

Licking Valley Rural Electric Cooperative  
Case No. 2016-00174  
Statement of Operations, Adjusted

Exhibit S  
page 1 of 4  
Witness: Jim Adkins

	<u>Actual Test Year</u>	<u>Normalized Adjustments</u>	<u>Normalized Test Year</u>	<u>Proposed Increase</u>	<u>Proposed Test Year</u>
<b>Operating Revenues:</b>					
Base rates	\$ 26,111,016	\$ (7,253)	\$ 26,103,763	\$ 1,562,659	\$ 27,666,422
Fuel and surcharge	1,696,965	(1,696,965)	-		-
Other electric revenue	349,363	(10,006)	339,357	4,029	343,386
	<u>28,157,344</u>	<u>(1,714,224)</u>	<u>26,443,120</u>	<u>1,566,688</u>	<u>28,009,808</u>
<b>Operating Expenses:</b>					
<b>Cost of power:</b>					
Base rates	17,651,513	(552)	17,650,961		17,650,961
Fuel and surcharge	1,597,203	(1,597,203)	-		-
Distribution - operations	1,828,567	51,964	1,880,531		1,880,531
Distribution - maintenance	2,819,102	23,404	2,842,506		2,842,506
Consumer accounts	888,934	10,830	899,764		899,764
Customer service	11,717	1,286	13,003		13,003
Sales	-	-	-		-
Administrative and general	1,553,619	13,167	1,566,786		1,566,786
	<u>26,350,655</u>	<u>(1,497,103)</u>	<u>24,853,552</u>	<u>-</u>	<u>24,853,552</u>
Depreciation	2,189,646	37,915	2,227,561		2,227,561
Taxes - other	41,214	-	41,214		41,214
Interest on long-term debt	430,628	(3,672)	426,956		426,956
Interest expense - other	6,939	-	6,939		6,939
Other deductions	25,737	(25,737)	-		-
	<u>29,044,819</u>	<u>(1,488,597)</u>	<u>27,556,222</u>	<u>-</u>	<u>27,556,222</u>
Utility operating margins	<u>(887,475)</u>	<u>(225,627)</u>	<u>(1,113,102)</u>	<u>1,566,688</u>	<u>453,586</u>
Nonoperating margins, interest	29,888	-	29,888		29,888
Patronage capital credits	1,457,499	(1,394,546)	62,953		62,953
	<u>\$ 599,912</u>	<u>\$ (1,620,173)</u>	<u>\$ (1,020,261)</u>	<u>\$ 1,566,688</u>	<u>\$ 546,427</u>
TIER	2.39		(1.39)		2.28
excluding G&T	(0.85)				
OTIER	5.78		(1.24)		2.43
excluding G&T	(0.91)		(1.46)		2.21

Licking Valley Rural Electric Cooperative  
Case No. 2016-00174  
Balance Sheet, Adjusted  
October 31, 2015

Exhibit S  
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Witness: Jim Adkins

	<u>Actual Test Year</u>	<u>Adjustments to Test Year</u>	<u>Adjusted Test Year</u>
<b>ASSETS</b>			
Electric Plant:			
In service	67,546,087		67,546,087
Under construction	1,236,648		1,236,648
	<u>68,782,735</u>		<u>68,782,735</u>
Less accumulated depreciation	25,241,298	40,011	25,281,309
	<u>43,541,437</u>	<u>(40,011)</u>	<u>43,501,426</u>
Investments	<u>14,127,408</u>		<u>14,127,408</u>
Current Assets:			
Cash and temporary investmer	352,198		352,198
Accounts receivable, net	4,253,516		4,253,516
Material and supplies	355,489		355,489
Prepayments and current asse	41,315		41,315
	<u>5,002,518</u>		<u>5,002,518</u>
Net change in assets		<u>(9,445)</u>	<u>(9,445)</u>
Total	<u>62,671,363</u>	<u>(49,456)</u>	<u>62,621,907</u>
Margins:			
Memberships	213,015		213,015
Patronage capital	29,591,932	(49,456)	29,542,476
	<u>29,804,947</u>	<u>(49,456)</u>	<u>29,755,491</u>
Long Term Debt	<u>25,867,095</u>		<u>25,867,095</u>
Accumulated postretirement ber	<u>3,076,769</u>		<u>3,076,769</u>
Current Liabilities:			
Accounts payable	1,782,192		1,782,192
Consumer deposits	1,296,160		1,296,160
Accrued expenses	561,468		561,468
	<u>3,639,820</u>		<u>3,639,820</u>
Consumer advances for constru	<u>282,732</u>		<u>282,732</u>
Total	<u>62,671,363</u>	<u>(49,456)</u>	<u>62,621,907</u>

Licking Valley Rural Electric Cooperative  
Case No. 2016-00174  
Summary of Adjustments to Test Year

	Adj 1	Adj 2	Adj 3	Adj 4	Adj 5	Adj 6	Adj 7	Adj 8	Adj 9	Adj 10	Adj 11	Adj 12	Adj 13	Adj 14	Adj 15	Adj 16	Total
	Salaries	Payroll Taxes	Deprec	Property Tax	Interest	401(k)	Donations	Professional Fees	Directors Expenses	Annual & Misc Expenses	Rate Case	EKPC	Purchase Power	Normalize Revenue	Additional Revenue	Return Check	
Operating Revenues:																	
Base rates																	
Fuel and surcharge																	
Other electric revenue	0	0	0	0	0	0	0	0	0	0	0	0	0	(1,704,218)	(10,006)	4,029	(1,710,195)
														(7,253)			(7,253)
														(1,696,965)	(10,006)	4,029	(1,696,965)
														(5,977)			(5,977)
Operating Expenses:																	
Cost of power:																	
Base rates																	
Fuel and surcharge																	
Distribution - operation:	17,428	2,361	490	30,037		1,648											
Distribution - maintenan	18,315	2,481	876			1,732											
Consumer accounts	8,622	1,168	225			815											
Customer service	894	121	186			85											
Sales	0	0	0			0											
Administrative and gen	20,812	2,819	319			1,968		(493)	(2,142)	(40,117)	30,000						13,167
Total operating expen	66,071	8,951	2,096	30,037	0	6,249	0	(493)	(2,142)	(40,117)	30,000	0	(1,597,755)	0	0	0	(1,497,103)
Depreciation			37,915														
Taxes - other					(3,672)												
Interest on long-term debt																	
Interest expense - other																	
Other deductions							(25,737)										37,915
																	0
																	(3,672)
																	0
																	(25,737)
Total cost of electric s	66,071	8,951	40,011	30,037	(3,672)	6,249	(25,737)	(493)	(2,142)	(40,117)	30,000	0	(1,597,755)	0	0	0	(1,488,597)
Utility operating margi	(66,071)	(8,951)	(40,011)	(30,037)	3,672	(6,249)	25,737	493	2,142	40,117	(30,000)	0	1,597,755	(1,704,218)	(10,006)	4,029	(221,598)
Nonoperating margins, interest																	0
Patronage capital credits																	(1,394,546)
																	0
																	(1,394,546)
Net Margins	(66,071)	(8,951)	(40,011)	(30,037)	3,672	(6,249)	25,737	493	2,142	40,117	(30,000)	(1,394,546)	1,597,755	(1,704,218)	(10,006)	4,029	(1,616,144)

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Licking Valley Rural Electric Cooperative  
Case No. 2016-00174  
**Proposed Revenues**  
October 31, 2015

Proposed Increase for Returned Check Charge	4,029
Proposed increase in Base Rates	<u>1,562,659</u>
Proposed increase in revenues over normalized revenues	<u><u>\$1,566,688</u></u>