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UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL UTILITIES SERVICE

**FINANCIAL AND OPERATING REPORT  
ELECTRIC DISTRIBUTION**

BORROWER DESIGNATION KY0056

PERIOD ENDED December, 2014

BORROWER NAME Licking Valley Rural Electric Cooperative Corp

INSTRUCTIONS - See help in the online application.

This information is analyzed and used to determine the submitter's financial situation and feasibility for loans and guarantees. You are required by contract and applicable regulations to provide the information. The information provided is subject to the Freedom of Information Act (5 U.S.C. 552)

**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.

DATE

**PART A. STATEMENT OF OPERATIONS**

ITEM	YEAR-TO-DATE			THIS MONTH (d)
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	29,447,696	29,768,430	28,965,058	3,148,718
2. Power Production Expense				
3. Cost of Purchased Power	19,943,264	20,366,956	19,880,534	1,907,809
4. Transmission Expense				
5. Regional Market Expense				
6. Distribution Expense - Operation	1,820,223	1,858,616	1,898,192	144,702
7. Distribution Expense - Maintenance	2,004,569	2,482,530	2,154,226	239,658
8. Customer Accounts Expense	826,144	986,469	888,032	67,201
9. Customer Service and Informational Expense	7,311	42,825	34,123	1,623
10. Sales Expense	41,693	53,748	42,000	5,060
11. Administrative and General Expense	1,463,589	1,462,263	1,449,096	151,446
<b>12. Total Operation &amp; Maintenance Expense (2 thru 11)</b>	<b>26,106,793</b>	<b>27,253,407</b>	<b>26,346,203</b>	<b>2,517,499</b>
13. Depreciation and Amortization Expense	2,055,949	2,137,224	2,076,000	187,711
14. Tax Expense - Property & Gross Receipts				
15. Tax Expense - Other	36,399	38,994		3,000
16. Interest on Long-Term Debt	508,943	482,034	540,000	41,045
17. Interest Charged to Construction - Credit				
18. Interest Expense - Other	41,326	12,570	48,000	626
19. Other Deductions	25,446	28,838	36,000	450
<b>20. Total Cost of Electric Service (12 thru 19)</b>	<b>28,774,856</b>	<b>29,953,067</b>	<b>29,046,203</b>	<b>2,750,331</b>
<b>21. Patronage Capital &amp; Operating Margins (1 minus 20)</b>	<b>672,840</b>	<b>(184,637)</b>	<b>(81,145)</b>	<b>398,387</b>
22. Non Operating Margins - Interest	29,866	29,879	30,000	8
23. Allowance for Funds Used During Construction				
24. Income (Loss) from Equity Investments				
25. Non Operating Margins - Other				
26. Generation and Transmission Capital Credits	1,649,431	1,394,546		1,394,546
27. Other Capital Credits and Patronage Dividends	40,168	76,561	32,000	10,701
28. Extraordinary Items				
<b>29. Patronage Capital or Margins (21 thru 28)</b>	<b>2,392,305</b>	<b>1,316,349</b>	<b>(19,145)</b>	<b>1,803,642</b>

RUS Financial and Operating Report Electric Distribution

Revision Date 2014

UNITED STATES DEPARTMENT OF AGRICULTURE  
RURAL UTILITIES SERVICE  
**FINANCIAL AND OPERATING REPORT  
ELECTRIC DISTRIBUTION**

BORROWER DESIGNATION  
KY0056

PERIOD ENDED  
December, 2014

INSTRUCTIONS - See help in the online application.

**PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT**

ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	303	254	5. Miles Transmission		
2. Services Retired	143	107	6. Miles Distribution - Overhead	2,039.63	2,043.03
3. Total Services in Place	21,731	22,005	7. Miles Distribution - Underground	13.69	13.72
4. Idle Services (Exclude Seasonals)	4,339	4,713	8. Total Miles Energized (5 + 6 + 7)	2,053.32	2,056.75

**PART C. BALANCE SHEET**

ASSETS AND OTHER DEBITS		LIABILITIES AND OTHER CREDITS	
1. Total Utility Plant in Service	65,859,400	30. Memberships	213,910
2. Construction Work in Progress	997,577	31. Patronage Capital	30,941,666
3. Total Utility Plant (1 + 2)	66,856,977	32. Operating Margins - Prior Years	(557,110)
4. Accum. Provision for Depreciation and Amort.	24,430,220	33. Operating Margins - Current Year	1,286,470
5. Net Utility Plant (3 - 4)	42,426,757	34. Non-Operating Margins	29,879
6. Non-Utility Property (Net)	0	35. Other Margins and Equities	(782,330)
7. Investments in Subsidiary Companies	0	36. Total Margins & Equities (30 thru 35)	31,132,485
8. Invest. in Assoc. Org. - Patronage Capital	13,435,948	37. Long-Term Debt - RUS (Net)	4,512,346
9. Invest. in Assoc. Org. - Other - General Funds	0	38. Long-Term Debt - FFB - RUS Guaranteed	16,436,290
10. Invest. in Assoc. Org. - Other - Nongeneral Funds	659,818	39. Long-Term Debt - Other - RUS Guaranteed	0
11. Investments in Economic Development Projects	0	40. Long-Term Debt Other (Net)	2,312,731
12. Other Investments	0	41. Long-Term Debt - RUS - Econ. Devel. (Net)	0
13. Special Funds	0	42. Payments - Unapplied	0
14. Total Other Property & Investments (6 thru 13)	14,095,766	43. Total Long-Term Debt (37 thru 41 - 42)	23,261,367
15. Cash - General Funds	280,188	44. Obligations Under Capital Leases - Noncurrent	0
16. Cash - Construction Funds - Trustee	0	45. Accumulated Operating Provisions and Asset Retirement Obligations	3,037,450
17. Special Deposits	0	46. Total Other Noncurrent Liabilities (44 + 45)	3,037,450
18. Temporary Investments	0	47. Notes Payable	0
19. Notes Receivable (Net)	0	48. Accounts Payable	3,116,586
20. Accounts Receivable - Sales of Energy (Net)	6,372,792	49. Consumers Deposits	1,304,107
21. Accounts Receivable - Other (Net)	95,681	50. Current Maturities Long-Term Debt	1,165,000
22. Renewable Energy Credits	0	51. Current Maturities Long-Term Debt - Economic Development	0
23. Materials and Supplies - Electric & Other	457,502	52. Current Maturities Capital Leases	0
24. Prepayments	244,153	53. Other Current and Accrued Liabilities	660,882
25. Other Current and Accrued Assets	0	54. Total Current & Accrued Liabilities (47 thru 53)	6,246,575
26. Total Current and Accrued Assets (15 thru 25)	7,450,316	55. Regulatory Liabilities	0
27. Regulatory Assets	0	56. Other Deferred Credits	294,962
28. Other Deferred Debits	0	57. Total Liabilities and Other Credits (36 + 43 + 46 + 54 thru 56)	63,972,839
29. Total Assets and Other Debits (5+14+26 thru 28)	63,972,839		