits (5+14+25 thru 27)	80,953,209	53. Regulatory Liabilities	0
		54. Other Deferred Credits	92,213
		55. Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru 54)	80,953,209

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION KY0027
	PERIOD ENDED 1/2006
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Vickie Q. Lay
 Vickie Q. Lay, V. P. Finance & Accounting

03/04/0006
 DATE

James L. Jacobus
 James L. Jacobus, President/CEO

03/04/0006
 DATE

FINANCIAL AND STATISTICAL REPORT

KY0027

PERIOD ENDED

1/2006

INSTRUCTIONS-See RUS Bulletin 1717B-2

Part A. Statement of Operations

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)	Year-to-date Budget (c) <i>891</i>	This Month (d)
1. Operating Revenue and Patronage Capital	3,026,923	3,464,395	4,202,909	3,464,395
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	2,482,200	1,907,840	2,939,629	1,907,840
4. Transmission Expense	0	0	0	0
5. Distribution Expense - Operation	132,984	144,231	227,577	144,231
6. Distribution Expense - Maintenance	47,100	94,699	66,577	94,699
7. Customer Accounts Expense	123,130	128,847	123,950	128,847
8. Customer Service and Informational Expense	50,358	42,498	48,501	42,498
9. Sales Expense	0	0	0	0
10. Administrative and General Expense	134,882	124,315	144,453	124,315
11. Total Operation & Maintenance Expense (2 thru 10)	2,970,654	2,442,430	3,550,687	2,442,430
12. Depreciation and Amortization Expense	194,762	213,239	219,765	213,239
13. Tax Expense - Property & Gross Receipts	0	0	0	0
14. Tax Expense - Other	0	0	2,822	0
15. Interest on Long-Term Debt	117,993	176,617	203,300	176,617
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	2,292	2,282	2,626	2,282
18. Other Deductions	2,147	4,827	1,275	4,827
19. Total Cost of Electric Service (11 thru 18)	3,287,848	2,839,395	3,980,475	2,839,395
20. Patronage Capital & Operating Margins (1 minus 19)	(260,925)	625,000	222,434	625,000
21. Non Operating Margins - Interest	4,267	776	12,500	776
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	0	0	0	0
25. Generation and Transmission Capital Credits	0	0	0	0
26. Other Capital Credits and Patronage Dividends	0	0	0	0
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	(256,658)	625,776	234,934	625,776

Part B. Data on Transmission and Distribution Plant

16

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)
1. New Services Connected	22	40
2. Services Retired	17	11
3. Total Services in Place	25,093	25,541
4. Idle Services (Exclude Seasonal)	1,165	1,040
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	3,148.33	3,205.06
7. Miles Distribution - Underground	266.50	300.61
8. Total Miles Energized (5 + 6 + 7)	3,414.83	3,505.67

USDA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0027	
INSTRUCTIONS-See RUS Bulletin 1717B-2		PERIOD ENDED 1/2006	
Part C. Balance Sheet			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	79,787,035	29. Memberships	962,395
2. Construction Work in Progress	461,241	30. Patronage Capital	24,387,242
3. Total Utility Plant (1 + 2)	80,248,276	31. Operating Margins - Prior Years	150,817
4. Accum. Provision for Depreciation and Amort.	15,096,315	32. Operating Margins - Current Year	(230,506)
5. Net Utility Plant (3 - 4)	65,151,961	33. Non-Operating Margins	776
6. Non-Utility Property (Net)	0	34. Other Margins and Equities	54,150
7. Investments in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	25,324,874
8. Invest. in Assoc. Org. - Patronage Capital	7,800,216	36. Long-Term Debt - RUS (Net)	14,930,013
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	(47,135)
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,118,942	37. Long-Term Debt - RUS - Econ. Devel. (Net)	0
11. Investments in Economic Development Projects	22,726	38. Long-Term Debt - FFB - RUS Guaranteed	23,455,622
12. Other Investments	9,800	39. Long-Term Debt - Other - RUS Guaranteed	0
13. Special Funds	0	40. Long-Term Debt Other (Net)	6,918,214
14. Total Other Property & Investments (6 thru 13)	8,951,684	41. Total Long-Term Debt (36 thru 40)	45,303,849
15. Cash - General Funds	1,103,199	42. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	43. Accumulated Operating Provisions and Asset Retirement	
17. Special Deposits	0	Obligations	1,579,829
18. Temporary Investments	0	44. Total Other Noncurrent Liabilities (42 + 43)	1,579,829
19. Notes Receivable (Net)	52,379	45. Notes Payable	4,519,879
20. Accounts Receivable - Sales of Energy (Net)	4,324,465	46. Accounts Payable	2,958,650
21. Accounts Receivable - Other (Net)	10,122	47. Consumers Deposits	388,829
22. Materials and Supplies - Electric & Other	269,763	48. Current Maturities Long-Term Debt	958,670
23. Prepayments	425,699	49. Current Maturities Long-Term Debt-Economic	
24. Other Current and Accrued Assets	10,555	Development	0
25. Total Current and Accrued Assets (15 thru 24)	6,196,182	50. Current Maturities Capital Leases	0
26. Regulatory Assets	0	51. Other Current and Accrued Liabilities	0
27. Other Deferred Debits	726,175	52. Total Current & Accrued Liabilities (45 thru 51)	8,826,028
28. Total Assets and Other Debits (5+14+25 thru 27)	81,026,002	53. Regulatory Liabilities	0
		54. Other Deferred Credits	(8,578)
		55. Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru	
		54)	81,026,002

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION	KY0027
	PERIOD ENDED	12/2005
INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2. This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and may be confidential.		
BORROWER NAME AND ADDRESS INTER-COUNTY ENERGY COOP CORP 1009 Hustonville Road P. O. Box 87 Danville, KY 40423-0087		

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

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.

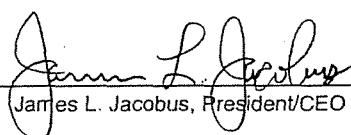
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII
(check one of the following)

- All of the obligations under the RUS loan documents have been fulfilled in all material respects
- There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.



 Vickie Q. Lay, V. P. Finance & Accounting 03/22/2006
 DATE



 James L. Jacobus, President/CEO 03/22/2006
 DATE

A-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION KY0027
	PERIOD ENDED 12/2005
INSTRUCTIONS-See RUS Bulletin 1717B-2	

Part A. Statement of Operations

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)	Year-to-date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	29,045,813	34,637,170	31,960,836	4,069,724
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	19,229,243	24,176,063	20,371,128	2,978,134
4. Transmission Expense	0	0	0	0
5. Distribution Expense - Operation	1,635,030	1,755,645	2,112,516	168,153
6. Distribution Expense - Maintenance	1,151,228	1,258,785	1,487,220	74,565
7. Customer Accounts Expense	1,356,185	1,516,581	1,500,204	121,315
8. Customer Service and Informational Expense	458,731	495,924	589,040	30,398
9. Sales Expense	0	0	0	0
10. Administrative and General Expense	1,394,619	1,650,699	1,544,464	127,114
11. Total Operation & Maintenance Expense (2 thru 10)	25,225,036	30,853,697	27,604,572	3,499,679
12. Depreciation and Amortization Expense	2,201,193	2,402,650	2,380,728	212,303
13. Tax Expense - Property & Gross Receipts	0	0	0	0
14. Tax Expense - Other	31,734	32,450	34,464	0
15. Interest on Long-Term Debt	1,183,924	1,711,137	1,410,456	172,505
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	48,629	193,836	29,508	11,676
18. Other Deductions	76,184	37,104	15,300	(1,012)
19. Total Cost of Electric Service (11 thru 18)	28,766,700	35,230,874	31,475,028	3,895,151
20. Patronage Capital & Operating Margins (1 minus 19)	279,113	(593,704)	485,808	174,573
21. Non Operating Margins - Interest	97,680	66,062	150,000	11,738
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	29,799	(380,511)	0	(51,049)
25. Generation and Transmission Capital Credits	0	0	0	0
26. Other Capital Credits and Patronage Dividends	35,784	72,527	0	2,079
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	442,376	(835,626)	635,808	137,341

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)
1. New Services Connected	622	687
2. Services Retired	154	263
3. Total Services in Place	25,088	25,512
4. Idle Services (Exclude Seasonal)	1,142	1,038
5. Miles Transmission	0 00	0 00
6. Miles Distribution - Overhead	3,144 73	3,201 43
7. Miles Distribution - Underground	264 67	300 51
8. Total Miles Energized (5 + 6 + 7)	3,409 40	3,501 94

A-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0027	
INSTRUCTIONS-See RUS Bulletin 1717B-2		PERIOD ENDED 12/2005	
Part C. Balance Sheet			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	79,439,871	29. Memberships	962,090
2. Construction Work in Progress	393,421	30. Patronage Capital	24,392,648
3. Total Utility Plant (1 + 2)	79,833,292	31. Operating Margins - Prior Years	150,817
4. Accum. Provision for Depreciation and Amort.	14,920,643	32. Operating Margins - Current Year	(521,177)
5. Net Utility Plant (3 - 4)	64,912,649	33. Non-Operating Margins	(314,449)
6. Non-Utility Property (Net)	0	34. Other Margins and Equities	54,188
7. Investments in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	24,724,117
8. Invest. in Assoc. Org. - Patronage Capital	7,800,216	36. Long-Term Debt - RUS (Net)	14,251,547
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	46,936
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,119,542	37. Long-Term Debt - RUS - Econ. Devel. (Net)	0
11. Investments in Economic Development Projects	22,726	38. Long-Term Debt - FFB - RUS Guaranteed	22,858,295
12. Other Investments	9,800	39. Long-Term Debt - Other - RUS Guaranteed	0
13. Special Funds	0	40. Long-Term Debt Other (Net)	6,623,035
14. Total Other Property & Investments (6 thru 13)	8,952,284	41. Total Long-Term Debt (36 thru 40)	43,732,877
15. Cash - General Funds	906,659	42. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	43. Accumulated Operating Provisions and Asset Retirement	
17. Special Deposits	0	Obligations	1,572,521
18. Temporary Investments	0	44. Total Other Noncurrent Liabilities (42 + 43)	1,572,521
19. Notes Receivable (Net)	53,794	45. Notes Payable	4,000,000
20. Accounts Receivable - Sales of Energy (Net)	4,701,092	46. Accounts Payable	3,347,997
21. Accounts Receivable - Other (Net)	23,853	47. Consumers Deposits	390,595
22. Materials and Supplies - Electric & Other	284,471	48. Current Maturities Long-Term Debt	1,600,000
23. Prepayments	411,165	49. Current Maturities Long-Term Debt-Economic	
24. Other Current and Accrued Assets	11,077	Development	0
25. Total Current and Accrued Assets (15 thru 24)	6,392,111	50. Current Maturities Capital Leases	0
26. Regulatory Assets	0	51. Other Current and Accrued Liabilities	888,937
27. Other Deferred Debits	0	52. Total Current & Accrued Liabilities (45 thru 51)	10,227,529
28. Total Assets and Other Debits (5+14+25 thru 27)	80,257,044	53. Regulatory Liabilities	0
		54. Other Deferred Credits	0
		55. Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru	
		54)	80,257,044

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION KY0027
	PERIOD ENDED 11/2005
INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2. <i>This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and may be confidential.</i>	BORROWER NAME AND ADDRESS INTER-COUNTY ENERGY COOP CORP 1009 Hustonville Road P. O. Box 87 Danville, KY 40423-0087

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

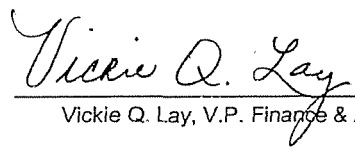
We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

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.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII
(check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects

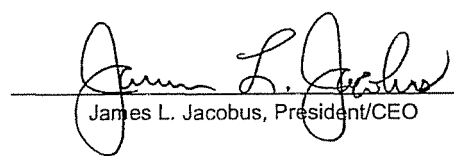
There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.



 Vickie Q. Lay, V.P. Finance & Accounting

01/03/2006

 DATE



 James L. Jacobus, President/CEO

01/03/2006

 DATE

A-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION KY0027
	PERIOD ENDED 11/2005
INSTRUCTIONS-See RUS Bulletin 1717B-2	

Part A. Statement of Operations

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)	Year-to-date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	26,086,436	30,567,447	28,716,126	2,959,556
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	16,925,801	21,197,929	18,178,789	2,147,113
4. Transmission Expense	0	0	0	0
5. Distribution Expense - Operation	1,505,445	1,587,493	1,936,473	184,946
6. Distribution Expense - Maintenance	1,052,943	1,184,220	1,363,285	91,342
7. Customer Accounts Expense	1,227,487	1,395,267	1,375,187	132,440
8. Customer Service and Informational Expense	424,046	465,525	539,953	44,990
9. Sales Expense	0	0	0	0
10. Administrative and General Expense	1,283,803	1,523,584	1,415,759	112,946
11. Total Operation & Maintenance Expense (2 thru 10)	22,419,525	27,354,018	24,809,446	2,713,777
12. Depreciation and Amortization Expense	2,013,002	2,190,348	2,182,334	211,504
13. Tax Expense - Property & Gross Receipts	0	0	0	0
14. Tax Expense - Other	31,734	32,450	31,592	0
15. Interest on Long-Term Debt	1,062,520	1,538,632	1,292,918	167,277
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	37,006	182,160	27,049	2,309
18. Other Deductions	63,993	38,116	14,025	18,972
19. Total Cost of Electric Service (11 thru 18)	25,627,780	31,335,724	28,357,364	3,113,839
20. Patronage Capital & Operating Margins (1 minus 19)	458,656	(768,277)	358,762	(154,283)
21. Non Operating Margins - Interest	82,684	54,323	137,500	764
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	15,599	(329,462)	0	(51,049)
25. Generation and Transmission Capital Credits	0	0	0	0
26. Other Capital Credits and Patronage Dividends	43,418	70,448	0	0
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	600,357	(972,968)	496,262	(204,568)

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)
1. New Services Connected	573	629
2. Services Retired	145	252
3. Total Services in Place	25,048	25,465
4. Idle Services (Exclude Seasonal)	1,150	1,053
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	3,137.09	3,198.13
7. Miles Distribution - Underground	261.54	296.81
8. Total Miles Energized (5 + 6 + 7)	3,398.63	3,494.94

DA-RUS FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION KY0027	
INSTRUCTIONS-See RUS Bulletin 1717B-2		PERIOD ENDED 11/2005	
Part C. Balance Sheet			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	79,065,874	29. Memberships	960,000
2. Construction Work in Progress	421,430	30. Patronage Capital	24,415,789
3. Total Utility Plant (1 + 2)	79,487,304	31. Operating Margins - Prior Years	150,817
4. Accum. Provision for Depreciation and Amort.	14,789,163	32. Operating Margins - Current Year	(697,830)
5. Net Utility Plant (3 - 4)	64,698,141	33. Non-Operating Margins	(275,138)
6. Non-Utility Property (Net)	0	34. Other Margins and Equities	51,303
7. Investments in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	24,604,941
8. Invest. in Assoc. Org. - Patronage Capital	7,798,737	36. Long-Term Debt - RUS (Net)	14,982,976
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	46,738
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,118,942	37. Long-Term Debt - RUS - Econ. Devel. (Net)	0
11. Investments in Economic Development Projects	22,726	38. Long-Term Debt - FFB - RUS Guaranteed	23,540,173
12. Other Investments	9,833	39. Long-Term Debt - Other - RUS Guaranteed	0
13. Special Funds	0	40. Long-Term Debt Other (Net)	6,923,193
14. Total Other Property & Investments (6 thru 13)	8,950,238	41. Total Long-Term Debt (36 thru 40)	45,446,342
15. Cash - General Funds	180,026	42. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	43. Accumulated Operating Provisions and Asset Retirement Obligations	1,566,381
17. Special Deposits	0	44. Total Other Noncurrent Liabilities (42 + 43)	1,566,381
18. Temporary Investments	0	45. Notes Payable	2,869,880
19. Notes Receivable (Net)	55,113	46. Accounts Payable	2,342,133
20. Accounts Receivable - Sales of Energy (Net)	3,643,824	47. Consumers Deposits	391,628
21. Accounts Receivable - Other (Net)	19,635	48. Current Maturities Long-Term Debt	0
22. Materials and Supplies - Electric & Other	263,982	49. Current Maturities Long-Term Debt-Economic Development	0
23. Prepayments	219,870	50. Current Maturities Capital Leases	0
24. Other Current and Accrued Assets	0	51. Other Current and Accrued Liabilities	778,901
25. Total Current and Accrued Assets (15 thru 24)	4,382,450	52. Total Current & Accrued Liabilities (45 thru 51)	6,382,542
26. Regulatory Assets	0	53. Regulatory Liabilities	0
27. Other Deferred Debits	0	54. Other Deferred Credits	30,623
28. Total Assets and Other Debits (5+14+25 thru 27)	78,030,829	55. Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru 54)	78,030,829

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

FINANCIAL AND STATISTICAL REPORT

BORROWER DESIGNATION KY0027

PERIOD ENDED 10/2005

BORROWER NAME AND ADDRESS
INTER-COUNTY ENERGY COOP CORP
1009 Hustonville Road
Danville, KY 40423-0087

INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2.
This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and may be confidential.

CERTIFICATION

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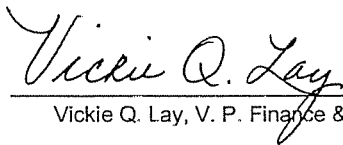
We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

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.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII
(check one of the following)

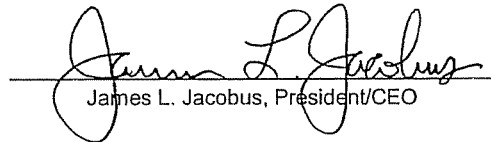
All of the obligations under the RUS loan documents have been fulfilled in all material respects

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.



Vickie Q. Lay, V. P. Finance & Accounting

12/01/2005
DATE



James L. Jacobus, President/CEO

12/01/2005
DATE

TA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION
	KY0027
	PERIOD ENDED
INSTRUCTIONS-See RUS Bulletin 1717B-2	10/2005

Part A. Statement of Operations

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)	Year-to-date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	23,879,031	27,607,891	26,104,256	2,771,611
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	15,486,860	19,050,816	16,471,780	1,823,304
4. Transmission Expense	0	0	0	0
5. Distribution Expense - Operation	1,383,140	1,402,547	1,760,430	202,171
6. Distribution Expense - Maintenance	983,586	1,092,878	1,239,350	97,565
7. Customer Accounts Expense	1,103,298	1,262,827	1,250,170	126,581
8. Customer Service and Informational Expense	387,211	420,535	490,867	40,615
9. Sales Expense	0	0	0	0
10. Administrative and General Expense	1,165,111	1,410,638	1,287,053	137,760
11. Total Operation & Maintenance Expense (2 thru 10)	20,509,206	24,640,241	22,499,650	2,427,996
12. Depreciation and Amortization Expense	1,825,426	1,978,844	1,983,940	210,053
13. Tax Expense - Property & Gross Receipts	0	0	0	0
14. Tax Expense - Other	31,734	32,450	28,720	0
15. Interest on Long-Term Debt	954,504	1,371,356	1,175,380	170,113
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	34,686	179,850	24,590	24,119
18. Other Deductions	59,408	19,145	12,750	9,833
19. Total Cost of Electric Service (11 thru 18)	23,414,964	28,221,886	25,725,030	2,842,114
20. Patronage Capital & Operating Margins (1 minus 19)	464,067	(613,995)	379,226	(70,503)
21. Non Operating Margins - Interest	78,632	53,559	125,000	22,414
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	15,599	(278,412)	0	(51,049)
25. Generation and Transmission Capital Credits	0	0	0	0
26. Other Capital Credits and Patronage Dividends	43,418	70,448	0	0
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	601,716	(768,400)	504,226	(99,138)

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)
1. New Services Connected	526	568
2. Services Retired	135	213
3. Total Services in Place	25,011	25,443
4. Idle Services (Exclude Seasonal)	1,165	1,100
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	3,134.58	3,194.72
7. Miles Distribution - Underground	258.16	293.07
8. Total Miles Energized (5 + 6 + 7)	3,392.74	3,487.79

DA-RUS		BORROWER DESIGNATION	
FINANCIAL AND STATISTICAL REPORT		KY0027	
INSTRUCTIONS-See RUS Bulletin 1717B-2		PERIOD ENDED	
		10/2005	
Part C. Balance Sheet			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	78,777,041	29. Memberships	957,345
2. Construction Work in Progress	443,024	30. Patronage Capital	24,429,178
3. Total Utility Plant (1 + 2)	79,220,065	31. Operating Margins - Prior Years	150,817
4. Accum. Provision for Depreciation and Amort.	14,608,014	32. Operating Margins - Current Year	(543,547)
5. Net Utility Plant (3 - 4)	64,612,051	33. Non-Operating Margins	(224,853)
6. Non-Utility Property (Net)	0	34. Other Margins and Equities	51,303
7. Investments in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	24,820,243
8. Invest. in Assoc. Org. - Patronage Capital	7,798,737	36. Long-Term Debt - RUS (Net)	15,103,621
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	46,558
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,118,942	37. Long-Term Debt - RUS - Econ. Devel. (Net)	0
11. Investments in Economic Development Projects	22,726	38. Long-Term Debt - FFB - RUS Guaranteed	23,540,173
12. Other Investments	9,833	39. Long-Term Debt - Other - RUS Guaranteed	0
13. Special Funds	0	40. Long-Term Debt Other (Net)	6,998,812
14. Total Other Property & Investments (6 thru 13)	8,950,238	41. Total Long-Term Debt (36 thru 40)	45,642,606
15. Cash - General Funds	1,051,286	42. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	43. Accumulated Operating Provisions and Asset Retirement Obligations	1,560,034
17. Special Deposits	0	44. Total Other Noncurrent Liabilities (42 + 43)	1,560,034
18. Temporary Investments	0	45. Notes Payable	2,619,880
19. Notes Receivable (Net)	56,324	46. Accounts Payable	2,333,608
20. Accounts Receivable - Sales of Energy (Net)	3,172,107	47. Consumers Deposits	392,533
21. Accounts Receivable - Other (Net)	(1,550)	48. Current Maturities Long-Term Debt	0
22. Materials and Supplies - Electric & Other	291,226	49. Current Maturities Long-Term Debt-Economic Development	0
23. Prepayments	31,145	50. Current Maturities Capital Leases	0
24. Other Current and Accrued Assets	0	51. Other Current and Accrued Liabilities	732,755
25. Total Current and Accrued Assets (15 thru 24)	4,600,538	52. Total Current & Accrued Liabilities (45 thru 51)	6,078,776
26. Regulatory Assets	0	53. Regulatory Liabilities	0
27. Other Deferred Debits	79	54. Other Deferred Credits	61,247
28. Total Assets and Other Debits (5+14+25 thru 27)	78,162,906	55. Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru 54)	78,162,906

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE	BORROWER DESIGNATION RUS 0027
	PERIOD ENDED 9/2005
FINANCIAL AND STATISTICAL REPORT	BORROWER NAME AND ADDRESS INTER-COUNTY ENERGY COOP CORP
	1009 Hustonville Road P. O. Box 87 Danville, KY 40423-0087
INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2.	
This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq.) and may be confidential.	

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

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.

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII
(check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

 Vickie Q. Lay, V. P. Finance & Accounting
 11/07/2005
 DATE

 James L. Jacobus, President/CEO
 11/07/2005
 DATE

IUCDA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION			
	KY0027			
	PERIOD ENDED			
INSTRUCTIONS-See RUS Bulletin 1717B-2	9/2005			

Part A. Statement of Operations

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)	Year-to-date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	21,949,142	24,836,280	23,902,150	2,663,747
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	14,305,175	17,227,512	15,115,080	2,044,591
4. Transmission Expense	0	0	0	0
5. Distribution Expense - Operation	1,249,289	1,200,375	1,584,387	142,258
6. Distribution Expense - Maintenance	869,994	995,312	1,115,415	118,374
7. Customer Accounts Expense	982,841	1,136,247	1,125,153	132,139
8. Customer Service and Informational Expense	349,227	379,921	441,780	39,714
9. Sales Expense	0	0	0	0
10. Administrative and General Expense	1,056,300	1,272,878	1,158,348	119,683
11. Total Operation & Maintenance Expense (2 thru 10)	18,812,826	22,212,245	20,540,163	2,596,759
12. Depreciation and Amortization Expense	1,639,089	1,768,791	1,785,546	196,566
13. Tax Expense - Property & Gross Receipts	0	0	0	0
14. Tax Expense - Other	31,734	32,450	25,848	0
15. Interest on Long-Term Debt	846,490	1,201,242	1,057,842	145,035
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	32,364	155,732	22,131	59,237
18. Other Deductions	58,217	9,312	11,475	(3,247)
19. Total Cost of Electric Service (11 thru 18)	21,420,720	25,379,772	23,443,005	2,994,350
20. Patronage Capital & Operating Margins (1 minus 19)	528,422	(543,492)	459,145	(330,603)
21. Non Operating Margins - Interest	52,941	31,144	112,500	1,881
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	15,599	(227,363)	0	(36,039)
25. Generation and Transmission Capital Credits	0	0	0	0
26. Other Capital Credits and Patronage Dividends	43,418	70,448	0	15,703
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	640,380	(669,263)	571,645	(349,058)

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)
1. New Services Connected	465	508
2. Services Retired	123	196
3. Total Services in Place	24,962	25,400
4. Idle Services (Exclude Seasonal)	1,155	1,097
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	3,118.24	3,188.27
7. Miles Distribution - Underground	256.37	288.46
8. Total Miles Energized (5 + 6 + 7)	3,374.61	3,476.73

FINANCIAL AND STATISTICAL REPORT		BORROWER DESIGNATION	
		KY0027	
		PERIOD ENDED	
INSTRUCTIONS-See RUS Bulletin 1717B-2		9/2005	
Part C. Balance Sheet			
ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	78,160,688	29. Memberships	957,105
2. Construction Work in Progress	450,911	30. Patronage Capital	24,447,181
3. Total Utility Plant (1 + 2)	78,611,599	31. Operating Margins - Prior Years	150,817
4. Accum. Provision for Depreciation and Amort.	14,419,629	32. Operating Margins - Current Year	(473,044)
5. Net Utility Plant (3 - 4)	64,191,970	33. Non-Operating Margins	(196,219)
6. Non-Utility Property (Net)	0	34. Other Margins and Equities	51,303
7. Investments in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	24,937,143
8. Invest. in Assoc. Org. - Patronage Capital	7,798,737	36. Long-Term Debt - RUS (Net)	15,057,423
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	118,781
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,123,507	37. Long-Term Debt - RUS - Econ. Devel. (Net)	0
11. Investments in Economic Development Projects	22,726	38. Long-Term Debt - FFB - RUS Guaranteed	19,929,173
12. Other Investments	9,833	39. Long-Term Debt - Other - RUS Guaranteed	0
13. Special Funds	0	40. Long-Term Debt Other (Net)	7,002,553
14. Total Other Property & Investments (6 thru 13)	8,954,803	41. Total Long-Term Debt (36 thru 40)	41,989,149
15. Cash - General Funds	451,832	42. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	43. Accumulated Operating Provisions and Asset Retirement	
17. Special Deposits	0	Obligations	1,553,687
18. Temporary Investments	0	44. Total Other Noncurrent Liabilities (42 + 43)	1,553,687
19. Notes Receivable (Net)	52,271	45. Notes Payable	5,000,000
20. Accounts Receivable - Sales of Energy (Net)	3,472,762	46. Accounts Payable	2,550,577
21. Accounts Receivable - Other (Net)	5,788	47. Consumers Deposits	394,233
22. Materials and Supplies - Electric & Other	283,734	48. Current Maturities Long-Term Debt	0
23. Prepayments	86,341	49. Current Maturities Long-Term Debt-Economic	
24. Other Current and Accrued Assets	0	Development	0
25. Total Current and Accrued Assets (15 thru 24)	4,352,728	50. Current Maturities Capital Leases	0
26. Regulatory Assets	0	51. Other Current and Accrued Liabilities	982,746
27. Other Deferred Debits	0	52. Total Current & Accrued Liabilities (45 thru 51)	8,927,556
28. Total Assets and Other Debits (5+14+25 thru 27)	77,499,501	53. Regulatory Liabilities	0
		54. Other Deferred Credits	91,966
		55. Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru 54)	77,499,501

UNITED STATES DEPARTMENT OF AGRICULTURE RURAL UTILITIES SERVICE FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION	KY0027
	PERIOD ENDED	8/2005
	BORROWER NAME AND ADDRESS	INTER-COUNTY ENERGY COOP CORP 1009 Hustonville Road P. O. Box 87 Danville, KY 40423-0087
INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2.		
This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et seq) and may be confidential.		

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

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.

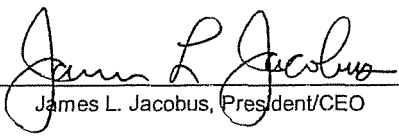
DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII
(check one of the following)

All of the obligations under the RUS loan documents have been fulfilled in all material respects

There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.



 Vickie Q. Lay, V.P. Finance & Accounting 09/26/2005
 DATE



 James L. Jacobus, President/CEO 09/26/2005
 DATE

DA-RUS FINANCIAL AND STATISTICAL REPORT	BORROWER DESIGNATION KY0027
	PERIOD ENDED 8/2005
INSTRUCTIONS-See RUS Bulletin 1717B-2	

Part A. Statement of Operations

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)	Year-to-date Budget (c)	This Month (d)
1. Operating Revenue and Patronage Capital	19,793,811	22,172,532	21,502,301	2,872,776
2. Power Production Expense	0	0	0	0
3. Cost of Purchased Power	12,898,681	15,182,921	13,659,758	2,143,442
4. Transmission Expense	0	0	0	0
5. Distribution Expense - Operation	1,103,529	1,058,118	1,408,344	160,493
6. Distribution Expense - Maintenance	816,419	876,938	991,480	145,432
7. Customer Accounts Expense	871,358	1,004,108	1,000,136	128,456
8. Customer Service and Informational Expense	313,270	340,206	392,693	43,159
9. Sales Expense	0	0	0	0
10. Administrative and General Expense	932,838	1,153,196	1,029,643	217,057
11. Total Operation & Maintenance Expense (2 thru 10)	16,936,095	19,615,487	18,482,054	2,838,039
12. Depreciation and Amortization Expense	1,453,463	1,572,224	1,587,152	196,291
13. Tax Expense - Property & Gross Receipts	0	0	0	0
14. Tax Expense - Other	31,735	32,450	22,976	0
15. Interest on Long-Term Debt	743,081	1,056,207	940,304	147,868
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	29,583	96,494	19,672	2,681
18. Other Deductions	58,482	12,559	10,200	2,825
19. Total Cost of Electric Service (11 thru 18)	19,252,439	22,385,421	21,062,358	3,187,704
20. Patronage Capital & Operating Margins (1 minus 19)	541,372	(212,889)	439,943	(314,928)
21. Non Operating Margins - Interest	47,657	29,263	100,000	2,047
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	0	0	0	0
24. Non Operating Margins - Other	15,599	(191,324)	0	(88,788)
25. Generation and Transmission Capital Credits	0	0	0	0
26. Other Capital Credits and Patronage Dividends	28,790	54,745	0	33,450
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	633,418	(320,205)	539,943	(368,219)

Part B. Data on Transmission and Distribution Plant

ITEM	Year-to-date Last Year (a)	Year-to-date This Year (b)
1. New Services Connected	398	441
2. Services Retired	105	165
3. Total Services in Place	24,913	25,364
4. Idle Services (Exclude Seasonal)	1,176	1,102
5. Miles Transmission	0.00	0.00
6. Miles Distribution - Overhead	3,115.70	3,183.19
7. Miles Distribution - Underground	254.23	286.06
8. Total Miles Energized (5 + 6 + 7)	3,369.93	3,469.25

DA-RUS	BORROWER DESIGNATION
FINANCIAL AND STATISTICAL REPORT	KY0027
	PERIOD ENDED
	8/2005
INSTRUCTIONS-See RUS Bulletin 1717B-2	

Part C. Balance Sheet

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	71,099,334	29. Memberships	955,670
2. Construction Work in Progress	7,149,982	30. Patronage Capital	24,465,936
3. Total Utility Plant (1 + 2)	78,249,316	31. Operating Margins - Prior Years	150,817
4. Accum. Provision for Depreciation and Amort.	14,348,850	32. Operating Margins - Current Year	(158,144)
5. Net Utility Plant (3 - 4)	63,900,466	33. Non-Operating Margins	(162,061)
6. Non-Utility Property (Net)	0	34. Other Margins and Equities	51,303
7. Investments in Subsidiary Companies	0	35. Total Margins & Equities (29 thru 34)	25,303,521
8. Invest. in Assoc. Org. - Patronage Capital	7,786,174	36. Long-Term Debt - RUS (Net)	15,013,615
9. Invest. in Assoc. Org. - Other - General Funds	0	(Payments - Unapplied)	(194,927)
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	1,123,507	37. Long-Term Debt - RUS - Econ. Devel. (Net)	0
11. Investments in Economic Development Projects	22,726	38. Long-Term Debt - FFB - RUS Guaranteed	20,026,226
12. Other Investments	9,833	39. Long-Term Debt - Other - RUS Guaranteed	0
13. Special Funds	0	40. Long-Term Debt Other (Net)	7,006,281
14. Total Other Property & Investments (6 thru 13)	8,942,240	41. Total Long-Term Debt (36 thru 40)	42,046,122
15. Cash - General Funds	696,123	42. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	43. Accumulated Operating Provisions and Asset Retirement Obligations	1,547,507
17. Special Deposits	0	44. Total Other Noncurrent Liabilities (42 + 43)	1,547,507
18. Temporary Investments	0	45. Notes Payable	4,750,000
19. Notes Receivable (Net)	49,444	46. Accounts Payable	2,594,314
20. Accounts Receivable - Sales of Energy (Net)	3,602,374	47. Consumers Deposits	390,908
21. Accounts Receivable - Other (Net)	7,656	48. Current Maturities Long-Term Debt	0
22. Materials and Supplies - Electric & Other	231,522	49. Current Maturities Long-Term Debt-Economic Development	0
23. Prepayments	159,841	50. Current Maturities Capital Leases	0
24. Other Current and Accrued Assets	0	51. Other Current and Accrued Liabilities	834,405
25. Total Current and Accrued Assets (15 thru 24)	4,746,960	52. Total Current & Accrued Liabilities (45 thru 51)	8,569,627
26. Regulatory Assets	0	53. Regulatory Liabilities	0
27. Other Deferred Debits	0	54. Other Deferred Credits	122,889
28. Total Assets and Other Debits (5+14+25 thru 27)	77,589,666	55. Total Liabilities and Other Credits (35+ 41 + 44 + 52 thru 54)	77,589,666

**INTER-COUNTY ENERGY
DANVILLE, KY**

Case No. 2006-00415

**UNBUNDLED COST OF SERVICE STUDY
Test Year September 2005 - August 2006**

Prepared by: November 1006

J. Adkins

**INTER-COUNTY ENERGY COOPERATIVE
DANVILLE, KY**

Exhibit R
Narrative
Page 1 of 35
Witness: Jim Adkins

CASE NO. 2006-00415

DESCRIPTION OF COST OF SERVICE STUDY

A description of the Cost of Service Study ("COSS") presented in Exhibit R of the original application is contained in the following discussion. This COSS is comprised of 11 schedules. Schedules 1 and 2 are schedules that present the the proposed allocation of the revenue increase to the rate classes and proposed rate design for those rates receiving an increase in revenue. Schedules 3 and 4 give the results of the COSS in a summary manner. Schedules 5 and 6 are the primary schedules within the COSS. Schedules 7, through 11 are supporting schedules which provides many of the allocations methods for Schedules 3 and 4.

The COSS is a functionally unbundled because it provides the revenue requirements by function for each classification within all rate classes. By this is meant that a breakdown of the of the costs, the margins, and revenue credits for a function such as lines can be determined for all three classifications of demand-related, energy-related and consumer-related.

The COSS does follow the standard three step process of functionalization, classification, and allocation. The functions utilized in this COSS include these:

- a. purchased power
- b. Lines
- c. Transformers
- d. Services
- e. Meters
- f. Consumer and accounting services

**INTER-COUNTY ENERGY COOPERATIVE
DANVILLE, KY**

CASE NO. 2006-00415

The classifications used in the COSS include demand-related costs, energy-related costs, and consumer-related costs. One can readily see how specific costs may impact a specific segment of each rate class. Schedule 6 provides the functionalization and classification of costs. Schedule 5 provides the allocation of the costs to the appropriate rate classes. The relationships between functionalization and classification is better understood through the chart presented below:

	Demand <u>Related</u>	Energy <u>Related</u>	Consumer <u>Related</u>
Purchased Power	X	X	
Lines	X		X
Transformers	X		X
Services			X
Meters			X
Consumer & Acctg Services			X

Purchased power demand cost and substation costs are demand related while purchased power energy costs are considered to be energy related costs. Most distribution costs are considered to be consumer related with the exceptions being lines and transformers. Lines and transformers are considered to have a demand component and a consumer component. The determination of what portion of line expenses and transformer expenses may be demand related or consumer related is based on their proportional demand investment and consumer investment.

**INTER-COUNTY ENERGY COOPERATIVE
DANVILLE, KY**

Exhibit R
Narrative
Page 3 of 35
Witness: Jim Adkins

CASE NO. 2006-00415

The determination of the demand related amount and the consumer related amount in lines and transformers is based the e development of regression line. The "y intercept" becomes the basis for determining the consumer investment for each pole, each conductor and each transformer. The minimum investment per unit multiplied by the total number of poles, conductor and transformers gives the consumer related investment for that plant item. The remaining investment is considered to be demand related. Schedule 9 provides the details on the determination the demand related investment and consumer related investment for lines and transformers.

Many expenses are directly assigned to a function or allocated on the basis of O&M Other expenses such as depreciation, interest, margins, revenue credits and other similar expenses are allocated on the basis of information from Schedules 7 & 8. These schedules are the ones that provides the development of the Net Investment Rate Base ("rate base"). The end result from Schedule 6 is a revenue requirement for each functional classification which includes all costs, revenue credits and a margin requirement.

The next step in the process is the allocation of the revenue requirements to each rate class. Purchased power demand related costs are allocated on the basis of each rate class of South Kentucky contribution of East Kentucky Power Cooperative ("EKPC") coincident peak or the basis by which South Kentucky is billed from EKPC. Purchased power energy charges are allocated to each rate class on the basis of each rate class's proportional share of retail energy sales.

**INTER-COUNTY ENERGY COOPERATIVE
DANVILLE, KY**

Exhibit R
Narrative
Page 4 of 35
Witness: Jim Adkins

CASE NO. 2006-00415

Distribution demand related costs are allocated to each rate class's peak demand to the sum of the peak demand for all rate classes. These rate class peak demands and the EKPC coincident peak demands are the sum of the monthly demands for each of the twelve months of the test year. The basis for the demand related cost allocation and the energy related allocation is contained in Schedule 10.

Schedule 11 contains the information that has been utilized to allocate the consumer related costs to the various rate classes. These allocations are based on number of consumers and weights based on the minimum size plant investments for each rate class.

The end result of this COSS is the determination of the revenue requirements for each rate class of Inter-County Energy. When the revenue requirements are matched with the revenue from current rates, it is readily apparent what rate classes are meeting their revenue requirements from the COSS and what rate classes are not meeting their revenue requirements. The end results of the COSS for Inter-County Energy indicates that several rate classes are recovering costs and some are not. Schedules 3 & 4 of the COSS provides those rate classes that are providing margins and those that are not recovering costs.

Schedule 2 of the COSS provides the full revenue requirement for each rate class along with the amount of revenue increase or revenue decrease that would be required for these rate classes to provide revenue at the level identified in the COSS.

**INTER-COUNTY ENERGY COOPERATIVE
DANVILLE, KY**

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Schedule 2 also shows the amount of revenue increase for each rate class that is being sought for each or used in the design of rates for each class.

The amount of increase used for rate design may differ than the COSS results and it is different for several reasons. Those rate classes recovering amounts in excess or COSS revenue requirements are not being proposed a reduction in rates.

The increase for Schedule 1 does not meet full revenue requirements but it is very close to recovering revenue requirements based on this proposal. The end result of the COSS is a better match of costs with revenues.

**INTER-CONTY ENERGY
DANVILLE, KY**

Exhibit R
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RATE DESIGN

<u>Revenue Required from Rates</u>	Schedule 1 Farm & Home	Schedule 1-A ETS	Schedule B-1 500-4999 kW	Schedule 6 Lighting
Amount of Increase in Revenue Requirements	3,722,516	-	33,327	234,444
Current Revenue from Rates	24,581,289	28,083	1,360,910	645,960
Revenue from Rates	<u>28,303,805</u>	<u>28,083</u>	<u>1,394,237</u>	<u>880,404</u>

Billing Units

Consumer Charges	281,153		76
Energy kWh	349,877,820	735,167	28,726,609
Demand Charges			
Contract Demand			43,179
Excess Demand			9,321

Proposed Rate Design

Schedule 1 & 1-A

	<u>Schedule 1</u>	<u>Schedule 1-A</u>
Proposed Customer Charge	\$ 8.00	
Revenue from Customer Charge	2,249,224	
Revenue Required from Energy	<u>26,082,664</u>	
Proposed Energy Rate	<u>\$ 0.07445</u>	<u>\$ 0.04467</u>

Schedule B-1

	<u>Rate</u>	<u>Billing Units</u>	<u>Revenue</u>
Revenue from Customer Charge	\$ 535.00	76	\$ 40,660
Revenue from Demand Rates			
Contract Demand	5.39	43,179	232,735
Excess Demand	7.82	9,321	72,890
Subtotal			<u>\$ 346,285</u>
Revenue Required from Energy			1,047,952
Billing Units - Energy kWh			<u>28,726,609</u>
			<u>\$ 0.03648</u>

INTER-COUNTY ENERGY
DANVILLE, KY

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Schedule 6

Proposed Increase in Required Revenue		234,444
Revenue from Current Rates		<u>645,960</u>
Percentage Increase in Rates		<u>36.3%</u>
Current Rates and Proposed Rates	<u>Current</u>	<u>Proposed</u>
107,800 Lumen Directional Floodlight	\$22.95	\$ 31.28
50,000 Lumen Directional Floodlight	\$12.48	\$ 17.01
27,500 Lumen Directional Floodlight	\$8.92	\$ 12.16
27,500 Lumen Cobra Head	\$8.31	\$ 11.33
9,500 Lumen Security Light	\$6.68	\$ 9.10
7,000 Lumen Security Light	\$6.66	\$ 9.08
4,000 Lumen Decorative Colonial Post	\$8.46	\$ 11.53
9,550 Lumen Decorative Colonial Post	\$10.89	\$ 14.84

**INTER-COUNTY ENERGY
DANVILLE, KY**

CASE NO. 2006-00415

ALLOCATION OF INCREASE AMOUNT TO RATE CLASSES

	Schedule 1 Farm & Home	Schedule 1-A ETS	Schedule 2 Sml Com	Schedule 4 Large Power	Schedule 5 All Elect. Schl	Schedule B-1 500-4999 kW	Schedule C-1 500-4999 kW	Schedule 6 Lighting	Total
Total Costs	27,488,760	24,697	469,680	1,451,003	188,275	1,354,874	848,453	823,091	32,648,832
Margins for a TIER of 2.0X	2,136,457	427	29,979	80,553	11,372	78,189	42,267	113,434	2,492,678
Revenue Requirements	29,625,217	25,124	499,658	1,531,556	199,648	1,433,062	890,720	936,525	35,141,510
Less:									
Revenue from Rates	24,581,289	28,083	543,780	1,680,337	199,742	1,360,910	875,922	645,960	29,916,024
Other Revenue	1,058,681	212	14,855	39,917	5,635	38,825	20,953	56,121	1,235,199
(Over) Under Recovery	3,985,247	(3,171)	(58,977)	(188,697)	(5,730)	33,327	(6,155)	234,444	3,990,286
Increase Amount	a					33,327		234,444	3,990,286
Percentage Increase over current rates	b	15.13%				2.45%		36.29%	13.34%

Footnotes:

- a. It proposed to increase the revenue requirements for those rate classes that are currently not providing full revenue requirements and not to decrease the rates of those rate classes that are currently over recovering revenue requirements. Full revenue requirements are being sought from Schedule B-1 and Schedule 6. Schedule 1 will not have full recovery but will move significantly towards full recovery.
- b. Schedules 1 and 1-A are combined for the increase amount and percentage increase.

**INTER-COUNTY ENERGY
DANVILLE, KY**

Exhibit R
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**Case No. 2006-00415
Statement of Operations
Based on Expenses Category for each Rate Class**

	Enviro- Watts	Schedule 1 Farm & Home	Schedule 1-A ETS	Schedule 2 Sml Com	Schedule 4 Large Power
Revenue	1,620	24,581,289	28,083	543,780	1,680,337
Purchased Power Costs	1,386	16,647,182	19,936	345,020	1,136,103
O&M	-	4,992,535	3,295	48,532	117,002
Admin & General	-	1,372,434	570	13,320	29,139
Depreciation & Misc.	-	2,316,153	463	32,493	87,301
Interest on Long Term Debt	-	2,136,457	427	29,979	80,553
Other Interest	-	23,999	5	337	905
Total Costs	1,386	27,488,760	24,697	469,680	1,451,003
Operating Margin	234	(2,907,471)	3,387	74,101	229,334
Other Income	-	1,058,681	212	14,855	39,917
Net Margins	234	(1,848,790)	3,598	88,956	269,251
TIER	-	0.135	9.426	3.967	4.343
Rate Base	-	57,957,090	11,585	813,249	2,185,226
Return	234	287,667	4,026	118,934	349,804
Rate of Return		0.50%	34.75%	14.62%	16.01%

**INTER-COUNTY ENERGY
DANVILLE, KY**

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**Case No. 2006-00415
Statement of Operations
Based on Expenses Category for each Rate Class**

	Schedule 5 All Elect. Schl	Schedule B-1 500-4999 kW	Schedule C-1 500-4999 kW	Schedule 6 Lighting	Total
Revenue	199,742	1,360,910	875,922	645,960	29,916,024
Purchased Power Costs	145,936	1,098,131	694,164	288,452	20,374,925
O&M	14,540	81,796	51,277	240,726	5,549,703
Admin & General	3,974	23,270	14,590	44,017	1,501,315
Depreciation & Misc.	12,325	72,609	45,680	135,188	2,702,211
Interest on Long Term Debt	11,372	78,189	42,267	113,434	2,492,678
Other Interest	128	878	475	1,274	28,001
Total Costs	188,275	1,354,874	848,453	823,091	32,648,832
Operating Margin	11,467	6,037	27,469	(177,130)	(2,732,808)
Other Income	5,635	38,825	20,953	56,121	1,235,199
Net Margins	17,102	44,862	48,422	(121,010)	(1,497,609)
TIER	2.504	1.574	2.146	(0.067)	0.399
Rate Base	308,504	1,821,907	1,143,927	3,379,045	67,620,532
Return	28,474	123,051	90,689	(7,575)	995,069
Rate of Return	9.23%	6.75%	7.93%	-0.22%	1.47%

INTER-COUNTY ENERGY
Case No. 2006-00415

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Statement of Operations by Functional Classification

	Enviro- <u>Watts</u>	Schedule 1 <u>Farm & Home</u>	Schedule 1-A <u>ETS</u>	Schedule 2 <u>Sml Com</u>	Schedule 4 <u>Large Power</u>
Revenue	1,620	24,581,289	28,083	543,780	1,680,337
Wholesale Demand Costs					
Generation	-	3,273,033	-	78,628	242,599
Transmission	-	1,430,779	-	34,372	106,050
Distribution Substation	-	371,363	-	8,921	27,526
Total Wholesale Demand	-	5,075,175	-	121,921	376,174
Wholesale Energy Costs	1,386	11,572,007	19,936	223,099	759,929
Total Wholesale Costs	1,386	16,647,182	19,936	345,020	1,136,103
Gross Margin	234	7,934,107	8,147	198,760	544,234
Distribution Demand Costs					
Lines	-	3,148,142	-	72,131	224,688
Transformers	-	663,923	-	15,212	47,385
Total Distribution Demand	-	3,812,065	-	87,343	272,074
Distribution Consumer					
Lines	-	1,587,580	-	16,158	7,002
Transformers	-	195,225	-	2,384	2,457
Services	-	1,782,269	-	185	35
Meters	-	443,696	2,747	4,516	27,234
Consumer Services	-	3,020,743	2,013	14,074	6,099
Lighting	-	-	-	-	-
Total Distribution Consum	-	7,029,513	4,760	37,317	42,826
Total Distribution Costs	-	10,841,578	4,760	124,660	314,900
Operating Margin	234	(2,907,471)	3,387	74,101	229,334
Other Revenue	-	1,058,681	212	14,855	39,917
Net Margin	234	(1,848,790)	3,598	88,956	269,251

INTER-COUNTY ENERGY
Case No. 2006-00415

Exhibit R
Schedule 4
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Witness: Jim Adkins

Statement of Operations by Functional Classification

	Schedule 5 All Elect. Schl	Schedule B-1 500-4999 kW	Schedule C-1 500-4999 kW	Schedule 6 Lighting	Total
Revenue	199,742	1,360,910	875,922	645,960	29,916,024
Wholesale Demand Costs					-
Generation	21,720	237,557	116,268	30,629	4,000,435
Transmission	9,495	76,402	53,000	13,389	1,723,487
Distribution Substation	2,464	19,830	13,756	3,475	447,336
Total Wholesale Demar	33,679	333,790	183,025	47,494	6,171,258
Wholesale Energy Costs	112,257	764,341	511,140	240,958	14,203,667
Total Wholesale Costs	145,936	1,098,131	694,164	288,452	20,374,925
					-
Gross Margin	53,806	262,779	181,758	357,508	9,541,099
Distribution Demand Costs					-
Lines	32,957	200,700	126,479	72,125	3,877,222
Transformers	6,950	42,326	26,674	15,211	817,682
Total Distribution Dema	39,908	243,027	153,152	87,335	4,694,904
Distribution Consumer					-
Lines	337	11,855	185	34,414	1,657,530
Transformers	589	1,391	893	6,766	209,706
Services	0	0	0	1,486	1,783,975
Meters	1,309	-	-	-	479,502
Consumer Services	196	469	59	4,168	3,047,821
Lighting		-		400,469	400,469
Total Distribution Cons	2,431	13,716	1,137	447,303	7,579,004
					0
Total Distribution Costs	42,339	256,742	154,289	534,639	12,273,907
					-
Operating Margin	11,467	6,037	27,469	(177,130)	(2,732,808)
					-
Other Revenue	5,635	38,825	20,953	56,121	1,235,199
					-
Net Margin	17,102	44,862	48,422	(121,010)	(1,497,609)

Allocation of Revenue Requirements to Rate Classes

	Total \$\$\$	Schedule 1				Schedule 1-A	
		Envirowatts Energy	Farm & Home Service Demand	Energy	Consumer	ETS Demand	Energy
1 Purchased Power							
2 Generation Demand	4,000,435		3,273,033				
3 Generation Energy	14,205,053	1,386		11,572,007		19,936	
4 Transmission Demand	1,723,487		1,430,779				
5 Substation Demand	447,336		371,363				
6							
7 Total Purchased Power	20,376,311	1,386	5,075,175	11,572,007	-	-	19,936
8							
9 Lines							
10 Distribution O&M Demand Related	1,539,908		1,250,341				
11 Distribution O&M Consumer Related	658,318			630,536			
12 Admin & Gen Demand Related	331,189		268,912				
13 Admin & Gen Consumer Related	141,585			135,610			
14 Deprec, Taxes & Misc Demand Related	1,037,778		842,632				
15 Deprec, Taxes & Misc Consumer Related	443,655			424,932			
16 Interest Demand Related	968,346		786,257				
17 Interest Customer Related	413,972			396,502			
18							
19 Total Costs for Lines	5,534,752		3,148,142		1,587,580		
20							
21 Margins Demand Related	957,590		777,523				
22 Margins Consumer Related	409,374			392,098			
23							
24 Credits Demand Related	474,515		385,287				
25 Credits Consumer Related	202,857			194,297			
26							
27 Revenue Requirements-Lines	6,224,342	-	3,540,377	-	1,785,381	-	-
28							
29 Transformers							
30 Distribution O&M Demand Related	28,989		23,538				
31 Distribution O&M Consumer Related	7,435			6,921			
32 Admin & Gen Demand Related	111,755		90,740				
33 Admin & Gen Consumer Related	28,661			26,682			
34 Deprec, Taxes & Misc Demand Related	350,183		284,334				
35 Deprec, Taxes & Misc Consumer Related	89,809			83,608			
36 Interest Demand Related	326,754		265,311				
37 Interest Customer Related	83,801			78,014			
38							
39 Total Costs for Transformers	1,027,388		663,923		195,225		
40							
41 Margins Demand Related	323,125		262,364				
42 Margins Consumer Related	82,870			77,147			
43							
44 Credits Demand Related	160,118		130,009				
45 Credits Consumer Related	41,065			38,229			
46							
47 Revenue Requirements-Transform.	1,232,199	-	796,278	-	234,144	-	-
48							
49 Services							
50 Distribution O&M Consumer Related	708,538			707,860			
51 Admin & Gen Consumer Related	152,386			152,240			
52 Deprec, Taxes & Misc Consumer Related	477,499			477,043			
53 Interest Customer Related	445,552			445,126			
54							
55 Total Costs for Services	1,783,975			1,782,269			
56							
57 Margins Consumer Related	440,603			440,182			
58							
59 Credits Consumer Related	218,333		0	218,124			
60							
61 Revenue Requirements-Services	2,006,246	-	-	-	2,004,327	-	-

Allocation of Revenue Requirements to Rate Classes

	Total \$\$\$	Schedule 1 Farm & Home Service		Schedule 1-A ETS				
		Envirowatts Energy	Demand	Energy	Consumer			Demand
1 Meters								
2 Distribution O&M Consumer Related	335,159				310,132		1,920	
3 Admin & Gen Consumer Related	20,453				18,926		117	
4 Deprec, Taxes & Misc Consumer Related	64,089				59,303		367	
5 Interest Customer Related	59,801				55,336		343	
6								
7 Total Costs for Services	479,502		-	-	443,696	-	2,747	
8								
9 Margins Consumer Related	59,137				54,721		339	
10								
11 Credits Consumer Related	29,304				27,116		168	
12								
13 Revenue Requirements-Meters	509,335		-	-	471,301	-	2,918	
14								
15 Lighting								
16 Outdoor Lighting O&M	189,655							
17 Street Lighting O&M	-							
18 Outdoor Lighting A&G	29,872							
19 Street Lighting A&G	-							
20 Outdoor Lighting Deprec & Misc	93,603							
21 Street Lighting Deprec & Misc	-							
22 Outdoor Lighting Interest	87,340							
23 Street Lighting Interest	-							
24								
25 Total Costs for Lights	400,469		-	-	-	-	-	
26								
27 Outdoor Lighting Margins	86,370							
28 Street Lighting Margins	-							
29								
30 Outdoor Lighting Revenue Credit	42,799							
31 Street Lighting Revenue Credit	-							
32								
33 Revenue Requirements-Lighting	444,040		-	-	-	-	-	
34								
35 Consumer Accts & Serv								
36 Customer Accounts	1,588,540				1,574,427		1,049	
37 Customer Service	493,162				488,781		326	
38 Admin & General	685,414				679,325		453	
39 Depreciation & Misc	145,595				144,301		96	
40 Interest	135,111				133,910		89	
41								
42 Total Costs for Consumer Acctg & Service	3,047,821				3,020,743	-	2,013	
43								
44 Margins	133,610				132,423	-	88	
45								
46 Revenue Credits	66,208				65,620	-	44	
47								
48 Revenue Require. Cons. Act & Serv.	3,115,223				3,087,546	-	2,058	
49								
50								
51								
52 TOTAL COSTS	32,650,218	1,386	8,887,240	11,572,007	7,029,513	-	19,936	4,760
53								
54 TOTAL REVENUE REQUIREMENTS FROM RATES	33,907,696	1,386	9,411,830	11,572,007	7,582,699	-	19,936	4,976
55								
56								
57 MARGINS PROVIDED								
58 RATE REVENUE	1,257,478	-	524,590	-	553,186	-	-	215

Allocation of Revenue Requirements to Rate Classes

	Schedule 2 Small Commercial & Small Power			Schedule 4 Large Power			Schedule 5 All Electric Schools		
	Demand	Energy	Consumer	Demand	Energy	Consumer	Demand	Energy	Consumer
1 Purchased Power									
2 Generation Demand	78,628			242,599			21,720		
3 Generation Energy		223,099			759,929			#####	
4 Transmission Demand	34,372			106,050			9,495		
5 Substation Demand	8,921			27,526			2,464		
6									
7 Total Purchased Power	<u>121,921</u>	<u>223,099</u>	<u>-</u>	<u>376,174</u>	<u>759,929</u>	<u>-</u>	<u>33,679</u>	<u>#####</u>	
8									
9 Lines									
10 Distribution O&M Demand Related	28,648			89,239			13,090		
11 Distribution O&M Consumer Related			6,417			2,781			134
12 Admin & Gen Demand Related	6,161			19,193			2,815		
13 Admin & Gen Consumer Related			1,380			598			29
14 Deprec, Taxes & Misc Demand Related	19,307			60,140			8,821		
15 Deprec, Taxes & Misc Consumer Related			4,325			1,874			90
16 Interest Demand Related	18,015			56,117			8,231		
17 Interest Customer Related			4,035			1,749			84
18									
19 Total Costs for Lines	<u>72,131</u>	<u>-</u>	<u>16,158</u>	<u>224,688</u>	<u>-</u>	<u>7,002</u>	<u>32,957</u>	<u>-</u>	<u>337</u>
20									
21 Margins Demand Related	17,815			55,493			8,140		
22 Margins Consumer Related			3,991			1,729			83
23									
24 Credits Demand Related	8,828			27,499			4,033		
25 Credits Consumer Related			1,977			857			41
26									
27 Revenue Requirements-Lines	<u>81,118</u>	<u>-</u>	<u>18,171</u>	<u>252,683</u>	<u>-</u>	<u>7,874</u>	<u>37,063</u>	<u>-</u>	<u>379</u>
28									
29 Transformers									
30 Distribution O&M Demand Related	539			1,679.95			246		
31 Distribution O&M Consumer Related			85			87			21
32 Admin & Gen Demand Related	2,079			6,476			950		
33 Admin & Gen Consumer Related			326			336			80
34 Deprec, Taxes & Misc Demand Related	6,515			20,293			2,977		
35 Deprec, Taxes & Misc Consumer Related			1,021			1,052			252
36 Interest Demand Related	6,079			18,936			2,777		
37 Interest Customer Related			953			982			235
38									
39 Total Costs for Transformers	<u>15,212</u>	<u>-</u>	<u>2,384</u>	<u>47,385</u>	<u>-</u>	<u>2,457</u>	<u>6,950</u>	<u>-</u>	<u>589</u>
40									
41 Margins Demand Related	6,011			18,725			2,747		
42 Margins Consumer Related			942			971			233
43									
44 Credits Demand Related	2,979			9,279			1,361		
45 Credits Consumer Related			467			481			115
46									
47 Revenue Requirements-Transform.	<u>18,245</u>	<u>-</u>	<u>2,860</u>	<u>56,832</u>	<u>-</u>	<u>2,947</u>	<u>8,336</u>	<u>-</u>	<u>706</u>
48									
49 Services									
50 Distribution O&M Consumer Related			73			14			0
51 Admin & Gen Consumer Related			16			3			0
52 Deprec, Taxes & Misc Consumer Related			49			9			0
53 Interest Customer Related			46			9			0
54									
55 Total Costs for Services	<u>-</u>	<u>-</u>	<u>185</u>	<u>-</u>	<u>-</u>	<u>35</u>	<u>-</u>	<u>-</u>	<u>0</u>
56									
57 Margins Consumer Related			46			9			0
58						-			
59 Credits Consumer Related			23			4			0
60						-			
61 Revenue Requirements-Services	<u>-</u>	<u>-</u>	<u>208</u>	<u>-</u>	<u>-</u>	<u>39</u>	<u>-</u>	<u>-</u>	<u>0</u>

Allocation of Revenue Requirements to Rate Classes

	Schedule 2 Small Commercial & Small Power			Schedule 4 Large Power			Schedule 5 All Electric Schools		
	Demand	Energy	Consumer	Demand	Energy	Consumer	Demand	Energy	Consumer
1 Meters									
2 Distribution O&M Consumer Related			3,156			19,036			915
3 Admin & Gen Consumer Related			193			1,162			56
4 Deprec, Taxes & Misc Consumer Related			604			3,640			175
5 Interest Customer Related			563			3,396			163
6									
7 Total Costs for Services	-	-	4,516	-	-	27,234	-	-	1,309
8									
9 Margins Consumer Related			557			3,359			161
10									
11 Credits Consumer Related			276			1,664			80
12									
13 Revenue Requirements-Meters	-	-	4,797	-	-	28,928	-	-	1,391
14									
15 Lighting									
16 Outdoor Lighting O&M									
17 Street Lighting O&M									
18 Outdoor Lighting A&G									
19 Street Lighting A&G									
20 Outdoor Lighting Deprec & Misc									
21 Street Lighting Deprec & Misc									
22 Outdoor Lighting Interest									
23 Street Lighting Interest									
24									
25 Total Costs for Lights	-	-	-	-	-	-	-	-	-
26									
27 Outdoor Lighting Margins									
28 Street Lighting Margins									
29									
30 Outdoor Lighting Revenue Credit									
31 Street Lighting Revenue Credit									
32									
33 Revenue Requirements-Lighting	-	-	-	-	-	-	-	-	-
34									
35 Consumer Accts & Serv									
36 Customer Accounts			7,335			3,179			102
37 Customer Service			2,277			987			32
38 Admin & General			3,165			1,372			44
39 Depreciation & Misc			672			291			9
40 Interest			624			270			9
41									
42 Total Costs for Consumer Acctg & Service	-	-	14,074	-	-	6,099	-	-	196
43									
44 Margins			617			267			9
45									
46 Revenue Credits			306			132			4
47									
48 Revenue Require. Cons. Act & Serv.			14,385	-	-	6,234	-	-	201
49									
50									
51									
52 TOTAL COSTS	209,264	223,099	37,317	648,248	759,929	42,826	73,587	#####	2,431
53									
54 TOTAL REVENUE REQUIREMENTS FROM RATES	221,284	223,099	40,420	685,689	759,929	46,022	79,079	#####	2,677
55									
56									
57 MARGINS PROVIDED									
58 RATE REVENUE	12,020	-	3,104	37,441	-	3,196	5,492	-	245

Allocation of Revenue Requirements to Rate Classes

	Schedule B-1			Schedule C-1			Schedule 6		
	Large Industrial (500-4999 kW)			Large Industrial (500-4999 kW)			Lighting		
	Demand	Energy	Consumer	Demand	Energy	Consumer	Demand	Energy	Consumer
1 Purchased Power									
2 Generation Demand	237,557			116,268			30,629		
3 Generation Energy		764,341			511,140			240,958	
4 Transmission Demand	76,402			53,000			13,389		
5 Substation Demand	19,830			13,756			3,475		
6									
7 Total Purchased Power	333,790	764,341		183,025	511,140		47,494	240,958	
8									
9 Lines									
10 Distribution O&M Demand Related	79,712			50,233			28,646		
11 Distribution O&M Consumer Related			214			27			18,209
12 Admin & Gen Demand Related	17,144			10,804			6,161		
13 Admin & Gen Consumer Related			46			6			3,916
14 Deprec, Taxes & Misc Demand Related	53,719			33,853			19,305		
15 Deprec, Taxes & Misc Consumer Related			144			18			12,272
16 Interest Demand Related	50,125			31,588			18,013		
17 Interest Customer Related			11,451			135			17
18									
19 Total Costs for Lines	200,700		11,855	126,479		185	72,125		34,414
20									
21 Margins Demand Related	49,569			31,237			17,813		
22 Margins Consumer Related			133			17			11,323
23									
24 Credits Demand Related	24,563			15,479			8,827		
25 Credits Consumer Related			5,611			66			8
26									
27 Revenue Requirements-Lines	225,706	-	6,377	142,237	-	136	81,111	-	45,729
28									
29 Transformers									
30 Distribution O&M Demand Related	1,501			946			539		
31 Distribution O&M Consumer Related			49			32			240
32 Admin & Gen Demand Related	5,785			3,646			2,079		
33 Admin & Gen Consumer Related			190			122			925
34 Deprec, Taxes & Misc Demand Related	18,127			11,423			6,514		
35 Deprec, Taxes & Misc Consumer Related			596			383			2,897
36 Interest Demand Related	16,914			10,659			6,078		
37 Interest Customer Related			556			357			2,704
38									
39 Total Costs for Transformers	42,326		1,391	26,674		893	15,211		6,766
40									
41 Margins Demand Related	16,726			10,541			6,011		
42 Margins Consumer Related			550			353			2,674
43									
44 Credits Demand Related	8,288			5,223			2,979		
45 Credits Consumer Related			272			175			1,325
46									
47 Revenue Requirements-Transform.	50,764	-	1,669	31,991	-	1,071	18,243	-	8,114
48									
49 Services									
50 Distribution O&M Consumer Related			0			0			590
51 Admin & Gen Consumer Related			0			0			127
52 Deprec, Taxes & Misc Consumer Related			0			0			398
53 Interest Customer Related			0			0			371
54									
55 Total Costs for Services			0			0			1,486
56									
57 Margins Consumer Related			0			0			367
58									
59 Credits Consumer Related			0			0			182
60									
61 Revenue Requirements-Services			0			0			1,672

Allocation of Revenue Requirements to Rate Classes

	Schedule B-1			Schedule C-1			Schedule 6		
	Large Industrial (500-4999 kW)			Large Industrial (500-4999 kW)			Lighting		
	Demand	Energy	Consumer	Demand	Energy	Consumer	Demand	Energy	Consumer
1 Meters									
2 Distribution O&M Consumer Related			-			-			-
3 Admin & Gen Consumer Related			-			-			-
4 Deprec, Taxes & Misc Consumer Related			-			-			-
5 Interest Customer Related			-			-			-
6									
7 Total Costs for Services			-			-			-
8									
9 Margins Consumer Related			-			-			-
10									
11 Credits Consumer Related			-			-			-
12									
13 Revenue Requirements-Meters			-			-			-
14									
15 Lighting									
16 Outdoor Lighting O&M									189,655
17 Street Lighting O&M									-
18 Outdoor Lighting A&G									29,872
19 Street Lighting A&G									-
20 Outdoor Lighting Deprec & Misc									93,603
21 Street Lighting Deprec & Misc									-
22 Outdoor Lighting Interest									87,340
23 Street Lighting Interest									-
24									
25 Total Costs for Lights									400,469
26									
27 Outdoor Lighting Margins									86,370
28 Street Lighting Margins									-
29									
30 Outdoor Lighting Revenue Credit									42,799
31 Street Lighting Revenue Credit									-
32									
33 Revenue Requirements-Lighting									444,040
34									
35 Consumer Accts & Serv									
36 Customer Accounts			245			31			2,172
37 Customer Service			76			9			674
38 Admin & General			106			13			937
39 Depreciation & Misc			22			3			199
40 Interest			21			3			185
41									
42 Total Costs for Consumer Acctg & Service			469			59			4,168
43									
44 Margins			183			21			3
45									
46 Revenue Credits			91			10			1
47									
48 Revenue Require. Cons. Act & Serv.			561			69			4,169
49									
50									
51									
52 TOTAL COSTS	576,817	764,341	13,716	336,177	511,140	1,137	134,829	240,958	447,303
53									
54 TOTAL REVENUE REQUIREMENTS FROM RATES	610,261	764,341	8,607	357,252	511,140	1,276	146,848	240,958	503,725
55									
56									
57 MARGINS PROVIDED									
58 RATE REVENUE	33,444	-	(5,109)	21,076	-	139	12,019	-	56,421

INTER-COUNTY ENERGY

Case No. 2006-00415

Functionalization and Allocation of Revenue Requirements

Acct	Description	Allocation Basis	Actual \$\$\$\$	Adjusted \$\$\$\$	Pro Forma \$\$\$\$	Generation		Transmission		Substation		Distribution								
						Demand	Energy	Demand	Energy	Demand	Energy	Lines Demand	Customer Demand	Line Transformers Demand	Services Consumer	Meters Consumer	Consumer & Accounting Services	Outdoor Lighting		
926	Employ Pensions & Benef		27,672	11,823	39,495	-	-	-	-	-	-	331,189	141,585	111,755	28,661	152,386	20,453	685,414	29,872	
928	Regulatory Exp		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
929	Duplicate Charges		(41,287)	-	(41,287)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
930	Misc General Exp		529,532	(191,070)	338,462	-	-	-	-	-	-	920,293	393,429	310,540	79,842	423,442	56,834	129,128	83,006	
931	Rents		-	-	-	-	-	-	-	-	94,909	40,574	32,026	8,213	43,669	5,861	13,317	8,560		
935	Misc. General Plant		347,686	-	347,686	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total Admin & General	Dist Plant	1,650,631	(149,316)	1,501,315	-	-	-	-	-	-	331,189	141,585	111,755	28,661	152,386	20,453	685,414	29,872	
403	Deprec. Distribution Plant	Net Plant	2,293,250	103,064	2,396,314	-	-	-	-	-	-	920,293	393,429	310,540	79,842	423,442	56,834	129,128	83,006	
403	Deprec. General Plant	Net Plant	2,447,129	247,129	2,694,258	-	-	-	-	-	-	94,909	40,574	32,026	8,213	43,669	5,861	13,317	8,560	
	Total Depreciation		2,540,380	103,064	2,643,444	-	-	-	-	-	-	1,015,202	434,003	342,565	87,856	467,112	62,695	142,445	91,566	
408	Taxes Other Than Income Tax	Rate Base	37,048	-	37,048	-	-	-	-	-	-	8,344	3,567	2,815	722	3,839	515	1,164	753	
426	Miscell. Income Deductions	Rate Base	33,378	(11,659)	21,719	-	-	-	-	-	-	14,232	6,064	4,803	1,232	6,549	879	1,966	1,284	
	Total Miscellaneous		70,426	(11,659)	58,767	-	-	-	-	-	-	22,576	9,651	7,618	1,954	10,388	1,394	3,150	2,036	
427.1	Interest - RUS Constuc	Rate Base	744,893	-	744,893	-	-	-	-	-	-	266,159	122,334	96,560	24,764	131,666	17,672	39,927	25,810	
427.15	Interest - FFB Notes	Rate Base	999,335	327,127	1,326,462	-	-	-	-	-	-	509,191	217,681	171,819	44,065	234,287	31,446	71,046	45,927	
427.2	Interest - Other LTD	Rate Base	422,323	-	422,323	-	-	-	-	-	-	162,240	69,358	54,745	14,040	74,649	10,019	22,637	14,633	
	Total Interest on LTD		2,165,551	327,127	2,492,678	-	-	-	-	-	-	957,590	409,374	323,125	82,870	440,603	59,137	133,610	86,370	
431	Other Interest Expense	Rate Base	24,387	(180,415)	(156,028)	-	-	-	-	-	-	9,369	4,005	3,161	811	4,311	579	1,307	845	
431.1	Other Interest Expense-CFC	Rate Base	180,415	(0)	180,415	-	-	-	-	-	-	1,388	593	468	120	639	86	194	125	
431.3	Other Interest - EKPC	Rate Base	3,613	3,613	7,226	-	-	-	-	-	-	10,757	4,599	3,630	931	4,949	664	1,501	970	
	Total Short Term Interest	Rate Base	208,416	(180,415)	28,001	-	-	-	-	-	-	10,757	4,599	3,630	931	4,949	664	1,501	970	
	Total Costs		37,688,683	5,605,427	43,294,110	4,000,435	14,205,063	1,723,487	447,336	3,877,222	1,657,530	817,682	209,706	1,783,975	479,502	3,047,821	400,469	400,469		
	Margin Requirements	Rate Base	2,165,551	327,127	2,492,678	-	-	-	-	-	-	957,590	409,374	323,125	82,870	440,603	59,137	133,610	86,370	
	Total Revenue Requirements		39,854,234	5,932,554	45,786,788	4,000,435	14,205,063	1,723,487	447,336	4,834,811	2,066,904	1,140,806	292,576	2,224,578	538,639	3,181,431	486,839	486,839		
	Leas; Misc Income		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
450	CATV & Non-Recurring Chrgs	Rate Base	485,167	0	485,167	-	-	-	-	-	-	186,382	79,679	62,882	16,130	85,758	11,510	26,005	16,811	
451	Forfeited Discounts	Rate Base	96,071	56,586	152,657	-	-	-	-	-	-	19,789	5,075	26,984	3,622	8,183	5,290	5,290		
454	Rent from Electric Prop.	Rate Base	348,152	1,385,668	1,733,820	-	-	-	-	-	-	186,979	79,934	63,093	16,181	86,032	11,547	26,089	16,865	
456.1	Other Electric Property	Rate Base	3,101	3,101	6,202	-	-	-	-	-	-	1,191	509	402	103	548	74	166	107	
	Total Misc Income		932,490	195,156	1,127,646	-	-	-	-	-	-	433,198	185,194	146,176	37,489	199,322	26,763	60,443	39,072	
	Less: Other Income		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
419	Interest Income	Rate Base	72,920	255,246	328,166	-	-	-	-	-	-	28,013	11,976	9,453	2,424	12,869	1,730	3,909	2,527	
421	Gain on Disposition	Rate Base	-289,026	-	-289,026	-	-	-	-	-	-	(12,977)	(5,548)	(4,379)	(1,123)	(5,971)	(801)	(1,811)	(1,170)	
424	Other Capital Credits	Rate Base	66,413	69,413	135,826	-	-	-	-	-	-	28,282	11,236	8,868	2,274	12,093	1,623	3,667	2,370	
	Total Other Income		(147,693)	255,246	107,553	-	-	-	-	-	-	41,318	17,664	13,942	3,576	19,011	2,552	5,765	3,727	
	Revenue Requirements from Rates		39,069,436	5,482,152	44,551,588	4,000,435	14,205,063	1,723,487	447,336	4,560,296	1,864,046	980,688	251,511	2,006,246	509,335	3,115,223	444,040	444,040		

INTER-COUNTY ENERGY
Case No. 2006-00415

Determination of Certain Plant Investments as Demand Related or Consumer Related

Account 364 - Poles

Pole	Size	Investment	Number of Units	Unit Cost	Predicted Value
35' & Smaller	30	4,201,324	24,065	174.58	189.28
40 & 45	40	8,385,769	24,881	337.04	307.65
50' & Larger	50	<u>438,056</u>	<u>1,065</u>	411.32	426.01

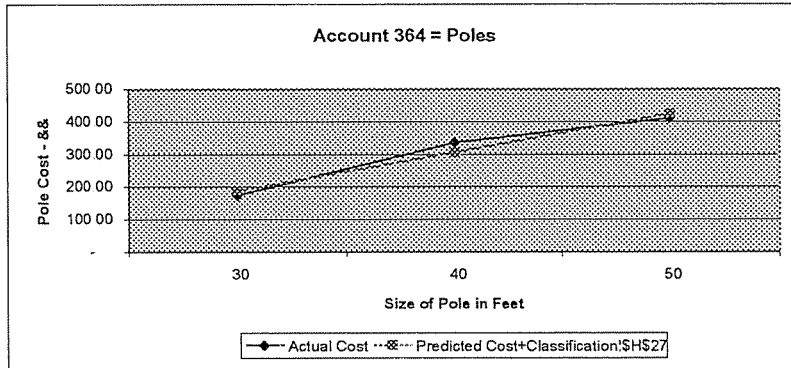
Subtotal		13,025,148	50,011.00		
Cross arms		1,209,827			
Anchors & Guys		5,104,469			
Other		<u>37,597</u>			1,410,489.86
Total Investment		<u>19,377,041</u>	50,011.00		17,966,551.13
X Variable - (Size)			11.84		
Zero Intercept			(165.83)		
R Square			0.96		

Minimum Intercept 25 ft pole	Use Unit Cost	174.58
Number of poles		50,011.00
Consumer Related Investment		8,731,036.59
Total Investment		19,377,040.99
Percent Customer Related		45.06%
Percent Demand Related		54.94%

SUMMARY OUTPUT

<u>Regression Statistics</u>	
Multiple R	0.977654917
R Square	0.955809136
Adjusted R Sc	0.911618272
Standard Error	35.994267
Observations	<u>3</u>

Intercept	-165.829832
X Variable 1	11.8368918



INTER-COUNTY ENERGY
Case No. 2006-00415

Determination of Certain Plant Investments as Demand Related or Consumer Related

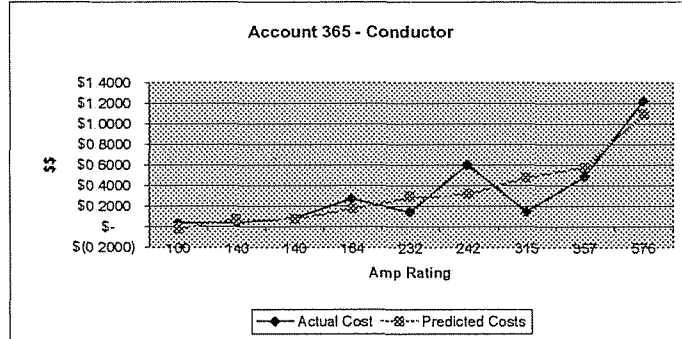
Account 365 - Overhead Conductor

Conductor	Investment	Number of Units	Unit Cost	Amp Ratings	Predicted Cost
2 ACWC	36,248	352,472	\$ 0.1028		
4 ACWC	11,602	144,987	\$ 0.0800		
#6 ACWC	180,674	3,882,371	\$ 0.0465	140	0.0747
#8 ACWC	141,387	3,802,003	\$ 0.0372	100	(0.0183)
#4 ACSR	660,561	7,661,504	\$ 0.0862	140	0.0747
#2 ACSR	778,176	2,815,407	\$ 0.2764	184	0.1770
1/0 ACSR	6,278,829	10,365,527	\$ 0.6057	242	0.3119
3/0 ACSR	68,877	461,325	\$ 0.1493	315	0.4817
4/0 ACSR	774,284	1,578,999	\$ 0.4904	357	0.5793
397.5 ACSR	1,105,580	903,748	\$ 1.2233	576	1.0886
1/0 AAAC	37,442	261,571	\$ 0.1431	232	0.2886
4/0 AAAC	41,756	205,933	\$ 0.2028		
Spacer Cable	27,183	10,731	\$ 2.5332		
#2 Copper 3 str	1,392	9,969	\$ 0.1397		

SUBTOTAL	10,143,990	32,456,547	\$ 0.3125		
Arrestors	758,986				
Recloser	535,950				
Voltmeters	241,534				
Cutouts	906,226				
Insulator String	3,014,730				
Grounds	2,270,636				
TOTAL	17,872,053				

SUMMARY OUTPUT

<u>Regression Statistics</u>	
Multiple R	0.885519246
R Square	0.784144336
Adjusted R Sc	0.753307812
Standard Error	0.191952945
Observations	9
<u>Coefficients</u>	
Intercept	-0.25088461
X Variable 1	0.002325538



Minimum Size Conductor - #6ACWC	0.07469	Predicted Price
Total Amount of Conductor in Feet	32,456,547	
	\$\$\$	
Minimum Size Investment -Consumer Related	2,424,202.93	13.56%
Demand Related	15,447,850	86.44%
Investment in Conduit	17,872,052.51	100.00%

INTER-COUNTY ENERGY
Case No. 2006-00415

Determination of Certain Plant Investments as Demand Related or Consumer Related

Breakdown of Lines into Demand Related and Consumer Related Components

	Total Investment	Percent Consumer	Amount Consumer	Percent Demand	Amount Demand
Conductor	17,872,053	13.56%	2,424,202.93	86.44%	15,447,850
Poles	19,377,041	45.06%	8,731,036.59	54.94%	10,646,004
	37,249,094		11,155,239.52		26,093,854
Percent			29.95%		70.05%

Account 368-Transformers

Pole	Size	Investment	Number of Units	Unit Cost	Predicted Value
5 KVA	5.00	65,955	472.00	139.74	222.21
10 KVA	10.00	3,400,996	8,223.00	413.60	316.92
15 KVA	15.00	4,097,704	7,006.00	584.89	411.63
25 KVA	25.00	1,862,818	2,807.00	663.63	601.05
37.5 KVA	37.50	49,801	95.00	524.22	837.82
50 KVA	50.00	249,900	254.00	983.86	1,074.60
1.5 KVA	1.50	2,635	50.00	52.71	155.91
50 KVA	50.00	59,475	54.00	1,101.39	1,074.60
75 KVA CSP	75.00	44,989	41.00	1,097.29	1,548.15
100 KVA	100.00	138,686	85.00	1,631.60	2,021.69
167 KVA	167.00	144,229	76.00	1,897.75	3,290.80
200 KVA STE	200.00	4,004	5.00	800.80	3,915.89
250 KVA	250.00	14,376	7.00	2,053.68	4,862.98
333 KVA	333.00	231,888	87.00	2,665.38	6,435.16
500 KVA	500.00	8,403	4.00	2,100.84	9,598.47
1000 KVA	1,000.00	140,183	26.00	5,391.66	19,069.43
15 KVA PAD	15.00	3,573	6.00	595.48	411.63
25 KVA PAD	25.00	232,090	147.00	1,578.85	601.05
37.5 KVA PAI	37.50	544	1.00	543.62	837.82
50 KVA PAD	50.00	256,149	165.00	1,552.42	1,074.60
75 KVA PSD	75.00	14,866	4.00	3,716.57	1,548.15
100 KVA PAI	100.00	479,384	212.00	2,261.24	2,021.69
300 KVA PAI	300.00	9,811	2.00	4,905.60	5,810.08
3 PHASE PAD		5,688	1.00	5,687.80	
500 KVA STEP		13,189	2.00	6,594.38	
300 KVA PAD		3,178	1.00	3,178.00	
75 KVA PAD		3,722	1.00	3,722.00	
167 KVA STEP		8,516	4.00	2,129.00	
500 KVA PM		28,973	4.00	7,243.25	
2500 KVA PM		74,404	4.00	18,601.07	
1500 KVA PN 3 PHASE		124,468	8.00	15,558.45	
112.5 KVA PM		14,373	3.00	4,791.00	
1000 KVA PM		23,629	2.00	11,814.50	
250 KVA PM		12,291	5.00	2,458.20	
225 KVA PM		4,795	1.00	4,795.00	
167 KVA PM		3,230	1.00	3,230.00	
3000 KVA PM		48,968	2.00	24,484.00	
150 KVA PM 3 PHASE		4,960	1.00	4,960.00	
Areestors, ctouts, capacitor banks, voltage regulators. Ect.		524,331			
		12,411,174	19,869		

INTER-COUNTY ENERGY
Case No. 2006-00415

Determination of Certain Plant Investments as Demand Related or Consumer Related

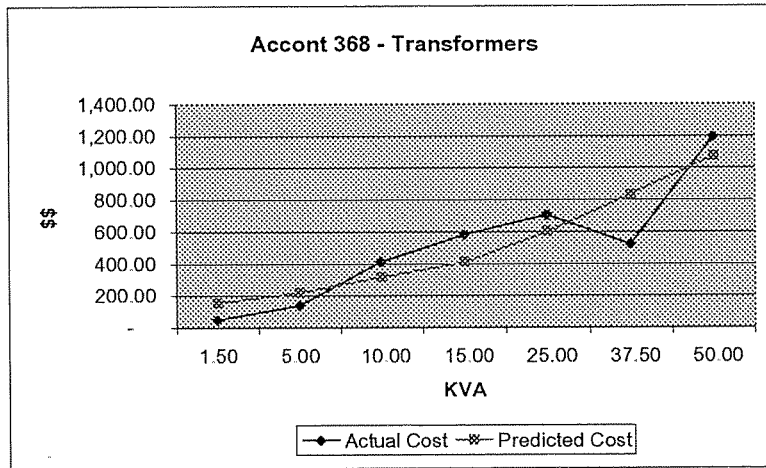
x Coefficient	18.9419
Zero Intercept	127.5009
R Square	0.7917

Number of Transformers	19,869.00
Zero Intercept	127.50
Consumer Related Investment	2,533,314.81
Demand Related Investment	9,877,859.47
Percentage of Investment Consumer Related	20.41%
Percentage of Investment Demand Related	79.59%

<i>Regression Statistics</i>	
Multiple R	0.889770158
R Square	0.791690934
Adjusted R Sc	0.750029121
Standard Erro	190.4598399
Observations	7

<i>ANOVA</i>	
	<i>df</i>
Regression	1
Residual	5
Total	6

<i>Coefficients</i>	
Intercept	127.500871
X Variable 1	18.9419316



**INTER-COUNTY ENERGY
CASE NO. 2006-00415**

Demand Related Costs and Energy Related Costs Allocators

A. Energy	Billed on EKPC		Green Power Energy kWh	Total Sales All Rate Classes kWh
	Schedule B	Schedule C		
Month	Schedule B-1 Large Indust 500-4999 kW	Schedule C-1 Large Indust 500-4999 kW		
August	2,041,770	1,866,838	4,900	39,093,930
September	2,041,199	1,508,568	4,900	34,699,703
October	2,320,174	1,535,897	4,900	28,418,138
November	1,889,105	1,372,147	4,900	32,767,858
December	2,023,505	1,220,748	4,900	48,812,032
January	2,244,085	1,758,819	4,900	42,588,429
February	2,216,457	1,574,585	4,800	44,900,228
March	2,483,746	1,554,747	4,800	38,878,777
April	2,461,470	1,555,822	5,300	32,365,342
May	3,008,503	1,674,980	4,800	27,358,827
June	3,087,813	1,978,824	4,800	32,107,183
July	2,908,782	1,608,447	4,900	37,019,454
Total	28,726,609	19,210,422	58,800	391,014,070
Percent	59.93%	40.07%		438,274,734

**INTER-COUNTY ENERGY
CASE NO. 2006-00415**

Demand Related Costs and Energy Related Costs Allocators

B. Wholesale Billing CP Contributions

<u>Month</u>	Schedule 1 Farm & Home Service	Schedule 1 A Farm & Home ETS	Schedule 2 Sml Comm & Sml Power	Schedule 4 Large Power	All Electric Schools	Schedule 6 Outdoor Lightin Service	Total
August	73,099	-	1,895	4,953	411	-	80,358
September	60,533	-	1,584	5,278	422	-	67,817
October	56,544	-	1,222	4,403	501	-	62,670
November	80,966	-	1,835	5,770	522	2,023	91,116
December	98,062	-	2,303	6,514	604	2,112	109,595
January	78,171	-	1,695	5,738	605	1,964	88,173
February	101,927	-	1,995	5,096	496	-	109,514
March	80,326	-	1,972	5,270	529	2,166	90,263
April	52,977	-	1,396	5,467	559	-	60,399
May	58,729	-	1,614	5,234	388	-	65,965
June	65,471	-	1,948	6,007	406	-	73,832
July	76,392	-	1,758	5,733	418	-	84,301
Total	883,197	-	21,217	65,463	5,861	8,265	984,003
Percent	89.76%	0.00%	2.16%	6.65%	0.60%	0.84%	100.00%
	83.02%	0.00%	1.99%	6.15%	0.55%	0.78%	

Used to allocate wholesale power demand costs to rate classes.

**INTER-COUNTY ENERGY
CASE NO. 2006-00415**

Demand Related Costs and Energy Related Costs Allocators

B. Whole

<u>Month</u>	Schedule B-1 Large Indust 500-4999 kW	Schedule C-1 Large Indust 500-4999 kW	Green Power Energy kWh	Total Sales All Rate Classes kWh
August	3,835	2,682		86,875
September	3,877	2,995		74,689
October	3,423	2,910		69,003
November	3,431	2,922		97,469
December	3,978	2,646		116,219
January	4,077	2,881		95,131
February	1,932	1,158		112,604
March	4,015	2,739		97,017
April	3,915	2,870		67,184
May	5,145	2,882		73,992
June	4,909	3,076		81,817
July	4,625	2,955		91,881
Total	47,162	32,716		1,063,881
Percent	59.04%	40.96%		
	4.43%	3.08%	0.00%	100.00%
				100.00%

Used to allocate wholesale power demand costs to rate classes.

**INTER-COUNTY ENERGY
CASE NO. 2006-00415**

Demand Related Costs and Energy Related Costs Allocators

C. Monthly Peak Demands for Each Rate Class

<u>Month</u>	Schedule 1	Schedule 1 A	Schedule 2	Schedule 4	All	Schedule 6	Total
	Farm & Home Service	Farm & Home ETS	Sml Comm & Sml Power	Large Power	Electric Schools	Outdoor Lighting Service	
August	78,671	-	2,062	6,971	898	1,722	90,324
September	64,975	-	1,584	5,888	912	1,717	75,076
October	58,248	-	1,783	5,806	886	1,751	68,474
November	80,966	-	1,835	5,770	957	2,023	91,551
December	107,432	-	2,303	6,514	1,003	2,112	119,364
January	91,429	-	1,808	5,738	989	1,964	101,928
February	117,839	-	1,995	5,096	885	1,729	127,544
March	89,827	-	1,972	5,270	881	2,166	100,116
April	57,822	-	1,396	5,467	792	2,058	67,535
May	64,632	-	1,825	5,374	845	1,740	74,416
June	72,248	-	1,948	6,007	581	1,739	82,523
July	96,257	-	1,951	6,068	634	1,739	106,649
Total	980,346	-	22,462	69,969	10,263	22,460	1,105,500
Percent	81.20%	0.00%	1.86%	5.80%	0.85%	1.86%	

Used to allocate distribution demand related costs to appropriate rate classes

**INTER-COUNTY ENERGY
CASE NO. 2006-00415**

Demand Related Costs and Energy Related Costs Allocators

C. Month

<u>Month</u>	Schedule B-1 Large Indust 500-4999 kW	Schedule C-1 Large Indust 500-4999 kW	Green Power Energy kWh	Total Sales All Rate Classes kWh
August	4,851	3,250	-	98,425
September	4,882	3,224	-	83,182
October	4,820	3,321	-	76,615
November	4,755	3,271	-	99,577
December	4,941	3,271	-	127,576
January	5,156	3,332	-	110,416
February	5,166	3,228	-	135,938
March	5,175	3,202	-	108,493
April	5,328	3,242	-	76,105
May	5,710	3,340	-	83,466
June	5,865	3,382	-	91,770
July	5,850	3,323	-	115,822
Total	62,499	39,386	-	1,207,385
Percent	5.18%	3.26%	0.00%	100.00%

Used to allocate distribution demand related costs to appropriate rate classes

INER-COUNTY ENERGY

Case No. 2006-00415

Exhibit R
 Schedule 11
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 Witness: Jim Adkins

Consumer Related Costs Allocators

A. Lines (poles and conduit)

	<u>Number of Consumers</u>	<u>Allocation Percent</u>
Schedule 1 - Farm & Home Service	23,581	95.78%
Schedule 1-A - ETS	-	0.00%
Schedule 2 - Sml Comm & Sml Power	240	0.97%
Schedule 4 - Large Power	104	0.42%
All Electric Schools	5	0.02%
Schedule B-1 (500 to 4,999 kW)	8	0.03%
Schedule C-1 (500 to 4,999 kW)	1	0.00%
Schedule 6 - Outdoor Lighting Service	681	2.77%
	24,620	0.9723

B. Transformers

Rate Class	<u>Number of Consumers</u>	<u>Minimum Transformer Cost</u>	<u>Relative Cost</u>	<u>Weight</u>	<u>Allocation Percent</u>
Schedule 1 - Farm & Home Service	19,651	413.7	0.08	1,657.28	93.095%
Schedule 1-A - ETS	-	-	-	-	0.000%
Schedule 2 - Sml Comm & Sml Power	240	413.7	0.08	20.24	1.137%
Schedule 4 - Large Power	104	983.9	0.20	20.86	1.172%
All Electric Schools	5	4,905.6	1.00	5.00	0.281%
Schedule B-1 (500 to 4,999 kW)	8	7,243.3	1.48	11.81	0.664%
Schedule C-1 (500 to 4,999 kW)	1	37,202.1	7.58	7.58	0.426%
Schedule 6 - Outdoor Lighting Service	681	413.7	0.08	57.43	3.226%
	20,689.83			1,780.21	1.00

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Consumer Related Costs Allocators

C. Services

Rate Class	<u># of Consumer</u>	<u>Minim Service Cost</u>	<u>Relative Cost</u>	<u>Weight</u>	<u>Allocation Percent</u>
Schedule 1 - Farm & Home Service	23,581	30.05	0.958	22,585.85	99.90%
Schedule 1-A - ETS	-	-	-	-	0.00%
Schedule 2 - Sml Comm & Sml Power	240	30.05	0.010	2.34	0.01%
Schedule 4 - Large Power	104	30.05	0.004	0.44	0.00%
All Electric Schools	5	-	0.000	0.00	0.00%
Schedule B-1 (500 to 4,999 kW)	8	0	0.000	0.00	0.00%
Schedule C-1 (500 to 4,999 kW)	1	-	0.000	0.00	0.00%
Schedule 6 - Outdoor Lighting Service	681	4.33	0.028	18.84	0.08%
	24,620.00			22,607.47	1.00

D. Meters

Rate Class	<u># of Consumer</u>	<u>Minimum Meter Cost</u>	<u>Relative Cost</u>	<u>Weight</u>	<u>Allocation Percent</u>
Schedule 1 - Farm & Home Service	23,581	49.06	1.00	23,581.00	92.53%
Schedule 1-A - ETS	146	49.06	1.00	146.00	0.57%
Schedule 2 - Sml Comm & Sml Power	240	49.06	1.00	240.00	0.94%
Schedule 4 - Large Power	104	682.78	13.92	1,447.39	5.68%
All Electric Schools	5	682.78	13.92	69.59	0.27%
Schedule B-1 (500 to 4,999 kW)	8	-	-	-	0.00%
Schedule C-1 (500 to 4,999 kW)	1	-	-	-	0.00%
Schedule 6 - Outdoor Lighting Service	681	-	-	-	0.00%
	24,766.00			25,483.98	1.00

INER-COUNTY ENERGY

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Consumer Related Costs Allocators

E. Consumer & Accounting Services

Rate Class	# of Consumer	Relative Weight Meter Read	Relative Weight Cons Rcds	Relative Weight Cust Asst	Combined Relative Weights	Weight	Allocation Percent
Schedule 1 - Farm & Home Service	23,581	3.00	30.00	4.50	37.50	884,288	99.112%
Schedule 1-A - ETS	136	3.00	1.33	-	4.33	589	0.066%
Schedule 2 - Sml Comm & Sml Power	240	6.00	6.67	4.50	17.17	4,120	0.462%
Schedule 4 - Large Power	104	6.00	6.67	4.50	17.17	1,785	0.200%
All Electric Schools	5	3.00	4.00	4.50	11.50	58	0.006%
Schedule B-1 (500 to 4,999 kW)	8	6.00	6.67	4.50	17.17	137	0.015%
Schedule C-1 (500 to 4,999 kW)	1	6.00	6.67	4.50	17.17	17	0.002%
Schedule 6 - Outdoor Lighting Service	681	-	0.67	1.13	1.79	1,220	0.137%
						892,214	99.863%

	Meter Reading			Consumer Records		
	Factor	Weight	Relative Weight	Factor	Weight	Relative Weight
Schedule 1 - Farm & Home Service	1.00	3.00	3.00	3.00	10.00	30.00
Schedule 1-A - ETS	1.00	3.00	3.00	1.00	10.00	10.00
Schedule 2 - Sml Comm & Sml Power	2.00	3.00	6.00	5.00	10.00	50.00
Schedule 4 - Large Power	2.00	3.00	6.00	5.00	10.00	50.00
All Electric Schools	1.00	3.00	3.00	3.00	10.00	30.00
Schedule B-1 (500 to 4,999 kW)	2.00	3.00	6.00	5.00	10.00	50.00
Schedule C-1 (500 to 4,999 kW)	2.00	3.00	6.00	5.00	10.00	50.00
Schedule 6 - Outdoor Lighting Service	-	3.00	-	0.50	10.00	5.00

	Consumer Assistance		
	Factor	Weight	Relative Weight
Schedule 1 - Farm & Home Service	1.00	4.50	4.50
Schedule 1-A - ETS	-	4.50	-
Schedule 2 - Sml Comm & Sml Power	1.00	4.50	4.50
Schedule 4 - Large Power	1.00	4.50	4.50
All Electric Schools	1.00	4.50	4.50
Schedule B-1 (500 to 4,999 kW)	1.00	4.50	4.50
Schedule C-1 (500 to 4,999 kW)	1.00	4.50	4.50
Schedule 6 - Outdoor Lighting Service	0.25	4.50	1.13

Inter County Energy
Case No. 2006-00415
Balance Sheet, Adjusted
July 31, 2006

Exhibit S
page 1 of 4
Witness: Alan Zumstein

	Actual Test Year	Adjustments to Test Year	Adjusted Test Year
<u>ASSETS</u>			
Electric Plant:			
In service	81,767,297		81,767,297
Under construction	357,986	104,616	462,602
	82,125,283	104,616	82,229,899
Less accumulated depreciation	15,903,564	99,021	16,002,585
	66,221,719	5,595	66,227,314
Investments	8,966,612		8,966,612
Current Assets:			
Cash and temporary investments	1,288,559		1,288,559
Accounts receivable, net	3,787,907		3,787,907
Material and supplies	327,721		327,721
Prepayments and current assets	181,652		181,652
	5,585,839		5,585,839
Deferred charges	403,743		403,743
Net Change in Assets		3,865,913	3,865,913
Total	81,177,913	3,871,508	85,049,421
<u>MEMBERS' EQUITIES AND LIABILITIES</u>			
Margins:			
Memberships	976,280		976,280
Patronage capital	23,141,395	3,867,508	27,008,903
	24,117,675	3,867,508	27,985,183
Long Term Debt	50,789,848		50,789,848
Accumulated Operating Provisions	1,619,321	4,000	1,623,321
Current Liabilities:			
Accounts payable	2,750,089		2,750,089
Consumer deposits	395,175		395,175
Accrued expenses	1,303,262		1,303,262
	4,448,526		4,448,526
Consumer Advances for Construction	202,543		202,543
Total	81,177,913	3,871,508	85,049,421

Inter County Energy
Case No. 2006-00415
Statement of Operations, Adjusted

Exhibit S
page 2 of 4
Witness: Alan Zumstein

	<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	\$29,916,024	\$0	\$29,916,024	\$3,991,675	\$33,907,699
Fuel and surcharge	5,613,034	(5,613,034)	0		0
Other electric revenue	<u>932,487</u>	<u>195,156</u>	<u>1,127,643</u>		<u>1,127,643</u>
	<u>36,461,545</u>	<u>(5,417,878)</u>	<u>31,043,667</u>	<u>3,991,675</u>	<u>35,035,342</u>
Operating Expenses:					
Cost of power:					
Base rates	20,376,310	0	20,376,310		20,376,310
Fuel and surcharge	5,321,946	(5,321,946)	0		0
Distribution - operations	1,953,258	105,303	2,058,561		2,058,561
Distribution - maintenance	1,389,892	19,550	1,409,442		1,409,442
Consumer accounts	1,535,071	53,469	1,588,540		1,588,540
Customer service	476,804	16,358	493,162		493,162
Sales	0	0	0		0
Administrative and general	<u>1,650,631</u>	<u>(149,316)</u>	<u>1,501,315</u>		<u>1,501,315</u>
Total operating expenses	<u>32,703,912</u>	<u>(5,276,582)</u>	<u>27,427,330</u>	<u>0</u>	<u>27,427,330</u>
Depreciation	2,540,379	103,064	2,643,443		2,643,443
Taxes - other	37,048	0	37,048		37,048
Interest on long-term debt	2,165,551	327,127	2,492,678		2,492,678
Interest expense - other	208,415	(180,415)	28,000		28,000
Other deductions	<u>33,378</u>	<u>(11,659)</u>	<u>21,719</u>		<u>21,719</u>
Total cost of electric service	<u>37,688,683</u>	<u>(5,038,465)</u>	<u>32,650,218</u>	<u>0</u>	<u>32,650,218</u>
Utility operating margins	<u>(1,227,138)</u>	<u>(379,413)</u>	<u>(1,606,551)</u>	<u>3,991,675</u>	<u>2,385,124</u>
Nonoperating margins, interest	72,921	0	72,921		72,921
Nonoperating margins, other	(289,026)	255,246	(33,780)		(33,780)
Patronage Capital Credits:					
G & T		0	0		0
Other	<u>68,413</u>	<u>0</u>	<u>68,413</u>		<u>68,413</u>
Net Margins	<u>(\$1,374,830)</u>	<u>(\$124,167)</u>	<u>(\$1,498,997)</u>	<u>\$3,991,675</u>	<u>\$2,492,678</u>
TIER	0.37		0.40		2.00
Modified TIER	0.37		0.40		2.00

Inter County Energy
Case No. 2006-00415
Capitalization Policies

Benefits
Distribution

10	107.20	Construction work in progress	685,291
11	108.80	Retirement work in progress	78,213
12	163.00	Stores	28,811
13	184.00	Transportation	7,311
14	242.51	Employee sick leave	75,625
15	416.00	Non operating accounts	1,440
16	580.00	Operations	21,979
17	583.00	Overhead line	237,470
18	584.00	Underground	2,809
19	586.00	Meter	96,143
20	587.00	Consumer installation	7,005
21	588.00	Miscellaneous distribution	54,036
22	590.00	Maintenance	12,377
23	593.00	Overhead line	100,478
24	593.10	Right of way	11,077
25	594.00	Underground	7,999
26	595.00	Transformers	4,298
27	598.00	Miscellaneous maintenance	17,617
28	901.00	Supervision, customer accounts	59,867
29	902.00	Meter reading	5,244
30	903.00	Consumer records	276,486
31	908.00	Consumer assistance	125,602
32	909.00	Consumer information	0
33	920.00	Administrative	238,379
34	926.00	Employee benefits	312
35	930.00	Miscellaneous	15,430
36	935.00	Maintenance general plant	<u>4,138</u>
37			
38		Total	<u>2,175,438</u>

Benefits include the following:

41	Medical insurance	814,244
42	Life insurance	18,874
43	Disability insurance	28,262
44	Retirement	365,512
45	Savings plan 401(k)	55,934
46	Employee sick leave	164,416
47	Postretirement benefits	271,000
48	Service awards	1,800
49	Workers' compensation	203,041
50	Payroll taxes	<u>252,355</u>
51		
52		<u>2,175,438</u>

Inter County accumulates all benefits, then allocates these to accounts based on the labor distribution for the month. The above is the actual allocation for the test year for the above benefits

Inter County Energy Cooperative

Case No. 2006-00415

July 31, 2006

Capital credits were paid as follows:

		<u>General</u>	<u>Estates</u>	<u>Total</u>
2006	7 mos	\$0	\$128,646	\$128,646
2005			201,488	201,488
2004			218,881	218,881
2003			157,305	157,305
2002			183,480	183,480
2001			191,971	191,971
Prior years		<u>150,133</u>	<u>2,555,828</u>	<u>2,705,961</u>
Total		<u>\$150,133</u>	<u>\$3,637,599</u>	<u>\$3,787,732</u>

BOARD POLICY NO. 413A

EQUITY MANAGEMENT

I. PURPOSE

To set forth policy relating to management of the cooperative's equity, including its role in the long-term financing of facilities, as well as possible periodic rotation of patronage capital returns.

II. POLICY

A. Equity Management Considerations

Development and implementation of this board's plan to manage the cooperative's equity will take into account any relevant economic, strategic, regulatory and other considerations including:

1. The cooperative's growth prospects and need for utility plant financing and its expected debt service earnings coverage capacity.
2. Its rate competitiveness, including factors such as the need to accumulate equity or reduce consumers' effective costs by returning their capital as patronage dividends.
3. Legal, tax and other regulations, and accounting principles.

B. Approval of Equity Management Plan

As directed by the board, cooperative management will prepare or update its equity management plan, including the following elements:

1. A range of forecasted growth rates in total capitalization of the cooperative, based upon expected increases in memberships and electricity sales.
2. Estimated debt financing requirements and their blended costs.
3. Goals for debt service coverage, from earnings and debt/equity ratio, over the forecast period.
4. Annual consideration of a capital credit rotation cycle.
5. Balance sheet equity goals.

C. Monitoring and Correction of Equity Management

Management shall be held accountable for achievement of the cooperative's equity management plan, as approved by the board, and will routinely report on progress toward its objectives, as well as opportunities to improve the cooperative's plans and this policy.

INTER-COUNTY ENERGY COOPERATIVE

EQUITY MANAGEMENT PLAN

In accordance with Inter-County Energy Policy #413A, the Cooperative shall develop and implement an equity management plan.

Purpose

The purpose of this equity management plan is to provide direction to the Cooperative's Board and CEO in the governance and management of equity capital provided by its members and debt capital provided by lenders.

Supporting Information

The equity management plan shall be developed and implemented as guided by the following documents and analyses:

1. IRS Code 501 (C) (12)
2. Inter-County Energy Bylaws
3. RUS, CFC and other mortgages and loan documents.
4. Inter-County Energy Policy #413A
5. 10-Year Financial Forecast
6. Other relevant information and analyses related to equity and debt capital.

Plan Components

1. Target Equity: The Cooperative shall seek to maintain an equity to assets ratio between 30%–35%.
2. Times Interest Earned Ratio: The Cooperative shall establish annual budgets that provide for a TIER that will provide for the achievement of the target equity ratio and shall meet minimum lender requirements.
3. Debt Service Coverage: The Cooperative shall establish annual budgets that provide for a DSC that will provide for the achievement of the target equity ratio and shall meet minimum lender requirements.
4. Capital Credit Allocations: The Cooperative shall allocate annual margins as capital credits using industry accepted method(s) that most appropriately allocates capital credits in proportion to the margins built into the rates and provided by each rate class. The most recent analysis supports the allocation of capital credits using the Patronage Method, except for large industrial members, for which margins are allocated based on a calculated return.
5. Capital Credit Retirements – General: The Cooperative shall not make annual general retirements of capital credits.
6. Capital Credit retirements – Estates: The Cooperative shall retire capital credits to those deceased natural persons in as timely a manner as possible in the day-to-day operation of the Cooperative.
7. Discounting: The Cooperative shall research the use of a discount rate based on the weighted average cost of capital that blends the cost of equity and the cost of debt based on the percentage of each component to total capitalization. The cost of equity shall be calculated using the Goodwin formula, using 25 years as the retirement cycle objective and a growth factor reflective of the Cooperative's rate of growth in total utility plant. The weighted average cost of capital shall be calculated at the beginning of each fiscal year and applied to all discounted retirements made beginning January 1, 2006.
8. Debt Portfolio: The Cooperative shall optimize the use of its available sources of debt capital, maturity options and interest rate options.

Plan Review

This equity management plan shall be reviewed annually, or as circumstances dictate, and updated as required.

(EFFECTIVE DATE: OCTOBER 14, 2005)

1 Inter County Energy Cooperative
2 Case No. 2006-00415
3 **Statement of Operations**
4 July 31, 2006

Exhibit V
page 1 of 3
Witness: Alan Zumstein

	<u>2006</u>	<u>2005</u>
8 Operating revenue	<u>\$36,461,545</u>	<u>\$30,667,094</u>
9		
10 Operating expenses:		
11 Cost of power	25,698,257	20,868,324
12 Distribution-operations	1,953,257	1,586,395
13 Distribution-maintenance	1,389,892	1,178,958
14 Consumer accounts	1,535,071	1,466,456
15 Consumer service	476,804	488,405
16 Sales	0	0
17 Administrative and general	<u>1,650,631</u>	<u>1,507,029</u>
18 Total operation and maintenance	32,703,912	27,095,567
19		
20 Depreciation	2,540,379	2,308,518
21 Taxes-other	37,048	32,449
22 Interest on long term debt	2,165,551	1,453,328
23 Other interest expense	208,415	114,716
24 Other deductions	<u>33,378</u>	<u>55,542</u>
25 Total cost of electric service	<u>37,688,683</u>	<u>31,060,120</u>
26		
27 Utility operating margins	<u>(1,227,138)</u>	<u>(393,026)</u>
28		
29 Nonoperating margins, interest	72,921	85,842
30 Nonoperating margins, other	<u>(289,026)</u>	<u>(88,336)</u>
31	<u>(216,105)</u>	<u>(2,494)</u>
32 Patronage capital:		
33 G & T	-	-
34 Others	<u>68,413</u>	<u>56,465</u>
35	<u>68,413</u>	<u>56,465</u>
36		
37 Net margins	<u><u>(\$1,374,830)</u></u>	<u><u>(\$339,055)</u></u>
38		

Inter County Energy Cooperative

Exhibit V

Case No. 2006-00415

page 2 of 3

Balance Sheet

Witness: Alan Zumstein

July 31, 2006

	<u>2006</u>	<u>2005</u>
<u>ASSETS</u>		
Electric Plant:		
In service	\$81,767,297	\$71,236,333
Under construction	<u>357,986</u>	<u>7,074,763</u>
	82,125,283	78,311,096
Less accumulated depreciation	<u>15,903,564</u>	<u>14,687,777</u>
	<u>66,221,719</u>	<u>63,623,319</u>
Investments	<u>8,966,612</u>	<u>8,946,002</u>
Current Assets:		
Cash and temporary investments	1,288,559	619,047
Accounts receivable, net	3,751,452	3,552,904
Other receivables	36,455	53,964
Material and supplies	327,721	262,056
Prepayments	<u>181,652</u>	<u>204,843</u>
	<u>5,585,839</u>	<u>4,692,814</u>
Other deferred debits	<u>403,743</u>	<u>-</u>
Total Assets	<u><u>\$81,177,913</u></u>	<u><u>\$77,262,135</u></u>
<u>MEMBERS' EQUITIES AND LIABILITIES</u>		
Margins and Equities:		
Memberships	\$976,280	\$952,690
Patronage capital	<u>23,141,395</u>	<u>24,756,958</u>
	<u>24,117,675</u>	<u>25,709,648</u>
Long Term Debt	<u>50,789,848</u>	<u>42,036,272</u>
Accumulated Operating Provisions	<u>1,619,321</u>	<u>1,541,326</u>
Current Liabilities:		
Notes payable	-	4,000,000
Accounts payable	2,750,089	2,580,721
Consumer deposits	395,175	388,733
Accrued expenses	<u>1,505,805</u>	<u>1,005,435</u>
	<u>4,651,069</u>	<u>7,974,889</u>
Total Members' Equities and Liabilities	<u><u>\$81,177,913</u></u>	<u><u>\$77,262,135</u></u>

1 Inter County Energy Cooperative
2 Case No. 2006-00415
3 **Statement of Cash Flows**
4 July 31, 2006

Exhibit V
page 3 of 3
Witness: Alan Zumstein

	<u>2005</u>	<u>2004</u>
Cash Flows from Operating Activities:		
Net margins	(\$1,174,830)	(\$339,055)
Adjustments to reconcile to net cash provided by operating activities:		
Depreciation		
Charged to expense	2,540,379	2,308,518
Charged to clearing accounts	222,570	218,971
Patronage capital credits	(68,413)	(56,465)
Accumulated postretirement benefits	77,995	92,617
Net change in current assets and liabilities:		
Receivables	(584,782)	(630,786)
Material and supplies	(65,665)	(74,038)
Prepayments	23,191	30,808
Accounts payables	169,368	647,776
Consumer deposits and advances	6,442	22,187
Accrued expenses	500,370	66,639
	<u>1,646,625</u>	<u>2,287,172</u>
Cash Flows from Investing Activities:		
Plant additions	(5,691,805)	(10,840,257)
Salvage recovered from plant retired	70,603	72,229
Additional investments, net of receipts	47,803	528,146
	<u>(5,573,399)</u>	<u>(10,239,882)</u>
Cash Flows from Financing Activities:		
Net increase in memberships	23,590	23,705
Other equities	339	1,736
Retirement of patronage capital	(220,536)	(201,487)
Additional long-term borrowings	9,805,000	3,194,000
Payments on long-term debt	(1,337,634)	(1,371,179)
Advance payments	347,836	479,618
Marketing loan payments	(22,309)	(35,372)
Short term borrowings	(4,000,000)	4,000,000
	<u>4,596,286</u>	<u>6,091,021</u>
Net increase in cash	669,512	(1,861,689)
Cash balances - beginning	<u>619,047</u>	<u>2,480,736</u>
Cash balances - ending	<u>\$1,288,559</u>	<u>\$619,047</u>

Inter County Energy Cooperative
Case No. 2006-00415
Comparison of Test Year Account Balances with
those of the Preceding Year - Balance Sheet
July 31, 2006

Acct.#	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
395	Laboratory	66,784	66,784	66,784	66,784	66,784	66,784	66,784	66,784	66,784	66,784	66,784	66,785
	Prior year	66,784	66,784	66,784	66,784	66,784	66,784	66,784	66,784	66,784	66,784	66,784	66,784
	Change	0	0	0	0	0	0	0	0	0	0	0	1
396	Power operated	26,536	26,536	26,536	26,536	26,536	26,536	26,536	26,536	26,536	26,536	26,536	26,536
	Prior year	26,536	26,536	26,536	26,536	26,536	26,536	26,536	26,536	26,536	26,536	26,536	26,536
	Change	0	0	0	0	0	0	0	0	0	0	0	0
397	Communication	1,103,502	1,112,414	1,112,414	1,112,414	1,112,414	1,112,414	1,112,414	1,112,414	1,112,414	1,112,414	1,112,414	1,112,414
	Prior year	251,405	251,405	251,405	251,405	1,113,180	1,113,180	1,113,180	1,113,180	1,113,180	1,113,180	1,103,502	1,103,502
	Change	852,097	861,009	861,009	861,009	(766)	(766)	(766)	(766)	(766)	(766)	8,912	8,912
398	Miscellaneous	69,269	87,526	87,526	87,526	87,526	87,526	87,526	87,526	87,526	87,526	87,526	87,526
	Prior year	68,394	62,109	62,109	62,109	62,109	62,109	62,109	62,109	62,109	62,109	62,109	69,269
	Change	875	25,417	25,417	25,417	25,417	25,417	25,417	25,417	25,417	25,417	25,417	18,257
106	Not classified												
	Prior year	39,562	14,113	14,113	11,081	(14,845)	(65)	(1,889)	0	(140)	(4,673)	(105)	(105)
	Change	(39,562)	(14,113)	(14,113)	(11,081)	14,845	65	1,889	0	140	4,673	(105)	(70)
****	Total Electric Plant in Serv	71,099,332	78,160,688	78,777,041	79,065,873	79,439,871	79,787,033	80,181,024	80,658,345	81,031,983	81,366,650	81,700,106	81,767,297
	Prior year	67,750,395	67,906,525	68,350,783	68,594,249	69,758,371	70,027,974	70,259,667	70,770,683	71,123,310	71,428,378	70,959,247	71,236,333
	Change	3,348,937	10,254,163	10,426,258	10,471,624	9,681,500	9,759,059	9,921,357	9,887,662	9,908,673	9,938,272	10,740,859	10,530,964
107.20	Construction work in progr	440,864	445,660	421,376	400,311	393,170	460,990	417,132	304,901	247,703	269,659	309,589	352,734
	Prior year	589,808	592,243	394,719	440,552	442,326	469,352	515,200	408,150	316,813	294,247	365,678	436,520
	Change	(148,944)	(146,583)	26,657	(40,241)	(49,156)	(8,362)	(98,068)	(103,249)	(69,110)	(24,588)	(56,089)	(83,786)
107.254	CWTP - Buildings	6,709,119	5,252	21,648	21,119	251	251	251	251	251	251	251	251
	Prior year	1,218,441	1,462,785	1,939,851	2,604,946	3,315,738	3,810,295	4,234,330	4,779,240	5,220,542	5,802,360	6,103,517	6,638,243
	Change	5,490,678	(1,457,533)	(1,918,203)	(2,583,827)	(3,315,487)	(3,810,044)	(4,234,079)	(4,778,989)	(5,220,291)	(5,802,109)	(6,103,266)	(6,637,992)
107.31	General plant	814,659	814,659	814,793	814,793	814,793	814,793	814,793	814,793	814,793	814,793	814,793	814,793
	Prior year	(814,659)	(814,659)	(814,793)	(814,793)	0	0	0	(10,000)	(10,000)	0	0	5,000
	Change	0	0	0	0	0	0	0	0	0	0	0	0
****	Total CWTP	7,149,983	450,912	443,024	421,430	393,421	461,241	417,383	295,152	247,954	269,910	309,840	357,985
	Prior year	2,622,908	2,869,687	3,149,363	3,860,291	3,758,064	4,279,647	4,749,530	5,187,390	5,537,355	6,096,607	6,469,195	7,074,763
	Change	4,527,075	(2,418,775)	(2,706,339)	(3,438,861)	(3,364,643)	(3,818,406)	(4,332,147)	(4,892,238)	(5,289,401)	(5,826,697)	(6,159,355)	(6,716,778)
108.662	Res - Station equip	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)
	Prior year	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)	(32,774)
	Change	0	0	0	0	0	0	0	0	0	0	0	0
108.664	Res - Poles, towers, fixture	3,599,900	3,632,244	3,669,081	3,704,939	3,740,171	3,782,174	3,814,216	3,846,948	3,860,962	3,901,458	3,936,768	3,957,079
	Prior year	3,247,204	3,274,186	3,281,905	3,323,569	3,351,552	3,384,736	3,421,253	3,447,342	3,472,580	3,500,453	3,528,637	3,568,468
	Change	352,696	358,058	387,176	381,370	388,619	397,438	392,963	399,606	388,382	401,005	408,131	388,611
108.665	Res - Overhead conductor	3,005,691	3,049,254	3,089,350	3,131,797	3,148,668	3,197,906	3,219,751	3,261,968	3,285,639	3,325,915	3,361,362	3,394,003
	Prior year	2,653,006	2,689,126	2,679,181	2,721,927	2,740,670	2,762,252	2,799,895	2,825,183	2,856,843	2,890,242	2,923,839	2,964,056
	Change	352,685	360,128	410,169	409,870	407,998	435,654	419,856	436,785	428,796	435,673	437,523	429,947
108.667	Res - Underground conduc	318,091	320,149	326,667	333,433	340,354	347,304	354,282	360,536	367,798	375,247	382,750	390,228
	Prior year	261,524	266,935	272,360	277,804	283,331	288,932	294,586	304,628	304,322	310,535	316,789	323,068
	Change	56,567	53,214	54,307	55,629	57,023	58,372	59,696	55,908	63,476	64,712	65,961	67,160

Inter County Energy Cooperative

Case No. 2006-00415

Comparison of Test Year Account Balances with those of the Preceding Year - Balance Sheet

July 31, 2006

Witness: Alan Zumstein

Acct.#	Description	August Month_1	September Month_2	October Month_3	November Month_4	December Month_5	January Month_6	February Month_7	March Month_8	April Month_9	May Month_10	June Month_11	July Month_12
108.668	Res - Transformers Prior year Change	2,875,078 2,588,591 286,487	2,908,668 2,620,274 288,394	2,944,559 2,652,028 292,531	2,978,435 2,683,873 294,562	2,975,089 2,715,838 259,251	3,009,143 2,747,942 261,201	3,043,268 2,780,122 263,146	3,077,439 2,812,396 265,043	3,111,837 2,844,866 266,971	3,146,316 2,877,375 268,941	3,197,841 2,911,498 286,343	3,034,100 2,841,765 192,335
108.669	Res - Services Prior year Change	2,009,507 1,785,855 223,652	2,023,595 1,809,441 214,154	2,047,981 1,830,276 217,705	2,060,313 1,850,811 209,502	2,083,953 1,870,743 213,210	2,099,812 1,889,474 210,338	2,121,702 1,902,150 219,552	2,133,985 1,915,131 218,854	2,154,604 1,934,596 220,008	2,177,422 1,950,568 226,854	2,204,290 1,969,396 234,894	2,229,224 1,986,929 242,295
108.670	Res - Meters Prior year Change	418,169 381,735 36,434	422,969 386,176 36,793	427,793 390,625 37,168	432,629 395,094 37,535	431,004 390,613 40,391	435,892 395,057 40,835	440,789 399,577 41,212	445,724 404,132 41,592	450,692 408,785 41,907	455,696 413,461 42,235	460,724 418,162 42,562	457,042 413,397 43,645
108.671	Res - Security lights Prior year Change	395,037 370,094 24,943	397,199 372,598 24,601	400,109 375,456 24,653	399,731 376,530 23,201	404,958 380,107 24,851	409,011 381,977 27,034	411,306 383,790 27,516	409,840 382,371 27,469	407,227 384,657 22,570	410,475 387,502 22,973	414,555 390,317 24,218	416,642 392,679 23,963
108.790	Res - Structures Prior year Change	(126,072) 352,893 (478,965)	(125,084) 354,784 (479,868)	(113,570) 356,675 (470,245)	(101,682) 358,565 (460,247)	(89,776) 360,456 (450,232)	(77,704) 362,347 (440,051)	(65,445) 364,238 (429,683)	(53,020) 366,129 (419,149)	(40,553) 368,019 (408,572)	(27,926) 369,910 (397,836)	(15,298) 371,705 (387,003)	(2,671) 373,593 (376,264)
108.791	Res - office furn Prior year Change	1,889 507,889 (506,000)	2,952 467,549 (464,597)	5,940 472,883 (466,943)	8,928 478,217 (469,289)	11,926 483,456 (471,530)	14,934 488,695 (473,761)	17,978 493,952 (475,974)	21,046 499,255 (478,209)	24,151 504,558 (480,407)	27,255 509,861 (482,606)	30,359 (237) 30,596	33,464 826 32,638
108.792	Res - transportation Prior year Change	1,330,773 1,354,789 (24,016)	1,261,405 1,370,285 (108,880)	1,280,156 1,385,781 (105,625)	1,298,836 1,401,277 (102,441)	1,317,107 1,217,610 99,497	1,334,546 1,236,385 98,161	1,351,325 1,255,019 96,306	1,368,104 1,273,366 94,738	1,368,119 1,291,714 76,405	1,359,651 1,292,873 66,778	1,376,742 1,295,011 81,731	1,393,894 1,312,927 80,907
108.793	Res - stores Prior year Change	37,638 34,535 3,103	38,010 34,794 3,216	38,381 35,052 3,329	38,752 35,311 3,441	39,124 35,569 3,555	39,495 35,828 3,667	39,867 36,087 3,780	40,238 36,345 3,893	40,609 36,604 4,005	40,981 36,862 4,119	41,352 37,121 4,231	41,723 37,380 4,343
108.794	Res - tools, power operated Prior year Change	75,266 68,643 6,623	75,821 69,189 6,632	76,376 69,735 6,641	76,931 70,280 6,651	77,486 70,826 6,660	78,041 71,381 6,660	78,596 71,936 6,660	79,151 72,491 6,660	79,706 73,046 6,660	80,261 73,601 6,660	80,816 74,156 6,660	81,371 74,711 6,660
108.795	Res - laboratory Prior year Change	37,603 34,064 3,539	37,897 34,359 3,538	38,192 34,654 3,538	38,487 34,949 3,538	38,782 35,244 3,538	39,077 35,539 3,538	39,372 35,833 3,539	39,667 36,128 3,539	39,961 36,423 3,538	40,256 36,718 3,538	40,551 37,013 3,538	40,846 37,308 3,538
108.796	Res - power operated Prior year Change	72,572 72,572 0	72,572 72,572 0	72,572 72,572 0	72,572 72,572 0	72,572 72,572 0	72,572 72,572 0	72,572 72,572 0	72,572 72,572 0	72,572 72,572 0	72,572 72,572 0	72,572 72,572 0	72,571 72,572 (1)
108.797	Res - communication Prior year Change	321,959 272,218 49,741	327,708 272,995 54,713	333,518 273,772 59,746	339,327 274,549 64,778	345,136 275,326 69,810	350,945 281,849 69,096	356,755 288,371 68,384	362,564 294,893 67,671	368,373 301,282 67,091	374,183 307,096 67,087	379,992 310,459 69,533	385,801 316,209 69,592
108.798	Res - miscellaneous Prior year Change	30,997 34,251 (3,254)	31,343 27,546 3,797	31,781 27,856 3,925	32,218 28,167 4,051	32,656 28,477 4,179	33,093 28,788 4,305	33,531 29,098 4,433	33,968 29,409 4,559	34,406 29,719 4,687	34,844 30,030 4,814	35,281 30,340 4,941	35,719 30,651 5,068
108.80	R WIP - force account Prior year Change	22,474 71,437 (48,963)	24,299 66,519 (42,220)	28,097 26,270 1,827	23,710 29,246 (5,536)	15,793 37,517 (21,724)	37,153 21,634 15,519	24,082 19,582 4,500	22,956 28,194 (5,238)	14,995 23,539 (8,544)	22,100 27,202 (5,102)	30,638 27,395 3,243	24,637 25,988 (1,351)

Inter County Energy Cooperative
Case No. 2006-00415
Comparison of Test Year Account Balances with
those of the Preceding Year - Balance Sheet
July 31, 2006

Acct.#	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
135.01	Working funds travel	225	225	225	225	225	225	225	225	225	225	225	225
	Prior year	225	225	225	225	225	225	225	225	225	225	225	225
	Change	0	0	0	0	0	0	0	0	0	0	0	0
****	Total Cash	696,156	451,865	1,051,319	180,059	906,659	1,103,200	620,754	745,159	1,756,281	632,403	934,944	488,559
	Prior year	1,168,715	322,352	411,870	798,898	464,603	3,080,784	708,908	1,435,415	1,103,110	820,685	496,063	619,080
	Change	(472,559)	129,513	639,449	(618,839)	442,056	(1,977,584)	(88,154)	(690,256)	653,171	(188,282)	438,881	(130,521)
****	136. Temp Invest CFC Comm. P	0	0	0	0	0	0	0	0	0	1,600,000	600,000	800,000
	Prior year	700,000	500,000	0	0	0	0	0	0	0	1,600,000	600,000	800,000
	Change	(700,000)	(500,000)	0	0	0	0	0	0	0	0	0	0
****	141. (Notes rec - geothermal loa	49,444	52,271	56,324	55,113	53,794	52,379	51,039	44,563	35,540	34,740	34,175	32,593
	Prior year	546,507	546,480	544,578	542,111	528,126	526,943	526,192	52,104	50,410	47,088	45,958	50,705
	Change	(497,063)	(494,209)	(488,254)	(486,998)	(474,332)	(474,564)	(475,153)	(7,541)	(14,870)	(12,348)	(11,783)	(18,112)
142.10	Accounts receivable	3,614,662	3,496,448	3,207,809	3,644,954	4,726,659	4,341,868	4,793,874	4,063,976	3,901,188	3,141,600	3,337,247	3,788,038
	Prior year	2,613,196	2,605,356	2,516,145	2,611,842	3,457,385	3,701,454	4,209,675	4,072,888	3,393,024	2,761,015	3,087,079	3,596,238
	Change	1,001,466	891,092	691,664	1,033,112	1,269,274	640,414	584,199	(8,912)	508,164	380,585	250,168	191,800
142.11	Agency vouchers	1,170	670	469	22,962	12,783	28,417	26,969	16,073	5,105	2,941	682	1,420
	Prior year	1,233	1,573	1,163	19,664	14,345	15,449	14,255	9,731	5,961	3,667	2,077	4,594
	Change	(63)	(903)	(694)	3,298	(1,562)	12,968	12,714	6,342	(856)	(726)	(1,395)	(3,174)
142.999	AR clearing	14,643	14,504	13,268	13,984	13,893	15,040	14,084	15,290	14,476	13,740	14,884	13,756
	Prior year	15,204	13,621	13,759	13,829	15,876	14,668	14,983	15,202	14,509	14,833	14,114	14,664
	Change	(561)	883	(491)	155	(1,983)	372	(899)	88	(33)	(1,093)	770	(908)
144.10	Allowance	(28,101)	(38,860)	(49,440)	(38,076)	(52,244)	(60,860)	(47,719)	(57,189)	(65,609)	(33,543)	(42,963)	(51,762)
	Prior year	(39,652)	(17,885)	(29,910)	(31,902)	(45,084)	(54,703)	(52,847)	(63,445)	(70,571)	(46,425)	(54,647)	(62,592)
	Change	11,551	(20,975)	(19,530)	(6,174)	(7,160)	(6,157)	5,128	6,256	4,962	12,882	11,684	10,850
143.00	Other	7,744	6,212	(1,176)	19,828	23,336	9,271	14,107	10,202	10,211	13,827	7,028	3,416
	Prior year	45,270	48,855	58,903	64,475	107,262	82,389	61,338	57,447	52,105	10,520	(1,462)	3,036
	Change	(37,526)	(42,643)	(60,079)	(44,647)	(83,926)	(73,118)	(47,231)	(47,245)	(41,894)	3,307	8,490	380
143.02	LTD ins	(233)	(233)	(500)	(272)	(38)	(38)	1	1	2	2	2	(203)
	Prior year	(519)	(561)	(560)	(518)	(500)	(33)	(33)	(192)	(34)	38	38	(233)
	Change	286	328	60	246	462	(5)	34	193	(36)	(36)	(36)	30
143.03	Accident ins	8	4	14	(3)	(14)	(14)	4	(33)	(33)	0	0	(1)
	Prior year	1	1	(14)	(4)	19	(4)	(4)	35	35	0	0	(1)
	Change	7	3	28	10	(33)	(10)	8	(68)	(68)	0	0	(0)
143.04	Life ins	(85)	(85)	(317)	(85)	(42)	(6)	(6)	(3)	(7)	(10)	(10)	(10)
	Prior year	13	11	(96)	(107)	(64)	(6)	(6)	(4)	(4)	12	12	(30)
	Change	(98)	(96)	(317)	(107)	(64)	(6)	(6)	1	(7)	(22)	(22)	20
14306	Acre	546	494	425	375	325	198	192	144	96	48	600	552
	Prior year	540	486	432	378	324	243	189	135	81	677	650	598
	Change	6	8	(7)	(3)	1	(45)	3	9	15	(629)	(50)	(46)
143.071	Food fund	(641)	(750)	(807)	(817)	(970)	(1,119)	(1,088)	(1,203)	(1,330)	(1,394)	(1,508)	(1,642)
	Prior year	(913)	(971)	(1,018)	(891)	(920)	(983)	(943)	(473)	(517)	(562)	(519)	(601)
	Change	272	221	211	74	(50)	(50)	(145)	(730)	(813)	(832)	(989)	(1,041)

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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
143072	Aflac Cancer ins Prior year Change	(9) 9	(9) 9	(9) 9	(9) 9	(9) 9	(27) (27) 0	(27) (27) 0	(27) (27) 0	(27) (27) 0	27 (27) 54	27 27 0	27 27 0
143.08	Metropolitan life ins Prior year Change	(1) (1)	(1) (1)	(1) (1)	(1) (1)	0 0	10 10	0 0	(528) (528)	0 0	0 0	0 0	(1) 1
143.09	Delta dental ins Prior year Change	319 1,114 (795)	147 917 (770)	826 1,020 (194)	610 850 (240)	1,258 680 578	1,833 425 1,408	1,627 255 1,372	1,421 85 1,336	1,216 205 1,011	1,010 33 977	1,118 (138) 1,256	1,750 491 1,259
****	Total Receivables Prior year Change	3,610,031 2,635,478 974,553	3,478,550 2,651,393 827,157	3,170,556 2,559,938 610,618	3,663,459 2,677,740 985,719	4,724,946 3,549,348 1,175,598	4,334,587 3,758,886 575,701	4,802,020 4,246,845 555,175	4,048,157 4,091,314 (43,157)	3,865,321 3,394,736 470,585	3,138,248 2,743,781 394,467	3,317,108 3,047,231 269,877	3,755,314 3,556,164 199,150
154.00	Material and supplies Prior year Change	229,747 262,162 (32,415)	282,303 271,751 10,552	289,832 232,204 57,628	262,207 227,300 34,907	282,843 207,168 75,675	268,135 263,208 4,927	262,169 280,659 (18,490)	267,201 256,241 10,960	265,574 288,341 (22,767)	256,880 271,536 (14,676)	250,396 235,384 15,012	325,642 260,245 65,397
155.00	Merchandise Prior year Change	1,775 12,034 (10,259)	1,431 12,430 (10,999)	1,394 11,516 (10,122)	1,775 11,140 (9,365)	1,628 3,265 (1,637)	1,628 2,295 (667)	1,445 1,899 (454)	2,546 1,665 881	2,382 2,149 233	2,486 1,792 694	2,318 1,607 711	2,079 1,811 268
****	Total Material & Supplies Prior year Change	231,522 274,196 (42,674)	283,734 284,181 (447)	291,226 243,720 47,506	263,982 238,440 25,542	284,471 210,433 74,038	269,763 265,503 4,260	263,614 282,558 (18,944)	269,747 257,906 11,841	267,956 290,490 (22,534)	259,366 273,348 (13,982)	252,714 236,991 15,723	327,721 262,056 65,665
165.1	Prepaid insurance Prior year Change	41,778 34,933 6,845	25,686 17,465 8,221	25,686 17,465 8,221	17,783 177,018 (194,762)	177,839 171,312 6,527	159,016 155,220 3,796	141,469 139,127 2,342	123,923 123,034 889	106,182 106,942 (760)	88,635 90,751 (2,116)	71,089 74,560 (3,471)	53,542 58,467 (4,925)
165.12	Prepaid medical Prior year Change	5,752 3,300 2,452	4,845 3,300 1,545	4,845 3,252 1,593	4,706 3,252 1,454	4,706 5,342 (636)	4,706 6,095 (1,389)	4,706 4,713 (7)	4,706 4,705 1	4,429 4,512 (83)	4,568 2,503 2,065	4,568 2,065	4,568 4,637 (69)
165.14	Directors life ins Prior year Change	(1,132) 5,583 (6,715)	(2,554) 3,722 (6,276)	11,783 23,419 (11,636)	10,361 21,558 (11,197)	9,715 20,472 (10,757)	8,293 18,611 (10,318)	6,872 16,750 (9,878)	5,450 14,888 (9,438)	4,007 13,511 (9,504)	2,563 2,563 0	1,667 (20,270) 21,937	245 289 (44)
165.16	Workers comp Prior year Change	85,824 65,480 20,344	37,296 49,110 (11,814)	32,740 (32,740)	190,559 16,370 174,189	169,188 199,768 (30,580)	153,903 183,398 (29,495)	152,848 167,028 (14,180)	137,563 193,104 (55,541)	122,278 171,648 (49,370)	106,994 150,192 (43,198)	91,709 128,192 (36,483)	76,424 107,280 (30,856)
165.18	Retired emp medical Prior year Change	1,416 777 639	1,416 801 615	1,416 801 615	1,416 801 615	1,481 801 681	1,350 1,175 175	1,416 1,175 241	1,278 1,175 103	1,658 1,175 483	1,625 (142) 1,767	1,625 1,416 209	1,625 1,416 209
165.20	Dues Prior year Change	26,203 24,553 1,650	19,652 18,415 1,237	13,102 12,277 825	30,572 29,463 1,109	25,608 24,845 763	77,688 70,551 7,137	70,963 64,592 6,371	64,542 58,133 6,409	57,384 51,933 5,451	50,096 45,855 4,241	42,982 39,305 3,677	35,818 32,754 3,064
165.22	Avenir maint Prior year Change	0 0 0	0 0 0	0 0 0	20,610 (20,610) 2,018	22,628 20,610 2,018	20,742 20,742	18,856 18,856	16,971 16,971	15,085 15,085	13,199 13,199	11,313 11,313	9,428 9,428

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Acct#	Description	August Month_1	September Month_2	October Month_3	November Month_4	December Month_5	January Month_6	February Month_7	March Month_8	April Month_9	May Month_10	June Month_11	July Month_12
****	Total Prepayments	159,841	86,341	31,146	219,870	411,165	425,698	397,130	354,433	311,023	267,680	224,953	181,650
	Prior year	134,626	92,813	72,489	269,072	442,349	435,050	393,385	395,039	349,721	289,219	225,706	204,843
	Change	25,215	(6,472)	(41,343)	(49,202)	(31,184)	(9,352)	3,745	(40,606)	(38,698)	(21,539)	(753)	(23,193)
****171.0	Other Current Assets In Re	0	0	0	0	11,077	10,555	10,555	10,555	0	0	0	0
	Prior year	0	0	0	0	10,701	10,455	10,455	10,455	0	0	0	0
	Change	0	0	0	0	376	100	100	100	0	0	0	0
184.00	Transportation	(1)	(2)	79	27	(1)	(6)	(9)	(2,703)	(1)	(1)	2	3
	Prior year	(1)	(2)	1,416	(27)	(1)	(6)	(9)	2,703	1	1	(37)	(1)
	Change	(1)	0	(1,337)	(27)	0	0	0	2,703	1	1	39	4
186.90	Defer fuel adjustment	0	0	0	0	0	585,555	343,670	275,638	177,436	217,839	262,151	195,377
	Prior year	0	0	0	0	0	585,555	343,670	275,638	177,436	217,839	262,151	195,377
	Change	0	0	0	0	0	0	0	0	0	0	0	0
186.10	Environmental surcharge	0	0	0	0	140,620	140,620	189,017	178,686	129,857	144,285	174,615	208,366
	Prior year	0	0	0	0	140,620	140,620	189,017	178,686	129,857	144,285	174,615	208,366
	Change	0	0	0	0	0	0	0	0	0	0	0	0
****	Total Deferred Debits	(1)	(2)	79	0	726,175	532,678	532,678	454,324	307,293	362,124	436,768	403,746
	Prior year	0	(2)	(1,419)	27	(1)	(6)	0	(2,703)	(1)	(1)	(37)	(1)
	Change	(1)	0	(1,337)	(27)	0	0	532,678	457,027	307,294	362,125	436,805	403,747
*****	Total Assets and Debits	77,589,666	77,499,501	78,162,906	78,030,830	80,257,046	81,026,002	80,953,209	80,401,048	81,210,630	81,159,002	80,840,016	81,177,913
	Prior year	70,828,741	70,073,182	70,102,824	71,618,510	73,407,850	76,903,845	75,529,372	76,432,732	75,930,790	75,645,354	75,799,714	77,262,135
	Change	6,760,925	7,426,319	8,057,247	6,412,320	6,849,196	4,122,157	5,423,837	3,968,316	5,279,840	5,513,648	5,040,302	3,915,778
****	Memberships issued	955,670	957,105	957,345	960,000	962,090	962,395	966,390	969,890	970,905	971,920	975,235	976,280
	Prior year	932,245	933,115	934,295	937,265	938,385	939,125	940,980	941,110	945,255	947,090	950,490	952,690
	Change	23,425	23,990	23,050	23,735	23,705	23,270	25,410	28,780	25,650	24,830	24,745	23,590
201.10	Patrons capital credits	24,465,936	24,447,181	24,429,178	24,415,789	24,392,649	24,387,242	24,353,379	24,332,234	24,314,251	24,292,462	24,281,753	24,264,003
	Prior year	24,239,178	24,212,597	24,178,471	24,161,362	24,151,761	24,575,620	24,563,644	24,547,530	24,535,019	24,520,440	24,506,804	24,506,804
	Change	226,758	234,584	250,707	254,427	240,888	(188,378)	(210,265)	(215,296)	(220,768)	(227,978)	(225,051)	(242,801)
219.10	Op margins prior year	150,817	150,817	150,817	150,817	150,817	150,817	150,817	150,817	150,817	150,817	150,817	150,817
	Prior year	150,817	150,817	150,817	150,817	150,817	150,817	150,817	150,817	150,817	150,817	150,817	150,817
	Change	0	0	0	0	0	0	0	0	0	0	0	0
219.10	Current year margins	(320,205)	(669,263)	(768,400)	(972,967)	(835,626)	(229,730)	582,891	446,708	451,056	(11,030)	(294,526)	(491,190)
	Prior year	633,418	640,380	601,716	600,357	442,376	(236,658)	128,926	511,231	666,649	466,022	315,912	48,013
	Change	(953,623)	(1,309,643)	(1,370,116)	(1,573,324)	(1,278,002)	26,928	453,965	(64,523)	(215,593)	(477,052)	(610,438)	(539,203)
****	Total Capital Credits	24,296,548	23,928,735	23,811,595	23,593,639	23,707,840	24,308,329	25,087,087	24,929,759	24,916,124	24,432,249	24,138,044	23,923,630
	Prior year	25,023,413	25,003,794	24,931,004	24,912,536	24,744,954	24,469,779	24,843,387	25,209,578	25,352,485	25,137,279	24,973,533	24,705,634
	Change	(726,865)	(1,075,059)	(1,119,409)	(1,318,897)	(1,037,114)	(161,450)	243,700	(279,819)	(436,361)	(705,030)	(835,489)	(782,004)
208.00	Donated capital	43,600	43,600	43,600	43,600	46,357	46,319	46,319	46,319	46,319	46,319	46,255	46,212
	Prior year	40,454	40,454	40,454	40,454	44,512	43,684	43,666	43,666	43,666	43,666	43,622	43,622
	Change	3,146	3,146	3,146	3,146	1,845	2,635	2,653	2,653	2,653	2,653	2,633	2,590
217.00	Retired gains	7,703	7,703	7,703	7,703	7,831	7,831	7,831	7,831	7,831	7,831	7,180	7,180
	Prior year	5,935	5,935	5,935	5,935	7,940	7,743	7,742	7,703	7,703	7,702	7,703	7,703
	Change	1,768	1,768	1,768	1,768	(109)	88	89	128	128	(522)	(523)	(523)

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Acct #	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
219.30	Prior year deficits												
	Prior year Change	0	0	0	0	0	0	(835,626)	(835,626)	(835,626)	(835,626)	(835,626)	(835,626)
****	Total Other Equities												
	Prior year	51,303	51,303	51,303	51,303	54,188	54,150	(781,476)	(781,476)	(781,476)	(782,127)	(782,191)	(782,234)
	Prior year Change	46,389	46,389	46,389	46,389	52,452	51,427	51,408	51,369	51,369	51,368	51,325	51,325
	Change	4,914	4,914	4,914	4,914	1,736	2,723	(832,884)	(832,845)	(832,845)	(833,495)	(833,516)	(833,559)
****	Total Margins & Equities												
	Prior year	25,303,521	24,937,143	24,820,243	24,604,942	24,724,118	25,324,874	25,272,001	25,118,173	25,105,553	24,622,042	24,331,088	24,117,676
	Prior year Change	26,002,047	25,983,298	25,911,688	25,896,190	25,735,791	25,460,331	25,835,775	26,202,057	26,349,109	26,135,737	25,975,348	25,709,649
	Change	(698,526)	(1,046,155)	(1,091,445)	(1,291,248)	(1,011,673)	(135,457)	(563,774)	(1,083,884)	(1,243,556)	(1,513,695)	(1,644,260)	(1,591,973)
224.03	RUS notes												
	Prior year	15,208,542	15,176,204	15,150,179	15,029,713	15,003,482	14,977,148	14,851,901	14,825,349	35,506,208	35,384,774	35,357,113	35,330,883
	Prior year Change	15,908,438	15,881,036	15,855,000	15,733,473	15,707,248	15,681,052	15,555,030	15,528,634	15,500,700	15,378,558	15,351,421	15,325,700
	Change	(699,896)	(704,832)	(704,821)	(703,760)	(703,766)	(703,904)	(703,129)	(703,285)	20,005,508	20,006,216	20,005,692	20,005,183
224.04	Unadvanced funds												
	Prior year	0	0	0	0	0	0	0	0	17,709,000	17,709,000	17,709,000	17,709,000
	Change	0	0	0	0	0	0	0	0	17,709,000	17,709,000	17,709,000	17,709,000
224.60	Advance payment												
	Prior year	194,977	118,781	46,558	46,738	46,936	47,135	47,135	47,515	47,709	47,910	48,107	48,310
	Prior year Change	517,890	520,018	522,208	524,328	526,554	457,469	459,200	461,150	463,038	464,988	466,898	396,146
	Change	(322,963)	(401,237)	(475,650)	(477,590)	(479,618)	(410,334)	(412,065)	(413,635)	(415,329)	(417,078)	(418,791)	(347,836)
224.20	FFB notes												
	Prior year	26,831,226	26,734,173	26,734,173	26,649,622	26,649,622	26,649,622	26,649,622	26,539,305	26,539,305	26,539,305	26,447,336	26,447,336
	Prior year Change	27,244,086	27,136,997	27,136,997	27,136,997	27,035,769	27,035,769	27,035,769	26,935,077	26,935,077	26,935,077	26,831,226	26,831,226
	Change	(412,860)	(402,824)	(402,824)	(402,824)	(386,147)	(386,147)	(386,147)	(395,772)	(395,772)	(395,772)	(383,890)	(383,890)
224.21	Unadvanced Funds												
	Prior year	6,805,000	6,805,000	6,805,000	6,805,000	6,805,000	6,805,000	6,805,000	6,805,000	6,805,000	6,805,000	6,805,000	6,805,000
	Prior year Change	9,980,000	9,980,000	9,980,000	9,980,000	9,980,000	9,980,000	9,980,000	9,980,000	9,980,000	9,980,000	9,980,000	9,980,000
	Change	(3,175,000)	(3,175,000)	(6,786,000)	(6,786,000)	(6,786,000)	(3,611,000)	(3,611,000)	(3,611,000)	(6,805,000)	(6,805,000)	(6,805,000)	(6,805,000)
224.12	CFC notes												
	Prior year	6,918,145	6,918,145	6,918,145	6,846,251	6,846,251	6,846,251	6,773,563	6,773,563	6,773,563	6,699,734	6,699,734	6,699,734
	Prior year Change	7,195,254	7,195,254	7,195,254	7,127,516	7,127,516	7,127,515	7,058,762	7,058,762	7,058,762	6,988,977	6,988,976	6,988,977
	Change	(277,109)	(277,109)	(277,109)	(281,265)	(281,265)	(281,264)	(285,199)	(285,199)	(285,199)	(289,243)	(289,242)	(289,243)
224.14	Marketing loans												
	Prior year	88,136	84,408	80,667	76,943	74,458	71,963	69,459	80,001	77,317	74,623	71,919	69,205
	Prior year Change	123,819	120,646	117,001	113,339	109,830	106,307	110,206	106,562	102,905	99,234	95,548	91,514
	Change	(35,683)	(36,238)	(36,334)	(36,396)	(35,372)	(34,344)	(40,747)	(26,561)	(25,588)	(24,611)	(23,629)	(22,309)
****	Total long term debt												
	Prior year	42,046,122	41,989,149	45,642,606	45,446,342	45,332,877	45,303,849	45,103,410	44,976,703	51,139,684	50,941,526	50,818,995	50,789,848
	Prior year Change	39,973,707	39,833,915	39,802,044	39,606,997	39,473,809	42,688,174	42,495,567	42,362,885	42,329,406	42,131,858	41,995,273	42,036,271
	Change	2,072,415	2,155,234	5,840,562	5,839,345	5,859,068	2,615,675	2,607,843	2,613,818	8,810,278	8,809,668	8,823,722	8,753,577
**** 228.	Postretirement benefits												
	Prior year	1,547,507	1,553,687	1,560,034	1,566,381	1,572,521	1,579,829	1,586,268	1,592,935	1,599,739	1,606,163	1,612,742	1,619,321
	Prior year Change	1,434,195	1,445,657	1,457,072	1,468,488	1,479,904	1,490,644	1,501,315	1,511,987	1,520,743	1,527,890	1,531,146	1,541,326
	Change	113,312	108,030	102,962	97,893	92,617	89,185	84,953	80,948	78,996	78,273	99,596	77,995
**** 231.	(Notes payable - short term)												
	Prior year	4,750,000	5,000,000	2,619,880	2,869,880	4,000,000	4,519,880	4,500,000	4,700,000	2,500,000	2,500,000	3,000,000	4,000,000
	Prior year Change	4,750,000	5,000,000	400,000	1,900,000	2,650,000	3,000,000	2,000,000	2,500,000	2,500,000	2,500,000	3,000,000	4,000,000
	Change	4,750,000	5,000,000	2,219,880	969,880	1,350,000	1,519,880	2,500,000	2,200,000	(2,500,000)	(2,500,000)	(3,000,000)	(4,000,000)
232.10	Accounts payable - general												
	Prior year	2,597,551	2,552,038	2,334,633	2,341,900	3,346,072	2,955,029	3,020,061	2,606,096	1,822,144	2,162,080	2,356,352	2,747,416
	Prior year Change	1,943,010	1,528,820	1,428,180	1,717,410	2,876,191	2,985,911	2,415,377	2,354,139	1,659,272	1,818,285	2,103,637	2,583,845
	Change	654,541	1,023,218	906,453	624,490	469,881	(30,882)	604,684	251,957	162,872	343,795	252,715	163,571

Acct.#	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
232.11	Members Prior year Change	92 92 0	90 91 (1)	89 91 (2)	73 95 (22)	74 96 (22)	75 96 (21)	76 96 (20)	75 95 (20)	75 97 (22)	75 96 (21)	74 96 (22)	75 92 (17)
232.30	Employee loans Prior year Change	29 (79) 108	381 (79) 460	1 (79) 80	1 (219) 220	2 (9) 9	2 (21) 2	2 18 (16)	2 2,644 (2,642)	2 25 (23)	2 29 (27)	2 (67) 69	2 29 (27)
232.33	NRECA Section 125 Prior year Change	(3,357) (2,375) (982)	(1,932) (1,556) (376)	(1,114) 232 (1,346)	160 2,745 (2,585)	1,852 1,363 489	3,544 4,708 (1,164)	5,213 (1,613) 6,826	2,201 (1,610) 3,811	1,842 (2,633) 4,475	(444) (4,385) 3,941	911 (5,976) 6,887	2,596 (3,246) 5,842
232.61	Other Prior year Change	(94,690) (94,690)	57,429 57,429	(102,098) (102,098)	(51,049) (51,049)	0 0	0 0	0 0	0 0	(300) (300)	0 0	(306,295) 306,295	(255,246) 255,246
****	Total Payables Prior year Change	2,499,625 1,940,648 558,977	2,608,006 1,527,276 1,080,730	2,231,511 1,428,424 803,087	2,291,085 1,720,031 571,054	3,347,998 2,877,641 470,357	2,958,650 2,990,715 (32,065)	3,025,352 2,413,878 611,474	2,608,374 2,355,268 253,106	1,823,763 1,656,761 167,002	2,161,713 1,814,025 347,688	2,357,339 1,791,395 565,944	2,750,089 2,325,474 424,615
****	Customer deposits Prior year Change	390,908 362,283 28,625	394,233 364,708 29,525	392,533 366,283 26,250	391,628 368,933 22,695	390,595 368,408 22,187	388,829 370,258 18,571	392,895 374,383 18,512	395,170 370,183 24,987	395,395 373,833 21,562	390,770 378,583 12,187	394,375 386,533 7,842	395,175 388,733 6,442
236.1	Acc property taxes Prior year Change	166,128 374,163 (208,035)	216,503 212,950 3,553	298 (4,974) 5,272	(16,995) (28,424) 11,429	2,800 2,800	60,104 50,296 9,808	117,409 99,414 17,995	167,567 146,057 21,510	224,825 195,176 29,649	277,912 243,023 34,889	335,216 293,398 41,818	389,922 343,773 46,149
236.2	Acc FUTA tax Prior year Change	206 206	0 0	39 (39)	87 (87)	8 (8)	2,929 2,888 41	3,379 3,409 (30)	11 7 4	44 78 (34)	56 128 (72)	48 (48)	160 (160)
236.3	Acc FICA tax Prior year Change	12,366 8,981 3,385	15,611 11,978 3,633	18,029 14,348 3,681	21,349 18,159 3,190	25,315 25,835 (520)	10,474 8,298 2,176	11,407 8,319 3,088	17,107 13,543 3,564	18,074 15,558 2,516	24,636 23,117 1,519	27,189 22,564 4,625	9,907 6,796 3,111
236.4	Acc SUTA tax Prior year Change	95 3 92	(54) 2 (56)	(54) 21 (75)	(54) 45 (99)	(54) 14 (68)	1,887 1,517 370	2,664 1,899 765	(5) 8 (13)	(5) 44 (49)	(5) 76 (81)	(62) 1 (63)	(158) 64 (222)
236.5	Sales tax Prior year Change	30,506 (4,947) 35,453	34,865 (5,898) 40,763	36,716 (6,718) 43,434	33,602 (8,809) 42,411	31,098 16,051 15,047	30,393 16,784 13,609	31,091 19,179 11,912	31,176 21,978 9,198	30,198 21,647 8,551	31,549 19,404 12,145	35,642 22,722 12,920	37,257 27,439 9,818
236.60	Marion school Prior year Change	43,422 33,427 9,995	43,733 32,338 11,395	40,946 30,875 10,071	38,882 31,804 7,078	56,959 39,197 17,762	56,999 40,946 16,053	49,565 40,523 9,042	48,384 43,950 4,434	42,758 38,970 3,788	39,332 32,143 7,189	42,875 35,532 7,343	48,302 40,871 7,431
236.70	Washington school Prior year Change	1,062 869 193	1,030 767 263	989 764 225	1,173 868 305	1,548 1,150 398	1,447 1,253 194	1,338 1,234 104	1,323 1,303 20	1,015 1,062 (47)	869 810 59	1,009 975 34	1,152 1,120 32
236.80	Madison school Prior year Change	350 281 69	335 261 74	310 250 60	311 246 65	416 298 118	468 381 87	442 434 8	435 461 (26)	373 397 (24)	307 292 15	282 281 1	314 323 (9)

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Acct.#	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
236.81	Taylor school Prior year Change	355 284 71	352 268 84	309 255 54	335 268 67	494 403 91	515 419 96	489 385 104	452 429 23	339 337 2	286 262 24	285 270 15	334 318 16
236.82	Harrodsburg school Prior year Change	311 237 74	314 225 89	281 207 74	236 185 51	268 201 67	303 225 78	263 241 22	235 233 2	231 208 23	211 172 39	219 200 19	122 278 (156)
236.83	Lincoln school Prior year Change	41,889 33,069 8,820	41,403 30,764 10,639	39,687 29,634 10,053	40,805 29,981 10,824	54,687 38,323 16,364	61,710 48,193 13,517	58,406 52,782 5,624	55,995 53,975 2,020	47,505 45,603 1,902	38,264 34,366 3,898	36,080 32,867 3,213	41,628 38,327 3,301
236.84	Danville francise Prior year Change	2,278 2,255 23	2,601 2,287 314	2,973 2,161 812	2,876 1,762 1,114	2,370 1,698 672	2,396 1,933 463	2,411 2,117 294	2,391 2,237 154	2,284 2,121 163	2,295 1,993 302	2,494 2,279 215	2,715 2,234 481
236.90	Burgin school Prior year Change	1,775 1,431 344	1,710 1,373 337	1,439 1,279 160	1,385 1,165 220	1,992 1,408 584	2,236 1,778 458	1,971 2,022 (51)	1,921 2,073 (152)	1,682 1,718 (36)	1,331 1,271 60	1,257 1,286 (29)	1,652 1,570 82
236.91	Boyle school Prior year Change	20,038 16,478 3,560	20,071 15,300 4,771	18,803 14,659 4,144	21,436 15,929 5,507	26,783 20,059 6,724	26,511 22,556 3,955	25,301 22,988 2,313	24,181 23,258 923	19,221 19,576 (355)	16,926 15,183 1,743	18,381 17,315 1,066	21,448 19,602 1,846
236.92	Stanford francise Prior year Change	1,687 1,511 176	1,666 1,341 325	1,678 1,233 445	1,545 1,148 397	1,871 1,331 540	2,395 1,915 480	2,330 2,294 36	2,217 2,219 (2)	1,954 1,878 76	1,484 1,420 64	1,354 1,235 119	1,529 1,518 11
236.93	Garrard school Prior year Change	27,601 22,809 4,792	27,160 21,557 5,603	25,758 20,620 5,138	26,200 19,818 6,382	35,662 25,617 10,045	41,952 32,409 9,543	39,315 36,444 2,871	37,089 37,587 (498)	31,632 30,991 641	24,938 22,890 2,048	23,184 21,477 1,707	27,354 24,840 2,514
236.94	Mercer school Prior year Change	10,275 8,170 2,105	9,856 7,608 2,248	8,994 7,026 1,968	13,063 6,591 6,472	10,437 7,825 2,612	11,891 9,496 2,395	11,020 10,567 453	10,877 10,800 77	9,533 9,131 402	7,830 7,158 672	7,644 7,483 161	9,821 9,281 540
236.95	Larue school Prior year Change	680 560 120	649 540 109	587 514 73	622 521 101	863 743 120	887 797 90	848 759 89	818 829 (11)	637 680 (43)	516 537 (21)	594 540 54	663 635 28
236.96	Casey school Prior year Change	9,357 7,530 1,827	9,049 7,230 1,819	8,662 7,062 1,600	10,356 7,687 2,669	13,777 10,573 3,204	13,837 11,651 2,186	12,995 11,645 1,350	12,385 11,989 396	9,831 9,964 (133)	8,365 7,676 689	8,546 8,132 414	9,851 9,100 751
236.97	Danville school Prior year Change	986 750 236	984 729 255	958 631 327	881 529 352	894 598 296	1,020 752 268	1,018 836 182	962 818 144	832 710 122	731 586 145	777 627 150	875 843 32
236.98	Rockcastle school Prior year Change	192 147 45	189 145 44	178 146 32	192 148 44	284 198 86	323 243 80	288 255 33	269 275 (6)	234 234 0	185 167 18	155 151 4	175 169 6
236.99	Nelson school Prior year Change	2,330 1,796 534	2,217 1,721 496	1,929 1,710 219	2,057 1,590 467	2,672 2,197 475	2,768 2,256 512	2,607 2,138 469	2,408 2,430 (22)	1,982 1,991 (9)	1,731 1,590 141	1,804 1,719 85	2,218 2,085 133

Inter County Energy Cooperative

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Acct.#	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
237.10	Acc int RUS notes		12,313	25,037		12,342	24,683		13,236	26,044		11,207	22,787
	Prior year		15,071	27,865		13,834	27,669		13,445	26,456		12,669	25,760
	Change	0	(2,758)	(2,828)	0	(1,492)	(2,986)	0	(209)	(412)	0	(1,462)	(2,973)
237.30	Acc int CFC notes		33,832	71,715		37,374	75,257		36,603	72,025		35,422	72,025
	Prior year		22,015	44,060		34,584	60,762		27,631	55,866		29,896	62,266
	Change	0	11,817	27,655	0	2,790	14,495	0	8,972	16,159	0	5,526	9,759
237.50	Acc int FFB notes	110,692		72,804	149,095		80,000	149,775		90,951	184,933		117,807
	Prior year	46,321		27,898	54,896		32,865	62,549		39,518	98,696		55,346
	Change	64,371	0	44,906	94,199	0	47,135	87,226	0	51,433	86,237	0	62,461
240.00	Acc int customer deposits	12,785	14,263	15,591	8,334	(11)	1,876	3,734	5,547	7,243	8,801	10,477	12,025
	Prior year	12,095	13,124	14,653	7,936	187	1,863	3,605	5,182	6,742	8,326	9,959	11,398
	Change	690	1,139	938	398	(198)	13	129	365	501	475	518	627
2401.00	Fed inc tax withheld	2,292	4,878	7,249	11,220	15,225	1,193	1,270	5,080	5,525	13,319	16,215	586
	Prior year	1,009	2,970	4,581	8,175	17,155	521	521	3,260	4,778	7,894	12,365	886
	Change	1,283	1,908	2,668	3,045	(1,930)	672	749	1,820	747	5,425	3,850	586
241.10	State inc tax withheld	1,505	2,797	3,731	5,082	6,446	757	738	2,683	2,861	5,529	6,393	232
	Prior year	732	1,977	2,728	4,152	7,016	266	272	2,090	2,849	3,920	5,528	(6)
	Change	773	820	1,003	930	(570)	491	466	593	12	1,609	865	238
241.11	Danville payroll tax	14	8	1,740	3,331	33	2,828	4,609	(106)	1,727	3,483	11	2,635
	Prior year	207	174	158	110	191	202	172	194	185	459	258	5
	Change	(193)	(166)	1,582	3,221	(158)	2,626	4,437	(300)	1,542	3,024	(247)	2,630
241.12	Boyle payroll tax	2,752	(147)	1,022	2,136	(124)	1,748	2,943	(221)	1,029	2,235	(134)	1,610
	Prior year	2,461	1,102	1,749	2,406	1,436	2,626	3,267	79	958	2,306	(53)	1,639
	Change	291	(1,249)	(727)	(270)	(1,560)	(878)	(324)	(300)	71	(71)	(81)	(29)
241.13	Garrard payroll tax	645	197	376	588	153	408	560	206	399	603	160	466
	Prior year	806	145	554	888	370	741	946	141	366	516	194	421
	Change	(161)	52	(178)	(300)	(217)	(333)	(386)	65	33	87	(34)	45
241.14	Marion payroll tax	588	(106)	162	431	(143)	239	545	(135)	167	473	(162)	350
	Prior year	1,010	221	498	842	367	787	1,077	(146)	180	456	(142)	273
	Change	(422)	(327)	(336)	(411)	(510)	(548)	(532)	11	(13)	17	(20)	77
241.15	Lebanon payroll tax		1	1	1	(1)	(1)	1	(1)	(1)	1	(1)	(1)
	Prior year	3	(3)	3	3				(8)		2	(1)	(1)
	Change	(3)	4	(2)	(2)	(1)	(1)	1	7	(1)	(1)	0	(1)
241.16	Mercer payroll tax	77	12	35	82	41	90	127	51	66	86	47	80
	Prior year	90	38	56	83	49	79	100	3	39	54	(3)	48
	Change	(13)	(26)	(21)	(1)	(8)	11	27	48	27	32	50	32
241.17	Casey payroll tax		0	0	0	0	0	0	0	0	0	0	0
	Prior year												
	Change	0	0	0	0	0	0	0	0	0	0	0	0
241.18	Lincoln payroll tax	624	(4)	270	480	11	479	699	78	254	477	4	440
	Prior year	409	(128)	131	360	(23)	338	616	23	255	526	(24)	384
	Change	215	124	139	120	34	141	83	55	(1)	(49)	28	56

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Acct.#	Description	August Month 1	September Month 2	October Month 3	November Month 4	December Month 5	January Month 6	February Month 7	March Month 8	April Month 9	May Month 10	June Month 11	July Month 12
241.19	Nelson payroll tax	20	(1)	6	7	(1)		6	(9)	3	11	(3)	8
	Prior year							5		5	6	(5)	8
	Change	20	(1)	6	7	(1)	0	1	(9)	(2)	5	2	0
242.20	Acc payroll	0	0	0	2		0	0	0	0	0	0	0
	Prior year				89,347								
	Change				95,463								
242.51	Acc sick leave	410,411	412,627	409,643	431,302	435,204	433,817	435,856	434,535	437,785	446,278	448,875	452,480
	Prior year	425,157	426,609	423,244	433,465	435,287	425,822	429,353	429,801	418,885	398,871	402,540	407,081
	Change	(14,746)	(13,982)	(13,601)	(2,163)	(83)	7,995	6,503	4,734	18,900	47,407	46,335	45,399
242.60	Acc vacation	12,800	14,400	16,000	17,600	21,905	1,850	3,650	5,450	7,250	7,250	9,050	12,650
	Prior year	12,500	14,000	15,500	17,000	22,032	1,600	3,200	4,800	6,400	8,000	9,600	11,200
	Change	300	400	500	600	(127)	250	450	650	850	(750)	(550)	1,450
****	Total Current & Accrued L	929,094	925,314	834,852	829,948	888,937	958,669	981,070	921,195	1,098,507	1,153,228	1,082,426	1,303,261
	Prior year	1,012,604	840,801	685,420	631,614	821,675	813,127	825,567	862,954	961,556	944,296	953,883	1,107,169
	Change	(83,510)	84,513	149,432	198,334	67,262	145,542	155,503	58,241	136,951	208,932	128,543	196,092
*****253.	Deferred pole rentals	122,889	91,969	61,247	30,624		(8,578)	92,213	88,498	47,989	283,560	243,051	202,543
	Prior year	103,257	77,527	51,893	26,257	622	90,596	82,887	267,398	239,382	212,965	184,136	153,513
	Change	19,632	14,442	9,354	4,367	(622)	(99,174)	9,326	(178,900)	(191,393)	70,595	58,915	49,030
*****	Total Equities & Liabilities	77,589,666	77,499,501	78,162,906	78,030,830	80,257,046	81,026,002	80,953,209	80,401,048	81,210,630	81,159,002	80,840,016	81,177,913
	Prior year	70,828,741	70,073,182	70,102,824	71,618,510	73,407,850	76,903,845	75,529,372	76,432,732	75,950,790	75,645,354	75,799,714	77,262,135
	Change	6,760,925	7,426,319	8,060,082	6,412,320	6,849,196	4,122,157	5,423,837	3,968,316	5,279,840	5,513,648	5,040,302	3,915,778