

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF EAST KENTUCKY POWER)
COOPERATIVE, INC. TO ADJUST) CASE NO. 94-336
ELECTRIC RATES)

O R D E R

IT IS ORDERED that the East Kentucky Power Cooperative, Inc. ("East Kentucky") shall file an original and 15 copies of the following information with this Commission, with a copy to all parties of record. Each copy of the data requested should be placed in a bound volume with each item tabbed. When a number of sheets are required for an item, each sheet should be appropriately indexed, for example, Item 1(a), Sheet 2 of 6. Include with each response the name of the witness who will be responsible for responding to questions relating to the information provided. Careful attention should be given to copied material to ensure that it is legible. Where information requested herein has been provided along with the original application, in the format requested herein, reference may be made to the specific location of said information in responding to this information request. The information requested herein is due no later than November 11, 1994.

1. Provide a copy of the current bylaws. Indicate any changes made to the bylaws since the year utilized as the test period in East Kentucky's last rate case.

2. Provide a copy of East Kentucky's equity management plan. Indicate when the current plan was adopted and identify any changes made in the plan during the test year.

3. Provide the capital structure at the end of each of the periods as shown in Format 3.

4. a. List all outstanding issues of long-term debt as of the end of the latest calendar year and the end of the test period together with the related information as shown in Format 4a. A separate schedule is to be provided for each time period. Report in Column (k) of Format 4a, Schedule 2, the actual dollar amount of debt cost for the test year. Compute the actual and annualized composite debt cost rates and report them in Column (j) of Format 4a, Schedule 2.

b. Provide an analysis of end-of-period, short-term debt and a calculation of the average and end-of-period cost rates as shown in Format 4b.

5. Provide the following:

a. A schedule of revenues for each active rate schedule reflecting test-year revenues per books, revenues at present rates annualized, and revenues at proposed rates annualized.

b. A schedule showing the amount and percent of any proposed increase or decrease in revenue distributed to each rate schedule. This schedule is to be accompanied by a statement which explains, in detail, the methodology or basis used to allocate the requested increase or decrease in revenue to each of the respective rate schedules.

c. A schedule showing how the increase or decrease in (b) above was further distributed to each rate charge (i.e., customer or facility charge, kWh charge, etc.). This schedule is to be accompanied by a statement which explains, in detail, the methodology or basis used to allocate the increase or decrease.

6. Provide, in comparative form, a total company income statement, a statement of changes in financial position, a statement of cash flows, a statement of changes in owner's equity, and a balance sheet for the test year and the 12-month period immediately preceding the test year.

7. Provide a trial balance as of the last day of the test year showing account number, subaccount number, account title, subaccount title, and amount. The trial balance shall include all asset, liability, capital, income, and expense accounts used by East Kentucky. All income statement accounts should show activity for 12 months. Show the balance in each control and all underlying subaccounts per company books.

8. Provide the balance in each current asset and each current liability account and subaccount included in East Kentucky's chart of accounts by months for the test year. Additionally, show total current assets, total current liabilities, and the net current position by months, annually, and the 13-month average for the test year. Provide a reconciliation of current assets, current liabilities, and net current position provided in response to the above with the current assets and current liabilities as shown on the balance sheet for each month of the

test year. If any amounts were allocated, provide a calculation of the factor used to allocate each amount.

9. List each common general office account (asset, reserve, and expense accounts) covering the 12 months of the test year applicable to more than one jurisdiction or utility operation. If any amounts were allocated, show a calculation of the factor used to allocate each amount.

10. Provide the following monthly account balances and a calculation of the average (13-month) account balances for the test year:

- a. Plant in service (Account No. 101).
- b. Plant purchased or sold (Account No. 102).
- c. Property held for future use (Account No. 105).
- d. Completed construction not classified (Account No. 106).
- e. Construction work in progress (Account No. 107).
(Separate this balance into CWIP eligible for capitalized interest and other CWIP.)
- f. Depreciation reserve (Account No. 108).
- g. Plant acquisition adjustment (Account No. 114).
- h. Amortization of utility plant acquisition adjustment (Account No. 115).
- i. Materials and supplies (include all accounts and subaccounts).

j. Balance in accounts payable applicable to amounts included in materials and supplies by account or subaccount. (If actual is indeterminable, give reasonable estimate.)

k. Computation and development of minimum cash requirements.

l. Balance in accounts payable applicable to amounts included in utility plant-in-service. (If actual is indeterminable, give reasonable estimate.)

m. Balance in accounts payable applicable to prepayments by major category or subaccount.

n. Balance in accounts payable applicable to amounts included in plant under construction. (If actual is indeterminable, give reasonable estimate.)

11. Provide the cash account balances at the beginning of the test year and at the end of each month during the test year.

12. Provide the following information for each item of electric property or plant held for future use at the end of the test year:

- a. Description of property.
- b. Location.
- c. Date purchased.
- d. Cost.
- e. Estimated date to be placed in service.
- f. Brief description of intended use.
- g. Current status of each project.

13. Provide schedules, in comparative form, showing by months for the test year, and the year preceding the test year, the total company balance in each electric plant and reserve account or subaccount included in East Kentucky's chart of accounts as shown in Format 13.

14. Provide the journal entries relating to the purchase of electric utility plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise since East Kentucky's inception. Also, provide a schedule showing the calculation of the acquisition adjustment at the date of purchase of each item of utility plant, the amortization period, and the unamortized balance at the end of the test year.

15. Provide a schedule showing a comparison of the balance in the total company and Kentucky revenue accounts for each month of the test year to the same month of the preceding year for each revenue account or subaccount included in East Kentucky's chart of accounts. Include appropriate footnotes to show the month each rate increase was granted and the month the full increase was recorded in the accounts. See Format 13.

16. a. Provide a schedule showing a comparison of the balance in the operating expense accounts for each month of the test year to the same month of the preceding year for each account or subaccount included in East Kentucky's chart of accounts. See Format 13.

b. Provide a schedule, in comparative form, showing the operating expense account balance for the test year and each of the

5 years preceding the test year for each account or subaccounts included in East Kentucky's annual report. (Electric - FERC Form No. 1, pages 320-323.) Show the percentage of increase of each year over the prior year.

c. Provide a schedule of salaries and wages for the test year and each of the 5 calendar years preceding the test year as shown in Format 16c to this request. Show for each time period the amount of overtime pay.

d. Provide a schedule showing the percentage of increase in salaries and wages for both union and non-union employees for the test year and the 5 preceding years.

17. Provide the following payroll information for each employee classification or category:

a. The actual regular hours worked during the test year.

b. The actual overtime hours worked during the test year.

c. The test-year-end wage rate for each employee classification or category and the date of the last increase.

d. A calculation of the percent of increase granted during the test year.

18. Provide the following tax data for the test year:

a. A schedule of franchise fees paid to cities, towns or municipalities during the test year, including the basis of these fees.

b. An analysis of other operating taxes imposed by Kentucky as shown in Format 18b attached.

19. Provide a schedule of electric department net income, per 1,000 KWH sold, per company books for the test year and the 5 calendar years preceding the test year. This data shall be provided as shown in Format 19 attached.

20. Provide the comparative operating statistics for the electric department as shown in Format 20 attached.

21. Provide a schedule of average electric plant in service, per 1,000 KWH sold by account, per company books for the test year and the 5 calendar years preceding the test year. This data shall be provided as shown in Format 21 attached.

22. Provide a statement of electric plant in service, per company books, for the test year. This data shall be presented as shown in Format 22 attached.

23. Provide the following information for East Kentucky. If any amounts were allocated, show a calculation of the factor used to allocate each amount.

a. A detailed analysis of all charges booked during the test period for advertising expenditures. This analysis shall include a complete breakdown of Account 913 - Advertising Expenses, as shown in Format 23a attached, and further shall show any other advertising expenditures included in any other expense accounts. The analysis shall be specific as to the purpose of the expenditure and the expected benefit to be derived.

b. An analysis of Account 930 - Miscellaneous General Expenses for the test period. This analysis shall show a complete breakdown of this account as shown in Format 23b attached and further provide all detailed workpapers supporting this analysis. At a minimum, the workpapers should show the date, vendor, reference (i.e. voucher no., etc.), dollar amount, and brief description of each expenditure. Detailed analysis is not required for amounts of less than \$250 provided the items are grouped by classes as shown in Format 23b attached.

c. An analysis of Account 426 - Other Income Deductions for the test period. This analysis shall show a complete breakdown of this account as shown in Format 23c attached, and further provide all detailed workpapers supporting this analysis. At a minimum, the workpapers should show the date, vendor, reference (i.e., voucher no., etc.), dollar amount, and brief description of each expenditure. Detailed analysis is not required for amounts of less than \$250 provided the items are grouped by classes as shown in Format 23c attached.

24. Provide a detailed analysis of expenses incurred during the test year for professional services, as shown in Format 24 attached, and all workpapers supporting the analysis. At a minimum, the workpapers shall show the payee, dollar amount, reference (i.e., voucher no., etc.), account charged, hourly rates and time charged to the company according to each invoice, and a description of the service provided.

25. Provide a copy of East Kentucky's policies specifying the compensation of its attorneys, auditors, or other outside professional services. Include a schedule of fees, per diems, and other compensation in effect during the test year. Include copies of any agreements, contracts, memoranda of understanding, or other documentation which explain the nature and types of reimbursements paid for professional services. Indicate if any changes occurred during the test year, the effective date of the changes, and the reason for the changes.

26. Provide a detailed analysis of contributions for charitable and political purposes (in cash or services), if any, recorded in accounts other than Account 426. This analysis shall indicate the amount of the expenditure, the recipient of the contribution, and the specific account charged. If amounts are allocated, show a calculation of the factor used to allocate each amount. Detailed analysis is not required for amounts of less than \$100, provided the items are grouped by classes.

27. Describe East Kentucky's lobbying activities and a schedule showing the name of the individual, salary, organizations, or trade associations involved in; and all company-paid or reimbursed expenses or allowances, and the account charged for all personnel for whom a principal function is that of lobbying, on the local, state, or national level. If any amounts are allocated, show a calculation of the factor used to allocate each amount.

28. Provide a detailed analysis of the retained earnings account for the test period and the 12-month period immediately preceding the test period.

29. Provide a listing of all non-utility property, related property taxes, and the accounts where amounts are recorded. Include a description of the property, the date purchased, and the cost.

30. Provide the rates of return as indicated in Format 30 attached.

31. Provide the employee data as indicated in Format 31 attached.

32. Provide the studies for the test year, including all applicable workpapers, which are the basis of jurisdictional plant allocations and expense account allocations.

33. Provide a calculation of the rate or rates used to capitalize interest during construction for the test year and the 3 preceding calendar years. Explain each component entering into the calculation of this rate.

34. Explain how the test year capitalization rate was determined. If differing rates were used for specific expenses (i.e., payroll, transportation clearing accounts, depreciation, etc.), indicate the rate and how it was determined. Indicate any changes proposed to the test-year capitalization and how the change was determined.

35. Provide the following information concerning depreciation expense:

a. Indicate whether the depreciation rates reflected in this filing are identical to the ones most recently approved by the Commission, either in East Kentucky's last general rate proceeding or by specific application.

(1) If so, identify the case in which this approval was obtained.

(2) If not, provide a copy of East Kentucky's depreciation study which supports the depreciation rates reflected in this filing.

b. Indicate whether East Kentucky follows the depreciation rates and procedures as described in REA Bulletin 183-1. If so, supply information for plotting the depreciation guideline curves in accordance with REA Bulletin 183-1, as shown in Format 35b, attached.

c. List test-year depreciation expenses, using Format 35c, attached.

36. Provide complete details of the financial reporting and rate-making treatment of East Kentucky's pension costs.

37. Provide complete details of East Kentucky's financial reporting and rate-making treatment of Statement of Financial Accounting Standard ("SFAS") No. 106, including:

a. The date that East Kentucky adopted SFAS No. 106.

b. All accounting entries made at the date of adoption.

c. All actuarial studies and other documents used to determine the level of SFAS No. 106 cost recorded by East Kentucky.

38. Provide complete details of East Kentucky's financial reporting and rate-making treatment of SFAS No. 112, including:

- a. The date that East Kentucky adopted SFAS No. 112.
- b. All accounting entries made at the date of adoption.
- c. All actuarial studies and other documents used to determine the level of SFAS No. 112 cost recorded by East Kentucky.

39. Provide any information, as soon as it is known, which would have a material effect on net operating income, rate base, and cost of capital which occurs after the test year and is not incorporated in the filed testimony and exhibits.

40. Provide a detailed monthly income statement for each month after the test period, including the month in which the hearing ends, as it becomes available.

41. List all present or proposed research efforts dealing with the pricing of electricity and the current status of such efforts.

42. Provide a schedule reflecting the salaries and other compensation of each executive officer for the test year and the preceding 2 calendar years. Include the percentage annual increase and the effective date of each increase, the job title, duty and responsibility of each officer, the number of employees who report to each executive officer, and to whom each executive officer reports. Also, for employees elected to executive officer status during the test year, provide the salaries, for the test year, for those persons whom they replaced.

43. Provide the following information relating to East Kentucky's board of directors:

a. The name and address of each member of East Kentucky's board of directors along with his or her personal mailing address.

b. Indicate the distribution cooperative each director represents. If during the course of these proceedings any changes occur in board membership, provide an update to this request.

c. A detailed analysis of the total compensation paid to each member of the board of directors during the test year including all fees, fringe benefits, and expenses, with a description of the type of meetings, seminars, etc. attended by each member.

d. Identify any compensation paid by board members' distribution cooperatives for their service on East Kentucky's board of directors.

e. Identify any directors' expenses which include costs for spouses, listing those expenses separately.

f. A copy of East Kentucky's policies specifying the compensation of directors and a schedule of standard director's fees, per diems, and other compensation in effect during the test year. If changes occurred during the test year, indicate the effective date and the reason for the changes.

44. Provide an analysis of East Kentucky's expenses for research and development activities for the test year and the 5

preceding calendar years. For the test year include the following details:

a. Basis of fees paid to research organizations and East Kentucky's portion of the total revenue of each organization. Where the contribution is monthly, provide the current rate and the effective date.

b. Details of the research activities conducted by each organization.

c. Details of services and other benefits provided to the company by each organization during the test year and the previous calendar year.

d. Total expenditures of each organization during the test year including the basic nature of costs incurred by the organization.

e. Details of the expected benefits to the company.

45. Provide the average number of retail customers on the system, by rate schedule, (i.e., Schedule B, Schedule C, and Schedule E) for the 5 calendar years preceding the test period, the test period, and each month of the test period.

46. Provide all current labor contracts and the most recent contracts previously in effect.

47. Provide a schedule for the test year and the year preceding the test year, with each year shown separately, the following information regarding East Kentucky's investments in subsidiaries and joint ventures:

a. Name of subsidiary or joint venture.

- b. Date of initial investment.
- c. Amount and type of investment.
- d. Balance sheet and income statement. Where only internal statements are prepared, furnish copies of these.
- e. Show by separate schedule all dividends or income of any type received by East Kentucky from its subsidiaries or joint ventures for each of the report periods and indicate how this income is reflected in the reports filed with the Commission and the stockholder reports.
- f. Name of officers of each of the subsidiaries or joint ventures, officer's annual compensation, and portion of compensation charged to the subsidiary or joint venture. Also, indicate the position each officer holds with East Kentucky and the compensation received from East Kentucky.

48. Provide the date, time, and a general description of the activities at the most recent annual members' meeting. For the most recent meeting and the 5 previous annual members' meetings, provide the number of attendees, and the total cost of the annual meeting.

49. Provide a calculation showing the average (13-month) number of days' supply of coal on hand for the test year and each of the 5 years preceding the test year (include a copy of all workpapers). Explain in detail factors considered to determine an average day's supply of coal.

50. Provide a schedule of purchased power costs for the test year by vendor, separated into demand and energy components.

Include KW and KWH purchased. Indicate any estimates used and explain their use in detail.

51. For the test year provide the following data:

a. System peak demand for the summer and winter seasons.

b. Coincident peak demand by rate schedule for each member cooperative at the time of the system's summer and winter peaks.

c. KWH sales and peak demand by rate schedule for each member cooperative during the months of the summer and winter peaks.

d. Non-coincident peak demands by rate schedule for each member cooperative during the summer and winter seasons.

52. Provide a detailed analysis of all benefits provided to the employees of East Kentucky. For each benefit include:

a. The number of employees covered at test-year-end.

b. The test-year actual cost.

c. The amount of the test-year actual cost capitalized and expensed.

d. The average annual cost per employee.

53. Provide the following information concerning the costs for the preparation of this case:

a. A detailed schedule of expenses incurred to date for the preparation of this case. Expenses shall be broken down into the following categories:

(1) Accounting;

- (2) Engineering;
- (3) Legal;
- (4) Consultants;
- (5) Other Expenses (Identify separately).

For each category, the schedule shall include the date of each transaction, check number or other document reference, the vendor, the hours worked, the rates per hour, amount, a description of the services performed, and the account number in which the expenditure was recorded. Provide copies of any invoices received, contracts or other documentation which support charges incurred in the preparation of this rate case. Indicate any costs incurred for this case that occurred during the test year.

b. An itemized estimate of the total cost to be incurred for this case. Expenses shall be broken down into the same categories as identified in (a) above, with an estimate of the hours to be worked and the rates per hour. Include a detailed explanation of how the estimate was determined, along with all supporting workpapers and calculations.

c. During the course of this proceeding, provide monthly updates of the actual costs incurred, in the manner requested in (a) above. Updates will be due the last business day of each month, through the month of the public hearing.

54. Describe in detail the actions which East Kentucky has taken during the test year to implement the recommendations of the management audit.

55. Identify all costs and benefits included in the test period that are attributable to the implementation of the management audit recommendations. Specify the costs and benefits of implementation that are anticipated to recur annually over the next three years.

56. Explain in detail how any of the costs and benefits described in the previous two questions have been taken into consideration in the proposed revenue requirements in this case.

Done at Frankfort, Kentucky, this 26th day of October, 1994.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director

KANT KENTUCKY POWER COOPERATIVE, INC.
CAHM NO. 94-116

Comparative Capital Structures (Excluding JDIC)
For the Periods as Shown
"000 Omitted"

Line No.	Type of Capital	10th Year		9th Year		8th Year		7th Year		6th Year		5th Year	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
1.	Long-Term Debt												
2.	Short-Term Debt												
3.	Preferred & Preference Stock												
4.	Common Equity												
5.	Other (Items by type)												
6.	Total Capitalization												

Line No.	Type of Capital	4th Year		3rd Year		2nd Year		1st Year		Test Year		Latest Available Quarter		Average Test Year	
		Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio	Amount	Ratio
1.	Long-Term Debt														
2.	Short-Term Debt														
3.	Preferred & Preference Stock														
4.	Common Equity														
5.	Other (Items by type)														
6.	Total Capitalization														

Instructions: 1. Provide a calculation of the average test year data as shown in Format 1, Schedule 2.

2. If the applicant is a member of an affiliated group, the above data is to be provided for the parent company and the system consolidated.

KANT KENTUCKY POWER COOPERATIVE, INC.

CASE NO. 94-116

Calculation of Average Test Period Capital Structure
12 Months Ended

"000 Omitted"

Line No.	Item (a)	Total Capital (b)	Long-Term Debt (c)	Short-Term Debt (d)	Preferred Stock (e)	Common Stock (f)	Retained Earnings (g)	Total Common Equity (h)
1.	Balance beginning of test year							
2.	1st Month							
3.	2nd Month							
4.	3rd Month							
5.	4th Month							
6.	5th Month							
7.	6th Month							
8.	7th Month							
9.	8th Month							
10.	9th Month							
11.	10th Month							
12.	11th Month							
13.	12th Month							
14.	Total (L1 through L13)							
15.	Average balance (L14 ÷ 13)							
16.	Average capitalization ratios							
17.	End-of-period capitalization ratios							

Instructions: 1. If applicable, provide an additional schedule in the above format excluding common equity in subsidiaries from the total company capital structure. Show the amount of common equity excluded.
2. Include premium on class of stock.

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 94-336

Schedule of Outstanding Long-Term Debt
For the Calendar Year Ended December 31, _____

Line No.	Type of Debt Issue (a)	Date of Issue (b)	Date of Maturity (c)	Amount Outstanding (d)	Coupon Interest Rate ¹ (e)	Cost Rate At Issue ² (f)	Cost Rate to Maturity ³ (g)	Bond Rating at Time of Issue ⁴ (h)	Type of Obligation (i)	Annualized Cost Col. (d) x Col. (g) (j)
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Total Long-Term Debt and Annualized Cost

Annualized Cost rate (Total Col. (j) ÷ Total Col. (d))

¹ Nominal Rate

² Nominal Rate Plus Discount or Premium Amortization

³ Nominal Rate Plus Discount or Premium Amortization and Issuance Cost

⁴ Standard and Poor's, Moody, etc.

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 94-336

Schedule of Outstanding Long-Term Debt
For the Test Year Ended _____

Line No.	Type of Debt Issue (a)	Date of Issue (b)	Date of Maturity (c)	Amount Outstanding (d)	Coupon Interest Rate ¹ (e)	Cost Rate at Issue ² (f)	Cost Rate to Maturity ³ (g)	Bond Rating at Time of Issue ⁴ (h)	Type of Obligation (i)	Annualized Cost Col. (d) x Col. (g) (j)	Actual Test Year Interest Cost ⁵ (k)
<p>Total Long-Term Debt and Annualized Cost</p> <p>Annualized Cost Rate (Total Col. (j) ÷ Total Col. (d))</p> <p>Actual Long-Term Debt Cost Rate (Total Col. k ÷ Total Reported in Col. (c) Line 15 of Format 1, Schedule 2)</p>											

¹ Nominal Rate

² Nominal Rate Plus Discount or Premium Amortization

³ Nominal Rate Plus Discount or Premium Amortization and Issuance Cost

⁴ Standard and Poor's, Moody, etc.

⁵ Sum of Accrued Interest Amortization of Discount or Premium and Issuance Cost

EAST KENTUCKY POWER COOPERATIVE, INC.

CASH NO. 94-336

Schedule of Short-Term Debt
For the Test Year Ended

Line No.	Type of Debt Instrument (a)	Date of Issue (b)	Date of Maturity (c)	Amount Outstanding (d)	Nominal Interest Rate (e)	Effective Interest Cost Rate (f)	Annualized Interest Cost Col. (d) x Col. (f) (g)
<p>Total Short-Term Debt</p> <p>Annualized Cost Rate (Total Col. (g) ÷ Total col. (d))</p> <p>Actual Interest Paid or Accrued on Short-Term Debt during the Test Year (Report in Col. (g) of this schedule)</p> <p>Average Short-Term Debt - Format 1, Schedule 2 Line 15 Col. (d) (Report in Col. (g) of this schedule)</p> <p>Test-Year Interest Cost Rate (Actual Interest ÷ Average Short-Term Debt) (Report in Col (f) of this schedule)</p>							

1. In all instances where the Effective Interest Cost Rate is different from the Nominal Interest Rate provide a calculation of the effective Interest Cost Rate in sufficient detail to show the items of costs that cause the difference.

EAST KENTUCKY POWER COOPERATIVE, INC.

CASE NO. 94-338

Analysis of Salaries and Wages
For the Calendar Years 19 Through 19
And the Test Year
(000's)

12 Months Ended

Calendar Years Prior to Test Year

Line No.	Item (a)	5th		4th		3rd		2nd		1st		Test Year	
		Amount (b)	% (c)	Amount (d)	% (e)	Amount (f)	% (g)	Amount (h)	% (i)	Amount (j)	% (k)	Amount (l)	% (m)
7.	Administrative and general expenses (continued):												
	(1) Maintenance of general plant												
8.	Total Administrative and general expenses L7(a) through L7(m)												
9.	Total salaries and wages charged expense (L2 through L6 + L8)												
10.	Wages Capitalized												
11.	Total Salaries and Wages												
12.	Ratio of Salaries and wages charged expense to total wages (L9 ÷ L11)												
13.	Ratio of salaries and wages capitalized to total wages (L10 ÷ L11)												

NOTE: Show percent increase of each year over the prior year in Columns (c), (e), (g), (i), (k), and (m).

EAST KENTUCKY POWER COOPERATIVE, INC.

CASE NO. 94-336

Analysis of Other Operating Taxes

12 Months Ended

(000's)

Line No.	Item (a)	Charged Expense (b)	Charged to Construction (c)	Charged to Other Accounts ^{4/} (d)	Amounts Accrued (e)	Amount Paid (f)
1.	Kentucky Retail:					
	(a) State Income					
	(b) Franchise Fees					
	(c) Ad Valorem					
	(d) Payroll (Employers Portion)					
	(e) Other Taxes					
2.	Total Retail					
	(L1(a) through L1(e))					
3.	Other Jurisdictions					
	Total Per Books (L2 and L3)					

^{4/} Explain items in this column.

EAST KENTUCKY POWER COOPERATIVE, INC.

Case No. 94-336

NET INCOME PER 1,000 KWH SOLD

For the Calendar Years 19 through 19

And for the 12 Months Ended

(000's)

Line No.	Item (a)	12 Months Ended					
		Calendar Years					
		Prior to Test Year			Test Year		
		5th	4th	1st	2nd	1st	Year
		(b)	(c)	(d)	(e)	(f)	(g)
1.	Operating Income						
2.	Operating Revenues						
3.	Operating Income Reductions						
4.	Operation and maintenance expenses:						
5.	Steam Power Generation expenses						
6.	Purchased Power						
7.	Other Power Supply expenses						
8.	Transmission expenses						
9.	Distribution expenses						
10.	Customer Service & Information expenses						
11.	Sales expenses						
12.	Administrative and General expense						
13.	Total (L5 through L12)						
14.	Depreciation expenses						
15.	Amortization of utility plant acquisition adjustment						
16.	Taxes other than income taxes						
17.	Income taxes - Federal						
18.	Income taxes - other						
19.	Provision for deferred income taxes						
20.	Investment tax credit adjustment - net						
21.	Total utility operating expenses						
22.	Net Utility Operating Income						
23.	Other Income and Reductions						
24.	Other income:						

EAST KENTUCKY POWER COOPERATIVE, INC.

Case No. 94-336

NET INCOME PER 1,000 KWH SOLD

For the Calendar Years 19 through 19

And for the 12 Months Ended

(000's)

Line No.	Item (a)	12 Months Ended					
		Calendar Years					Test
		Prior to Test Year					
		5th	4th	3rd	2nd	1st Year	
		(b)	(c)	(d)	(e)	(f)	(g)
25.	Non-utility Operating Income						
26.	Equity in Earnings of Subsidiary Company						
27.	Interest and Dividend Income						
28.	Allowance for funds used during construction						
29.	Miscellaneous nonoperating income						
30.	Gain on Disposition of Property						
31.	Total other income						
32.	Other income deductions:						
33.	Loss on Disposition of Property						
34.	Miscellaneous income deductions						
35.	Taxes applicable to other income and deductions:						
36.	Income taxes and investment tax credits						
37.	Taxes other than income taxes						
38.	Total taxes on other income and deductions						
39.	Net Other Income and Deductions						
40.	Interest Charges						
41.	Interest on long-term debt						
42.	Amortization of debt expense						
43.	Amortization of premium on debt - credit						
44.	Other interest expense						
45.	Total interest charges						
46.	Net income						
47.	1,000 KWH Sold						

KANT KENTUCKY POWER COOPERATIVE, INC.

CASE NO. 94-116

AVERAGE ELECTRIC PLANT IN SERVICE BY ACCOUNT PER 1,000 KWH
For the Calendar Years 19 Through 19 and the 12 Months Ended
(Total Company)

12 Months Ended
Calendar Years Prior to Test Year

Account Number	Title of Accounts (a)	Calendar Years Prior to Test Year					Test Year (g)
		5th (b)	4th (c)	3rd (d)	2nd (e)	1st (f)	
	<u>Intangible Plant</u>						
101	Organization						
102	Franchises and Consents						
103	Miscellaneous Intangible Plant						
106	Completed Construction - Not Classified						
	Total Intangible Plant						
	<u>Production Plant</u>						
	<u>Steam Production Plant</u>						
310	Land and Land Rights						
311	Structures and Improvements						
312	Boiler Plant Equipment						
313	Engines & Engine-Driven Generators						
314	Turbogenerator Units						
315	Accessory Electric Equipment						
316	Misc. Power Plant Equipment						
106	Completed Construction - Not Classified						
	Total Steam Production Plant						
	<u>Hydraulic Production Plant</u>						
320	Land and Land Rights						
331	Structures and Improvements						
332	Reservoirs, Dams, and Waterways						
333	Water Wheels, Turbines, and Generators						
334	Accessory Electric Equipment						
335	Misc. Power Plant Equipment						
336	Roads, Railroads, and Bridges						
106	Completed Construction - Not Classified						
	Total Hydraulic Production Plant						
	<u>Other Production Plant</u>						
340	Land and Land Rights						
341	Structures and Improvements						
342	Fuel Holders, Products, and Accessories						
343	Prime Movers						

EAST KENTUCKY POWER COOPERATIVE, INC.

CARR NO. 94-116

AVERAGE ELECTRIC PLANT IN SERVICE BY ACCOUNT PER 1,000 KWH
For the Calendar Years 19 Through 19 and the 12 Months Ended
(Total Company)

12 Months Ended

Calendar Years Prior to Test Year

Account Number	Title of Account (a)	Calendar Years Prior to Test Year					Test Year (g)
		5th (b)	4th (c)	3rd (d)	2nd (e)	1st (f)	
144	Generators						
145	Accessory Electric Equipment						
146	Misc. Power Plant Equipment						
106	Completed Construction - Not Classified						
	Total Other Production Plant						
	Total Production Plant						
	Transmission Plant						
350	Land and Land Rights						
352	Structures and Improvements						
353	Station Equipment						
354	Towers and Fixtures						
355	Poles and Fixtures						
356	Overhead Conductors and Devices						
357	Underground Conduit						
358	Underground Conductors and Devices						
359	Roads and Trails						
106	Completed Construction - Not Classified						
	Total Transmission Plant						
	Distribution Plant						
360	Land and Land Rights						
361	Structures and Improvements						
362	Station Equipment						
363	Storage Battery Equipment						
364	Poles, Towers, and Fixtures						
365	Overhead Conductors and Devices						
366	Underground Conduit						
367	Underground Conductors and Devices						
368	Line Transformers						
369	Services						
370	Meters						
371	Installations on Customer Premises						

EAST KENTUCKY POWER COOPERATIVE, INC.

CASE NO. 94-136

AVERAGE ELECTRIC PLANT IN SERVICE BY ACCOUNT PER 1,000 KWH

For the Calendar Years 19 Through 19 and the 12 Months Ended

(Total Company)

12 Months Ended

Calendar Years Prior to Test Year

Account Number	Title of Accounts (a)	<u>12 Months Ended</u>					Test Year (g)
		5th (b)	4th (c)	3rd (d)	2nd (e)	1st (f)	
172	Leased Property on Customer Premises						
173	Street Lighting and Signal Systems						
106	Completed Construction - Not Classified						
	Total Distribution Plant						
	<u>General Plant</u>						
189	Land and Land Rights						
190	Structures and Improvements						
191	Office Furniture and Equipment						
192	Transportation Equipment						
193	Store Equipment						
194	Tools, Shop and Garage Equipment						
195	Laboratory Equipment						
196	Power Operated Equipment						
197	Communication Equipment						
198	Miscellaneous Equipment						
199	Other Tangible Property						
106	Completed Construction - Not Classified						
	Total General Plant						
	Total Account 101						
102	Electric Plant Purchased						
102	Electric Plant Sold						
103	Experimental Electric Plant Unclassified						
	Total Electric Plant In Service						

EAST KENTUCKY POWER COOPERATIVE, INC.

CASE NO. 04 116

STATEMENT OF ASSETS IN SERVICE

12 Months Ended

(Total Company)

Account Number	Title of Account (a)	Beginning Balance (b)	Additions (c)	Retirements (d)	Transfers (e)	Ending Balance (f)
	<u>Intangible Plant</u>					
101	Organization					
102	Franchises and Concessions					
103	Miscellaneous Intangible Plant					
106	Completed Construction - Not Classified					
	Total Intangible Plant					
	<u>Production Plant</u>					
	<u>Steam Production Plant</u>					
310	Land and Land Rights					
311	Structures and Improvements					
312	Boiler Plant Equipment					
313	Engines and Engine-Driven Generators					
314	Turbogenerator Units					
315	Accessory Electric Equipment					
316	Misc. Power Plant Equipment					
106	Completed Construction - Not Classified					
	Total Steam Production Plant					
	<u>Hydraulic Production Plant</u>					
330	Land and Land Rights					
331	Structures and Improvements					
332	Reservoirs, Dams, and Waterways					
333	Water Wheels, Turbines, and Generators					
334	Accessory Electric Equipment					
335	Misc. Power Plant Equipment					
336	Roads, Railroads, and Bridges					
106	Completed Construction - Not Classified					
	Total Hydraulic Production Plant					
	<u>Other Production Plant</u>					
340	Land and Land Rights					
341	Structures and Improvements					

EAST KENTUCKY POWER COOPERATIVE, INC.

CASE NO. 94-116

STATEMENT OF ELECTRIC PLANT IN SERVICE

12 Months Ended

(Total Company)

Account Number..	Title of Account (a)	Beginning Balance (b)	Additions (c)	Retirements (d)	Transfers (e)	Ending Balance (f)
142	Fuel Holders, Products, and Appliances					
143	Prime Movers					
144	Generators					
145	Accessory Electric Equipment					
146	Misc. Power Plant Equipment					
106	Completed Construction - Not Classified					
	Total Other Production Plant					
	Total Production Plant					
	Transmission Plant					
150	Land and Land Rights					
152	Structures and Improvements					
153	Station Equipment					
154	Towers and Poles					
155	Poles and Fixtures					
156	Overhead Conductors and Devices					
157	Underground Conduct.					
158	Underground Conductors and Devices					
159	Roads and Trails					
106	Completed Construction - Not Classified					
	Total Transmission Plant					
	Distribution Plant					
160	Land and Land Rights					
161	Structures and Improvements					
162	Station Equipment					
163	Storage Battery Equipment					
164	Poles, Towers, and Fixtures					
165	Overhead Conductors and Devices					
166	Underground Conduct.					
167	Underground Conductors and Devices					
168	Line Transformers					

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 94-116
STATEMENT OF ELECTRIC PLANT IN SERVICE
12 Months Ended
(Total Company)

Account Number	Title of Account (a)	Beginning Balance (b)	Additions (c)	Retirements (d)	Transfers (e)	Ending Balance (f)
369	Services					
370	Meters					
371	Installations on Customer Premises					
372	Leased Property on Customer Premises					
373	Street Lighting and Signal Systems					
106	Completed Construction - Not Classified					
	Total Distribution Plant					
	General Plant					
389	Land and Land Rights					
190	Structures and Improvements					
191	Office Furniture and Equipment					
192	Transportation Equipment					
193	Stores Equipment					
194	Tools, Shop and Garage Equipment					
195	Laboratory Equipment					
196	Power Operated Equipment					
197	Communication Equipment					
198	Miscellaneous Equipment					
	Subtotal					
199	Other Tangible Property					
106	Completed Construction - Not Classified					
	Total General Plant					
	Total Account 101					
102	Electric Plant Purchased					
102	Electric Plant Sold					
103	Experimental Plant Unclassified					
	Total Electric Plant In Service					

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 94-336

Account 913 - Advertising Expense
For the 12 Months Ended

Line No.	Item (a)	Sales or Promotional Advertising (b)	Institutional Advertising (c)	Conservation Advertising (d)	Rate Case (e)	Other (f)	Total (g)
1.	Newspaper						
2.	Magazines and Other						
3.	Television						
4.	Radio						
5.	Direct mail						
6.	Sales Aids						
7.	Total						
8.	Amount Assigned to Ky. Retail						

Format 23b

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 94-336

Account 930 - Miscellaneous Expenses
For the 12 Months Ended

Line No.	Item (a)	Amount (b)
1.	Industry Association Dues	
2.	Stockholder and Debt Servicing Expenses	
3.	Institutional Advertising	
4.	Conservation Advertising	
5.	Rate Department Load Studies	
6.	Directors' Fees and Expenses	
7.	Dues and Subscriptions	
8.	Miscellaneous	
9.	Total	
10.	Amount Assigned to Ky. Retail	

Format 23c

EAST KENTUCKY POWER COOPERATIVE, INC.
CASE NO. 94-336

Account 426 - Miscellaneous Income Deductions
For the 12 Months Ended

Line No.	Item (a)	Amount (b)
1.	Donations	
2.	Civic Activities	
3.	Political Activities	
4.	Other	
5.	Total	

EAST KENTUCKY POWER COOPERATIVE, INC.

CASE NO. 94-336

Professional Service Expenses

For the 12 Months Ended

Line No.	Item	Rate case	Annual Audit	Other	Total
1.	Legal				
2.	Engineering				
3.	Accounting				
4.	Other				
5.	Total				

EAST KENTUCKY POWER COOPERATIVE, INC.

CASE NO. 94-336

Average Rates of Return

For the Calendar Years Through and the 12 Months Ended

Line No.	Calendar Years Prior to Test Year (a)	Total Company (b)	Kentucky Jurisdiction (c)	Other Jurisdictions (d)
1.	Original Cost Net Investment:			
2.	5th Year			
3.	4th Year			
4.	3rd Year			
5.	2nd Year			
6.	1st Year			
7.	Test Year			
8.	Original Cost Common Equity:			
9.	5th Year			
10.	4th Year			
11.	3rd Year			
12.	2nd Year			
13.	1st Year			
14.	Test Year			

NOTE: Provide workpapers in support of the above calculations.

EAST KENTUCKY POWER COOPERATIVE, INC.

CASE NO. 94-336

Schedule of Number of Employees, Hours Per Employee, and Average Wages Per Employee

Calendar Years Prior to Test Year (a)	Power Production Steam Power			Power Production Other Power Supply			Transmission			Distribution			Customer Accounts		
	No. (b)	HRS. (c)	WAGES (d)	No. (e)	HRS. (f)	WAGES (g)	No. (h)	HRS. (i)	WAGES (j)	No. (k)	HRS. (l)	WAGES (m)	No. (n)	HRS. (o)	WAGES (p)
5th Year															
% Change															
4th Year															
% Change															
3rd Year															
% Change															
2nd Year															
% Change															
1st Year															
% Change															
Test Year															
% Change															

Note: (1) Where an employee's wages are charged to more than one function include employee in function receiving largest portion of total wages.
 (2) Show percentage increase (decrease) of each year over the prior year on lines designated above "% Change."
 (3) Employees, weekly hours per employee, and weekly wages per employee for the week including December 31, of each year and the last day of the test year.

EAST KENTUCKY POWER COOPERATIVE, INC.

CASE NO. 94-316

Schedule of Number of Employees, Hours Per Employee, and Average Wages Per Employee
(Continued)

Calendar Years Prior to Test Year (a)	Customer Service and Information			Sales			Administrative and General			Construction			Total		
	No. (g)	Hrs. (x)	Wages (a)	No. (t)	Hrs. (u)	Wages (v)	No. (w)	Hrs. (x)	Wages (y)	No. (z)	Hrs. (aa)	Wages (bb)	No. (cc)	Hrs. (dd)	Wages (ee)
5th Year															
‡ Change															
4th Year															
‡ Change															
3rd Year															
‡ Change															
2nd Year															
‡ Change															
1st Year															
‡ Change															
Test Year															
‡ Change															

- Note:
- (1) Where an employee's wages are charged to more than one function include employee in function receiving largest portion of total wages.
 - (2) Show percentage increase (decrease) of each year over the prior year on lines designated above "‡ Change."
 - (3) Employees, weekly hours per employee, and weekly wages per employee for the week including December 31, of each year and the last day of the test year.

NART KENTUCKY POWER COOPERATIVE, INC.

CARE NO. 94-116

DEPRECIATION EXPENSE

Account Number	Item	(End of Test Year) Plant Account Balance	Depreciation Rate	Annual Depreciation
	PRODUCTION PLANT			
110000	Land & Land Rights			
111000	Structures and Improvements			
112000	Boiler Plant Equipment			
113000	Engines & Engine-Driven Gener.			
114000	Turbogenerator Units			
115000	Accessory Electric Equipment			
116000	Misc. Power Plant Equipment			
	TRANSMISSION PLANT			
150000	Land & Land Rights			
152000	Structures & Improvements			
153000	Station Equipment			
154000	Towers and Fixtures			
155000	Poles & Fixtures			
156000	O/H Conduct. & Devices			
157000	Underground Conduit			
158000	Undgrd. Conductors & Devices			
159000	Roads and Trails			
	DISTRIBUTION PLANT			
160000	Land & Land Rights			
162000	Station Equipment			
164000	Poles, Towers, Fixtures			
165000	O/H Conduct. & Devices			
166000	Underground Conduit			
167000	U/G Conduct. & Devices			
168000	Line Transformers			
169000	Services			
170000	Meters			
171000	Install. on Customers Premises			
172000	Leased Prop. On Customer Premises			
173000	Street Light & Sign Systems			
	GENERAL PLANT			
189000	Land & Land Rights			
190000	Structures & Improvements			
191000	Office Furniture & Equipment			
191100	IBM 5251 Display Stations			
192000	Transportation Equipment			

WANT KENTUCKY POWER COOPERATIVE, INC.

CASH NO. 84-336

DEPRECIATION EXPENSES

Account Number	Item	(Kind of Tangible Asset) Plant Account Balance	Depreciation Rate	Annual Depreciation
	PRODUCTION PLANT			
110000	Land & Land Rights			
121000	Stores Equipment			
124000	Tools, Shop, Garage Equipment			
126000	Laboratory Equipment			
128000	Power Operated Equipment			
127000	Communication Equipment			
129000	Miscellaneous Equipment			