East Kentucky Power Cooperative, Inc.
Case No. 2021-00103
General Adjustment of Rates
Filing Requirements / Exhibit List

Exhibit 15

807 KAR 5:001 Sec. 16(4)(b)
Sponsoring Witness: John Spanos

Description of Filing Requirement:

If the utility has gross annual revenues greater than $5,000,000, the written testimony of each witness the utility proposes to use to support its application.

Response:

In support of its Application, EKPC provides written testimony from Mr. John Spanos, President at Gannett Fleming Valuation and Rate Consultants, LLC, whose testimony is included with this Exhibit 15.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF EAST	)	
KENTUCKY POWER COOPERATIVE, INC.	)	
FOR A GENERAL ADJUSTMENT OF RATES,	)	Case No. 2021-00103
APPROVAL OF DEPRECIATION STUDY ,	)	
AMORTIZATION OF CERTAIN REGULATORY	)	
ASSETS AND OTHER GENERAL RELIEF	)	

DIRECT TESTIMONY

OF

JOHN J. SPANOS

ON BEHALF OF

EAST KENTUCKY POWER COOPERATIVE

April 1, 2021

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Attachments

Exhibit JJS-1 – 2019 Depreciation Study

Appendix A – Qualification Statement

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME AND ADDRESS.

A. My name is John J. Spanos. My business address is 207 Senate Avenue, Camp Hill, Pennsylvania, 17011.

Q. ARE YOU ASSOCIATED WITH ANY FIRM?

A. Yes. I am associated with the firm of Gannett Fleming Valuation and Rate Consultants, LLC (Gannett Fleming).

Q. HOW LONG HAVE YOU BEEN ASSOCIATED WITH GANNETT FLEMING?

A. I have been associated with the firm since June 1986.

Q. WHAT IS YOUR POSITION WITH THE FIRM?

A. I am the President.

Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS CASE?

A. I am testifying on behalf of East Kentucky Power Cooperative. ("EKPC" or "Company").

Q. PLEASE STATE YOUR QUALIFICATIONS.

A. I have over 34 years of depreciation experience which includes giving expert testimony in over 350 cases before 41 regulatory commissions in the United States and Canada, including this Commission. The cases include depreciation studies in the electric, gas, water, wastewater and pipeline industries. In addition to the cases where I have submitted testimony, I have supervised in over 700 other depreciation or valuation assignments. Please refer to Appendix A for additional information on my qualifications, which includes further information with respect to my work history, case experience, and my leadership in the Society of Depreciation Professionals.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. My testimony will support and explain the depreciation study conducted under my direction and supervision for the electric utility plant of EKPC. The study represents all electric plant assets.

Q. ARE YOU SPONSORING ANY FILING REQUIREMENTS?

A. Yes, the depreciation study meets the filing requirements contained in 807 KAR 5:001, Section 16(4)(n).

II. DISCUSSION

Q. PLEASE DEFINE THE CONCEPT OF DEPRECIATION.

A. Depreciation refers to the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in current operation, against which the Company is not protected by insurance. Among the causes to be given consideration are wear and tear, decay, action of the elements, obsolescence, changes in the art, changes in demand and the requirements of public authorities.

Q. PLEASE IDENTIFY EXHIBIT JJS-1.

A. Exhibit JJS-1 is a report entitled, "2019 Depreciation Study - Calculated Annual Depreciation Accruals Related to Electric Plant as of December 31, 2019." This report sets forth the results of my depreciation study for EKPC.

Q. IS EXHIBIT JJS-1 A TRUE AND ACCURATE COPY OF YOUR DEPRECIATION STUDY?

A. Yes.

Q. DOES EXHIBIT JJS-1 ACCURATELY PORTRAY THE RESULTS OF YOUR DEPRECIATION STUDY AS OF DECEMBER 31, 2019?

A. Yes.

Q. WHAT WAS THE PURPOSE OF YOUR DEPRECIATION STUDY?

A. The purpose of the depreciation study was to estimate the annual depreciation accruals related to electric plant in service for ratemaking purposes and determine appropriate average service lives and net salvage percents for each plant account.

Q. PLEASE DESCRIBE THE CONTENTS OF YOUR REPORT.

A. The Depreciation Study is presented in nine parts. Part I, Introduction, presents the scope and basis for the Depreciation Study. Part II, Estimation of Survivor Curves, includes descriptions of the methodology of estimating survivor curves. Parts III and IV set forth the analysis for determining service life and net salvage estimates. Part V, Calculation of Annual and Accrued Depreciation, includes the concepts of depreciation and amortization using the remaining life. Part VI, Results of Study, presents a description of the results of my analysis and a summary of the depreciation calculations. Parts VII, VIII and IX include graphs and tables that relate to the service life and net salvage analyses, and the detailed depreciation calculations by account.

The Depreciation Study also includes several tables and tabulations of data and calculations. Table 1 on pages VI-4 through VI-8 of the Depreciation Study presents the estimated survivor curve, the net salvage percent, the original cost as of December 31, 2019, the book depreciation reserve, and the calculated annual depreciation accrual and rate for each account or subaccount. The section beginning on page VII-2 presents the results of the retirement rate analyses prepared as the historical bases for the service life estimates. The section beginning on page VIII-2 presents the results of the net salvage analysis. The section beginning on page IX-2 presents the depreciation calculations related to surviving original cost as of December 31, 2019.

Q. PLEASE EXPLAIN HOW YOU PERFORMED YOUR DEPRECIATION STUDY.

A. I used the straight line remaining life method of depreciation, with the average service life procedure for all plant assets except some general plant accounts. The annual depreciation is based on a method of depreciation accounting that seeks to distribute the unrecovered cost of fixed capital assets over the estimated remaining useful life of each unit, or group of assets, in a systematic and rational manner.

For General Plant Accounts 391.0, 391.1, 393.0, 394.0, 395.0, 397.0, 397.1 and 398.0, I used the straight line remaining life method of amortization. The annual amortization is based on amortization accounting that distributes the unrecovered cost of fixed capital assets over the remaining amortization period selected for each account and vintage.

Q. HOW DID YOU DETERMINE THE RECOMMENDED ANNUAL DEPRECIATION ACCRUAL RATES?

A. I did this in two phases. In the first phase, I estimated the service life and net salvage characteristics for each depreciable group, that is, each plant account or subaccount identified as having similar characteristics. In the second phase, I calculated the composite remaining lives and annual depreciation accrual rates based on the service life and net salvage estimates determined in the first phase.

Q. PLEASE DESCRIBE THE FIRST PHASE OF THE DEPRECIATION STUDY, IN WHICH YOU ESTIMATED THE SERVICE LIFE AND NET SALVAGE CHARACTERISTICS FOR EACH DEPRECIABLE GROUP.

A. The service life and net salvage study consisted of compiling historic data from records related to EKPC's plant; analyzing these data to obtain historic trends of survivor and net salvage characteristics; obtaining supplementary information from EKPC's management, and operating personnel concerning practices and plans as they relate to plant operations; and interpreting the above data and the estimates used by other electric utilities to form judgments of average service life and net salvage characteristics.

Q. WHAT HISTORIC DATA DID YOU ANALYZE FOR THE PURPOSE OF ESTIMATING SERVICE LIFE CHARACTERISTICS?

A. I analyzed the EKPC's accounting entries that record plant transactions during the period 1984 through 2019. The transactions included additions, retirements, transfers and the related balances. EKPC records also included surviving dollar value by year installed for each plant account as of December 31, 2019.

Q. WHAT METHOD DID YOU USE TO ANALYZE THIS SERVICE LIFE DATA?

A. I used the retirement rate method. This is the most appropriate method when aged retirement data are available, because this method determines the average rates of retirement actually experienced by EKPC during the period of time covered by the study.

Q. PLEASE DESCRIBE HOW YOU USED THE RETIREMENT RATE METHOD TO ANALYZE EKPC'S SERVICE LIFE DATA.

A. I applied the retirement rate method to each different group of property in the study. For each property group, I used the retirement rate method to form a life table which, when plotted, shows an original survivor curve for that property group. Each original survivor curve represents the average survivor pattern experienced by the several vintage groups during the experience band studied. The survivor patterns do not necessarily describe the life characteristics of the property group; therefore, interpretation of the original survivor curves is required in order to use them as valid considerations in estimating service life. The Iowa-type survivor curves were used to perform these interpretations.

Q. WHAT IS AN "IOWA-TYPE SURVIVOR CURVE" AND HOW DID YOU USE SUCH CURVES TO ESTIMATE THE SERVICE LIFE CHARACTERISTICS FOR EACH PROPERTY GROUP?

A. Iowa type curves are a widely used group of generalized survivor curves that contain the range of survivor characteristics usually experienced by utilities and other industrial companies. The Iowa curves were developed at the Iowa State College Engineering Experiment Station through an extensive process of observing and classifying the ages at which various types of property used by utilities and other industrial companies had been retired.

Iowa type curves are used to smooth and extrapolate original survivor curves determined by the retirement rate method. The Iowa curves and truncated Iowa curves were used in this study to describe the forecasted rates of retirement based on the observed rates of retirement and the outlook for future retirements.

The estimated survivor curve designations for each depreciable property group indicate the average service life, the family within the Iowa system to which the property group belongs, and the relative height of the mode. For example, the Iowa 60-R2 indicates an average service life of sixty years; a right-moded, or R, type curve (the mode occurs after average life for right-moded curves); and a moderate height, 2, for the mode (possible modes for R type curves range from 0.5 to 5).

Q. WHAT APPROACH DID YOU USE TO ESTIMATE THE LIVES OF SIGNIFICANT PRODUCTION FACILITIES?

A. I used the life span technique to estimate the lives of significant facilities for which concurrent retirement of the entire facility is anticipated. In this technique, the survivor characteristics of such facilities are described by the use of interim survivor curves and estimated probable retirement dates. The interim survivor curve describes the rate of retirement related to the replacement of elements of the facility, such as, for a power plant, the retirement of assets such as pumps, motors and piping that occur during the life of the facility. The probable retirement date provides the rate of final retirement for each year of installation for the facility by truncating the interim survivor curve for each installation year at its attained age at the date of probable retirement. The use of interim survivor curves truncated at the date of probable retirement provides a consistent method for estimating the lives of the several years of installation for a particular facility inasmuch as a single concurrent retirement for all years of installation will occur when it is retired.

Q. IS THIS APPROACH WIDELY ACCEPTED FOR ESTIMATING THE SERVICE LIVES OF PRODUCTION FACILITIES?

A. Yes. The life span has been used previously for EKPC. My firm has also used the life span technique in performing depreciation studies presented to many other public utility commissions across the United States and Canada as well as for other electric utilities in Kentucky.

Q. HOW ARE THE LIFE SPANS ESTIMATED FOR EKPC'S PRODUCTION FACILITIES?

A. The life span estimates are based on informed judgment that incorporates factors for each facility such as the technology of the facility, management plans and outlook for the facility, and the estimates for similar facilities for other utilities.

Q. ARE THE FACTORS CONSIDERED IN YOUR ESTIMATES OF SERVICE LIFE AND NET SALVAGE PERCENTS PRESENTED IN EXHIBIT JJS-1?

A. Yes. A discussion of the factors considered in the estimation of service lives and net salvage percents are presented in Part III and Part IV of Exhibit JJS-1.

Q. HAVE YOU PHYSICALLY OBSERVED EKPC'S PLANT AND EQUIPMENT AS PART OF YOUR DEPRECIATION STUDIES?

A. Yes. I made field reviews of EKPC's property during September 2018 to observe representative portions of plant. Due to travel restrictions and pandemic guidelines, only a virtual site visit of facilities were conducted for this study in November 2020. Field reviews are conducted to become familiar with Company operations and obtain an understanding of the function of the plant and information with respect to the reasons for past retirements and the expected future causes of retirements. This knowledge was incorporated in the interpretation and extrapolation of the statistical analyses.

Q. WOULD YOU PLEASE EXPLAIN THE CONCEPT OF "NET SALVAGE"?

A. Net salvage is a component of the service value of capital assets that is recovered through depreciation rates. The service value of an asset is its original cost less its net salvage. Net salvage is the salvage value received for the asset upon retirement less the cost to retire the asset. When the cost to retire exceeds the salvage value, the result is negative net salvage.

Inasmuch as depreciation expense is the loss in service value of an asset during a defined period, e.g. one year, it must include a ratable portion of both the original cost and the net salvage. That is, the net salvage related to an asset should be incorporated in the cost of service during the same period as its original cost so that customers receiving service from the asset pay rates that include a portion of both elements of the asset's service value, the original cost and the net salvage value.

For example, the full recovery of the service value of a $5,000 circuit breaker will include not only the $5,000 of original cost, but also, on average, $550 to remove the circuit breaker at the end of its life and $50 in salvage value. In this example, the net salvage component is negative $500 ($50 - $550), and the net salvage percent is negative 10% (($50 - $550)/$5,000).

Q. PLEASE DESCRIBE HOW YOU ESTIMATED NET SALVAGE PERCENTAGES.

A. The net salvage percentages estimated in the Depreciation Study were based on informed judgment that incorporated factors such as the statistical analyses of historical net salvage data; information provided to me by EKPC's operating personnel, general knowledge and experience of the industry practices; and trends in the industry in general. The statistical net salvage analyses incorporates EKPC's actual historical data for the period 2005 through 2019, and considers the cost of removal and gross salvage ratios to the associated retirements during the 15-year period. Trends of these data are also measured based on three-year moving averages and the most recent five-year indications.

Q. WERE THE NET SALVAGE PERCENTAGES FOR GENERATING FACILITIES BASED ON THE SAME ANALYSES?

A. Yes, for the interim net salvage estimates. The net salvage percentages for generating facilities were based on two components, the interim net salvage percentage and the final net salvage percentage. The interim net salvage percentage is determined based on the historical indications from the period 2005 to 2019 of the cost of removal and gross salvage amounts as a percentage of the associated plant retired. The final net salvage or dismantlement component was determined based on the retirement activities associated with the assets anticipated to be retired at the concurrent date of final retirement.

Q. HAVE YOU INCLUDED A DISMANTLEMENT OR DECOMMISSIONING COMPONENT INTO THE OVERALL RECOVERY OF GENERATING FACILITIES?

A. Yes. A dismantlement or decommissioning component has been included to the net salvage percentage for steam and other production facilities.

Q. CAN YOU EXPLAIN HOW THE FINAL NET SALVAGE COMPONENT IS INCLUDED IN THE DEPRECIATION STUDY?

A. Yes. The dismantlement component is part of the overall net salvage for each location within the production assets. Based on studies for other utilities, it was determined that the dismantlement or decommissioning costs for steam and other production facilities is best calculated by dividing the dismantlement cost by the surviving plant at final retirement. These amounts at a location basis are added to the interim net salvage percentage of the assets anticipated to be retired on an interim basis to produce the weighted net salvage percentage for each location. The calculation of terminal and interim retirements as a percentage of plant by location is set forth in Table 1, page VIII-2 of the Depreciation Study. The detailed calculations of the overall net salvage for each location is set forth on Table 2, page VIII-3 of the Depreciation Study.

Q. WHAT IS THE BASIS OF THE DISMANTLEMENT OR DECOMMISSIONING COST ESTIMATES?

A. The decommissioning cost estimates are based on decommissioning estimates of other similar generating sites across the United States. For most steam facilities a utility standard has been to expect costs to be comparable to $40/kw. The costs for other production plant are $10/kw for combustion turbines and landfill locations and $5/kw for solar facilities. However, the costs to decommission power plants has tended to increase over time (as have construction costs in general). For this reason, in order to recover the full decommissioning costs for each site, these costs need to be escalated to the time of retirement. The calculations of the escalation of these costs have been provided in the table set forth on page VIII-4 of the Depreciation Study.

Q. PLEASE DESCRIBE THE SECOND PHASE OF THE PROCESS THAT YOU USED IN THE DEPRECIATION STUDY IN WHICH YOU CALCULATED COMPOSITE REMAINING LIVES AND ANNUAL DEPRECIATION ACCRUAL RATES.

A. After I estimated the service life and net salvage characteristics for each depreciable property group, I calculated the annual depreciation accrual rates for each depreciable group based on the straight line remaining life method, using remaining lives weighted consistent with the average service life procedure. The calculation of annual depreciation accrual rates were developed as of December 31, 2019.

Q. PLEASE DESCRIBE THE STRAIGHT LINE REMAINING LIFE METHOD OF DEPRECIATION.

A. The straight line remaining life method of depreciation allocates the original cost of the property, less accumulated depreciation, less future net salvage, in equal amounts to each year of remaining service life.

Q. PLEASE DESCRIBE THE AVERAGE SERVICE LIFE PROCEDURE FOR CALCULATING REMAINING LIFE ACCRUAL RATES.

A. The average service life procedure defines the group or account for which the remaining life annual accrual is determined. Under this procedure, the annual accrual rate is determined for the entire group or account based on its average remaining life and the rate is then applied to the surviving balance of the group's cost. The average remaining life of the group is calculated by first dividing the future book accruals (original cost less allocated book reserve less future net salvage) by the average remaining life for each vintage. The average remaining life for each vintage is derived from the area under the survivor curve between the attained age of the vintage and the maximum age. The sum of the future book accruals is then divided by the sum of the annual accruals to determine the average remaining life of the entire group for use in calculating the annual depreciation accrual rate.

Q. PLEASE DESCRIBE AMORTIZATION ACCOUNTING.

A. Amortization accounting is used for accounts with a large number of units, but small asset values. In amortization accounting, units of property are capitalized in the same manner as they are in depreciation accounting. However, depreciation accounting is difficult for these assets because periodic inventories are required to properly reflect plant in service. Consequently, retirements are recorded when a vintage is fully amortized rather than as the units are removed from service. That is, there is no dispersion of retirement. All units are retired when the age of the vintage reaches the amortization period. Each plant account or group of assets is assigned a fixed period which represents an anticipated life during which the asset will render service. For example, in amortization accounting, assets that have a 20-year amortization period will be fully recovered after 20 years of service and taken off EKPC's books, but not necessarily removed from service. In contrast, assets that are taken out of service before 20 years remain on the books until the amortization period for that vintage has expired.

Q. AMORTIZATION ACCOUNTING IS BEING IMPLEMENTED FOR WHICH PLANT ACCOUNTS?

A. Amortization accounting is only appropriate for certain General Plant accounts. These accounts are 391.0, 391.1, 393.0, 394.0, 395.0, 397.0, 397.1 and 398.0 for General Plant which represents approximately two percent of depreciable plant.

Q. PLEASE USE AN EXAMPLE TO ILLUSTRATE THE DEVELOPMENT OF THE ANNUAL DEPRECIATION ACCRUAL RATE FOR A PARTICULAR GROUP OF PROPERTY IN YOUR DEPRECIATION STUDY.

A. I will use Account 353.0, Station Equipment, as an example because it is one of the largest depreciable groups.

The retirement rate method was used to analyze the survivor characteristics of this property group. Aged plant accounting data were compiled from 1984 through 2019 and analyzed in periods that best represent the overall service life of this property. The life tables for the 1984-2019 and 2005-2019 experience bands are presented in the depreciation study on pages VII-38 through VII-41. Each life table displays the retirement and surviving ratios of the aged plant data exposed to retirement by age interval. For example, page VII-38 of Exhibit JJS-1, shows $261,637 retired during age interval 0.5-1.5 with $241,177,991 exposed to retirement at the beginning of the interval. Consequently, the retirement ratio is 0.0011 ($261,637/$241,177,991) and the survivor ratio is 0.9989 (1-0.0011). The life tables, or original survivor curves, are plotted along with the estimated smooth survivor curve, the 60-R2, on page VII-37 of Exhibit JJS-1.

The net salvage percent is presented on page VIII-15. The percentage is based on the result of annual gross salvage minus the cost to remove plant assets as compared to the original cost of plant retired during the period 2005 through 2019. The 15-year period experienced $7,648,622 ($460,576 - $8,109,198) in net salvage for $13,595,581 plant retired. The result is negative net salvage of 56 percent ($7,648,622/$13,595,581). Recent trends have shown indications of negative 27 percent. The industry ranges are negative 5 to negative 25 percent. Therefore, it was determined that based on historical indications, industry ranges and EKPC expectations, that negative 25 percent was the most appropriate estimate.

My calculation of the annual depreciation related to original cost of electric utility plant at December 31, 2019 for Account 353.0 is presented on pages IX-53 and IX-54 of Exhibit JJS-1. The calculation is based on the 60-R2 survivor curve, 25% negative net salvage, the attained age, and the allocated book reserve. The tabulation sets forth the installation year, the original cost, calculated accrued depreciation, allocated book reserve, future accruals, remaining life and annual accrual. These totals are brought forward to Table 1 on page VI-7.

Q. ARE THERE OTHER SPECIAL RECOVERY AMOUNTS THAT WERE INCLUDED IN THE STUDY?

A. Yes. There is a special recovery amount for the unrecovered reserve amortization established for certain general plant accounts. In order to achieve a more stable accrual for general and common plant accounts in the future, I have recommended a ten-year amortization to adjust unrecovered reserve. This approach will achieve consistent amortization rates for existing assets as well as future assets. The reserve for each of these accounts is segregated into two components. The first component is the amount required to achieve the proper rate for the amortization period. The remaining amount, which could be negative, is amortized over 10 years separately from the assets.

III. CONCLUSION

Q. WAS EXHIBIT JJS-1 PREPARED UNDER YOUR DIRECTION AND CONTROL?

A. Yes.

Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

A. Yes.

2019 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO ELECTRIC PLANT
AS OF DECEMBER 31, 2019

Prepared by:

Gannett Fleming

Excellence Delivered ***As Promised***

EAST KENTUCKY POWER COOPERATIVE, INC.

Winchester, Kentucky

2019 DEPRECIATION STUDY

CALCULATED ANNUAL DEPRECIATION ACCRUALS
RELATED TO ELECTRIC PLANT
AS OF DECEMBER 31, 2019

GANNETT FLEMING VALUATION AND RATE CONSULTANTS, LLC

Harrisburg, Pennsylvania

Gannett Fleming

Excellence Delivered ***As Promised***

March 8, 2021

East Kentucky Power Cooperative, Inc.
4775 Lexington Road
Winchester, KY 40392

Attention Ms. Michelle K. Carpenter, CPA
Controller

Ladies and Gentlemen:

Pursuant to your request, we have conducted a depreciation study related to the electric plant of East Kentucky Power Cooperative, Inc. as of December 31, 2019. The attached report presents a description of the methods used in the estimation of depreciation, the summary of annual depreciation accrual rates, the statistical support for the life and net salvage estimates and the detailed tabulations of annual and accrued depreciation.

Respectfully submitted,

GANNETT FLEMING VALUATION
AND RATE CONSULTANTS, LLC

John J. Spanos

JOHN J. SPANOS
President

JJS:mle

067379

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EAST KENTUCKY POWER COOPERATIVE, INC.

DEPRECIATION STUDY

EXECUTIVE SUMMARY

Pursuant to East Kentucky Power Cooperative, Inc.'s ("EKPC" or "Company") request, Gannett Fleming Valuation and Rate Consultants, LLC ("Gannett Fleming") conducted a depreciation study related to the electric plant as of December 31, 2019. The purpose of this study was to determine the annual depreciation accrual rates and amounts for book and ratemaking purposes.

The depreciation rates are based on the straight line method using the average service life ("ASL") procedure and were applied on a remaining life basis. The calculations were based on attained ages and estimated average service life and forecasted net salvage characteristics for each depreciable group of assets.

EKPC's accounting policy has not changed since the last depreciation study was prepared. However, there have been changes in plans of some generating assets since the most recent study as well as additions of capital investment in all plant categories. Some service lives for transmission and distribution plant have become slightly longer, however, the primary change has been the utilization of appropriate net salvage percentages for many accounts including a component of terminal net salvage for generating facilities.

Gannett Fleming recommends the calculated annual depreciation accrual rates set forth herein apply specifically to electric plant in service as of December 31, 2019 as summarized by Table 1 of the study. Supporting analysis and calculations are provided within the study.

The study results set forth an annual depreciation expense of $129.1 million when applied to depreciable plant balances as of December 31, 2019. The results are summarized at the functional level as follows:

SUMMARY OF ORIGINAL COST, ACCRUAL RATES AND AMOUNTS

FUNCTION	ORIGINAL COST AS OF DECEMBER 31, 2019	PROPOSED RATE	PROPOSED EXPENSE
Electric Plant			
Steam Production Plant	$ 2,426,607,851.36	3.55	$ 86,108,150
Other Production Plant	639,379,853.03	2.87	18,378,213
Transmission Plant	588,898,570.85	2.59	15,271,844
Distribution Plant	238,391,641.92	2.51	5,983,284
General Plant	141,393,195.68	3.53	4,986,678
General Plant Reserve Amortization	-	-	(1,910,304)
Total	**$4,037,004,423.89**	**3.20**	**$129,084,263**

PART I. INTRODUCTION

EAST KENTUCKY POWER COOPERATIVE, INC.
DEPRECIATION STUDY

PART I. INTRODUCTION

SCOPE

This report sets forth the results of the depreciation study for East Kentucky Power Cooperative, Inc. (“Company”), to determine the annual depreciation accrual rates and amounts for book purposes applicable to the original cost of electric plant as of December 31, 2019. The rates and amounts are based on the straight line remaining life method of depreciation. This report also describes the concepts, methods and judgments which underlie the recommended annual depreciation accrual rates related to electric plant in service as of December 31, 2019.

The service life and net salvage estimates resulting from the study were based on informed judgment which incorporated analyses of historical plant retirement data as recorded through 2019, a review of Company practice and outlook as they relate to plant operation and retirement, and consideration of current practice in the electric industry, including knowledge of service lives and net salvage estimates used for other electric companies.

PLAN OF REPORT

Part I, Introduction, contains statements with respect to the plan of the report, and the basis of the study. Part II, Estimation of Survivor Curves, presents descriptions of the considerations and the methods used in the service life and net salvage studies. Part III, Service Life Considerations, presents the factors and judgment utilized in the average service life analysis. Part IV, Net Salvage Considerations, presents the judgment utilized for the net salvage study. Part V, Calculation of Annual and Accrued Depreciation, describes the procedures used in the calculation of group depreciation. Part VI, Results of Study, presents summaries by depreciable group of annual depreciation accrual rates and amounts as well as composite remaining lives. Part VII, Service Life Statistics, presents the statistical analysis of service life estimates, Part VIII, Net Salvage Statistics, sets forth the statistical indications of net salvage percents, and Part IX, Detailed Depreciation Calculations, presents the detailed tabulations of annual depreciation.

BASIS OF THE STUDY

Depreciation

Depreciation, in public utility regulation, is the loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in current operation and against which the utility is not protected by insurance. Among causes to be given consideration are wear and tear, deterioration, action of the elements, inadequacy, obsolescence, changes in the art, changes in demand, and the requirements of public authorities.

Depreciation, as used in accounting, is a method of distributing fixed capital costs, less net salvage, over a period of time by allocating annual amounts to expense. Each annual amount of such depreciation expense is part of that year's total cost of providing electric utility service. Normally, the period of time over which the fixed capital cost is allocated to the cost of service is equal to the period of time over which an item renders service, that is, the item's service life. The most prevalent method of allocation is to distribute an equal amount of cost to each year of service life. This method is known as the straight line method of depreciation.

For most accounts, the annual depreciation was calculated by the straight line method using the average service life procedure and the remaining life basis. For certain General Plant accounts, the annual depreciation is based on amortization accounting.

Both types of calculations were based on original cost, attained ages, and estimates of service lives and net salvage.

The straight line method, average service life procedure is a commonly used depreciation calculation procedure that has been accepted in Kentucky. Amortization accounting is used for certain General Plant accounts because of the disproportionate plant accounting effort required when compared to the minimal original cost of the large number of items in these accounts. An explanation of the calculation of annual and accrued amortization is presented beginning on page V-4 of the report.

Service Life and Net Salvage Estimates

The service life and net salvage estimates used in the depreciation and amortization calculations were based on informed judgment which incorporated a review of management's plans, policies and outlook, a general knowledge of the electric utility industry, and comparisons of the service life and net salvage estimates from our studies of other electric utilities. The use of survivor curves to reflect the expected dispersion of retirement provides a consistent method of estimating depreciation for electric plant. Iowa type survivor curves were used to depict the estimated survivor curves for the plant accounts not subject to amortization accounting.

The procedure for estimating service lives consisted of compiling historical data for the plant accounts or depreciable groups, analyzing this history through the use of widely accepted techniques, and forecasting the survivor characteristics for each depreciable group on the basis of interpretations of the historical data analyses and the probable future. The combination of the historical experience and the estimated future yielded estimated survivor curves from which the average service lives were derived.

PART II. ESTIMATION OF SURVIVOR CURVES

PART II. ESTIMATION OF SURVIVOR CURVES

The calculation of annual depreciation based on the straight line method requires the estimation of survivor curves and the selection of group depreciation procedures. The estimation of survivor curves is discussed below and the development of net salvage is discussed in later sections of this report.

SURVIVOR CURVES

The use of an average service life for a property group implies that the various units in the group have different lives. Thus, the average life may be obtained by determining the separate lives of each of the units or by constructing a survivor curve by plotting the number of units which survive at successive ages.

The survivor curve graphically depicts the amount of property existing at each age throughout the life of an original group. From the survivor curve, the average life of the group, the remaining life expectancy, the probable life, and the frequency curve can be calculated. In Figure 1, a typical smooth survivor curve and the derived curves are illustrated. The average life is obtained by calculating the area under the survivor curve, from age zero to the maximum age, and dividing this area by the ordinate at age zero. The remaining life expectancy at any age can be calculated by obtaining the area under the curve, from the observation age to the maximum age, and dividing this area by the percent surviving at the observation age. For example, in Figure 1, the remaining life at age 30 is equal to the crosshatched area under the survivor curve divided by 29.5 percent surviving at age 30. The probable life at any age is developed by adding the age and remaining life. If the probable life of the property is calculated for each year of age, the probable life curve shown in the chart can be developed. The frequency curve presents the number of units retired in each age interval. It is derived by obtaining the differences between the amount of property surviving at the beginning and at the end of each interval.

This study has incorporated the use of Iowa curves developed from a retirement rate analysis of historical retirement history. A discussion of the concepts of survivor curves and of the development of survivor curves using the retirement rate method is presented below.

Iowa Type Curves

The range of survivor characteristics usually experienced by utility and industrial properties is encompassed by a system of generalized survivor curves known as the Iowa type curves. There are four families in the Iowa system, labeled in accordance with the location of the modes of the retirements in relationship to the average life and the relative height of the modes. The left moded curves, presented in Figure 2, are those in which the greatest frequency of retirement occurs to the left of, or prior to, average service life. The symmetrical moded curves, presented in Figure 3, are those in which the greatest frequency of retirement occurs at average service life. The right moded curves, presented in Figure 4, are those in which the greatest frequency occurs to the right of, or after, average service life. The origin moded curves, presented in Figure 5, are those in which the greatest frequency of retirement occurs at the origin, or immediately after age zero. The letter designation of each family of curves (L, S, R or O) represents the location of the mode of the associated frequency curve with respect to the average service life. The numbers represent the relative heights of the modes of the frequency curves within each family.

The Iowa curves were developed at the Iowa State College Engineering Experiment Station through an extensive process of observation and classification of the ages at which industrial property had been retired. A report of the study which resulted in the classification of property survivor characteristics into 18 type curves, which constitute three of the four families, was published in 1935 in the form of the Experiment Station's Bulletin 125.

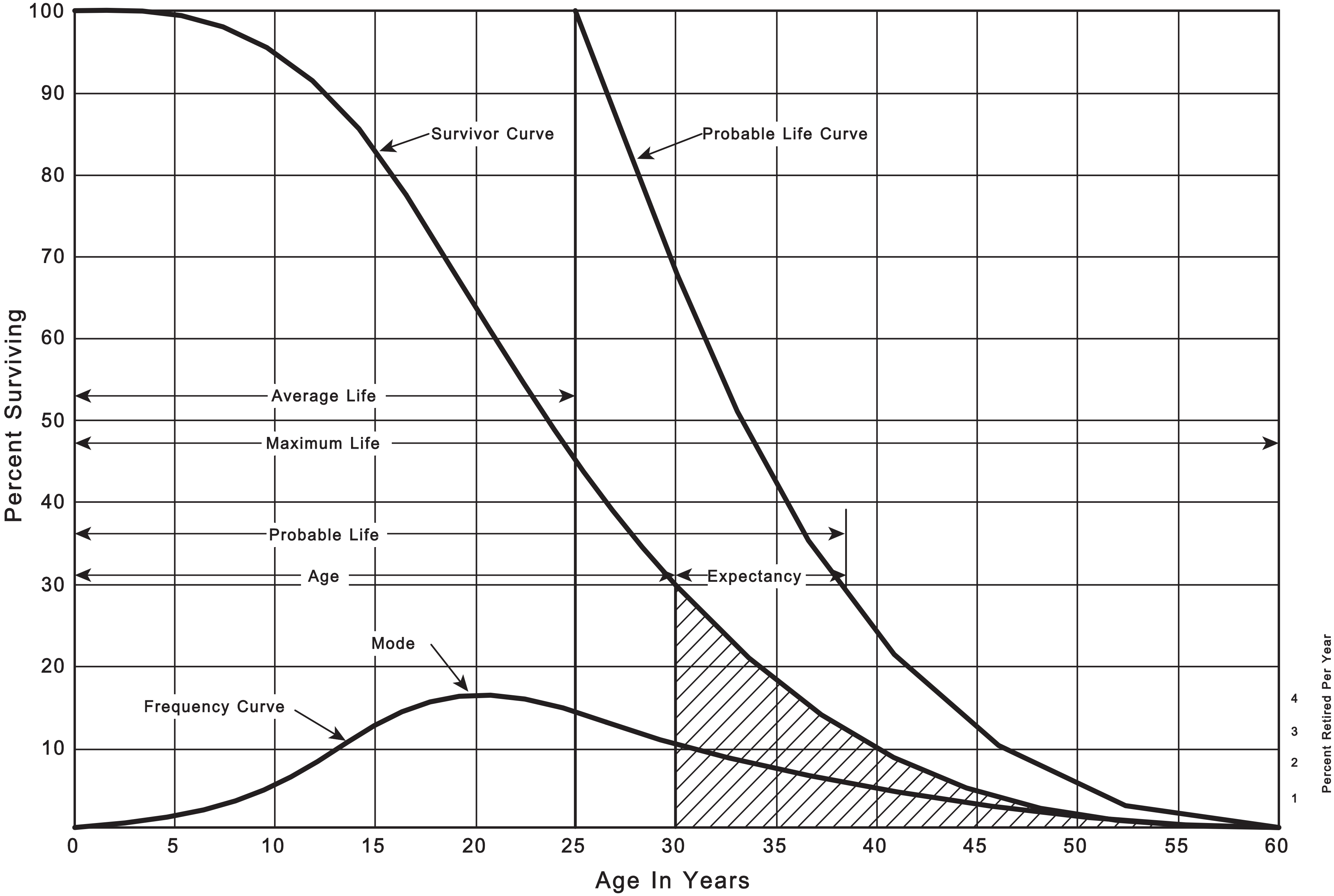

Figure 1. A Typical Survivor Curve and Derived Curves

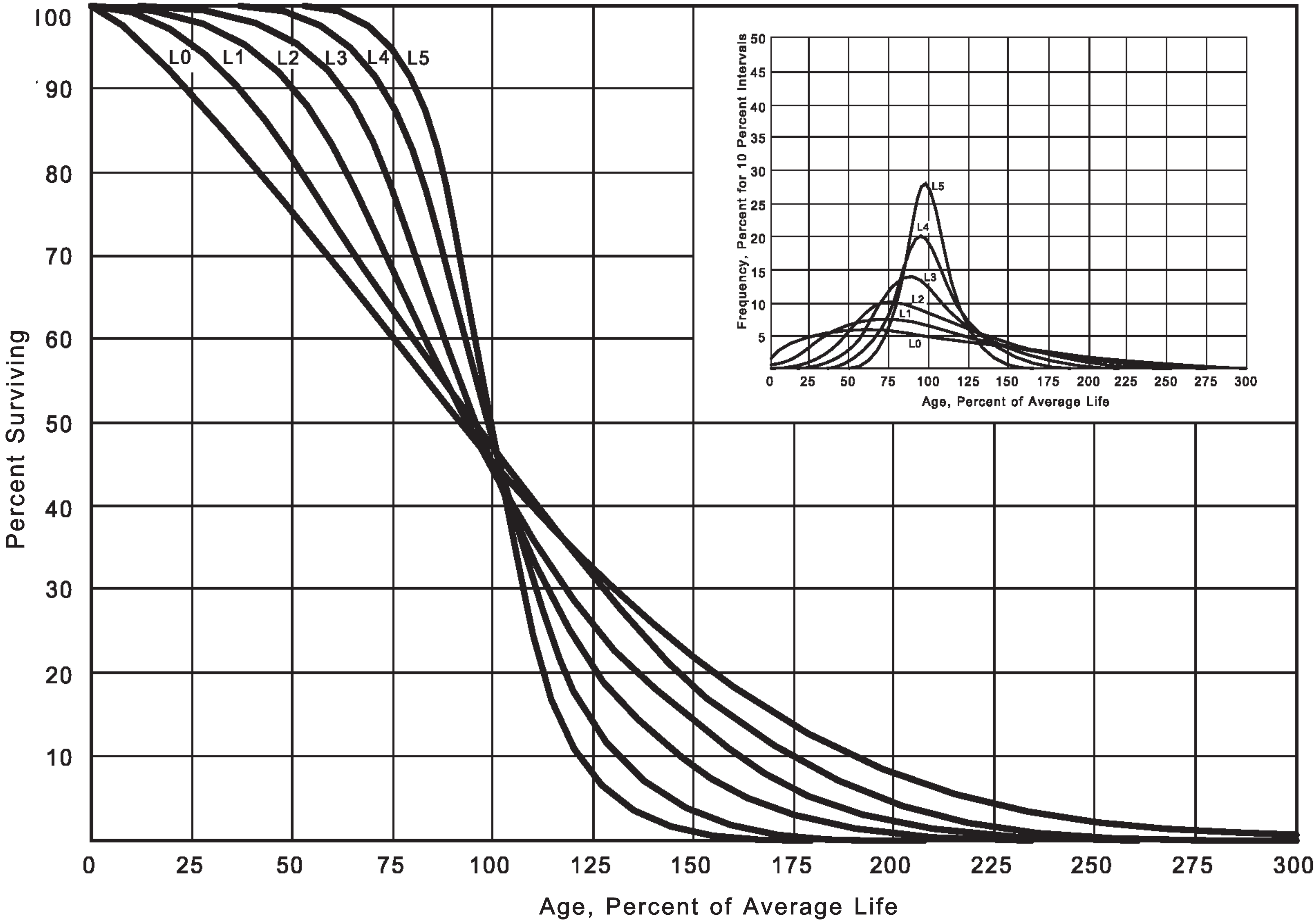

Figure 2. Left Modal or "L" Iowa Type Survivor Curves

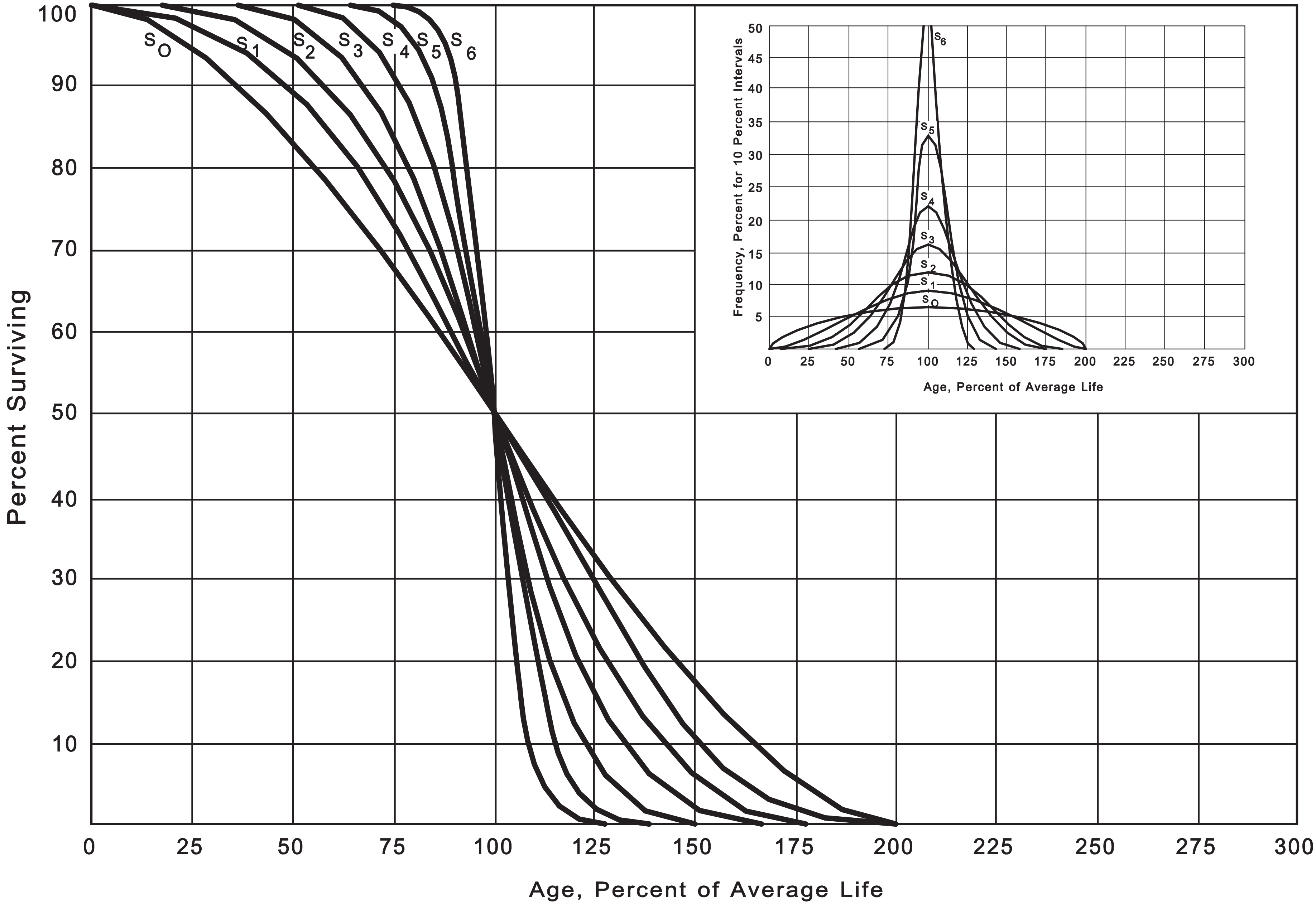

Figure 3. Symmetrical or "S" Iowa Type Survivor Curves

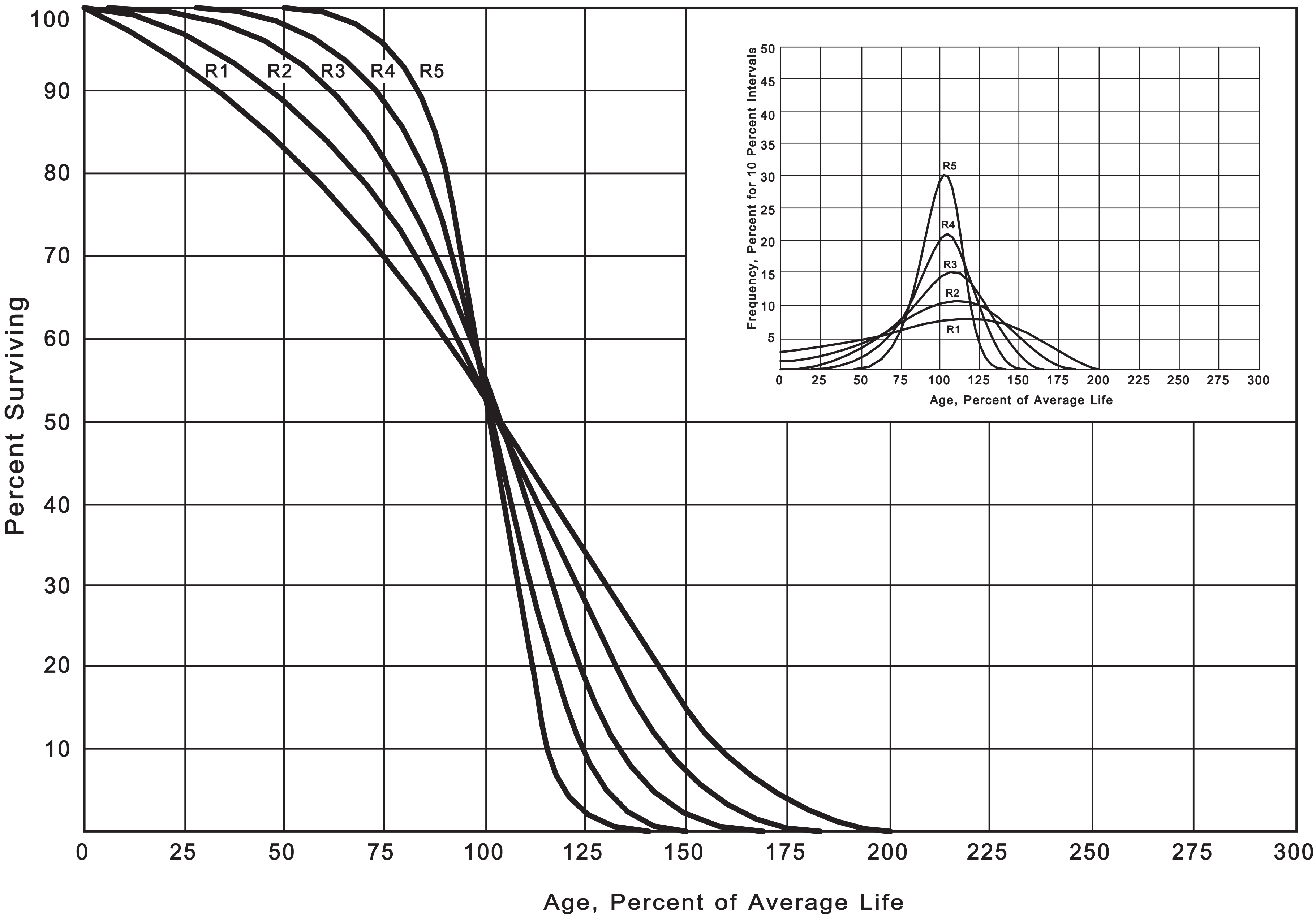

Figure 4. Right Modal or "R" Iowa Type Survivor Curves

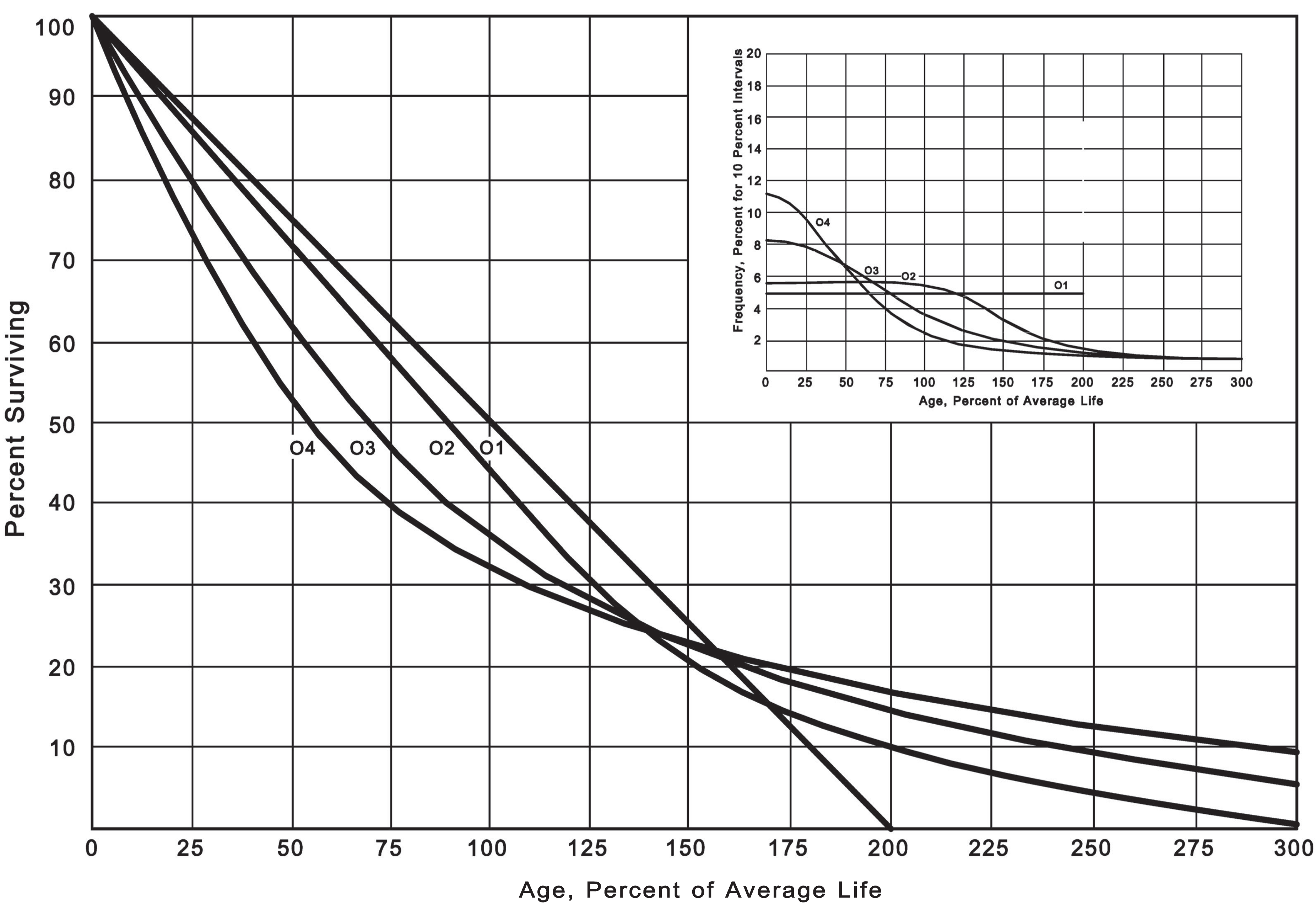

Figure 5. Origin Modal or "O" Iowa Type Survivor Curves

These curve types have also been presented in subsequent Experiment Station bulletins and in the text, "Engineering Valuation and Depreciation."[1] In 1957, Frank V. B. Couch, Jr., an Iowa State College graduate student submitted a thesis presenting his development of the fourth family consisting of the four O type survivor curves.

Retirement Rate Method of Analysis

The retirement rate method is an actuarial method of deriving survivor curves using the average rates at which property of each age group is retired. The method relates to property groups for which aged accounting experience is available and is the method used to develop the original stub survivor curves in this study. The method (also known as the annual rate method) is illustrated through the use of an example in the following text and is also explained in several publications including "Statistical Analyses of Industrial Property Retirements,"[2] "Engineering Valuation and Depreciation,"[3] and "Depreciation Systems."[4]

The average rate of retirement used in the calculation of the percent surviving for the survivor curve (life table) requires two sets of data: first, the property retired during a period of observation, identified by the property's age at retirement; and second, the property exposed to retirement at the beginning of the age intervals during the same period. The period of observation is referred to as the experience band. The band of years which represent the installation dates of the property exposed to retirement during the experience band is referred to as the placement band. An example of the calculations used in the development of a life table follows. The example includes schedules of annual aged property transactions, a schedule of plant exposed to retirement, a life table and illustrations of smoothing the stub survivor curve.

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[1]Marston, Anson, Robley Winfrey and Jean C. Hempstead. Engineering Valuation and Depreciation, 2nd Edition. New York, McGraw-Hill Book Company. 1953.
[2]Winfrey, Robley, Supra Note 1.
[3]Marston, Anson, Robley Winfrey, and Jean C. Hempstead, Supra Note 2.
[4]Wolf, Frank K. and W. Chester Fitch. Depreciation Systems. Iowa State University Press. 1994.

Schedules of Annual Transactions in Plant Records

The property group used to illustrate the retirement rate method is observed for the experience band 2010-2019 during which there were placements during the years 2005-2019. In order to illustrate the summation of the aged data by age interval, the data were compiled in the manner presented in Schedules 1 and 2 on pages II-11 and II-12. In Schedule 1, the year of installation (year placed) and the year of retirement are shown. The age interval during which a retirement occurred is determined from this information. In the example which follows, $10,000 of the dollars invested in 2005 were retired in 2010. The $10,000 retirement occurred during the age interval between 4½ and 5½ years on the basis that approximately one-half of the amount of property was installed prior to and subsequent to July 1 of each year. That is, on the average, property installed during a year is placed in service at the midpoint of the year for the purpose of the analysis. All retirements also are stated as occurring at the midpoint of a one-year age interval of time, except the first age interval which encompasses only one-half year.

The total retirements occurring in each age interval in a band are determined by summing the amounts for each transaction year-installation year combination for that age interval. For example, the total of $143,000 retired for age interval 4½-5½ is the sum of the retirements entered on Schedule 1 immediately above the stair step line drawn on the table beginning with the 2010 retirements of 2005 installations and ending with the 2019 retirements of the 2014 installations. Thus, the total amount of 143 for age interval 4½-5½ equals the sum of:

$$10 + 12 + 13 + 11 + 13 + 13 + 15 + 17 + 19 + 20.$$

SCHEDULE 1. RETIREMENTS FOR EACH YEAR 2010-2019
SUMMARIZED BY AGE INTERVAL

Experience Band 2010-2019 | Placement Band 2005-2019

Year Placed (1)	2010 (2)	2011 (3)	2012 (4)	2013 (5)	2014 (6)	2015 (7)	2016 (8)	2017 (9)	2018 (10)	2019 (11)	Total During Age Interval (12)	Age Interval (13)
	Retirements, Thousands of Dollars During Year											
2005	10	11	12	13	14	16	23	24	25	26	26	13½-14½
2006	11	12	13	15	16	18	20	21	22	19	44	12½-13½
2007	11	12	13	14	16	17	19	21	22	18	64	11½-12½
2008	8	9	10	11	11	13	14	15	16	17	83	10½-11½
2009	9	10	11	12	13	14	16	17	19	20	93	9½-10½
2010	4	9	10	11	12	13	14	15	16	20	105	8½-9½
2011		5	11	12	13	14	15	16	18	20	113	7½-8½
2012			6	12	13	15	16	17	19	19	124	6½-7½
2013				6	13	15	16	17	19	19	131	5½-6½
2014					7	14	16	17	19	20	143	4½-5½
2015						8	18	20	22	23	146	3½-4½
2016							9	20	22	25	150	2½-3½
2017								11	23	25	151	1½-2½
2018									11	24	153	½-1½
2019										13	80	0-½
Total	53	68	86	106	128	157	196	231	273	308	1,606	

SCHEDULE 2. OTHER TRANSACTIONS FOR EACH YEAR 2010-2019
SUMMARIZED BY AGE INTERVAL

Experience Band 2010-2019 | Placement Band 2005-2019

Year Placed (1)	2010 (2)	2011 (3)	2012 (4)	2013 (5)	2014 (6)	2015 (7)	2016 (8)	2017 (9)	2018 (10)	2019 (11)	Total During Age Interval (12)	Age Interval (13)
	Acquisitions, Transfers and Sales, Thousands of Dollars During Year											
2005	-	-	-	-	-	-	60[a]	-	-	-	-	13½-14½
2006	-	-	-	-	-	-	-	-	-	-	-	12½-13½
2007	-	-	-	-	-	-	-	-	-	-	-	11½-12½
2008	-	-	-	-	-	-	-	(5)[b]	-	-	60	10½-11½
2009	-	-	-	-	-	-	-	6[a]	-	-	-	9½-10½
2010	-	-	-	-	-	-	-	-	-	-	(5)	8½-9½
2011		-	-	-	-	-	-	-	-	-	6	7½-8½
2012			-	-	-	-	-	-	-	-	-	6½-7½
2013				-	-	-	-	(12)[b]	-	-	-	5½-6½
2014					-	-	-	-	22[a]	-	-	4½-5½
2015						-	-	(19)[b]	-	-	10	3½-4½
2016							-	-	-	-	-	2½-3½
2017								-	-	(102)[c]	(121)	1½-2½
2018									-	-	-	½-1½
2019											-	0-½
Total	-	-	-	-	-	-	60	(30)	22	(102)	(50)	

[a] Transfer Affecting Exposures at Beginning of Year
[b] Transfer Affecting Exposures at End of Year
[c] Sale with Continued Use
Parentheses Denote Credit Amount.

In Schedule 2, other transactions which affect the group are recorded in a similar manner. The entries illustrated include transfers and sales. The entries which are credits to the plant account are shown in parentheses. The items recorded on this schedule are not totaled with the retirements, but are used in developing the exposures at the beginning of each age interval.

Schedule of Plant Exposed to Retirement

The development of the amount of plant exposed to retirement at the beginning of each age interval is illustrated in Schedule 3 on page II-14. The surviving plant at the beginning of each year from 2010 through 2019 is recorded by year in the portion of the table headed "Annual Survivors at the Beginning of the Year." The last amount entered in each column is the amount of new plant added to the group during the year. The amounts entered in Schedule 3 for each successive year following the beginning balance or addition are obtained by adding or subtracting the net entries shown on Schedules 1 and 2. For the purpose of determining the plant exposed to retirement, transfers-in are considered as being exposed to retirement in this group at the beginning of the year in which they occurred, and the sales and transfers-out are considered to be removed from the plant exposed to retirement at the beginning of the following year. Thus, the amounts of plant shown at the beginning of each year are the amounts of plant from each placement year considered to be exposed to retirement at the beginning of each successive transaction year. For example, the exposures for the installation year 2015 are calculated in the following manner:

Exposures at age 0	= amount of addition	= \$750,000
Exposures at age ½	= \$750,000 - \$ 8,000	= \$742,000
Exposures at age 1½	= \$742,000 - \$18,000	= \$724,000
Exposures at age 2½	= \$724,000 - \$20,000 - \$19,000	= \$685,000
Exposures at age 3½	= \$685,000 - \$22,000	= \$663,000

SCHEDULE 3. PLANT EXPOSED TO RETIREMENT
JANUARY 1 OF EACH YEAR 2010-2019
SUMMARIZED BY AGE INTERVAL

Experience Band 2010-2019 | Placement Band 2005-2019

Year	Exposures, Thousands of Dollars — Annual Survivors at the Beginning of the Year										Total at	
Placed	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	Beginning of Age Interval	Age Interval
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2005	255	245	234	222	209	195	239	216	192	167	167	13½-14½
2006	279	268	256	243	228	212	194	174	153	131	323	12½-13½
2007	307	296	284	271	257	241	224	205	184	162	531	11½-12½
2008	338	330	321	311	300	289	276	262	242	226	823	10½-11½
2009	376	367	357	346	334	321	307	297	280	261	1,097	9½-10½
2010	420[a]	416	407	397	386	374	361	347	332	316	1,503	8½-9½
2011		460[a]	455	444	432	419	405	390	374	356	1,952	7½-8½
2012			510[a]	504	492	479	464	448	431	412	2,463	6½-7½
2013				580[a]	574	561	546	530	501	482	3,057	5½-6½
2014					660[a]	653	639	623	628	609	3,789	4½-5½
2015						750[a]	742	724	685	663	4,332	3½-4½
2016							850[a]	841	821	799	4,955	2½-3½
2017								960[a]	949	926	5,719	1½-2½
2018									1,080[a]	1,069	6,579	½-1½
2019										1,220[a]	7,490	0-½
Total	1,975	2,382	2,824	3,318	3,872	4,494	5,247	6,017	6,852	7,799	44,780	

[a]Additions during the year

For the entire experience band 2010-2019, the total exposures at the beginning of an age interval are obtained by summing diagonally in a manner similar to the summing of the retirements during an age interval (Schedule 1). For example, the figure of 3,789, shown as the total exposures at the beginning of age interval 4½-5½, is obtained by summing:

255 + 268 + 284 + 311 + 334 + 374 + 405 + 448 + 501 + 609.

Original Life Table

The original life table, illustrated in Schedule 4 on page II-16, is developed from the totals shown on the schedules of retirements and exposures, Schedules 1 and 3, respectively. The exposures at the beginning of the age interval are obtained from the corresponding age interval of the exposure schedule, and the retirements during the age interval are obtained from the corresponding age interval of the retirement schedule. The retirement ratio is the result of dividing the retirements during the age interval by the exposures at the beginning of the age interval. The percent surviving at the beginning of each age interval is derived from survivor ratios, each of which equals one minus the retirement ratio. The percent surviving is developed by starting with 100% at age zero and successively multiplying the percent surviving at the beginning of each interval by the survivor ratio, i.e., one minus the retirement ratio for that age interval. The calculations necessary to determine the percent surviving at age 5½ are as follows:

Percent surviving at age 4½	=	88.15					
Exposures at age 4½	=	3,789,000					
Retirements from age 4½ to 5½	=	143,000					
Retirement Ratio	=	143,000	÷	3,789,000	=	0.0377
Survivor Ratio	=	1.000	-	0.0377	=	0.9623
Percent surviving at age 5½	=	(88.15)	x	(0.9623)	=	84.83

The totals of the exposures and retirements (columns 2 and 3) are shown for the purpose of checking with the respective totals in Schedules 1 and 3. The ratio of the total retirements to the total exposures, other than for each age interval, is meaningless.

SCHEDULE 4. ORIGINAL LIFE TABLE
CALCULATED BY THE RETIREMENT RATE METHOD

Experience Band 2010-2019 Placement Band 2005-2019

(Exposure and Retirement Amounts are in Thousands of Dollars)

Age at Beginning of Interval	Exposures at Beginning of Age Interval	Retirements During Age Interval	Retirement Ratio	Survivor Ratio	Percent Surviving at Beginning of Age Interval
(1)	(2)	(3)	(4)	(5)	(6)
0.0	7,490	80	0.0107	0.9893	100.00
0.5	6,579	153	0.0233	0.9767	98.93
1.5	5,719	151	0.0264	0.9736	96.62
2.5	4,955	150	0.0303	0.9697	94.07
3.5	4,332	146	0.0337	0.9663	91.22
4.5	3,789	143	0.0377	0.9623	88.15
5.5	3,057	131	0.0429	0.9571	84.83
6.5	2,463	124	0.0503	0.9497	81.19
7.5	1,952	113	0.0579	0.9421	77.11
8.5	1,503	105	0.0699	0.9301	72.65
9.5	1,097	93	0.0848	0.9152	67.57
10.5	823	83	0.1009	0.8991	61.84
11.5	531	64	0.1205	0.8795	55.60
12.5	323	44	0.1362	0.8638	48.90
13.5	167	26	0.1557	0.8443	42.24
					35.66
Total	44,780	1,606			

Column 2 from Schedule 3, Column 12, Plant Exposed to Retirement.
Column 3 from Schedule 1, Column 12, Retirements for Each Year.
Column 4 = Column 3 Divided by Column 2.
Column 5 = 1.0000 Minus Column 4.
Column 6 = Column 5 Multiplied by Column 6 as of the Preceding Age Interval.

The original survivor curve is plotted from the original life table (column 6, Schedule 4). When the curve terminates at a percent surviving greater than zero, it is called a stub survivor curve. Survivor curves developed from retirement rate studies generally are stub curves.

Smoothing the Original Survivor Curve

The smoothing of the original survivor curve eliminates any irregularities and serves as the basis for the preliminary extrapolation to zero percent surviving of the original stub curve. Even if the original survivor curve is complete from 100% to zero percent, it is desirable to eliminate any irregularities, as there is still an extrapolation for the vintages which have not yet lived to the age at which the curve reaches zero percent. In this study, the smoothing of the original curve with established type curves was used to eliminate irregularities in the original curve.

The Iowa type curves are used in this study to smooth those original stub curves which are expressed as percents surviving at ages in years. Each original survivor curve was compared to the Iowa curves using visual and mathematical matching in order to determine the better fitting smooth curves. In Figures 6, 7, and 8, the original curve developed in Table 4 is compared with the L, S, and R Iowa type curves which most nearly fit the original survivor curve. In Figure 6, the L1 curve with an average life between 12 and 13 years appears to be the best fit. In Figure 7, the S0 type curve with a 12-year average life appears to be the best fit and appears to be better than the L1 fitting. In Figure 8, the R1 type curve with a 12-year average life appears to be the best fit and appears to be better than either the L1 or the S0.

In Figure 9, the three fittings, 12-L1, 12-S0 and 12-R1 are drawn for comparison purposes. It is probable that the 12-R1 Iowa curve would be selected as the most representative of the plotted survivor characteristics of the group.

FIGURE 6. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

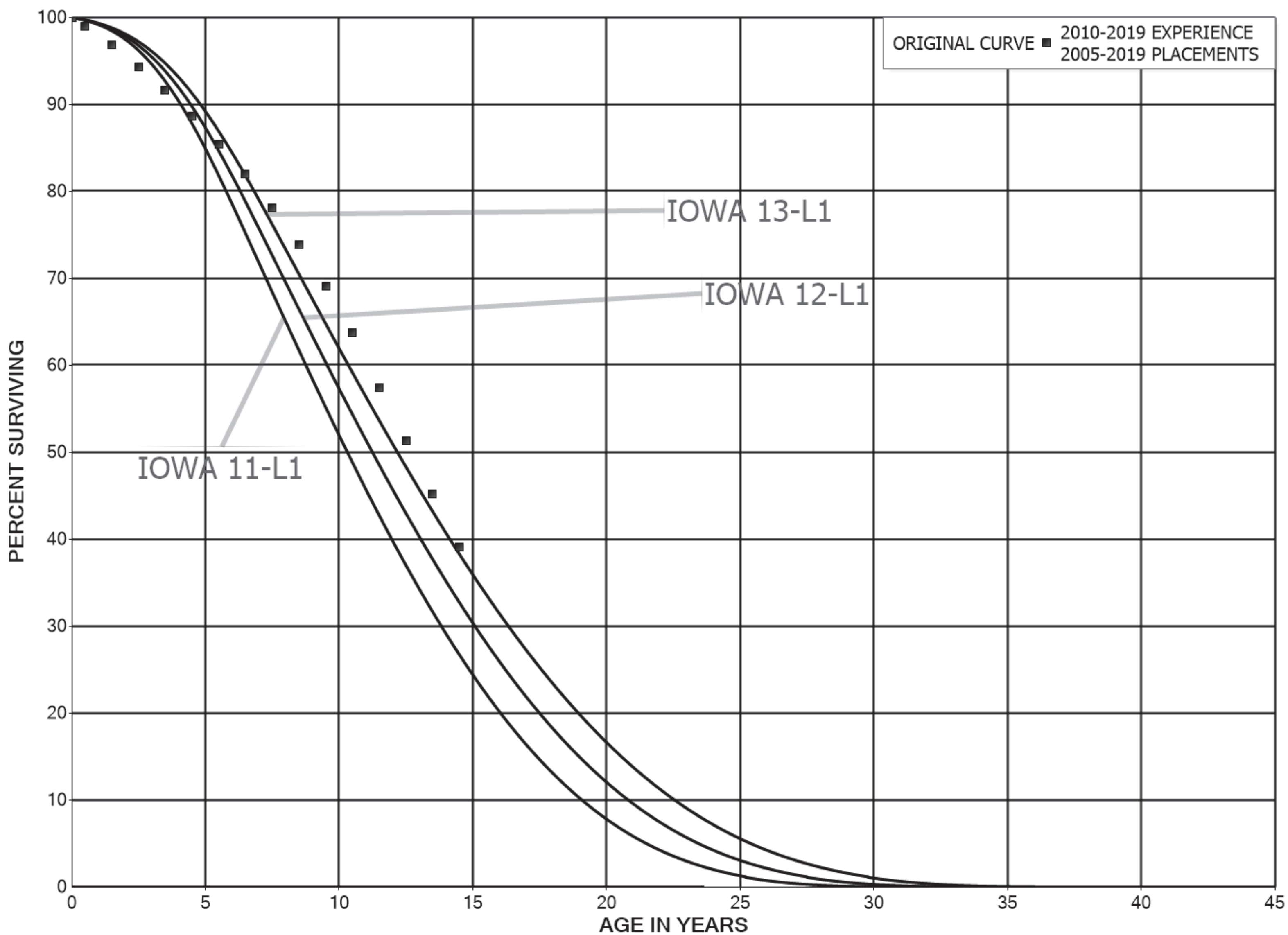


FIGURE 7. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN S0 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

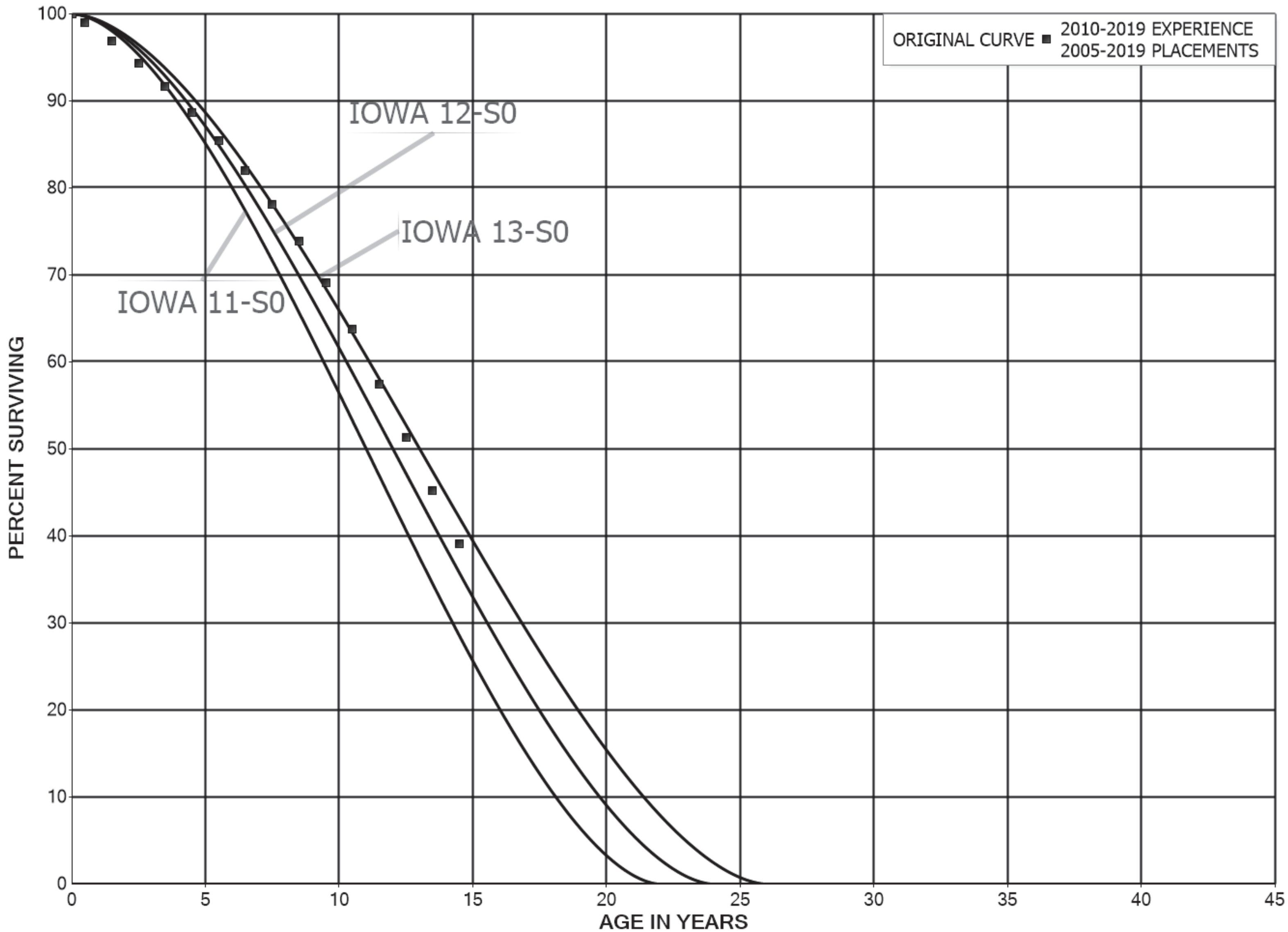


FIGURE 8. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN R1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES

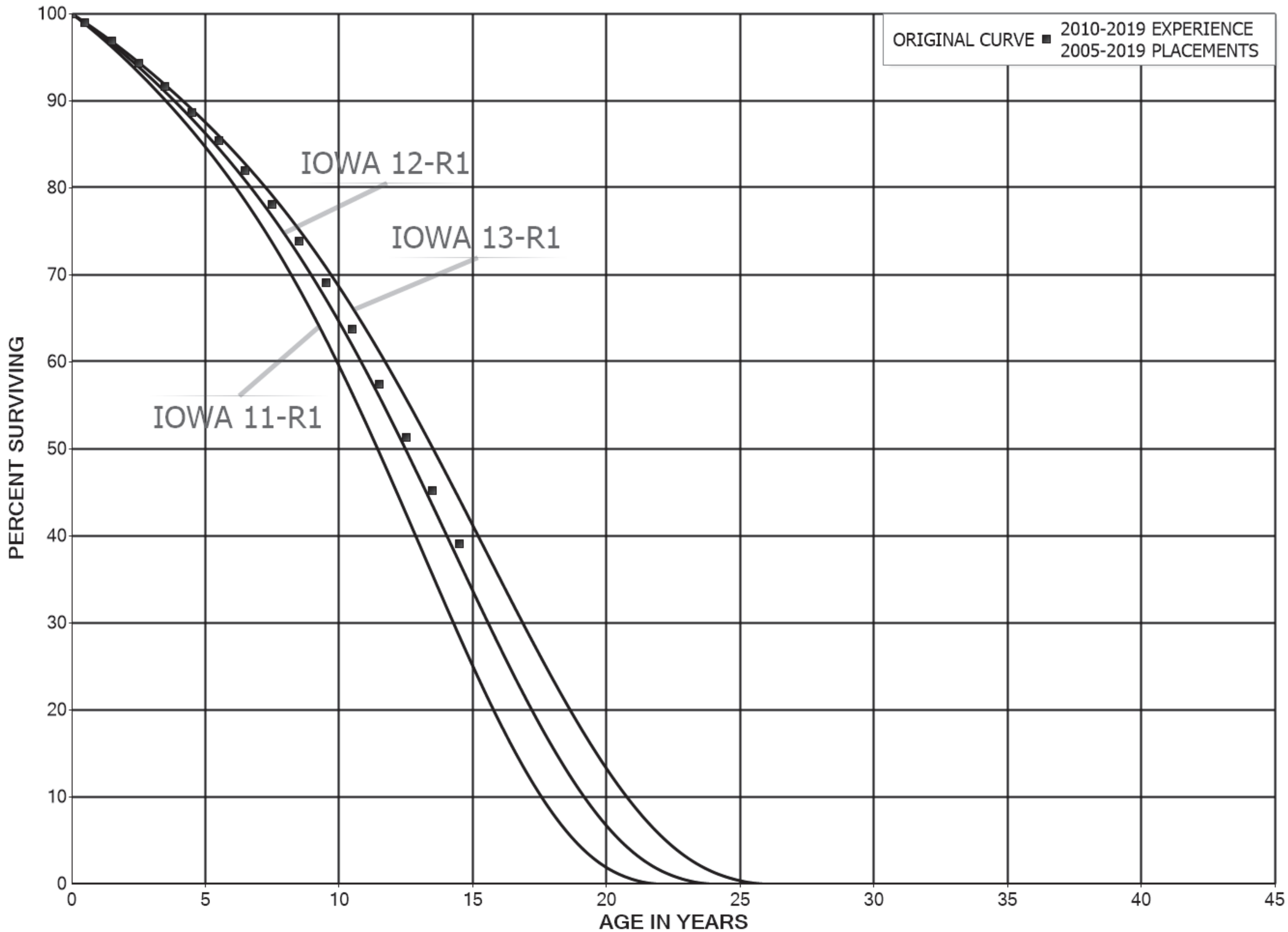
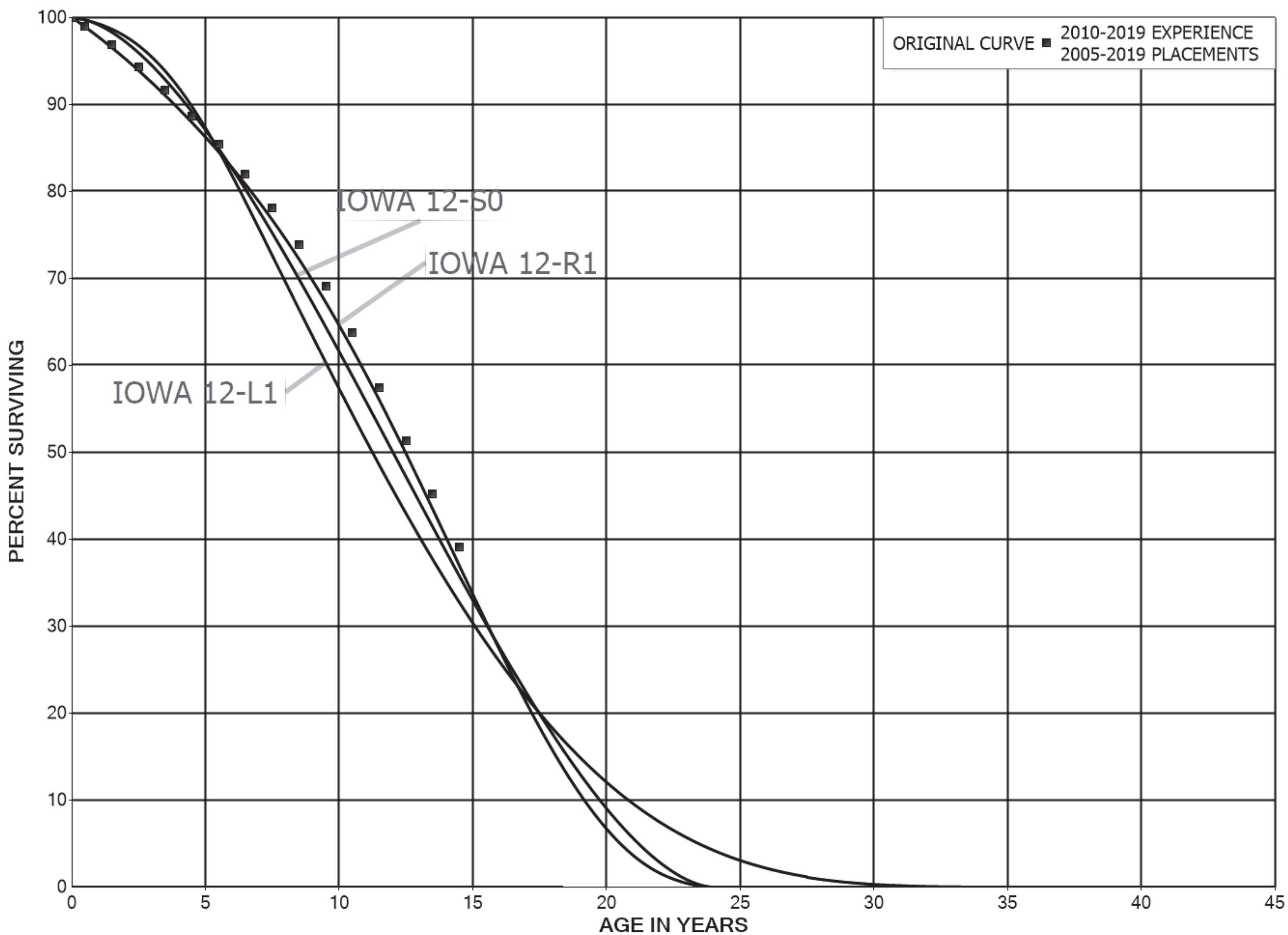


FIGURE 9. ILLUSTRATION OF THE MATCHING OF AN ORIGINAL SURVIVOR CURVE WITH AN L1, S0 AND R1 IOWA TYPE CURVE
ORIGINAL AND SMOOTH SURVIVOR CURVES



PART III. SERVICE LIFE CONSIDERATIONS

PART III. SERVICE LIFE CONSIDERATIONS

FIELD TRIPS

In order to be familiar with the operation of the Company and observe representative portions of the plant, field trips have been conducted in past studies with a virtual tour of some locations during this study. These field trips and meetings aid in the general understanding of the plant and provide information related the reasons for past retirements and expected future causes of retirement. This knowledge and information were incorporated in the interpretation and extrapolation of the statistical analyses.

The following is a list of the locations visited during the most recent field trips.

<u>November 20-23, 2020</u>
Smith Station – Irvine Road
Smith Station – White Conkwright Road

<u>November 17, 2020</u>
Spurlock Station

<u>September 5-6, 2018</u>
Bluegrass Station
Cooper Station
Burnside Service Center
Somerset Substation – Transmission
Somerset Substation – Distribution
Pulaski County Transmission Substation
South Floyd Distribution Substation
Cooperative Solar Farm One
Headquarters
Spurlock Station
Bavarian Landfill

<u>August 28-29, 2013</u>
Spurlock Station
Dale Station
Dale Substation
Smith Station
Smith Substation
North Clark Substation

Sideview Substation
Winchester Office
Cooper Station
Burnside Service Center
Avon Substation
Winchester Operations Center

SERVICE LIFE ANALYSIS

The service life estimates were based on informed judgment which considered a number of factors. The primary factors were the statistical analyses of data; current Company policies and outlook as determined during conversations with management; and the survivor curve estimates from previous studies of this company and other electric companies.

For many of the plant accounts and subaccounts for which survivor curves were estimated, the statistical analyses using the retirement rate method resulted in good to excellent indications of the survivor patterns experienced. These accounts represent 76 percent of depreciable plant. Generally, the information external to the statistics led to little or no significant departure from the indicated survivor curves for the accounts listed below. The statistical support for the service life estimates is presented in the section beginning on page VII-2.

STEAM PRODUCTION PLANT

311	Structures and Improvements
312	Boiler Plant Equipment
315	Accessory Electric Equipment
316	Miscellaneous Power Plant Equipment

OTHER PRODUCTION PLANT

344	Generators

TRANSMISSION PLANT

353	Station Equipment
353.1	Station Equipment – Energy Control System
355	Poles and Fixtures
356	Overhead Conductors and Devices

DISTRIBUTION PLANT

362	Station Equipment
362.1	Station Equipment - SCADA

GENERAL PLANT

390	Structures and Improvements
392	Transportation Equipment
396	Power Operated Equipment

Account 353, Station Equipment, and Account 355, Poles and Fixtures are used to illustrate the manner in which the study was conducted for the groups in the preceding list. Account 353 represents 7 percent, and Account 355 represents 4 percent of the total depreciable plant. Aged plant accounting data have been compiled for the years 1984 through 2019. These data have been coded in the course of the Company's normal record keeping according to account or property group, type of transaction, year in which the transaction took place, and year in which the electric plant was placed in service. The retirements, other plant transactions, and plant additions were analyzed by the retirement rate method.

The survivor curve estimate for Account 353, Station Equipment, is the 60-R2 and is based on the statistical indication for the period 1984-2019 and 2005-2019. The 60-R2 is an excellent fit of the significant portion of the original survivor curve as set forth on page VII-37 consistent with management outlook for a continuation of historical experience, and at the upper end of the typical service life range of 40 to 60 years for transmission substation equipment.

The survivor curve estimate for Account 355, Poles and Fixtures, is based on the statistical indications for the period 1984-2019. The Iowa 60-S2 is an excellent fit of the original survivor curve. The 60-year service life is within the typical service life range of 45 to 65 years for transmission poles. The 60-year life reflects the Company's continued practices for replacing transmission poles and reflects the industry trend towards a longer life.

Life Span Estimates

The life span technique was used for the Company's Power Production accounts. The life span procedure is appropriate for these accounts since many of the assets within the plant will be retired concurrently. Probable retirement dates were estimated for each generating facility and structure. Life spans for each Steam and Other Production Plant were the result of considering experienced life spans of similar generating units, the age of surviving units, general operating characteristics of the units, major refurbishing, and discussions with management personnel concerning the probable long-term outlook for the units.

The depreciable life span estimates for steam, base-load units are 40 to 60 years. The typical range of life spans for such units in the past has been 50 to 65 years, however, in recent years the life spans have been 40 to 50 years. This life span represents the expected depreciable life of the facility under its current configuration. Future capital expenditures can extend a facility's depreciable life, however, such changes to depreciable life would not be prudent until the capital expenditures are actually put into plant in service. A life span of 35 to 40 years was estimated for the combustion turbines and landfill facilities. Life span estimates are typically 35 to 40 years for combustion turbines which are used primarily as peaking units and 30 to 35 years for landfill facilities. The life spans for solar facilities are typically 25 years.

The life span and probable retirement dates used for steam and other production plants are as follows:

Depreciable Group	Major Year in Service	Depreciable Life Date	Depreciable Life Span
Steam Production Plant			
Central Lab	1978	2030	52
Cooper	1966,1970	2030	60,64
Spurlock Unit 1	1980	2040	60
Spurlock Unit 2	1982	2042	60
Spurlock Unit 3	2005	2045	40
Spurlock Unit 4	2009	2049	40
Other Production Plant			
Smith Unit 1	1999	2034	35
Smith Unit 2	1999	2034	35
Smith Unit 3	1999	2034	35
Smith Unit 4	2001	2041	40
Smith Unit 5	2001	2041	40
Smith Unit 6	2005	2045	40
Smith Unit 7	2005	2045	40
Smith Unit 9	2010	2050	40
Smith Unit 10	2010	2050	40
Cooperative Solar	2017	2042	25
Green Valley Landfill	2003	2038	35
Laurel Ridge Landfill	2003	2038	35
Bavarian Landfill	2003	2038	35
Pearl Hollow Landfill	2006	2041	35
Pendleton County Landfill	2007	2042	35
Bluegrass Oldham Unit 1	2002*	2042	40
Bluegrass Oldham Unit 2	2002*	2042	40
Bluegrass Oldham Unit 3	2002*	2042	40

*All units were acquired in 2015.

Similar studies were performed for the remaining plant accounts. Each of the judgments represented a consideration of statistical analyses of aged plant activity, management's outlook for the future, and the typical range of lives used by other electric companies.

The selected amortization periods for other General Plant accounts are described in the section "Calculated Annual and Accrued Amortization."

PART IV. NET SALVAGE CONSIDERATIONS

PART IV. NET SALVAGE CONSIDERATIONS

SALVAGE ANALYSIS

The estimates of net salvage by account were based in part on historical data compiled for the years 2005 through 2019. Cost of removal and salvage were expressed as percents of the original cost of plant retired, both on annual and three-year moving average bases. The most recent five-year average also was calculated for consideration. The net salvage estimates by account are expressed as a percent of the original cost of plant retired.

Net Salvage Considerations

The estimates of future net salvage are expressed as percentages of surviving plant in service, i.e., all future retirements. In cases in which removal costs are expected to exceed salvage receipts, a negative net salvage percentage is estimated. The net salvage estimates were based on judgment which incorporated analyses of historical cost of removal and salvage data, expectations with respect to future removal requirements and markets for retired equipment and materials.

The analyses of historical cost of removal and salvage data are presented in the section titled "Net Salvage Statistics" for the plant accounts for which the net salvage estimate relied partially on those analyses.

Statistical analyses of historical data for the period 2005 through 2019 contributed toward the net salvage estimates for 17 plant accounts, representing 93 percent of the depreciable plant, as follows:

STEAM PRODUCTION PLANT

311 Structures and Improvements
312 Boiler Plant Equipment
314 Turbogenerator Units
315 Accessory Electric Equipment
316 Miscellaneous Power Plant Equipment

OTHER PRODUCTION PLANT
- 341 Structures and Improvements
- 343 Prime Movers
- 345 Accessory Electric Equipment
- 346 Miscellaneous Power Plant Equipment

TRANSMISSION PLANT
- 353 Station Equipment
- 353.1 Station Equipment – Energy Control System
- 355 Poles and Fixtures
- 356 Overhead Conductors and Devices

DISTRIBUTION PLANT
- 362 Station Equipment
- 362.1 Station Equipment - SCADA

GENERAL PLANT
- 392 Transportation Equipment
- 396 Power Operated Equipment

Account 353, Station Equipment, is used to illustrate the manner in which the study was conducted for the groups in the preceding list. Net salvage data for the period 2005 through 2019 were analyzed for this account. The data include cost of removal, gross salvage and net salvage amounts and each of these amounts is expressed as a percent of the original cost of regular retirements. Three-year moving averages for the 2005-2007 through 2017-2019 periods were computed to smooth the annual amounts.

Cost of removal was high during the entire period, however, particularly high in the early years as compared to retirements. The high removal cost in the early years related to practices during that time and the type of assets primarily being replaced. Since 2011, cost of removal as a percentage of retirements has been at a more common level. Cost of removal for the most recent five years averaged 31 percent.

Gross salvage has been recorded consistently since 2012. The most recent five-year average of 4 percent gross salvage reflects recent trends of salvage value for some equipment.

The net salvage percent based on the overall period 2005 through 2019 is 56 percent negative net salvage. The range of estimates made by other electric companies for station equipment is negative 10 to negative 25 percent. The net salvage estimate for station equipment is negative 25 percent, is at the upper end of the range of estimates for other electric companies, reflects the trend to lower cost of removal and reflects the overall experience for negative net salvage for the future.

The overall net salvage estimates for the Company's production facilities, for which the life span method is used, is based on estimates of both final net salvage and interim net salvage. Final(terminal) net salvage is the net salvage experienced at the end of a production plant's life span. Interim net salvage is the net salvage experienced for interim retirements that occur prior to the final retirement of the plant. The final net salvage estimates in the study were based on industry decommissioning analyses performed by various engineering organizations. The interim net salvage estimates were based in part on analysis of historical interim retirement and net salvage data. Based on informed judgment that incorporated these interim net salvage analyses for each plant account, an interim net salvage estimate of zero to negative 10 percent was used for each steam plant account, and zero to negative 51 percent estimate was used for all other production plant accounts.

The interim survivor curve estimates for each account and production facility were used to calculate the percentage of plant expected to be retired as interim retirements and final retirements. These are shown on Table 1 in the Net Salvage Statistics section on page VIII-2. These percentages were used to determine the weighted net salvage estimate for each account and production facility based on the interim and final net salvage estimates. These calculations, as well as the estimated final net salvage amounts and interim net salvage percents, are shown on Table 2 of the Net Salvage Statistics. Table 3 sets forth the determination of the terminal net salvage amount for each location.

The net salvage percents for the remaining accounts were based on judgment incorporating estimates of previous studies of this and other electric utilities.

Generally, the net salvage estimates for the general plant accounts were zero percent, consistent with amortization accounting.

PART V. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

PART V. CALCULATION OF ANNUAL AND ACCRUED DEPRECIATION

GROUP DEPRECIATION PROCEDURES

A group procedure for depreciation is appropriate when considering more than a single item of property. Normally the items within a group do not have identical service lives, but have lives that are dispersed over a range of time. There are two primary group procedures, namely, average service life and equal life group. In the average service life procedure, the rate of annual depreciation is based on the average life or average remaining life of the group, and this rate is applied to the surviving balances of the group's cost. A characteristic of this procedure is that the cost of plant retired prior to average life is not fully recouped at the time of retirement, whereas the cost of plant retired subsequent to average life is more than fully recouped. Over the entire life cycle, the portion of cost not recouped prior to average life is balanced by the cost recouped subsequent to average life.

Single Unit of Property

The calculation of straight line depreciation for a single unit of property is straightforward. For example, if a \$1,000 unit of property attains an age of four years and has a life expectancy of six years, the annual accrual over the total life is:

$$\frac{\$1,000}{(4 + 6)} = \$100 \text{ per year.}$$

The accrued depreciation is:

$$\$1,000\left(1 - \frac{6}{10}\right) = \$400.$$

Remaining Life Annual Accruals

For the purpose of calculating remaining life accruals as of December 31, 2019, the depreciation reserve for each plant account is allocated among vintages in proportion to the calculated accrued depreciation for the account. Explanations of remaining life accruals and calculated accrued depreciation follow. The detailed calculations as of December 31, 2019, are set forth in the Results of Study section of the report.

Average Service Life Procedure

In the average service life procedure, the remaining life annual accrual for each vintage is determined by dividing future book accruals (original cost less book reserve) by the average remaining life of the vintage. The average remaining life is a directly weighted average derived from the estimated future survivor curve in accordance with the average service life procedure.

The calculated accrued depreciation for each depreciable property group represents that portion of the depreciable cost of the group which would not be allocated to expense through future depreciation accruals, if current forecasts of life characteristics are used as the basis for such accruals. The accrued depreciation calculation consists of applying an appropriate ratio to the surviving original cost of each vintage of each account, based upon the attained age and service life. The straight line accrued depreciation ratios are calculated as follows for the average service life procedure:

$$Ratio = 1 - \frac{Average\ Remaining\ Life}{Average\ Service\ Life}.$$

CALCULATION OF ANNUAL AND ACCRUED AMORTIZATION

Amortization is the gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. Normally, the distribution of the amount is in equal amounts to each year of the amortization period.

The calculation of annual and accrued amortization requires the selection of an amortization period. The amortization periods used in this report were based on judgment which incorporated a consideration of the period during which the assets will render most of their service, the amortization period and service lives used by other utilities, and the service life estimates previously used for the asset under depreciation accounting.

Amortization accounting is proposed for a number of accounts that represent numerous units of property, but a very small portion of depreciable electric plant in service. The accounts and their amortization periods are as follows:

Account		Amortization Period, Years
391	Office Furniture and Equipment	20
391.1	Office Furniture and Equipment - Peoplesoft	15
393	Stores Equipment	25
394	Tools, Shop and Garage Equipment	20
395	Laboratory Equipment	20
397	Communication Equipment	15
397.1	Communication Equipment – Energy Control System	10
398	Miscellaneous Equipment	20

For the purpose of calculating annual amortization amounts as of December 31, 2019, the book depreciation reserve for each plant account or subaccount is assigned or allocated to vintages. The book reserve assigned to vintages with an age greater than the amortization period is equal to the vintage's original cost. The remaining book reserve is allocated among vintages with an age less than the amortization period in proportion to the calculated accrued amortization. The calculated accrued amortization is equal to the original cost multiplied by the ratio of the vintage's age to its amortization period. The annual amortization amount is determined by dividing the future amortizations (original cost less allocated book reserve) by the remaining period of amortization for the vintage.

PART VI. RESULTS OF STUDY

PART VI. RESULTS OF STUDY

QUALIFICATION OF RESULTS

The calculated annual and accrued depreciation are the principal results of the study. Continued surveillance and periodic revisions are normally required to maintain continued use of appropriate annual depreciation accrual rates. An assumption that accrual rates can remain unchanged over a long period of time implies a disregard for the inherent variability in service lives and net salvage and for the change of the composition of property in service. The annual accrual rates were calculated in accordance with the straight line remaining life method of depreciation, using the average service life procedure based on estimates which reflect considerations of current historical evidence and expected future conditions.

The annual depreciation accrual rates are applicable specifically to the electric plant in service as of December 31, 2019. For most plant accounts, the application of such rates to future balances that reflect additions subsequent to December 31, 2019, is reasonable for a period of three to five years.

DESCRIPTION OF DETAILED TABULATIONS

Table 1 sets forth a summary of the results of the study as applied to the original cost of electric plant at December 31, 2019. These results are presented on pages VI-4 through VI-8 of this report. The schedule sets forth the original cost, the book depreciation reserve, future accruals, the calculated annual depreciation rate and amount, and the composite remaining life related to electric plant.

The service life estimates were based on judgment that incorporated statistical analysis of retirement data, discussions with management and consideration of estimates made for other electric utilities. The results of the statistical analysis of service life are presented in the section beginning on page VII-2, within the supporting documents of this report.

For each depreciable group analyzed by the retirement rate method, a chart is provided depicting the original and estimated survivor curves followed by a tabular presentation of the original life table(s) plotted on the chart. The survivor curves estimated for the depreciable groups are shown as dark smooth curves on the charts. Each smooth survivor curve is denoted by a numeral followed by the curve type designation. The numeral used is the average life derived from the entire curve from 100 percent to zero percent surviving. The titles of the chart indicate the group, the symbol used to plot the points of the original life table, and the experience and placement bands of the life tables which were plotted. The experience band indicates the range of years for which retirements were used to develop the stub survivor curve. The placements indicate, for the related experience band, the range of years of installations which appear in the experience.

The analyses of salvage data are presented in the section titled, “Net Salvage Statistics.” The tabulations present annual cost of removal and salvage data, three-year moving averages and the most recent five-year average. Data are shown in dollars and as percentages of original costs retired.

The tables of the calculated annual depreciation applicable to depreciable assets as of December 31, 2019 are presented in account sequence starting on page IX-2 of the supporting documents. The tables indicate the estimated survivor curve and net salvage percent for the account and set forth, for each installation year, the original cost, the calculated accrued depreciation, the allocated book reserve, future accruals, the remaining life, and the calculated annual accrual amount.

EAST KENTUCKY POWER COOPERATIVE, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, NET SALVAGE PERCENT, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO ELECTRIC PLANT AS OF DECEMBER 31, 2019

	ACCOUNT	PROBABLE RETIREMENT DATE	SURVIVOR CURVE	NET SALVAGE PERCENT	ORIGINAL COST AS OF DECEMBER 31, 2019	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)=(8)/(5)	(10)=(7)/(8)
	ELECTRIC PLANT									
	INTANGIBLE PLANT									
303.00	MISCELLANEOUS INTANGIBLE PLANT		10-SQ	0	2,333,311.05	1,134,520	1,198,791	266,398	11.42	4.5
	TOTAL INTANGIBLE PLANT				**2,333,311.05**	**1,134,520**	**1,198,791**	**266,398**	**11.42**	
	STEAM PRODUCTION PLANT									
310.10	LAND AND LAND RIGHTS									
	COOPER COMMON - LANDFILL	2030	SQUARE *	0	5,325,571.56	0	5,325,572	507,197	9.52	10.5
	COOPER COMMON - ACCESS ROAD	2030	SQUARE *	0	480,134.08	0	480,134	45,727	9.52	10.5
	SPURLOCK COMMON - LANDFILL	2049	SQUARE *	0	20,170,029.31	0	20,170,029	683,730	3.39	29.5
	SPURLOCK COMMON - AMMONIA CONTAINMENT	2049	SQUARE *	0	1,050,779.86	0	1,050,780	35,620	3.39	29.5
	SMITH COMMON - LANDFILL	2026	SQUARE *	0	6,050,424.87	1,462,186	4,588,239	705,883	11.67	6.5
	TOTAL LAND AND LAND RIGHTS				33,076,939.68	1,462,186	31,614,754	1,978,157	5.98	
311.00	STRUCTURES AND IMPROVEMENTS									
	CENTRAL LAB	2030	85-S1.5 *	0	619,445.56	501,279	118,167	11,477	1.85	10.3
	COOPER COMMON	2030	85-S1.5 *	(5)	11,599,889.13	8,333,766	3,846,118	372,847	3.21	10.3
	COOPER UNIT 2 SCRUBBER	2030	85-S1.5 *	(5)	16,839,214.86	7,532,370	10,148,806	969,322	5.76	10.5
	SPURLOCK COMMON	2049	85-S1.5 *	(7)	29,901,164.98	4,504,371	27,489,876	945,554	3.16	29.1
	SPURLOCK UNIT 1	2040	85-S1.5 *	(7)	27,841,989.00	17,909,967	11,880,961	614,994	2.21	19.3
	SPURLOCK UNIT 2	2042	85-S1.5 *	(7)	34,657,321.80	23,943,936	13,139,398	627,228	1.81	20.9
	SPURLOCK UNIT 3	2045	85-S1.5 *	(7)	135,424,737.29	43,162,292	101,742,177	4,087,225	3.02	24.9
	SPURLOCK UNIT 4	2049	85-S1.5 *	(7)	91,915,875.08	9,800,259	88,549,727	3,069,934	3.34	28.8
	SPURLOCK UNIT 1 SCRUBBER	2040	85-S1.5 *	(7)	25,289,573.36	9,007,550	18,052,293	890,592	3.52	20.3
	SPURLOCK UNIT 2 SCRUBBER	2042	85-S1.5 *	(7)	22,341,947.21	8,045,353	15,860,531	714,438	3.20	22.2
	TOTAL STRUCTURES AND IMPROVEMENTS				396,431,158.27	132,741,143	290,828,054	12,303,611	3.10	
312.00	BOILER PLANT EQUIPMENT									
	COOPER COMMON	2030	55-S0.5 *	(5)	102,794,003.59	66,700,151	41,233,553	4,110,747	4.00	10.0
	COOPER UNIT 1	2030	55-S0.5 *	(5)	14,959,125.04	4,819,574	10,887,507	1,053,970	7.05	10.3
	COOPER UNIT 2	2030	55-S0.5 *	(5)	1,476,057.99	320,975	1,228,886	118,541	8.03	10.4
	COOPER UNIT 2 SCRUBBER	2030	55-S0.5 *	(5)	194,151,378.75	86,850,257	117,008,691	11,404,356	5.87	10.3
	SPURLOCK COMMON	2049	55-S0.5 *	(7)	47,303,061.50	11,032,732	39,581,544	1,487,587	3.14	26.6
	SPURLOCK UNIT 1	2040	55-S0.5 *	(7)	207,072,332.59	100,727,355	120,840,041	6,574,732	3.18	18.4
	SPURLOCK UNIT 2	2042	55-S0.5 *	(7)	264,954,492.52	148,127,712	135,373,595	6,988,909	2.64	19.4
	SPURLOCK UNIT 3	2045	55-S0.5 *	(7)	182,163,077.56	55,645,311	139,269,182	6,110,529	3.35	22.8
	SPURLOCK UNIT 4	2049	55-S0.5 *	(7)	310,905,410.86	33,139,434	299,529,356	11,408,395	3.67	26.3
	SPURLOCK UNIT 1 SCRUBBER	2040	55-S0.5 *	(7)	102,930,250.29	36,988,548	73,146,820	3,829,676	3.72	19.1
	SPURLOCK UNIT 2 SCRUBBER	2042	55-S0.5 *	(7)	157,598,866.33	57,451,408	111,179,379	5,355,461	3.40	20.8
	TOTAL BOILER PLANT EQUIPMENT				1,586,308,057.02	601,803,456	1,089,278,554	58,442,903	3.68	
314.00	TURBOGENERATOR UNITS									
	COOPER COMMON	2030	50-R2 *	(5)	23,714,956.78	17,101,082	7,799,623	812,009	3.42	9.6
	SPURLOCK UNIT 1	2040	50-R2 *	(7)	33,699,815.29	21,499,392	14,559,410	884,400	2.62	16.5
	SPURLOCK UNIT 2	2042	50-R2 *	(7)	60,137,136.60	34,021,115	30,325,621	1,606,261	2.67	18.9
	SPURLOCK UNIT 3	2045	50-R2 *	(7)	80,408,959.55	25,108,153	60,929,434	2,646,915	3.29	23.0
	SPURLOCK UNIT 4	2049	50-R2 *	(7)	80,239,064.25	6,017,115	79,838,684	2,960,611	3.69	27.0
	TOTAL TURBOGENERATOR UNITS				278,199,932.47	103,746,857	193,452,772	8,910,196	3.20	

EAST KENTUCKY POWER COOPERATIVE, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, NET SALVAGE PERCENT, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO ELECTRIC PLANT AS OF DECEMBER 31, 2019

	ACCOUNT	PROBABLE RETIREMENT DATE	SURVIVOR CURVE		NET SALVAGE PERCENT	ORIGINAL COST AS OF DECEMBER 31, 2019	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)	(9)=(8)/(5)	(10)=(7)/(8)
315.00	ACCESSORY ELECTRIC EQUIPMENT										
	COOPER COMMON	2030	60-R4	*	(5)	3,362,383.45	2,657,793	872,710	88,268	2.63	9.9
	COOPER UNIT 1	2030	60-R4	*	(5)	108,139.10	17,587	95,959	9,139	8.45	10.5
	COOPER UNIT 2	2030	60-R4	*	(5)	108,269.09	17,606	96,077	9,150	8.45	10.5
	COOPER UNIT 2 SCRUBBER	2030	60-R4	*	(5)	12,060,627.85	5,388,909	7,274,750	693,494	5.75	10.5
	SPURLOCK COMMON	2049	60-R4	*	(7)	657,912.36	7,870	696,096	23,693	3.60	29.4
	SPURLOCK UNIT 1	2040	60-R4	*	(7)	10,670,855.65	6,663,401	4,754,415	255,913	2.40	18.6
	SPURLOCK UNIT 2	2042	60-R4	*	(7)	21,783,326.51	15,081,564	8,226,595	421,018	1.93	19.5
	SPURLOCK UNIT 3	2045	60-R4	*	(7)	23,764,302.84	7,521,598	17,906,206	715,699	3.01	25.0
	SPURLOCK UNIT 4	2049	60-R4	*	(7)	12,751,242.41	1,382,162	12,261,667	422,962	3.32	29.0
	SPURLOCK UNIT 1 SCRUBBER	2040	60-R4	*	(7)	12,520,715.15	4,450,680	8,946,485	439,199	3.51	20.4
	SPURLOCK UNIT 2 SCRUBBER	2042	60-R4	*	(7)	17,731,988.49	6,374,337	12,598,891	564,466	3.18	22.3
	TOTAL ACCESSORY ELECTRIC EQUIPMENT					115,519,762.90	49,563,507	73,729,851	3,643,001	3.15	
316.00	MISCELLANEOUS POWER PLANT EQUIPMENT										
	CENTRAL LAB	2030	30-L1	*	0	1,111,554.28	695,769	415,785	46,409	4.18	9.0
	COOPER COMMON	2030	30-L1	*	(5)	2,706,566.34	1,294,786	1,547,109	165,029	6.10	9.4
	COOPER UNIT 2 SCRUBBER	2030	30-L1	*	(5)	2,139,985.18	969,395	1,277,589	134,767	6.30	9.5
	SPURLOCK COMMON	2049	30-L1	*	(7)	4,774,642.05	1,942,513	3,166,354	180,210	3.77	17.6
	SPURLOCK UNIT 1	2040	30-L1	*	(7)	182,562.70	127,731	67,611	6,978	3.82	9.7
	SPURLOCK UNIT 3	2045	30-L1	*	(7)	2,192,469.65	248,026	2,097,917	105,158	4.80	20.0
	SPURLOCK UNIT 4	2049	30-L1	*	(7)	3,964,220.82	272,786	3,968,930	191,731	4.84	20.7
	TOTAL MISCELLANEOUS POWER PLANT EQUIPMENT					17,072,001.02	5,551,006	12,541,295	830,282	4.86	
	TOTAL STEAM PRODUCTION PLANT					**2,426,607,851.36**	**894,868,156**	**1,691,445,280**	**86,108,150**	**3.55**	
	OTHER PRODUCTION PLANT										
341.00	STRUCTURES AND IMPROVEMENTS										
	SMITH CT COMMON	2050	55-S1	*	(3)	19,534,021.23	8,079,954	12,040,088	461,876	2.36	26.1
	SMITH CT UNIT 1	2034	55-S1	*	(4)	2,666,719.81	1,526,577	1,246,812	91,600	3.43	13.6
	SMITH CT UNIT 2	2034	55-S1	*	(4)	2,666,719.81	1,547,030	1,226,359	90,097	3.38	13.6
	SMITH CT UNIT 3	2034	55-S1	*	(4)	2,666,719.81	1,537,134	1,236,255	90,824	3.41	13.6
	SMITH CT UNIT 4	2041	55-S1	*	(4)	1,937,757.41	910,073	1,105,195	56,828	2.93	19.4
	SMITH CT UNIT 5	2041	55-S1	*	(4)	1,599,135.43	744,544	918,557	47,190	2.95	19.5
	SMITH CT UNIT 6	2045	55-S1	*	(4)	303,524.78	111,370	204,296	8,882	2.93	23.0
	SMITH CT UNIT 7	2045	55-S1	*	(4)	303,524.78	111,368	204,298	8,882	2.93	23.0
	SMITH CT UNIT 9	2050	55-S1	*	(4)	4,500,637.37	883,169	3,797,494	137,706	3.06	27.6
	SMITH CT UNIT 10	2050	55-S1	*	(4)	88,846.57	22,007	70,393	2,541	2.86	27.7
	GREEN VALLEY LANDFILL	2038	55-S1	*	(2)	1,119,860.80	495,454	646,804	37,693	3.37	17.2
	LAUREL RIDGE LANDFILL	2038	55-S1	*	(2)	1,200,486.53	531,124	693,372	40,406	3.37	17.2
	BAVARIAN LANDFILL	2038	55-S1	*	(2)	1,135,966.24	502,579	656,107	38,235	3.37	17.2
	PEARL HOLLOW LANDFILL	2041	55-S1	*	(2)	1,465,228.09	534,890	959,643	48,151	3.29	19.9
	PENDLETON COUNTY LANDFILL	2042	55-S1	*	(2)	2,033,652.36	141,041	1,933,284	88,263	4.34	21.9
	BLUEGRASS OLDHAM COMMON	2042	55-S1	*	(5)	7,229,721.64	3,246,262	4,344,946	200,136	2.77	21.7
	BLUEGRASS OLDHAM UNIT 1	2042	55-S1	*	(5)	933,680.40	448,838	531,526	24,483	2.62	21.7
	BLUEGRASS OLDHAM UNIT 2	2042	55-S1	*	(5)	933,680.40	444,133	536,231	24,700	2.65	21.7
	BLUEGRASS OLDHAM UNIT 3	2042	55-S1	*	(5)	933,680.40	448,802	531,562	24,485	2.62	21.7
	COOPERATIVE SOLAR	2042	55-S1	*	(1)	625,882.00	55,403	576,738	26,347	4.21	21.9
	TOTAL STRUCTURES AND IMPROVEMENTS					53,879,445.86	22,321,752	33,459,960	1,549,325	2.88	
342.00	FUEL HOLDERS, PRODUCERS AND ACCESSORIES										
	SMITH CT COMMON	2050	50-S2.5	*	(3)	13,766,120.51	6,102,433	8,076,671	307,631	2.23	26.3
	SMITH CT UNIT 6	2045	50-S2.5	*	(4)	70,051.65	26,328	46,526	1,970	2.81	23.6
	SMITH CT UNIT 7	2045	50-S2.5	*	(4)	70,051.65	26,327	46,527	1,970	2.81	23.6
	SMITH CT UNIT 9	2050	50-S2.5	*	(4)	2,384,532.85	464,445	2,015,469	70,594	2.96	28.6
	SMITH CT UNIT 10	2050	50-S2.5	*	(4)	2,116,650.59	551,382	1,649,935	57,791	2.73	28.6
	LAUREL RIDGE LANDFILL	2038	50-S2.5	*	(2)	106,294.19	47,199	61,221	3,475	3.27	17.6
	BAVARIAN LANDFILL	2038	50-S2.5	*	(2)	357,670.24	158,822	206,002	11,691	3.27	17.6
	BLUEGRASS OLDHAM COMMON	2042	50-S2.5	*	(5)	1,162,203.57	513,184	707,130	31,781	2.73	22.3
	TOTAL FUEL HOLDERS, PRODUCERS AND ACCESSORIES					20,033,575.25	7,890,120	12,809,481	486,903	2.43	

EAST KENTUCKY POWER COOPERATIVE, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, NET SALVAGE PERCENT, ORIGINAL COST, BOOK DEPRECIATION RESERVE
AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO ELECTRIC PLANT AS OF DECEMBER 31, 2019

	ACCOUNT	PROBABLE RETIREMENT DATE	SURVIVOR CURVE	NET SALVAGE PERCENT	ORIGINAL COST AS OF DECEMBER 31, 2019	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)=(8)/(5)	(10)=(7)/(8)
343.00	PRIME MOVERS									
	SMITH CT COMMON	2050	50-R3 *	(3)	21,662,783.59	9,422,539	12,890,128	484,417	2.24	26.6
	SMITH CT UNIT 1	2034	50-R3 *	(4)	18,938,769.40	10,814,894	8,881,426	640,798	3.38	13.9
	SMITH CT UNIT 2	2034	50-R3 *	(4)	17,021,561.97	10,158,430	7,543,994	546,139	3.21	13.8
	SMITH CT UNIT 3	2034	50-R3 *	(4)	17,950,085.80	10,645,167	8,022,922	580,819	3.24	13.8
	SMITH CT UNIT 4	2041	50-R3 *	(4)	25,858,484.41	12,138,053	14,754,771	738,852	2.86	20.0
	SMITH CT UNIT 5	2041	50-R3 *	(4)	21,295,538.73	10,125,651	12,021,709	603,663	2.83	19.9
	SMITH CT UNIT 6	2045	50-R3 *	(4)	17,001,567.77	6,146,559	11,535,072	486,319	2.86	23.7
	SMITH CT UNIT 7	2045	50-R3 *	(4)	16,754,183.57	6,064,093	11,360,258	478,999	2.86	23.7
	SMITH CT UNIT 9	2050	50-R3 *	(4)	57,736,570.22	10,973,966	49,072,067	1,723,649	2.99	28.5
	SMITH CT UNIT 10	2050	50-R3 *	(4)	55,010,982.47	14,018,584	43,192,838	1,517,307	2.76	28.5
	GREEN VALLEY LANDFILL	2038	50-R3 *	(2)	354,070.80	141,911	219,241	12,366	3.49	17.7
	LAUREL RIDGE LANDFILL	2038	50-R3 *	(2)	300,785.97	132,190	174,612	9,921	3.30	17.6
	BAVARIAN LANDFILL	2038	50-R3 *	(2)	388,128.81	150,290	245,601	13,819	3.56	17.8
	PEARL HOLLOW LANDFILL	2041	50-R3 *	(2)	201,654.60	72,823	132,865	6,494	3.22	20.5
	PENDLETON COUNTY LANDFILL	2042	50-R3 *	(2)	275,099.08	92,033	188,568	8,799	3.20	21.4
	BLUEGRASS OLDHAM COMMON	2042	50-R3 *	(5)	2,407,952.29	582,589	1,945,761	87,964	3.65	22.1
	BLUEGRASS OLDHAM UNIT 1	2042	50-R3 *	(5)	46,724,956.78	22,062,972	26,998,232	1,226,069	2.62	22.0
	BLUEGRASS OLDHAM UNIT 2	2042	50-R3 *	(5)	45,508,646.35	20,986,500	26,797,578	1,216,747	2.67	22.0
	BLUEGRASS OLDHAM UNIT 3	2042	50-R3 *	(5)	41,213,903.72	19,457,814	23,816,784	1,081,589	2.62	22.0
	TOTAL PRIME MOVERS				406,605,726.33	164,187,060	259,794,427	11,464,730	2.82	
344.00	GENERATORS									
	SMITH CT COMMON	2050	50-R2.5 *	(3)	385,287.95	100,840	296,007	10,596	2.75	27.9
	SMITH CT UNIT 1	2034	50-R2.5 *	(4)	5,409,806.36	3,149,102	2,477,097	180,024	3.33	13.8
	SMITH CT UNIT 2	2034	50-R2.5 *	(4)	5,315,973.93	3,110,623	2,417,990	175,512	3.30	13.8
	SMITH CT UNIT 3	2034	50-R2.5 *	(4)	5,368,828.40	3,095,925	2,487,657	180,444	3.36	13.8
	SMITH CT UNIT 4	2041	50-R2.5 *	(4)	8,212,342.41	3,863,206	4,677,630	236,372	2.88	19.8
	SMITH CT UNIT 5	2041	50-R2.5 *	(4)	8,155,918.40	3,837,752	4,644,403	234,816	2.88	19.8
	SMITH CT UNIT 6	2045	50-R2.5 *	(4)	4,831,725.68	1,839,937	3,185,058	136,522	2.83	23.3
	SMITH CT UNIT 7	2045	50-R2.5 *	(4)	4,838,938.32	1,842,648	3,189,848	136,727	2.83	23.3
	SMITH CT UNIT 9	2050	50-R2.5 *	(4)	5,428,818.37	879,891	4,766,080	168,982	3.11	28.2
	SMITH CT UNIT 10	2050	50-R2.5 *	(4)	4,887,853.50	1,176,798	3,906,570	139,055	2.84	28.1
	GREEN VALLEY LANDFILL	2038	50-R2.5 *	(2)	1,098,205.33	498,493	621,676	35,729	3.25	17.4
	LAUREL RIDGE LANDFILL	2038	50-R2.5 *	(2)	1,963,510.74	867,730	1,135,051	65,028	3.31	17.5
	BAVARIAN LANDFILL	2038	50-R2.5 *	(2)	4,525,028.84	1,301,455	3,314,074	185,596	4.10	17.9
	PEARL HOLLOW LANDFILL	2041	50-R2.5 *	(2)	1,285,806.38	479,024	832,499	41,213	3.21	20.2
	PENDLETON COUNTY LANDFILL	2042	50-R2.5 *	(2)	1,680,579.61	580,668	1,133,523	53,645	3.19	21.1
	GLASGOW LANDFILL	2046	50-R2.5 *	(1)	2,993,753.87	457,130	2,566,561	101,657	3.40	25.2
	BLUEGRASS OLDHAM COMMON	2042	50-R2.5 *	(5)	17,086.14	6,300	11,640	534	3.13	21.8
	BLUEGRASS OLDHAM UNIT 1	2042	50-R2.5 *	(5)	7,457,690.57	3,646,045	4,184,530	192,569	2.58	21.7
	BLUEGRASS OLDHAM UNIT 2	2042	50-R2.5 *	(5)	7,457,690.57	3,607,830	4,222,745	194,328	2.61	21.7
	BLUEGRASS OLDHAM UNIT 3	2042	50-R2.5 *	(5)	7,457,690.57	3,645,751	4,184,824	192,583	2.58	21.7
	COOPERATIVE SOLAR	2042	50-R2.5 *	(1)	15,810,305.55	1,428,297	14,540,112	665,756	4.21	21.8
	TOTAL GENERATORS				104,582,841.49	39,415,445	68,795,575	3,327,688	3.18	
345.00	ACCESSORY ELECTRIC EQUIPMENT									
	SMITH CT COMMON	2050	50-R2.5 *	(3)	9,876,096.82	4,171,972	6,000,408	228,225	2.31	26.3
	SMITH CT UNIT 1	2034	50-R2.5 *	(4)	1,039,394.43	608,799	472,171	34,465	3.32	13.7
	SMITH CT UNIT 2	2034	50-R2.5 *	(4)	1,039,395.53	616,956	464,015	33,870	3.26	13.7
	SMITH CT UNIT 3	2034	50-R2.5 *	(4)	1,039,395.53	613,009	467,962	34,158	3.29	13.7
	SMITH CT UNIT 4	2041	50-R2.5 *	(4)	993,996.86	470,616	563,141	28,629	2.88	19.7
	SMITH CT UNIT 5	2041	50-R2.5 *	(4)	993,996.86	468,711	565,046	28,726	2.89	19.7
	SMITH CT UNIT 6	2045	50-R2.5 *	(4)	1,251,472.92	457,774	843,758	36,166	2.89	23.3
	SMITH CT UNIT 7	2045	50-R2.5 *	(4)	1,220,275.59	446,353	822,734	35,265	2.89	23.3
	SMITH CT UNIT 9	2050	50-R2.5 *	(4)	12,040,203.14	2,290,836	10,230,975	365,915	3.04	28.0
	SMITH CT UNIT 10	2050	50-R2.5 *	(4)	1,879,693.27	478,322	1,476,559	52,810	2.81	28.0
	GREEN VALLEY LANDFILL	2038	50-R2.5 *	(2)	344,891.29	150,379	201,410	11,575	3.36	17.4
	LAUREL RIDGE LANDFILL	2038	50-R2.5 *	(2)	386,164.65	168,375	225,513	12,961	3.36	17.4
	BAVARIAN LANDFILL	2038	50-R2.5 *	(2)	357,452.26	155,856	208,745	11,997	3.36	17.4
	PEARL HOLLOW LANDFILL	2041	50-R2.5 *	(2)	452,676.95	161,993	299,737	14,838	3.28	20.2
	PENDLETON COUNTY LANDFILL	2042	50-R2.5 *	(2)	406,784.25	135,008	279,912	13,247	3.26	21.1
	BLUEGRASS OLDHAM COMMON	2042	50-R2.5 *	(5)	3,028,262.11	1,323,010	1,856,665	85,436	2.82	21.7
	BLUEGRASS OLDHAM UNIT 1	2042	50-R2.5 *	(5)	386,034.41	181,290	224,046	10,310	2.67	21.7
	BLUEGRASS OLDHAM UNIT 2	2042	50-R2.5 *	(5)	386,034.41	179,389	225,947	10,398	2.69	21.7
	BLUEGRASS OLDHAM UNIT 3	2042	50-R2.5 *	(5)	386,034.41	181,275	224,061	10,311	2.67	21.7
	COOPERATIVE SOLAR	2042	50-R2.5 *	(1)	779,800.00	67,669	719,929	32,964	4.23	21.8
	TOTAL ACCESSORY ELECTRIC EQUIPMENT				38,288,055.69	13,327,592	26,372,734	1,092,266	2.85	

EAST KENTUCKY POWER COOPERATIVE, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, NET SALVAGE PERCENT, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO ELECTRIC PLANT AS OF DECEMBER 31, 2019

	ACCOUNT	PROBABLE RETIREMENT DATE	SURVIVOR CURVE		NET SALVAGE PERCENT	ORIGINAL COST AS OF DECEMBER 31, 2019	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)	(9)=(8)/(5)	(10)=(7)/(8)
346.00	MISCELLANEOUS POWER PLANT EQUIPMENT										
	SMITH CT COMMON	2050	40-S2.5	*	(3)	15,528,635.62	4,517,088	11,477,407	439,927	2.83	26.1
	GREEN VALLEY LANDFILL	2038	40-S2.5	*	(2)	91,253.04	39,954	53,124	3,194	3.50	16.6
	LAUREL RIDGE LANDFILL	2038	40-S2.5	*	(2)	103,431.55	23,594	81,906	4,555	4.40	18.0
	BAVARIAN LANDFILL	2038	40-S2.5	*	(2)	60,998.54	27,965	34,254	2,092	3.43	16.4
	PEARL HOLLOW LANDFILL	2041	40-S2.5	*	(2)	63,896.29	24,158	41,016	2,135	3.34	19.2
	PENDLETON COUNTY LANDFILL	2042	40-S2.5	*	(2)	141,993.37	29,284	115,549	5,398	3.80	21.4
	TOTAL MISCELLANEOUS POWER PLANT EQUIPMENT					15,990,208.41	4,662,043	11,803,256	457,301	2.86	
	TOTAL OTHER PRODUCTION PLANT					**639,379,853.03**	**251,804,012**	**413,035,433**	**18,378,213**	**2.87**	
	TRANSMISSION PLANT										
353.00	STATION EQUIPMENT		60-R2		(25)	269,766,938.30	66,231,238	270,977,435	5,872,454	2.18	46.1
353.10	STATION EQUIPMENT - ENERGY CONTROL SYSTEM		25-S1.5		(10)	9,476,611.16	6,039,041	4,385,231	598,296	6.31	7.3
354.00	TOWERS AND FIXTURES		70-R4		0	3,853,520.91	1,918,285	1,935,236	63,799	1.66	30.3
355.00	POLES AND FIXTURES		60-S2		(60)	166,166,560.01	59,294,869	206,571,627	4,693,496	2.82	44.0
356.00	OVERHEAD CONDUCTORS AND DEVICES		60-R4		(60)	139,611,652.82	63,120,142	160,258,503	4,043,353	2.90	39.6
359.00	ROADS AND TRAILS		70-R4		0	23,287.65	15,186	8,102	446	1.92	18.2
	TOTAL TRANSMISSION PLANT					**588,898,570.85**	**196,618,761**	**644,136,134**	**15,271,844**	**2.59**	
	DISTRIBUTION PLANT										
362.00	STATION EQUIPMENT		35-R0.5		(10)	228,725,585.62	85,293,814	166,304,330	5,817,664	2.54	28.6
362.10	STATION EQUIPMENT - SCADA		35-R2.5		0	7,252,060.32	3,734,264	3,517,796	138,662	1.91	25.4
368.00	LINE TRANSFORMERS		50-R3		0	2,413,995.98	1,281,788	1,132,208	26,958	1.12	42.0
	TOTAL DISTRIBUTION PLANT					**238,391,641.92**	**90,309,866**	**170,954,334**	**5,983,284**	**2.51**	
	GENERAL PLANT										
390.00	STRUCTURES AND IMPROVEMENTS		65-R4		0	17,176,820.18	9,684,841	7,491,979	170,358	0.99	44.0
391.00	OFFICE FURNITURE AND EQUIPMENT										
	FULLY ACCRUED					2,016,677.53	2,016,678	0	0	-	-
	AMORTIZED		20-SQ		0	9,301,032.16	2,720,987	6,580,045	465,074	5.00	14.1
	TOTAL OFFICE FURNITURE AND EQUIPMENT					11,317,709.69	4,737,665	6,580,045	465,074	4.11	
391.10	OFFICE FURNITURE AND EQUIPMENT - PEOPLESOFT										
	FULLY ACCRUED					2,771,805.14	2,771,805	0	0	-	-
	AMORTIZED		15-SQ		0	14,526,688.53	7,449,052	7,077,637	968,596	6.67	7.3
	TOTAL OFFICE FURNITURE AND EQUIPMENT - PEOPLESOFT					17,298,493.67	10,220,857	7,077,637	968,596	5.60	
392.00	TRANSPORTATION EQUIPMENT		11-L1.5		0	17,294,828.56	9,084,603	8,210,226	1,010,178	5.84	8.1
393.00	STORES EQUIPMENT		25-SQ		0	132,973.46	99,601	33,372	5,318	4.00	6.3
394.00	TOOLS, SHOP AND GARAGE EQUIPMENT										
	FULLY ACCRUED					772,161.33	772,161	0	0	-	-
	AMORTIZED		20-SQ		0	1,540,988.46	602,512	938,476	77,077	5.00	12.2
	TOTAL TOOLS, SHOP AND GARAGE EQUIPMENT					2,313,149.79	1,374,673	938,476	77,077	3.33	
395.00	LABORATORY EQUIPMENT										
	FULLY ACCRUED					1,251,278.95	1,251,279	0	0	-	-
	AMORTIZED		20-SQ		0	4,059,896.75	1,563,859	2,496,038	203,000	5.00	12.3
	TOTAL LABORATORY EQUIPMENT					5,311,175.70	2,815,138	2,496,038	203,000	3.82	
396.00	POWER OPERATED EQUIPMENT		20-R1.5		0	20,685,598.48	13,562,128	7,123,470	416,907	2.02	17.1

EAST KENTUCKY POWER COOPERATIVE, INC.

TABLE 1. SUMMARY OF ESTIMATED SURVIVOR CURVE, NET SALVAGE PERCENT, ORIGINAL COST, BOOK DEPRECIATION RESERVE AND CALCULATED ANNUAL DEPRECIATION ACCRUALS RELATED TO ELECTRIC PLANT AS OF DECEMBER 31, 2019

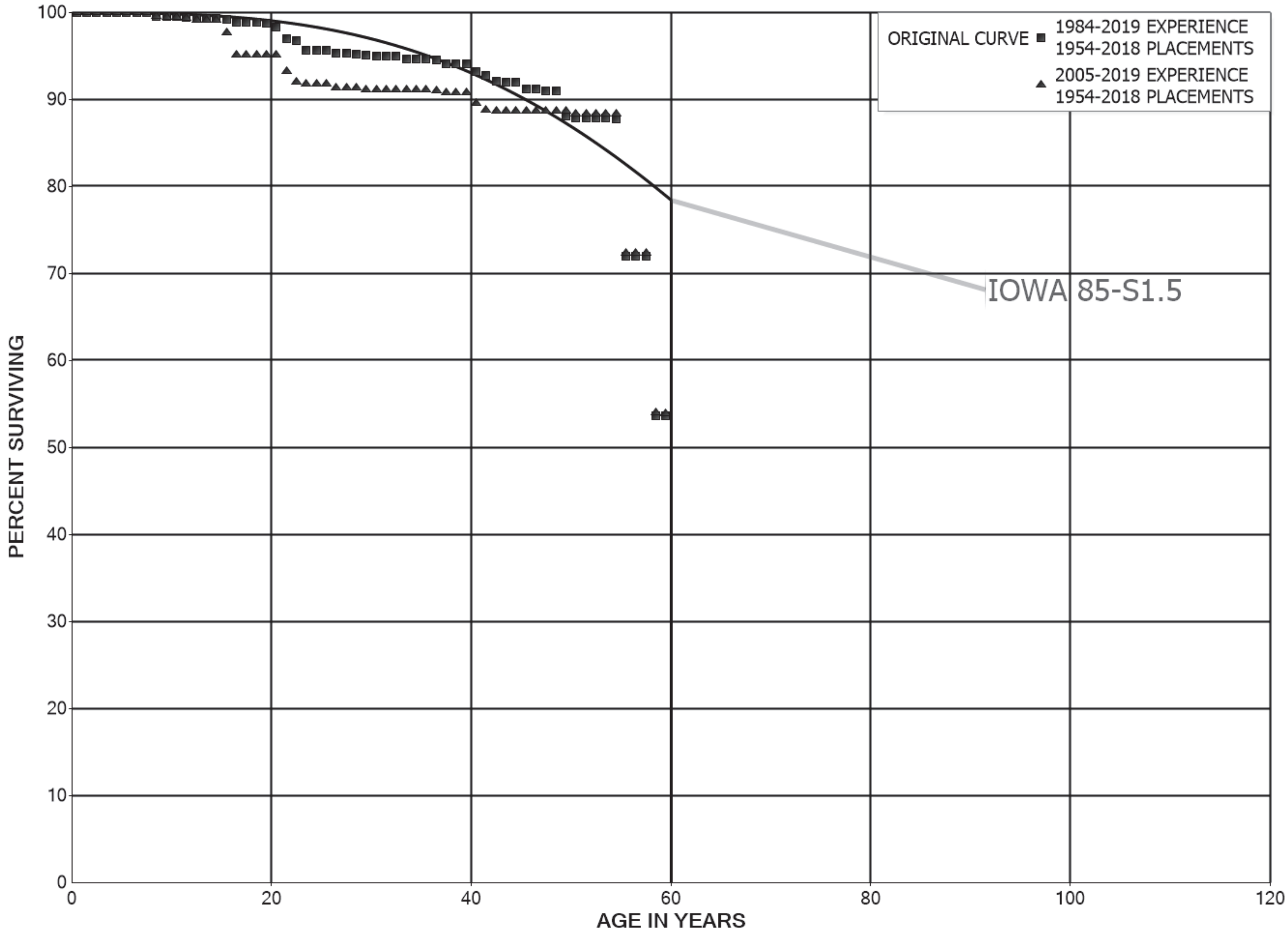
	ACCOUNT	PROBABLE RETIREMENT DATE	SURVIVOR CURVE	NET SALVAGE PERCENT	ORIGINAL COST AS OF DECEMBER 31, 2019	BOOK DEPRECIATION RESERVE	FUTURE ACCRUALS	CALCULATED ANNUAL ACCRUAL AMOUNT	CALCULATED ANNUAL ACCRUAL RATE	COMPOSITE REMAINING LIFE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)=(8)/(5)	(10)=(7)/(8)
397.00	COMMUNICATION EQUIPMENT									
	FULLY ACCRUED				23,276,736.88	23,276,737	0	0	-	-
	AMORTIZED		15-SQ	0	23,514,697.87	8,667,518	14,847,180	1,569,449	6.67	9.5
	TOTAL COMMUNICATION EQUIPMENT				46,791,434.75	31,944,255	14,847,180	1,569,449	3.35	
397.10	COMMUNICATION EQUIPMENT - ENERGY CONTROL SYSTEM		FULLY ACCRUED		642,538.48	642,538	0	0	- **	-
398.00	MISCELLANEOUS EQUIPMENT									
	FULLY ACCRUED				413,882.29	413,882	0	0	-	-
	AMORTIZED		20-SQ	0	2,014,590.63	918,854	1,095,737	100,721	5.00	10.9
	TOTAL MISCELLANEOUS EQUIPMENT				2,428,472.92	1,332,736	1,095,737	100,721	4.15	
	TOTAL GENERAL PLANT				**141,393,195.68**	**85,499,035**	**55,894,160**	**4,986,678**	**3.53**	
	RESERVE ADJUSTMENT FOR AMORTIZATION									
391.00	OFFICE FURNITURE AND EQUIPMENT					1,216,907		(121,691) ***		
391.10	OFFICE FURNITURE AND EQUIPMENT - PEOPLESOFT					6,179,000		(617,900) ***		
393.00	STORES EQUIPMENT					31,577		(3,158) ***		
394.00	TOOLS, SHOP, AND GARAGE EQUIPMENT					424,910		(42,491) ***		
395.00	LABORATORY EQUIPMENT					735,653		(73,565) ***		
397.00	COMMUNICATION EQUIPMENT					9,419,253		(941,925) ***		
398.00	MISCELLANEOUS EQUIPMENT					1,095,737		(109,574) ***		
	TOTAL RESERVE ADJUSTMENT FOR AMORTIZATION					**19,103,037**		**(1,910,304)**		
	TOTAL DEPRECIABLE PLANT				**4,037,004,423.89**	**1,539,337,387**	**2,976,664,132**	**129,084,263**	**3.20**	
	NONDEPRECIABLE PLANT AND ACCOUNTS NOT STUDIED									
301.00	ORGANIZATION				5,040.43					
310.00	LAND				6,916,766.14					
340.00	LAND				5,964,035.69					
350.00	LAND				5,771,527.66					
350.10	LAND AND LAND RIGHTS				55,719,148.42					
360.00	LAND				10,115,251.35					
389.00	LAND				1,381,311.62					
389.10	LAND AND LAND RIGHTS				454,290.88					
	TOTAL NONDEPRECIABLE PLANT AND ACCOUNTS NOT STUDIED				**86,327,372.19**					
	TOTAL ELECTRIC PLANT				**4,123,331,796.08**					

* LIFE SPAN PROCEDURE USED. CURVE SHOWN IS INTERIM SURVIVOR CURVE.
** NEW ADDITIONS WILL UTILIZE A 10% DEPRECIATION RATE BASED ON A 10-SQ SURVIVOR CURVE AND 0% NET SALVAGE.
*** 10-YEAR AMORTIZATION OF RESERVE ADJUSTMENT RELATED TO IMPLEMENTATION OF AMORTIZATION ACCOUNTING.

PART VII. SERVICE LIFE STATISTICS

Gannett Fleming

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 311.00 STRUCTURES AND IMPROVEMENTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 311.00 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1954-2018 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	331,373,309	34	0.0000	1.0000	100.00
0.5	342,482,753	623	0.0000	1.0000	100.00
1.5	375,244,976	6,656	0.0000	1.0000	100.00
2.5	373,641,188	1,535	0.0000	1.0000	100.00
3.5	383,744,543	16,551	0.0000	1.0000	100.00
4.5	383,922,796	130,646	0.0003	0.9997	99.99
5.5	383,963,877	192,024	0.0005	0.9995	99.96
6.5	383,224,335	11,376	0.0000	1.0000	99.91
7.5	361,380,659	1,255,946	0.0035	0.9965	99.91
8.5	347,940,338	282,805	0.0008	0.9992	99.56
9.5	345,878,654	12,175	0.0000	1.0000	99.48
10.5	217,663,751	101,005	0.0005	0.9995	99.47
11.5	217,128,926	299,585	0.0014	0.9986	99.43
12.5	216,732,247	2,656	0.0000	1.0000	99.29
13.5	216,158,464	40,592	0.0002	0.9998	99.29
14.5	81,557,431	110,690	0.0014	0.9986	99.27
15.5	81,325,086	215,808	0.0027	0.9973	99.14
16.5	80,155,827	10,453	0.0001	0.9999	98.87
17.5	81,875,099	63,023	0.0008	0.9992	98.86
18.5	81,755,856	86,910	0.0011	0.9989	98.78
19.5	80,735,228	287,733	0.0036	0.9964	98.68
20.5	80,183,379	1,097,978	0.0137	0.9863	98.33
21.5	79,089,227	219,998	0.0028	0.9972	96.98
22.5	79,472,343	870,090	0.0109	0.9891	96.71
23.5	78,360,236	21,506	0.0003	0.9997	95.65
24.5	78,016,489	8,497	0.0001	0.9999	95.63
25.5	68,155,174	253,147	0.0037	0.9963	95.62
26.5	66,621,366	7,539	0.0001	0.9999	95.26
27.5	66,412,260	32,784	0.0005	0.9995	95.25
28.5	66,379,824	132,702	0.0020	0.9980	95.20
29.5	68,854,111	38,806	0.0006	0.9994	95.01
30.5	68,662,427	21,311	0.0003	0.9997	94.96
31.5	68,586,123	11,450	0.0002	0.9998	94.93
32.5	67,231,863	181,125	0.0027	0.9973	94.91
33.5	66,822,719	4,729	0.0001	0.9999	94.66
34.5	66,358,966	39,289	0.0006	0.9994	94.65
35.5	66,079,238	62,571	0.0009	0.9991	94.60
36.5	65,997,741	336,332	0.0051	0.9949	94.51
37.5	33,489,260	18	0.0000	1.0000	94.02
38.5	33,412,148	2,579	0.0001	0.9999	94.02

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 311.00 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1954-2018 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	11,209,632	103,161	0.0092	0.9908	94.02
40.5	11,012,979	55,512	0.0050	0.9950	93.15
41.5	10,759,325	71,870	0.0067	0.9933	92.68
42.5	10,687,455	7,096	0.0007	0.9993	92.06
43.5	10,622,576	31	0.0000	1.0000	92.00
44.5	10,619,932	90,736	0.0085	0.9915	92.00
45.5	10,529,196	2,427	0.0002	0.9998	91.22
46.5	10,526,454	23,796	0.0023	0.9977	91.19
47.5	10,502,658	40	0.0000	1.0000	90.99
48.5	10,502,618	343,599	0.0327	0.9673	90.99
49.5	7,273,179	14,552	0.0020	0.9980	88.01
50.5	7,258,627		0.0000	1.0000	87.84
51.5	7,258,627		0.0000	1.0000	87.84
52.5	7,256,479	2,485	0.0003	0.9997	87.84
53.5	3,896,985	3,440	0.0009	0.9991	87.81
54.5	3,893,545	701,846	0.1803	0.8197	87.73
55.5	3,191,699		0.0000	1.0000	71.91
56.5	3,191,699		0.0000	1.0000	71.91
57.5	3,191,699	810,646	0.2540	0.7460	71.91
58.5	2,381,053	3,405	0.0014	0.9986	53.65
59.5	2,377,648	737	0.0003	0.9997	53.57
60.5	2,376,911	298	0.0001	0.9999	53.56
61.5	2,376,612	2,376,612	1.0000		53.55
62.5					

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 311.00 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1954-2018 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	320,659,326		0.0000	1.0000	100.00
0.5	321,172,993		0.0000	1.0000	100.00
1.5	321,702,815		0.0000	1.0000	100.00
2.5	321,977,055		0.0000	1.0000	100.00
3.5	308,809,720		0.0000	1.0000	100.00
4.5	309,934,143	121,316	0.0004	0.9996	100.00
5.5	310,044,833	188,915	0.0006	0.9994	99.96
6.5	309,305,730		0.0000	1.0000	99.90
7.5	287,492,550	1,250,483	0.0043	0.9957	99.90
8.5	274,348,382	280,049	0.0010	0.9990	99.47
9.5	272,705,035		0.0000	1.0000	99.36
10.5	144,817,288	98,836	0.0007	0.9993	99.36
11.5	145,695,696	299,440	0.0021	0.9979	99.30
12.5	145,515,841		0.0000	1.0000	99.09
13.5	141,850,705	24,674	0.0002	0.9998	99.09
14.5	7,460,598	107,883	0.0145	0.9855	99.07
15.5	7,390,113	196,879	0.0266	0.9734	97.64
16.5	6,307,550		0.0000	1.0000	95.04
17.5	5,834,609		0.0000	1.0000	95.04
18.5	6,006,408		0.0000	1.0000	95.04
19.5	5,535,481		0.0000	1.0000	95.04
20.5	5,525,155	106,782	0.0193	0.9807	95.04
21.5	16,214,623	216,478	0.0134	0.9866	93.20
22.5	47,993,077	126,493	0.0026	0.9974	91.96
23.5	47,719,174	14,258	0.0003	0.9997	91.72
24.5	69,898,868		0.0000	1.0000	91.69
25.5	59,308,923	239,480	0.0040	0.9960	91.69
26.5	57,983,012		0.0000	1.0000	91.32
27.5	57,783,144	29,457	0.0005	0.9995	91.32
28.5	57,908,903	128,771	0.0022	0.9978	91.27
29.5	57,642,941		0.0000	1.0000	91.07
30.5	57,495,827	2,170	0.0000	1.0000	91.07
31.5	57,438,980	8,743	0.0002	0.9998	91.07
32.5	56,087,426		0.0000	1.0000	91.05
33.5	55,859,406	4,716	0.0001	0.9999	91.05
34.5	58,283,527	17,512	0.0003	0.9997	91.05
35.5	58,025,576	62,425	0.0011	0.9989	91.02
36.5	57,944,226	93,888	0.0016	0.9984	90.92
37.5	25,680,337		0.0000	1.0000	90.77
38.5	28,974,804	2,553	0.0001	0.9999	90.77

EAST KENTUCKY POWER COOPERATIVE, INC.

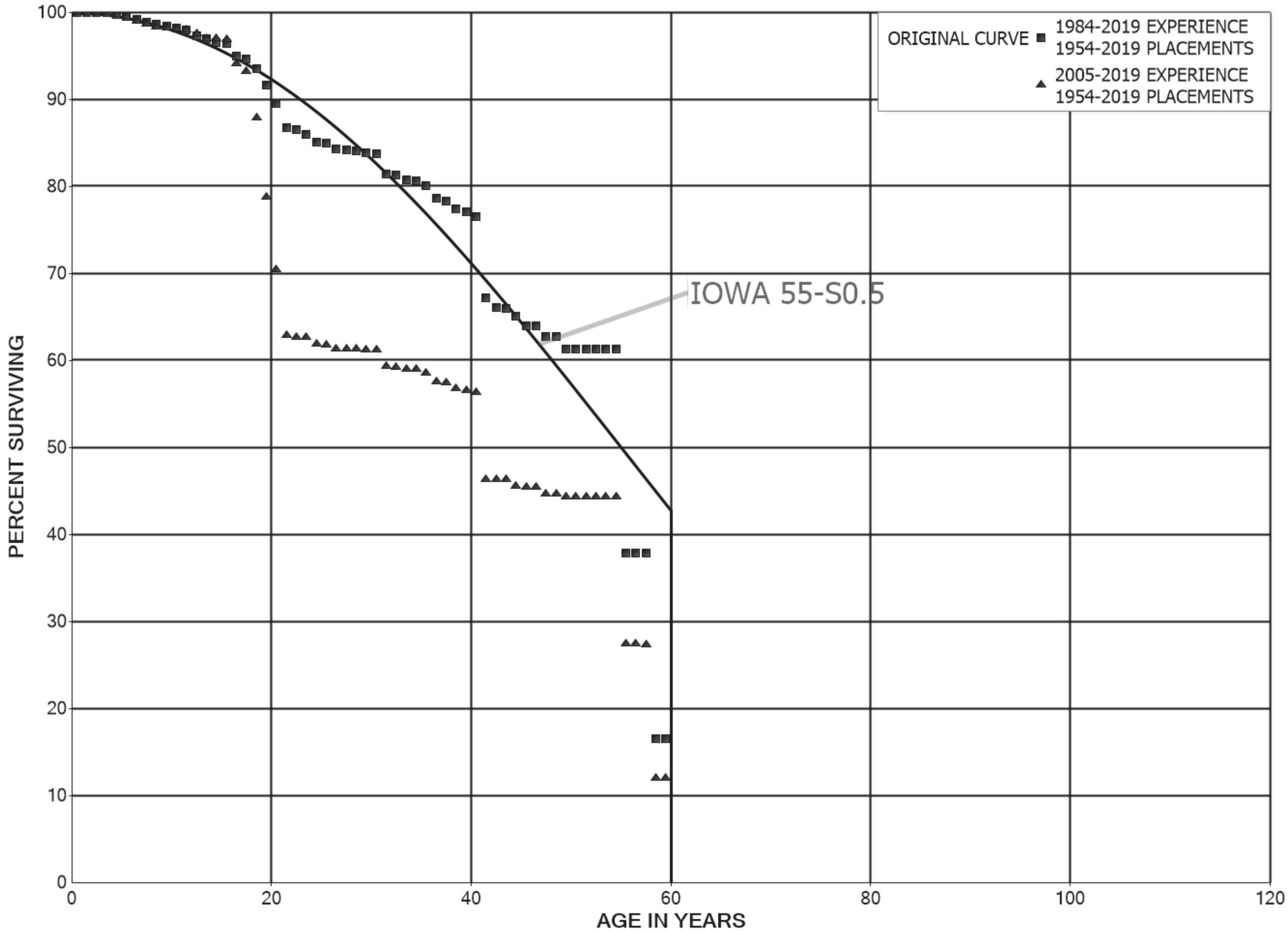
ACCOUNT 311.00 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1954-2018 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	6,772,314	97,433	0.0144	0.9856	90.76
40.5	6,581,389	55,205	0.0084	0.9916	89.46
41.5	6,330,527	5,763	0.0009	0.9991	88.71
42.5	6,328,204		0.0000	1.0000	88.63
43.5	6,972,268		0.0000	1.0000	88.63
44.5	6,969,655		0.0000	1.0000	88.63
45.5	6,969,655	2,019	0.0003	0.9997	88.63
46.5	7,777,967		0.0000	1.0000	88.60
47.5	7,781,371		0.0000	1.0000	88.60
48.5	7,782,108		0.0000	1.0000	88.60
49.5	4,896,566	14,552	0.0030	0.9970	88.60
50.5	7,258,627		0.0000	1.0000	88.34
51.5	7,258,627		0.0000	1.0000	88.34
52.5	7,256,479	2,485	0.0003	0.9997	88.34
53.5	3,896,985	3,440	0.0009	0.9991	88.31
54.5	3,893,545	701,846	0.1803	0.8197	88.23
55.5	3,191,699		0.0000	1.0000	72.33
56.5	3,191,699		0.0000	1.0000	72.33
57.5	3,191,699	810,646	0.2540	0.7460	72.33
58.5	2,381,053	3,405	0.0014	0.9986	53.96
59.5	2,377,648	737	0.0003	0.9997	53.88
60.5	2,376,911	298	0.0001	0.9999	53.86
61.5	2,376,612	2,376,612	1.0000		53.86
62.5					

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 312.00 BOILER PLANT EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 312.00 BOILER PLANT EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1954-2019 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,446,692,235	128,130	0.0001	0.9999	100.00
0.5	1,523,685,588	179,328	0.0001	0.9999	99.99
1.5	1,679,290,799	263,231	0.0002	0.9998	99.98
2.5	1,659,788,495	944,140	0.0006	0.9994	99.96
3.5	1,704,041,466	3,244,938	0.0019	0.9981	99.91
4.5	1,670,648,623	3,537,997	0.0021	0.9979	99.72
5.5	1,644,846,648	6,085,168	0.0037	0.9963	99.51
6.5	1,618,364,162	5,283,582	0.0033	0.9967	99.14
7.5	1,392,169,916	2,952,549	0.0021	0.9979	98.81
8.5	1,375,746,755	3,307,254	0.0024	0.9976	98.60
9.5	1,368,299,207	2,632,715	0.0019	0.9981	98.37
10.5	806,443,846	1,724,394	0.0021	0.9979	98.18
11.5	773,622,361	5,139,997	0.0066	0.9934	97.97
12.5	763,717,074	3,201,979	0.0042	0.9958	97.32
13.5	756,247,979	2,782,176	0.0037	0.9963	96.91
14.5	589,046,296	741,327	0.0013	0.9987	96.55
15.5	585,535,485	8,638,236	0.0148	0.9852	96.43
16.5	449,866,073	1,867,276	0.0042	0.9958	95.01
17.5	388,290,086	4,605,234	0.0119	0.9881	94.61
18.5	379,204,711	7,801,738	0.0206	0.9794	93.49
19.5	365,917,755	8,148,953	0.0223	0.9777	91.57
20.5	357,396,381	11,010,913	0.0308	0.9692	89.53
21.5	346,386,798	1,068,396	0.0031	0.9969	86.77
22.5	349,208,535	2,223,056	0.0064	0.9936	86.50
23.5	342,418,043	3,723,841	0.0109	0.9891	85.95
24.5	338,175,089	138,058	0.0004	0.9996	85.02
25.5	239,085,646	2,079,352	0.0087	0.9913	84.98
26.5	236,933,928	169,705	0.0007	0.9993	84.24
27.5	236,556,865	423,561	0.0018	0.9982	84.18
28.5	235,159,488	507,973	0.0022	0.9978	84.03
29.5	237,316,248	331,618	0.0014	0.9986	83.85
30.5	235,437,263	6,576,549	0.0279	0.9721	83.73
31.5	228,491,377	269,139	0.0012	0.9988	81.40
32.5	226,862,607	1,568,877	0.0069	0.9931	81.30
33.5	224,637,965	332,338	0.0015	0.9985	80.74
34.5	224,211,935	1,563,805	0.0070	0.9930	80.62
35.5	222,509,169	3,857,593	0.0173	0.9827	80.06
36.5	218,297,734	942,131	0.0043	0.9957	78.67
37.5	79,914,794	952,690	0.0119	0.9881	78.33
38.5	78,617,929	282,022	0.0036	0.9964	77.39

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 312.00 BOILER PLANT EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1954-2019 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	35,008,803	290,143	0.0083	0.9917	77.12
40.5	34,095,154	4,168,734	0.1223	0.8777	76.48
41.5	29,926,421	474,704	0.0159	0.9841	67.13
42.5	29,451,717	72,990	0.0025	0.9975	66.06
43.5	29,222,626	386,073	0.0132	0.9868	65.90
44.5	28,803,636	467,622	0.0162	0.9838	65.03
45.5	28,241,153	10,368	0.0004	0.9996	63.97
46.5	27,317,745	500,152	0.0183	0.9817	63.95
47.5	26,802,029	4,456	0.0002	0.9998	62.78
48.5	26,797,574	620,223	0.0231	0.9769	62.77
49.5	15,784,786	12,515	0.0008	0.9992	61.31
50.5	15,738,431		0.0000	1.0000	61.27
51.5	15,737,114		0.0000	1.0000	61.27
52.5	15,701,722	3,561	0.0002	0.9998	61.27
53.5	9,162,943	1,056	0.0001	0.9999	61.25
54.5	9,161,887	3,496,616	0.3816	0.6184	61.24
55.5	5,665,272	645	0.0001	0.9999	37.87
56.5	5,664,627	4,947	0.0009	0.9991	37.87
57.5	5,659,680	3,184,374	0.5626	0.4374	37.83
58.5	2,475,305	2,384	0.0010	0.9990	16.55
59.5	2,452,534	1,159	0.0005	0.9995	16.53
60.5	2,451,375	2,984	0.0012	0.9988	16.52
61.5	2,448,392	2,448,392	1.0000		16.50
62.5					

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 312.00 BOILER PLANT EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1954-2019 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,160,261,059	75,210	0.0001	0.9999	100.00
0.5	1,159,148,932	8,066	0.0000	1.0000	99.99
1.5	1,286,316,709	27,805	0.0000	1.0000	99.99
2.5	1,338,605,386	751,086	0.0006	0.9994	99.99
3.5	1,334,703,270	3,046,176	0.0023	0.9977	99.93
4.5	1,307,040,475	3,213,073	0.0025	0.9975	99.71
5.5	1,282,658,750	5,951,643	0.0046	0.9954	99.46
6.5	1,259,874,048	4,999,141	0.0040	0.9960	99.00
7.5	1,041,201,846	2,899,954	0.0028	0.9972	98.61
8.5	1,029,136,658	2,012,723	0.0020	0.9980	98.33
9.5	1,028,156,167	675,265	0.0007	0.9993	98.14
10.5	496,044,653	514,093	0.0010	0.9990	98.08
11.5	464,825,937	2,463,040	0.0053	0.9947	97.97
12.5	457,779,960	2,309,000	0.0050	0.9950	97.45
13.5	439,206,271	293,775	0.0007	0.9993	96.96
14.5	275,556,928	71,842	0.0003	0.9997	96.90
15.5	274,488,456	7,954,958	0.0290	0.9710	96.87
16.5	139,881,473	1,385,448	0.0099	0.9901	94.07
17.5	72,377,345	4,118,533	0.0569	0.9431	93.13
18.5	64,434,437	6,710,827	0.1041	0.8959	87.83
19.5	52,608,833	5,508,525	0.1047	0.8953	78.69
20.5	47,226,814	5,069,076	0.1073	0.8927	70.45
21.5	117,369,760	491,019	0.0042	0.9958	62.89
22.5	264,168,674	147,273	0.0006	0.9994	62.62
23.5	261,165,535	3,305,166	0.0127	0.9873	62.59
24.5	305,321,118	80,114	0.0003	0.9997	61.80
25.5	203,076,888	1,529,893	0.0075	0.9925	61.78
26.5	202,135,520	60,727	0.0003	0.9997	61.31
27.5	202,120,155	52,441	0.0003	0.9997	61.30
28.5	201,365,419	448,840	0.0022	0.9978	61.28
29.5	202,550,294	4,970	0.0000	1.0000	61.14
30.5	201,092,819	6,213,902	0.0309	0.9691	61.14
31.5	197,173,775	265,966	0.0013	0.9987	59.25
32.5	195,633,983	642,642	0.0033	0.9967	59.17
33.5	194,358,328	115,901	0.0006	0.9994	58.98
34.5	205,243,978	1,394,458	0.0068	0.9932	58.94
35.5	203,744,399	3,666,453	0.0180	0.9820	58.54
36.5	199,729,346	361,700	0.0018	0.9982	57.49
37.5	61,962,229	664,077	0.0107	0.9893	57.38
38.5	67,721,204	254,293	0.0038	0.9962	56.77

EAST KENTUCKY POWER COOPERATIVE, INC.

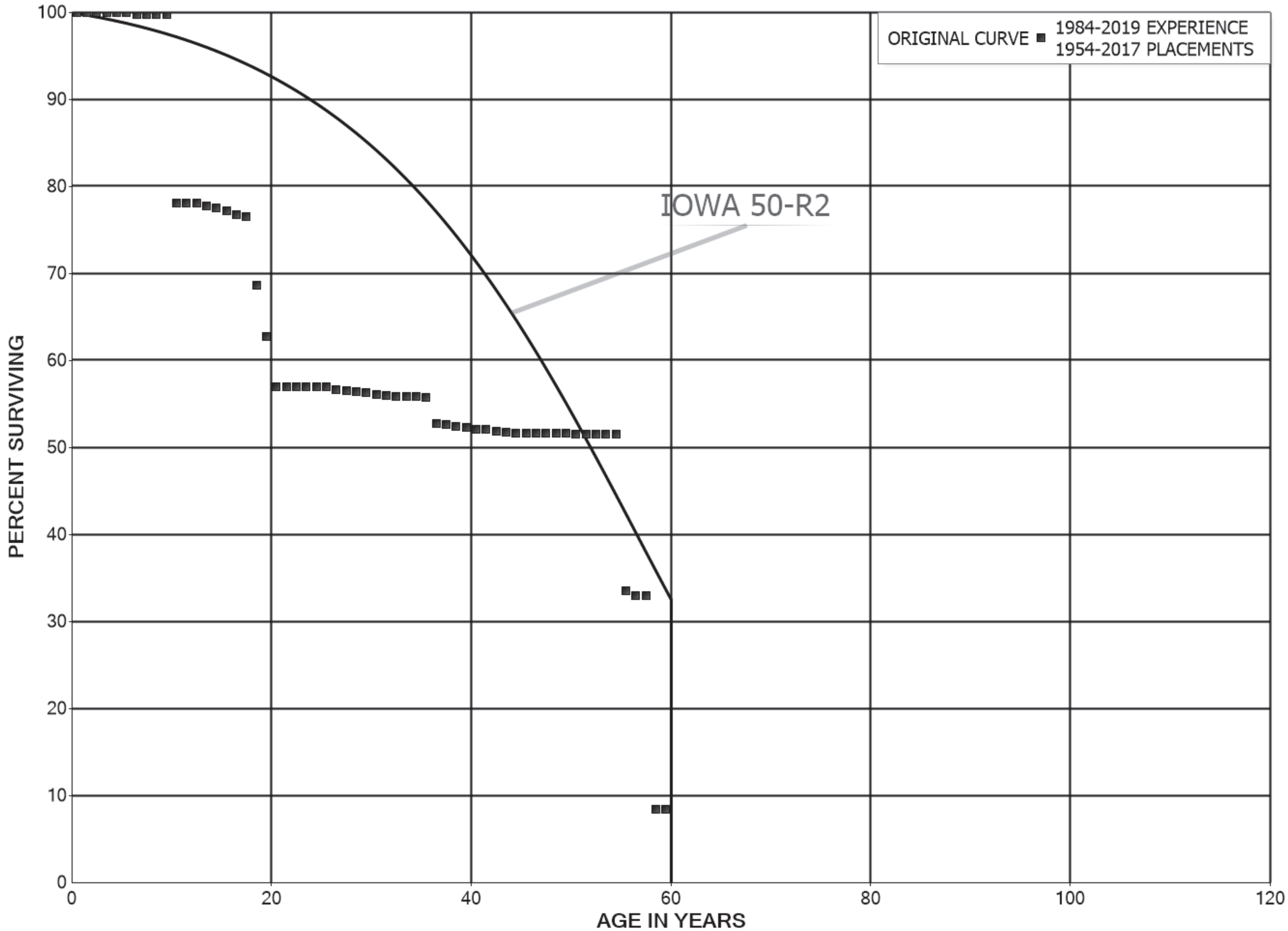
ACCOUNT 312.00 BOILER PLANT EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1954-2019 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	24,139,808	119,538	0.0050	0.9950	56.56
40.5	23,396,764	4,154,343	0.1776	0.8224	56.28
41.5	19,245,982		0.0000	1.0000	46.28
42.5	19,247,038	1,732	0.0001	0.9999	46.28
43.5	22,585,821	385,372	0.0171	0.9829	46.28
44.5	22,188,565	22,752	0.0010	0.9990	45.49
45.5	22,075,898		0.0000	1.0000	45.44
46.5	24,347,232	466,082	0.0191	0.9809	45.44
47.5	23,867,971	3,925	0.0002	0.9998	44.57
48.5	23,865,205	142,330	0.0060	0.9940	44.57
49.5	13,333,294	9,414	0.0007	0.9993	44.30
50.5	15,738,431		0.0000	1.0000	44.27
51.5	15,737,114		0.0000	1.0000	44.27
52.5	15,701,722	3,561	0.0002	0.9998	44.27
53.5	9,162,943	1,056	0.0001	0.9999	44.26
54.5	9,161,887	3,496,616	0.3816	0.6184	44.25
55.5	5,665,272	645	0.0001	0.9999	27.36
56.5	5,664,627	4,947	0.0009	0.9991	27.36
57.5	5,659,680	3,184,374	0.5626	0.4374	27.34
58.5	2,475,305	2,384	0.0010	0.9990	11.96
59.5	2,452,534	1,159	0.0005	0.9995	11.94
60.5	2,451,375	2,984	0.0012	0.9988	11.94
61.5	2,448,392	2,448,392	1.0000		11.92
62.5					

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 314.00 TURBOGENERATOR UNITS
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 314.00 TURBOGENERATOR UNITS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1954-2017 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	287,574,152	491	0.0000	1.0000	100.00
0.5	287,594,850	2,899	0.0000	1.0000	100.00
1.5	326,100,552	6,517	0.0000	1.0000	100.00
2.5	323,840,149	10	0.0000	1.0000	100.00
3.5	345,443,928	1,677	0.0000	1.0000	100.00
4.5	343,078,498	3,005	0.0000	1.0000	100.00
5.5	343,075,493	1,033,445	0.0030	0.9970	100.00
6.5	342,009,448	14,718	0.0000	1.0000	99.69
7.5	340,822,489	4,312	0.0000	1.0000	99.69
8.5	340,818,177	13,968	0.0000	1.0000	99.69
9.5	340,551,650	73,776,163	0.2166	0.7834	99.68
10.5	206,988,730	3,040	0.0000	1.0000	78.09
11.5	202,166,091	422	0.0000	1.0000	78.09
12.5	201,498,740	868,016	0.0043	0.9957	78.09
13.5	209,007,958	739,553	0.0035	0.9965	77.75
14.5	134,216,021	438,075	0.0033	0.9967	77.48
15.5	133,779,126	929,575	0.0069	0.9931	77.22
16.5	129,662,070	295,305	0.0023	0.9977	76.69
17.5	134,863,199	13,997,118	0.1038	0.8962	76.51
18.5	120,866,081	10,253,532	0.0848	0.9152	68.57
19.5	105,353,578	9,666,363	0.0918	0.9082	62.75
20.5	95,687,215	6,647	0.0001	0.9999	57.00
21.5	81,965,625	491	0.0000	1.0000	56.99
22.5	83,324,705	11,375	0.0001	0.9999	56.99
23.5	76,631,601	604	0.0000	1.0000	56.98
24.5	76,630,996	77,415	0.0010	0.9990	56.98
25.5	78,456,923	375,805	0.0048	0.9952	56.93
26.5	78,082,483	203,114	0.0026	0.9974	56.65
27.5	77,879,369	191,886	0.0025	0.9975	56.51
28.5	77,046,108	46,539	0.0006	0.9994	56.37
29.5	77,585,131	305,499	0.0039	0.9961	56.33
30.5	77,183,801	162,534	0.0021	0.9979	56.11
31.5	77,021,267	213,017	0.0028	0.9972	55.99
32.5	76,555,803	40,860	0.0005	0.9995	55.84
33.5	76,514,943	9,041	0.0001	0.9999	55.81
34.5	76,505,902	166,202	0.0022	0.9978	55.80
35.5	76,324,743	3,996,880	0.0524	0.9476	55.68
36.5	72,327,863	132,964	0.0018	0.9982	52.76
37.5	37,697,887	160,938	0.0043	0.9957	52.67
38.5	37,486,521	96,145	0.0026	0.9974	52.44

EAST KENTUCKY POWER COOPERATIVE, INC.

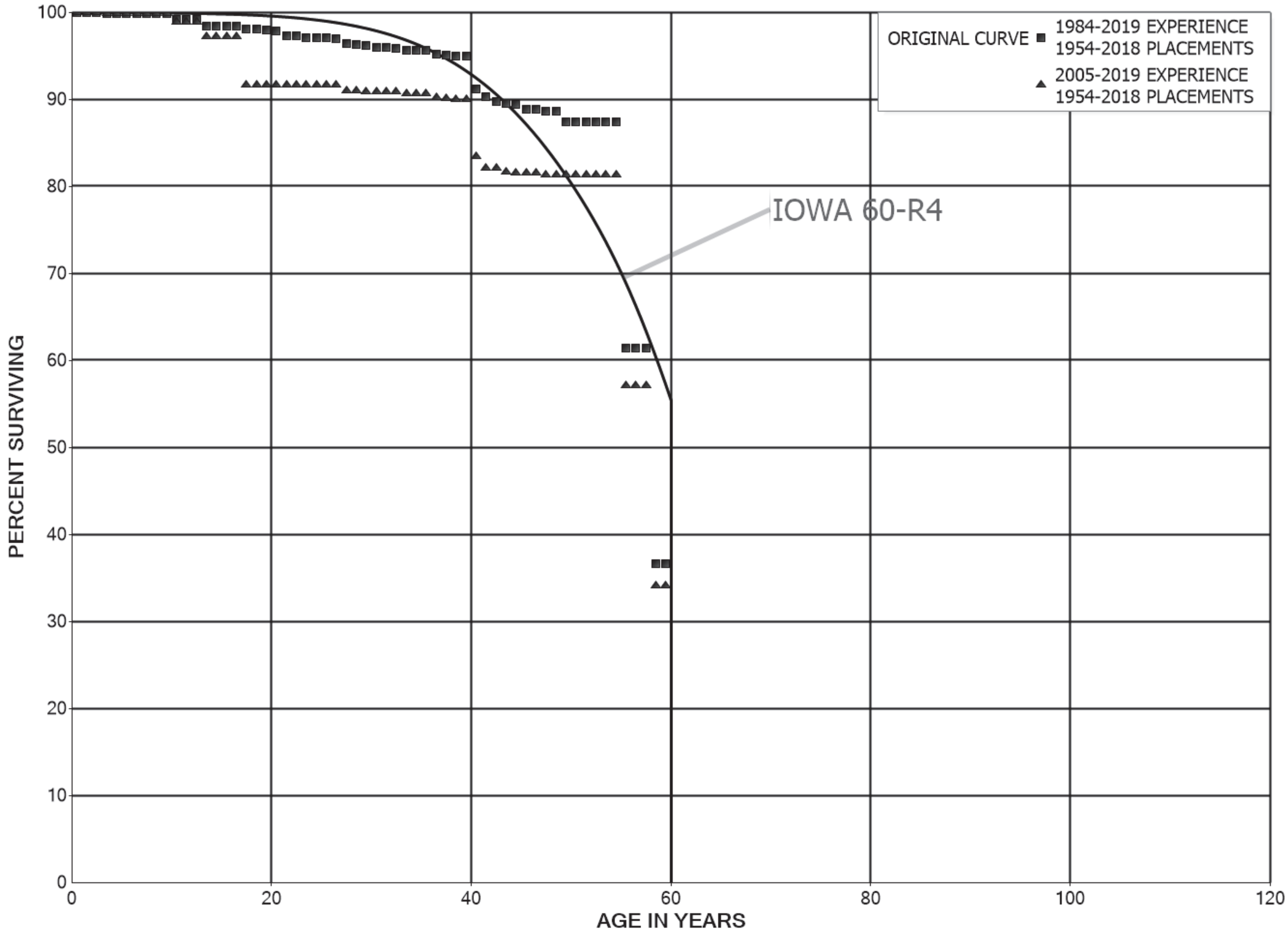
ACCOUNT 314.00 TURBOGENERATOR UNITS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1954-2017 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	16,151,985	83,841	0.0052	0.9948	52.31
40.5	15,977,961	50	0.0000	1.0000	52.04
41.5	15,977,911	71,423	0.0045	0.9955	52.04
42.5	15,906,488	29,875	0.0019	0.9981	51.80
43.5	15,868,390	31,740	0.0020	0.9980	51.71
44.5	15,836,650	777	0.0000	1.0000	51.60
45.5	15,835,873	1	0.0000	1.0000	51.60
46.5	15,835,873		0.0000	1.0000	51.60
47.5	15,829,511		0.0000	1.0000	51.60
48.5	15,829,511	281	0.0000	1.0000	51.60
49.5	8,231,794	13,192	0.0016	0.9984	51.60
50.5	8,218,602		0.0000	1.0000	51.52
51.5	8,217,544		0.0000	1.0000	51.52
52.5	8,213,001		0.0000	1.0000	51.52
53.5	3,352,823	3,177	0.0009	0.9991	51.52
54.5	3,349,646	1,166,951	0.3484	0.6516	51.47
55.5	2,182,695	37,601	0.0172	0.9828	33.54
56.5	2,145,094		0.0000	1.0000	32.96
57.5	2,145,094	1,596,979	0.7445	0.2555	32.96
58.5	548,114	1,136	0.0021	0.9979	8.42
59.5	546,979		0.0000	1.0000	8.40
60.5	546,979		0.0000	1.0000	8.40
61.5	546,979	546,979	1.0000		8.40
62.5					

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 315.00 ACCESSORY ELECTRIC EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 315.00 ACCESSORY ELECTRIC EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1954-2018 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	87,933,405		0.0000	1.0000	100.00
0.5	94,843,056	24	0.0000	1.0000	100.00
1.5	114,155,198	618	0.0000	1.0000	100.00
2.5	114,107,296	142,903	0.0013	0.9987	100.00
3.5	121,137,301	3,122	0.0000	1.0000	99.87
4.5	121,149,688	14	0.0000	1.0000	99.87
5.5	121,149,673	1,162	0.0000	1.0000	99.87
6.5	121,148,511	262	0.0000	1.0000	99.87
7.5	108,586,182	1,533	0.0000	1.0000	99.87
8.5	108,613,650	174	0.0000	1.0000	99.87
9.5	108,613,476	756,981	0.0070	0.9930	99.87
10.5	64,852,549	65	0.0000	1.0000	99.17
11.5	64,856,155	37	0.0000	1.0000	99.17
12.5	64,856,118	491,160	0.0076	0.9924	99.17
13.5	65,481,270	17,219	0.0003	0.9997	98.42
14.5	42,335,886	14	0.0000	1.0000	98.40
15.5	41,513,700	3,996	0.0001	0.9999	98.40
16.5	37,799,594	122,101	0.0032	0.9968	98.39
17.5	36,667,176	17,759	0.0005	0.9995	98.07
18.5	36,649,417	4,520	0.0001	0.9999	98.02
19.5	36,567,803	63,174	0.0017	0.9983	98.01
20.5	36,504,629	186,856	0.0051	0.9949	97.84
21.5	36,317,774	417	0.0000	1.0000	97.34
22.5	36,784,160	109,549	0.0030	0.9970	97.34
23.5	36,674,612	1,414	0.0000	1.0000	97.05
24.5	36,673,197	5,206	0.0001	0.9999	97.04
25.5	30,409,419	32,362	0.0011	0.9989	97.03
26.5	30,377,057	181,717	0.0060	0.9940	96.93
27.5	30,174,207	7,036	0.0002	0.9998	96.35
28.5	30,167,172	62,559	0.0021	0.9979	96.32
29.5	30,781,979	58,944	0.0019	0.9981	96.12
30.5	30,723,035	90	0.0000	1.0000	95.94
31.5	30,722,945	21,451	0.0007	0.9993	95.94
32.5	30,701,494	88,058	0.0029	0.9971	95.87
33.5	30,561,182	4,298	0.0001	0.9999	95.60
34.5	30,556,883		0.0000	1.0000	95.59
35.5	29,961,936	136,349	0.0046	0.9954	95.59
36.5	29,629,971	32,800	0.0011	0.9989	95.15
37.5	10,218,847	9,923	0.0010	0.9990	95.04
38.5	10,170,697	0	0.0000	1.0000	94.95

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 315.00 ACCESSORY ELECTRIC EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1954-2018 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	3,288,547	131,683	0.0400	0.9600	94.95
40.5	3,156,864	28,257	0.0090	0.9910	91.15
41.5	3,128,607	20,348	0.0065	0.9935	90.33
42.5	3,108,259	8,828	0.0028	0.9972	89.75
43.5	3,099,431	1,762	0.0006	0.9994	89.49
44.5	3,097,669	22,189	0.0072	0.9928	89.44
45.5	3,075,480		0.0000	1.0000	88.80
46.5	3,075,480	8,200	0.0027	0.9973	88.80
47.5	3,065,511		0.0000	1.0000	88.56
48.5	3,065,511	39,118	0.0128	0.9872	88.56
49.5	1,972,532		0.0000	1.0000	87.43
50.5	1,972,532		0.0000	1.0000	87.43
51.5	1,972,532		0.0000	1.0000	87.43
52.5	1,972,532		0.0000	1.0000	87.43
53.5	1,400,947		0.0000	1.0000	87.43
54.5	1,400,947	416,997	0.2977	0.7023	87.43
55.5	983,950		0.0000	1.0000	61.41
56.5	983,950		0.0000	1.0000	61.41
57.5	983,950	396,441	0.4029	0.5971	61.41
58.5	587,509		0.0000	1.0000	36.67
59.5	587,509		0.0000	1.0000	36.67
60.5	587,509		0.0000	1.0000	36.67
61.5	587,509	587,509	1.0000		36.67
62.5					

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 315.00 ACCESSORY ELECTRIC EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1954-2018 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	80,560,186		0.0000	1.0000	100.00
0.5	81,382,358		0.0000	1.0000	100.00
1.5	84,836,964		0.0000	1.0000	100.00
2.5	86,385,981	142,797	0.0017	0.9983	100.00
3.5	86,243,184		0.0000	1.0000	99.83
4.5	86,320,278		0.0000	1.0000	99.83
5.5	86,442,191		0.0000	1.0000	99.83
6.5	86,442,191		0.0000	1.0000	99.83
7.5	73,745,426		0.0000	1.0000	99.83
8.5	73,745,426		0.0000	1.0000	99.83
9.5	73,745,426	755,972	0.0103	0.9897	99.83
10.5	30,043,759		0.0000	1.0000	98.81
11.5	30,043,759		0.0000	1.0000	98.81
12.5	30,064,892	491,096	0.0163	0.9837	98.81
13.5	29,573,796		0.0000	1.0000	97.20
14.5	6,474,009		0.0000	1.0000	97.20
15.5	5,831,129		0.0000	1.0000	97.20
16.5	2,121,018	121,913	0.0575	0.9425	97.20
17.5	374,543		0.0000	1.0000	91.61
18.5	426,796		0.0000	1.0000	91.61
19.5	349,703		0.0000	1.0000	91.61
20.5	1,002,108		0.0000	1.0000	91.61
21.5	7,853,556		0.0000	1.0000	91.61
22.5	27,231,880		0.0000	1.0000	91.61
23.5	27,270,108		0.0000	1.0000	91.61
24.5	34,351,866		0.0000	1.0000	91.61
25.5	27,653,064	3,730	0.0001	0.9999	91.61
26.5	27,649,334	179,292	0.0065	0.9935	91.60
27.5	27,448,910		0.0000	1.0000	91.00
28.5	27,580,593	61,099	0.0022	0.9978	91.00
29.5	27,523,102		0.0000	1.0000	90.80
30.5	27,523,102		0.0000	1.0000	90.80
31.5	27,523,102	6,753	0.0002	0.9998	90.80
32.5	27,519,880	56,864	0.0021	0.9979	90.78
33.5	27,410,763	4,298	0.0002	0.9998	90.59
34.5	28,469,154		0.0000	1.0000	90.58
35.5	27,874,207	132,822	0.0048	0.9952	90.58
36.5	27,545,769	10,984	0.0004	0.9996	90.15
37.5	8,156,461	9,923	0.0012	0.9988	90.11
38.5	8,688,096		0.0000	1.0000	90.00

EAST KENTUCKY POWER COOPERATIVE, INC.

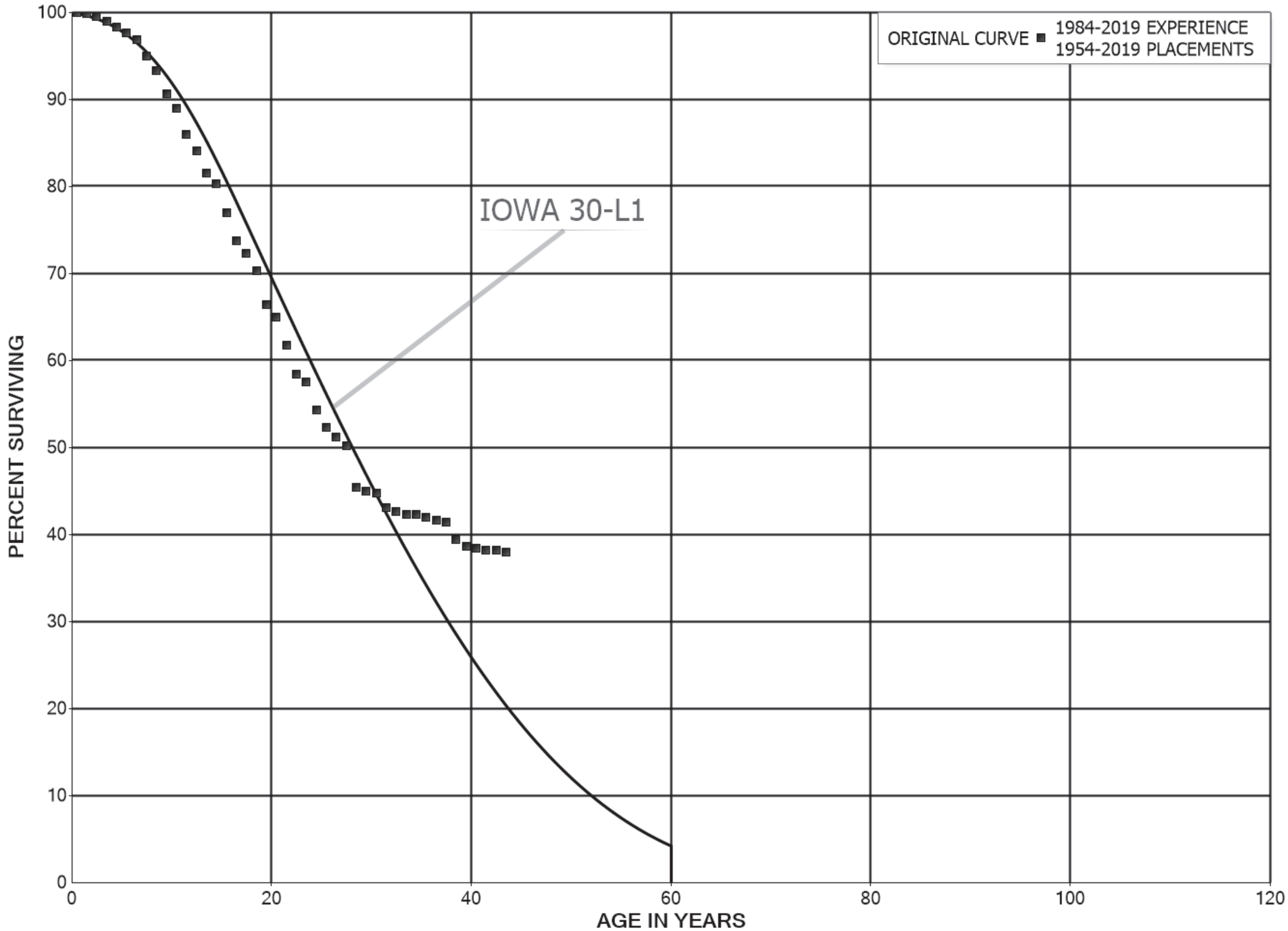
ACCOUNT 315.00 ACCESSORY ELECTRIC EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1954-2018 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,805,946	131,683	0.0729	0.9271	90.00
40.5	1,674,262	28,257	0.0169	0.9831	83.44
41.5	1,646,006		0.0000	1.0000	82.03
42.5	1,646,006	8,828	0.0054	0.9946	82.03
43.5	2,054,174	1,762	0.0009	0.9991	81.59
44.5	2,052,412		0.0000	1.0000	81.52
45.5	2,052,412		0.0000	1.0000	81.52
46.5	2,448,853	8,200	0.0033	0.9967	81.52
47.5	2,438,884		0.0000	1.0000	81.25
48.5	2,438,884		0.0000	1.0000	81.25
49.5	1,385,023		0.0000	1.0000	81.25
50.5	1,972,532		0.0000	1.0000	81.25
51.5	1,972,532		0.0000	1.0000	81.25
52.5	1,972,532		0.0000	1.0000	81.25
53.5	1,400,947		0.0000	1.0000	81.25
54.5	1,400,947	416,997	0.2977	0.7023	81.25
55.5	983,950		0.0000	1.0000	57.06
56.5	983,950		0.0000	1.0000	57.06
57.5	983,950	396,441	0.4029	0.5971	57.06
58.5	587,509		0.0000	1.0000	34.07
59.5	587,509		0.0000	1.0000	34.07
60.5	587,509		0.0000	1.0000	34.07
61.5	587,509	587,509	1.0000		34.07
62.5					

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 316.00 MISCELLANEOUS POWER PLANT EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 316.00 MISCELLANEOUS POWER PLANT EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1954-2019 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	17,026,285	8,193	0.0005	0.9995	100.00
0.5	17,176,109	26,216	0.0015	0.9985	99.95
1.5	16,701,731	50,438	0.0030	0.9970	99.80
2.5	16,366,816	87,379	0.0053	0.9947	99.50
3.5	14,471,108	94,211	0.0065	0.9935	98.97
4.5	14,246,988	99,547	0.0070	0.9930	98.32
5.5	13,635,838	109,598	0.0080	0.9920	97.64
6.5	13,630,456	262,525	0.0193	0.9807	96.85
7.5	11,669,287	203,380	0.0174	0.9826	94.99
8.5	11,357,125	327,806	0.0289	0.9711	93.33
9.5	10,147,204	193,567	0.0191	0.9809	90.64
10.5	8,141,643	268,312	0.0330	0.9670	88.91
11.5	7,707,057	170,779	0.0222	0.9778	85.98
12.5	7,492,209	228,356	0.0305	0.9695	84.07
13.5	7,062,545	104,314	0.0148	0.9852	81.51
14.5	6,183,616	256,927	0.0415	0.9585	80.31
15.5	5,864,118	248,204	0.0423	0.9577	76.97
16.5	5,400,129	101,992	0.0189	0.9811	73.71
17.5	5,277,474	146,134	0.0277	0.9723	72.32
18.5	5,088,593	281,444	0.0553	0.9447	70.32
19.5	4,702,960	106,526	0.0227	0.9773	66.43
20.5	4,345,454	211,367	0.0486	0.9514	64.92
21.5	3,994,420	217,606	0.0545	0.9455	61.76
22.5	3,571,387	57,696	0.0162	0.9838	58.40
23.5	3,219,749	178,461	0.0554	0.9446	57.46
24.5	2,834,561	102,208	0.0361	0.9639	54.27
25.5	2,307,235	50,801	0.0220	0.9780	52.32
26.5	2,047,081	39,842	0.0195	0.9805	51.16
27.5	1,856,215	175,122	0.0943	0.9057	50.17
28.5	1,601,775	17,100	0.0107	0.9893	45.43
29.5	1,444,253	5,859	0.0041	0.9959	44.95
30.5	1,338,817	52,233	0.0390	0.9610	44.77
31.5	1,181,048	11,379	0.0096	0.9904	43.02
32.5	1,020,759	7,042	0.0069	0.9931	42.61
33.5	966,406	1,256	0.0013	0.9987	42.31
34.5	829,067	7,042	0.0085	0.9915	42.26
35.5	737,896	5,687	0.0077	0.9923	41.90
36.5	683,438	2,397	0.0035	0.9965	41.58
37.5	534,452	26,703	0.0500	0.9500	41.43
38.5	451,788	8,528	0.0189	0.9811	39.36

EAST KENTUCKY POWER COOPERATIVE, INC.

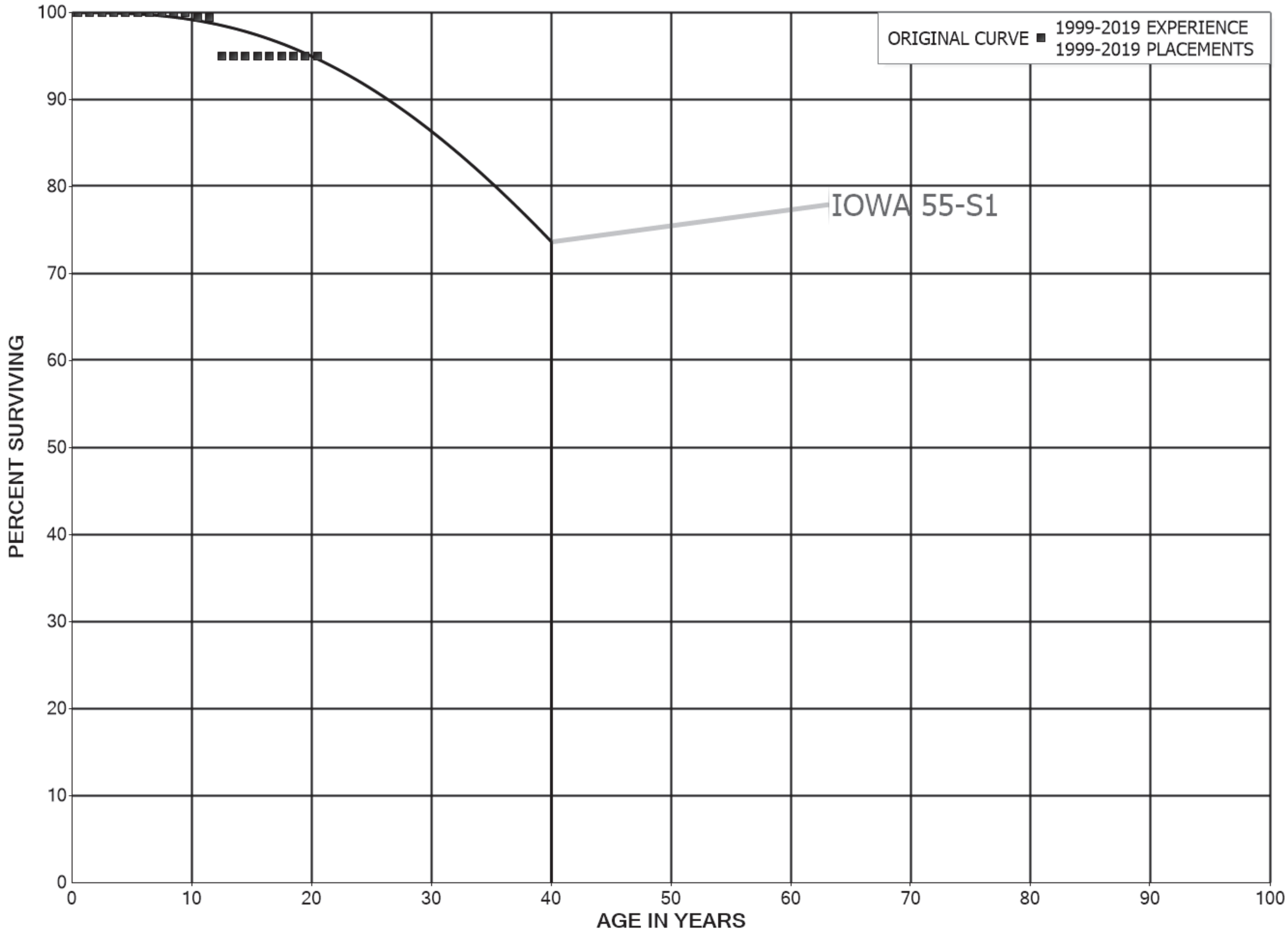
ACCOUNT 316.00 MISCELLANEOUS POWER PLANT EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1954-2019 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	380,555	2,692	0.0071	0.9929	38.62
40.5	353,579	1,598	0.0045	0.9955	38.34
41.5	215,414		0.0000	1.0000	38.17
42.5	166,859	1,091	0.0065	0.9935	38.17
43.5	57,495		0.0000	1.0000	37.92
44.5	48,533		0.0000	1.0000	37.92
45.5	38,621		0.0000	1.0000	37.92
46.5	38,621		0.0000	1.0000	37.92
47.5	37,076		0.0000	1.0000	37.92
48.5	37,076		0.0000	1.0000	37.92
49.5	37,076		0.0000	1.0000	37.92
50.5	37,076		0.0000	1.0000	37.92
51.5	37,076	7,531	0.2031	0.7969	37.92
52.5	27,168		0.0000	1.0000	30.22
53.5	27,168	4,594	0.1691	0.8309	30.22
54.5	22,574		0.0000	1.0000	25.11
55.5					25.11

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 341.00 STRUCTURES AND IMPROVEMENTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

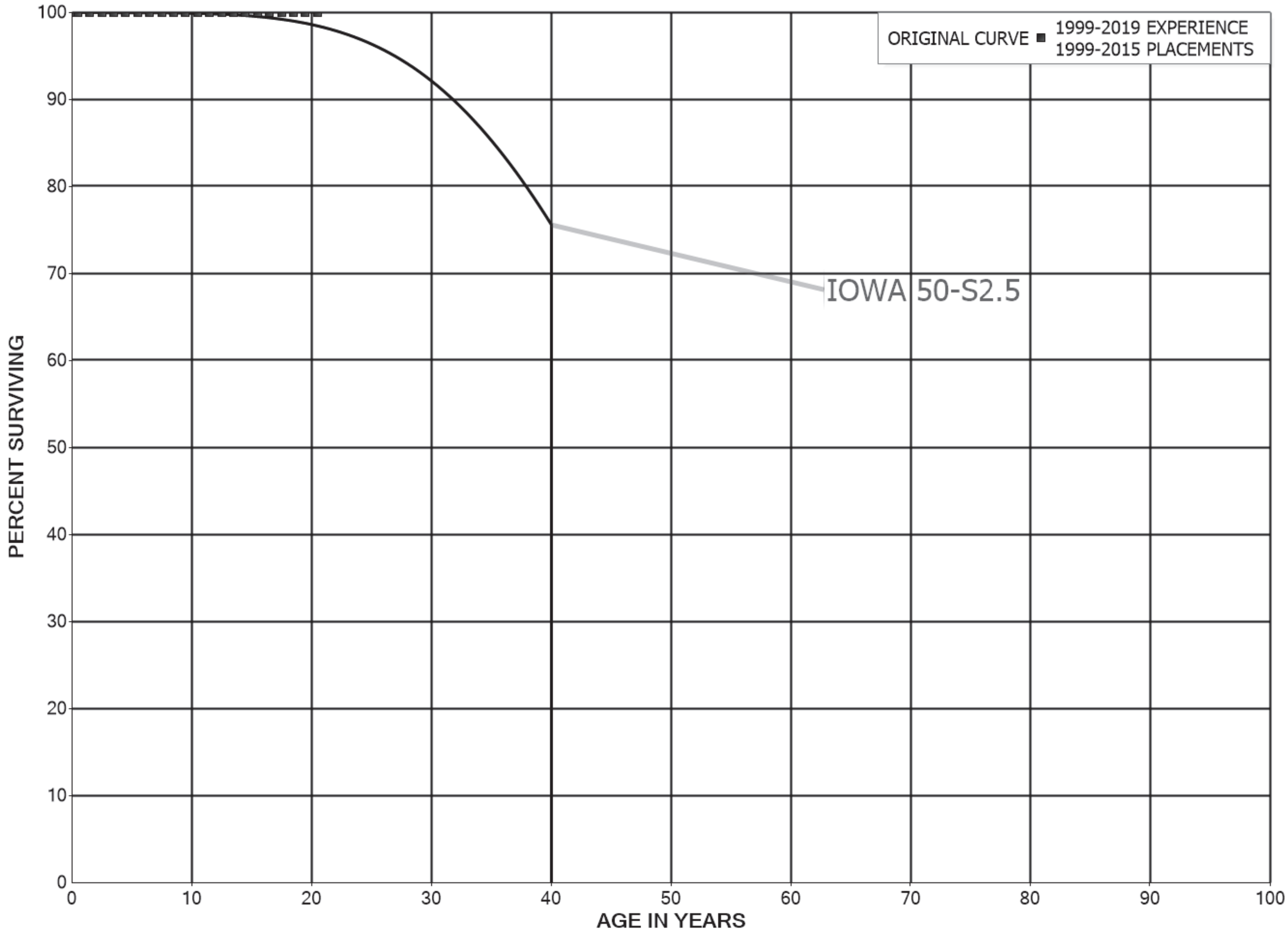
ACCOUNT 341.00 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1999-2019 EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	54,993,881		0.0000	1.0000	100.00
0.5	57,375,248		0.0000	1.0000	100.00
1.5	52,921,230		0.0000	1.0000	100.00
2.5	51,969,902		0.0000	1.0000	100.00
3.5	51,914,247		0.0000	1.0000	100.00
4.5	41,883,484		0.0000	1.0000	100.00
5.5	41,817,903		0.0000	1.0000	100.00
6.5	41,817,903		0.0000	1.0000	100.00
7.5	41,817,903		0.0000	1.0000	100.00
8.5	41,292,669		0.0000	1.0000	100.00
9.5	34,086,915	200,883	0.0059	0.9941	100.00
10.5	33,845,791		0.0000	1.0000	99.41
11.5	33,316,789	1,504,460	0.0452	0.9548	99.41
12.5	31,500,168		0.0000	1.0000	94.92
13.5	30,034,940		0.0000	1.0000	94.92
14.5	29,025,638		0.0000	1.0000	94.92
15.5	28,750,661		0.0000	1.0000	94.92
16.5	25,223,525		0.0000	1.0000	94.92
17.5	22,747,965		0.0000	1.0000	94.92
18.5	13,970,825		0.0000	1.0000	94.92
19.5	13,970,825		0.0000	1.0000	94.92
20.5					94.92

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 342.00 FUEL HOLDERS, PRODUCERS AND ACCESSORIES
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

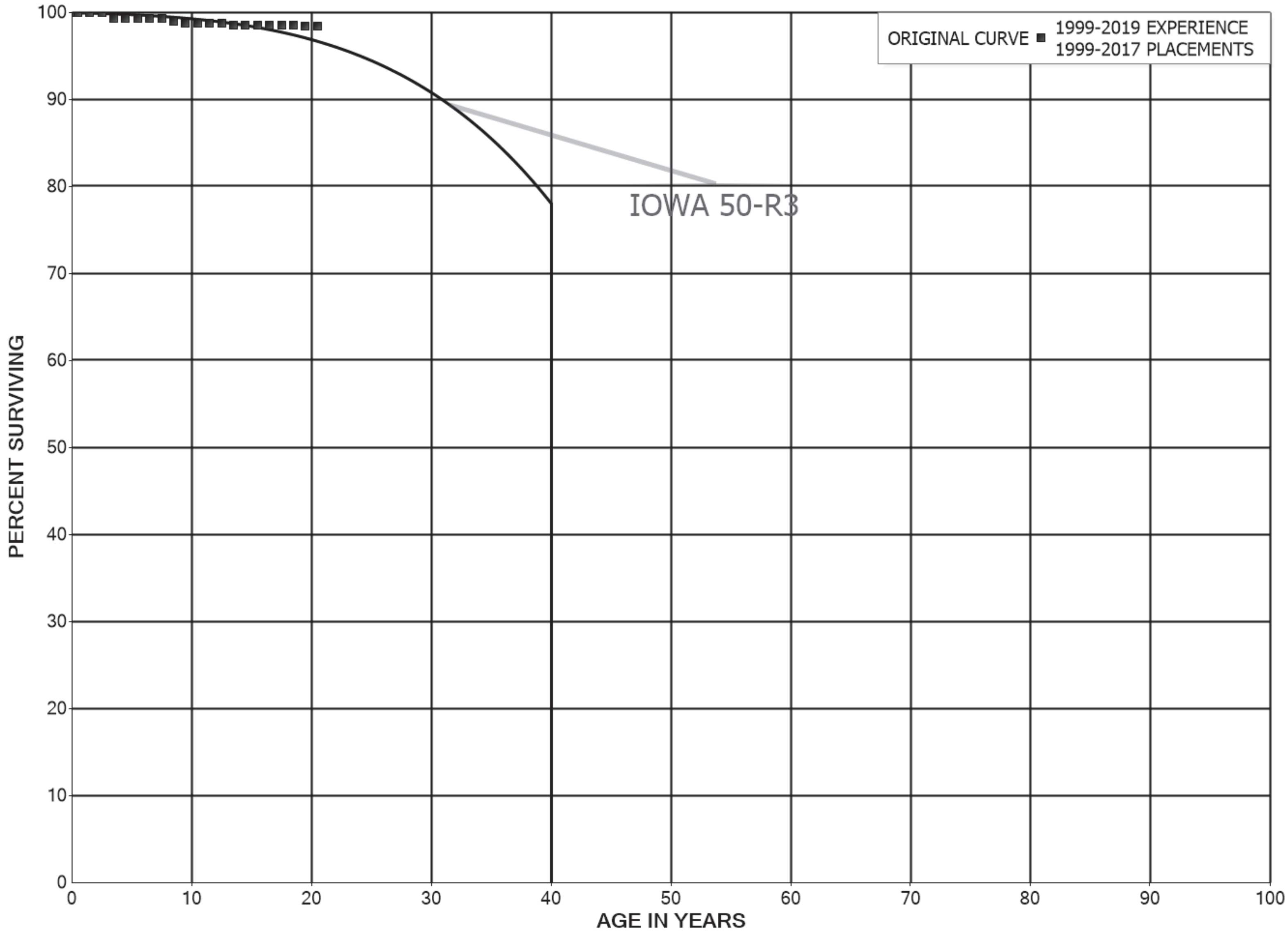
ACCOUNT 342.00 FUEL HOLDERS, PRODUCERS AND ACCESSORIES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1999-2015 EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	20,058,007		0.0000	1.0000	100.00
0.5	20,058,007		0.0000	1.0000	100.00
1.5	20,033,575		0.0000	1.0000	100.00
2.5	20,033,575		0.0000	1.0000	100.00
3.5	20,033,575		0.0000	1.0000	100.00
4.5	18,871,372		0.0000	1.0000	100.00
5.5	18,871,372		0.0000	1.0000	100.00
6.5	18,871,372		0.0000	1.0000	100.00
7.5	18,871,372		0.0000	1.0000	100.00
8.5	18,871,372		0.0000	1.0000	100.00
9.5	14,370,188		0.0000	1.0000	100.00
10.5	14,370,188		0.0000	1.0000	100.00
11.5	14,370,188		0.0000	1.0000	100.00
12.5	14,370,188		0.0000	1.0000	100.00
13.5	14,370,188		0.0000	1.0000	100.00
14.5	12,077,951		0.0000	1.0000	100.00
15.5	5,125,937		0.0000	1.0000	100.00
16.5	4,661,972		0.0000	1.0000	100.00
17.5	4,661,972		0.0000	1.0000	100.00
18.5	3,702,255		0.0000	1.0000	100.00
19.5	3,702,255		0.0000	1.0000	100.00
20.5					100.00

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 343.00 PRIME MOVERS
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

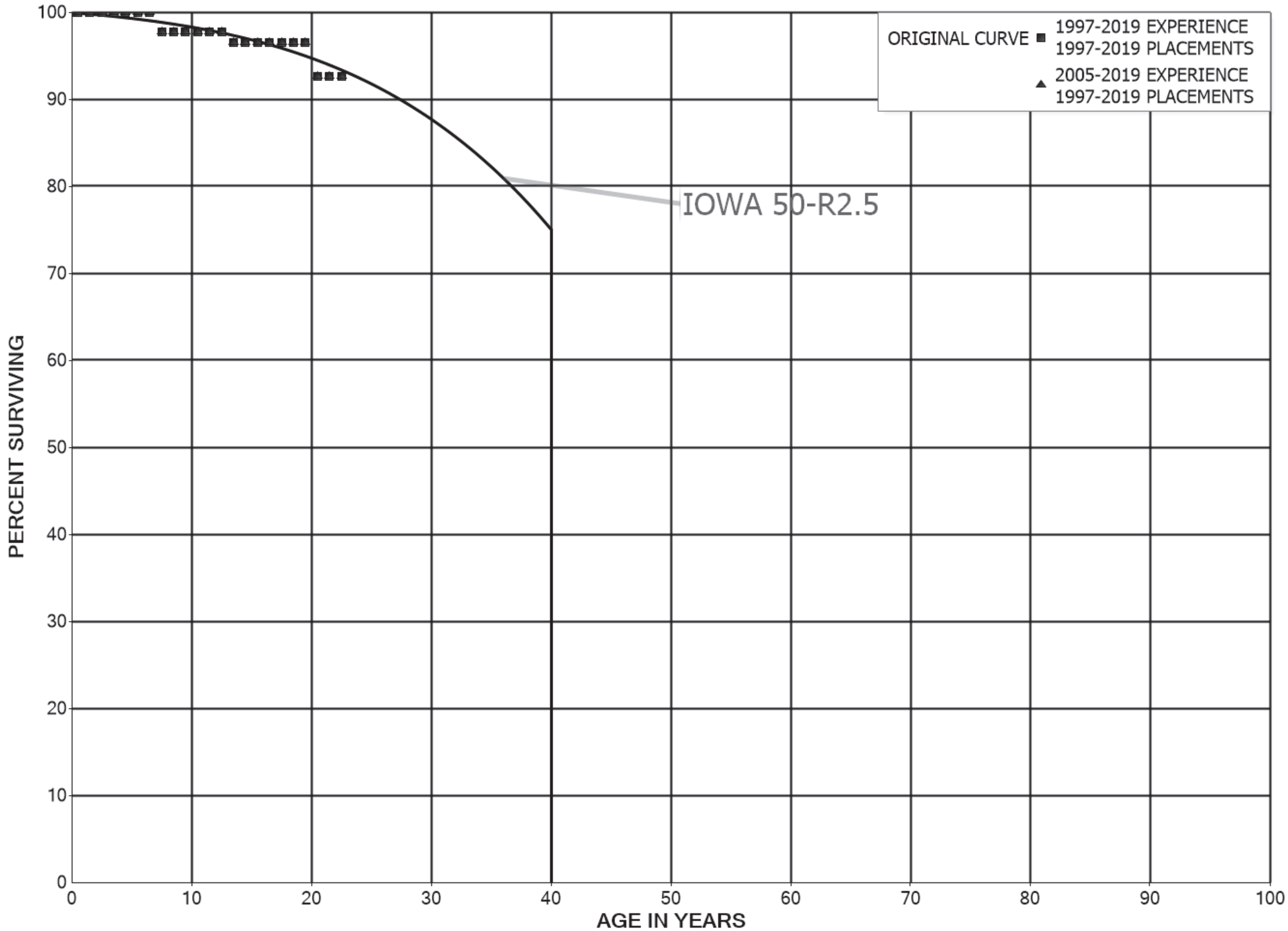
ACCOUNT 343.00 PRIME MOVERS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1999-2017 EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	458,345,056		0.0000	1.0000	100.00
0.5	357,903,861		0.0000	1.0000	100.00
1.5	302,622,195		0.0000	1.0000	100.00
2.5	405,621,153	2,695,268	0.0066	0.9934	100.00
3.5	402,925,886		0.0000	1.0000	99.34
4.5	268,408,467		0.0000	1.0000	99.34
5.5	267,863,584		0.0000	1.0000	99.34
6.5	267,623,352		0.0000	1.0000	99.34
7.5	267,549,536	931,747	0.0035	0.9965	99.34
8.5	266,617,789	852,688	0.0032	0.9968	98.99
9.5	155,318,256		0.0000	1.0000	98.67
10.5	154,715,439		0.0000	1.0000	98.67
11.5	154,715,439		0.0000	1.0000	98.67
12.5	153,416,076	290,419	0.0019	0.9981	98.67
13.5	149,861,754		0.0000	1.0000	98.49
14.5	116,465,764		0.0000	1.0000	98.49
15.5	116,465,764		0.0000	1.0000	98.49
16.5	110,949,159		0.0000	1.0000	98.49
17.5	110,949,159		0.0000	1.0000	98.49
18.5	56,618,643	59,612	0.0011	0.9989	98.49
19.5	56,559,032		0.0000	1.0000	98.38
20.5					98.38

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 344.00 GENERATORS
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 344.00 GENERATORS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1997-2019 EXPERIENCE BAND 1997-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	116,693,593		0.0000	1.0000	100.00
0.5	112,164,212		0.0000	1.0000	100.00
1.5	104,697,577		0.0000	1.0000	100.00
2.5	88,887,271		0.0000	1.0000	100.00
3.5	85,778,793		0.0000	1.0000	100.00
4.5	60,841,869		0.0000	1.0000	100.00
5.5	60,841,869		0.0000	1.0000	100.00
6.5	60,841,869	1,364,371	0.0224	0.9776	100.00
7.5	59,477,497		0.0000	1.0000	97.76
8.5	57,885,031		0.0000	1.0000	97.76
9.5	49,000,644		0.0000	1.0000	97.76
10.5	49,000,644		0.0000	1.0000	97.76
11.5	49,000,644		0.0000	1.0000	97.76
12.5	47,320,064	599,987	0.0127	0.9873	97.76
13.5	44,947,811		0.0000	1.0000	96.52
14.5	35,277,147		0.0000	1.0000	96.52
15.5	35,277,147		0.0000	1.0000	96.52
16.5	30,495,388		0.0000	1.0000	96.52
17.5	30,495,388		0.0000	1.0000	96.52
18.5	15,677,270		0.0000	1.0000	96.52
19.5	14,994,494	603,570	0.0403	0.9597	96.52
20.5	449,511		0.0000	1.0000	92.63
21.5	449,511		0.0000	1.0000	92.63
22.5					92.63

EAST KENTUCKY POWER COOPERATIVE, INC.

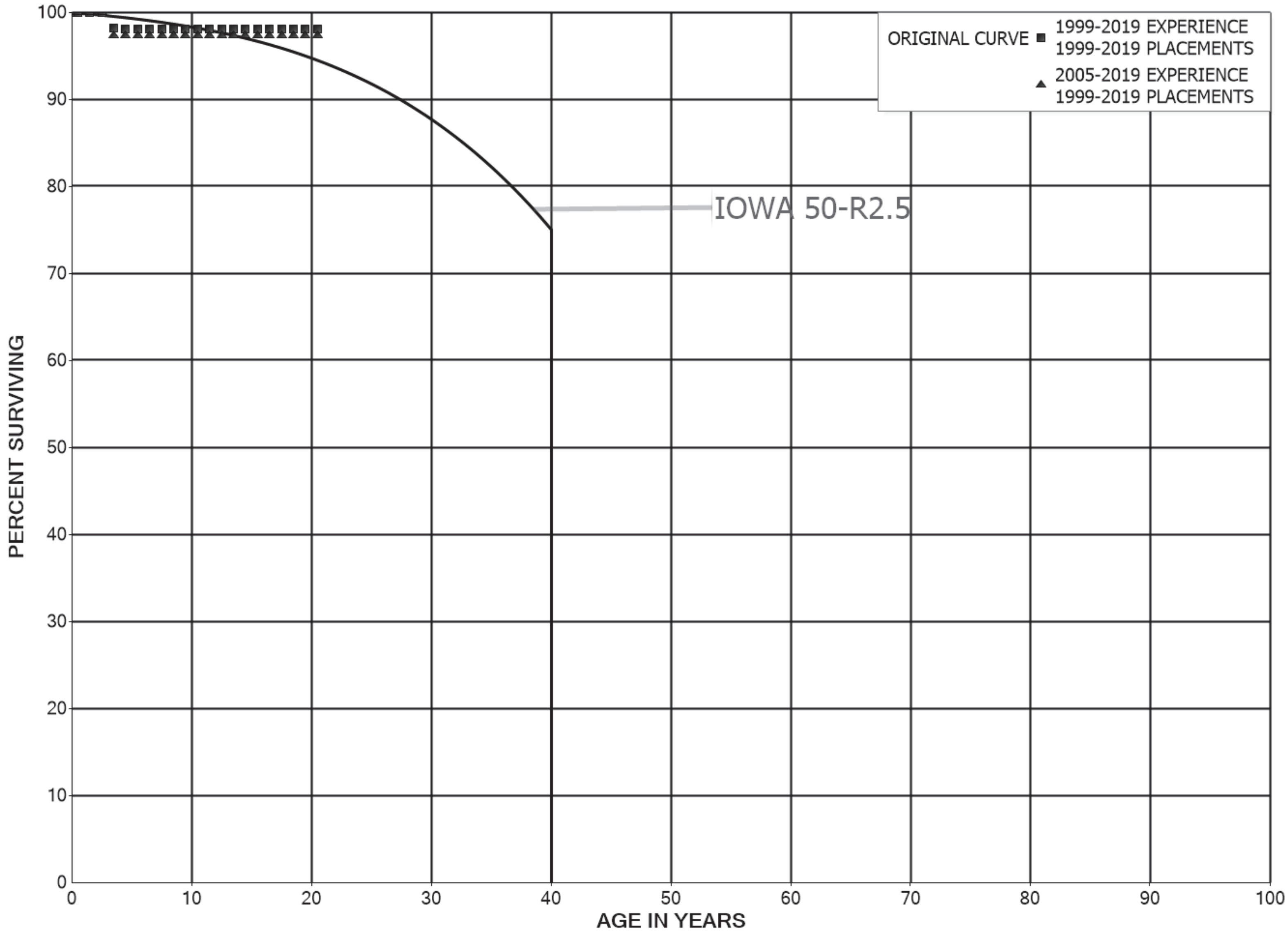
ACCOUNT 344.00 GENERATORS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1997-2019 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	72,162,830		0.0000	1.0000	100.00
0.5	70,441,338		0.0000	1.0000	100.00
1.5	74,202,189		0.0000	1.0000	100.00
2.5	58,391,883		0.0000	1.0000	100.00
3.5	70,101,523		0.0000	1.0000	100.00
4.5	45,847,374		0.0000	1.0000	100.00
5.5	60,392,358		0.0000	1.0000	100.00
6.5	60,392,358	1,364,371	0.0226	0.9774	100.00
7.5	59,477,497		0.0000	1.0000	97.74
8.5	57,885,031		0.0000	1.0000	97.74
9.5	49,000,644		0.0000	1.0000	97.74
10.5	49,000,644		0.0000	1.0000	97.74
11.5	49,000,644		0.0000	1.0000	97.74
12.5	47,320,064	599,987	0.0127	0.9873	97.74
13.5	44,947,811		0.0000	1.0000	96.50
14.5	35,277,147		0.0000	1.0000	96.50
15.5	35,277,147		0.0000	1.0000	96.50
16.5	30,495,388		0.0000	1.0000	96.50
17.5	30,495,388		0.0000	1.0000	96.50
18.5	15,677,270		0.0000	1.0000	96.50
19.5	14,994,494	603,570	0.0403	0.9597	96.50
20.5	449,511		0.0000	1.0000	92.62
21.5	449,511		0.0000	1.0000	92.62
22.5					92.62

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 345.00 ACCESSORY ELECTRIC EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 345.00 ACCESSORY ELECTRIC EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1999-2019 EXPERIENCE BAND 1999-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	39,003,660		0.0000	1.0000	100.00
0.5	38,989,721		0.0000	1.0000	100.00
1.5	38,989,721		0.0000	1.0000	100.00
2.5	37,581,003	697,322	0.0186	0.9814	100.00
3.5	36,883,681	18,282	0.0005	0.9995	98.14
4.5	32,692,972		0.0000	1.0000	98.10
5.5	32,692,972		0.0000	1.0000	98.10
6.5	32,692,972		0.0000	1.0000	98.10
7.5	32,692,972		0.0000	1.0000	98.10
8.5	32,692,972		0.0000	1.0000	98.10
9.5	18,773,076		0.0000	1.0000	98.10
10.5	18,773,076		0.0000	1.0000	98.10
11.5	18,773,076		0.0000	1.0000	98.10
12.5	18,366,291		0.0000	1.0000	98.10
13.5	17,913,614		0.0000	1.0000	98.10
14.5	12,607,118		0.0000	1.0000	98.10
15.5	12,607,118		0.0000	1.0000	98.10
16.5	11,502,353		0.0000	1.0000	98.10
17.5	11,502,353		0.0000	1.0000	98.10
18.5	7,130,844		0.0000	1.0000	98.10
19.5	7,130,844		0.0000	1.0000	98.10
20.5					98.10

EAST KENTUCKY POWER COOPERATIVE, INC.

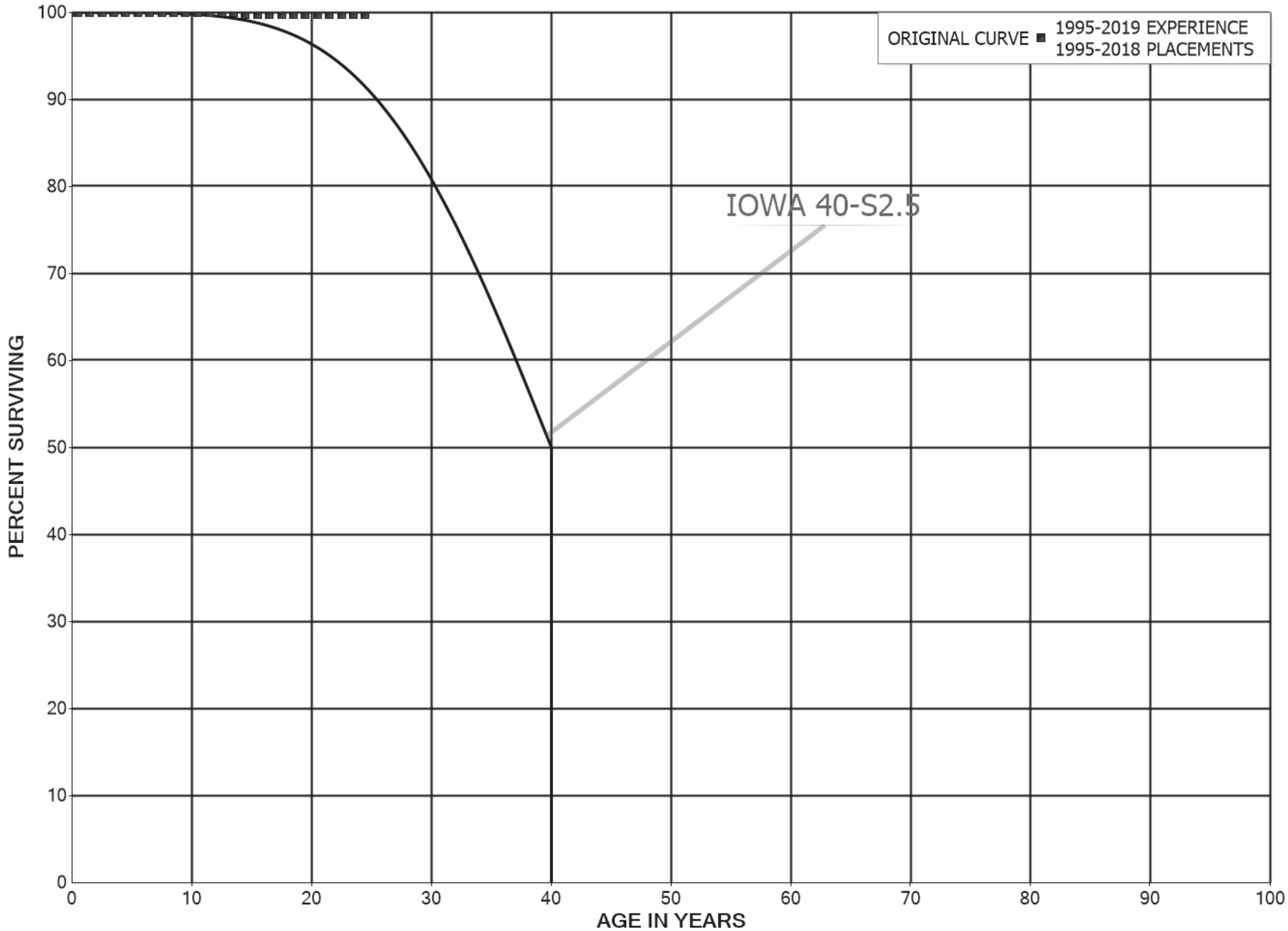
ACCOUNT 345.00 ACCESSORY ELECTRIC EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1999-2019 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	26,396,542		0.0000	1.0000	100.00
0.5	26,382,603		0.0000	1.0000	100.00
1.5	27,487,369		0.0000	1.0000	100.00
2.5	26,078,650	697,322	0.0267	0.9733	100.00
3.5	29,752,837	18,282	0.0006	0.9994	97.33
4.5	25,562,128		0.0000	1.0000	97.27
5.5	32,692,972		0.0000	1.0000	97.27
6.5	32,692,972		0.0000	1.0000	97.27
7.5	32,692,972		0.0000	1.0000	97.27
8.5	32,692,972		0.0000	1.0000	97.27
9.5	18,773,076		0.0000	1.0000	97.27
10.5	18,773,076		0.0000	1.0000	97.27
11.5	18,773,076		0.0000	1.0000	97.27
12.5	18,366,291		0.0000	1.0000	97.27
13.5	17,913,614		0.0000	1.0000	97.27
14.5	12,607,118		0.0000	1.0000	97.27
15.5	12,607,118		0.0000	1.0000	97.27
16.5	11,502,353		0.0000	1.0000	97.27
17.5	11,502,353		0.0000	1.0000	97.27
18.5	7,130,844		0.0000	1.0000	97.27
19.5	7,130,844		0.0000	1.0000	97.27
20.5					97.27

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 346.00 MISCELLANEOUS POWER PLANT EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

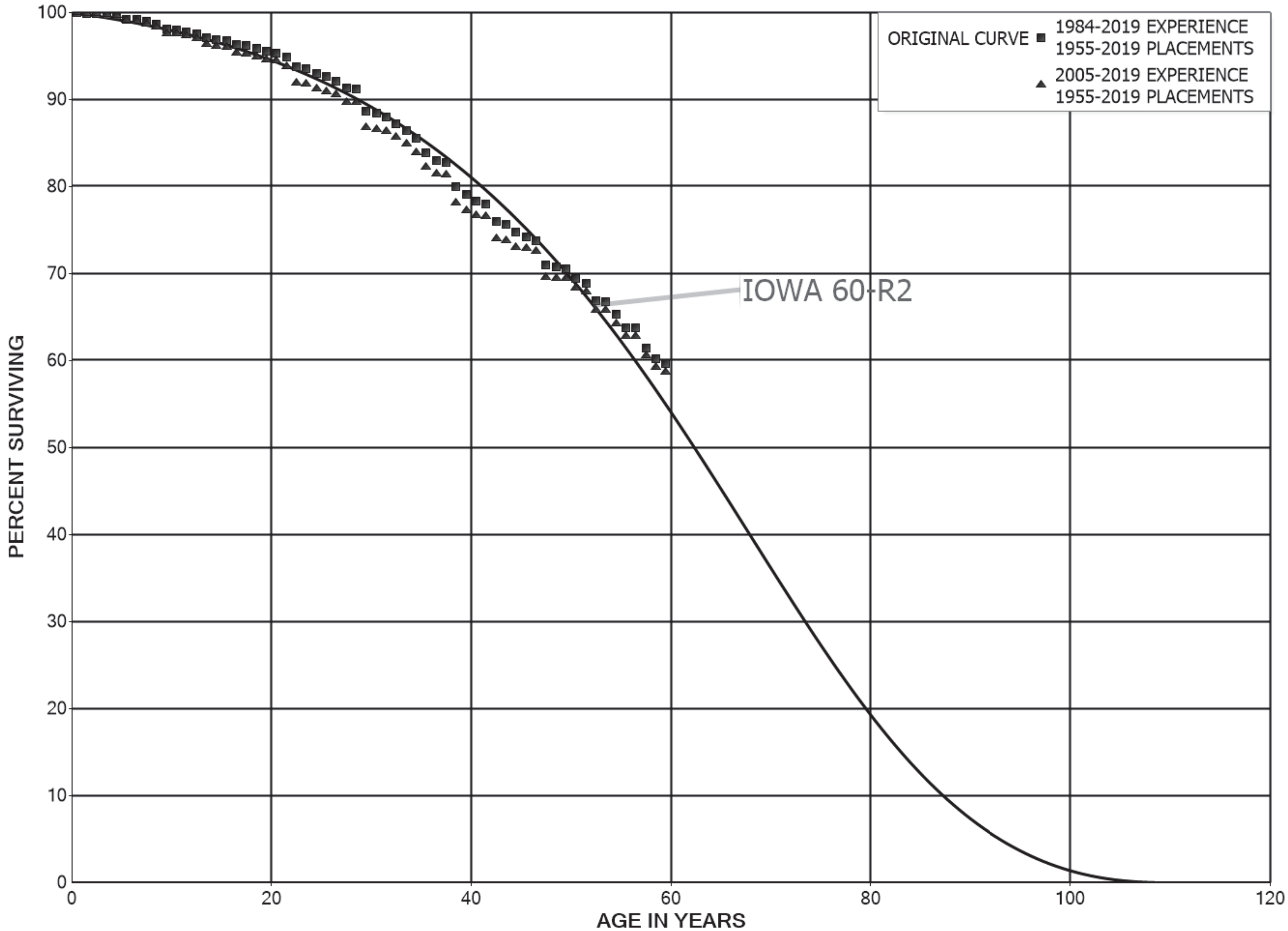
ACCOUNT 346.00 MISCELLANEOUS POWER PLANT EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1995-2018 EXPERIENCE BAND 1995-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	18,433,064		0.0000	1.0000	100.00
0.5	15,994,133		0.0000	1.0000	100.00
1.5	15,987,627		0.0000	1.0000	100.00
2.5	15,987,627		0.0000	1.0000	100.00
3.5	15,861,174		0.0000	1.0000	100.00
4.5	12,120,906		0.0000	1.0000	100.00
5.5	11,605,154		0.0000	1.0000	100.00
6.5	11,500,667		0.0000	1.0000	100.00
7.5	6,213,087		0.0000	1.0000	100.00
8.5	5,928,515		0.0000	1.0000	100.00
9.5	5,910,707		0.0000	1.0000	100.00
10.5	5,910,707		0.0000	1.0000	100.00
11.5	5,904,772		0.0000	1.0000	100.00
12.5	3,687,342		0.0000	1.0000	100.00
13.5	1,483,799	3,924	0.0026	0.9974	100.00
14.5	1,059,591		0.0000	1.0000	99.74
15.5	1,059,591		0.0000	1.0000	99.74
16.5	874,357		0.0000	1.0000	99.74
17.5	841,541		0.0000	1.0000	99.74
18.5	780,953		0.0000	1.0000	99.74
19.5	780,953		0.0000	1.0000	99.74
20.5	293,791		0.0000	1.0000	99.74
21.5	154,469		0.0000	1.0000	99.74
22.5	137,940		0.0000	1.0000	99.74
23.5	85,357		0.0000	1.0000	99.74
24.5					99.74

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 353.00 STATION EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 353.00 STATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1955-2019 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	230,326,146	6,206	0.0000	1.0000	100.00
0.5	241,177,991	261,637	0.0011	0.9989	100.00
1.5	247,734,880	81,247	0.0003	0.9997	99.89
2.5	253,036,676	347,345	0.0014	0.9986	99.86
3.5	252,597,932	134,108	0.0005	0.9995	99.72
4.5	237,140,793	1,102,177	0.0046	0.9954	99.67
5.5	236,511,452	71,938	0.0003	0.9997	99.20
6.5	231,309,608	656,167	0.0028	0.9972	99.17
7.5	228,796,313	718,273	0.0031	0.9969	98.89
8.5	198,745,101	1,081,875	0.0054	0.9946	98.58
9.5	180,834,472	100,476	0.0006	0.9994	98.04
10.5	140,221,029	303,025	0.0022	0.9978	97.99
11.5	131,950,693	358,432	0.0027	0.9973	97.78
12.5	107,627,455	476,917	0.0044	0.9956	97.51
13.5	106,190,027	280,778	0.0026	0.9974	97.08
14.5	89,518,785	137,344	0.0015	0.9985	96.82
15.5	84,689,921	334,681	0.0040	0.9960	96.68
16.5	80,171,766	127,180	0.0016	0.9984	96.29
17.5	79,001,467	258,889	0.0033	0.9967	96.14
18.5	77,341,253	214,485	0.0028	0.9972	95.83
19.5	71,080,471	197,954	0.0028	0.9972	95.56
20.5	69,968,679	361,115	0.0052	0.9948	95.29
21.5	69,261,282	775,950	0.0112	0.9888	94.80
22.5	66,711,377	154,109	0.0023	0.9977	93.74
23.5	67,098,868	398,491	0.0059	0.9941	93.52
24.5	62,411,507	261,768	0.0042	0.9958	92.97
25.5	55,625,995	280,641	0.0050	0.9950	92.58
26.5	51,049,491	480,403	0.0094	0.9906	92.11
27.5	49,174,101	41,333	0.0008	0.9992	91.24
28.5	49,839,234	1,367,955	0.0274	0.9726	91.17
29.5	47,839,419	163,952	0.0034	0.9966	88.66
30.5	46,806,265	244,753	0.0052	0.9948	88.36
31.5	46,430,298	369,976	0.0080	0.9920	87.90
32.5	45,808,627	408,450	0.0089	0.9911	87.20
33.5	44,002,670	478,437	0.0109	0.9891	86.42
34.5	42,570,520	794,816	0.0187	0.9813	85.48
35.5	40,381,547	454,891	0.0113	0.9887	83.89
36.5	37,062,289	80,442	0.0022	0.9978	82.94
37.5	27,364,861	945,750	0.0346	0.9654	82.76
38.5	18,485,780	186,488	0.0101	0.9899	79.90

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 353.00 STATION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1955-2019 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	14,178,875	141,375	0.0100	0.9900	79.09
40.5	11,976,438	52,315	0.0044	0.9956	78.31
41.5	7,776,512	199,320	0.0256	0.9744	77.96
42.5	7,509,512	39,638	0.0053	0.9947	75.96
43.5	7,369,349	83,536	0.0113	0.9887	75.56
44.5	7,260,393	49,238	0.0068	0.9932	74.71
45.5	7,176,646	43,167	0.0060	0.9940	74.20
46.5	7,114,436	271,730	0.0382	0.9618	73.75
47.5	6,602,150	20,150	0.0031	0.9969	70.94
48.5	6,565,842	19,889	0.0030	0.9970	70.72
49.5	4,940,209	81,080	0.0164	0.9836	70.51
50.5	4,483,391	31,545	0.0070	0.9930	69.35
51.5	4,163,131	123,521	0.0297	0.9703	68.86
52.5	4,026,422	6,510	0.0016	0.9984	66.82
53.5	2,478,349	54,668	0.0221	0.9779	66.71
54.5	2,031,740	48,357	0.0238	0.9762	65.24
55.5	1,888,442		0.0000	1.0000	63.69
56.5	1,881,884	67,239	0.0357	0.9643	63.69
57.5	1,776,272	36,192	0.0204	0.9796	61.41
58.5	1,658,946	15,975	0.0096	0.9904	60.16
59.5	832,739		0.0000	1.0000	59.58
60.5	656,144		0.0000	1.0000	59.58
61.5	655,504	27,717	0.0423	0.9577	59.58
62.5	627,787		0.0000	1.0000	57.06
63.5	627,731		0.0000	1.0000	57.06
64.5					57.06

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 353.00 STATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1955-2019 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	178,813,732		0.0000	1.0000	100.00
0.5	191,905,698	243,792	0.0013	0.9987	100.00
1.5	190,389,151	57,100	0.0003	0.9997	99.87
2.5	189,408,136	314,282	0.0017	0.9983	99.84
3.5	186,735,516	94,422	0.0005	0.9995	99.68
4.5	175,267,662	1,061,767	0.0061	0.9939	99.63
5.5	169,915,482	25,891	0.0002	0.9998	99.02
6.5	165,215,531	616,488	0.0037	0.9963	99.01
7.5	164,653,556	655,335	0.0040	0.9960	98.64
8.5	135,651,896	1,008,661	0.0074	0.9926	98.25
9.5	123,001,359	14,969	0.0001	0.9999	97.52
10.5	89,475,557	231,961	0.0026	0.9974	97.50
11.5	85,635,169	295,384	0.0034	0.9966	97.25
12.5	62,663,769	379,560	0.0061	0.9939	96.92
13.5	60,553,622	183,367	0.0030	0.9970	96.33
14.5	44,148,935	48,764	0.0011	0.9989	96.04
15.5	39,919,610	263,328	0.0066	0.9934	95.93
16.5	35,710,523	40,732	0.0011	0.9989	95.30
17.5	33,119,828	134,098	0.0040	0.9960	95.19
18.5	32,553,272	93,439	0.0029	0.9971	94.80
19.5	27,406,117	45,857	0.0017	0.9983	94.53
20.5	28,102,172	184,384	0.0066	0.9934	94.37
21.5	30,423,676	614,234	0.0202	0.9798	93.75
22.5	39,800,497	43,738	0.0011	0.9989	91.86
23.5	47,731,879	325,649	0.0068	0.9932	91.76
24.5	47,146,042	152,797	0.0032	0.9968	91.13
25.5	42,762,527	148,254	0.0035	0.9965	90.84
26.5	43,124,460	426,647	0.0099	0.9901	90.52
27.5	41,372,959	21,018	0.0005	0.9995	89.63
28.5	40,972,283	1,330,800	0.0325	0.9675	89.58
29.5	39,037,748	96,117	0.0025	0.9975	86.67
30.5	38,117,937	58,850	0.0015	0.9985	86.46
31.5	37,948,601	313,267	0.0083	0.9917	86.33
32.5	37,696,397	361,426	0.0096	0.9904	85.61
33.5	36,150,761	409,116	0.0113	0.9887	84.79
34.5	36,610,791	743,177	0.0203	0.9797	83.83
35.5	34,900,144	319,656	0.0092	0.9908	82.13
36.5	32,106,739	39,788	0.0012	0.9988	81.38
37.5	22,463,086	895,524	0.0399	0.9601	81.28
38.5	15,243,271	174,209	0.0114	0.9886	78.04

EAST KENTUCKY POWER COOPERATIVE, INC.

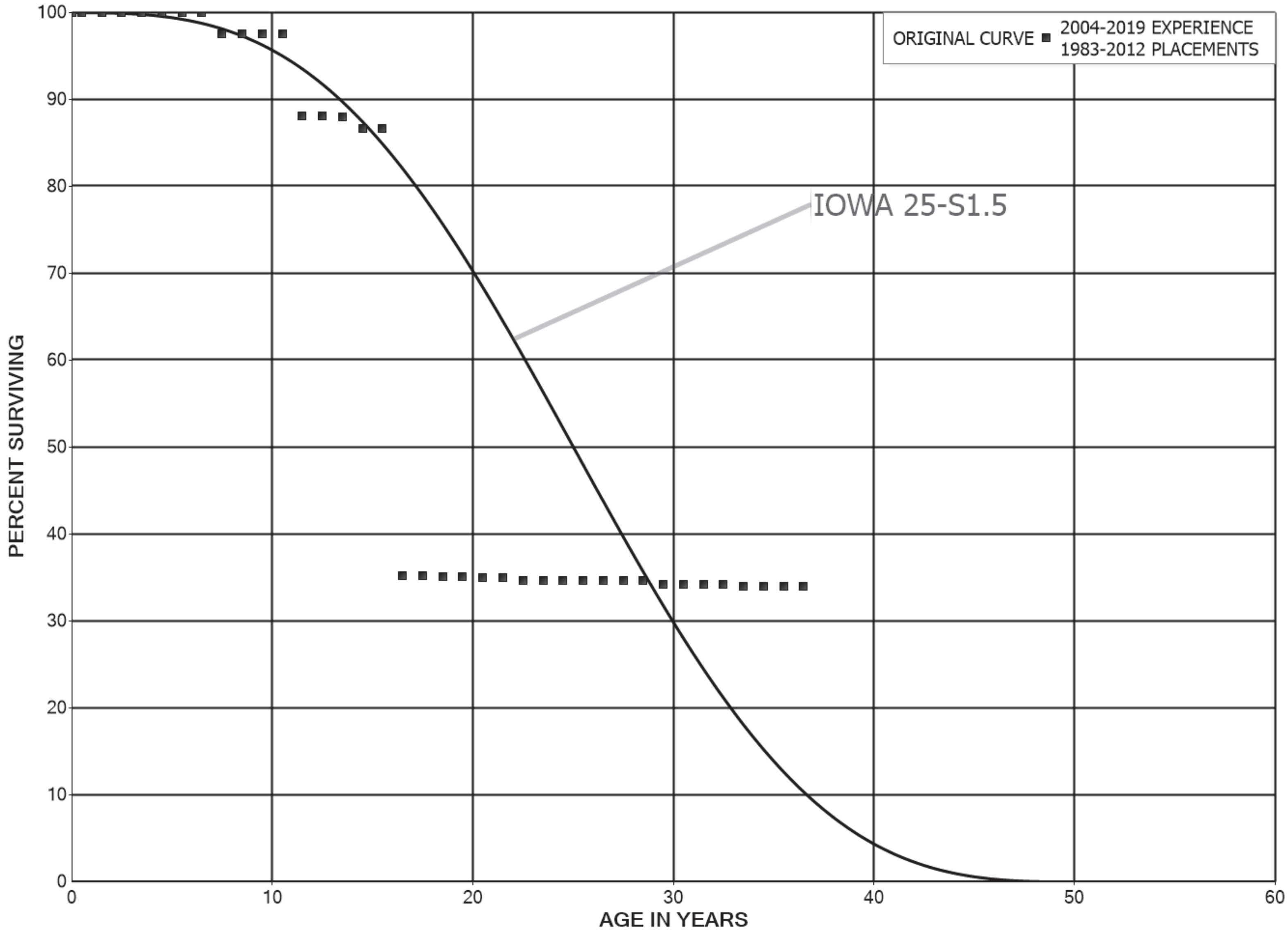
ACCOUNT 353.00 STATION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1955-2019 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	11,399,545	80,716	0.0071	0.9929	77.15
40.5	9,353,682	5,556	0.0006	0.9994	76.60
41.5	5,207,462	173,449	0.0333	0.9667	76.55
42.5	5,019,891	15,892	0.0032	0.9968	74.00
43.5	5,029,858	57,809	0.0115	0.9885	73.77
44.5	6,116,515	5,352	0.0009	0.9991	72.92
45.5	6,275,692	34,673	0.0055	0.9945	72.86
46.5	6,222,615	257,910	0.0414	0.9586	72.46
47.5	5,724,150	3,572	0.0006	0.9994	69.45
48.5	5,704,475		0.0000	1.0000	69.41
49.5	4,940,209	81,080	0.0164	0.9836	69.41
50.5	4,483,391	31,545	0.0070	0.9930	68.27
51.5	4,163,131	123,521	0.0297	0.9703	67.79
52.5	4,026,422	6,510	0.0016	0.9984	65.78
53.5	2,478,349	54,668	0.0221	0.9779	65.67
54.5	2,031,740	48,357	0.0238	0.9762	64.22
55.5	1,888,442		0.0000	1.0000	62.70
56.5	1,881,884	67,239	0.0357	0.9643	62.70
57.5	1,776,272	36,192	0.0204	0.9796	60.46
58.5	1,658,946	15,975	0.0096	0.9904	59.22
59.5	832,739		0.0000	1.0000	58.65
60.5	656,144		0.0000	1.0000	58.65
61.5	655,504	27,717	0.0423	0.9577	58.65
62.5	627,787		0.0000	1.0000	56.17
63.5	627,731		0.0000	1.0000	56.17
64.5					56.17

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 353.10 STATION EQUIPMENT - ENERGY CONTROL SYSTEM
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

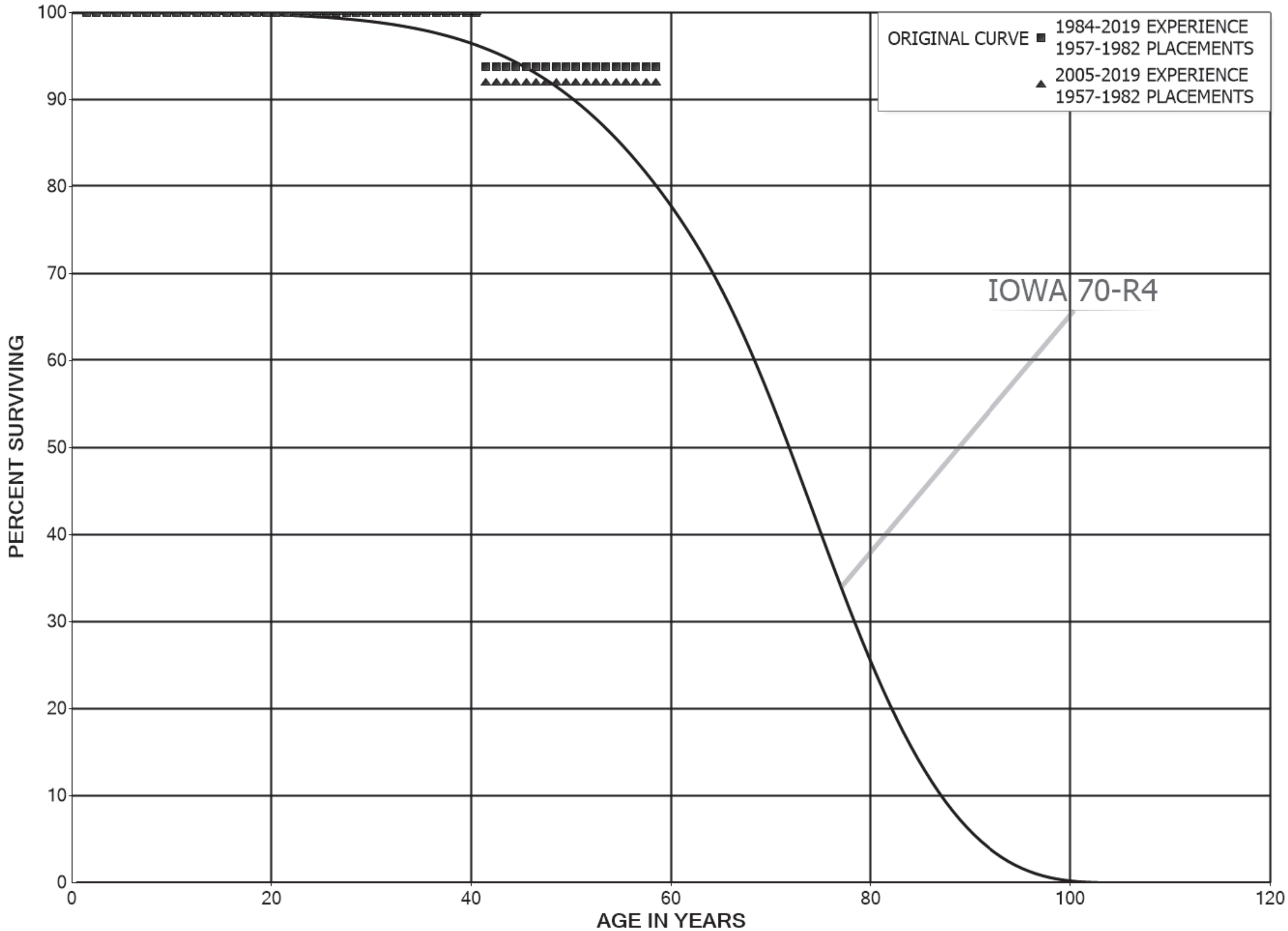
ACCOUNT 353.10 STATION EQUIPMENT - ENERGY CONTROL SYSTEM

ORIGINAL LIFE TABLE

PLACEMENT BAND 1983-2012 EXPERIENCE BAND 2004-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	478,304		0.0000	1.0000	100.00
0.5	534,140		0.0000	1.0000	100.00
1.5	774,404		0.0000	1.0000	100.00
2.5	813,915		0.0000	1.0000	100.00
3.5	4,321,264		0.0000	1.0000	100.00
4.5	4,387,018		0.0000	1.0000	100.00
5.5	7,254,751		0.0000	1.0000	100.00
6.5	7,332,716	179,124	0.0244	0.9756	100.00
7.5	4,505,324		0.0000	1.0000	97.56
8.5	4,588,828		0.0000	1.0000	97.56
9.5	4,627,583		0.0000	1.0000	97.56
10.5	4,699,644	457,262	0.0973	0.9027	97.56
11.5	4,397,637		0.0000	1.0000	88.07
12.5	4,408,436	4,925	0.0011	0.9989	88.07
13.5	4,411,306	68,370	0.0155	0.9845	87.97
14.5	4,351,300		0.0000	1.0000	86.60
15.5	4,429,345	2,629,841	0.5937	0.4063	86.60
16.5	1,767,752		0.0000	1.0000	35.18
17.5	1,791,013	4,983	0.0028	0.9972	35.18
18.5	1,784,095		0.0000	1.0000	35.09
19.5	950,152	3,960	0.0042	0.9958	35.09
20.5	5,710,602	5,000	0.0009	0.9991	34.94
21.5	5,705,602	46,933	0.0082	0.9918	34.91
22.5	5,580,703		0.0000	1.0000	34.62
23.5	5,549,323	424	0.0001	0.9999	34.62
24.5	5,512,328		0.0000	1.0000	34.62
25.5	5,473,572		0.0000	1.0000	34.62
26.5	5,406,495		0.0000	1.0000	34.62
27.5	5,234,316		0.0000	1.0000	34.62
28.5	5,223,518	62,134	0.0119	0.9881	34.62
29.5	5,153,589	7,302	0.0014	0.9986	34.21
30.5	5,137,922		0.0000	1.0000	34.16
31.5	5,056,182		0.0000	1.0000	34.16
32.5	5,039,401	27,426	0.0054	0.9946	34.16
33.5	4,813,673		0.0000	1.0000	33.97
34.5	4,776,097		0.0000	1.0000	33.97
35.5	4,732,532		0.0000	1.0000	33.97
36.5					33.97

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 354.00 TOWERS AND FIXTURES
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 354.00 TOWERS AND FIXTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1957-1982 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0					
0.5					
1.5	1,385		0.0000	1.0000	100.00
2.5	2,171,385		0.0000	1.0000	100.00
3.5	2,171,385		0.0000	1.0000	100.00
4.5	3,078,289		0.0000	1.0000	100.00
5.5	3,078,289		0.0000	1.0000	100.00
6.5	3,452,671		0.0000	1.0000	100.00
7.5	3,504,170		0.0000	1.0000	100.00
8.5	3,504,170		0.0000	1.0000	100.00
9.5	3,504,170		0.0000	1.0000	100.00
10.5	3,504,170		0.0000	1.0000	100.00
11.5	3,504,170		0.0000	1.0000	100.00
12.5	3,504,170		0.0000	1.0000	100.00
13.5	3,504,170		0.0000	1.0000	100.00
14.5	3,504,170		0.0000	1.0000	100.00
15.5	3,506,849		0.0000	1.0000	100.00
16.5	3,713,169		0.0000	1.0000	100.00
17.5	3,713,169		0.0000	1.0000	100.00
18.5	3,713,169		0.0000	1.0000	100.00
19.5	3,713,169		0.0000	1.0000	100.00
20.5	3,713,169		0.0000	1.0000	100.00
21.5	3,713,169		0.0000	1.0000	100.00
22.5	3,878,461		0.0000	1.0000	100.00
23.5	3,878,461		0.0000	1.0000	100.00
24.5	3,888,227		0.0000	1.0000	100.00
25.5	3,888,227		0.0000	1.0000	100.00
26.5	3,905,020		0.0000	1.0000	100.00
27.5	3,905,020		0.0000	1.0000	100.00
28.5	3,905,020		0.0000	1.0000	100.00
29.5	3,905,020		0.0000	1.0000	100.00
30.5	3,905,020		0.0000	1.0000	100.00
31.5	3,905,020		0.0000	1.0000	100.00
32.5	3,905,020		0.0000	1.0000	100.00
33.5	3,905,020		0.0000	1.0000	100.00
34.5	3,905,020		0.0000	1.0000	100.00
35.5	3,905,020		0.0000	1.0000	100.00
36.5	3,905,020		0.0000	1.0000	100.00
37.5	3,903,635		0.0000	1.0000	100.00
38.5	1,733,635		0.0000	1.0000	100.00

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 354.00 TOWERS AND FIXTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1957-1982 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,733,635		0.0000	1.0000	100.00
40.5	826,731	51,499	0.0623	0.9377	100.00
41.5	775,231		0.0000	1.0000	93.77
42.5	400,850		0.0000	1.0000	93.77
43.5	400,850		0.0000	1.0000	93.77
44.5	400,850		0.0000	1.0000	93.77
45.5	400,850		0.0000	1.0000	93.77
46.5	400,850		0.0000	1.0000	93.77
47.5	400,850		0.0000	1.0000	93.77
48.5	400,850		0.0000	1.0000	93.77
49.5	400,850		0.0000	1.0000	93.77
50.5	400,850		0.0000	1.0000	93.77
51.5	398,171		0.0000	1.0000	93.77
52.5	191,851		0.0000	1.0000	93.77
53.5	191,851		0.0000	1.0000	93.77
54.5	191,851		0.0000	1.0000	93.77
55.5	191,851		0.0000	1.0000	93.77
56.5	191,851		0.0000	1.0000	93.77
57.5	191,851		0.0000	1.0000	93.77
58.5	26,559		0.0000	1.0000	93.77
59.5	26,559		0.0000	1.0000	93.77
60.5	16,793		0.0000	1.0000	93.77
61.5	16,793		0.0000	1.0000	93.77
62.5					93.77

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 354.00 TOWERS AND FIXTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1957-1982 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0					
0.5					
1.5					
2.5					
3.5					
4.5					
5.5					
6.5					
7.5					
8.5					
9.5					
10.5					
11.5					
12.5					
13.5					
14.5					
15.5					
16.5					
17.5					
18.5					
19.5					
20.5					
21.5					
22.5	1,385		0.0000	1.0000	100.00
23.5	2,171,385		0.0000	1.0000	100.00
24.5	2,171,385		0.0000	1.0000	100.00
25.5	3,078,289		0.0000	1.0000	100.00
26.5	3,078,289		0.0000	1.0000	100.00
27.5	3,452,671		0.0000	1.0000	100.00
28.5	3,504,170		0.0000	1.0000	100.00
29.5	3,504,170		0.0000	1.0000	100.00
30.5	3,504,170		0.0000	1.0000	100.00
31.5	3,504,170		0.0000	1.0000	100.00
32.5	3,504,170		0.0000	1.0000	100.00
33.5	3,504,170		0.0000	1.0000	100.00
34.5	3,504,170		0.0000	1.0000	100.00
35.5	3,504,170		0.0000	1.0000	100.00
36.5	3,506,849		0.0000	1.0000	100.00
37.5	3,711,784		0.0000	1.0000	100.00
38.5	1,541,784		0.0000	1.0000	100.00

EAST KENTUCKY POWER COOPERATIVE, INC.

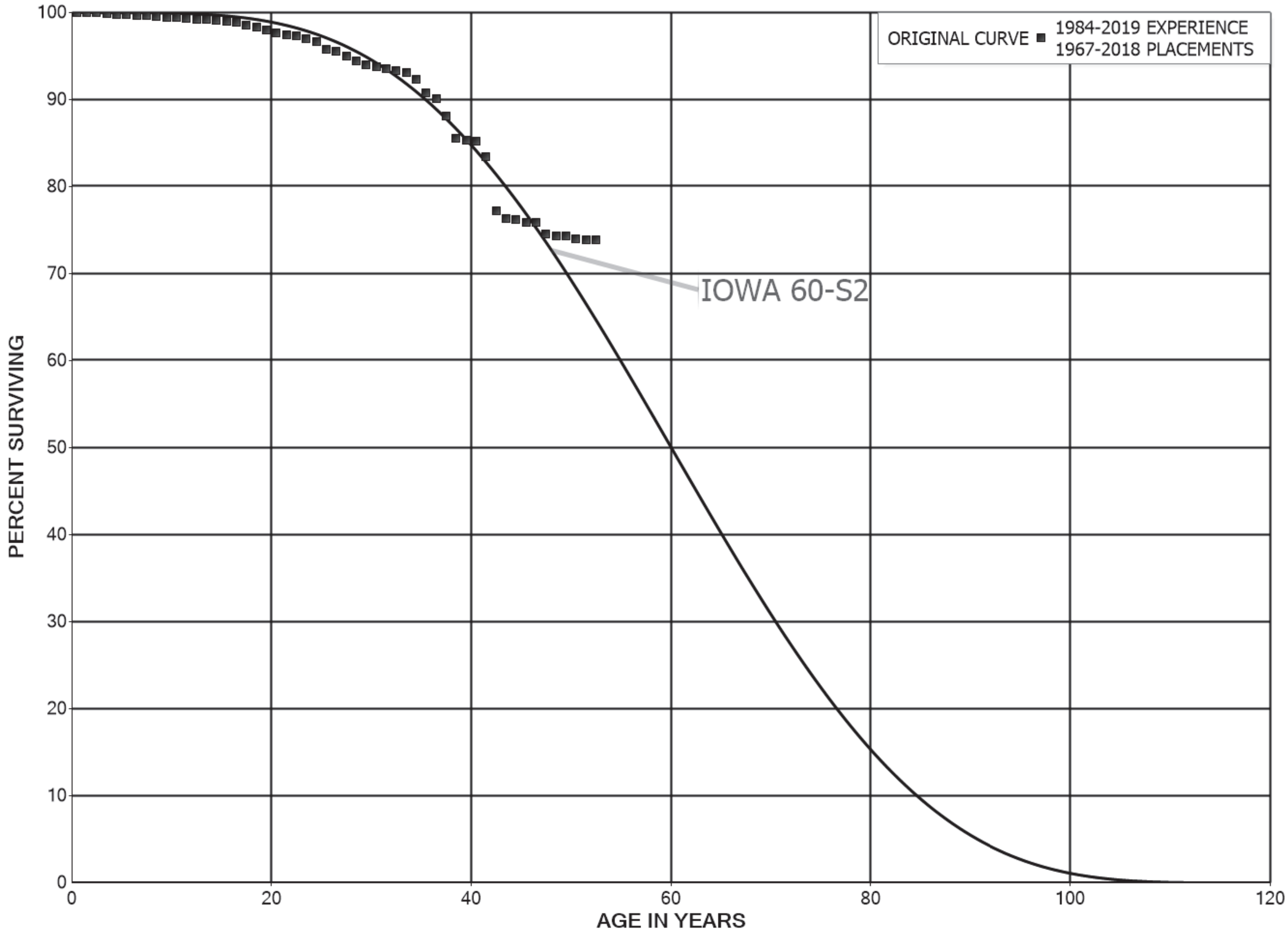
ACCOUNT 354.00 TOWERS AND FIXTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1957-1982 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	1,541,784		0.0000	1.0000	100.00
40.5	634,879	51,499	0.0811	0.9189	100.00
41.5	583,380		0.0000	1.0000	91.89
42.5	208,999		0.0000	1.0000	91.89
43.5	374,291		0.0000	1.0000	91.89
44.5	374,291		0.0000	1.0000	91.89
45.5	384,057		0.0000	1.0000	91.89
46.5	384,057		0.0000	1.0000	91.89
47.5	400,850		0.0000	1.0000	91.89
48.5	400,850		0.0000	1.0000	91.89
49.5	400,850		0.0000	1.0000	91.89
50.5	400,850		0.0000	1.0000	91.89
51.5	398,171		0.0000	1.0000	91.89
52.5	191,851		0.0000	1.0000	91.89
53.5	191,851		0.0000	1.0000	91.89
54.5	191,851		0.0000	1.0000	91.89
55.5	191,851		0.0000	1.0000	91.89
56.5	191,851		0.0000	1.0000	91.89
57.5	191,851		0.0000	1.0000	91.89
58.5	26,559		0.0000	1.0000	91.89
59.5	26,559		0.0000	1.0000	91.89
60.5	16,793		0.0000	1.0000	91.89
61.5	16,793		0.0000	1.0000	91.89
62.5					91.89

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 355.00 POLES AND FIXTURES
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 355.00 POLES AND FIXTURES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1967-2018 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	125,919,525	17,261	0.0001	0.9999	100.00
0.5	128,636,796	49,126	0.0004	0.9996	99.99
1.5	132,582,158	31,011	0.0002	0.9998	99.95
2.5	135,164,017	126,995	0.0009	0.9991	99.92
3.5	126,440,885	132,184	0.0010	0.9990	99.83
4.5	124,683,321	63,146	0.0005	0.9995	99.73
5.5	118,252,144	40,643	0.0003	0.9997	99.68
6.5	117,610,974	85,536	0.0007	0.9993	99.64
7.5	116,054,025	84,135	0.0007	0.9993	99.57
8.5	106,472,618	52,229	0.0005	0.9995	99.50
9.5	94,935,600	94,057	0.0010	0.9990	99.45
10.5	88,977,214	49,542	0.0006	0.9994	99.35
11.5	82,488,890	53,572	0.0006	0.9994	99.29
12.5	70,860,134	56,116	0.0008	0.9992	99.23
13.5	69,553,731	41,867	0.0006	0.9994	99.15
14.5	66,215,812	87,516	0.0013	0.9987	99.09
15.5	58,262,034	85,483	0.0015	0.9985	98.96
16.5	59,338,505	172,508	0.0029	0.9971	98.82
17.5	56,010,517	162,687	0.0029	0.9971	98.53
18.5	53,302,799	132,528	0.0025	0.9975	98.24
19.5	51,000,414	203,980	0.0040	0.9960	98.00
20.5	50,578,617	109,779	0.0022	0.9978	97.61
21.5	49,601,618	75,217	0.0015	0.9985	97.39
22.5	48,242,742	169,027	0.0035	0.9965	97.25
23.5	46,879,553	146,565	0.0031	0.9969	96.91
24.5	43,310,218	388,308	0.0090	0.9910	96.60
25.5	42,386,984	125,939	0.0030	0.9970	95.74
26.5	39,819,322	210,846	0.0053	0.9947	95.45
27.5	38,446,073	240,881	0.0063	0.9937	94.95
28.5	36,965,488	134,253	0.0036	0.9964	94.35
29.5	35,835,196	127,532	0.0036	0.9964	94.01
30.5	35,027,299	74,344	0.0021	0.9979	93.67
31.5	32,776,078	73,820	0.0023	0.9977	93.48
32.5	31,922,541	51,928	0.0016	0.9984	93.27
33.5	28,866,314	246,946	0.0086	0.9914	93.11
34.5	27,872,901	466,933	0.0168	0.9832	92.32
35.5	25,723,231	189,908	0.0074	0.9926	90.77
36.5	24,209,541	551,602	0.0228	0.9772	90.10
37.5	23,087,060	659,804	0.0286	0.9714	88.05
38.5	19,496,963	50,540	0.0026	0.9974	85.53

EAST KENTUCKY POWER COOPERATIVE, INC.

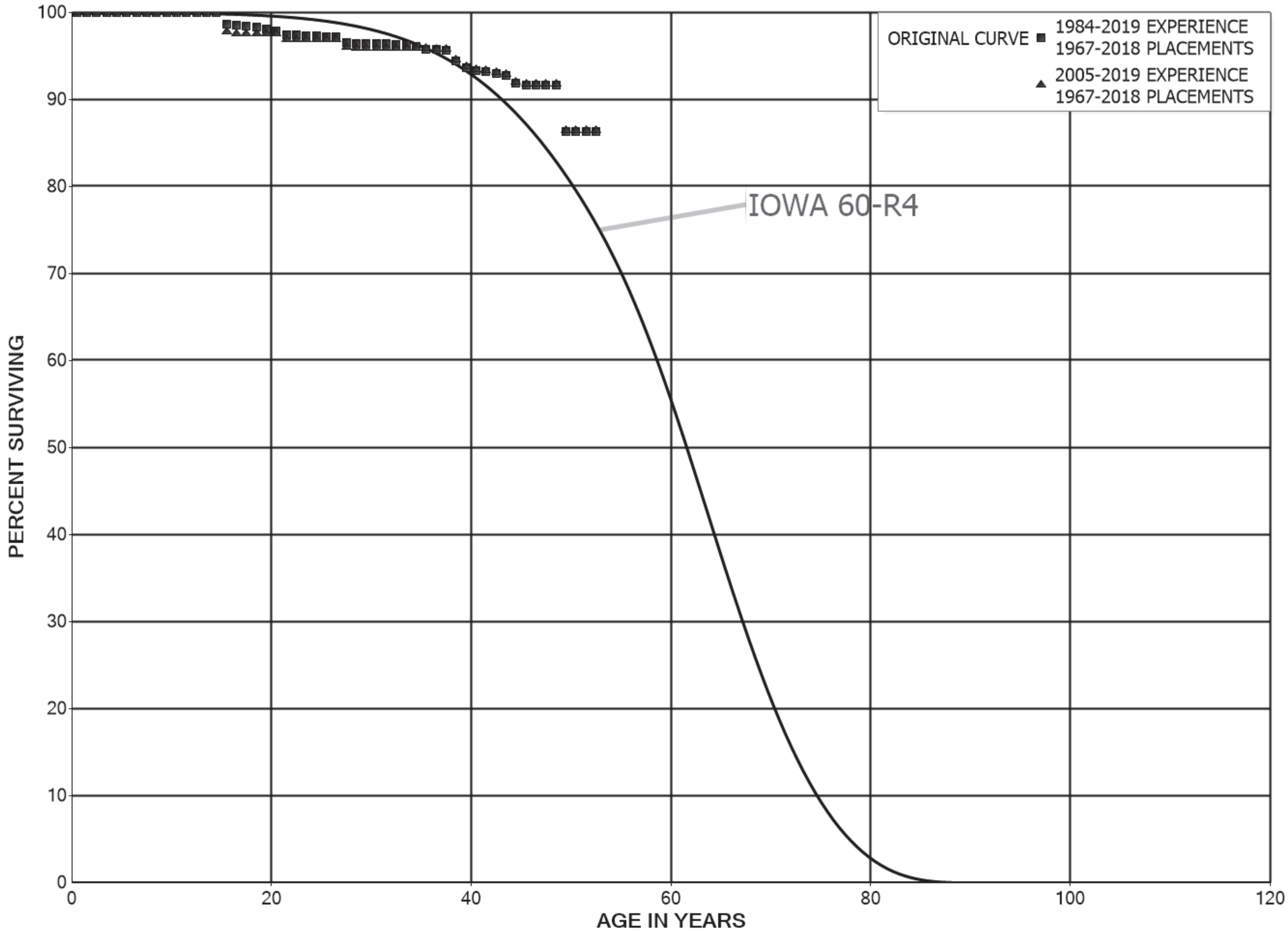
ACCOUNT 355.00 POLES AND FIXTURES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1967-2018 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	18,970,852	31,182	0.0016	0.9984	85.31
40.5	12,082,060	244,062	0.0202	0.9798	85.17
41.5	10,891,420	821,090	0.0754	0.9246	83.45
42.5	7,894,564	90,136	0.0114	0.9886	77.16
43.5	7,458,958	15,275	0.0020	0.9980	76.28
44.5	6,977,565	21,407	0.0031	0.9969	76.12
45.5	6,496,697	6,287	0.0010	0.9990	75.89
46.5	6,427,048	114,101	0.0178	0.9822	75.81
47.5	6,243,300	16,985	0.0027	0.9973	74.47
48.5	6,095,885	2,069	0.0003	0.9997	74.26
49.5	5,356,571	25,113	0.0047	0.9953	74.24
50.5	3,306,264	460	0.0001	0.9999	73.89
51.5	3,304,824	460	0.0001	0.9999	73.88
52.5					73.87

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1967-2018 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	106,706,279		0.0000	1.0000	100.00
0.5	108,497,179	4	0.0000	1.0000	100.00
1.5	108,003,997	43	0.0000	1.0000	100.00
2.5	112,336,043	296	0.0000	1.0000	100.00
3.5	110,302,208	403	0.0000	1.0000	100.00
4.5	115,790,851	3,150	0.0000	1.0000	100.00
5.5	116,156,361	2,380	0.0000	1.0000	100.00
6.5	115,354,978	9,054	0.0001	0.9999	99.99
7.5	115,047,722	5,534	0.0000	1.0000	99.99
8.5	114,065,797	10,102	0.0001	0.9999	99.98
9.5	111,519,908	4,929	0.0000	1.0000	99.97
10.5	84,348,621	7,432	0.0001	0.9999	99.97
11.5	80,178,143	6,281	0.0001	0.9999	99.96
12.5	67,722,998	17,047	0.0003	0.9997	99.95
13.5	67,753,804	8,139	0.0001	0.9999	99.93
14.5	63,922,509	850,878	0.0133	0.9867	99.91
15.5	60,500,834	60,851	0.0010	0.9990	98.58
16.5	64,068,814	94,000	0.0015	0.9985	98.49
17.5	59,118,017	26,836	0.0005	0.9995	98.34
18.5	56,279,834	157,669	0.0028	0.9972	98.30
19.5	51,922,114	73,989	0.0014	0.9986	98.02
20.5	51,591,659	227,547	0.0044	0.9956	97.88
21.5	50,037,946	19,449	0.0004	0.9996	97.45
22.5	48,830,422	76,044	0.0016	0.9984	97.41
23.5	46,946,636	14,050	0.0003	0.9997	97.26
24.5	42,919,997	14,858	0.0003	0.9997	97.23
25.5	42,499,559	2,428	0.0001	0.9999	97.20
26.5	39,568,014	266,660	0.0067	0.9933	97.19
27.5	37,845,048	43,879	0.0012	0.9988	96.54
28.5	36,341,355	1,359	0.0000	1.0000	96.42
29.5	34,279,236	3,369	0.0001	0.9999	96.42
30.5	33,778,686	9,517	0.0003	0.9997	96.41
31.5	33,184,631	15,865	0.0005	0.9995	96.38
32.5	32,588,708	24,811	0.0008	0.9992	96.34
33.5	29,269,700	57,477	0.0020	0.9980	96.27
34.5	28,808,325	106,179	0.0037	0.9963	96.08
35.5	27,061,541	13,174	0.0005	0.9995	95.72
36.5	25,786,762	8,474	0.0003	0.9997	95.68
37.5	25,166,495	325,545	0.0129	0.9871	95.64
38.5	19,904,251	162,902	0.0082	0.9918	94.41

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1967-2018 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	19,137,136	69,397	0.0036	0.9964	93.63
40.5	12,694,986	17,700	0.0014	0.9986	93.29
41.5	11,548,944	23,743	0.0021	0.9979	93.16
42.5	9,589,635	27,151	0.0028	0.9972	92.97
43.5	9,531,984	87,299	0.0092	0.9908	92.71
44.5	9,334,278	27,250	0.0029	0.9971	91.86
45.5	8,602,622		0.0000	1.0000	91.59
46.5	8,567,844		0.0000	1.0000	91.59
47.5	8,486,417		0.0000	1.0000	91.59
48.5	8,320,276	484,367	0.0582	0.9418	91.59
49.5	6,971,399		0.0000	1.0000	86.26
50.5	6,142,672		0.0000	1.0000	86.26
51.5	6,114,015		0.0000	1.0000	86.26
52.5					86.26

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES

ORIGINAL LIFE TABLE

PLACEMENT BAND 1967-2018 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	62,973,253		0.0000	1.0000	100.00
0.5	66,988,738		0.0000	1.0000	100.00
1.5	69,832,213		0.0000	1.0000	100.00
2.5	74,023,644		0.0000	1.0000	100.00
3.5	74,189,009		0.0000	1.0000	100.00
4.5	77,462,258		0.0000	1.0000	100.00
5.5	76,942,257		0.0000	1.0000	100.00
6.5	75,500,878		0.0000	1.0000	100.00
7.5	76,359,652		0.0000	1.0000	100.00
8.5	77,077,985		0.0000	1.0000	100.00
9.5	77,830,598		0.0000	1.0000	100.00
10.5	51,033,887		0.0000	1.0000	100.00
11.5	49,715,377		0.0000	1.0000	100.00
12.5	38,549,210	11,800	0.0003	0.9997	100.00
13.5	39,172,051		0.0000	1.0000	99.97
14.5	36,532,018	839,505	0.0230	0.9770	99.97
15.5	33,536,794	42,335	0.0013	0.9987	97.67
16.5	29,867,773		0.0000	1.0000	97.55
17.5	25,591,033		0.0000	1.0000	97.55
18.5	26,227,987	15,244	0.0006	0.9994	97.55
19.5	22,416,590		0.0000	1.0000	97.49
20.5	23,800,729	154,104	0.0065	0.9935	97.49
21.5	23,582,064		0.0000	1.0000	96.86
22.5	23,263,356		0.0000	1.0000	96.86
23.5	26,429,974		0.0000	1.0000	96.86
24.5	23,024,387		0.0000	1.0000	96.86
25.5	28,991,560		0.0000	1.0000	96.86
26.5	27,192,420	262,000	0.0096	0.9904	96.86
27.5	27,410,976	37,660	0.0014	0.9986	95.93
28.5	25,944,002		0.0000	1.0000	95.80
29.5	23,993,649		0.0000	1.0000	95.80
30.5	24,200,874	1,234	0.0001	0.9999	95.80
31.5	23,649,881		0.0000	1.0000	95.79
32.5	23,151,250	62	0.0000	1.0000	95.79
33.5	20,023,133		0.0000	1.0000	95.79
34.5	20,489,631		0.0000	1.0000	95.79
35.5	19,677,753	5,887	0.0003	0.9997	95.79
36.5	18,487,214		0.0000	1.0000	95.76
37.5	25,166,495	325,545	0.0129	0.9871	95.76
38.5	19,904,251	162,902	0.0082	0.9918	94.52

EAST KENTUCKY POWER COOPERATIVE, INC.

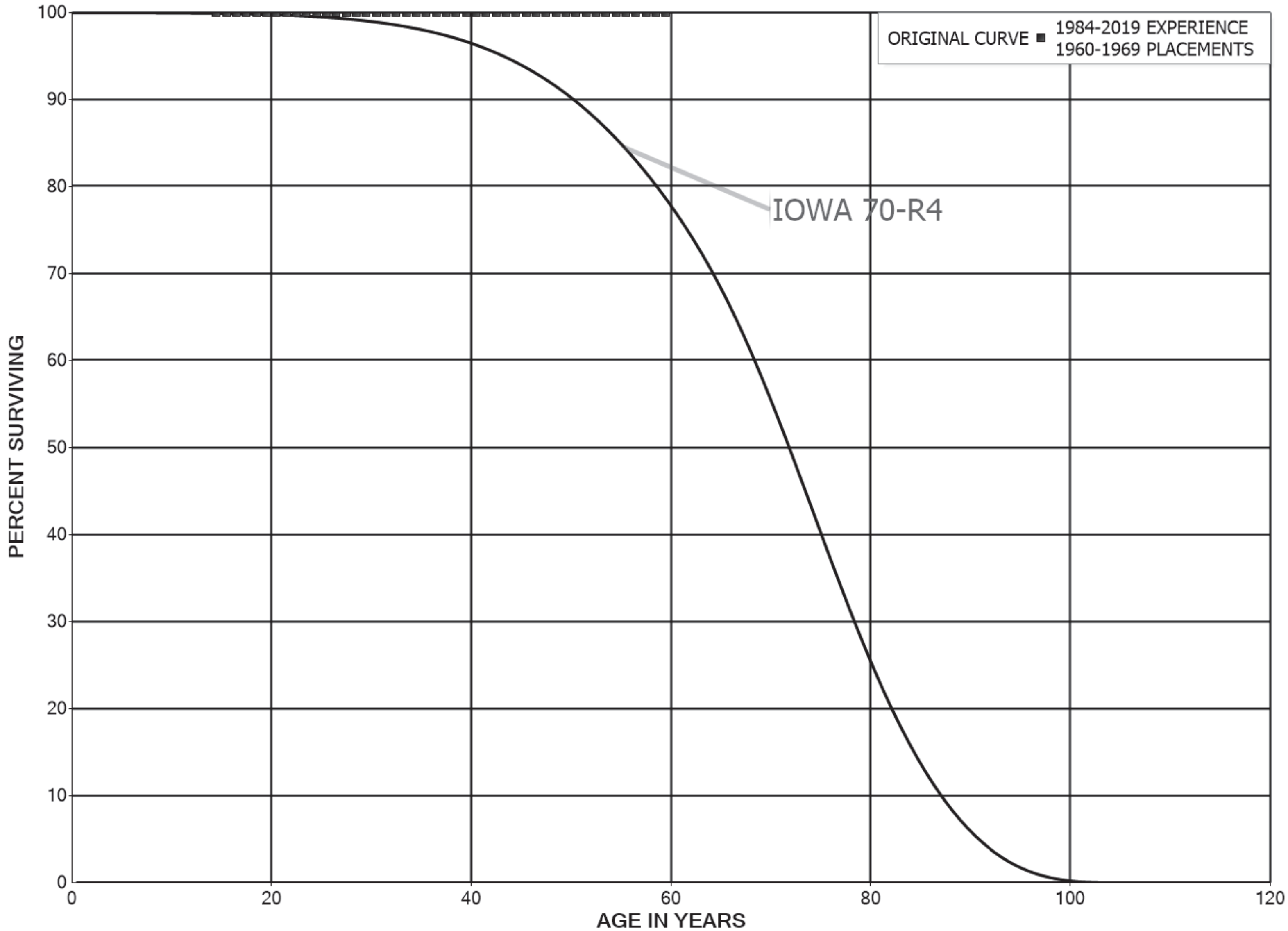
ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1967-2018 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	19,137,136	69,397	0.0036	0.9964	93.75
40.5	12,694,986	17,700	0.0014	0.9986	93.41
41.5	11,548,944	23,743	0.0021	0.9979	93.28
42.5	9,589,635	27,151	0.0028	0.9972	93.09
43.5	9,531,984	87,299	0.0092	0.9908	92.82
44.5	9,334,278	27,250	0.0029	0.9971	91.97
45.5	8,602,622		0.0000	1.0000	91.71
46.5	8,567,844		0.0000	1.0000	91.71
47.5	8,486,417		0.0000	1.0000	91.71
48.5	8,320,276	484,367	0.0582	0.9418	91.71
49.5	6,971,399		0.0000	1.0000	86.37
50.5	6,142,672		0.0000	1.0000	86.37
51.5	6,114,015		0.0000	1.0000	86.37
52.5					86.37

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 359.00 ROADS AND TRAILS
ORIGINAL AND SMOOTH SURVIVOR CURVES



Gannett Fleming

East Kentucky Power Cooperative, Inc.
December 31, 2019

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 359.00 ROADS AND TRAILS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1960-1969 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0					
0.5					
1.5					
2.5					
3.5					
4.5					
5.5					
6.5					
7.5					
8.5					
9.5					
10.5					
11.5					
12.5					
13.5					
14.5	7,116		0.0000	1.0000	100.00
15.5	7,116		0.0000	1.0000	100.00
16.5	7,116		0.0000	1.0000	100.00
17.5	7,116		0.0000	1.0000	100.00
18.5	7,116		0.0000	1.0000	100.00
19.5	7,116		0.0000	1.0000	100.00
20.5	7,116		0.0000	1.0000	100.00
21.5	7,116		0.0000	1.0000	100.00
22.5	7,116		0.0000	1.0000	100.00
23.5	23,288		0.0000	1.0000	100.00
24.5	23,288		0.0000	1.0000	100.00
25.5	23,288		0.0000	1.0000	100.00
26.5	23,288		0.0000	1.0000	100.00
27.5	23,288		0.0000	1.0000	100.00
28.5	23,288		0.0000	1.0000	100.00
29.5	23,288		0.0000	1.0000	100.00
30.5	23,288		0.0000	1.0000	100.00
31.5	23,288		0.0000	1.0000	100.00
32.5	23,288		0.0000	1.0000	100.00
33.5	23,288		0.0000	1.0000	100.00
34.5	23,288		0.0000	1.0000	100.00
35.5	23,288		0.0000	1.0000	100.00
36.5	23,288		0.0000	1.0000	100.00
37.5	23,288		0.0000	1.0000	100.00
38.5	23,288		0.0000	1.0000	100.00

EAST KENTUCKY POWER COOPERATIVE, INC.

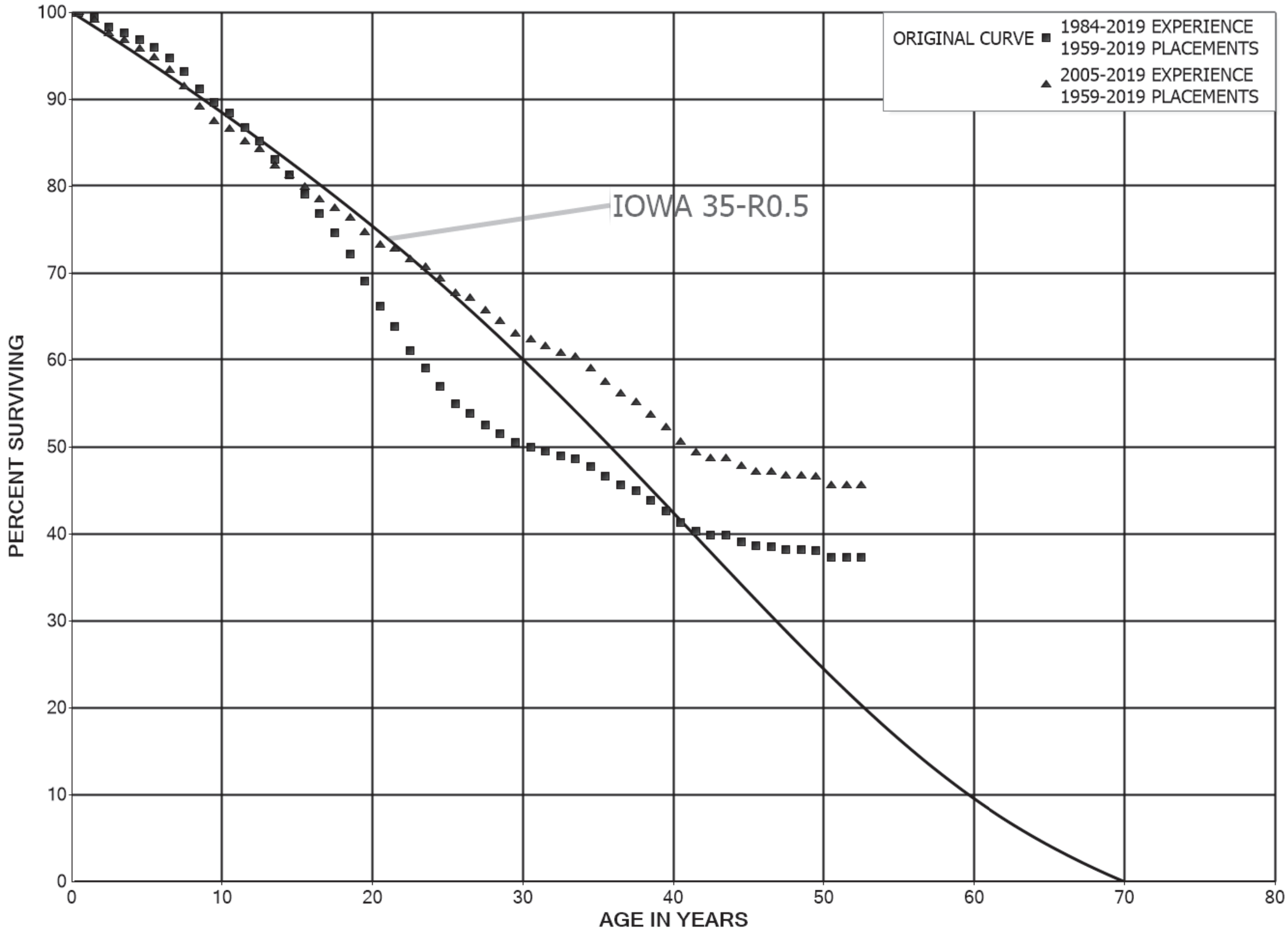
ACCOUNT 359.00 ROADS AND TRAILS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1960-1969 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	23,288		0.0000	1.0000	100.00
40.5	23,288		0.0000	1.0000	100.00
41.5	23,288		0.0000	1.0000	100.00
42.5	23,288		0.0000	1.0000	100.00
43.5	23,288		0.0000	1.0000	100.00
44.5	23,288		0.0000	1.0000	100.00
45.5	23,288		0.0000	1.0000	100.00
46.5	23,288		0.0000	1.0000	100.00
47.5	23,288		0.0000	1.0000	100.00
48.5	23,288		0.0000	1.0000	100.00
49.5	23,288		0.0000	1.0000	100.00
50.5	16,172		0.0000	1.0000	100.00
51.5	16,172		0.0000	1.0000	100.00
52.5	16,172		0.0000	1.0000	100.00
53.5	16,172		0.0000	1.0000	100.00
54.5	16,172		0.0000	1.0000	100.00
55.5	16,172		0.0000	1.0000	100.00
56.5	16,172		0.0000	1.0000	100.00
57.5	16,172		0.0000	1.0000	100.00
58.5	16,172		0.0000	1.0000	100.00
59.5					100.00

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 362.00 STATION EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 362.00 STATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1959-2019 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	239,443,047	162,347	0.0007	0.9993	100.00
0.5	239,476,524	1,340,117	0.0056	0.9944	99.93
1.5	239,326,828	2,552,659	0.0107	0.9893	99.37
2.5	235,871,878	1,582,224	0.0067	0.9933	98.31
3.5	227,207,840	1,879,903	0.0083	0.9917	97.65
4.5	214,742,743	1,948,577	0.0091	0.9909	96.85
5.5	202,674,394	2,582,873	0.0127	0.9873	95.97
6.5	195,869,932	3,209,970	0.0164	0.9836	94.74
7.5	181,332,694	3,996,356	0.0220	0.9780	93.19
8.5	170,704,690	2,908,536	0.0170	0.9830	91.14
9.5	158,149,317	2,044,435	0.0129	0.9871	89.58
10.5	145,992,453	2,867,825	0.0196	0.9804	88.43
11.5	134,375,890	2,300,321	0.0171	0.9829	86.69
12.5	123,129,857	3,114,263	0.0253	0.9747	85.21
13.5	112,564,308	2,441,481	0.0217	0.9783	83.05
14.5	105,010,641	2,757,675	0.0263	0.9737	81.25
15.5	96,867,872	2,827,904	0.0292	0.9708	79.12
16.5	91,058,889	2,611,427	0.0287	0.9713	76.81
17.5	83,283,672	2,691,827	0.0323	0.9677	74.60
18.5	75,775,562	3,282,681	0.0433	0.9567	72.19
19.5	59,746,903	2,522,662	0.0422	0.9578	69.06
20.5	57,650,601	2,003,996	0.0348	0.9652	66.15
21.5	50,037,274	2,152,180	0.0430	0.9570	63.85
22.5	42,087,699	1,416,181	0.0336	0.9664	61.10
23.5	37,773,963	1,311,514	0.0347	0.9653	59.05
24.5	33,877,126	1,200,776	0.0354	0.9646	57.00
25.5	31,554,863	682,058	0.0216	0.9784	54.98
26.5	28,784,802	700,059	0.0243	0.9757	53.79
27.5	23,925,660	439,218	0.0184	0.9816	52.48
28.5	21,217,228	421,284	0.0199	0.9801	51.52
29.5	19,665,650	192,164	0.0098	0.9902	50.49
30.5	17,838,394	177,364	0.0099	0.9901	50.00
31.5	16,481,966	194,808	0.0118	0.9882	49.50
32.5	15,724,699	91,760	0.0058	0.9942	48.92
33.5	14,847,349	281,419	0.0190	0.9810	48.63
34.5	13,713,523	313,271	0.0228	0.9772	47.71
35.5	12,675,253	261,328	0.0206	0.9794	46.62
36.5	10,750,766	171,768	0.0160	0.9840	45.66
37.5	9,669,001	233,649	0.0242	0.9758	44.93
38.5	8,341,448	223,767	0.0268	0.9732	43.84

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 362.00 STATION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1959-2019 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	7,276,174	226,641	0.0311	0.9689	42.67
40.5	6,072,196	150,559	0.0248	0.9752	41.34
41.5	4,558,998	55,310	0.0121	0.9879	40.31
42.5	3,818,679	2,225	0.0006	0.9994	39.83
43.5	3,150,312	54,852	0.0174	0.9826	39.80
44.5	2,854,962	37,301	0.0131	0.9869	39.11
45.5	2,459,776	4,875	0.0020	0.9980	38.60
46.5	2,158,325	20,203	0.0094	0.9906	38.52
47.5	2,008,812	84	0.0000	1.0000	38.16
48.5	1,851,939	3,273	0.0018	0.9982	38.16
49.5	1,683,577	35,624	0.0212	0.9788	38.09
50.5	1,518,223		0.0000	1.0000	37.29
51.5	1,423,434	1,732	0.0012	0.9988	37.29
52.5	259,677		0.0000	1.0000	37.24
53.5	132,988	92	0.0007	0.9993	37.24
54.5	123,894		0.0000	1.0000	37.21
55.5	123,646		0.0000	1.0000	37.21
56.5	123,258		0.0000	1.0000	37.21
57.5	123,258		0.0000	1.0000	37.21
58.5	123,083		0.0000	1.0000	37.21
59.5	964		0.0000	1.0000	37.21
60.5					37.21

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 362.00 STATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1959-2019 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	141,843,112	113,168	0.0008	0.9992	100.00
0.5	146,537,769	1,210,151	0.0083	0.9917	99.92
1.5	151,944,763	2,373,897	0.0156	0.9844	99.10
2.5	152,893,878	1,340,048	0.0088	0.9912	97.55
3.5	147,879,966	1,543,678	0.0104	0.9896	96.69
4.5	148,623,128	1,509,371	0.0102	0.9898	95.68
5.5	132,408,521	2,046,775	0.0155	0.9845	94.71
6.5	130,197,631	2,548,273	0.0196	0.9804	93.25
7.5	121,518,826	3,187,393	0.0262	0.9738	91.42
8.5	114,893,845	2,049,132	0.0178	0.9822	89.02
9.5	105,287,722	1,083,797	0.0103	0.9897	87.44
10.5	94,932,910	1,598,371	0.0168	0.9832	86.54
11.5	86,910,018	977,461	0.0112	0.9888	85.08
12.5	81,850,554	1,782,000	0.0218	0.9782	84.12
13.5	74,008,182	1,018,019	0.0138	0.9862	82.29
14.5	69,299,209	1,149,794	0.0166	0.9834	81.16
15.5	64,352,712	1,134,887	0.0176	0.9824	79.81
16.5	58,436,200	753,303	0.0129	0.9871	78.40
17.5	52,827,913	726,545	0.0138	0.9862	77.39
18.5	48,694,924	1,107,122	0.0227	0.9773	76.33
19.5	36,337,824	695,167	0.0191	0.9809	74.59
20.5	36,984,253	212,399	0.0057	0.9943	73.17
21.5	33,047,805	584,419	0.0177	0.9823	72.75
22.5	27,746,894	348,524	0.0126	0.9874	71.46
23.5	25,604,407	467,636	0.0183	0.9817	70.56
24.5	23,743,573	573,975	0.0242	0.9758	69.27
25.5	23,449,378	174,913	0.0075	0.9925	67.60
26.5	23,498,839	502,993	0.0214	0.9786	67.10
27.5	19,701,595	366,569	0.0186	0.9814	65.66
28.5	17,848,115	401,272	0.0225	0.9775	64.44
29.5	16,667,526	190,708	0.0114	0.9886	62.99
30.5	15,268,106	177,364	0.0116	0.9884	62.27
31.5	14,217,364	194,808	0.0137	0.9863	61.54
32.5	13,609,723	91,760	0.0067	0.9933	60.70
33.5	12,895,864	281,419	0.0218	0.9782	60.29
34.5	11,932,767	313,271	0.0263	0.9737	58.98
35.5	11,026,694	261,328	0.0237	0.9763	57.43
36.5	9,204,220	171,768	0.0187	0.9813	56.07
37.5	9,411,436	233,649	0.0248	0.9752	55.02
38.5	8,215,840	223,767	0.0272	0.9728	53.65

EAST KENTUCKY POWER COOPERATIVE, INC.

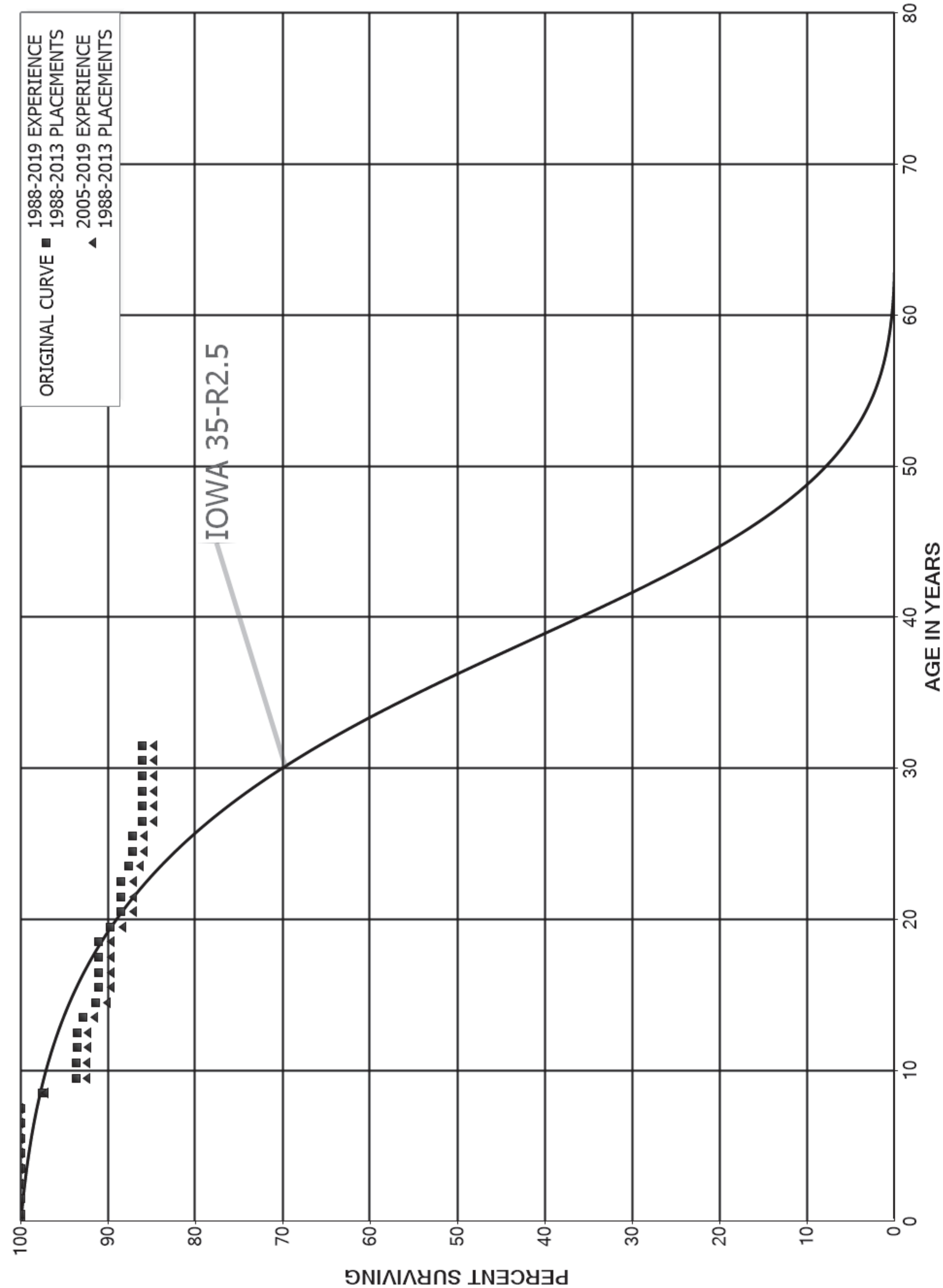
ACCOUNT 362.00 STATION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1959-2019 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	7,159,289	226,641	0.0317	0.9683	52.19
40.5	5,955,311	150,559	0.0253	0.9747	50.54
41.5	4,442,112	55,310	0.0125	0.9875	49.26
42.5	3,701,794	2,225	0.0006	0.9994	48.65
43.5	3,033,427	54,852	0.0181	0.9819	48.62
44.5	2,854,962	37,301	0.0131	0.9869	47.74
45.5	2,459,776	4,875	0.0020	0.9980	47.12
46.5	2,158,325	20,203	0.0094	0.9906	47.02
47.5	2,008,812	84	0.0000	1.0000	46.58
48.5	1,851,939	3,273	0.0018	0.9982	46.58
49.5	1,683,577	35,624	0.0212	0.9788	46.50
50.5	1,518,223		0.0000	1.0000	45.52
51.5	1,423,434	1,732	0.0012	0.9988	45.52
52.5	259,677		0.0000	1.0000	45.46
53.5	132,988	92	0.0007	0.9993	45.46
54.5	123,894		0.0000	1.0000	45.43
55.5	123,646		0.0000	1.0000	45.43
56.5	123,258		0.0000	1.0000	45.43
57.5	123,258		0.0000	1.0000	45.43
58.5	123,083		0.0000	1.0000	45.43
59.5	964		0.0000	1.0000	45.43
60.5					45.43

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 362.10 STATION EQUIPMENT - SCADA
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 362.10 STATION EQUIPMENT - SCADA

ORIGINAL LIFE TABLE

PLACEMENT BAND 1988-2013 EXPERIENCE BAND 1988-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	13,056,475		0.0000	1.0000	100.00
0.5	12,923,251		0.0000	1.0000	100.00
1.5	9,537,590		0.0000	1.0000	100.00
2.5	6,569,202		0.0000	1.0000	100.00
3.5	6,569,202		0.0000	1.0000	100.00
4.5	6,569,202		0.0000	1.0000	100.00
5.5	6,569,202		0.0000	1.0000	100.00
6.5	6,542,453		0.0000	1.0000	100.00
7.5	6,424,719	159,146	0.0248	0.9752	100.00
8.5	5,734,171	227,015	0.0396	0.9604	97.52
9.5	5,449,824		0.0000	1.0000	93.66
10.5	5,049,338	7,562	0.0015	0.9985	93.66
11.5	4,962,829		0.0000	1.0000	93.52
12.5	4,962,829	34,780	0.0070	0.9930	93.52
13.5	3,274,973	51,034	0.0156	0.9844	92.87
14.5	2,958,880	11,638	0.0039	0.9961	91.42
15.5	1,947,940		0.0000	1.0000	91.06
16.5	1,922,278		0.0000	1.0000	91.06
17.5	1,922,278		0.0000	1.0000	91.06
18.5	1,922,278	27,513	0.0143	0.9857	91.06
19.5	1,706,981	23,555	0.0138	0.9862	89.76
20.5	1,683,427		0.0000	1.0000	88.52
21.5	1,648,610		0.0000	1.0000	88.52
22.5	1,044,787	10,096	0.0097	0.9903	88.52
23.5	1,034,692	5,522	0.0053	0.9947	87.66
24.5	777,796		0.0000	1.0000	87.19
25.5	635,935	8,461	0.0133	0.9867	87.19
26.5	398,801		0.0000	1.0000	86.03
27.5	383,451		0.0000	1.0000	86.03
28.5	256,338		0.0000	1.0000	86.03
29.5	256,338		0.0000	1.0000	86.03
30.5	256,338		0.0000	1.0000	86.03
31.5					86.03

EAST KENTUCKY POWER COOPERATIVE, INC.

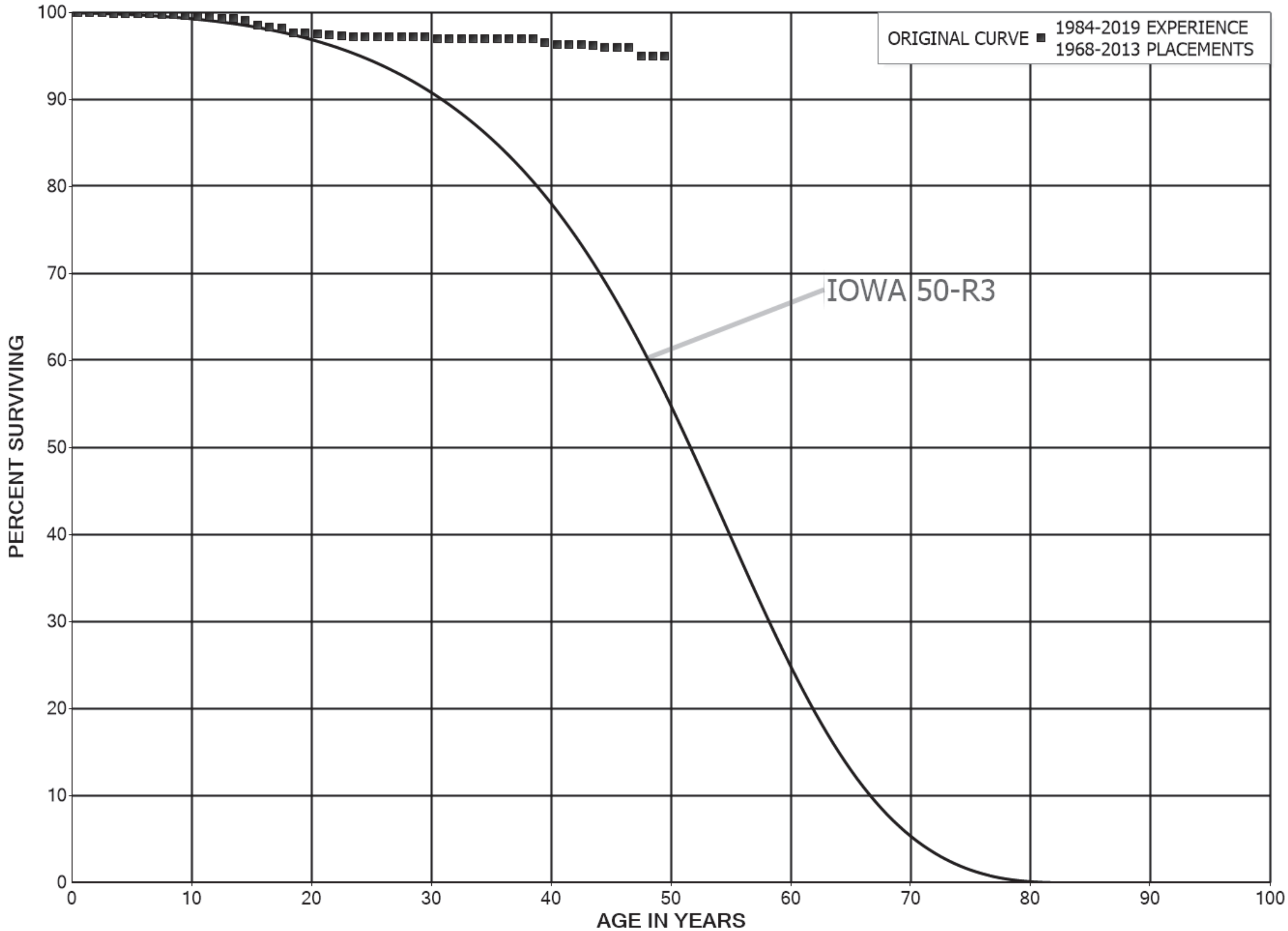
ACCOUNT 362.10 STATION EQUIPMENT - SCADA

ORIGINAL LIFE TABLE

PLACEMENT BAND 1988-2013 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	9,633,183		0.0000	1.0000	100.00
0.5	10,963,673		0.0000	1.0000	100.00
1.5	7,603,674		0.0000	1.0000	100.00
2.5	4,635,285		0.0000	1.0000	100.00
3.5	4,635,285		0.0000	1.0000	100.00
4.5	4,823,069		0.0000	1.0000	100.00
5.5	4,823,069		0.0000	1.0000	100.00
6.5	4,831,136		0.0000	1.0000	100.00
7.5	5,352,418	159,146	0.0297	0.9703	100.00
8.5	4,661,870	227,015	0.0487	0.9513	97.03
9.5	4,628,896		0.0000	1.0000	92.30
10.5	4,370,272	7,562	0.0017	0.9983	92.30
11.5	4,558,506		0.0000	1.0000	92.14
12.5	4,573,856	34,780	0.0076	0.9924	92.14
13.5	3,013,113	51,034	0.0169	0.9831	91.44
14.5	2,697,020	11,638	0.0043	0.9957	89.89
15.5	1,686,080		0.0000	1.0000	89.50
16.5	1,922,278		0.0000	1.0000	89.50
17.5	1,922,278		0.0000	1.0000	89.50
18.5	1,922,278	27,513	0.0143	0.9857	89.50
19.5	1,706,981	23,555	0.0138	0.9862	88.22
20.5	1,683,427		0.0000	1.0000	87.01
21.5	1,648,610		0.0000	1.0000	87.01
22.5	1,044,787	10,096	0.0097	0.9903	87.01
23.5	1,034,692	5,522	0.0053	0.9947	86.17
24.5	777,796		0.0000	1.0000	85.71
25.5	635,935	8,461	0.0133	0.9867	85.71
26.5	398,801		0.0000	1.0000	84.57
27.5	383,451		0.0000	1.0000	84.57
28.5	256,338		0.0000	1.0000	84.57
29.5	256,338		0.0000	1.0000	84.57
30.5	256,338		0.0000	1.0000	84.57
31.5					84.57

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 368.00 LINE TRANSFORMERS
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 368.00 LINE TRANSFORMERS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1968-2013 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	1,423,532	220	0.0002	0.9998	100.00
0.5	1,446,330	348	0.0002	0.9998	99.98
1.5	1,480,423	440	0.0003	0.9997	99.96
2.5	1,520,122	661	0.0004	0.9996	99.93
3.5	1,522,251	559	0.0004	0.9996	99.89
4.5	1,534,868	431	0.0003	0.9997	99.85
5.5	1,554,109	388	0.0002	0.9998	99.82
6.5	1,419,251	663	0.0005	0.9995	99.80
7.5	962,564	399	0.0004	0.9996	99.75
8.5	975,637	938	0.0010	0.9990	99.71
9.5	1,017,486	689	0.0007	0.9993	99.61
10.5	1,053,640	916	0.0009	0.9991	99.55
11.5	1,032,489	1,539	0.0015	0.9985	99.46
12.5	1,071,374	544	0.0005	0.9995	99.31
13.5	1,315,451	1,937	0.0015	0.9985	99.26
14.5	1,313,514	8,228	0.0063	0.9937	99.11
15.5	1,293,434	2,109	0.0016	0.9984	98.49
16.5	1,248,429	2,123	0.0017	0.9983	98.33
17.5	1,126,424	5,774	0.0051	0.9949	98.17
18.5	1,041,293	767	0.0007	0.9993	97.66
19.5	855,042	1,103	0.0013	0.9987	97.59
20.5	853,939	1,063	0.0012	0.9988	97.47
21.5	852,876	192	0.0002	0.9998	97.34
22.5	852,684	832	0.0010	0.9990	97.32
23.5	851,852	212	0.0002	0.9998	97.23
24.5	851,640	128	0.0002	0.9998	97.20
25.5	851,512	184	0.0002	0.9998	97.19
26.5	851,328	167	0.0002	0.9998	97.17
27.5	851,161		0.0000	1.0000	97.15
28.5	851,161	202	0.0002	0.9998	97.15
29.5	850,959	1,274	0.0015	0.9985	97.13
30.5	849,685		0.0000	1.0000	96.98
31.5	849,685	138	0.0002	0.9998	96.98
32.5	621,978		0.0000	1.0000	96.96
33.5	621,978		0.0000	1.0000	96.96
34.5	601,174		0.0000	1.0000	96.96
35.5	572,256		0.0000	1.0000	96.96
36.5	549,568		0.0000	1.0000	96.96
37.5	515,687		0.0000	1.0000	96.96
38.5	476,287	2,158	0.0045	0.9955	96.96

EAST KENTUCKY POWER COOPERATIVE, INC.

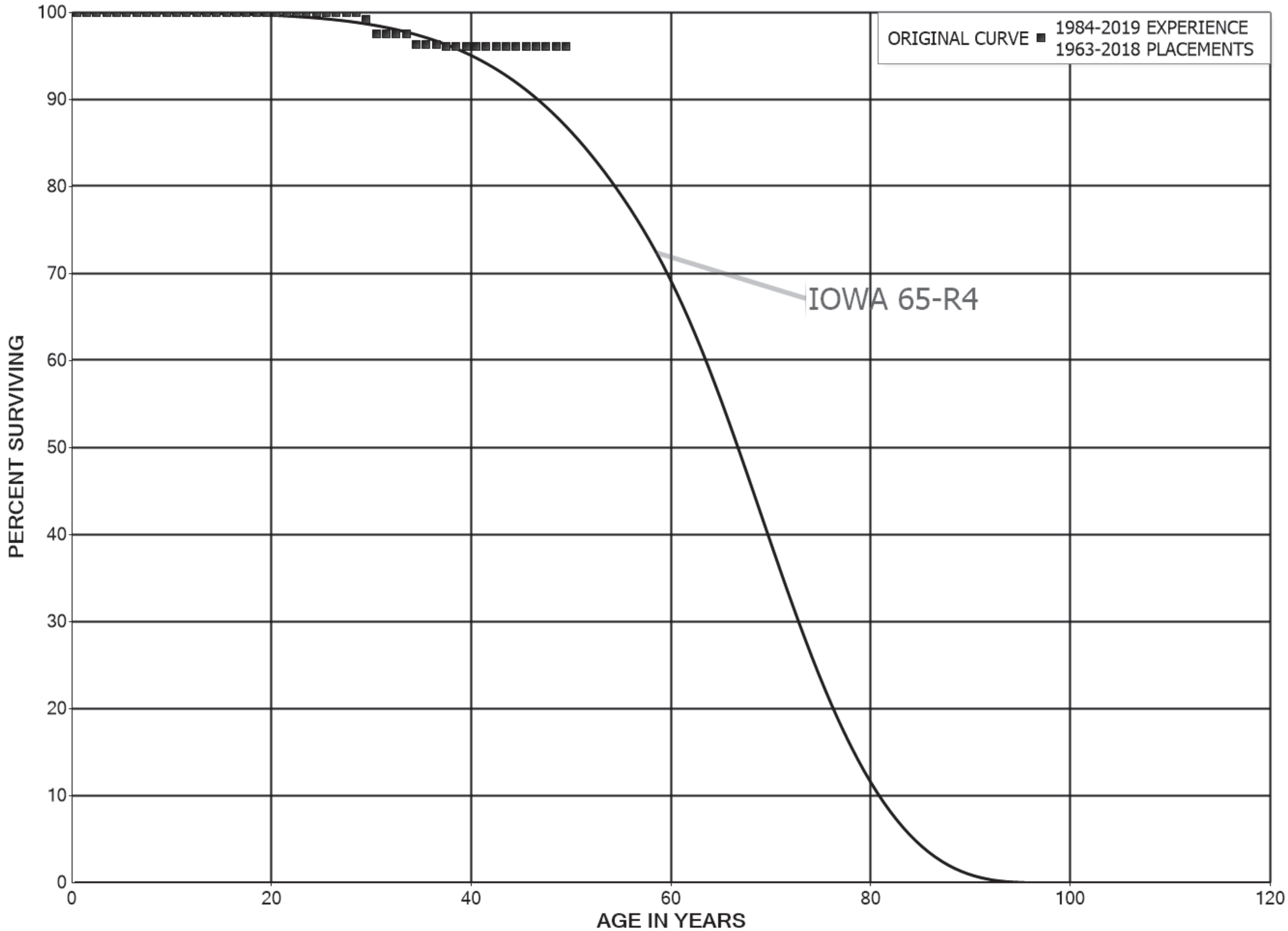
ACCOUNT 368.00 LINE TRANSFORMERS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1968-2013 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	471,398	922	0.0020	0.9980	96.52
40.5	457,612		0.0000	1.0000	96.34
41.5	438,469		0.0000	1.0000	96.34
42.5	426,023	475	0.0011	0.9989	96.34
43.5	372,285	891	0.0024	0.9976	96.23
44.5	358,822		0.0000	1.0000	96.00
45.5	319,329		0.0000	1.0000	96.00
46.5	284,335	3,050	0.0107	0.9893	96.00
47.5	281,285		0.0000	1.0000	94.97
48.5	243,460		0.0000	1.0000	94.97
49.5	22,398		0.0000	1.0000	94.97
50.5	22,398		0.0000	1.0000	94.97
51.5					94.97

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 390.00 STRUCTURES AND IMPROVEMENTS
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 390.00 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE

PLACEMENT BAND 1963-2018 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	12,580,620		0.0000	1.0000	100.00
0.5	12,594,298		0.0000	1.0000	100.00
1.5	13,255,233		0.0000	1.0000	100.00
2.5	14,330,688		0.0000	1.0000	100.00
3.5	14,211,436		0.0000	1.0000	100.00
4.5	14,235,726		0.0000	1.0000	100.00
5.5	14,047,989		0.0000	1.0000	100.00
6.5	13,591,273	7,738	0.0006	0.9994	100.00
7.5	12,898,432		0.0000	1.0000	99.94
8.5	12,770,758		0.0000	1.0000	99.94
9.5	12,779,321		0.0000	1.0000	99.94
10.5	12,701,446		0.0000	1.0000	99.94
11.5	12,630,782		0.0000	1.0000	99.94
12.5	12,592,304		0.0000	1.0000	99.94
13.5	14,465,319		0.0000	1.0000	99.94
14.5	14,432,315		0.0000	1.0000	99.94
15.5	14,432,315		0.0000	1.0000	99.94
16.5	14,433,766		0.0000	1.0000	99.94
17.5	14,331,586		0.0000	1.0000	99.94
18.5	14,064,435		0.0000	1.0000	99.94
19.5	11,924,830		0.0000	1.0000	99.94
20.5	11,956,267	2,307	0.0002	0.9998	99.94
21.5	11,953,961		0.0000	1.0000	99.92
22.5	11,820,649		0.0000	1.0000	99.92
23.5	11,820,649		0.0000	1.0000	99.92
24.5	11,820,649	1,839	0.0002	0.9998	99.92
25.5	7,276,613		0.0000	1.0000	99.91
26.5	7,257,074		0.0000	1.0000	99.91
27.5	5,924,387		0.0000	1.0000	99.91
28.5	4,703,075	33,214	0.0071	0.9929	99.91
29.5	4,596,514	78,424	0.0171	0.9829	99.20
30.5	4,516,289	1,755	0.0004	0.9996	97.51
31.5	4,494,326		0.0000	1.0000	97.47
32.5	4,488,684	739	0.0002	0.9998	97.47
33.5	4,477,900	52,357	0.0117	0.9883	97.46
34.5	4,375,271		0.0000	1.0000	96.32
35.5	4,354,236		0.0000	1.0000	96.32
36.5	4,340,559	12,307	0.0028	0.9972	96.32
37.5	3,481,737		0.0000	1.0000	96.04
38.5	2,406,283		0.0000	1.0000	96.04

EAST KENTUCKY POWER COOPERATIVE, INC.

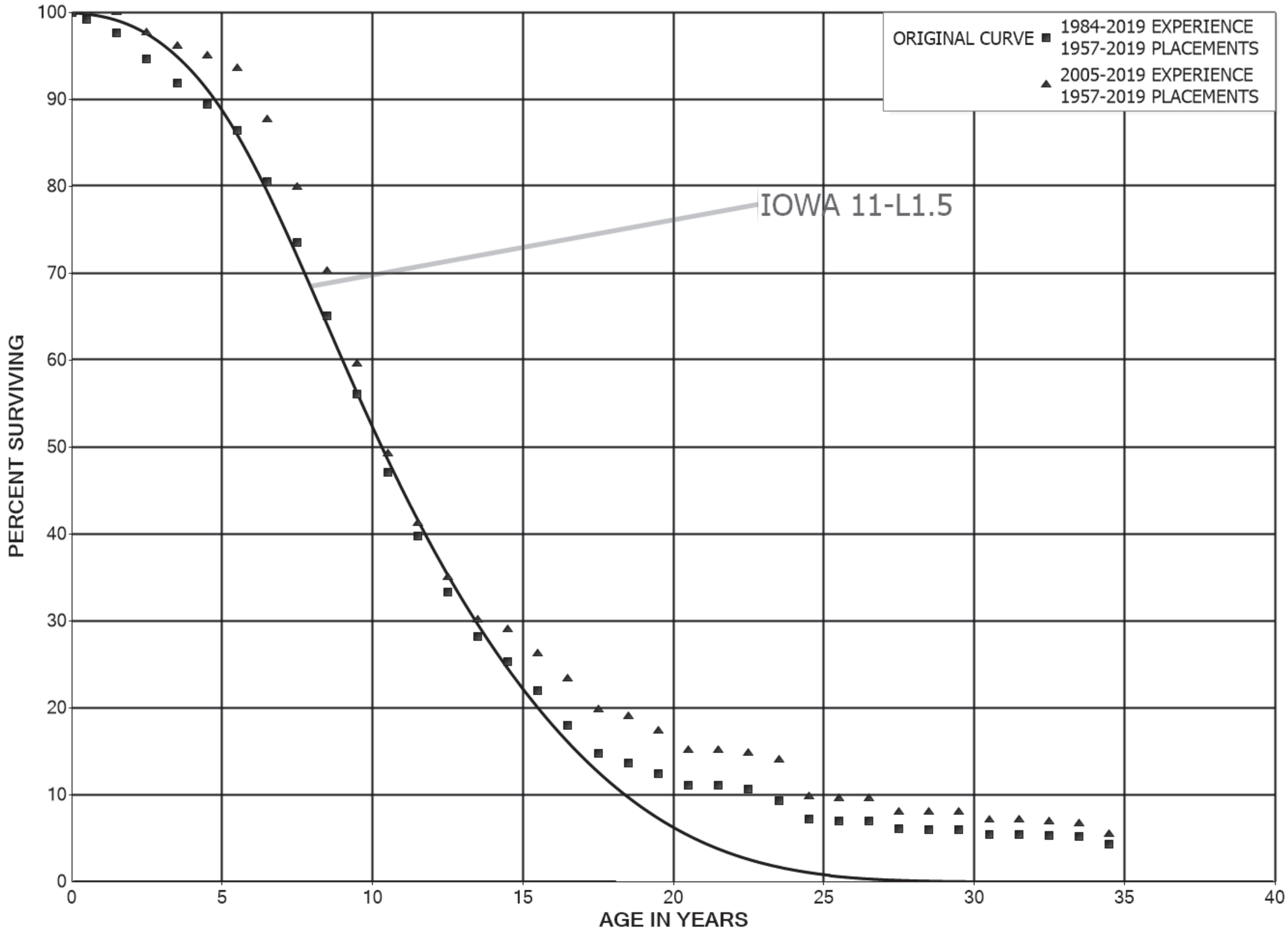
ACCOUNT 390.00 STRUCTURES AND IMPROVEMENTS

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1963-2018 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	2,360,958		0.0000	1.0000	96.04
40.5	2,316,667		0.0000	1.0000	96.04
41.5	2,306,778		0.0000	1.0000	96.04
42.5	2,123,583		0.0000	1.0000	96.04
43.5	2,099,937		0.0000	1.0000	96.04
44.5	1,954,389		0.0000	1.0000	96.04
45.5	1,945,826		0.0000	1.0000	96.04
46.5	1,938,214		0.0000	1.0000	96.04
47.5	1,930,372		0.0000	1.0000	96.04
48.5	1,908,569		0.0000	1.0000	96.04
49.5	101,690		0.0000	1.0000	96.04
50.5	100,000		0.0000	1.0000	96.04
51.5	100,000		0.0000	1.0000	96.04
52.5	99,288		0.0000	1.0000	96.04
53.5	48,866		0.0000	1.0000	96.04
54.5	48,866		0.0000	1.0000	96.04
55.5	48,866		0.0000	1.0000	96.04
56.5					96.04

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 392.00 TRANSPORTATION EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 392.00 TRANSPORTATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1957-2019 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	31,627,937	260,605	0.0082	0.9918	100.00
0.5	29,654,085	452,560	0.0153	0.9847	99.18
1.5	27,918,418	865,903	0.0310	0.9690	97.66
2.5	24,637,131	723,452	0.0294	0.9706	94.63
3.5	22,564,140	606,546	0.0269	0.9731	91.85
4.5	20,179,611	669,878	0.0332	0.9668	89.39
5.5	17,951,723	1,217,142	0.0678	0.9322	86.42
6.5	15,625,592	1,369,919	0.0877	0.9123	80.56
7.5	13,518,519	1,557,501	0.1152	0.8848	73.50
8.5	11,312,998	1,567,180	0.1385	0.8615	65.03
9.5	8,764,340	1,407,399	0.1606	0.8394	56.02
10.5	6,593,459	1,022,511	0.1551	0.8449	47.02
11.5	5,507,065	891,609	0.1619	0.8381	39.73
12.5	4,552,822	704,077	0.1546	0.8454	33.30
13.5	3,530,409	354,713	0.1005	0.8995	28.15
14.5	3,012,765	407,951	0.1354	0.8646	25.32
15.5	2,176,132	390,203	0.1793	0.8207	21.89
16.5	1,704,085	311,792	0.1830	0.8170	17.97
17.5	1,333,573	101,160	0.0759	0.9241	14.68
18.5	1,117,157	93,937	0.0841	0.9159	13.57
19.5	978,556	106,396	0.1087	0.8913	12.43
20.5	775,886	2,951	0.0038	0.9962	11.07
21.5	650,665	26,136	0.0402	0.9598	11.03
22.5	586,692	74,282	0.1266	0.8734	10.59
23.5	454,216	103,270	0.2274	0.7726	9.25
24.5	308,744	6,499	0.0210	0.9790	7.15
25.5	299,993		0.0000	1.0000	7.00
26.5	274,723	36,462	0.1327	0.8673	7.00
27.5	189,828	2,241	0.0118	0.9882	6.07
28.5	124,895		0.0000	1.0000	6.00
29.5	124,895	12,301	0.0985	0.9015	6.00
30.5	112,594		0.0000	1.0000	5.40
31.5	112,594	2,739	0.0243	0.9757	5.40
32.5	109,855	2,913	0.0265	0.9735	5.27
33.5	106,942	16,900	0.1580	0.8420	5.13
34.5	90,042	1,473	0.0164	0.9836	4.32
35.5	87,283		0.0000	1.0000	4.25
36.5	87,283		0.0000	1.0000	4.25
37.5	59,345		0.0000	1.0000	4.25
38.5	57,718		0.0000	1.0000	4.25

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 392.00 TRANSPORTATION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1957-2019 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	57,718	17,971	0.3114	0.6886	4.25
40.5	39,746		0.0000	1.0000	2.93
41.5	24,961		0.0000	1.0000	2.93
42.5	24,961	1,143	0.0458	0.9542	2.93
43.5	21,112	3,382	0.1602	0.8398	2.79
44.5	17,730	995	0.0561	0.9439	2.35
45.5	10,955		0.0000	1.0000	2.21
46.5	10,955		0.0000	1.0000	2.21
47.5	10,955		0.0000	1.0000	2.21
48.5	9,352	317	0.0339	0.9661	2.21
49.5	9,035		0.0000	1.0000	2.14
50.5	3,775		0.0000	1.0000	2.14
51.5	3,775		0.0000	1.0000	2.14
52.5	3,775		0.0000	1.0000	2.14
53.5	3,775		0.0000	1.0000	2.14
54.5	3,775		0.0000	1.0000	2.14
55.5	3,775		0.0000	1.0000	2.14
56.5	3,775		0.0000	1.0000	2.14
57.5	340		0.0000	1.0000	2.14
58.5	340		0.0000	1.0000	2.14
59.5	340		0.0000	1.0000	2.14
60.5	340		0.0000	1.0000	2.14
61.5	340		0.0000	1.0000	2.14
62.5					2.14

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 392.00 TRANSPORTATION EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1957-2019 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	19,873,195	20,935	0.0011	0.9989	100.00
0.5	19,144,148		0.0000	1.0000	99.89
1.5	18,047,527	412,438	0.0229	0.9771	99.89
2.5	15,552,026	253,001	0.0163	0.9837	97.61
3.5	14,314,377	156,581	0.0109	0.9891	96.02
4.5	13,100,026	201,835	0.0154	0.9846	94.97
5.5	11,837,125	741,027	0.0626	0.9374	93.51
6.5	10,489,897	930,295	0.0887	0.9113	87.66
7.5	9,250,187	1,118,917	0.1210	0.8790	79.88
8.5	7,726,553	1,183,170	0.1531	0.8469	70.22
9.5	5,695,510	987,669	0.1734	0.8266	59.47
10.5	4,123,160	668,260	0.1621	0.8379	49.15
11.5	3,503,805	531,158	0.1516	0.8484	41.19
12.5	2,965,463	414,381	0.1397	0.8603	34.94
13.5	2,479,314	92,307	0.0372	0.9628	30.06
14.5	2,210,166	213,530	0.0966	0.9034	28.94
15.5	1,568,544	170,674	0.1088	0.8912	26.15
16.5	1,343,273	207,327	0.1543	0.8457	23.30
17.5	1,077,227	42,842	0.0398	0.9602	19.70
18.5	925,639	80,922	0.0874	0.9126	18.92
19.5	814,096	106,171	0.1304	0.8696	17.27
20.5	589,165		0.0000	1.0000	15.01
21.5	416,633	9,531	0.0229	0.9771	15.01
22.5	417,947	20,483	0.0490	0.9510	14.67
23.5	342,371	102,526	0.2995	0.7005	13.95
24.5	233,620	6,499	0.0278	0.9722	9.77
25.5	224,869		0.0000	1.0000	9.50
26.5	223,618	35,977	0.1609	0.8391	9.50
27.5	148,967		0.0000	1.0000	7.97
28.5	91,689		0.0000	1.0000	7.97
29.5	102,640	12,301	0.1198	0.8802	7.97
30.5	96,120		0.0000	1.0000	7.02
31.5	96,120	2,739	0.0285	0.9715	7.02
32.5	93,381	2,913	0.0312	0.9688	6.82
33.5	92,071	16,900	0.1836	0.8164	6.61
34.5	75,171	1,473	0.0196	0.9804	5.39
35.5	77,671		0.0000	1.0000	5.29
36.5	77,671		0.0000	1.0000	5.29
37.5	49,734		0.0000	1.0000	5.29
38.5	48,106		0.0000	1.0000	5.29

EAST KENTUCKY POWER COOPERATIVE, INC.

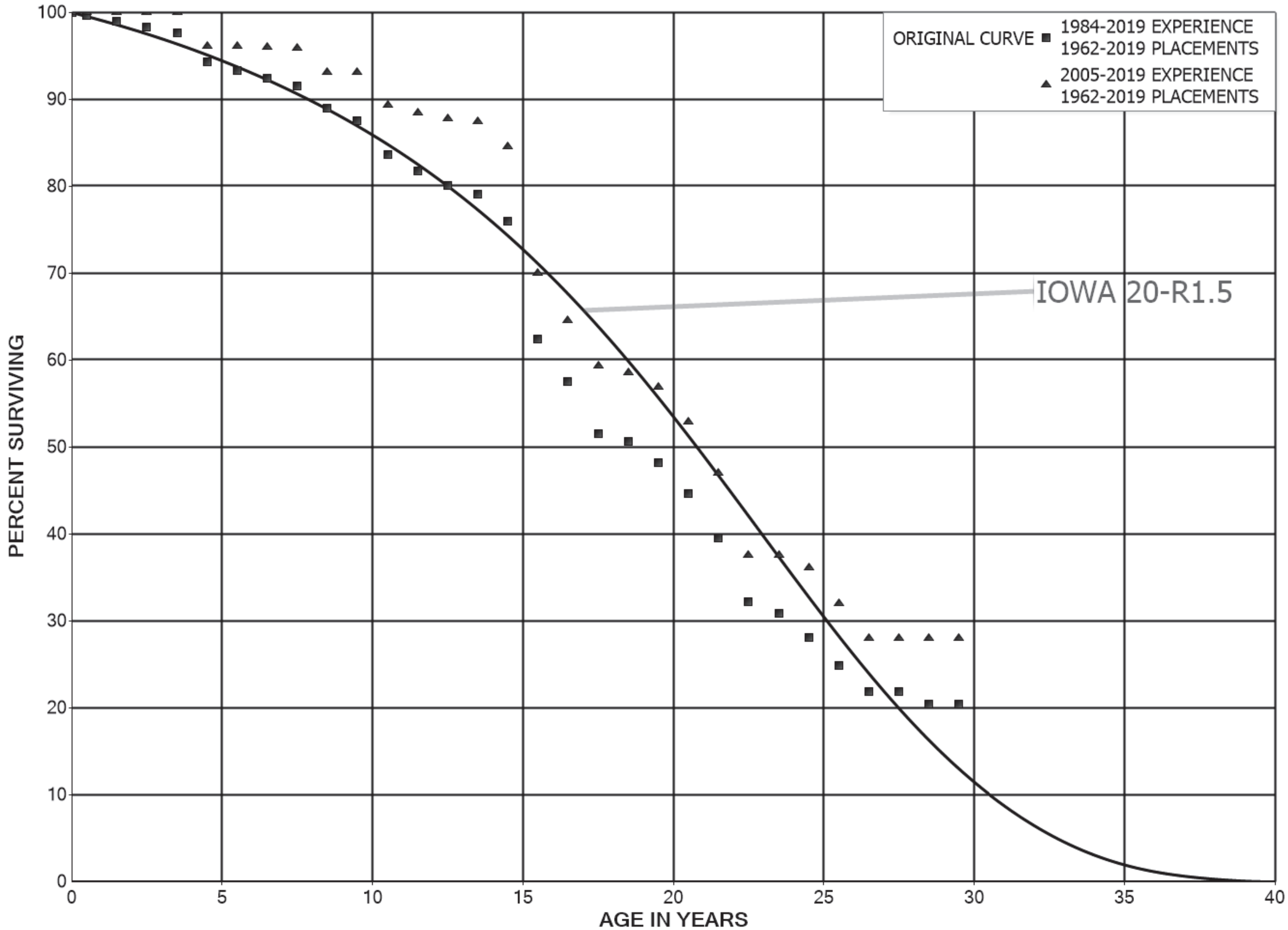
ACCOUNT 392.00 TRANSPORTATION EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1957-2019 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	48,106	17,971	0.3736	0.6264	5.29
40.5	30,452		0.0000	1.0000	3.31
41.5	18,326		0.0000	1.0000	3.31
42.5	24,621	1,143	0.0464	0.9536	3.31
43.5	20,772	3,382	0.1628	0.8372	3.16
44.5	17,390	995	0.0572	0.9428	2.64
45.5	10,615		0.0000	1.0000	2.49
46.5	10,615		0.0000	1.0000	2.49
47.5	10,955		0.0000	1.0000	2.49
48.5	9,352	317	0.0339	0.9661	2.49
49.5	9,035		0.0000	1.0000	2.41
50.5	3,775		0.0000	1.0000	2.41
51.5	3,775		0.0000	1.0000	2.41
52.5	3,775		0.0000	1.0000	2.41
53.5	3,775		0.0000	1.0000	2.41
54.5	3,775		0.0000	1.0000	2.41
55.5	3,775		0.0000	1.0000	2.41
56.5	3,775		0.0000	1.0000	2.41
57.5	340		0.0000	1.0000	2.41
58.5	340		0.0000	1.0000	2.41
59.5	340		0.0000	1.0000	2.41
60.5	340		0.0000	1.0000	2.41
61.5	340		0.0000	1.0000	2.41
62.5					2.41

EAST KENTUCKY POWER COOPERATIVE, INC.
ACCOUNT 396.00 POWER OPERATED EQUIPMENT
ORIGINAL AND SMOOTH SURVIVOR CURVES



EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 396.00 POWER OPERATED EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1962-2019 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	24,731,756	97,227	0.0039	0.9961	100.00
0.5	25,838,095	171,705	0.0066	0.9934	99.61
1.5	23,225,217	153,741	0.0066	0.9934	98.94
2.5	21,709,152	141,419	0.0065	0.9935	98.29
3.5	21,393,253	735,536	0.0344	0.9656	97.65
4.5	19,787,448	200,583	0.0101	0.9899	94.29
5.5	16,793,973	167,148	0.0100	0.9900	93.34
6.5	15,362,767	147,501	0.0096	0.9904	92.41
7.5	13,876,401	397,330	0.0286	0.9714	91.52
8.5	10,506,968	166,990	0.0159	0.9841	88.90
9.5	9,856,443	431,757	0.0438	0.9562	87.49
10.5	9,198,775	213,839	0.0232	0.9768	83.65
11.5	8,096,544	164,725	0.0203	0.9797	81.71
12.5	7,167,226	89,520	0.0125	0.9875	80.05
13.5	7,058,041	278,635	0.0395	0.9605	79.05
14.5	6,659,977	1,189,704	0.1786	0.8214	75.93
15.5	4,880,725	380,678	0.0780	0.9220	62.36
16.5	4,500,046	465,155	0.1034	0.8966	57.50
17.5	3,968,219	70,669	0.0178	0.9822	51.56
18.5	3,871,367	190,700	0.0493	0.9507	50.64
19.5	3,195,481	233,172	0.0730	0.9270	48.14
20.5	2,527,205	292,068	0.1156	0.8844	44.63
21.5	1,791,144	329,092	0.1837	0.8163	39.47
22.5	1,270,467	56,582	0.0445	0.9555	32.22
23.5	766,369	68,365	0.0892	0.9108	30.79
24.5	670,774	76,231	0.1136	0.8864	28.04
25.5	594,544	71,033	0.1195	0.8805	24.85
26.5	502,983	354	0.0007	0.9993	21.88
27.5	309,386	20,626	0.0667	0.9333	21.87
28.5	178,880		0.0000	1.0000	20.41
29.5	87,127		0.0000	1.0000	20.41
30.5	77,806	41,958	0.5393	0.4607	20.41
31.5	23,458	8,795	0.3749	0.6251	9.40
32.5	14,663		0.0000	1.0000	5.88
33.5	4,320		0.0000	1.0000	5.88
34.5	4,320		0.0000	1.0000	5.88
35.5	4,320		0.0000	1.0000	5.88
36.5	4,320		0.0000	1.0000	5.88
37.5	4,320		0.0000	1.0000	5.88
38.5	4,320		0.0000	1.0000	5.88

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 396.00 POWER OPERATED EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1962-2019 EXPERIENCE BAND 1984-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5	4,320		0.0000	1.0000	5.88
40.5	4,320		0.0000	1.0000	5.88
41.5	4,320		0.0000	1.0000	5.88
42.5	4,320		0.0000	1.0000	5.88
43.5	4,320		0.0000	1.0000	5.88
44.5	4,320		0.0000	1.0000	5.88
45.5	4,320		0.0000	1.0000	5.88
46.5	4,320		0.0000	1.0000	5.88
47.5	4,320		0.0000	1.0000	5.88
48.5	4,320		0.0000	1.0000	5.88
49.5	4,320		0.0000	1.0000	5.88
50.5	4,320		0.0000	1.0000	5.88
51.5	4,320		0.0000	1.0000	5.88
52.5	4,320		0.0000	1.0000	5.88
53.5	4,320		0.0000	1.0000	5.88
54.5	4,320	4,320	1.0000		5.88
55.5					

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 396.00 POWER OPERATED EQUIPMENT

ORIGINAL LIFE TABLE

PLACEMENT BAND 1962-2019 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
0.0	16,327,449		0.0000	1.0000	100.00
0.5	18,116,950		0.0000	1.0000	100.00
1.5	15,696,976		0.0000	1.0000	100.00
2.5	13,616,879		0.0000	1.0000	100.00
3.5	13,771,069	544,867	0.0396	0.9604	100.00
4.5	13,080,693		0.0000	1.0000	96.04
5.5	10,802,547	13,340	0.0012	0.9988	96.04
6.5	10,432,705	13,637	0.0013	0.9987	95.92
7.5	9,719,380	279,083	0.0287	0.9713	95.80
8.5	6,915,709		0.0000	1.0000	93.05
9.5	6,937,391	281,083	0.0405	0.9595	93.05
10.5	6,669,625	68,304	0.0102	0.9898	89.28
11.5	5,733,456	41,116	0.0072	0.9928	88.36
12.5	5,455,927	18,000	0.0033	0.9967	87.73
13.5	6,022,464	202,953	0.0337	0.9663	87.44
14.5	6,024,294	1,035,555	0.1719	0.8281	84.49
15.5	4,423,853	344,779	0.0779	0.9221	69.97
16.5	4,091,464	331,090	0.0809	0.9191	64.52
17.5	3,693,703	52,251	0.0141	0.9859	59.30
18.5	3,625,611	101,932	0.0281	0.9719	58.46
19.5	3,070,885	216,550	0.0705	0.9295	56.81
20.5	2,419,231	267,160	0.1104	0.8896	52.81
21.5	1,607,060	324,492	0.2019	0.7981	46.98
22.5	1,090,983		0.0000	1.0000	37.49
23.5	685,425	25,065	0.0366	0.9634	37.49
24.5	633,130	72,681	0.1148	0.8852	36.12
25.5	569,244	71,033	0.1248	0.8752	31.97
26.5	477,684		0.0000	1.0000	27.98
27.5	284,439		0.0000	1.0000	27.98
28.5	174,560		0.0000	1.0000	27.98
29.5	82,807		0.0000	1.0000	27.98
30.5	73,485	41,958	0.5710	0.4290	27.98
31.5	19,137	8,795	0.4596	0.5404	12.01
32.5	10,343		0.0000	1.0000	6.49
33.5					6.49
34.5					
35.5					
36.5					
37.5					
38.5					

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 396.00 POWER OPERATED EQUIPMENT

ORIGINAL LIFE TABLE, CONT.

PLACEMENT BAND 1962-2019 EXPERIENCE BAND 2005-2019

AGE AT BEGIN OF INTERVAL	EXPOSURES AT BEGINNING OF AGE INTERVAL	RETIREMENTS DURING AGE INTERVAL	RETMT RATIO	SURV RATIO	PCT SURV BEGIN OF INTERVAL
39.5					
40.5					
41.5					
42.5	4,320		0.0000		
43.5	4,320		0.0000		
44.5	4,320		0.0000		
45.5	4,320		0.0000		
46.5	4,320		0.0000		
47.5	4,320		0.0000		
48.5	4,320		0.0000		
49.5	4,320		0.0000		
50.5	4,320		0.0000		
51.5	4,320		0.0000		
52.5	4,320		0.0000		
53.5	4,320		0.0000		
54.5	4,320	4,320	1.0000		
55.5					

PART VIII. NET SALVAGE STATISTICS

EAST KENTUCKY POWER COOPERATIVE, INC.

TABLE 1. CALCULATION OF TERMINAL AND INTERIM RETIREMENTS AS A PERCENT OF TOTAL RETIREMENTS

UNIT	PROJECTED RETIREMENTS TERMINAL	PROJECTED RETIREMENTS INTERIM	TOTAL RETIREMENTS	TERMINAL RETIREMENT %	INTERIM RETIREMENT %
(1)	(2)	(3)	(4)=(2)+(3)	(5)=(2)/(4)	(6)=(3)/(4)
STEAM PRODUCTION PLANT					
CENTRAL LAB	(1,346,538.16)	(384,461.68)	(1,730,999.84)	77.79	22.21
COOPER COMMON	(124,377,280.53)	(19,800,518.76)	(144,177,799.29)	86.27	13.73
COOPER UNIT 1	(14,515,248.21)	(552,015.93)	(15,067,264.14)	96.34	3.66
COOPER UNIT 2	(1,539,705.70)	(44,621.38)	(1,584,327.08)	97.18	2.82
COOPER UNIT 2 SCRUBBER	(215,261,096.15)	(9,930,110.49)	(225,191,206.64)	95.59	4.41
SPURLOCK COMMON	(66,017,993.86)	(16,618,787.03)	(82,636,780.89)	79.89	20.11
SPURLOCK UNIT 1	(209,832,911.56)	(69,634,643.67)	(279,467,555.23)	75.08	24.92
SPURLOCK UNIT 2	(260,040,425.44)	(121,491,851.99)	(381,532,277.43)	68.16	31.84
SPURLOCK UNIT 3	(349,834,391.09)	(74,119,155.80)	(423,953,546.89)	82.52	17.48
SPURLOCK UNIT 4	(391,964,904.67)	(107,810,908.75)	(499,775,813.42)	78.43	21.57
SPURLOCK UNIT 1 SCRUBBER	(123,747,202.08)	(16,993,336.72)	(140,740,538.80)	87.93	12.07
SPURLOCK UNIT 2 SCRUBBER	(168,323,263.70)	(29,349,538.33)	(197,672,802.03)	85.15	14.85
TOTAL STEAM PRODUCTION PLANT	**(1,926,800,961)**	**(466,729,951)**	**(2,393,530,912)**		
OTHER PRODUCTION PLANT					
SMITH CT COMMON	(49,229,192.26)	(31,523,753.46)	(80,752,945.72)	60.96	39.04
SMITH CT UNIT 1	(24,941,223.87)	(3,113,466.13)	(28,054,690.00)	88.90	11.10
SMITH CT UNIT 2	(23,080,684.67)	(2,962,966.57)	(26,043,651.24)	88.62	11.38
SMITH CT UNIT 3	(23,958,740.66)	(3,066,288.88)	(27,025,029.54)	88.65	11.35
SMITH CT UNIT 4	(29,994,874.55)	(7,007,706.54)	(37,002,581.09)	81.06	18.94
SMITH CT UNIT 5	(25,842,264.24)	(6,202,325.18)	(32,044,589.42)	80.64	19.36
SMITH CT UNIT 6	(18,717,581.23)	(4,740,761.57)	(23,458,342.80)	79.79	20.21
SMITH CT UNIT 7	(18,496,577.85)	(4,690,396.06)	(23,186,973.91)	79.77	20.23
SMITH CT UNIT 9	(64,698,498.28)	(17,392,263.67)	(82,090,761.95)	78.81	21.19
SMITH CT UNIT 10	(50,701,250.52)	(13,282,775.88)	(63,984,026.40)	79.24	20.76
GREEN VALLEY LANDFILL	(2,559,915.20)	(448,366.06)	(3,008,281.26)	85.10	14.90
LAUREL RIDGE LANDFILL	(3,487,291.15)	(573,382.48)	(4,060,673.63)	85.88	14.12
BAVARIAN LANDFILL	(6,078,540.00)	(746,704.93)	(6,825,244.93)	89.06	10.94
PEARL HOLLOW LANDFILL	(2,909,219.03)	(560,043.28)	(3,469,262.31)	83.86	16.14
PENDLETON COUNTY LANDFILL	(3,989,492.00)	(548,616.67)	(4,538,108.67)	87.91	12.09
GLASGOW LANDFILL	(2,611,084.43)	(382,669.44)	(2,993,753.87)	87.22	12.78
BLUEGRASS OLDHAM COMMON	(12,674,990.41)	(1,170,235.34)	(13,845,225.75)	91.55	8.45
BLUEGRASS OLDHAM UNIT 1	(51,776,975.16)	(3,725,387.00)	(55,502,362.16)	93.29	6.71
BLUEGRASS OLDHAM UNIT 2	(50,654,324.66)	(3,631,727.07)	(54,286,051.73)	93.31	6.69
BLUEGRASS OLDHAM UNIT 3	(46,613,287.13)	(3,378,021.97)	(49,991,309.10)	93.24	6.76
COOPERATIVE SOLAR	(15,905,538.41)	(1,310,449.14)	(17,215,987.55)	92.39	7.61
TOTAL OTHER PRODUCTION PLANT	**(528,921,546)**	**(110,458,307)**	**(639,379,853)**		

EAST KENTUCKY POWER COOPERATIVE, INC.

TABLE 2. CALCULATION OF WEIGHTED NET SALVAGE PERCENT

	TERMINAL RETIREMENTS		INTERIM RETIREMENTS		WEIGHTED
UNIT	RETIREMENTS (%)	NET SALVAGE (%)	RETIREMENTS (%)	NET SALVAGE (%)	AVERAGE NET SALVAGE %
(1)	(2)	(3)	(4)	(5)	(6)=(2)*(3)+(4)*(5)
STEAM PRODUCTION PLANT					
CENTRAL LAB	77.79	0	22.21	0	0
COOPER COMMON	86.27	(5)	13.73	(8)	(5)
COOPER UNIT 1	96.34	(5)	3.66	(10)	(5)
COOPER UNIT 2	97.18	(5)	2.82	(10)	(5)
COOPER UNIT 2 SCRUBBER	95.59	(5)	4.41	(9)	(5)
SPURLOCK COMMON	79.89	(7)	20.11	(7)	(7)
SPURLOCK UNIT 1	75.08	(7)	24.92	(8)	(7)
SPURLOCK UNIT 2	68.16	(7)	31.84	(8)	(7)
SPURLOCK UNIT 3	82.52	(7)	17.48	(8)	(7)
SPURLOCK UNIT 4	78.43	(7)	21.57	(9)	(7)
SPURLOCK UNIT 1 SCRUBBER	87.93	(7)	12.07	(10)	(7)
SPURLOCK UNIT 2 SCRUBBER	85.15	(7)	14.85	(10)	(7)
OTHER PRODUCTION PLANT					
SMITH CT COMMON	60.96	(4)	39.04	(2)	(3)
SMITH CT UNIT 1	88.90	(4)	11.10	(5)	(4)
SMITH CT UNIT 2	88.62	(4)	11.38	(5)	(4)
SMITH CT UNIT 3	88.65	(4)	11.35	(5)	(4)
SMITH CT UNIT 4	81.06	(4)	18.94	(5)	(4)
SMITH CT UNIT 5	80.64	(4)	19.36	(5)	(4)
SMITH CT UNIT 6	79.79	(4)	20.21	(5)	(4)
SMITH CT UNIT 7	79.77	(4)	20.23	(5)	(4)
SMITH CT UNIT 9	78.81	(4)	21.19	(4)	(4)
SMITH CT UNIT 10	79.24	(4)	20.76	(5)	(4)
GREEN VALLEY LANDFILL	85.10	(1)	14.90	(4)	(2)
LAUREL RIDGE LANDFILL	85.88	(1)	14.12	(4)	(2)
BAVARIAN LANDFILL	89.06	(1)	10.94	(4)	(2)
PEARL HOLLOW LANDFILL	83.86	(1)	16.14	(4)	(2)
PENDLETON COUNTY LANDFILL	87.91	(1)	12.09	(4)	(2)
GLASGOW LANDFILL	87.22	(1)	12.78	(5)	(1)
BLUEGRASS OLDHAM COMMON	91.55	(6)	8.45	(4)	(5)
BLUEGRASS OLDHAM UNIT 1	93.29	(6)	6.71	(5)	(5)
BLUEGRASS OLDHAM UNIT 2	93.31	(6)	6.69	(5)	(5)
BLUEGRASS OLDHAM UNIT 3	93.24	(6)	6.76	(5)	(5)
COOPERATIVE SOLAR	92.39	0	7.61	(5)	(1)

EAST KENTUCKY POWER COOPERATIVE, INC.

TABLE 3. CALCULATION OF TERMINAL NET SALVAGE PERCENT

LOCATION (1)	ESTIMATED RETIREMENT YEAR (2)	MW (3)	TOTAL DECOMMISSIONING COSTS (CURRENT $) (4)	TOTAL DECOMMISSIONING COSTS (FUTURE $) (5)	ESTIMATED TERMINAL RETIREMENTS (6)	TERMINAL NET SALVAGE (%) (7)=(5)/(6)
STEAM PRODUCTION PLANT						
CENTRAL LAB	2030	0	0	0	(1,346,538)	0
COOPER	2030	320.85	12,834,000	16,839,320	(355,693,331)	(5)
SPURLOCK	2049	1,518.1	60,723,800	111,564,885	(1,569,761,092)	(7)
OTHER PRODUCTION PLANT						
SMITH CT	2050	796	7,960,000	13,794,754	(329,660,888)	(4)
GREEN VALLEY LANDFILL	2038	2.4	24,000	38,368	(2,559,915)	(1)
LAUREL RIDGE LANDFILL	2038	3.2	32,000	51,157	(3,487,291)	(1)
BAVARIAN LANDFILL	2038	4.8	48,000	76,735	(6,078,540)	(1)
PEARL HOLLOW LANDFILL	2041	2.4	24,000	41,318	(2,909,219)	(1)
PENDLETON COUNTY LANDFILL	2042	3.2	32,000	56,468	(3,989,492)	(1)
GLASGOW LANDFILL	2046	1	10,000	19,478	(2,611,084)	(1)
BLUEGRASS OLDHAM	2042	507	5,070,000	8,946,576	(161,719,577)	(6)
COOPERATIVE SOLAR	2042	8.5	42,500	74,996	(15,905,538)	(0)

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 311.00 STRUCTURES AND IMPROVEMENTS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
2005	209,950		0		0		0
2006	239,480		0		0		0
2007							
2008	14,351		0		0		0
2009							
2010							
2011							
2012							
2013							
2014							
2015	188,915		0		0		0
2016	5,700,894	3,093	0		0	3,093-	0
2017	1,250,483	239	0		0	239-	0
2018							
2019	92,572		0		0		0
TOTAL	7,696,645	3,332	0		0	3,332-	0

THREE-YEAR MOVING AVERAGES

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
05-07	149,810		0		0		0
06-08	84,610		0		0		0
07-09	4,784		0		0		0
08-10	4,784		0		0		0
09-11							
10-12							
11-13							
12-14							
13-15	62,972		0		0		0
14-16	1,963,270	1,031	0		0	1,031-	0
15-17	2,380,097	1,111	0		0	1,111-	0
16-18	2,317,126	1,111	0		0	1,111-	0
17-19	447,685	80	0		0	80-	0

FIVE-YEAR AVERAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
15-19	1,446,573	666	0		0	666-	0

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 312.00 BOILER PLANT EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2006	4,362,366	93,922	2		0	93,922-	2-
2007		26,183				26,183-	
2008	66,672	1,064,599			0	1,064,599-	
2009	104,852	461,938	441	105,000	100	356,938-	340-
2010	514,093	1,072,217	209		0	1,072,217-	209-
2011	269,154	661,934	246		0	661,934-	246-
2012		3,763,219				3,763,219-	
2013	11,815,718	11,804,550	100	5,400,410	46	6,404,140-	54-
2014	3,417,359	3,283,678	96	1,117,054	33	2,166,624-	63-
2015	6,077,105	1,534,324	25		0	1,534,324-	25-
2016	48,456,473	173	0	41	0	132-	0
2017	1,428,583	790,960	55	88,861	6	702,099-	49-
2018	13,105,672	769,172	6		0	769,172-	6-
2019	4,592,653	76,018	2		0	76,018-	2-
TOTAL	94,210,699	25,402,888	27	6,711,366	7	18,691,522-	20-

THREE-YEAR MOVING AVERAGES

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
06-08	1,476,346	394,901	27		0	394,901-	27-
07-09	57,174	517,573	905	35,000	61	482,573-	844-
08-10	228,539	866,251	379	35,000	15	831,251-	364-
09-11	296,033	732,030	247	35,000	12	697,030-	235-
10-12	261,082	1,832,457	702		0	1,832,457-	702-
11-13	4,028,291	5,409,901	134	1,800,137	45	3,609,765-	90-
12-14	5,077,692	6,283,816	124	2,172,488	43	4,111,328-	81-
13-15	7,103,394	5,540,851	78	2,172,488	31	3,368,363-	47-
14-16	19,316,979	1,606,059	8	372,365	2	1,233,694-	6-
15-17	18,654,054	775,152	4	29,634	0	745,518-	4-
16-18	20,996,909	520,101	2	29,634	0	490,467-	2-
17-19	6,375,636	545,383	9	29,620	0	515,763-	8-

FIVE-YEAR AVERAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
15-19	14,732,097	634,129	4	17,780	0	616,349-	4-

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 314.00 TURBOGENERATOR UNITS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2012		6,980		8		6,972-	
2013	23,288	68,544	294	14,042	60	54,503-	234-
2014							
2015							
2016	37,485,923		0		0		0
2017							
2018	5,732,296	955,317	17	5,857	0	949,460-	17-
2019	73,792,664	1,242,756	2	533,864	1	708,892-	1-
TOTAL	117,034,171	2,273,597	2	553,771	0	1,719,826-	1-
THREE-YEAR MOVING AVERAGES							
12-14	7,763	25,175	324	4,683	60	20,492-	264-
13-15	7,763	22,848	294	4,681	60	18,168-	234-
14-16	12,495,308		0		0		0
15-17	12,495,308		0		0		0
16-18	14,406,073	318,439	2	1,952	0	316,487-	2-
17-19	26,508,320	732,691	3	179,907	1	552,784-	2-
FIVE-YEAR AVERAGE							
15-19	23,402,177	439,615	2	107,944	0	331,670-	1-

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 315.00 ACCESSORY ELECTRIC EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2005		11				11-	
2006							
2007							
2008	142,797		0		0		0
2009							
2010							
2011							
2012							
2013	128,896	17,151	13	1,453	1	15,698-	12-
2014							
2015							
2016	2,028,537		0		0		0
2017							
2018	501,019	6,000	1		0	6,000-	1-
2019	755,972	8,588	1		0	8,588-	1-
TOTAL	3,557,220	31,750	1	1,453	0	30,297-	1-

THREE-YEAR MOVING AVERAGES

05-07		4				4-	
06-08	47,599		0		0		0
07-09	47,599		0		0		0
08-10	47,599		0		0		0
09-11							
10-12							
11-13	42,965	5,717	13	484	1	5,233-	12-
12-14	42,965	5,717	13	484	1	5,233-	12-
13-15	42,965	5,717	13	484	1	5,233-	12-
14-16	676,179		0		0		0
15-17	676,179		0		0		0
16-18	843,185	2,000	0		0	2,000-	0
17-19	418,997	4,863	1		0	4,863-	1-

FIVE-YEAR AVERAGE

15-19	657,106	2,918	0		0	2,918-	0

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 316.00 MISCELLANEOUS POWER PLANT EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
2005	118,375		0		0		0
2006	749,427		0		0		0
2007							
2008							
2009							
2010							
2011	1,256		0		0		0
2012	6,996		0		0		0
2013	2,840	401	14		0	401-	14-
2014							
2015							
2016	760,144		0		0		0
2017	281,050		0		0		0
2018	28,145		0		0		0
2019	5,896		0		0		0
TOTAL	1,954,128	401	0		0	401-	0

THREE-YEAR MOVING AVERAGES

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
05-07	289,267		0		0		0
06-08	249,809		0		0		0
07-09							
08-10							
09-11	419		0		0		0
10-12	2,751		0		0		0
11-13	3,697	134	4		0	134-	4-
12-14	3,279	134	4		0	134-	4-
13-15	947	134	14		0	134-	14-
14-16	253,381		0		0		0
15-17	347,065		0		0		0
16-18	356,447		0		0		0
17-19	105,030		0		0		0

FIVE-YEAR AVERAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
15-19	215,047		0		0		0

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 341.00 STRUCTURES AND IMPROVEMENTS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2014	200,883		0		0		0
2015							
2016							
2017							
2018		244,532		163,480		81,052-	
2019	1,504,460		0		0		0
TOTAL	1,705,344	244,532	14	163,480	10	81,052-	5-
THREE-YEAR MOVING AVERAGES							
14-16	66,961		0		0		0
15-17							
16-18		81,511		54,494		27,017-	
17-19	501,487	81,511	16	54,494	11	27,017-	5-
FIVE-YEAR AVERAGE							
15-19	300,892	48,906	16	32,696	11	16,210-	5-

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 343.00 PRIME MOVERS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2012		29,364				29,364-	
2013							
2014							
2015							
2016							
2017		31,160				31,160-	
2018	3,977,045	75,570	2	238,222	6	162,652	4
2019	852,688	146,174	17		0	146,174-	17-
TOTAL	4,829,733	282,268	6	238,222	5	44,046-	1-
THREE-YEAR MOVING AVERAGES							
12-14		9,788				9,788-	
13-15							
14-16							
15-17		10,387				10,387-	
16-18	1,325,682	35,577	3	79,407	6	43,831	3
17-19	1,609,911	84,301	5	79,407	5	4,894-	0
FIVE-YEAR AVERAGE							
15-19	965,947	50,581	5	47,644	5	2,936-	0

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 344.00 GENERATORS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
2008		1,175		45,140		43,965	
2009							
2010							
2011							
2012							
2013							
2014							
2015							
2016	1,364,371		0		0		0
2017							
2018	599,987		0		0		0
2019	603,570		0		0		0
TOTAL	2,567,928	1,175	0	45,140	2	43,965	2

THREE-YEAR MOVING AVERAGES

08-10		392		15,047		14,655	
09-11							
10-12							
11-13							
12-14							
13-15							
14-16	454,790		0		0		0
15-17	454,790		0		0		0
16-18	654,786		0		0		0
17-19	401,186		0		0		0

FIVE-YEAR AVERAGE

15-19	513,586		0		0		0

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 345.00 ACCESSORY ELECTRIC EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
2018	697,322	1,566	0		0	1,566-	0
2019	18,282		0		0		0
TOTAL	715,604	1,566	0		0	1,566-	0

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 346.00 MISCELLANEOUS POWER PLANT EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
2014		9,762				9,762-	
2015		1,877				1,877-	
2016							
2017	3,924		0		0		0
2018							
2019							
TOTAL	3,924	11,639	297		0	11,639-	297-
THREE-YEAR MOVING AVERAGES							
14-16		3,880				3,880-	
15-17	1,308	626	48		0	626-	48-
16-18	1,308		0		0		0
17-19	1,308		0		0		0
FIVE-YEAR AVERAGE							
15-19	785	375	48		0	375-	48-

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 353.00 STATION EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2005	630,204	143,537	23		0	143,537-	23-
2006	73,050	430,917	590		0	430,917-	590-
2007	242,769	739,950	305		0	739,950-	305-
2008	632,952	636,141	101		0	636,141-	101-
2009	589,792	866,556	147	162,102	27	704,454-	119-
2010	13,258	1,217,043			0	1,217,043-	
2011	1,495,167	498,493	33		0	498,493-	33-
2012	2,355,517	194,878	8	6,854	0	188,024-	8-
2013	964,208	1,023,254	106	53,553	6	969,701-	101-
2014	609,935	522,981	86	23,982	4	498,999-	82-
2015	514,521	535,799	104	90,480	18	445,319-	87-
2016	754,433	222,193	29	68,497	9	153,696-	20-
2017	1,514,131	404,034	27	50,595	3	353,439-	23-
2018	87,654	577,399	659	3,909	4	573,490-	654-
2019	3,117,990	96,021	3	603	0	95,418-	3-
TOTAL	13,595,581	8,109,198	60	460,576	3	7,648,622-	56-

THREE-YEAR MOVING AVERAGES

05-07	315,341	438,135	139		0	438,135-	139-
06-08	316,257	602,336	190		0	602,336-	190-
07-09	488,504	747,549	153	54,034	11	693,515-	142-
08-10	412,001	906,580	220	54,034	13	852,546-	207-
09-11	699,406	860,697	123	54,034	8	806,663-	115-
10-12	1,287,981	636,805	49	2,285	0	634,520-	49-
11-13	1,604,964	572,208	36	20,136	1	552,073-	34-
12-14	1,309,887	580,371	44	28,130	2	552,241-	42-
13-15	696,221	694,012	100	56,005	8	638,006-	92-
14-16	626,297	426,991	68	60,986	10	366,005-	58-
15-17	927,695	387,342	42	69,857	8	317,485-	34-
16-18	785,406	401,209	51	41,000	5	360,208-	46-
17-19	1,573,258	359,152	23	18,369	1	340,783-	22-

FIVE-YEAR AVERAGE

15-19	1,197,746	367,089	31	42,817	4	324,273-	27-

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 353.10 STATION EQUIPMENT - ENERGY CONTROL SYSTEM

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
2010		1,002				1,002-	
2011	4,983		0		0		0
2012	67,059	2,551	4		0	2,551-	4-
2013	3,146	10	0		0	10-	0
2014		18,524				18,524-	
2015		167				167-	
2016	3,184,136	414,015	13	5,232	0	408,783-	13-
2017	59,235	34,849	59	179	0	34,670-	59-
2018							
2019	179,124		0		0		0
TOTAL	3,497,685	471,118	13	5,412	0	465,706-	13-
THREE-YEAR MOVING AVERAGES							
10-12	24,014	1,184	5		0	1,184-	5-
11-13	25,063	853	3		0	853-	3-
12-14	23,402	7,028	30		0	7,028-	30-
13-15	1,049	6,233	594		0	6,233-	594-
14-16	1,061,379	144,235	14	1,744	0	142,491-	13-
15-17	1,081,124	149,677	14	1,804	0	147,873-	14-
16-18	1,081,124	149,622	14	1,804	0	147,818-	14-
17-19	79,453	11,616	15	60	0	11,557-	15-
FIVE-YEAR AVERAGE							
15-19	684,499	89,806	13	1,082	0	88,724-	13-

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 354.00 TOWERS AND FIXTURES

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
2017	51,499		0		0		0
2018							
2019							
TOTAL	51,499		0		0		0

THREE-YEAR MOVING AVERAGES

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
17-19	17,166		0		0		0

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNTS 355.00 AND 356.00 POLES AND FIXTURES AND OVERHEAD CONDUCTORS AND DEVICES

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2005	740,458	91,569	12	4,560	1	87,009-	12-
2006	402,681	85,513	21		0	85,513-	21-
2007	568,911	30,837	5	53,965	9	23,128	4
2008	116,182	120,964	104	1,905-	2-	122,869-	106-
2009	530,165	68,921	13		0	68,921-	13-
2010	237,095	145,438	61		0	145,438-	61-
2011	1,171,646	100,211	9		0	100,211-	9-
2012	238,626	50,034	21		0	50,034-	21-
2013	83,078	316,050	380	18,358	22	297,692-	358-
2014	83,264	255,092	306	23,757	29	231,335-	278-
2015	5,287	546,789		4,406	83	542,382-	
2016	624,841	1,765,603	283	131,035	21	1,634,568-	262-
2017	95,555	404,184	423	14,752	15	389,431-	408-
2018	311,576	1,485,842	477	1,699,999	546	214,157	69
2019	1,108,019	11,926	1	11,896	1	30-	0
TOTAL	6,317,384	5,478,971	87	1,960,822	31	3,518,149-	56-
THREE-YEAR MOVING AVERAGES							
05-07	570,683	69,306	12	19,508	3	49,798-	9-
06-08	362,591	79,105	22	17,353	5	61,751-	17-
07-09	405,086	73,574	18	17,353	4	56,221-	14-
08-10	294,481	111,774	38	635-	0	112,409-	38-
09-11	646,302	104,857	16		0	104,857-	16-
10-12	549,122	98,561	18		0	98,561-	18-
11-13	497,783	155,432	31	6,119	1	149,312-	30-
12-14	134,989	207,059	153	14,038	10	193,020-	143-
13-15	57,210	372,643	651	15,507	27	357,137-	624-
14-16	237,797	855,828	360	53,066	22	802,762-	338-
15-17	241,894	905,525	374	50,065	21	855,460-	354-
16-18	343,991	1,218,543	354	615,262	179	603,281-	175-
17-19	505,050	633,984	126	575,549	114	58,435-	12-
FIVE-YEAR AVERAGE							
15-19	429,056	842,869	196	372,418	87	470,451-	110-

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 362.00 STATION EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2005	2,746,060	288,564	11	1,543,492	56	1,254,928	46
2006	1,525,990	401,122	26	1,294,217	85	893,096	59
2007	1,840,910	129,797	7	1,165,345	63	1,035,547	56
2008	2,425,029	470,570	19	1,651,188	68	1,180,618	49
2009	2,004,666	520,202	26	1,453,301	72	933,099	47
2010	851,434	645,337	76	514,891	60	130,445-	15-
2011	1,558,114	922,880	59	1,489,651	96	566,770	36
2012	3,985,023	279,778	7	1,715,305	43	1,435,527	36
2013	1,976,646	426,056	22	1,708,251	86	1,282,195	65
2014	2,963,973	1,329,193	45	2,305,640	78	976,447	33
2015	3,320,242	923,483	28	2,412,565	73	1,489,082	45
2016	3,228,544	1,159,004	36	2,354,619	73	1,195,615	37
2017	3,085,469	733,486	24	1,655,127	54	921,641	30
2018	950,946	435,121	46	913,890	96	478,769	50
2019	3,850,617	141,896	4	856,054	22	714,158	19
TOTAL	36,313,664	8,806,490	24	23,033,536	63	14,227,046	39

THREE-YEAR MOVING AVERAGES

05-07	2,037,653	273,161	13	1,334,351	65	1,061,190	52
06-08	1,930,643	333,830	17	1,370,250	71	1,036,420	54
07-09	2,090,202	373,523	18	1,423,278	68	1,049,755	50
08-10	1,760,377	545,370	31	1,206,460	69	661,091	38
09-11	1,471,405	696,140	47	1,152,614	78	456,475	31
10-12	2,131,524	615,998	29	1,239,949	58	623,951	29
11-13	2,506,595	542,905	22	1,637,736	65	1,094,831	44
12-14	2,975,214	678,342	23	1,909,732	64	1,231,390	41
13-15	2,753,620	892,911	32	2,142,152	78	1,249,241	45
14-16	3,170,920	1,137,227	36	2,357,608	74	1,220,381	38
15-17	3,211,418	938,658	29	2,140,770	67	1,202,112	37
16-18	2,421,653	775,870	32	1,641,212	68	865,342	36
17-19	2,629,011	436,834	17	1,141,690	43	704,856	27

FIVE-YEAR AVERAGE

15-19	2,887,164	678,598	24	1,638,451	57	959,853	33

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 362.10 STATION EQUIPMENT - SCADA

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	PCT	GROSS SALVAGE AMOUNT	PCT	NET SALVAGE AMOUNT	PCT
2009		1,426				1,426-	
2010		1,426-				1,426	
2011							
2012	203,819		0		0		0
2013	227,015	497	0	40,035	18	39,538	17
2014							
2015							
2016	10,096		0		0		0
2017	58,335	6,087	10		0	6,087-	10-
2018	51,034	264	1		0	264-	1-
2019	16,023		0		0		0
TOTAL	566,321	6,847	1	40,035	7	33,188	6
THREE-YEAR MOVING AVERAGES							
09-11							
10-12	67,940	475-	1-		0	475	1
11-13	143,611	166	0	13,345	9	13,179	9
12-14	143,611	166	0	13,345	9	13,179	9
13-15	75,672	166	0	13,345	18	13,179	17
14-16	3,365		0		0		0
15-17	22,810	2,029	9		0	2,029-	9-
16-18	39,821	2,117	5		0	2,117-	5-
17-19	41,797	2,117	5		0	2,117-	5-
FIVE-YEAR AVERAGE							
15-19	27,097	1,270	5		0	1,270-	5-

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 368.00 LINE TRANSFORMERS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
2009	1,786		0		0		0
2010							
2011							
2012							
2013							
2014	2,185	97,412-		54,010-		43,402	
2015							
2016							
2017	3,525		0		0		0
2018							
2019							
TOTAL	7,495	97,412-		54,010-	721-	43,402	579
THREE-YEAR MOVING AVERAGES							
09-11	595		0		0		0
10-12							
11-13							
12-14	728	32,471-		18,003-		14,467	
13-15	728	32,471-		18,003-		14,467	
14-16	728	32,471-		18,003-		14,467	
15-17	1,175		0		0		0
16-18	1,175		0		0		0
17-19	1,175		0		0		0
FIVE-YEAR AVERAGE							
15-19	705		0		0		0

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 390.00 STRUCTURES AND IMPROVEMENTS

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
2006		1,350				1,350-	
2007		1,350-				1,350	
2008							
2009							
2010		11,082				11,082-	
2011		1,532				1,532-	
2012							
2013							
2014							
2015							
2016							
2017	11,213	5,024	45		0	5,024-	45-
2018		238				238-	
2019	7,738		0		0		0
TOTAL	18,951	17,876	94		0	17,876-	94-
THREE-YEAR MOVING AVERAGES							
06-08							
07-09		450-				450	
08-10		3,694				3,694-	
09-11		4,205				4,205-	
10-12		4,205				4,205-	
11-13		511				511-	
12-14							
13-15							
14-16							
15-17	3,738	1,675	45		0	1,675-	45-
16-18	3,738	1,754	47		0	1,754-	47-
17-19	6,317	1,754	28		0	1,754-	28-
FIVE-YEAR AVERAGE							
15-19	3,790	1,052	28		0	1,052-	28-

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 392.00 TRANSPORTATION EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
2005	515,761		0		0		0
2006	433,524		0		0		0
2007	606,071		0		0		0
2008	353,269		0		0		0
2009	739,122		0		0		0
2010	617,432		0		0		0
2011	433,848		0		0		0
2012	702,640		0		0		0
2013	382,385		0		0		0
2014	441,465		0		0		0
2015	866,577		0		0		0
2016	491,515		0		0		0
2017	1,059,944		0		0		0
2018	599,920		0		0		0
2019	525,117		0		0		0
TOTAL	8,768,591		0		0		0
THREE-YEAR MOVING AVERAGES							
05-07	518,452		0		0		0
06-08	464,288		0		0		0
07-09	566,154		0		0		0
08-10	569,941		0		0		0
09-11	596,801		0		0		0
10-12	584,640		0		0		0
11-13	506,291		0		0		0
12-14	508,830		0		0		0
13-15	563,476		0		0		0
14-16	599,852		0		0		0
15-17	806,012		0		0		0
16-18	717,126		0		0		0
17-19	728,327		0		0		0
FIVE-YEAR AVERAGE							
15-19	708,615		0		0		0

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 396.00 POWER OPERATED EQUIPMENT

SUMMARY OF BOOK SALVAGE

YEAR	REGULAR RETIREMENTS	COST OF REMOVAL AMOUNT	COST OF REMOVAL PCT	GROSS SALVAGE AMOUNT	GROSS SALVAGE PCT	NET SALVAGE AMOUNT	NET SALVAGE PCT
2005	131,140		0		0		0
2006	165,727		0		0		0
2007	255,587		0		0		0
2008	288,458		0		0		0
2009	94,172		0		0		0
2010	182,642		0		0		0
2011	312,750		0		0		0
2012	359,337		0		0		0
2013	731,941		0		0		0
2014	188,036		0		0		0
2015	490,732		0		0		0
2016	427,194		0		0		0
2017	546,340		0		0		0
2018	185,988		0		0		0
2019							
TOTAL	4,360,043		0		0		0
THREE-YEAR MOVING AVERAGES							
05-07	184,151		0		0		0
06-08	236,591		0		0		0
07-09	212,739		0		0		0
08-10	188,424		0		0		0
09-11	196,521		0		0		0
10-12	284,909		0		0		0
11-13	468,009		0		0		0
12-14	426,438		0		0		0
13-15	470,236		0		0		0
14-16	368,654		0		0		0
15-17	488,089		0		0		0
16-18	386,507		0		0		0
17-19	244,109		0		0		0
FIVE-YEAR AVERAGE							
15-19	330,051		0		0		0

PART IX. DETAILED DEPRECIATION CALCULATIONS

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 303.00 MISCELLANEOUS INTANGIBLE PLANT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 10-SQUARE						
NET SALVAGE PERCENT.. 0						
1993	332,106.96	332,107	332,107			
2001	66,238.90	66,239	66,239			
2002	849,440.38	849,440	849,440			
2005	568,160.00	568,160	568,160			
2014	517,364.81	284,551	681,426-	1,198,791	4.50	266,398
	2,333,311.05	2,100,497	1,134,520	1,198,791		266,398

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 4.5   11.42

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 310.10 LAND AND LAND RIGHTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
COOPER COMMON - LANDFILL INTERIM SURVIVOR CURVE.. SQUARE PROBABLE RETIREMENT YEAR.. 6-2030 NET SALVAGE PERCENT.. 0						
2015	5,325,571.56	1,597,671		5,325,572	10.50	507,197
	5,325,571.56	1,597,671		5,325,572		507,197
SPURLOCK COMMON - LANDFILL INTERIM SURVIVOR CURVE.. SQUARE PROBABLE RETIREMENT YEAR.. 6-2049 NET SALVAGE PERCENT.. 0						
2010	2,727,019.77	664,275		2,727,020	29.50	92,441
2013	6,046,318.51	1,091,723		6,046,319	29.50	204,960
2014	3,382,670.46	531,553		3,382,670	29.50	114,667
2017	8,014,020.57	626,055		8,014,021	29.50	271,662
	20,170,029.31	2,913,606		20,170,029		683,730
SMITH COMMON - LANDFILL INTERIM SURVIVOR CURVE.. SQUARE PROBABLE RETIREMENT YEAR.. 6-2026 NET SALVAGE PERCENT.. 0						
2016	6,050,424.87	2,117,649	1,462,186	4,588,239	6.50	705,883
	6,050,424.87	2,117,649	1,462,186	4,588,239		705,883
COOPER COMMON - ACCESS ROAD INTERIM SURVIVOR CURVE.. SQUARE PROBABLE RETIREMENT YEAR.. 6-2030 NET SALVAGE PERCENT.. 0						
2009	480,134.08	240,067		480,134	10.50	45,727
	480,134.08	240,067		480,134		45,727

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 310.10 LAND AND LAND RIGHTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPURLOCK COMMON - AMMONIA CONTAINMENT INTERIM SURVIVOR CURVE.. SQUARE PROBABLE RETIREMENT YEAR.. 6-2049 NET SALVAGE PERCENT.. 0						
2018	1,050,779.86	50,847		1,050,780	29.50	35,620
	1,050,779.86	50,847		1,050,780		35,620
	33,076,939.68	6,919,840	1,462,186	31,614,754		1,978,157

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 16.0 5.98

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 311.00 STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CENTRAL LAB						
INTERIM SURVIVOR CURVE.. IOWA 85-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. 0						
1978	198,141.46	158,022	172,755	25,387	10.13	2,506
1980	4,012.00	3,168	3,463	549	10.16	54
1984	1,076.54	831	908	168	10.22	16
1987	80,111.38	60,564	66,211	13,901	10.26	1,355
1988	10,063.49	7,549	8,253	1,811	10.28	176
1993	5,331.79	3,822	4,178	1,153	10.33	112
1995	314,884.87	220,545	241,107	73,778	10.36	7,121
1996	5,824.03	4,028	4,404	1,420	10.37	137
	619,445.56	458,529	501,279	118,167		11,477
COOPER COMMON						
INTERIM SURVIVOR CURVE.. IOWA 85-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. -5						
1966	3,357,009.21	2,938,676	2,999,587	525,273	9.92	52,951
1967	2,147.35	1,874	1,913	342	9.94	34
1970	2,885,840.39	2,495,223	2,546,942	483,190	9.99	48,367
1973	315.00	269	275	56	10.05	6
1975	2,613.26	2,218	2,264	480	10.08	48
1976	57,782.42	48,824	49,836	10,836	10.10	1,073
1979	85,525.55	71,264	72,741	17,061	10.15	1,681
1980	13,175.25	10,924	11,150	2,684	10.16	264
1981	4,896.33	4,038	4,122	1,019	10.18	100
1982	8,132.18	6,670	6,808	1,731	10.19	170
1983	18,925.52	15,428	15,748	4,124	10.21	404
1984	42,304.53	34,280	34,991	9,429	10.22	923
1985	148,502.82	119,531	122,009	33,919	10.24	3,312
1986	204,908.37	163,831	167,227	47,927	10.25	4,676
1987	179,371.99	142,385	145,336	43,004	10.26	4,191
1988	44,928.39	35,387	36,120	11,054	10.28	1,075
1990	32,719.26	25,349	25,874	8,481	10.30	823
1992	158,592.93	120,597	123,097	43,426	10.32	4,208
1993	153,013.23	115,156	117,543	43,121	10.33	4,174
1996	234,596.49	170,347	173,878	72,448	10.37	6,986
1999	244,644.00	170,052	173,577	83,299	10.39	8,017
2000	98,385.28	67,216	68,609	34,695	10.40	3,336
2001	56,220.76	37,694	38,475	20,557	10.41	1,975
2004	66,585.88	41,727	42,592	27,323	10.43	2,620

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 311.00 STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
COOPER COMMON						
INTERIM SURVIVOR CURVE.. IOWA 85-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. -5						
2009	38,319.00	20,137	20,554	19,681	10.46	1,882
2010	1,784,963.80	890,607	909,067	965,145	10.47	92,182
2012	160,176.17	70,194	71,649	96,536	10.47	9,220
2013	147,883.33	59,384	60,615	94,663	10.48	9,033
2014	13,452.33	4,862	4,963	9,162	10.48	874
2016	111,902.64	29,396	30,005	87,492	10.49	8,341
2017	1,242,055.47	250,998	256,200	1,047,958	10.49	99,901
	11,599,889.13	8,164,538	8,333,766	3,846,118		372,847
COOPER UNIT 2 SCRUBBER						
INTERIM SURVIVOR CURVE.. IOWA 85-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. -5						
2012	16,839,214.86	7,379,415	7,532,370	10,148,806	10.47	969,322
	16,839,214.86	7,379,415	7,532,370	10,148,806		969,322
SPURLOCK COMMON						
INTERIM SURVIVOR CURVE.. IOWA 85-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2049						
NET SALVAGE PERCENT.. -7						
1986	719.59	419	419	351	26.87	13
1987	53,939.04	30,932	30,947	26,768	26.98	992
1989	134,049.81	74,492	74,528	68,905	27.20	2,533
1990	162,289.28	88,691	88,734	84,915	27.30	3,110
1992	43,827.82	23,098	23,109	23,787	27.50	865
1993	993,093.83	513,188	513,438	549,172	27.60	19,898
1997	181,931.72	85,836	85,878	108,789	27.97	3,889
1999	22,220.10	9,924	9,929	13,847	28.14	492
2000	829,157.78	359,333	359,508	527,691	28.22	18,699
2002	234,590.17	95,051	95,097	155,914	28.37	5,496
2003	55,265.61	21,556	21,567	37,568	28.45	1,320
2004	55,068.76	20,617	20,627	38,297	28.52	1,343
2007	97,093.42	31,364	31,379	72,511	28.72	2,525
2008	433,821.00	131,950	132,014	332,174	28.78	11,542
2009	338,754.52	96,500	96,547	265,920	28.83	9,224
2012	4,995,720.82	1,096,346	1,096,881	4,248,541	28.99	146,552

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 311.00 STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPURLOCK COMMON						
INTERIM SURVIVOR CURVE.. IOWA 85-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2049						
NET SALVAGE PERCENT.. -7						
2013	402,304.45	78,629	78,667	351,798	29.04	12,114
2014	21,405.00	3,643	3,645	19,259	29.08	662
2015	533,315.37	76,210	76,247	494,400	29.13	16,972
2016	13,126,963.92	1,505,153	1,505,887	12,539,965	29.16	430,040
2017	452,901.43	38,216	38,235	446,370	29.20	15,287
2019	6,732,731.54	121,028	121,087	7,082,936	29.27	241,986
	29,901,164.98	4,502,176	4,504,371	27,489,876		945,554
SPURLOCK UNIT 1						
INTERIM SURVIVOR CURVE.. IOWA 85-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2040						
NET SALVAGE PERCENT.. -7						
1979	7,965.99	5,704	5,524	2,999	18.98	158
1980	22,182,750.03	15,749,482	15,253,615	8,481,927	19.04	445,479
1981	72,197.84	50,809	49,209	28,042	19.10	1,468
1982	447,989.49	312,363	302,528	176,820	19.16	9,229
1984	156,008.87	106,668	103,310	63,620	19.27	3,302
1985	260,476.09	176,189	170,642	108,068	19.33	5,591
1986	22,391.68	14,981	14,509	9,450	19.38	488
1993	126,557.09	76,931	74,509	60,907	19.72	3,089
2003	900,516.03	432,500	418,883	544,669	20.10	27,098
2006	3,665,135.89	1,566,560	1,517,237	2,404,458	20.19	119,092
	27,841,989.00	18,492,187	17,909,967	11,880,961		614,994
SPURLOCK UNIT 2						
INTERIM SURVIVOR CURVE.. IOWA 85-S1.5						
PROBABLE RETIREMENT YEAR.. 6-2042						
NET SALVAGE PERCENT.. -7						
1982	31,713,670.22	21,431,122	22,317,143	11,616,484	20.85	557,146
1984	41,049.17	27,168	28,291	15,631	20.98	745
1985	50,044.43	32,747	34,101	19,447	21.05	924
1987	1,029,387.85	657,519	684,703	416,742	21.18	19,676
1989	18,828.35	11,712	12,196	7,950	21.30	373
1993	6,576.33	3,843	4,002	3,035	21.53	141

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 311.00 STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPURLOCK UNIT 2 INTERIM SURVIVOR CURVE.. IOWA 85-S1.5 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -7						
2002	1,627,331.27	768,028	799,780	941,464	21.96	42,872
2005	85,476.56	36,113	37,606	53,854	22.07	2,440
2011	84,957.62	25,077	26,114	64,791	22.26	2,911
	34,657,321.80	22,993,329	23,943,936	13,139,398		627,228
SPURLOCK UNIT 3 INTERIM SURVIVOR CURVE.. IOWA 85-S1.5 PROBABLE RETIREMENT YEAR.. 6-2045 NET SALVAGE PERCENT.. -7						
1982	2,356.74	1,524	1,243	1,279	23.30	55
2002	82,600.88	36,383	29,675	58,707	24.74	2,373
2005	134,474,964.67	52,736,469	43,013,999	100,874,213	24.89	4,052,801
2011	438,855.44	118,441	96,605	372,970	25.14	14,836
2018	425,959.56	25,464	20,769	435,007	25.35	17,160
	135,424,737.29	52,918,281	43,162,292	101,742,177		4,087,225
SPURLOCK UNIT 4 INTERIM SURVIVOR CURVE.. IOWA 85-S1.5 PROBABLE RETIREMENT YEAR.. 6-2049 NET SALVAGE PERCENT.. -7						
2009	80,194,467.49	22,844,685	8,715,865	77,092,215	28.83	2,674,028
2011	11,721,407.59	2,842,247	1,084,394	11,457,512	28.94	395,906
	91,915,875.08	25,686,932	9,800,259	88,549,727		3,069,934
SPURLOCK UNIT 1 SCRUBBER INTERIM SURVIVOR CURVE.. IOWA 85-S1.5 PROBABLE RETIREMENT YEAR.. 6-2040 NET SALVAGE PERCENT.. -7						
2009	25,289,573.36	9,216,583	9,007,550	18,052,293	20.27	890,592
	25,289,573.36	9,216,583	9,007,550	18,052,293		890,592

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 311.00 STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPURLOCK UNIT 2 SCRUBBER INTERIM SURVIVOR CURVE.. IOWA 85-S1.5 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -7						
2009	22,341,947.21	7,656,337	8,045,353	15,860,531	22.20	714,438
	22,341,947.21	7,656,337	8,045,353	15,860,531		714,438
	396,431,158.27	157,468,307	132,741,143	290,828,054		12,303,611

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 23.6   3.10

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 312.00 BOILER PLANT EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
COOPER COMMON						
INTERIM SURVIVOR CURVE.. IOWA 55-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. -5						
1966	6,535,217.20	5,606,579	5,722,788	1,139,190	8.97	127,000
1967	35,392.35	30,280	30,908	6,254	9.01	694
1968	1,317.04	1,124	1,147	236	9.05	26
1969	33,840.06	28,791	29,388	6,144	9.08	677
1970	10,392,564.79	8,814,433	8,997,132	1,915,061	9.12	209,985
1972	15,563.20	13,115	13,387	2,955	9.19	322
1973	913,040.28	766,705	782,597	176,096	9.23	19,079
1974	94,861.59	79,382	81,027	18,577	9.26	2,006
1975	32,916.52	27,438	28,007	6,556	9.30	705
1976	156,100.40	129,625	132,312	31,594	9.33	3,386
1979	566,517.71	464,531	474,159	120,684	9.42	12,811
1980	7,589.87	6,193	6,321	1,648	9.46	174
1981	49,562.11	40,242	41,076	10,964	9.49	1,155
1982	194,559.58	157,152	160,409	43,878	9.52	4,609
1983	111,511.91	89,580	91,437	25,651	9.55	2,686
1984	48,748.87	38,949	39,756	11,430	9.57	1,194
1985	45,027.67	35,760	36,501	10,778	9.60	1,123
1986	632,293.02	498,874	509,214	154,693	9.63	16,064
1987	819,193.23	641,949	655,255	204,898	9.66	21,211
1989	1,275,004.67	984,641	1,005,050	333,705	9.71	34,367
1990	769,853.36	589,705	601,928	206,418	9.74	21,193
1991	211,474.63	160,574	163,902	58,146	9.77	5,951
1992	11,723.60	8,823	9,006	3,304	9.79	337
1993	17,247.35	12,850	13,116	4,993	9.82	508
1994	24,492,000.10	18,054,596	18,428,818	7,287,783	9.85	739,876
1996	686,604.84	494,424	504,672	216,263	9.90	21,845
1999	376,863.55	260,134	265,526	130,181	9.97	13,057
2000	801,466.74	544,157	555,436	286,104	9.99	28,639
2001	1,693,080.79	1,128,577	1,151,969	625,766	10.02	62,452
2002	546,144.29	356,922	364,320	209,132	10.04	20,830
2003	3,807,014.54	2,432,916	2,483,344	1,514,022	10.07	150,350
2004	1,837,110.98	1,146,057	1,169,812	759,155	10.09	75,238
2006	128,740.00	75,898	77,471	57,706	10.13	5,697
2007	141,338.25	80,517	82,186	66,219	10.16	6,518
2008	24,853,184.72	13,623,857	13,906,242	12,189,602	10.18	1,197,407
2009	2,093,125.39	1,098,341	1,121,107	1,076,675	10.20	105,556
2010	626,423.36	312,488	318,965	338,780	10.22	33,149
2011	1,234,900.67	580,871	592,911	703,735	10.24	68,724
2012	5,525,601.51	2,421,589	2,471,782	3,330,100	10.26	324,571
2013	4,005,131.86	1,609,486	1,642,846	2,562,542	10.29	249,032
2014	1,041,339.79	376,744	384,553	708,854	10.31	68,754

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 312.00 BOILER PLANT EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
COOPER COMMON						
INTERIM SURVIVOR CURVE.. IOWA 55-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. -5						
2015	2,389,195.24	754,127	769,758	1,738,897	10.33	168,335
2016	1,762,095.40	463,549	473,157	1,377,043	10.35	133,048
2017	966,205.08	195,801	199,859	814,656	10.37	78,559
2018	815,315.48	107,370	109,595	746,486	10.39	71,847
	102,794,003.59	65,345,716	66,700,151	41,233,553		4,110,747
COOPER UNIT 1						
INTERIM SURVIVOR CURVE.. IOWA 55-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. -5						
2015	14,959,125.04	4,721,706	4,819,574	10,887,507	10.33	1,053,970
	14,959,125.04	4,721,706	4,819,574	10,887,507		1,053,970
COOPER UNIT 2						
INTERIM SURVIVOR CURVE.. IOWA 55-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. -5						
2015	135,710.76	42,836	43,724	98,772	10.33	9,562
2017	1,340,347.23	271,621	277,251	1,130,113	10.37	108,979
	1,476,057.99	314,457	320,975	1,228,886		118,541
COOPER UNIT 2 SCRUBBER						
INTERIM SURVIVOR CURVE.. IOWA 55-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. -5						
2012	194,151,378.75	85,086,648	86,850,257	117,008,691	10.26	11,404,356
	194,151,378.75	85,086,648	86,850,257	117,008,691		11,404,356

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 312.00 BOILER PLANT EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPURLOCK COMMON						
INTERIM SURVIVOR CURVE.. IOWA 55-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2049						
NET SALVAGE PERCENT.. -7						
1982	73,635.57	45,169	46,170	32,620	21.37	1,526
1987	6,893.04	3,963	4,051	3,325	22.33	149
1989	43,168.31	24,088	24,622	21,568	22.70	950
1990	25,902.38	14,223	14,538	13,177	22.88	576
1994	628,562.02	320,778	327,890	344,672	23.60	14,605
1995	211,951.67	105,897	108,245	118,544	23.78	4,985
1997	560,177.80	267,280	273,205	326,185	24.13	13,518
2000	2,089,569.63	919,221	939,600	1,296,240	24.65	52,586
2001	1,956,962.72	833,832	852,318	1,241,632	24.83	50,005
2004	938,636.24	358,399	366,345	637,996	25.34	25,177
2005	1,007,555.74	368,457	376,626	701,459	25.50	27,508
2007	2,060,339.32	681,408	696,515	1,508,049	25.84	58,361
2008	135,568.90	42,321	43,259	101,799	26.00	3,915
2009	4,890,589.93	1,429,951	1,461,652	3,771,279	26.17	144,107
2010	3,616,014.00	982,373	1,004,152	2,864,983	26.33	108,811
2011	1,871,987.75	467,146	477,502	1,525,524	26.50	57,567
2012	5,439,185.72	1,230,799	1,258,085	4,561,843	26.66	171,112
2013	2,628,218.66	530,802	542,570	2,269,624	26.82	84,624
2014	3,665,061.67	644,910	659,207	3,262,409	26.98	120,920
2015	6,731,457.10	998,937	1,021,083	6,181,576	27.14	227,766
2016	1,507,781.45	179,612	183,594	1,429,732	27.30	52,371
2017	2,091,267.60	183,286	187,349	2,050,307	27.46	74,665
2018	1,828,601.91	99,513	101,719	1,854,885	27.62	67,157
2019	3,293,972.37	61,080	62,434	3,462,116	27.78	124,626
	47,303,061.50	10,793,445	11,032,732	39,581,544		1,487,587
SPURLOCK UNIT 1						
INTERIM SURVIVOR CURVE.. IOWA 55-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2040						
NET SALVAGE PERCENT.. -7						
1960	20,387.21	16,114	15,606	6,209	13.92	446
1979	56,988.07	40,197	38,929	22,049	16.31	1,352
1980	43,319,513.68	30,308,567	29,352,264	16,999,615	16.42	1,035,299
1981	294,613.06	204,367	197,919	117,317	16.53	7,097
1982	16,908.30	11,629	11,262	6,830	16.63	411
1983	242,330.25	165,172	159,960	99,333	16.73	5,937
1984	8,193.20	5,530	5,356	3,411	16.84	203
1985	33,499.92	22,387	21,681	14,164	16.94	836

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 312.00 BOILER PLANT EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPURLOCK UNIT 1						
INTERIM SURVIVOR CURVE.. IOWA 55-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2040						
NET SALVAGE PERCENT.. -7						
1986	23,472.40	15,522	15,032	10,083	17.04	592
1987	97,938.52	64,055	62,034	42,760	17.14	2,495
1988	148,635.22	96,117	93,084	65,955	17.23	3,828
1989	113,340.96	72,399	70,115	51,160	17.33	2,952
1990	6,634.87	4,184	4,052	3,047	17.43	175
1991	223,462.36	139,030	134,643	104,461	17.52	5,962
1992	197,206.56	120,949	117,133	93,878	17.61	5,331
1993	58,304.70	35,206	34,095	28,291	17.71	1,597
2000	264,715.70	138,989	134,604	148,642	18.34	8,105
2001	830,097.20	424,348	410,959	477,245	18.43	25,895
2003	122,941,488.67	59,179,226	57,311,990	74,235,403	18.60	3,991,151
2006	10,982,998.37	4,717,881	4,569,021	7,182,787	18.86	380,848
2007	1,181,538.34	484,788	469,492	794,754	18.94	41,962
2009	11,718,114.51	4,308,690	4,172,741	8,365,641	19.10	437,992
2011	1,495,874.74	476,558	461,522	1,139,064	19.27	59,111
2012	1,110,295.11	323,473	313,267	874,749	19.35	45,207
2013	8,626,358.93	2,260,015	2,188,706	7,041,498	19.43	362,403
2014	739,109.75	170,198	164,828	626,020	19.51	32,087
2016	91,818.12	14,631	14,169	84,076	19.66	4,277
2017	519,065.92	61,766	59,817	495,583	19.74	25,106
2018	1,709,427.95	127,085	123,075	1,706,013	19.82	86,075
	207,072,332.59	104,009,073	100,727,355	120,840,041		6,574,732
SPURLOCK UNIT 2						
INTERIM SURVIVOR CURVE.. IOWA 55-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2042						
NET SALVAGE PERCENT.. -7						
1982	137,155,705.73	91,630,422	95,041,484	51,715,121	17.82	2,902,083
1984	82,018.59	53,712	55,711	32,048	18.06	1,775
1985	15,164.00	9,825	10,191	6,035	18.18	332
1987	435,607.02	275,819	286,087	180,013	18.42	9,773
1988	220,702.18	138,059	143,198	92,953	18.53	5,016
1989	115,852.28	71,526	74,189	49,773	18.65	2,669
1991	542,995.97	326,037	338,174	242,832	18.87	12,869
1994	5,243,007.88	2,998,106	3,109,714	2,500,304	19.21	130,156
1996	1,711,608.88	942,926	978,028	853,394	19.42	43,944
2000	2,329,466.89	1,169,620	1,213,161	1,279,369	19.85	64,452
2002	67,381,006.46	31,934,224	33,123,017	38,974,660	20.06	1,942,904

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 312.00 BOILER PLANT EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPURLOCK UNIT 2						
INTERIM SURVIVOR CURVE.. IOWA 55-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2042						
NET SALVAGE PERCENT.. -7						
2003	325,300.31	149,229	154,784	193,287	20.16	9,588
2005	4,578,249.51	1,948,763	2,021,308	2,877,419	20.36	141,327
2006	6,210,998.41	2,532,902	2,627,193	4,018,576	20.46	196,411
2008	5,622,106.07	2,071,430	2,148,542	3,867,112	20.66	187,179
2009	887,162.40	307,770	319,227	630,037	20.76	30,349
2010	8,346.55	2,702	2,803	6,128	20.86	294
2011	8,814,555.59	2,638,294	2,736,508	6,695,067	20.96	319,421
2012	153,990.13	42,080	43,646	121,123	21.05	5,754
2013	2,589,158.46	635,059	658,700	2,111,700	21.15	99,844
2014	5,188,392.67	1,116,978	1,158,559	4,393,021	21.24	206,828
2015	524,515.00	95,757	99,322	461,909	21.34	21,645
2016	4,477,930.26	661,067	685,676	4,105,709	21.43	191,587
2017	9,409,721.30	1,036,643	1,075,233	8,993,168	21.52	417,898
2019	930,929.98	22,422	23,257	972,838	21.71	44,811
	264,954,492.52	142,811,372	148,127,712	135,373,595		6,988,909
SPURLOCK UNIT 3						
INTERIM SURVIVOR CURVE.. IOWA 55-S0.5						
PROBABLE RETIREMENT YEAR.. 6-2045						
NET SALVAGE PERCENT.. -7						
2005	158,873,823.33	63,069,842	51,398,505	118,596,486	22.65	5,236,048
2009	3,968,914.66	1,273,002	1,037,428	3,209,311	23.15	138,631
2011	1,996,016.99	549,696	447,972	1,687,766	23.40	72,127
2012	2,808,692.32	703,391	573,226	2,432,075	23.53	103,361
2013	2,833,570.13	634,551	517,125	2,514,795	23.65	106,334
2014	8,495,716.71	1,665,001	1,356,886	7,733,531	23.77	325,348
2015	1,000,269.75	165,820	135,134	935,154	23.89	39,144
2016	94,291.34	12,611	10,277	90,614	24.01	3,774
2017	2,091,782.33	207,079	168,758	2,069,449	24.13	85,762
	182,163,077.56	68,280,993	55,645,311	139,269,182		6,110,529

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 312.00 BOILER PLANT EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPURLOCK UNIT 4 INTERIM SURVIVOR CURVE.. IOWA 55-S0.5 PROBABLE RETIREMENT YEAR.. 6-2049 NET SALVAGE PERCENT.. -7						
2007	1,408,650.41	465,878	177,557	1,329,699	25.84	51,459
2008	585,742.89	182,853	69,690	557,055	26.00	21,425
2009	278,203,815.45	81,343,513	31,001,925	266,676,158	26.17	10,190,147
2010	246.36	67	26	238	26.33	9
2011	824,677.88	205,795	78,433	803,972	26.50	30,339
2012	12,032,597.35	2,722,779	1,037,715	11,837,164	26.66	444,005
2014	4,583,762.52	806,566	307,401	4,597,225	26.98	170,394
2015	7,065,155.09	1,048,457	399,592	7,160,124	27.14	263,822
2016	94,291.35	11,232	4,281	96,611	27.30	3,539
2018	1,437,733.46	78,242	29,820	1,508,555	27.62	54,618
2019	4,668,738.10	86,573	32,995	4,962,555	27.78	178,638
	310,905,410.86	86,951,955	33,139,434	299,529,356		11,408,395
SPURLOCK UNIT 1 SCRUBBER INTERIM SURVIVOR CURVE.. IOWA 55-S0.5 PROBABLE RETIREMENT YEAR.. 6-2040 NET SALVAGE PERCENT.. -7						
2009	102,930,250.29	37,846,918	36,988,548	73,146,820	19.10	3,829,676
	102,930,250.29	37,846,918	36,988,548	73,146,820		3,829,676
SPURLOCK UNIT 2 SCRUBBER INTERIM SURVIVOR CURVE.. IOWA 55-S0.5 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -7						
2009	157,598,866.33	54,673,474	57,451,408	111,179,379	20.76	5,355,461
	157,598,866.33	54,673,474	57,451,408	111,179,379		5,355,461
	1,586,308,057.02	660,835,757	601,803,456	1,089,278,554		58,442,903

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 18.6 3.68

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 314.00 TURBOGENERATOR UNITS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
COOPER COMMON						
INTERIM SURVIVOR CURVE.. IOWA 50-R2						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. -5						
1966	4,860,178.43	4,259,018	4,347,296	755,892	7.94	95,201
1967	4,542.33	3,965	4,047	722	8.05	90
1968	1,058.71	921	940	172	8.16	21
1970	7,597,435.35	6,552,401	6,688,214	1,289,093	8.37	154,014
1972	6,362.15	5,440	5,553	1,128	8.57	132
1976	8,222.94	6,904	7,047	1,587	8.92	178
1982	146,098.34	118,803	121,265	32,138	9.34	3,441
1987	92,313.95	72,564	74,068	22,862	9.62	2,377
1989	7,635.92	5,907	6,029	1,988	9.71	205
1991	357,895.46	272,012	277,650	98,140	9.79	10,025
2000	581,325.17	393,196	401,346	209,046	10.07	20,759
2003	3,192,574.12	2,030,597	2,072,686	1,279,517	10.14	126,185
2009	3,791,952.99	1,974,132	2,015,050	1,966,500	10.25	191,854
2012	1,200,000.00	520,808	531,603	728,397	10.29	70,787
2015	1,069,909.60	334,730	341,668	781,737	10.32	75,750
2016	710,388.25	184,985	188,819	557,088	10.34	53,877
2017	87,063.07	17,439	17,800	73,616	10.35	7,113
	23,714,956.78	16,753,822	17,101,082	7,799,623		812,009
SPURLOCK UNIT 1						
INTERIM SURVIVOR CURVE.. IOWA 50-R2						
PROBABLE RETIREMENT YEAR.. 6-2040						
NET SALVAGE PERCENT.. -7						
1979	90,183.19	65,980	63,903	32,593	14.92	2,185
1980	21,238,390.63	15,368,288	14,884,423	7,840,655	15.17	516,853
1981	50,427.89	36,088	34,952	19,006	15.41	1,233
1982	8,334.08	5,897	5,711	3,206	15.64	205
1984	4,038.88	2,792	2,704	1,618	16.07	101
1987	160,132.28	106,501	103,148	68,194	16.67	4,091
1989	88,195.62	57,025	55,230	39,140	17.04	2,297
1991	127,297.64	79,849	77,335	58,873	17.37	3,389
1996	6,725,856.46	3,852,519	3,731,224	3,465,443	18.09	191,567
2000	4,545,754.55	2,370,158	2,295,534	2,568,423	18.55	138,459
2007	341,932.27	138,078	133,731	232,137	19.17	12,109
2009	319,271.80	115,123	111,498	230,122	19.32	11,911
	33,699,815.29	22,198,298	21,499,392	14,559,410		884,400

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 314.00 TURBOGENERATOR UNITS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPURLOCK UNIT 2 INTERIM SURVIVOR CURVE.. IOWA 50-R2 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -7						
1982	34,342,579.86	23,768,410	24,751,060	11,995,500	16.55	724,804
1984	10,917.52	7,363	7,667	4,014	17.07	235
1990	91,451.87	56,461	58,795	39,058	18.43	2,119
1991	156,182.28	94,813	98,733	68,382	18.63	3,671
1998	13,718,618.15	7,213,075	7,511,283	7,167,638	19.80	362,002
2000	131,890.57	65,775	68,494	72,629	20.07	3,619
2007	324,996.98	124,073	129,203	218,544	20.84	10,487
2009	300,913.39	102,273	106,501	215,476	21.01	10,256
2010	252,558.47	79,980	83,287	186,951	21.10	8,860
2013	56,336.50	13,462	14,019	46,261	21.32	2,170
2016	44,949.83	6,448	6,715	41,382	21.51	1,924
2017	10,705,741.18	1,138,298	1,185,358	10,269,785	21.57	476,114
	60,137,136.60	32,670,431	34,021,115	30,325,621		1,606,261
SPURLOCK UNIT 3 INTERIM SURVIVOR CURVE.. IOWA 50-R2 PROBABLE RETIREMENT YEAR.. 6-2045 NET SALVAGE PERCENT.. -7						
2005	74,052,384.09	28,930,667	23,597,023	55,639,028	22.97	2,422,248
2008	4,832,465.25	1,612,908	1,315,553	3,855,185	23.36	165,034
2015	1,454,156.42	233,112	190,136	1,365,812	24.06	56,767
2017	69,953.79	6,671	5,441	69,409	24.22	2,866
	80,408,959.55	30,783,358	25,108,153	60,929,434		2,646,915

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 314.00 TURBOGENERATOR UNITS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPURLOCK UNIT 4						
INTERIM SURVIVOR CURVE.. IOWA 50-R2						
PROBABLE RETIREMENT YEAR.. 6-2049						
NET SALVAGE PERCENT.. -7						
2009	55,374,618.46	15,754,206	5,848,121	53,402,721	26.56	2,010,645
2017	201,780.13	16,929	6,284	209,621	27.62	7,589
2019	24,662,665.66	438,322	162,710	26,226,343	27.83	942,377
	80,239,064.25	16,209,457	6,017,115	79,838,684		2,960,611
	278,199,932.47	118,615,366	103,746,857	193,452,772		8,910,196

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 21.7   3.20

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 315.00 ACCESSORY ELECTRIC EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
COOPER COMMON						
INTERIM SURVIVOR CURVE.. IOWA 60-R4						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. -5						
1966	571,584.88	511,934	522,545	77,619	8.39	9,251
1970	1,053,861.18	925,345	944,525	162,029	9.03	17,943
1972	1,769.34	1,539	1,571	287	9.27	31
1981	27,393.32	22,743	23,214	5,549	9.92	559
1984	594,947.00	484,638	494,683	130,011	10.06	12,924
1986	52,253.74	41,961	42,831	12,036	10.14	1,187
1990	14,452.00	11,226	11,459	3,716	10.27	362
1992	21,132.64	16,099	16,433	5,757	10.32	558
1994	58,251.83	43,415	44,315	16,850	10.36	1,626
2000	19,529.62	13,341	13,618	6,889	10.44	660
2004	822,171.85	515,171	525,849	337,431	10.46	32,259
2018	125,036.05	16,411	16,751	114,537	10.50	10,908
	3,362,383.45	2,603,823	2,657,793	872,710		88,268
COOPER UNIT 1						
INTERIM SURVIVOR CURVE.. IOWA 60-R4						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. -5						
2017	42,969.95	8,677	8,857	36,262	10.50	3,454
2018	65,169.15	8,553	8,730	59,697	10.50	5,685
	108,139.10	17,230	17,587	95,959		9,139
COOPER UNIT 2						
INTERIM SURVIVOR CURVE.. IOWA 60-R4						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. -5						
2017	42,969.95	8,677	8,857	36,261	10.50	3,453
2018	65,299.14	8,571	8,749	59,815	10.50	5,697
	108,269.09	17,248	17,606	96,077		9,150

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 315.00 ACCESSORY ELECTRIC EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
COOPER UNIT 2 SCRUBBER INTERIM SURVIVOR CURVE.. IOWA 60-R4 PROBABLE RETIREMENT YEAR.. 6-2030 NET SALVAGE PERCENT.. -5						
2012	12,060,627.85	5,279,480	5,388,909	7,274,750	10.49	693,494
	12,060,627.85	5,279,480	5,388,909	7,274,750		693,494
SPURLOCK COMMON INTERIM SURVIVOR CURVE.. IOWA 60-R4 PROBABLE RETIREMENT YEAR.. 6-2049 NET SALVAGE PERCENT.. -7						
2019	657,912.36	11,777	7,870	696,096	29.38	23,693
	657,912.36	11,777	7,870	696,096		23,693
SPURLOCK UNIT 1 INTERIM SURVIVOR CURVE.. IOWA 60-R4 PROBABLE RETIREMENT YEAR.. 6-2040 NET SALVAGE PERCENT.. -7						
1980	6,882,149.94	5,053,477	4,894,370	2,469,530	17.30	142,747
1981	10,833.94	7,864	7,616	3,976	17.55	227
1990	10,196.54	6,572	6,365	4,545	19.17	237
2000	57,564.24	30,290	29,336	32,257	20.06	1,608
2003	3,710,110.99	1,781,813	1,725,713	2,244,106	20.20	111,094
	10,670,855.65	6,880,016	6,663,401	4,754,415		255,913
SPURLOCK UNIT 2 INTERIM SURVIVOR CURVE.. IOWA 60-R4 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -7						
1982	19,378,324.53	13,582,543	14,099,269	6,635,539	19.02	348,872
1983	195,615.84	135,283	140,430	68,879	19.30	3,569
2002	1,634,956.03	772,536	801,926	947,477	22.04	42,989
2018	574,430.11	38,476	39,940	574,700	22.46	25,588
	21,783,326.51	14,528,838	15,081,564	8,226,595		421,018

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 315.00 ACCESSORY ELECTRIC EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPURLOCK UNIT 3						
INTERIM SURVIVOR CURVE.. IOWA 60-R4						
PROBABLE RETIREMENT YEAR.. 6-2045						
NET SALVAGE PERCENT.. -7						
2005	23,128,165.31	9,066,114	7,394,689	17,352,448	25.01	693,820
2012	636,137.53	155,594	126,909	553,758	25.31	21,879
	23,764,302.84	9,221,708	7,521,598	17,906,206		715,699
SPURLOCK UNIT 4						
INTERIM SURVIVOR CURVE.. IOWA 60-R4						
PROBABLE RETIREMENT YEAR.. 6-2049						
NET SALVAGE PERCENT.. -7						
2009	12,751,242.41	3,622,710	1,382,162	12,261,667	28.99	422,962
	12,751,242.41	3,622,710	1,382,162	12,261,667		422,962
SPURLOCK UNIT 1 SCRUBBER						
INTERIM SURVIVOR CURVE.. IOWA 60-R4						
PROBABLE RETIREMENT YEAR.. 6-2040						
NET SALVAGE PERCENT.. -7						
2009	12,520,715.15	4,553,964	4,450,680	8,946,485	20.37	439,199
	12,520,715.15	4,553,964	4,450,680	8,946,485		439,199
SPURLOCK UNIT 2 SCRUBBER						
INTERIM SURVIVOR CURVE.. IOWA 60-R4						
PROBABLE RETIREMENT YEAR.. 6-2042						
NET SALVAGE PERCENT.. -7						
2009	17,731,988.49	6,066,120	6,374,337	12,598,891	22.32	564,466
	17,731,988.49	6,066,120	6,374,337	12,598,891		564,466
	115,519,762.90	52,802,914	49,563,507	73,729,851		3,643,001

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 20.2 3.15

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 316.00 MISCELLANEOUS POWER PLANT EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
CENTRAL LAB						
INTERIM SURVIVOR CURVE.. IOWA 30-L1						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. 0						
1978	1,684.51	1,267	1,385	299	7.24	41
1980	3,223.96	2,401	2,625	599	7.39	81
1984	7,531.81	5,500	6,013	1,519	7.66	198
1987	37,677.15	27,032	29,552	8,125	7.86	1,034
1988	25,865.18	18,443	20,162	5,703	7.92	720
1989	7,059.45	5,001	5,467	1,592	7.98	199
1990	40,800.84	28,690	31,365	9,436	8.05	1,172
1991	36,575.50	25,528	27,908	8,667	8.11	1,069
1992	16,788.77	11,633	12,718	4,071	8.16	499
1993	55,481.45	38,115	41,669	13,813	8.22	1,680
1994	14,729.95	10,028	10,963	3,767	8.28	455
1995	78,085.75	52,647	57,555	20,530	8.34	2,462
1996	11,459.20	7,650	8,363	3,096	8.39	369
1997	33,398.23	22,046	24,101	9,297	8.45	1,100
1998	45,514.89	29,698	32,467	13,048	8.50	1,535
1999	119,063.15	76,699	83,850	35,213	8.55	4,118
2000	178,343.24	113,250	123,809	54,535	8.61	6,334
2004	17,516.45	10,357	11,323	6,194	8.82	702
2005	37,280.89	21,532	23,539	13,741	8.88	1,547
2006	68,584.51	38,573	42,169	26,415	8.94	2,955
2007	13,977.68	7,620	8,330	5,647	9.02	626
2008	33,599.11	17,666	19,313	14,286	9.10	1,570
2010	71,207.35	34,187	37,374	33,833	9.28	3,646
2011	5,798.00	2,630	2,875	2,923	9.37	312
2012	23,129.40	9,776	10,687	12,442	9.48	1,312
2013	35,217.93	13,673	14,948	20,270	9.58	2,116
2018	6,843.70	867	948	5,896	10.06	586
2019	85,116.23	3,924	4,290	80,826	10.14	7,971
	1,111,554.28	636,433	695,769	415,785		46,409
COOPER COMMON						
INTERIM SURVIVOR CURVE.. IOWA 30-L1						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. -5						
1964	22,574.33	18,931	19,243	4,460	6.02	741
1967	2,376.44	1,967	1,999	496	6.32	78
1972	1,545.02	1,252	1,273	350	6.76	52
1974	9,912.01	7,963	8,094	2,313	6.93	334

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 316.00 MISCELLANEOUS POWER PLANT EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
COOPER COMMON						
INTERIM SURVIVOR CURVE.. IOWA 30-L1						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. -5						
1975	5,275.95	4,221	4,291	1,249	7.01	178
1976	2,426.00	1,932	1,964	583	7.09	82
1977	7,894.30	6,262	6,365	1,924	7.16	269
1978	5,395.95	4,260	4,330	1,336	7.24	185
1981	1,604.40	1,249	1,270	415	7.46	56
1982	5,012.12	3,882	3,946	1,317	7.53	175
1983	2,414.00	1,860	1,891	644	7.60	85
1984	29,319.75	22,479	22,849	7,937	7.66	1,036
1985	40,137.60	30,596	31,100	11,045	7.73	1,429
1986	14,546.34	11,027	11,209	4,065	7.79	522
1987	23,652.72	17,819	18,112	6,723	7.86	855
1988	40,328.77	30,194	30,691	11,654	7.92	1,471
1989	40,855.83	30,391	30,891	12,007	7.98	1,505
1990	49,869.26	36,820	37,426	14,936	8.05	1,855
1991	12,499.67	9,160	9,311	3,814	8.11	470
1992	50,003.22	36,379	36,978	15,525	8.16	1,903
1993	75,113.37	54,181	55,073	23,796	8.22	2,895
1994	130,817.83	93,514	95,054	42,305	8.28	5,109
1995	72,102.93	51,044	51,885	23,823	8.34	2,856
1996	52,853.47	37,049	37,659	17,837	8.39	2,126
1997	69,926.41	48,466	49,264	24,159	8.45	2,859
1998	56,917.68	38,995	39,637	20,126	8.50	2,368
1999	16,182.34	10,946	11,126	5,865	8.55	686
2000	8,834.22	5,890	5,987	3,289	8.61	382
2001	37,076.96	24,348	24,749	14,182	8.66	1,638
2002	15,135.30	9,775	9,936	5,956	8.71	684
2003	7,284.76	4,620	4,696	2,953	8.76	337
2004	6,784.00	4,212	4,281	2,842	8.82	322
2005	53,714.07	32,574	33,110	23,289	8.88	2,623
2010	798,066.81	402,318	408,943	429,027	9.28	46,231
2011	20,879.90	9,946	10,110	11,814	9.37	1,261
2013	61,490.00	25,067	25,480	39,085	9.58	4,080
2014	41,221.75	15,126	15,375	27,908	9.68	2,883
2015	61,723.31	19,760	20,085	44,724	9.78	4,573
2016	33,177.85	8,841	8,987	25,850	9.88	2,616
2017	406,303.15	83,327	84,699	341,919	9.97	34,295
2019	313,316.55	15,166	15,416	313,567	10.14	30,924
	2,706,566.34	1,273,809	1,294,786	1,547,109		165,029

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 316.00 MISCELLANEOUS POWER PLANT EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
COOPER UNIT 2 SCRUBBER						
INTERIM SURVIVOR CURVE.. IOWA 30-L1						
PROBABLE RETIREMENT YEAR.. 6-2030						
NET SALVAGE PERCENT.. -5						
2012	2,139,985.18	949,710	969,395	1,277,589	9.48	134,767
	2,139,985.18	949,710	969,395	1,277,589		134,767
SPURLOCK COMMON						
INTERIM SURVIVOR CURVE.. IOWA 30-L1						
PROBABLE RETIREMENT YEAR.. 6-2049						
NET SALVAGE PERCENT.. -7						
1978	126,813.04	87,698	91,761	43,929	10.60	4,144
1979	24,284.44	16,583	17,351	8,633	10.84	796
1980	29,786.64	20,081	21,011	10,860	11.08	980
1981	54,356.29	36,163	37,838	20,323	11.32	1,795
1982	141,577.45	92,959	97,266	54,222	11.56	4,690
1983	46,357.42	30,027	31,418	18,184	11.80	1,541
1984	47,276.66	30,186	31,585	19,001	12.05	1,577
1985	95,945.94	60,407	63,206	39,456	12.29	3,210
1986	32,765.34	20,321	21,262	13,796	12.54	1,100
1987	87,579.94	53,491	55,969	37,741	12.79	2,951
1988	39,342.42	23,671	24,768	17,329	13.03	1,330
1989	51,661.45	30,586	32,003	23,275	13.28	1,753
1990	90,898.71	52,924	55,376	41,886	13.53	3,096
1991	27,535.27	15,761	16,491	12,972	13.78	941
1992	84,231.81	47,379	49,574	40,554	14.03	2,891
1993	71,148.30	39,290	41,110	35,018	14.28	2,452
1994	129,756.62	70,315	73,573	65,267	14.53	4,492
1995	44,418.54	23,602	24,695	22,832	14.78	1,545
1996	213,762.56	111,316	116,473	112,253	15.03	7,469
1997	102,102.08	52,041	54,452	54,797	15.28	3,586
1998	62,334.27	31,078	32,518	34,180	15.53	2,201
1999	115,734.06	56,359	58,970	64,865	15.78	4,111
2000	40,351.11	19,169	20,057	23,119	16.03	1,442
2001	5,671.00	2,626	2,748	3,320	16.28	204
2002	5,527.90	2,488	2,603	3,312	16.54	200
2003	239,474.99	104,696	109,547	146,692	16.79	8,737
2004	38,270.21	16,199	16,950	24,000	17.05	1,408
2005	486,910.32	198,764	207,973	313,021	17.33	18,062
2006	132,723.50	52,068	54,480	87,534	17.62	4,968
2007	30,091.57	11,281	11,804	20,394	17.93	1,137
2008	141,116.01	50,258	52,586	98,408	18.26	5,389

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 316.00 MISCELLANEOUS POWER PLANT EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPURLOCK COMMON						
INTERIM SURVIVOR CURVE.. IOWA 30-L1						
PROBABLE RETIREMENT YEAR.. 6-2049						
NET SALVAGE PERCENT.. -7						
2009	129,027.24	43,322	45,329	92,730	18.61	4,983
2010	62,102.03	19,452	20,353	46,096	18.99	2,427
2011	131,612.48	38,109	39,875	100,951	19.38	5,209
2012	18,958.26	4,990	5,221	15,064	19.80	761
2013	64,826.40	15,268	15,975	53,389	20.23	2,639
2014	1,100,347.24	225,820	236,282	941,089	20.69	45,485
2015	179,605.87	31,141	32,584	159,594	21.15	7,546
2016	36,606.04	5,073	5,308	33,860	21.64	1,565
2017	67,732.67	6,934	7,255	65,219	22.12	2,948
2018	84,573.16	5,310	5,556	84,937	22.62	3,755
2019	59,444.80	1,294	1,354	62,252	23.11	2,694
	4,774,642.05	1,856,500	1,942,513	3,166,354		180,210
SPURLOCK UNIT 1						
INTERIM SURVIVOR CURVE.. IOWA 30-L1						
PROBABLE RETIREMENT YEAR.. 6-2040						
NET SALVAGE PERCENT.. -7						
1975	3,685.90	2,710	2,625	1,319	9.35	141
1976	105,847.18	77,110	74,682	38,575	9.53	4,048
1977	40,660.71	29,345	28,421	15,086	9.71	1,554
1978	2,674.55	1,911	1,851	1,011	9.90	102
1980	29,694.36	20,808	20,153	11,620	10.26	1,133
	182,562.70	131,884	127,731	67,611		6,978
SPURLOCK UNIT 3						
INTERIM SURVIVOR CURVE.. IOWA 30-L1						
PROBABLE RETIREMENT YEAR.. 6-2045						
NET SALVAGE PERCENT.. -7						
2005	196,710.01	84,440	68,873	141,607	16.24	8,720
2016	1,010,076.23	151,461	123,538	957,243	19.88	48,151
2018	985,683.41	68,185	55,615	999,067	20.69	48,287
	2,192,469.65	304,086	248,026	2,097,917		105,158

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 316.00 MISCELLANEOUS POWER PLANT EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SPURLOCK UNIT 4						
INTERIM SURVIVOR CURVE.. IOWA 30-L1						
PROBABLE RETIREMENT YEAR.. 6-2049						
NET SALVAGE PERCENT.. -7						
2009	1,713,517.24	575,322	211,495	1,621,969	18.61	87,156
2016	1,007,682.17	139,662	51,341	1,026,879	21.64	47,453
2019	1,243,021.41	27,066	9,950	1,320,083	23.11	57,122
	3,964,220.82	742,050	272,786	3,968,930		191,731
	17,072,001.02	5,894,472	5,551,006	12,541,295		830,282

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 15.1   4.86

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 341.00 STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SMITH CT COMMON INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2050 NET SALVAGE PERCENT.. -3						
1999	11,825,116.32	5,213,228	5,640,670	6,539,199	25.19	259,595
2001	1,879,908.18	778,221	842,029	1,094,277	25.64	42,679
2003	70,822.72	27,270	29,506	43,441	26.08	1,666
2004	274,976.66	101,590	109,920	173,306	26.30	6,590
2005	420,804.59	148,558	160,739	272,690	26.52	10,282
2008	529,002.54	158,482	171,476	373,396	27.16	13,748
2009	40,240.67	11,272	12,196	29,252	27.36	1,069
2010	2,645,321.10	686,701	743,005	1,981,676	27.57	71,878
2011	525,234.46	124,947	135,192	405,800	27.77	14,613
2013	997,147.82	190,684	206,319	820,744	28.16	29,146
2017	325,446.17	26,713	28,903	306,306	28.87	10,610
	19,534,021.23	7,467,666	8,079,954	12,040,088		461,876
SMITH CT UNIT 1 INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2034 NET SALVAGE PERCENT.. -4						
1999	715,236.19	438,869	422,440	321,405	13.53	23,755
2001	1,951,483.62	1,147,077	1,104,137	925,406	13.64	67,845
	2,666,719.81	1,585,946	1,526,577	1,246,812		91,600
SMITH CT UNIT 2 INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2034 NET SALVAGE PERCENT.. -4						
1999	715,236.19	438,869	428,100	315,746	13.53	23,337
2001	1,951,483.62	1,147,077	1,118,930	910,613	13.64	66,760
	2,666,719.81	1,585,946	1,547,030	1,226,359		90,097

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 341.00 STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SMITH CT UNIT 3 INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2034 NET SALVAGE PERCENT.. -4						
1999	715,236.19	438,869	425,362	318,484	13.53	23,539
2001	1,951,483.62	1,147,077	1,111,772	917,771	13.64	67,285
	2,666,719.81	1,585,946	1,537,134	1,236,255		90,824
SMITH CT UNIT 4 INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2041 NET SALVAGE PERCENT.. -4						
2001	683,504.01	337,487	328,432	382,412	19.36	19,753
2002	1,244,977.47	596,296	580,297	714,480	19.48	36,678
2016	9,275.93	1,381	1,344	8,303	20.89	397
	1,937,757.41	935,164	910,073	1,105,195		56,828
SMITH CT UNIT 5 INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2041 NET SALVAGE PERCENT.. -4						
2001	359,276.60	177,397	171,939	201,709	19.36	10,419
2002	1,230,582.90	589,402	571,267	708,539	19.48	36,373
2016	9,275.93	1,381	1,339	8,308	20.89	398
	1,599,135.43	768,180	744,544	918,557		47,190
SMITH CT UNIT 6 INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2045 NET SALVAGE PERCENT.. -4						
2005	294,248.85	115,568	110,222	195,797	22.94	8,535
2016	9,275.93	1,204	1,148	8,499	24.47	347
	303,524.78	116,772	111,370	204,296		8,882

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 341.00 STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SMITH CT UNIT 7 INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2045 NET SALVAGE PERCENT.. -4						
2005	294,248.85	115,568	110,220	195,799	22.94	8,535
2016	9,275.93	1,204	1,148	8,499	24.47	347
	303,524.78	116,772	111,368	204,298		8,882
SMITH CT UNIT 9 INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2050 NET SALVAGE PERCENT.. -4						
2010	4,480,861.44	1,174,484	882,245	3,777,851	27.57	137,028
2016	9,275.93	1,046	786	8,861	28.70	309
2019	10,500.00	184	138	10,782	29.18	369
	4,500,637.37	1,175,714	883,169	3,797,494		137,706
SMITH CT UNIT 10 INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2050 NET SALVAGE PERCENT.. -4						
2010	79,570.63	20,856	20,956	61,797	27.57	2,241
2016	9,275.94	1,046	1,051	8,596	28.70	300
	88,846.57	21,902	22,007	70,393		2,541
COOPERATIVE SOLAR INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -1						
2017	625,882.00	64,561	55,403	576,738	21.89	26,347
	625,882.00	64,561	55,403	576,738		26,347

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 341.00 STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
GREEN VALLEY LANDFILL INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2038 NET SALVAGE PERCENT.. -2						
2003	1,119,860.80	548,284	495,454	646,804	17.16	37,693
	1,119,860.80	548,284	495,454	646,804		37,693
LAUREL RIDGE LANDFILL INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2038 NET SALVAGE PERCENT.. -2						
2003	1,200,486.53	587,758	531,124	693,372	17.16	40,406
	1,200,486.53	587,758	531,124	693,372		40,406
BAVARIAN LANDFILL INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2038 NET SALVAGE PERCENT.. -2						
2003	1,135,966.24	556,169	502,579	656,107	17.16	38,235
	1,135,966.24	556,169	502,579	656,107		38,235
PEARL HOLLOW LANDFILL INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2041 NET SALVAGE PERCENT.. -2						
2006	1,465,228.09	591,925	534,890	959,643	19.93	48,151
	1,465,228.09	591,925	534,890	959,643		48,151

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 341.00 STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
PENDLETON COUNTY LANDFILL INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -2						
2007	312,160.26	117,134	105,848	212,556	20.86	10,190
2019	1,721,492.10	38,946	35,193	1,720,729	22.04	78,073
	2,033,652.36	156,080	141,041	1,933,284		88,263
BLUEGRASS OLDHAM COMMON INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -5						
2015	7,229,721.64	1,298,552	3,246,262	4,344,946	21.71	200,136
	7,229,721.64	1,298,552	3,246,262	4,344,946		200,136
BLUEGRASS OLDHAM UNIT 1 INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -5						
2015	933,680.40	167,701	448,838	531,526	21.71	24,483
	933,680.40	167,701	448,838	531,526		24,483
BLUEGRASS OLDHAM UNIT 2 INTERIM SURVIVOR CURVE.. IOWA 55-S1 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -5						
2015	933,680.40	167,701	444,133	536,231	21.71	24,700
	933,680.40	167,701	444,133	536,231		24,700

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 341.00 STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BLUEGRASS OLDHAM UNIT 3						
INTERIM SURVIVOR CURVE.. IOWA 55-S1						
PROBABLE RETIREMENT YEAR.. 6-2042						
NET SALVAGE PERCENT.. -5						
2015	933,680.40	167,701	448,802	531,562	21.71	24,485
	933,680.40	167,701	448,802	531,562		24,485
	53,879,445.86	19,666,440	22,321,752	33,459,960		1,549,325

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 21.6 2.88

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 342.00 FUEL HOLDERS, PRODUCERS AND ACCESSORIES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SMITH CT COMMON INTERIM SURVIVOR CURVE.. IOWA 50-S2.5 PROBABLE RETIREMENT YEAR.. 6-2050 NET SALVAGE PERCENT.. -3						
1999	3,702,254.72	1,706,424	1,894,718	1,918,605	24.78	77,426
2001	959,717.40	410,735	456,057	532,452	25.63	20,775
2004	6,952,014.84	2,610,030	2,898,031	4,262,544	26.78	159,169
2005	2,152,133.55	768,795	853,627	1,363,071	27.12	50,261
	13,766,120.51	5,495,984	6,102,433	8,076,671		307,631
SMITH CT UNIT 6 INTERIM SURVIVOR CURVE.. IOWA 50-S2.5 PROBABLE RETIREMENT YEAR.. 6-2045 NET SALVAGE PERCENT.. -4						
2005	70,051.65	27,605	26,328	46,526	23.62	1,970
	70,051.65	27,605	26,328	46,526		1,970
SMITH CT UNIT 7 INTERIM SURVIVOR CURVE.. IOWA 50-S2.5 PROBABLE RETIREMENT YEAR.. 6-2045 NET SALVAGE PERCENT.. -4						
2005	70,051.65	27,605	26,327	46,527	23.62	1,970
	70,051.65	27,605	26,327	46,527		1,970
SMITH CT UNIT 9 INTERIM SURVIVOR CURVE.. IOWA 50-S2.5 PROBABLE RETIREMENT YEAR.. 6-2050 NET SALVAGE PERCENT.. -4						
2010	2,384,532.85	618,193	464,445	2,015,469	28.55	70,594
	2,384,532.85	618,193	464,445	2,015,469		70,594

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 342.00 FUEL HOLDERS, PRODUCERS AND ACCESSORIES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SMITH CT UNIT 10 INTERIM SURVIVOR CURVE.. IOWA 50-S2.5 PROBABLE RETIREMENT YEAR.. 6-2050 NET SALVAGE PERCENT.. -4						
2010	2,116,650.59	548,744	551,382	1,649,935	28.55	57,791
	2,116,650.59	548,744	551,382	1,649,935		57,791
LAUREL RIDGE LANDFILL INTERIM SURVIVOR CURVE.. IOWA 50-S2.5 PROBABLE RETIREMENT YEAR.. 6-2038 NET SALVAGE PERCENT.. -2						
2003	106,294.19	52,232	47,199	61,221	17.62	3,475
	106,294.19	52,232	47,199	61,221		3,475
BAVARIAN LANDFILL INTERIM SURVIVOR CURVE.. IOWA 50-S2.5 PROBABLE RETIREMENT YEAR.. 6-2038 NET SALVAGE PERCENT.. -2						
2003	357,670.24	175,757	158,822	206,002	17.62	11,691
	357,670.24	175,757	158,822	206,002		11,691
BLUEGRASS OLDHAM COMMON INTERIM SURVIVOR CURVE.. IOWA 50-S2.5 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -5						
2015	1,162,203.57	205,281	513,184	707,130	22.25	31,781
	1,162,203.57	205,281	513,184	707,130		31,781
	20,033,575.25	7,151,401	7,890,120	12,809,481		486,903

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 26.3   2.43

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 343.00 PRIME MOVERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SMITH CT COMMON INTERIM SURVIVOR CURVE.. IOWA 50-R3 PROBABLE RETIREMENT YEAR.. 6-2050 NET SALVAGE PERCENT.. -3						
1999	3,787,362.11	1,684,835	1,870,747	2,030,236	25.57	79,399
2001	11,631,511.86	4,822,733	5,354,893	6,625,564	26.24	252,499
2003	516,514.68	197,557	219,356	312,654	26.85	11,644
2005	610,199.36	212,843	236,329	392,176	27.38	14,323
2006	3,062,247.99	1,014,174	1,126,082	2,028,033	27.62	73,426
2007	1,024,264.10	320,454	355,814	699,178	27.85	25,105
2009	602,816.70	165,259	183,494	437,407	28.26	15,478
2014	395,422.38	63,887	70,937	336,348	29.08	11,566
2015	32,444.41	4,401	4,887	28,531	29.21	977
	21,662,783.59	8,486,143	9,422,539	12,890,128		484,417
SMITH CT UNIT 1 INTERIM SURVIVOR CURVE.. IOWA 50-R3 PROBABLE RETIREMENT YEAR.. 6-2034 NET SALVAGE PERCENT.. -4						
1999	17,915,941.36	10,983,533	10,572,368	8,060,211	13.81	583,650
2015	1,022,828.04	251,958	242,526	821,215	14.37	57,148
	18,938,769.40	11,235,491	10,814,894	8,881,426		640,798
SMITH CT UNIT 2 INTERIM SURVIVOR CURVE.. IOWA 50-R3 PROBABLE RETIREMENT YEAR.. 6-2034 NET SALVAGE PERCENT.. -4						
1999	16,963,603.17	10,399,693	10,144,504	7,497,644	13.81	542,914
2015	57,958.80	14,277	13,927	46,350	14.37	3,225
	17,021,561.97	10,413,970	10,158,430	7,543,994		546,139

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 343.00 PRIME MOVERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SMITH CT UNIT 3						
INTERIM SURVIVOR CURVE.. IOWA 50-R3						
PROBABLE RETIREMENT YEAR.. 6-2034						
NET SALVAGE PERCENT.. -4						
1999	17,892,125.00	10,968,932	10,631,329	7,976,481	13.81	577,587
2015	57,960.80	14,278	13,839	46,441	14.37	3,232
	17,950,085.80	10,983,210	10,645,167	8,022,922		580,819
SMITH CT UNIT 4						
INTERIM SURVIVOR CURVE.. IOWA 50-R3						
PROBABLE RETIREMENT YEAR.. 6-2041						
NET SALVAGE PERCENT.. -4						
2001	21,477,282.01	10,552,596	10,269,461	12,066,912	19.91	606,073
2003	4,106,565.43	1,890,268	1,839,551	2,431,278	20.15	120,659
2017	274,636.97	29,842	29,041	256,581	21.17	12,120
	25,858,484.41	12,472,706	12,138,053	14,754,771		738,852
SMITH CT UNIT 5						
INTERIM SURVIVOR CURVE.. IOWA 50-R3						
PROBABLE RETIREMENT YEAR.. 6-2041						
NET SALVAGE PERCENT.. -4						
2001	21,221,722.26	10,427,030	10,106,209	11,964,383	19.91	600,923
2012	73,816.47	20,060	19,443	57,326	20.92	2,740
	21,295,538.73	10,447,090	10,125,651	12,021,709		603,663
SMITH CT UNIT 6						
INTERIM SURVIVOR CURVE.. IOWA 50-R3						
PROBABLE RETIREMENT YEAR.. 6-2045						
NET SALVAGE PERCENT.. -4						
2005	16,500,286.78	6,397,531	6,101,556	11,058,742	23.67	467,205
2017	501,280.99	47,186	45,003	476,329	24.92	19,114
	17,001,567.77	6,444,717	6,146,559	11,535,072		486,319

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 343.00 PRIME MOVERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SMITH CT UNIT 7						
INTERIM SURVIVOR CURVE.. IOWA 50-R3						
PROBABLE RETIREMENT YEAR.. 6-2045						
NET SALVAGE PERCENT.. -4						
2005	16,285,504.27	6,314,255	6,022,018	10,914,906	23.67	461,128
2017	468,679.30	44,117	42,075	445,351	24.92	17,871
	16,754,183.57	6,358,372	6,064,093	11,360,258		478,999
SMITH CT UNIT 9						
INTERIM SURVIVOR CURVE.. IOWA 50-R3						
PROBABLE RETIREMENT YEAR.. 6-2050						
NET SALVAGE PERCENT.. -4						
2010	56,441,734.04	14,449,445	10,855,788	47,843,616	28.45	1,681,674
2013	240,231.66	45,189	33,950	215,891	28.94	7,460
2015	481,979.64	66,011	49,594	451,665	29.21	15,463
2017	572,624.88	46,100	34,635	560,895	29.44	19,052
	57,736,570.22	14,606,745	10,973,966	49,072,067		1,723,649
SMITH CT UNIT 10						
INTERIM SURVIVOR CURVE.. IOWA 50-R3						
PROBABLE RETIREMENT YEAR.. 6-2050						
NET SALVAGE PERCENT.. -4						
2010	54,005,111.59	13,825,654	13,892,125	42,273,191	28.45	1,485,877
2015	794,932.17	108,872	109,395	717,334	29.21	24,558
2017	210,938.71	16,982	17,064	202,313	29.44	6,872
	55,010,982.47	13,951,508	14,018,584	43,192,838		1,517,307
GREEN VALLEY LANDFILL						
INTERIM SURVIVOR CURVE.. IOWA 50-R3						
PROBABLE RETIREMENT YEAR.. 6-2038						
NET SALVAGE PERCENT.. -2						
2003	293,827.07	142,902	129,133	170,571	17.60	9,692
2014	60,243.73	14,141	12,778	48,670	18.20	2,674
	354,070.80	157,043	141,911	219,241		12,366

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 343.00 PRIME MOVERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
LAUREL RIDGE LANDFILL INTERIM SURVIVOR CURVE.. IOWA 50-R3 PROBABLE RETIREMENT YEAR.. 6-2038 NET SALVAGE PERCENT.. -2						
2003	300,785.97	146,286	132,190	174,612	17.60	9,921
	300,785.97	146,286	132,190	174,612		9,921
BAVARIAN LANDFILL INTERIM SURVIVOR CURVE.. IOWA 50-R3 PROBABLE RETIREMENT YEAR.. 6-2038 NET SALVAGE PERCENT.. -2						
2003	298,911.42	145,374	131,367	173,523	17.60	9,859
2014	89,217.39	20,941	18,923	72,078	18.20	3,960
	388,128.81	166,315	150,290	245,601		13,819
PEARL HOLLOW LANDFILL INTERIM SURVIVOR CURVE.. IOWA 50-R3 PROBABLE RETIREMENT YEAR.. 6-2041 NET SALVAGE PERCENT.. -2						
2006	201,654.60	80,588	72,823	132,865	20.46	6,494
	201,654.60	80,588	72,823	132,865		6,494
PENDLETON COUNTY LANDFILL INTERIM SURVIVOR CURVE.. IOWA 50-R3 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -2						
2007	275,099.08	101,847	92,033	188,568	21.43	8,799
	275,099.08	101,847	92,033	188,568		8,799

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 343.00 PRIME MOVERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BLUEGRASS OLDHAM COMMON INTERIM SURVIVOR CURVE.. IOWA 50-R3 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -5						
2015	279,890.00	49,405	118,949	174,936	22.02	7,944
2017	1,734,202.06	183,639	442,133	1,378,779	22.11	62,360
2019	393,860.23	8,933	21,507	392,046	22.20	17,660
	2,407,952.29	241,977	582,589	1,945,761		87,964
BLUEGRASS OLDHAM UNIT 1 INTERIM SURVIVOR CURVE.. IOWA 50-R3 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -5						
2015	46,665,248.38	8,237,140	22,046,049	26,952,462	22.02	1,223,999
2017	59,708.40	6,323	16,923	45,771	22.11	2,070
	46,724,956.78	8,243,463	22,062,972	26,998,232		1,226,069
BLUEGRASS OLDHAM UNIT 2 INTERIM SURVIVOR CURVE.. IOWA 50-R3 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -5						
2015	43,969,980.77	7,761,383	20,554,994	25,613,486	22.02	1,163,192
2017	1,538,665.58	162,933	431,506	1,184,092	22.11	53,555
	45,508,646.35	7,924,316	20,986,500	26,797,578		1,216,747
BLUEGRASS OLDHAM UNIT 3 INTERIM SURVIVOR CURVE.. IOWA 50-R3 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -5						
2015	41,154,195.26	7,264,353	19,440,893	23,771,012	22.02	1,079,519
2017	59,708.46	6,323	16,922	45,772	22.11	2,070
	41,213,903.72	7,270,676	19,457,814	23,816,784		1,081,589
	406,605,726.33	129,732,463	164,187,060	259,794,427		11,464,730

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 22.7 2.82

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 344.00 GENERATORS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SMITH CT COMMON INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2050 NET SALVAGE PERCENT.. -3						
2001	152,509.33	62,212	71,912	85,173	25.94	3,283
2016	232,778.62	25,026	28,928	210,834	28.83	7,313
	385,287.95	87,238	100,840	296,007		10,596
SMITH CT UNIT 1 INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2034 NET SALVAGE PERCENT.. -4						
1997	449,510.78	284,221	284,812	182,679	13.58	13,452
1999	4,647,137.73	2,827,802	2,833,681	1,999,343	13.70	145,937
2018	313,157.85	30,546	30,610	295,075	14.30	20,635
	5,409,806.36	3,142,569	3,149,102	2,477,097		180,024
SMITH CT UNIT 2 INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2034 NET SALVAGE PERCENT.. -4						
1999	4,647,137.74	2,827,802	2,871,647	1,961,376	13.70	143,166
2000	341,387.89	203,387	206,541	148,503	13.75	10,800
2018	327,448.30	31,940	32,435	308,111	14.30	21,546
	5,315,973.93	3,063,129	3,110,623	2,417,990		175,512
SMITH CT UNIT 3 INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2034 NET SALVAGE PERCENT.. -4						
1999	4,647,137.74	2,827,802	2,853,277	1,979,747	13.70	144,507
2000	341,387.90	203,387	205,219	149,824	13.75	10,896
2018	380,302.76	37,095	37,429	358,086	14.30	25,041
	5,368,828.40	3,068,284	3,095,925	2,487,657		180,444

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 344.00 GENERATORS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SMITH CT UNIT 4						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2041						
NET SALVAGE PERCENT.. -4						
2001	7,338,334.95	3,570,188	3,617,021	4,014,847	19.67	204,110
2003	372,892.55	169,988	172,218	215,590	19.90	10,834
2016	501,114.91	73,009	73,967	447,193	20.87	21,428
	8,212,342.41	3,813,185	3,863,206	4,677,630		236,372
SMITH CT UNIT 5						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2041						
NET SALVAGE PERCENT.. -4						
2001	7,327,273.73	3,564,807	3,596,958	4,023,407	19.67	204,545
2003	380,158.71	173,300	174,863	220,502	19.90	11,081
2016	448,485.96	65,342	65,931	400,494	20.87	19,190
	8,155,918.40	3,803,449	3,837,752	4,644,403		234,816
SMITH CT UNIT 6						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2045						
NET SALVAGE PERCENT.. -4						
2005	4,831,725.68	1,853,118	1,839,937	3,185,058	23.33	136,522
	4,831,725.68	1,853,118	1,839,937	3,185,058		136,522
SMITH CT UNIT 7						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2045						
NET SALVAGE PERCENT.. -4						
2005	4,838,938.32	1,855,884	1,842,648	3,189,848	23.33	136,727
	4,838,938.32	1,855,884	1,842,648	3,189,848		136,727

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 344.00 GENERATORS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SMITH CT UNIT 9						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2050						
NET SALVAGE PERCENT.. -4						
2010	4,442,193.82	1,124,987	866,822	3,753,059	27.96	134,230
2019	986,624.55	16,961	13,069	1,013,021	29.15	34,752
	5,428,818.37	1,141,948	879,891	4,766,080		168,982
SMITH CT UNIT 10						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2050						
NET SALVAGE PERCENT.. -4						
2010	4,442,193.82	1,124,987	1,168,838	3,451,043	27.96	123,428
2019	445,659.68	7,661	7,960	455,526	29.15	15,627
	4,887,853.50	1,132,648	1,176,798	3,906,570		139,055
COOPERATIVE SOLAR						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2042						
NET SALVAGE PERCENT.. -1						
2017	15,810,305.55	1,598,757	1,428,297	14,540,112	21.84	665,756
	15,810,305.55	1,598,757	1,428,297	14,540,112		665,756
GREEN VALLEY LANDFILL						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
NET SALVAGE PERCENT.. -2						
2003	1,098,205.33	529,896	498,493	621,676	17.40	35,729
	1,098,205.33	529,896	498,493	621,676		35,729

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 344.00 GENERATORS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
LAUREL RIDGE LANDFILL INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2038 NET SALVAGE PERCENT.. -2						
2003	1,477,051.25	712,693	670,458	836,134	17.40	48,054
2006	486,459.49	209,699	197,272	298,917	17.61	16,974
	1,963,510.74	922,392	867,730	1,135,051		65,028
BAVARIAN LANDFILL INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2038 NET SALVAGE PERCENT.. -2						
2003	1,453,451.26	701,306	659,745	822,775	17.40	47,286
2011	1,162,564.91	373,153	351,039	834,777	17.88	46,688
2016	1,909,012.67	308,981	290,670	1,656,523	18.08	91,622
	4,525,028.84	1,383,440	1,301,455	3,314,074		185,596
PEARL HOLLOW LANDFILL INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2041 NET SALVAGE PERCENT.. -2						
2006	1,285,806.38	509,199	479,024	832,499	20.20	41,213
	1,285,806.38	509,199	479,024	832,499		41,213
PENDLETON COUNTY LANDFILL INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -2						
2007	1,680,579.61	617,246	580,668	1,133,523	21.13	53,645
	1,680,579.61	617,246	580,668	1,133,523		53,645

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 344.00 GENERATORS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
GLASGOW LANDFILL INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2046 NET SALVAGE PERCENT.. -1						
2011	429,901.31	106,774	100,446	333,754	24.90	13,404
2015	2,563,852.56	379,153	356,684	2,232,807	25.30	88,253
	2,993,753.87	485,927	457,130	2,566,561		101,657
BLUEGRASS OLDHAM COMMON INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -5						
2016	17,086.14	2,421	6,300	11,640	21.79	534
	17,086.14	2,421	6,300	11,640		534
BLUEGRASS OLDHAM UNIT 1 INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -5						
2015	7,457,690.57	1,308,567	3,646,045	4,184,530	21.73	192,569
	7,457,690.57	1,308,567	3,646,045	4,184,530		192,569
BLUEGRASS OLDHAM UNIT 2 INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -5						
2015	7,457,690.57	1,308,567	3,607,830	4,222,745	21.73	194,328
	7,457,690.57	1,308,567	3,607,830	4,222,745		194,328

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 344.00 GENERATORS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BLUEGRASS OLDHAM UNIT 3						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2042						
NET SALVAGE PERCENT.. -5						
2015	7,457,690.57	1,308,567	3,645,751	4,184,824	21.73	192,583
	7,457,690.57	1,308,567	3,645,751	4,184,824		192,583
	104,582,841.49	32,936,431	39,415,445	68,795,575		3,327,688

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 20.7 3.18

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 345.00 ACCESSORY ELECTRIC EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SMITH CT COMMON						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2050						
NET SALVAGE PERCENT.. -3						
1999	4,012,658.39	1,753,483	1,946,970	2,186,068	25.35	86,235
2001	2,383,515.19	972,286	1,079,572	1,375,448	25.94	53,024
2003	16,257.17	6,127	6,803	9,942	26.48	375
2005	2,834,747.79	975,677	1,083,337	1,836,453	26.96	68,118
2017	628,918.28	49,795	55,290	592,496	28.94	20,473
	9,876,096.82	3,757,368	4,171,972	6,000,408		228,225
SMITH CT UNIT 1						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
NET SALVAGE PERCENT.. -4						
1999	1,039,394.43	632,476	608,799	472,171	13.70	34,465
	1,039,394.43	632,476	608,799	472,171		34,465
SMITH CT UNIT 2						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
NET SALVAGE PERCENT.. -4						
1999	1,039,395.53	632,476	616,956	464,015	13.70	33,870
	1,039,395.53	632,476	616,956	464,015		33,870
SMITH CT UNIT 3						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2034						
NET SALVAGE PERCENT.. -4						
1999	1,039,395.53	632,476	613,009	467,962	13.70	34,158
	1,039,395.53	632,476	613,009	467,962		34,158

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 345.00 ACCESSORY ELECTRIC EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SMITH CT UNIT 4 INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2041 NET SALVAGE PERCENT.. -4						
2001	993,996.86	483,591	470,616	563,141	19.67	28,629
	993,996.86	483,591	470,616	563,141		28,629
SMITH CT UNIT 5 INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2041 NET SALVAGE PERCENT.. -4						
2001	993,996.86	483,591	468,711	565,046	19.67	28,726
	993,996.86	483,591	468,711	565,046		28,726
SMITH CT UNIT 6 INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2045 NET SALVAGE PERCENT.. -4						
2005	1,251,472.92	479,979	457,774	843,758	23.33	36,166
	1,251,472.92	479,979	457,774	843,758		36,166
SMITH CT UNIT 7 INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2045 NET SALVAGE PERCENT.. -4						
2005	1,220,275.59	468,014	446,353	822,734	23.33	35,265
	1,220,275.59	468,014	446,353	822,734		35,265
SMITH CT UNIT 9 INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2050 NET SALVAGE PERCENT.. -4						
2010	12,040,203.14	3,049,186	2,290,836	10,230,975	27.96	365,915
	12,040,203.14	3,049,186	2,290,836	10,230,975		365,915

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 345.00 ACCESSORY ELECTRIC EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SMITH CT UNIT 10 INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2050 NET SALVAGE PERCENT.. -4						
2010	1,879,693.27	476,033	478,322	1,476,559	27.96	52,810
	1,879,693.27	476,033	478,322	1,476,559		52,810
COOPERATIVE SOLAR INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -1						
2017	779,800.00	78,854	67,669	719,929	21.84	32,964
	779,800.00	78,854	67,669	719,929		32,964
GREEN VALLEY LANDFILL INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2038 NET SALVAGE PERCENT.. -2						
2003	344,891.29	166,414	150,379	201,410	17.40	11,575
	344,891.29	166,414	150,379	201,410		11,575
LAUREL RIDGE LANDFILL INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2038 NET SALVAGE PERCENT.. -2						
2003	386,164.65	186,329	168,375	225,513	17.40	12,961
	386,164.65	186,329	168,375	225,513		12,961

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 345.00 ACCESSORY ELECTRIC EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BAVARIAN LANDFILL						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
NET SALVAGE PERCENT.. -2						
2003	357,452.26	172,475	155,856	208,745	17.40	11,997
	357,452.26	172,475	155,856	208,745		11,997
PEARL HOLLOW LANDFILL						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2041						
NET SALVAGE PERCENT.. -2						
2006	452,676.95	179,267	161,993	299,737	20.20	14,838
	452,676.95	179,267	161,993	299,737		14,838
PENDLETON COUNTY LANDFILL						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2042						
NET SALVAGE PERCENT.. -2						
2007	406,784.25	149,404	135,008	279,912	21.13	13,247
	406,784.25	149,404	135,008	279,912		13,247
BLUEGRASS OLDHAM COMMON						
INTERIM SURVIVOR CURVE.. IOWA 50-R2.5						
PROBABLE RETIREMENT YEAR.. 6-2042						
NET SALVAGE PERCENT.. -5						
2015	3,014,323.84	528,910	1,322,228	1,842,813	21.73	84,805
2019	13,938.27	313	782	13,853	21.94	631
	3,028,262.11	529,223	1,323,010	1,856,665		85,436

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 345.00 ACCESSORY ELECTRIC EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
BLUEGRASS OLDHAM UNIT 1 INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -5						
2015	386,034.41	67,736	181,290	224,046	21.73	10,310
	386,034.41	67,736	181,290	224,046		10,310
BLUEGRASS OLDHAM UNIT 2 INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -5						
2015	386,034.41	67,736	179,389	225,947	21.73	10,398
	386,034.41	67,736	179,389	225,947		10,398
BLUEGRASS OLDHAM UNIT 3 INTERIM SURVIVOR CURVE.. IOWA 50-R2.5 PROBABLE RETIREMENT YEAR.. 6-2042 NET SALVAGE PERCENT.. -5						
2015	386,034.41	67,736	181,275	224,061	21.73	10,311
	386,034.41	67,736	181,275	224,061		10,311
	38,288,055.69	12,760,364	13,327,592	26,372,734		1,092,266

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 24.1 2.85

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 346.00 MISCELLANEOUS POWER PLANT EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SMITH CT COMMON						
INTERIM SURVIVOR CURVE.. IOWA 40-S2.5						
PROBABLE RETIREMENT YEAR.. 6-2050						
NET SALVAGE PERCENT.. -3						
1995	85,357.01	50,359	55,916	32,002	16.90	1,894
1996	52,583.01	30,086	33,406	20,755	17.54	1,183
1997	16,528.84	9,157	10,167	6,857	18.18	377
1998	139,322.00	74,569	82,797	60,704	18.83	3,224
1999	487,162.16	251,400	279,140	222,637	19.48	11,429
2001	60,587.56	28,862	32,047	30,358	20.78	1,461
2002	32,816.49	14,952	16,602	17,199	21.43	803
2003	41,749.87	18,150	20,153	22,850	22.06	1,036
2005	420,283.23	164,421	182,564	250,328	23.30	10,744
2006	2,139,646.40	789,282	876,375	1,327,461	23.89	55,566
2007	2,141,224.39	741,145	822,926	1,382,535	24.46	56,522
2008	5,935.33	1,915	2,126	3,987	25.01	159
2010	17,808.00	4,889	5,428	12,914	26.03	496
2011	284,572.19	70,994	78,828	214,282	26.50	8,086
2012	5,287,580.02	1,185,149	1,315,923	4,130,284	26.93	153,371
2013	104,487.04	20,672	22,953	84,669	27.34	3,097
2014	515,751.73	87,949	97,654	433,571	27.72	15,641
2015	3,653,912.77	519,969	577,344	3,186,186	28.07	113,509
2016	34,822.06	3,938	4,373	31,494	28.38	1,110
2018	6,505.52	330	366	6,334	28.93	219
	15,528,635.62	4,068,188	4,517,088	11,477,407		439,927
GREEN VALLEY LANDFILL						
INTERIM SURVIVOR CURVE.. IOWA 40-S2.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
NET SALVAGE PERCENT.. -2						
2003	65,409.45	33,185	29,988	36,730	16.37	2,244
2007	25,843.59	11,029	9,966	16,394	17.25	950
	91,253.04	44,214	39,954	53,124		3,194

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 346.00 MISCELLANEOUS POWER PLANT EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
LAUREL RIDGE LANDFILL						
INTERIM SURVIVOR CURVE.. IOWA 40-S2.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
NET SALVAGE PERCENT.. -2						
2003	17,076.56	8,664	7,829	9,589	16.37	586
2015	86,354.99	17,446	15,765	72,317	18.22	3,969
	103,431.55	26,110	23,594	81,906		4,555
BAVARIAN LANDFILL						
INTERIM SURVIVOR CURVE.. IOWA 40-S2.5						
PROBABLE RETIREMENT YEAR.. 6-2038						
NET SALVAGE PERCENT.. -2						
2003	60,998.54	30,947	27,965	34,254	16.37	2,092
	60,998.54	30,947	27,965	34,254		2,092
PEARL HOLLOW LANDFILL						
INTERIM SURVIVOR CURVE.. IOWA 40-S2.5						
PROBABLE RETIREMENT YEAR.. 6-2041						
NET SALVAGE PERCENT.. -2						
2006	63,896.29	26,734	24,158	41,016	19.21	2,135
	63,896.29	26,734	24,158	41,016		2,135
PENDLETON COUNTY LANDFILL						
INTERIM SURVIVOR CURVE.. IOWA 40-S2.5						
PROBABLE RETIREMENT YEAR.. 6-2042						
NET SALVAGE PERCENT.. -2						
2007	50,361.67	19,557	17,673	33,696	20.17	1,671
2016	91,631.70	12,849	11,611	81,853	21.96	3,727
	141,993.37	32,406	29,284	115,549		5,398
	15,990,208.41	4,228,599	4,662,043	11,803,256		457,301

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 25.8 2.86

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 353.00 STATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R2						
NET SALVAGE PERCENT.. -25						
1955	627,730.74	594,249	521,816	262,847	14.56	18,053
1956	56.10	53	47	23	14.99	2
1958	640.08	588	516	284	15.90	18
1959	176,594.71	160,553	140,983	79,760	16.36	4,875
1960	810,232.41	728,531	639,730	373,061	16.84	22,153
1961	81,133.88	72,141	63,348	38,069	17.32	2,198
1962	38,373.13	33,720	29,610	18,356	17.82	1,030
1963	6,558.44	5,695	5,001	3,197	18.32	175
1964	94,939.87	81,411	71,488	47,187	18.84	2,505
1965	391,941.81	331,842	291,394	198,533	19.36	10,255
1966	1,541,562.38	1,287,840	1,130,864	796,089	19.90	40,004
1967	12,223.31	10,074	8,846	6,433	20.44	315
1968	283,275.78	230,162	202,107	151,988	21.00	7,238
1969	375,563.59	300,765	264,105	205,349	21.56	9,525
1970	1,605,743.97	1,266,531	1,112,153	895,027	22.14	40,426
1971	15,769.88	12,248	10,755	8,957	22.72	394
1972	240,307.70	183,685	161,296	139,089	23.31	5,967
1973	18,764.05	14,104	12,385	11,070	23.92	463
1974	32,951.72	24,350	21,382	19,808	24.53	808
1975	25,215.24	18,307	16,076	15,443	25.15	614
1976	100,253.52	71,472	62,760	62,557	25.78	2,427
1977	67,467.55	47,213	41,458	42,876	26.41	1,623
1978	4,147,239.46	2,846,043	2,499,137	2,684,912	27.06	99,221
1979	2,060,969.45	1,386,440	1,217,446	1,358,766	27.71	49,035
1980	4,120,154.18	2,714,152	2,383,322	2,766,871	28.38	97,494
1981	7,932,778.15	5,114,956	4,491,491	5,424,482	29.05	186,729
1982	9,616,033.25	6,064,111	5,324,953	6,695,089	29.73	225,196
1983	2,864,367.17	1,765,166	1,550,009	2,030,450	30.42	66,747
1984	1,393,127.61	838,489	736,285	1,005,125	31.11	32,309
1985	951,341.62	558,711	490,609	698,568	31.81	21,961
1986	1,396,580.50	799,542	702,085	1,043,641	32.52	32,092
1987	250,544.42	139,679	122,653	190,528	33.24	5,732
1988	118,878.71	64,466	56,608	91,990	33.97	2,708
1989	858,440.32	452,473	397,321	675,729	34.70	19,473
1990	630,870.39	322,793	283,448	505,140	35.44	14,253
1991	492,748.06	244,422	214,629	401,306	36.19	11,089
1992	1,393,987.23	669,689	588,060	1,154,424	36.94	31,251
1993	4,294,411.79	1,995,130	1,751,942	3,616,073	37.70	95,917
1994	6,521,330.79	2,925,061	2,568,524	5,583,139	38.47	145,130
1995	4,519,746.72	1,953,830	1,715,676	3,934,007	39.25	100,229
1996	926,241.90	385,351	338,380	819,422	40.03	20,470
1997	1,928,244.41	770,888	676,924	1,733,382	40.81	42,474
1998	401,062.57	153,657	134,928	366,400	41.61	8,806

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 353.00 STATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R2						
NET SALVAGE PERCENT.. -25						
1999	246,784.63	90,437	79,414	229,067	42.41	5,401
2000	6,077,711.20	2,125,907	1,866,779	5,730,360	43.21	132,617
2001	1,929,138.50	642,234	563,952	1,847,471	44.02	41,969
2002	2,915,335.12	920,772	808,539	2,835,630	44.84	63,239
2003	4,169,566.37	1,244,772	1,093,046	4,118,912	45.67	90,189
2004	5,117,520.03	1,440,390	1,264,820	5,132,080	46.49	110,391
2005	16,840,276.45	4,445,201	3,903,373	17,146,973	47.33	362,286
2006	2,921,789.05	720,111	632,336	3,019,900	48.17	62,693
2007	24,195,511.66	5,539,865	4,864,607	25,379,783	49.01	517,849
2008	7,999,435.44	1,688,181	1,482,408	8,516,886	49.87	170,782
2009	40,859,511.46	7,899,676	6,936,779	44,137,610	50.72	870,221
2010	16,837,056.34	2,953,430	2,593,434	18,452,886	51.58	357,753
2011	29,178,341.20	4,589,388	4,029,985	32,442,942	52.45	618,550
2012	1,982,748.38	275,924	242,291	2,236,144	53.32	41,938
2013	5,385,700.15	650,795	571,469	6,160,656	54.20	113,665
2014	1,640,717.73	168,174	147,675	1,903,222	55.08	34,554
2015	18,027,426.20	1,517,233	1,332,297	21,201,986	55.96	378,878
2016	4,782,760.38	313,869	275,611	5,702,839	56.85	100,314
2017	8,693,949.46	407,529	357,855	10,509,582	57.75	181,984
2018	4,665,794.29	132,217	116,102	5,716,141	58.64	97,479
2019	1,933,465.70	18,126	15,916	2,400,916	59.55	40,318
	269,766,938.30	75,424,814	66,231,238	270,977,435		5,872,454

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 46.1 2.18

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 353.10 STATION EQUIPMENT - ENERGY CONTROL SYSTEM

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 25-S1.5						
NET SALVAGE PERCENT.. -10						
1983	4,732,532.27	4,481,140	3,956,803	1,248,982	3.48	358,903
1984	43,564.80	40,733	35,967	11,954	3.75	3,188
1985	37,576.14	34,671	30,614	10,720	4.03	2,660
1986	198,301.87	180,439	159,326	58,806	4.32	13,612
1987	16,781.34	15,056	13,294	5,165	4.61	1,120
1988	81,739.61	72,255	63,800	26,114	4.91	5,319
1989	8,365.16	7,277	6,426	2,776	5.23	531
1990	7,794.92	6,671	5,890	2,684	5.55	484
1991	10,798.55	9,080	8,018	3,860	5.89	655
1992	172,178.62	142,123	125,493	63,903	6.24	10,241
1993	67,077.41	54,306	47,952	25,833	6.60	3,914
1994	38,755.24	30,728	27,133	15,498	6.98	2,220
1995	36,571.01	28,353	25,035	15,193	7.38	2,059
1996	31,380.82	23,749	20,970	13,549	7.80	1,737
1997	77,964.87	57,529	50,798	34,963	8.23	4,248
1999	57,682.83	40,203	35,499	27,952	9.16	3,052
2000	877,507.15	592,282	522,979	442,279	9.66	45,785
2001	39,511.11	25,747	22,734	20,728	10.19	2,034
2002	175,040.31	109,827	96,976	95,568	10.74	8,898
2003	55,836.15	33,633	29,698	31,722	11.31	2,805
2004	3,694.52	2,126	1,877	2,187	11.92	183
2008	17,347.46	7,908	6,983	12,099	14.64	826
2012	2,688,609.00	843,470	744,776	2,212,694	17.87	123,822
	9,476,611.16	6,839,306	6,039,041	4,385,231		598,296

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 7.3   6.31

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 354.00 TOWERS AND FIXTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1957	16,792.72	13,343	11,782	5,011	14.38	348
1959	9,766.14	7,580	6,693	3,073	15.67	196
1961	165,292.41	125,126	110,485	54,807	17.01	3,222
1967	206,320.09	143,599	126,797	79,523	21.28	3,737
1968	2,678.77	1,836	1,621	1,058	22.03	48
1977	374,381.34	218,051	192,537	181,844	29.23	6,221
1979	906,904.63	505,926	446,728	460,177	30.95	14,868
1981	2,169,999.82	1,156,306	1,021,006	1,148,994	32.70	35,137
1982	1,384.99	720	636	749	33.59	22
	3,853,520.91	2,172,487	1,918,285	1,935,236		63,799

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 30.3 1.66

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 355.00 POLES AND FIXTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-S2						
NET SALVAGE PERCENT.. -60						
1967	3,304,364.52	3,662,981	3,203,744	2,083,239	18.43	113,035
1968	980.10	1,074	939	629	18.90	33
1969	2,025,193.51	2,193,690	1,918,662	1,321,648	19.38	68,196
1970	737,245.33	788,947	690,035	489,558	19.87	24,638
1971	130,430.39	137,803	120,526	88,163	20.38	4,326
1972	69,648.16	72,638	63,531	47,906	20.89	2,293
1973	63,361.82	65,187	57,014	44,365	21.42	2,071
1974	459,460.63	466,077	407,644	327,493	21.96	14,913
1975	466,118.60	465,992	407,569	338,221	22.51	15,025
1976	345,469.37	340,124	297,482	255,269	23.08	11,060
1977	2,175,765.98	2,108,474	1,844,129	1,637,097	23.66	69,193
1978	946,577.67	902,399	789,263	725,261	24.25	29,908
1979	6,857,610.52	6,427,830	5,621,957	5,350,220	24.85	215,301
1980	475,570.21	437,905	383,004	377,908	25.47	14,837
1981	2,930,292.70	2,648,985	2,316,875	2,371,593	26.10	90,866
1982	570,879.34	506,183	442,722	470,685	26.75	17,596
1983	1,323,782.78	1,150,463	1,006,227	1,111,825	27.41	40,563
1984	1,682,737.23	1,431,888	1,252,369	1,440,011	28.09	51,264
1985	746,466.25	621,454	543,541	650,805	28.78	22,613
1986	3,004,299.17	2,444,298	2,137,850	2,669,029	29.49	90,506
1987	779,716.39	619,407	541,750	705,796	30.21	23,363
1988	2,176,877.18	1,686,366	1,474,942	2,008,061	30.95	64,881
1989	680,365.87	513,453	449,080	639,505	31.70	20,174
1990	996,038.62	731,220	639,545	954,117	32.47	29,385
1991	1,239,704.00	884,316	773,447	1,210,079	33.25	36,393
1992	1,162,403.53	804,383	703,535	1,156,311	34.05	33,959
1993	2,441,722.91	1,636,931	1,431,705	2,475,052	34.86	71,000
1994	534,926.05	346,778	303,302	552,580	35.69	15,483
1995	3,422,769.93	2,142,216	1,873,641	3,602,791	36.53	98,626
1996	1,194,161.85	719,994	629,726	1,280,933	37.39	34,259
1997	1,283,658.09	744,173	650,874	1,402,979	38.26	36,670
1998	867,220.14	482,410	421,929	965,623	39.14	24,671
1999	217,817.31	115,994	101,452	247,056	40.03	6,172
2000	2,169,856.14	1,102,877	964,606	2,507,164	40.94	61,240
2001	2,545,031.25	1,231,103	1,076,756	2,995,294	41.86	71,555
2002	3,155,480.06	1,448,138	1,266,581	3,782,187	42.79	88,390
2003	3,544,375.63	1,537,805	1,345,006	4,325,995	43.73	98,925
2004	7,894,347.84	3,225,062	2,820,728	9,810,229	44.68	219,566
2005	7,276,872.66	2,786,518	2,437,165	9,205,831	45.64	201,705
2006	2,207,045.60	788,639	689,765	2,841,508	46.60	60,977
2007	11,886,235.91	3,939,954	3,445,992	15,571,985	47.57	327,349
2008	6,543,017.68	1,997,767	1,747,302	8,721,526	48.55	179,640
2009	5,955,879.15	1,661,261	1,452,985	8,076,422	49.54	163,028

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 355.00 POLES AND FIXTURES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-S2						
NET SALVAGE PERCENT.. -60						
2010	11,831,358.05	2,990,967	2,615,982	16,314,191	50.52	322,925
2011	10,016,446.25	2,267,723	1,983,413	14,042,901	51.51	272,625
2012	1,878,012.44	375,092	328,066	2,676,754	52.51	50,976
2013	3,034,222.18	525,916	459,980	4,394,775	53.50	82,145
2014	7,497,426.33	1,099,663	961,795	11,034,087	54.50	202,460
2015	8,483,776.53	1,018,053	890,417	12,683,625	55.50	228,534
2016	11,075,400.38	1,033,645	904,055	16,816,586	56.50	297,639
2017	2,030,993.07	135,410	118,433	3,131,156	57.50	54,455
2018	6,342,636.60	253,705	221,897	9,926,322	58.50	169,681
2019	5,484,510.11	73,098	63,934	8,711,282	59.50	146,408
	166,166,560.01	67,794,429	59,294,869	206,571,627		4,693,496

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 44.0 2.82

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
NET SALVAGE PERCENT.. -60						
1967	6,114,014.52	7,661,300	6,746,139	3,036,284	13.01	233,381
1968	28,657.63	35,406	31,177	14,675	13.67	1,074
1969	828,726.52	1,009,057	888,523	437,439	14.34	30,505
1970	864,509.99	1,036,956	913,089	470,127	15.02	31,300
1971	166,141.08	196,179	172,745	93,081	15.72	5,921
1972	81,427.71	94,629	83,325	46,959	16.42	2,860
1973	34,777.21	39,748	35,000	20,644	17.14	1,204
1974	704,406.44	791,381	696,849	430,201	17.87	24,074
1975	110,407.18	121,859	107,303	69,348	18.61	3,726
1976	30,498.97	33,045	29,098	19,700	19.37	1,017
1977	1,935,566.43	2,057,894	1,812,073	1,284,833	20.13	63,827
1978	1,128,341.62	1,176,183	1,035,685	769,662	20.91	36,808
1979	6,372,753.69	6,507,040	5,729,758	4,466,648	21.71	205,742
1980	604,212.73	604,048	531,893	434,847	22.51	19,318
1981	4,936,699.24	4,827,460	4,250,808	3,647,911	23.33	156,361
1982	611,792.93	584,708	514,863	464,006	24.16	19,206
1983	1,261,604.66	1,177,491	1,036,837	981,730	25.00	39,269
1984	1,640,604.64	1,494,053	1,315,585	1,309,382	25.85	50,653
1985	403,898.40	358,552	315,722	330,515	26.71	12,374
1986	3,294,196.84	2,847,082	2,506,991	2,763,724	27.59	100,171
1987	580,057.91	487,713	429,454	498,639	28.47	17,515
1988	584,537.35	477,609	420,557	514,703	29.36	17,531
1989	497,180.78	394,165	347,081	448,408	30.27	14,814
1990	2,060,760.45	1,583,752	1,394,569	1,902,648	31.18	61,021
1991	1,459,813.21	1,086,101	956,363	1,379,338	32.10	42,970
1992	1,456,305.79	1,047,375	922,263	1,407,826	33.03	42,623
1993	2,929,117.98	2,033,980	1,791,016	2,895,573	33.96	85,264
1994	405,579.97	271,466	239,039	409,889	34.90	11,745
1995	4,012,589.21	2,584,107	2,275,429	4,144,714	35.85	115,613
1996	1,807,741.44	1,118,399	984,803	1,907,583	36.80	51,836
1997	1,188,075.26	704,614	620,446	1,280,474	37.76	33,911
1998	1,326,165.60	752,562	662,667	1,459,198	38.72	37,686
1999	256,465.54	138,902	122,310	288,035	39.69	7,257
2000	4,200,052.21	2,166,085	1,907,341	4,812,743	40.66	118,366
2001	2,811,347.02	1,376,436	1,212,017	3,286,138	41.64	78,918
2002	4,856,797.44	2,250,990	1,982,104	5,788,772	42.62	135,823
2003	4,211,223.85	1,841,686	1,621,692	5,116,266	43.60	117,346
2004	2,652,899.49	1,090,872	960,565	3,284,074	44.58	73,667
2005	4,700,793.24	1,808,865	1,592,791	5,928,478	45.57	130,096
2006	867,507.51	310,915	273,775	1,114,237	46.56	23,931
2007	12,622,472.39	4,190,661	3,690,076	16,505,880	47.55	347,127
2008	4,247,628.42	1,298,075	1,143,017	5,653,188	48.54	116,465
2009	27,202,290.76	7,594,880	6,687,652	36,836,013	49.53	743,711

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 356.00 OVERHEAD CONDUCTORS AND DEVICES

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 60-R4						
NET SALVAGE PERCENT.. -60						
2010	3,259,976.25	824,122	725,678	4,490,284	50.52	88,881
2011	1,089,408.91	246,346	216,919	1,526,135	51.52	29,622
2012	283,242.95	56,572	49,814	403,375	52.51	7,682
2013	2,882,098.87	498,811	439,227	4,172,131	53.51	77,969
2014	774,811.14	113,432	99,882	1,139,816	54.51	20,910
2015	953,846.36	114,202	100,560	1,425,594	55.51	25,682
2016	2,634,096.47	245,835	216,470	3,998,084	56.50	70,763
2017	2,869,572.77	191,320	168,467	4,422,849	57.50	76,919
2018	1,410,891.29	56,436	49,694	2,207,732	58.50	37,739
2019	5,363,066.56	71,479	62,941	8,517,965	59.50	143,159
	139,611,652.82	71,682,836	63,120,142	160,258,503		4,043,353

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 39.6 2.90

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 359.00 ROADS AND TRAILS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 70-R4						
NET SALVAGE PERCENT.. 0						
1960	16,171.94	12,399	10,948	5,224	16.33	320
1969	7,115.71	4,800	4,238	2,878	22.78	126
	23,287.65	17,199	15,186	8,102		446

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 18.2 1.92

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 362.00 STATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 35-R0.5						
NET SALVAGE PERCENT.. -10						
1959	964.18	928	1,061			
1960	122,118.72	115,985	134,331			
1961	174.75	164	192			
1963	388.48	354	427			
1964	248.06	223	273			
1965	9,001.25	7,983	9,901			
1966	126,689.48	110,770	139,358			
1967	1,162,988.85	1,002,591	1,279,288			
1968	100,228.57	85,146	110,251			
1969	129,904.81	108,723	142,895			
1970	165,088.35	136,094	181,597			
1971	157,177.86	127,547	172,896			
1972	129,558.57	103,465	142,514			
1973	296,854.85	233,244	326,540			
1974	359,443.11	277,787	395,387			
1975	240,702.62	182,770	264,773			
1976	666,413.00	497,223	733,054			
1977	685,221.60	501,993	753,744			
1978	1,363,012.12	979,696	1,487,049	12,264	12.13	1,011
1979	977,430.13	689,035	1,045,864	29,309	12.57	2,332
1980	841,769.23	581,494	882,631	43,315	13.02	3,327
1981	1,094,457.58	740,569	1,124,086	79,817	13.47	5,926
1982	910,949.35	603,231	915,625	86,419	13.93	6,204
1983	1,663,158.62	1,076,774	1,634,400	195,074	14.40	13,547
1984	726,027.69	459,324	697,193	101,437	14.87	6,822
1985	854,779.06	527,888	801,264	138,993	15.35	9,055
1986	786,515.88	473,619	718,891	146,276	15.84	9,235
1987	563,610.53	330,711	501,976	117,996	16.33	7,226
1988	1,191,398.60	680,353	1,032,686	277,852	16.83	16,509
1989	1,645,854.66	913,494	1,386,563	423,877	17.34	24,445
1990	1,131,283.44	609,762	925,538	318,874	17.85	17,864
1991	2,270,614.44	1,186,746	1,801,323	696,353	18.37	37,907
1992	4,160,160.08	2,106,368	3,197,188	1,378,988	18.89	73,001
1993	2,089,454.65	1,022,466	1,551,968	746,432	19.43	38,416
1994	1,124,752.25	531,649	806,973	430,254	19.96	21,556
1995	2,614,151.22	1,190,484	1,806,997	1,068,569	20.51	52,100
1996	3,218,416.03	1,410,049	2,140,268	1,399,990	21.06	66,476
1997	5,801,818.26	2,441,562	3,705,968	2,676,032	21.61	123,833
1998	5,620,637.97	2,266,393	3,440,085	2,742,617	22.17	123,708
1999	249,128.22	95,994	145,706	128,335	22.74	5,644
2000	12,829,245.59	4,713,465	7,154,416	6,957,754	23.31	298,488
2001	4,841,837.51	1,690,639	2,566,166	2,759,855	23.89	115,523
2002	5,493,553.79	1,819,762	2,762,158	3,280,751	24.46	134,127

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 362.00 STATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 35-R0.5						
NET SALVAGE PERCENT.. -10						
2003	6,231,261.18	1,948,634	2,957,768	3,896,619	25.05	155,554
2004	5,657,944.94	1,666,157	2,529,006	3,694,733	25.63	144,157
2005	5,472,603.64	1,510,143	2,292,197	3,727,667	26.22	142,169
2006	7,946,735.52	2,045,490	3,104,783	5,636,626	26.81	210,243
2007	9,371,697.17	2,235,581	3,393,316	6,915,551	27.41	252,300
2008	9,281,319.31	2,041,890	3,099,319	7,110,132	28.00	253,933
2009	10,905,401.44	2,193,578	3,329,561	8,666,381	28.60	303,020
2010	10,753,115.77	1,960,089	2,975,156	8,853,271	29.20	303,194
2011	7,557,915.09	1,235,167	1,874,820	6,438,887	29.80	216,070
2012	13,364,395.58	1,932,131	2,932,719	11,768,116	30.40	387,109
2013	6,591,269.60	826,545	1,254,586	5,995,811	31.01	193,351
2014	15,976,345.52	1,697,119	2,576,002	14,997,978	31.62	474,319
2015	14,361,733.59	1,250,246	1,897,707	13,900,200	32.23	431,281
2016	9,846,300.21	668,377	1,014,508	9,816,422	32.84	298,917
2017	8,324,422.71	405,558	615,583	8,541,282	33.45	255,345
2018	5,045,435.24	147,463	223,829	5,326,150	34.07	156,330
2019	13,620,505.10	132,745	201,490	14,781,066	34.69	426,090
	228,725,585.62	56,531,430	85,293,814	166,304,330		5,817,664

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 28.6 2.54

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 362.10 STATION EQUIPMENT - SCADA

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 35-R2.5						
NET SALVAGE PERCENT.. 0						
1988	256,337.90	182,220	256,338			
1991	127,112.75	84,039	125,751	1,362	11.86	115
1992	15,350.76	9,877	14,779	572	12.48	46
1993	228,673.46	142,953	213,906	14,767	13.12	1,126
1994	141,860.89	86,049	128,758	13,103	13.77	952
1995	251,373.57	147,591	220,846	30,528	14.45	2,113
1997	603,822.61	330,376	494,354	109,469	15.85	6,907
1998	34,816.49	18,324	27,419	7,397	16.58	446
2000	187,783.67	90,833	135,917	51,867	18.07	2,870
2003	25,661.51	10,697	16,006	9,656	20.41	473
2004	999,301.74	393,435	588,711	410,591	21.22	19,349
2005	265,059.25	98,149	146,864	118,195	22.04	5,363
2006	1,653,076.06	572,907	857,262	795,814	22.87	34,797
2008	78,946.72	23,549	35,237	43,710	24.56	1,780
2009	400,485.60	109,505	163,857	236,629	25.43	9,305
2010	57,332.45	14,251	21,324	36,008	26.30	1,369
2011	531,401.95	118,731	177,662	353,740	27.18	13,015
2012	117,733.69	23,277	34,830	82,904	28.08	2,952
2013	33,317.54	5,731	8,576	24,742	28.98	854
2016	340,445.71	31,903	47,737	292,709	31.72	9,228
2019	902,166.00	12,116	18,130	884,036	34.53	25,602
	7,252,060.32	2,506,513	3,734,264	3,517,796		138,662

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 25.4   1.91

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 368.00 LINE TRANSFORMERS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 50-R3						
NET SALVAGE PERCENT.. 0						
1968	22,397.90	18,187	22,398			
1970	221,062.16	175,435	221,062			
1971	37,824.78	29,647	37,825			
1973	34,994.16	26,701	34,994			
1974	39,492.60	29,706	39,493			
1975	12,573.01	9,314	12,573			
1976	53,263.16	38,839	53,263			
1977	12,445.90	8,926	12,446			
1978	19,142.96	13,496	19,143			
1979	12,863.67	8,904	12,864			
1980	2,731.28	1,856	2,731			
1981	39,399.88	26,240	39,400			
1982	33,880.81	22,104	33,881			
1983	22,688.25	14,489	22,688			
1984	28,918.60	18,063	28,919			
1985	20,804.00	12,695	20,804			
1987	227,568.55	132,126	218,801	8,768	20.97	418
2000	185,484.45	68,258	113,036	72,448	31.60	2,293
2001	79,357.59	27,791	46,022	33,336	32.49	1,026
2002	119,881.84	39,849	65,990	53,892	33.38	1,614
2003	42,896.29	13,487	22,335	20,561	34.28	600
2004	36,594.46	10,839	17,949	18,645	35.19	530
2008	20,235.29	4,496	7,445	12,790	38.89	329
2012	511,196.30	74,737	123,765	387,431	42.69	9,075
2013	147,308.20	18,679	30,933	116,375	43.66	2,665
2018	428,989.89	12,698	21,028	407,962	48.52	8,408
	2,413,995.98	857,562	1,281,788	1,132,208		26,958

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 42.0 1.12

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 390.00 STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R4						
NET SALVAGE PERCENT.. 0						
1963	48,866.14	38,085	48,866			
1966	50,421.77	37,731	50,422			
1967	712.07	525	712			
1969	1,690.30	1,210	1,690			
1970	1,806,878.47	1,273,163	1,806,878			
1971	21,802.98	15,114	21,602	201	19.94	10
1972	7,842.15	5,346	7,641	201	20.69	10
1973	7,611.76	5,099	7,288	324	21.46	15
1974	8,563.32	5,635	8,054	509	22.23	23
1975	145,548.46	94,002	134,356	11,192	23.02	486
1976	23,645.42	14,984	21,416	2,229	23.81	94
1977	183,195.07	113,806	162,662	20,533	24.62	834
1978	9,889.35	6,019	8,603	1,286	25.44	51
1979	44,291.09	26,391	37,720	6,571	26.27	250
1980	45,324.53	26,414	37,753	7,572	27.12	279
1981	1,075,454.56	612,676	875,692	199,763	27.97	7,142
1982	846,513.84	471,051	673,269	173,245	28.83	6,009
1983	13,677.60	7,428	10,617	3,061	29.70	103
1984	21,035.02	11,139	15,921	5,114	30.58	167
1985	50,271.61	25,933	37,066	13,206	31.47	420
1986	10,044.83	5,043	7,208	2,837	32.37	88
1987	5,641.70	2,753	3,935	1,707	33.28	51
1988	20,207.93	9,576	13,687	6,521	34.20	191
1989	1,800.75	828	1,183	618	35.12	18
1990	73,347.29	32,667	46,691	26,656	36.05	739
1991	1,221,312.21	526,288	752,218	469,094	36.99	12,682
1992	1,332,687.01	555,011	793,272	539,415	37.93	14,221
1993	19,539.06	7,852	11,223	8,316	38.88	214
1994	4,542,197.43	1,758,875	2,513,943	2,028,254	39.83	50,923
1997	133,311.63	45,695	65,311	68,001	42.72	1,592
1999	68,169.86	21,332	30,490	37,680	44.66	844
2000	2,139,604.81	637,281	910,860	1,228,745	45.64	26,923
2001	267,151.64	75,542	107,971	159,181	46.62	3,414
2002	204,958.23	54,865	78,418	126,540	47.60	2,658
2005	36,449.37	8,097	11,573	24,876	50.56	492
2007	60,281.10	11,555	16,515	43,766	52.54	833
2008	78,506.30	13,853	19,800	58,706	53.53	1,097
2009	85,487.20	13,770	19,681	65,806	54.53	1,207
2011	273,222.72	35,645	50,947	222,276	56.52	3,933
2012	708,747.64	81,669	116,729	592,019	57.51	10,294
2013	639,911.17	63,895	91,325	548,586	58.51	9,376
2014	197,626.05	16,691	23,856	173,770	59.51	2,920

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 390.00 STRUCTURES AND IMPROVEMENTS

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 65-R4						
NET SALVAGE PERCENT.. 0						
2015	20,001.56	1,382	1,975	18,027	60.51	298
2016	164,576.00	8,862	12,667	151,909	61.50	2,470
2018	458,801.18	10,589	15,135	443,666	63.50	6,987
	17,176,820.18	6,791,367	9,684,841	7,491,979		170,358

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 44.0 0.99

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 391.00 OFFICE FURNITURE AND EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
1976	1,856.28	1,856	1,856			
1984	5,422.46	5,422	5,422			
1985	21,465.29	21,465	21,465			
1986	10,015.47	10,015	10,015			
1987	15,071.93	15,072	15,072			
1988	6,682.20	6,682	6,682			
1989	65,870.43	65,870	65,870			
1990	6,557.32	6,557	6,557			
1991	51,102.98	51,103	51,103			
1992	14,087.11	14,087	14,087			
1993	7,769.40	7,769	7,769			
1994	45,231.24	45,231	45,231			
1995	146,487.22	146,487	146,487			
1996	160,463.18	160,463	160,463			
1997	303,941.52	303,942	303,942			
1998	558,608.63	558,609	558,609			
1999	596,044.87	596,045	596,045			
	2,016,677.53	2,016,675	2,016,678			
AMORTIZED SURVIVOR CURVE.. 20-SQUARE NET SALVAGE PERCENT.. 0						
2000	449,819.46	438,574	432,072	17,748	0.50	17,748
2001	37,731.82	34,902	34,385	3,347	1.50	2,231
2002	238,550.23	208,731	205,636	32,914	2.50	13,166
2003	86,715.47	71,540	70,479	16,236	3.50	4,639
2004	128,371.09	99,488	98,013	30,358	4.50	6,746
2005	80,710.72	58,515	57,647	23,063	5.50	4,193
2006	114,505.66	77,291	76,145	38,361	6.50	5,902
2007	164,357.59	102,723	101,200	63,158	7.50	8,421
2008	218,718.27	125,763	123,899	94,820	8.50	11,155
2009	324,609.63	170,420	167,893	156,716	9.50	16,496
2010	960,883.34	456,420	449,653	511,230	10.50	48,689
2011	326,335.83	138,693	136,637	189,699	11.50	16,496
2012	35,220.62	13,208	13,012	22,208	12.50	1,777
2013	132,940.55	43,206	42,565	90,375	13.50	6,694
2014	137,236.12	37,740	37,180	100,056	14.50	6,900
2015	1,086,764.00	244,522	240,897	845,867	15.50	54,572
2016	727,003.94	127,226	125,340	601,664	16.50	36,464

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 391.00 OFFICE FURNITURE AND EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
AMORTIZED						
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2017	1,434,239.11	179,280	176,622	1,257,617	17.50	71,864
2018	1,365,683.84	102,426	100,907	1,264,776	18.50	68,366
2019	1,250,634.87	31,266	30,802	1,219,832	19.50	62,555
	9,301,032.16	2,761,934	2,720,987	6,580,045		465,074
	11,317,709.69	4,778,609	4,737,665	6,580,045		465,074

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 14.1   4.11

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 391.10 OFFICE FURNITURE AND EQUIPMENT - PEOPLESOFT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
1999	1,353,562.97	1,353,563	1,353,563			
2000	1,418,242.17	1,418,242	1,418,242			
	2,771,805.14	2,771,805	2,771,805			
AMORTIZED						
SURVIVOR CURVE.. 15-SQUARE						
NET SALVAGE PERCENT.. 0						
2005	31,810.00	30,750	30,720	1,090	0.50	1,090
2007	25,115.72	20,930	20,910	4,206	2.50	1,682
2010	7,924,914.49	5,019,086	5,014,184	2,910,731	5.50	529,224
2011	282,970.54	160,351	160,194	122,776	6.50	18,889
2012	1,871,889.38	935,945	935,031	936,859	7.50	124,915
2013	1,286,246.61	557,369	556,825	729,422	8.50	85,814
2014	13,227.44	4,850	4,845	8,382	9.50	882
2015	1,911,602.11	573,481	572,921	1,338,681	10.50	127,493
2016	326,690.83	76,227	76,153	250,538	11.50	21,786
2017	5,681.60	947	946	4,736	12.50	379
2018	722,721.49	72,272	72,201	650,520	13.50	48,187
2019	123,818.32	4,127	4,123	119,695	14.50	8,255
	14,526,688.53	7,456,335	7,449,052	7,077,637		968,596
	17,298,493.67	10,228,140	10,220,857	7,077,637		968,596

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 7.3 5.60

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 392.00 TRANSPORTATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

SURVIVOR CURVE.. IOWA 11-L1.5
NET SALVAGE PERCENT.. 0

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
1957	340.15	340	340			
1962	3,434.93	3,435	3,435			
1969	5,259.72	5,260	5,260			
1971	1,603.26	1,603	1,603			
1974	5,780.00	5,780	5,780			
1976	2,706.76	2,707	2,707			
1978	14,785.09	14,785	14,785			
1981	1,627.50	1,628	1,628			
1982	27,937.47	27,937	27,937			
1984	1,286.25	1,286	1,286			
1991	62,691.77	56,366	62,692			
1992	48,433.00	42,885	48,433			
1993	28,336.66	24,730	28,337			
1994	2,251.44	1,932	2,251			
1995	42,202.76	35,642	42,203			
1996	58,193.16	48,247	58,193			
1997	37,837.07	30,751	37,837			
1998	179,030.88	142,573	179,031			
1999	120,252.50	93,578	120,252			
2000	47,520.39	36,115	47,520			
2001	115,256.37	85,395	115,256			
2002	58,719.50	42,278	58,720			
2003	81,844.05	57,216	81,844			
2004	428,683.00	289,944	428,683			
2005	210,354.82	137,496	210,355			
2006	318,336.73	200,842	310,075	8,262	4.06	2,035
2007	77,089.94	46,744	72,167	4,923	4.33	1,137
2008	63,882.86	37,226	57,472	6,411	4.59	1,397
2009	763,481.23	426,160	657,937	105,544	4.86	21,717
2010	645,510.73	343,883	530,912	114,599	5.14	22,296
2011	746,760.76	377,450	582,735	164,026	5.44	30,152
2012	726,201.12	343,958	531,027	195,174	5.79	33,709
2013	1,160,779.77	506,518	781,999	378,781	6.20	61,094
2014	1,802,226.94	707,789	1,092,736	709,491	6.68	106,211
2015	1,777,983.86	602,897	930,797	847,187	7.27	116,532
2016	1,673,924.24	462,606	714,205	959,719	7.96	120,568
2017	2,443,338.73	501,984	775,000	1,668,339	8.74	190,885
2018	1,722,045.53	220,732	340,782	1,381,264	9.59	144,032
2019	1,786,897.62	77,980	120,391	1,666,507	10.52	158,413
	17,294,828.56	6,046,678	9,084,603	8,210,226		1,010,178

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 8.1 5.84

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 393.00 STORES EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. 25-SQUARE						
NET SALVAGE PERCENT.. 0						
1998	59,578.06	51,237	51,242	8,336	3.50	2,382
2001	41,556.18	30,752	30,755	10,801	6.50	1,662
2002	24,949.22	17,464	17,466	7,483	7.50	998
2019	6,890.00	138	138	6,752	24.50	276
	132,973.46	99,591	99,601	33,372		5,318

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 6.3 4.00

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 394.00 TOOLS, SHOP AND GARAGE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
1965	1,079.44	1,079	1,079			
1968	1,114.31	1,114	1,114			
1970	5,234.82	5,235	5,235			
1971	4,598.57	4,599	4,599			
1974	3,210.75	3,211	3,211			
1976	1,110.42	1,110	1,110			
1978	3,718.01	3,718	3,718			
1979	1,172.87	1,173	1,173			
1980	12,455.82	12,456	12,456			
1981	89,554.06	89,554	89,554			
1982	17,053.56	17,054	17,054			
1983	19,926.99	19,927	19,927			
1984	19,149.41	19,149	19,149			
1985	36,671.17	36,671	36,671			
1986	8,917.22	8,917	8,917			
1987	4,030.85	4,031	4,031			
1988	1,396.50	1,396	1,397			
1989	23,724.39	23,724	23,724			
1990	11,041.96	11,042	11,042			
1991	22,112.78	22,113	22,113			
1992	41,953.86	41,954	41,954			
1993	25,727.13	25,727	25,727			
1994	91,136.68	91,137	91,137			
1995	33,359.31	33,359	33,359			
1996	35,568.11	35,568	35,568			
1997	64,571.33	64,571	64,571			
1998	101,405.42	101,405	101,405			
1999	91,165.59	91,166	91,165			
	772,161.33	772,160	772,161			
AMORTIZED						
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2000	94,240.75	91,885	90,863	3,377	0.50	3,377
2001	26,246.74	24,278	24,008	2,239	1.50	1,493
2002	44,216.38	38,689	38,259	5,958	2.50	2,383
2003	81,896.80	67,565	66,814	15,083	3.50	4,309
2004	349,291.60	270,701	267,691	81,601	4.50	18,134
2005	17,906.58	12,982	12,838	5,069	5.50	922
2006	8,160.94	5,509	5,448	2,713	6.50	417

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 394.00 TOOLS, SHOP AND GARAGE EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

AMORTIZED
SURVIVOR CURVE.. 20-SQUARE
NET SALVAGE PERCENT.. 0

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
2007	29,127.39	18,205	18,003	11,125	7.50	1,483
2008	34,152.73	19,638	19,420	14,733	8.50	1,733
2010	5,637.08	2,678	2,648	2,989	10.50	285
2013	12,476.20	4,055	4,010	8,466	13.50	627
2016	17,896.96	3,132	3,097	14,800	16.50	897
2017	76,257.87	9,532	9,426	66,832	17.50	3,819
2018	437,028.27	32,777	32,413	404,616	18.50	21,871
2019	306,452.17	7,661	7,576	298,876	19.50	15,327
	1,540,988.46	609,287	602,512	938,476		77,077
	2,313,149.79	1,381,447	1,374,673	938,476		77,077

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 12.2   3.33

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 395.00 LABORATORY EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
1966	1,945.00	1,945	1,945			
1970	9,101.60	9,102	9,102			
1972	5,781.84	5,782	5,782			
1975	3,738.54	3,739	3,739			
1977	2,711.05	2,711	2,711			
1980	2,634.02	2,634	2,634			
1981	27,183.51	27,184	27,184			
1982	29,233.82	29,234	29,234			
1983	7,182.85	7,183	7,183			
1984	11,313.26	11,313	11,313			
1985	2,415.04	2,415	2,415			
1986	17,325.50	17,326	17,326			
1987	7,433.84	7,434	7,434			
1988	2,290.56	2,291	2,291			
1989	27,904.60	27,905	27,905			
1990	18,714.02	18,714	18,714			
1991	82,214.17	82,214	82,214			
1992	33,133.06	33,133	33,133			
1993	118,995.34	118,995	118,995			
1994	33,920.80	33,921	33,921			
1995	121,184.47	121,184	121,184			
1996	49,488.84	49,489	49,489			
1997	61,520.75	61,521	61,521			
1998	288,851.62	288,852	288,852			
1999	285,060.85	285,061	285,061			
	1,251,278.95	1,251,282	1,251,279			
AMORTIZED SURVIVOR CURVE.. 20-SQUARE NET SALVAGE PERCENT.. 0						
2000	84,221.24	82,116	81,567	2,654	0.50	2,654
2001	115,256.75	106,612	105,900	9,357	1.50	6,238
2003	57,302.05	47,274	46,958	10,344	3.50	2,955
2004	53,452.52	41,426	41,149	12,303	4.50	2,734
2005	320,439.35	232,319	230,767	89,673	5.50	16,304
2006	94,815.50	64,000	63,572	31,243	6.50	4,807
2007	200,074.92	125,047	124,211	75,863	7.50	10,115
2008	169,114.52	97,241	96,591	72,523	8.50	8,532
2009	192,200.05	100,905	100,231	91,969	9.50	9,681
2010	9,335.37	4,434	4,404	4,931	10.50	470

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 395.00 LABORATORY EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
AMORTIZED						
SURVIVOR CURVE.. 20-SQUARE						
NET SALVAGE PERCENT.. 0						
2011	340,522.56	144,722	143,755	196,768	11.50	17,110
2012	171,047.44	64,143	63,714	107,333	12.50	8,587
2013	456,417.54	148,336	147,345	309,073	13.50	22,894
2014	521,627.43	143,448	142,489	379,138	14.50	26,147
2015	167,272.68	37,636	37,385	129,888	15.50	8,380
2016	327,600.95	57,330	56,947	270,654	16.50	16,403
2017	510,479.51	63,810	63,384	447,096	17.50	25,548
2018	137,259.54	10,294	10,225	127,034	18.50	6,867
2019	131,456.83	3,286	3,264	128,193	19.50	6,574
	4,059,896.75	1,574,379	1,563,859	2,496,038		203,000
	5,311,175.70	2,825,661	2,815,138	2,496,038		203,000

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 12.3 3.82

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 396.00 POWER OPERATED EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
SURVIVOR CURVE.. IOWA 20-R1.5						
NET SALVAGE PERCENT.. 0						
1986	10,342.50	9,344	10,342			
1988	12,390.00	10,885	12,390			
1989	9,321.75	8,063	9,322			
1990	91,753.12	78,082	91,753			
1991	109,879.40	91,914	109,879			
1992	193,244.18	158,653	193,244			
1993	20,527.18	16,535	20,527			
1995	27,230.00	21,008	27,230			
1996	447,515.69	336,979	447,516			
1997	191,585.46	140,432	191,585			
1998	545,009.87	388,320	545,010			
1999	435,104.55	300,222	435,105			
2000	485,186.22	323,377	485,186			
2001	26,183.22	16,810	26,183			
2002	66,671.88	41,037	66,672			
2004	589,548.46	330,147	589,548			
2005	119,428.74	63,297	119,429			
2006	19,664.86	9,813	19,665			
2007	764,592.84	357,065	764,593			
2008	888,391.11	385,562	888,391			
2009	225,911.11	90,364	225,911			
2010	483,535.53	176,490	473,671	9,865	12.70	777
2011	2,972,103.01	979,308	2,628,306	343,797	13.41	25,637
2012	1,338,865.42	392,288	1,052,838	286,027	14.14	20,228
2013	1,330,729.91	340,667	914,296	416,434	14.88	27,986
2014	2,792,892.18	608,850	1,634,056	1,158,836	15.64	74,094
2015	1,041,821.90	187,528	503,295	538,527	16.40	32,837
2016	174,479.40	24,602	66,028	108,451	17.18	6,313
2017	2,090,149.37	212,150	569,377	1,520,772	17.97	84,628
2018	2,444,787.48	149,132	400,246	2,044,541	18.78	108,868
2019	736,752.14	15,103	40,534	696,218	19.59	35,539
	20,685,598.48	6,264,027	13,562,128	7,123,470		416,907

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 17.1   2.02

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 397.00 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
1956	39,133.92	39,134	39,134			
1957	5,289.67	5,290	5,290			
1958	3,859.10	3,859	3,859			
1959	5,368.79	5,369	5,369			
1960	3,299.45	3,299	3,299			
1967	1,957.00	1,957	1,957			
1968	61,816.98	61,817	61,817			
1969	254,498.35	254,498	254,498			
1970	13,372.55	13,373	13,373			
1971	42,367.81	42,368	42,368			
1972	6,338.30	6,338	6,338			
1974	25,896.69	25,897	25,897			
1975	5,774.86	5,775	5,775			
1976	338,729.68	338,730	338,730			
1977	20,930.06	20,930	20,930			
1978	34,979.80	34,980	34,980			
1979	22,627.86	22,628	22,628			
1980	23,390.33	23,390	23,390			
1981	278,774.36	278,774	278,774			
1982	241,160.58	241,161	241,161			
1983	761,387.07	761,387	761,387			
1984	118,727.25	118,727	118,727			
1985	226,296.88	226,297	226,297			
1986	257,777.99	257,778	257,778			
1987	180,861.67	180,862	180,862			
1988	103,750.60	103,751	103,751			
1989	271,918.22	271,918	271,918			
1990	59,488.26	59,488	59,488			
1991	95,658.61	95,659	95,659			
1992	230,609.73	230,610	230,610			
1993	416,315.52	416,316	416,316			
1994	222,424.22	222,424	222,424			
1995	428,765.86	428,766	428,766			
1996	31,698.52	31,699	31,699			
1997	851,505.21	851,505	851,505			
1998	34,483.23	34,483	34,483			
1999	216,925.86	216,926	216,926			
2000	241,870.14	241,870	241,870			
2001	606,355.94	606,356	606,356			

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 397.00 COMMUNICATION EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
2002	5,720.64	5,721	5,721			
2003	503,451.62	503,452	503,452			
2004	15,981,177.70	15,981,178	15,981,178			
	23,276,736.88	23,276,740	23,276,737			
AMORTIZED SURVIVOR CURVE.. 15-SQUARE NET SALVAGE PERCENT.. 0						
2005	747,985.54	723,055	713,858	34,127	0.50	34,127
2006	458,326.24	412,494	407,247	51,079	1.50	34,053
2007	181,678.71	151,398	149,472	32,206	2.50	12,882
2008	1,274,465.45	977,094	964,666	309,799	3.50	88,514
2009	30,209.10	21,146	20,877	9,332	4.50	2,074
2010	183,024.10	115,915	114,441	68,583	5.50	12,470
2011	415,912.20	235,685	232,687	183,225	6.50	28,188
2012	6,360,561.93	3,180,281	3,139,831	3,220,731	7.50	429,431
2013	350,235.17	151,767	149,837	200,399	8.50	23,576
2014	2,328,951.18	853,957	843,095	1,485,856	9.50	156,406
2015	3,262,498.47	978,750	966,301	2,296,197	10.50	218,685
2016	1,272,985.40	297,026	293,248	979,737	11.50	85,195
2017	1,476,402.21	246,072	242,942	1,233,460	12.50	98,677
2018	3,932,442.56	393,244	388,242	3,544,200	13.50	262,533
2019	1,239,019.61	41,297	40,772	1,198,248	14.50	82,638
	23,514,697.87	8,779,181	8,667,518	14,847,180		1,569,449
	46,791,434.75	32,055,921	31,944,255	14,847,180		1,569,449

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 9.5   3.35

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 397.10 COMMUNICATION EQUIPMENT - ENERGY CONTROL SYSTEM

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
1983	480,050.01	480,050	480,050			
1984	17,625.94	17,626	17,626			
1985	11,027.00	11,027	11,027			
1986	1,669.06	1,669	1,669			
1987	6,857.89	6,858	6,858			
1992	10,588.22	10,588	10,588			
1993	27,528.40	27,528	27,528			
1994	14,288.17	14,288	14,288			
1997	72,903.79	72,904	72,904			
	642,538.48	642,538	642,538			

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 0.0   0.00

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 398.00 MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
FULLY ACCRUED						
1972	6,340.79	6,341	6,341			
1977	1,417.50	1,418	1,418			
1983	7,350.00	7,350	7,350			
1984	7,227.43	7,227	7,227			
1985	2,415.00	2,415	2,415			
1986	1,597.78	1,598	1,598			
1987	11,506.39	11,506	11,506			
1988	13,021.58	13,022	13,022			
1989	41,686.34	41,686	41,686			
1990	14,178.01	14,178	14,178			
1991	2,818.48	2,818	2,818			
1992	30,683.69	30,684	30,684			
1993	25,981.20	25,981	25,981			
1994	19,893.82	19,894	19,894			
1995	10,120.88	10,121	10,121			
1996	2,114.70	2,115	2,115			
1997	182,982.47	182,982	182,982			
1998	14,645.99	14,646	14,646			
1999	17,900.24	17,900	17,900			
	413,882.29	413,882	413,882			
AMORTIZED SURVIVOR CURVE.. 20-SQUARE NET SALVAGE PERCENT.. 0						
2000	90,437.07	88,176	87,527	2,910	0.50	2,910
2001	242,506.75	224,319	222,667	19,839	1.50	13,226
2004	35,241.42	27,312	27,111	8,131	4.50	1,807
2005	101,444.22	73,547	73,005	28,439	5.50	5,171
2006	15,381.61	10,383	10,307	5,075	6.50	781
2007	189,267.95	118,292	117,421	71,847	7.50	9,580
2008	8,651.60	4,975	4,938	3,713	8.50	437
2009	100,896.47	52,971	52,581	48,316	9.50	5,086
2010	69,142.10	32,842	32,600	36,542	10.50	3,480
2011	259,991.50	110,496	109,682	150,309	11.50	13,070
2012	88,086.98	33,033	32,790	55,297	12.50	4,424
2013	88,130.08	28,642	28,431	59,699	13.50	4,422
2014	187,088.94	51,449	51,070	136,019	14.50	9,381
2015	53,500.30	12,038	11,949	41,551	15.50	2,681
2016	94,340.89	16,510	16,388	77,952	16.50	4,724

EAST KENTUCKY POWER COOPERATIVE, INC.

ACCOUNT 398.00 MISCELLANEOUS EQUIPMENT

CALCULATED REMAINING LIFE DEPRECIATION ACCRUAL
RELATED TO ORIGINAL COST AS OF DECEMBER 31, 2019

YEAR (1)	ORIGINAL COST (2)	CALCULATED ACCRUED (3)	ALLOC. BOOK RESERVE (4)	FUTURE BOOK ACCRUALS (5)	REM. LIFE (6)	ANNUAL ACCRUAL (7)
AMORTIZED SURVIVOR CURVE.. 20-SQUARE NET SALVAGE PERCENT.. 0						
2017	258,531.71	32,316	32,078	226,454	17.50	12,940
2018	101,398.09	7,605	7,549	93,849	18.50	5,073
2019	30,552.95	764	758	29,795	19.50	1,528
	2,014,590.63	925,670	918,854	1,095,737		100,721
	2,428,472.92	1,339,552	1,332,736	1,095,737		100,721

COMPOSITE REMAINING LIFE AND ANNUAL ACCRUAL RATE, PERCENT .. 10.9 4.15

Appendix A

JOHN SPANOS

DEPRECIATION EXPERIENCE

Q. Please state your name.

A. My name is John J. Spanos.

Q. What is your educational background?

A. I have Bachelor of Science degrees in Industrial Management and Mathematics from Carnegie-Mellon University and a Master of Business Administration from York College.

Q. Do you belong to any professional societies?

A. Yes. I am a member and past President of the Society of Depreciation Professionals and a member of the American Gas Association/Edison Electric Institute Industry Accounting Committee.

Q. Do you hold any special certification as a depreciation expert?

A. Yes. The Society of Depreciation Professionals has established national standards for depreciation professionals. The Society administers an examination to become certified in this field. I passed the certification exam in September 1997 and was recertified in August 2003, February 2008, January 2013 and February 2018.

Q. Please outline your experience in the field of depreciation.

A. In June 1986, I was employed by Gannett Fleming Valuation and Rate Consultants, Inc. as a Depreciation Analyst. During the period from June 1986 through December 1995, I helped prepare numerous depreciation and original cost studies for utility companies in various industries. I helped perform depreciation studies for the following telephone companies: United Telephone of Pennsylvania, United Telephone of New Jersey, and Anchorage Telephone Utility. I helped perform depreciation studies for the following companies in the railroad industry: Union Pacific Railroad, Burlington Northern Railroad, and Wisconsin Central Transportation Corporation.

I helped perform depreciation studies for the following organizations in the electric utility industry: Chugach Electric Association, The Cincinnati Gas and Electric Company (CG&E), The Union Light, Heat and Power Company (ULH&P), Northwest Territories Power Corporation, and the City of Calgary - Electric System.

I helped perform depreciation studies for the following pipeline companies: TransCanada Pipelines Limited, Trans Mountain Pipe Line Company Ltd., Interprovincial Pipe Line Inc., Nova Gas Transmission Limited and Lakehead Pipeline Company.

I helped perform depreciation studies for the following gas utility companies: Columbia Gas of Pennsylvania, Columbia Gas of Maryland, The Peoples Natural Gas Company, T. W. Phillips Gas & Oil Company, CG&E, ULH&P, Lawrenceburg Gas Company and Penn Fuel Gas, Inc.

I helped perform depreciation studies for the following water utility companies: Indiana-American Water Company, Consumers Pennsylvania Water Company and The York Water Company; and depreciation and original cost studies for Philadelphia Suburban Water Company and Pennsylvania-American Water Company.

In each of the above studies, I assembled and analyzed historical and simulated data, performed field reviews, developed preliminary estimates of service life and net salvage, calculated annual depreciation, and prepared reports for submission to state public utility commissions or federal regulatory agencies. I performed these studies under the general direction of William M. Stout, P.E.

In January 1996, I was assigned to the position of Supervisor of Depreciation Studies. In July 1999, I was promoted to the position of Manager, Depreciation and

Valuation Studies. In December 2000, I was promoted to the position as Vice-President of Gannett Fleming Valuation and Rate Consultants, Inc., in April 2012, I was promoted to the position as Senior Vice President of the Valuation and Rate Division of Gannett Fleming Inc. (now doing business as Gannett Fleming Valuation and Rate Consultants, LLC) and in January of 2019, I was promoted to my present position of President of Gannett Fleming Valuation and Rate Consultants, LLC. In my current position I am responsible for conducting all depreciation, valuation and original cost studies, including the preparation of final exhibits and responses to data requests for submission to the appropriate regulatory bodies.

Since January 1996, I have conducted depreciation studies similar to those previously listed including assignments for Pennsylvania-American Water Company; Aqua Pennsylvania; Kentucky-American Water Company; Virginia-American Water Company; Indiana-American Water Company; Iowa-American Water Company; New Jersey-American Water Company; Hampton Water Works Company; Omaha Public Power District; Enbridge Pipe Line Company; Inc.; Columbia Gas of Virginia, Inc.; Virginia Natural Gas Company National Fuel Gas Distribution Corporation - New York and Pennsylvania Divisions; The City of Bethlehem - Bureau of Water; The City of Coatesville Authority; The City of Lancaster - Bureau of Water; Peoples Energy Corporation; The York Water Company; Public Service Company of Colorado; Enbridge Pipelines; Enbridge Gas Distribution, Inc.; Reliant Energy-HLP; Massachusetts-American Water Company; St. Louis County Water Company; Missouri-American Water Company; Chugach Electric Association; Alliant Energy; Oklahoma Gas & Electric Company; Nevada Power Company; Dominion Virginia Power; NUI-Virginia Gas Companies; Pacific Gas & Electric Company; PSI Energy; NUI - Elizabethtown Gas Company; Cinergy Corporation – CG&E; Cinergy Corporation – ULH&P; Columbia Gas of Kentucky; South Carolina Electric & Gas Company; Idaho Power Company; El Paso

Electric Company; Aqua North Carolina; Aqua Ohio; Aqua Texas, Inc.; Aqua Illinois, Inc.; Ameren Missouri; Central Hudson Gas & Electric; Centennial Pipeline Company; CenterPoint Energy-Arkansas; CenterPoint Energy – Oklahoma; CenterPoint Energy – Entex; CenterPoint Energy - Louisiana; NSTAR – Boston Edison Company; Westar Energy, Inc.; United Water Pennsylvania; PPL Electric Utilities; PPL Gas Utilities; Wisconsin Power & Light Company; TransAlaska Pipeline; Avista Corporation; Northwest Natural Gas; Allegheny Energy Supply, Inc.; Public Service Company of North Carolina; South Jersey Gas Company; Duquesne Light Company; MidAmerican Energy Company; Laclede Gas; Duke Energy Company; E.ON U.S. Services Inc.; Elkton Gas Services; Anchorage Water and Wastewater Utility; Kansas City Power and Light; Duke Energy North Carolina; Duke Energy South Carolina; Monongahela Power Company; Potomac Edison Company; Duke Energy Ohio Gas; Duke Energy Kentucky; Duke Energy Indiana; Duke Energy Progress; Northern Indiana Public Service Company; Tennessee-American Water Company; Columbia Gas of Maryland; Maryland-American Water Company; Bonneville Power Administration; NSTAR Electric and Gas Company; EPCOR Distribution, Inc.; B. C. Gas Utility, Ltd; Entergy Arkansas; Entergy Texas; Entergy Mississippi; Entergy Louisiana; Entergy Gulf States Louisiana; the Borough of Hanover; Louisville Gas and Electric Company; Kentucky Utilities Company; Madison Gas and Electric; Central Maine Power; PEPCO; PacifiCorp; Minnesota Energy Resource Group; Jersey Central Power & Light Company; Cheyenne Light, Fuel and Power Company; United Water Arkansas; Central Vermont Public Service Corporation; Green Mountain Power; Portland General Electric Company; Atlantic City Electric; Nicor Gas Company; Black Hills Power; Black Hills Colorado Gas; Black Hills Kansas Gas; Black Hills Service Company; Black Hills Utility Holdings; Public Service Company of Oklahoma; City of

Dubois; Peoples Gas Light and Coke Company; North Shore Gas Company; Connecticut Light and Power; New York State Electric and Gas Corporation; Rochester Gas and Electric Corporation; Greater Missouri Operations; Tennessee Valley Authority; Omaha Public Power District; Indianapolis Power & Light Company; Vermont Gas Systems, Inc.; Metropolitan Edison; Pennsylvania Electric; West Penn Power; Pennsylvania Power; PHI Service Company - Delmarva Power and Light; Atmos Energy Corporation; Citizens Energy Group; PSE&G Company; Berkshire Gas Company; Alabama Gas Corporation; Mid-Atlantic Interstate Transmission, LLC; SUEZ Water; WEC Energy Group; Rocky Mountain Natural Gas, LLC; Illinois-American Water Company; Northern Illinois Gas Company; Public Service of New Hampshire and Newtown Artesian Water Company.

My additional duties include determining final life and salvage estimates, conducting field reviews, presenting recommended depreciation rates to management for its consideration and supporting such rates before regulatory bodies.

Q. Have you submitted testimony to any state utility commission on the subject of utility plant depreciation?

A. Yes. I have submitted testimony to the Pennsylvania Public Utility Commission; the Commonwealth of Kentucky Public Service Commission; the Public Utilities Commission of Ohio; the Nevada Public Utility Commission; the Public Utilities Board of New Jersey; the Missouri Public Service Commission; the Massachusetts Department of Telecommunications and Energy; the Alberta Energy & Utility Board; the Idaho Public Utility Commission; the Louisiana Public Service Commission; the State Corporation Commission of Kansas; the Oklahoma Corporate Commission; the Public Service Commission of South Carolina; Railroad Commission of Texas – Gas Services Division; the New York Public Service Commission; Illinois Commerce Commission; the Indiana

Utility Regulatory Commission; the California Public Utilities Commission; the Federal Energy Regulatory Commission ("FERC"); the Arkansas Public Service Commission; the Public Utility Commission of Texas; Maryland Public Service Commission; Washington Utilities and Transportation Commission; The Tennessee Regulatory Commission; the Regulatory Commission of Alaska; Minnesota Public Utility Commission; Utah Public Service Commission; District of Columbia Public Service Commission; the Mississippi Public Service Commission; Delaware Public Service Commission; Virginia State Corporation Commission; Colorado Public Utility Commission; Oregon Public Utility Commission; South Dakota Public Utilities Commission; Wisconsin Public Service Commission; Wyoming Public Service Commission; the Public Service Commission of West Virginia; Maine Public Utility Commission; Iowa Utility Board; Connecticut Public Utilities Regulatory Authority; New Mexico Public Regulation Commission; Commonwealth of Massachusetts Department of Public Utilities; Rhode Island Public Utilities Commission and the North Carolina Utilities Commission.

Q. Have you had any additional education relating to utility plant depreciation?

A. Yes. I have completed the following courses conducted by Depreciation Programs, Inc.: "Techniques of Life Analysis," "Techniques of Salvage and Depreciation Analysis," "Forecasting Life and Salvage," "Modeling and Life Analysis Using Simulation," and "Managing a Depreciation Study." I have also completed the "Introduction to Public Utility Accounting" program conducted by the American Gas Association.

Q. Does this conclude your qualification statement?

A. Yes.

LIST OF CASES IN WHICH JOHN J. SPANOS SUBMITTED TESTIMONY

	Year	Jurisdiction	Docket No.	Client Utility	Subject
01.	1998	PA PUC	R-00984375	City of Bethlehem – Bureau of Water	Original Cost and Depreciation
02.	1998	PA PUC	R-00984567	City of Lancaster	Original Cost and Depreciation
03.	1999	PA PUC	R-00994605	The York Water Company	Depreciation
04.	2000	D.T.&E.	DTE 00-105	Massachusetts-American Water Company	Depreciation
05.	2001	PA PUC	R-00016114	City of Lancaster	Original Cost and Depreciation
06.	2001	PA PUC	R-00017236	The York Water Company	Depreciation
07.	2001	PA PUC	R-00016339	Pennsylvania-American Water Company	Depreciation
08.	2001	OH PUC	01-1228-GA-AIR	Cinergy Corp – Cincinnati Gas & Elect Company	Depreciation
09.	2001	KY PSC	2001-092	Cinergy Corp – Union Light, Heat & Power Co.	Depreciation
10.	2002	PA PUC	R-00016750	Philadelphia Suburban Water Company	Depreciation
11.	2002	KY PSC	2002-00145	Columbia Gas of Kentucky	Depreciation
12.	2002	NJ BPU	GF02040245	NUI Corporation/Elizabethtown Gas Company	Depreciation
13.	2002	ID PUC	IPC-E-03-7	Idaho Power Company	Depreciation
14.	2003	PA PUC	R-0027975	The York Water Company	Depreciation
15.	2003	IN URC	R-0027975	Cinergy Corp – PSI Energy, Inc.	Depreciation
16.	2003	PA PUC	R-00038304	Pennsylvania-American Water Company	Depreciation
17.	2003	MO PSC	WR-2003-0500	Missouri-American Water Company	Depreciation
18.	2003	FERC	ER03-1274-000	NSTAR-Boston Edison Company	Depreciation
19.	2003	NJ BPU	BPU 03080683	South Jersey Gas Company	Depreciation
20.	2003	NV PUC	03-10001	Nevada Power Company	Depreciation
21.	2003	LA PSC	U-27676	CenterPoint Energy – Arkla	Depreciation
22.	2003	PA PUC	R-00038805	Pennsylvania Suburban Water Company	Depreciation
23.	2004	AB En/Util Bd	1306821	EPCOR Distribution, Inc.	Depreciation
24.	2004	PA PUC	R-00038168	National Fuel Gas Distribution Corp (PA)	Depreciation
25.	2004	PA PUC	R-00049255	PPL Electric Utilities	Depreciation
26.	2004	PA PUC	R-00049165	The York Water Company	Depreciation
27.	2004	OK Corp Cm	PUC 200400187	CenterPoint Energy – Arkla	Depreciation
28.	2004	OH PUC	04-680-El-AIR	Cinergy Corp. – Cincinnati Gas and Electric Company	Depreciation
29.	2004	RR Com of TX	GUD#	CenterPoint Energy – Entex Gas Services Div.	Depreciation
30.	2004	NY PUC	04-G-1047	National Fuel Gas Distribution Gas (NY)	Depreciation
31.	2004	AR PSC	04-121-U	CenterPoint Energy – Arkla	Depreciation
32.	2005	IL CC	05-ICC-06	North Shore Gas Company	Depreciation
33.	2005	IL CC	05-ICC-06	Peoples Gas Light and Coke Company	Depreciation
34.	2005	KY PSC	2005-00042	Union Light Heat & Power	Depreciation

	Year	Jurisdiction	Docket No.	Client Utility	Subject
35.	2005	IL CC	05-0308	MidAmerican Energy Company	Depreciation
36.	2005	MO PSC	GF-2005	Laclede Gas Company	Depreciation
37.	2005	KS CC	05-WSEE-981-RTS	Westar Energy	Depreciation
38.	2005	RR Com of TX	GUD #	CenterPoint Energy – Entex Gas Services Div.	Depreciation
39.	2005	US District Court	Cause No. 1:99-CV-1693-LJM/VSS	Cinergy Corporation	Accounting
40.	2005	OK CC	PUD 200500151	Oklahoma Gas and Electric Company	Depreciation
41.	2005	MA Dept Tele-com & Ergy	DTE 05-85	NSTAR	Depreciation
42.	2005	NY PUC	05-E-934/05-G-0935	Central Hudson Gas & Electric Company	Depreciation
43.	2005	AK Reg Com	U-04-102	Chugach Electric Association	Depreciation
44.	2005	CA PUC	A05-12-002	Pacific Gas & Electric	Depreciation
45.	2006	PA PUC	R-00051030	Aqua Pennsylvania, Inc.	Depreciation
46.	2006	PA PUC	R-00051178	T.W. Phillips Gas and Oil Company	Depreciation
47.	2006	NC Util Cm.	G-5, Sub522	Pub. Service Company of North Carolina	Depreciation
48.	2006	PA PUC	R-00051167	City of Lancaster	Depreciation
49.	2006	PA PUC	R00061346	Duquesne Light Company	Depreciation
50.	2006	PA PUC	R-00061322	The York Water Company	Depreciation
51.	2006	PA PUC	R-00051298	PPL GAS Utilities	Depreciation
52.	2006	PUC of TX	32093	CenterPoint Energy – Houston Electric	Depreciation
53.	2006	KY PSC	2006-00172	Duke Energy Kentucky	Depreciation
54.	2006	SC PSC		SCANA	Accounting
55.	2006	AK Reg Com	U-06-6	Municipal Light and Power	Depreciation
56.	2006	DE PSC	06-284	Delmarva Power and Light	Depreciation
57.	2006	IN URC	IURC43081	Indiana American Water Company	Depreciation
58.	2006	AK Reg Com	U-06-134	Chugach Electric Association	Depreciation
59.	2006	MO PSC	WR-2007-0216	Missouri American Water Company	Depreciation
60.	2006	FERC	IS05-82-002, et al	TransAlaska Pipeline	Depreciation
61.	2006	PA PUC	R-00061493	National Fuel Gas Distribution Corp. (PA)	Depreciation
62.	2007	NC Util Com.	E-7 SUB 828	Duke Energy Carolinas, LLC	Depreciation
63.	2007	OH PSC	08-709-EL-AIR	Duke Energy Ohio Gas	Depreciation
64.	2007	PA PUC	R-00072155	PPL Electric Utilities Corporation	Depreciation
65.	2007	KY PSC	2007-00143	Kentucky American Water Company	Depreciation

	Year	Jurisdiction	Docket No.	Client Utility	Subject
66.	2007	PA PUC	R-00072229	Pennsylvania American Water Company	Depreciation
67.	2007	KY PSC	2007-0008	NiSource – Columbia Gas of Kentucky	Depreciation
68.	2007	NY PSC	07-G-0141	National Fuel Gas Distribution Corp (NY)	Depreciation
69.	2008	AK PSC	U-08-004	Anchorage Water & Wastewater Utility	Depreciation
70.	2008	TN Reg Auth	08-00039	Tennessee-American Water Company	Depreciation
71.	2008	DE PSC	08-96	Artesian Water Company	Depreciation
72.	2008	PA PUC	R-2008-2023067	The York Water Company	Depreciation
73.	2008	KS CC	08-WSEE1-RTS	Westar Energy	Depreciation
74.	2008	IN URC	43526	Northern Indiana Public Service Company	Depreciation
75.	2008	IN URC	43501	Duke Energy Indiana	Depreciation
76.	2008	MD PSC	9159	NiSource – Columbia Gas of Maryland	Depreciation
77.	2008	KY PSC	2008-000251	Kentucky Utilities	Depreciation
78.	2008	KY PSC	2008-000252	Louisville Gas & Electric	Depreciation
79.	2008	PA PUC	2008-20322689	Pennsylvania American Water Co. - Wastewater	Depreciation
80.	2008	NY PSC	08-E887/08-00888	Central Hudson	Depreciation
81.	2008	WV TC	VE-080416/VG-8080417	Avista Corporation	Depreciation
82.	2008	IL CC	ICC-09-166	Peoples Gas, Light and Coke Company	Depreciation
83.	2009	IL CC	ICC-09-167	North Shore Gas Company	Depreciation
84.	2009	DC PSC	1076	Potomac Electric Power Company	Depreciation
85.	2009	KY PSC	2009-00141	NiSource – Columbia Gas of Kentucky	Depreciation
86.	2009	FERC	ER08-1056-002	Entergy Services	Depreciation
87.	2009	PA PUC	R-2009-2097323	Pennsylvania American Water Company	Depreciation
88.	2009	NC Util Cm	E-7, Sub 090	Duke Energy Carolinas, LLC	Depreciation
89.	2009	KY PSC	2009-00202	Duke Energy Kentucky	Depreciation
90.	2009	VA St. CC	PUE-2009-00059	Aqua Virginia, Inc.	Depreciation
91.	2009	PA PUC	2009-2132019	Aqua Pennsylvania, Inc.	Depreciation
92.	2009	MS PSC	Docket No. 2011-UA-183	Entergy Mississippi	Depreciation
93.	2009	AK PSC	09-08-U	Entergy Arkansas	Depreciation
94.	2009	TX PUC	37744	Entergy Texas	Depreciation
95.	2009	TX PUC	37690	El Paso Electric Company	Depreciation
96.	2009	PA PUC	R-2009-2106908	The Borough of Hanover	Depreciation
97.	2009	KS CC	10-KCPE-415-RTS	Kansas City Power & Light	Depreciation
98.	2009	PA PUC	R-2009-	United Water Pennsylvania	Depreciation

	Year	Jurisdiction	Docket No.	Client Utility	Subject
99.	2009	OH PUC		Aqua Ohio Water Company	Depreciation
100.	2009	WI PSC	3270-DU-103	Madison Gas & Electric Company	Depreciation
101.	2009	MO PSC	WR-2010	Missouri American Water Company	Depreciation
102.	2009	AK Reg Cm	U-09-097	Chugach Electric Association	Depreciation
103.	2010	IN URC	43969	Northern Indiana Public Service Company	Depreciation
104.	2010	WI PSC	6690-DU-104	Wisconsin Public Service Corp.	Depreciation
105.	2010	PA PUC	R-2010-2161694	PPL Electric Utilities Corp.	Depreciation
106.	2010	KY PSC	2010-00036	Kentucky American Water Company	Depreciation
107.	2010	PA PUC	R-2009-2149262	Columbia Gas of Pennsylvania	Depreciation
108.	2010	MO PSC	GR-2010-0171	Laclede Gas Company	Depreciation
109.	2010	SC PSC	2009-489-E	South Carolina Electric & Gas Company	Depreciation
110.	2010	NJ BD OF PU	ER09080664	Atlantic City Electric	Depreciation
111.	2010	VA St. CC	PUE-2010-00001	Virginia American Water Company	Depreciation
112.	2010	PA PUC	R-2010-2157140	The York Water Company	Depreciation
113.	2010	MO PSC	ER-2010-0356	Greater Missouri Operations Company	Depreciation
114.	2010	MO PSC	ER-2010-0355	Kansas City Power and Light	Depreciation
115.	2010	PA PUC	R-2010-2167797	T.W. Phillips Gas and Oil Company	Depreciation
116.	2010	PSC SC	2009-489-E	SCANA – Electric	Depreciation
117.	2010	PA PUC	R-2010-22010702	Peoples Natural Gas, LLC	Depreciation
118.	2010	AK PSC	10-067-U	Oklahoma Gas and Electric Company	Depreciation
119.	2010	IN URC	Cause No. 43894	Northern Indiana Public Serv. Company - NIFL	Depreciation
120.	2010	IN URC	Cause No. 43894	Northern Indiana Public Serv. Co. - Kokomo	Depreciation
121.	2010	PA PUC	R-2010-2166212	Pennsylvania American Water Co. - WW	Depreciation
122.	2010	NC Util Cn.	W-218,SUB310	Aqua North Carolina, Inc.	Depreciation
123.	2011	OH PUC	11-4161-WS-AIR	Ohio American Water Company	Depreciation
124.	2011	MS PSC	EC-123-0082-00	Entergy Mississippi	Depreciation
125.	2011	CO PUC	11AL-387E	Black Hills Colorado	Depreciation
126.	2011	PA PUC	R-2010-2215623	Columbia Gas of Pennsylvania	Depreciation
127.	2011	PA PUC	R-2010-2179103	City of Lancaster – Bureau of Water	Depreciation
128.	2011	IN URC	43114 IGCC 4S	Duke Energy Indiana	Depreciation
129.	2011	FERC	IS11-146-000	Enbridge Pipelines (Southern Lights)	Depreciation
130.	2011	IL CC	11-0217	MidAmerican Energy Corporation	Depreciation
131.	2011	OK CC	201100087	Oklahoma Gas & Electric Company	Depreciation
132.	2011	PA PUC	2011-2232243	Pennsylvania American Water Company	Depreciation

	Year	Jurisdiction	Docket No.	Client Utility	Subject
133.	2011	FERC	RP11-___-000	Carolina Gas Transmission	Depreciation
134.	2012	WA UTC	UE-120436/UG-120437	Avista Corporation	Depreciation
135.	2012	AK Reg Cm	U-12-009	Chugach Electric Association	Depreciation
136.	2012	MA PUC	DPU 12-25	Columbia Gas of Massachusetts	Depreciation
137.	2012	TX PUC	40094	El Paso Electric Company	Depreciation
138.	2012	ID PUC	IPC-E-12	Idaho Power Company	Depreciation
139.	2012	PA PUC	R-2012-2290597	PPL Electric Utilities	Depreciation
140.	2012	PA PUC	R-2012-2311725	Borough of Hanover – Bureau of Water	Depreciation
141.	2012	KY PSC	2012-00222	Louisville Gas and Electric Company	Depreciation
142.	2012	KY PSC	2012-00221	Kentucky Utilities Company	Depreciation
143.	2012	PA PUC	R-2012-2285985	Peoples Natural Gas Company	Depreciation
144.	2012	DC PSC	Case 1087	Potomac Electric Power Company	Depreciation
145.	2012	OH PSC	12-1682-EL-AIR	Duke Energy Ohio (Electric)	Depreciation
146.	2012	OH PSC	12-1685-GA-AIR	Duke Energy Ohio (Gas)	Depreciation
147.	2012	PA PUC	R-2012-2310366	City of Lancaster – Sewer Fund	Depreciation
148.	2012	PA PUC	R-2012-2321748	Columbia Gas of Pennsylvania	Depreciation
149.	2012	FERC	ER-12-2681-000	ITC Holdings	Depreciation
150.	2012	MO PSC	ER-2012-0174	Kansas City Power and Light	Depreciation
151.	2012	MO PSC	ER-2012-0175	KCPL Greater Missouri Operations Company	Depreciation
152.	2012	MO PSC	GO-2012-0363	Laclede Gas Company	Depreciation
153.	2012	MN PUC	G007,001/D-12-533	Integrys – MN Energy Resource Group	Depreciation
154.	2012	TX PUC	SOAH 582-14-1051/ TECQ 2013-2007-UCR	Aqua Texas	Depreciation
155.	2012	PA PUC	2012-2336379	York Water Company	Depreciation
156.	2013	NJ BPU	ER12121071	PHI Service Company– Atlantic City Electric	Depreciation
157.	2013	KY PSC	2013-00167	Columbia Gas of Kentucky	Depreciation
158.	2013	VA St CC	2013-00020	Virginia Electric and Power Company	Depreciation
159.	2013	IA Util Bd	2013-0004	MidAmerican Energy Corporation	Depreciation
160.	2013	PA PUC	2013-2355276	Pennsylvania American Water Company	Depreciation
161.	2013	NY PSC	13-E-0030, 13-G-0031, 13-S-0032	Consolidated Edison of New York	Depreciation
162.	2013	PA PUC	2013-2355886	Peoples TWP LLC	Depreciation
163.	2013	TN Reg Auth	12-0504	Tennessee American Water	Depreciation
164.	2013	ME PUC	2013-168	Central Maine Power Company	Depreciation
165.	2013	DC PSC	Case 1103	PHI Service Company – PEPCO	Depreciation

	Year	Jurisdiction	Docket No.	Client Utility	Subject
166.	2013	WY PSC	2003-ER-13	Cheyenne Light, Fuel and Power Company	Depreciation
167.	2013	FERC	ER13-2428-0000	Kentucky Utilities	Depreciation
168.	2013	FERC	ER13- -0000	MidAmerican Energy Company	Depreciation
169.	2013	FERC	ER13-2410-0000	PPL Utilities	Depreciation
170.	2013	PA PUC	R-2013-2372129	Duquesne Light Company	Depreciation
171.	2013	NJ BPU	ER12111052	Jersey Central Power and Light Company	Depreciation
172.	2013	PA PUC	R-2013-2390244	Bethlehem, City of – Bureau of Water	Depreciation
173.	2013	OK CC	UM 1679	Oklahoma, Public Service Company of	Depreciation
174.	2013	IL CC	13-0500	Nicor Gas Company	Depreciation
175.	2013	WY PSC	20000-427-EA-13	PacifiCorp	Depreciation
176.	2013	UT PSC	13-035-02	PacifiCorp	Depreciation
177.	2013	OR PUC	UM 1647	PacifiCorp	Depreciation
178.	2013	PA PUC	2013-2350509	Dubois, City of	Depreciation
179.	2014	IL CC	14-0224	North Shore Gas Company	Depreciation
180.	2014	FERC	ER14- -0000	Duquesne Light Company	Depreciation
181.	2014	SD PUC	EL14-026	Black Hills Power Company	Depreciation
182.	2014	WY PSC	20002-91-ER-14	Black Hills Power Company	Depreciation
183.	2014	PA PUC	2014-2428304	Borough of Hanover – Municipal Water Works	Depreciation
184.	2014	PA PUC	2014-2406274	Columbia Gas of Pennsylvania	Depreciation
185.	2014	IL CC	14-0225	Peoples Gas Light and Coke Company	Depreciation
186.	2014	MO PSC	ER-2014-0258	Ameren Missouri	Depreciation
187.	2014	KS CC	14-BHCG-502-RTS	Black Hills Service Company	Depreciation
188.	2014	KS CC	14-BHCG-502-RTS	Black Hills Utility Holdings	Depreciation
189.	2014	KS CC	14-BHCG-502-RTS	Black Hills Kansas Gas	Depreciation
190.	2014	PA PUC	2014-2418872	Lancaster, City of – Bureau of Water	Depreciation
191.	2014	WV PSC	14-0701-E-D	First Energy – MonPower/PotomacEdison	Depreciation
192	2014	VA St CC	PUC-2014-00045	Aqua Virginia	Depreciation
193.	2014	VA St CC	PUE-2013	Virginia American Water Company	Depreciation
194.	2014	OK CC	PUD201400229	Oklahoma Gas and Electric Company	Depreciation
195.	2014	OR PUC	UM1679	Portland General Electric	Depreciation
196.	2014	IN URC	Cause No. 44576	Indianapolis Power & Light	Depreciation
197.	2014	MA DPU	DPU. 14-150	NSTAR Gas	Depreciation
198.	2014	CT PURA	14-05-06	Connecticut Light and Power	Depreciation
199.	2014	MO PSC	ER-2014-0370	Kansas City Power & Light	Depreciation

	Year	Jurisdiction	Docket No.	Client Utility	Subject
200.	2014	KY PSC	2014-00371	Kentucky Utilities Company	Depreciation
201.	2014	KY PSC	2014-00372	Louisville Gas and Electric Company	Depreciation
202.	2015	PA PUC	R-2015-2462723	United Water Pennsylvania Inc.	Depreciation
203.	2015	PA PUC	R-2015-2468056	NiSource - Columbia Gas of Pennsylvania	Depreciation
204.	2015	NY PSC	15-E-0283/15-G-0284	New York State Electric and Gas Corporation	Depreciation
205.	2015	NY PSC	15-E-0285/15-G-0286	Rochester Gas and Electric Corporation	Depreciation
206.	2015	MO PSC	WR-2015-0301/SR-2015-0302	Missouri American Water Company	Depreciation
207.	2015	OK CC	PUD 201500208	Oklahoma, Public Service Company of	Depreciation
208.	2015	WV PSC	15-0676-W-42T	West Virginia American Water Company	Depreciation
209.	2015	PA PUC	2015-2469275	PPL Electric Utilities	Depreciation
210.	2015	IN URC	Cause No. 44688	Northern Indiana Public Service Company	Depreciation
211.	2015	OH PSC	14-1929-EL-RDR	First Energy-Ohio Edison/Cleveland Electric/ Toledo Edison	Depreciation
212.	2015	NM PRC	15-00127-UT	El Paso Electric	Depreciation
213.	2015	TX PUC	PUC-44941; SOAH 473-15-5257	El Paso Electric	Depreciation
214.	2015	WI PSC	3270-DU-104	Madison Gas and Electric Company	Depreciation
215.	2015	OK CC	PUD 201500273	Oklahoma Gas and Electric	Depreciation
216.	2015	KY PSC	Doc. No. 2015-00418	Kentucky American Water Company	Depreciation
217.	2015	NC UC	Doc. No. G-5, Sub 565	Public Service Company of North Carolina	Depreciation
218.	2016	WA UTC	Docket UE-17	Puget Sound Energy	Depreciation
219.	2016	NY PSC	Case No. 16-W-0130	SUEZ Water New York, Inc.	Depreciation
220.	2016	MO PSC	ER-2016-0156	KCPL – Greater Missouri	Depreciation
221.	2016	WI PSC		Wisconsin Public Service Corporation	Depreciation
222.	2016	KY PSC	Case No. 2016-00026	Kentucky Utilities Company	Depreciation
223.	2016	KY PSC	Case No. 2016-00027	Louisville Gas and Electric Company	Depreciation
224.	2016	OH PUC	Case No. 16-0907-WW-AIR	Aqua Ohio	Depreciation
225.	2016	MD PSC	Case 9417	NiSource - Columbia Gas of Maryland	Depreciation
226.	2016	KY PSC	2016-00162	Columbia Gas of Kentucky	Depreciation
227.	2016	DE PSC	16-0649	Delmarva Power and Light Company – Electric	Depreciation
228.	2016	DE PSC	16-0650	Delmarva Power and Light Company – Gas	Depreciation
229.	2016	NY PSC	Case 16-G-0257	National Fuel Gas Distribution Corp – NY Div	Depreciation
230.	2016	PA PUC	R-2016-2537349	Metropolitan Edison Company	Depreciation
231.	2016	PA PUC	R-2016-2537352	Pennsylvania Electric Company	Depreciation
232.	2016	PA PUC	R-2016-2537355	Pennsylvania Power Company	Depreciation

	Year	Jurisdiction	Docket No.	Client Utility	Subject
233.	2016	PA PUC	R-2016-2537359	West Penn Power Company	Depreciation
234.	2016	PA PUC	R-2016-2529660	NiSource - Columbia Gas of PA	Depreciation
235.	2016	KY PSC	Case No. 2016-00063	Kentucky Utilities / Louisville Gas & Electric Co	Depreciation
236.	2016	MO PSC	ER-2016-0285	KCPL Missouri	Depreciation
237.	2016	AR PSC	16-052-U	Oklahoma Gas & Electric Co	Depreciation
238.	2016	PSCW	6680-DU-104	Wisconsin Power and Light	Depreciation
239.	2016	ID PUC	IPC-E-16-23	Idaho Power Company	Depreciation
240.	2016	OR PUC	UM1801	Idaho Power Company	Depreciation
241.	2016	ILL CC	16-	MidAmerican Energy Company	Depreciation
242.	2016	KY PSC	Case No. 2016-00370	Kentucky Utilities Company	Depreciation
243.	2016	KY PSC	Case No. 2016-00371	Louisville Gas and Electric Company	Depreciation
244.	2016	IN URC	Cause No. 45029	Indianapolis Power & Light	Depreciation
245.	2016	AL RC	U-16-081	Chugach Electric Association	Depreciation
246.	2017	MA DPU	D.P.U. 17-05	NSTAR Electric Company and Western Massachusetts Electric Company	Depreciation
247.	2017	TX PUC	PUC-26831, SOAH 973-17-2686	El Paso Electric Company	Depreciation
248.	2017	WA UTC	UE-17033 and UG-170034	Puget Sound Energy	Depreciation
249.	2017	OH PUC	Case No. 17-0032-EL-AIR	Duke Energy Ohio	Depreciation
250.	2017	VA SCC	Case No. PUE-2016-00413	Virginia Natural Gas, Inc.	Depreciation
251.	2017	OK CC	Case No. PUD201700151	Public Service Company of Oklahoma	Depreciation
252.	2017	MD PSC	Case No. 9447	Columbia Gas of Maryland	Depreciation
253.	2017	NC UC	Docket No. E-2, Sub 1142	Duke Energy Progress	Depreciation
254.	2017	VA SCC	Case No. PUR-2017-00090	Dominion Virginia Electric and Power Company	Depreciation
255.	2017	FERC	ER17-1162	MidAmerican Energy Company	Depreciation
256.	2017	PA PUC	R-2017-2595853	Pennsylvania American Water Company	Depreciation
257.	2017	OR PUC	UM1809	Portland General Electric	Depreciation
258.	2017	FERC	ER17-217-000	Jersey Central Power & Light	Depreciation
259.	2017	FERC	ER17-211-000	Mid-Atlantic Interstate Transmission, LLC	Depreciation
260.	2017	MN PUC	Docket No. G007/D-17-442	Minnesota Energy Resources Corporation	Depreciation
261.	2017	IL CC	Docket No. 17-0124	Northern Illinois Gas Company	Depreciation
262.	2017	OR PUC	UM1808	Northwest Natural Gas Company	Depreciation
263.	2017	NY PSC	Case No. 17-W-0528	SUEZ Water Owego-Nichols	Depreciation
264.	2017	MO PSC	GR-2017-0215	Laclede Gas Company	Depreciation
265.	2017	MO PSC	GR-2017-0216	Missouri Gas Energy	Depreciation

	Year	Jurisdiction	Docket No.	Client Utility	Subject
266.	2017	ILL CC	Docket No. 17-0337	Illinois-American Water Company	Depreciation
267.	2017	FERC	Docket No. ER18-22-000	PPL Electric Utilities Corporation	Depreciation
268.	2017	IN URC	Cause No. 44988	Northern Indiana Public Service Company	Depreciation
269.	2017	NJ BPU	BPU Docket No. WR17090985	New Jersey American Water Company, Inc.	Depreciation
270.	2017	RI PUC	Docket No. 4800	SUEZ Water Rhode Island	Depreciation
271.	2017	OK CC	Cause No. PUD 201700496	Oklahoma Gas and Electric Company	Depreciation
272.	2017	NJ BPU	ER18010029 & GR18010030	Public Service Electric and Gas Company	Depreciation
273.	2017	NC Util Com.	Docket No. E-7, SUB 1146	Duke Energy Carolinas, LLC	Depreciation
274.	2017	KY PSC	Case No. 2017-00321	Duke Energy Kentucky, Inc.	Depreciation
275.	2017	MA DPU	D.P.U. 18-40	Berkshire Gas Company	Depreciation
276.	2018	IN IURC	Cause No. 44992	Indiana-American Water Company, Inc.	Depreciation
277.	2018	IN IURC	Cause No. 45029	Indianapolis Power and Light	Depreciation
278.	2018	NC Util Com.	Docket No. W-218, Sub 497	Aqua North Carolina, Inc.	Depreciation
279.	2018	PA PUC	Docket No. R-2018-2647577	NiSource - Columbia Gas of Pennsylvania, Inc.	Depreciation
280.	2018	OR PUC	Docket UM 1933	Avista Corporation	Depreciation
281.	2018	WA UTC	Docket No. UE-108167	Avista Corporation	Depreciation
282.	2018	ID PUC	AVU-E-18-03, AVU-G-18-02	Avista Corporation	Depreciation
283.	2018	IN URC	Cause No. 45039	Citizens Energy Group	Depreciation
284.	2018	FERC	Docket No. ER18-	Duke Energy Progress	Depreciation
285.	2018	PA PUC	Docket No. R-2018-3000124	Duquesne Light Company	Depreciation
286.	2018	MD PSC	Case No. 948	NiSource - Columbia Gas of Maryland	Depreciation
287.	2018	MA DPU	D.P.U. 18-45	NiSource - Columbia Gas of Massachusetts	Depreciation
288.	2018	OH PUC	Case No. 18-0299-GA-ALT	Vectren Energy Delivery of Ohio	Depreciation
289.	2018	PA PUC	Docket No. R-2018-3000834	SUEZ Water Pennsylvania Inc.	Depreciation
290.	2018	MD PSC	Case No. 9847	Maryland-American Water Company	Depreciation
291.	2018	PA PUC	Docket No. R-2018-3000019	The York Water Company	Depreciation
292.	2018	FERC	ER-18-2231-000	Duke Energy Carolinas, LLC	Depreciation
293.	2018	KY PSC	Case No. 2018-00261	Duke Energy Kentucky, Inc.	Depreciation
294.	2018	NJ BPU	BPU Docket No. WR18050593	SUEZ Water New Jersey	Depreciation
295.	2018	WA UTC	Docket No. UE-180778	PacifiCorp	Depreciation
296.	2018	UT PSC	Docket No. 18-035-36	PacifiCorp	Depreciation
297.	2018	OR PUC	Docket No. UM-1968	PacifiCorp	Depreciation
298.	2018	ID PUC	Case No. PAC-E-18-08	PacifiCorp	Depreciation
299.	2018	WY PSC	20000-539-EA-18	PacifiCorp	Depreciation
300.	2018	PA PUC	Docket No. R-2018-3003068	Aqua Pennsylvania, Inc.	Depreciation

	Year	Jurisdiction	Docket No.	Client Utility	Subject
301.	2018	IL CC	Docket No. 18-1467	Aqua Illinois, Inc.	Depreciation
302.	2018	KY PSC	Case No. 2018-00294	Louisville Gas & Electric Company	Depreciation
303.	2018	KY PSC	Case No. 2018-00295	Kentucky Utilities Company	Depreciation
304.	2018	IN URC	Cause No. 45159	Northern Indiana Public Service Company	Depreciation
305.	2018	VA SCC	Case No. PUR-2019-00175	Virginia American Water Company	Depreciation
306.	2019	PA PUC	Docket No. R-2018-3006818	Peoples Natural Gas Company, LLC	Depreciation
307.	2019	OK CC	Cause No. PUD201800140	Oklahoma Gas and Electric Company	Depreciation
308.	2019	MD PSC	Case No. 9490	FirstEnergy – Potomac Edison	Depreciation
309.	2019	SC PSC	Docket No. 2018-318-E	Duke Energy Progress	Depreciation
310.	2019	SC PSC	Docket No. 2018-319-E	Duke Energy Carolinas	Depreciation
311.	2019	DE PSC	DE 19-057	Public Service of New Hampshire	Depreciation
312.	2019	NY PSC	Case No. 19-W-0168 & 19-W-0269	SUEZ Water New York	Depreciation
313.	2019	PA PUC	Docket No. R-2019-3006904	Newtown Artesian Water Company	Depreciation
314.	2019	MO PSC	ER-2019-0335	Ameren Missouri	Depreciation
315.	2019	MO PSC	EC-2019-0200	KCP&L Greater Missouri Operations Company	Depreciation
316.	2019	MN DOC	G011/D-19-377	Minnesota Energy Resource Corp.	Depreciation
317.	2019	NY PSC	Case 19-E-0378 & 19-G-0379	New York State Electric and Gas Corporation	Depreciation
318.	2019	NY PSC	Case 19-E-0380 & 19-G-0381	Rochester Gas and Electric Corporation	Depreciation
319.	2019	WA UTC	Docket UE-190529 / UG-190530	Puget Sound Energy	Depreciation
320.	2019	PA PUC	Docket No. R-2019-3010955	City of Lancaster	Depreciation
321.	2019	IURC	Cause No. 45253	Duke Energy Indiana	Depreciation
322.	2019	KY PSC	Case No. 2019-00271	Duke Energy Kentucky, Inc.	Depreciation
323.	2019	OH PUC	Case No. 18-1720-GA-AIR	Northeast Ohio Natural Gas Corp	Depreciation
324.	2019	NC Util. Com.	Docket No. E-2, Sub 1219	Duke Energy Carolinas	Depreciation
325.	2019	FERC	Docket No. ER20-277-000	Jersey Central Power & Light Company	Depreciation
326.	2019	MA DPU	D.P.U. 19-120	NSTAR Gas Company	Depreciation
327.	2019	SC PSC	Docket No. 2019-290-WS	Blue Granite Water Company	Depreciation
328.	2019	NC Util. Com.	Docket No. E-2, Sub 1219	Duke Energy Progress	Depreciation
329.	2019	MD PSC	Case No. 9609	NiSource Columbia Gas of Maryland, Inc.	Depreciation
330.	2020	NJ BPU	Docket No. ER20020146	Jersey Central Power & Light Company	Depreciation
331.	2020	PA PUC	Docket No. R-2020-3018835	NiSource - Columbia Gas of Pennsylvania, Inc.	Depreciation
332.	2020	PA PUC	Docket No. R-2020-3019369	Pennsylvania-American Water Company	Depreciation
333.	2020	PA PUC	Docket No. R-2020-3019371	Pennsylvania-American Water Company	Depreciation
334.	2020	MO PSC	GO-2018-0309, GO-2018-0310	Spire Missouri, Inc.	Depreciation
335.	2020	NM PRC	Case No. 20-00104-UT	El Paso Electric Company	Depreciation
336.	2020	MD PSC	Case No. 9644	Columbia Gas of Maryland, Inc.	Depreciation
337.	2020	MO PSC	GO-2018-0309, GO-2018-0310	Spire Missouri, Inc.	Depreciation
338.	2020	VA St CC	Case No. PUR-2020-00095	Virginia Natural Gas Company	Depreciation

	Year	Jurisdiction	Docket No.	Client Utility	Subject
339.	2020	SC PSC	Docket No. 2020-125-E	Dominion Energy South Carolina, Inc.	Depreciation
340.	2020	WV PSC	Case No. 20-0745-G-D	Hope Gas, Inc. d/b/a Dominion Energy West Virginia	Depreciation
341.	2020	VA St CC	Case No. PUR-2020-00106	Aqua Virginia, Inc.	Depreciation
342.	2020	PA PUC	Docket No. R-2020-3020256	City of Bethlehem – Bureau of Water	Depreciation
343.	2020	NE PSC	Docket No. NG-109	Black Hills Nebraska	Depreciation
344.	2020	NY PSC	Case No. 20-E-0428 & 20-G-0429	Central Hudson Gas & Electric Corporation	Depreciation
345.	2020	FERC	ER20-598	Duke Energy Indiana	Depreciation
346.	2020	FERC	ER20-855	Northern Indiana Public Service Company	Depreciation
347.	2020	OR PSC	UE 374	Pacificorp	Depreciation
348.	2020	MD PSC	Case No. 9490 Phase II	Potomac Edison – Maryland	Depreciation
349.	2020	IN URC	Case No. 45447	Southern Indiana Gas and Electric Company	Depreciation
350.	2020	IN URC	IURC Cause No. 45468	Indiana Gas Company, Inc. d/b/a Vectren Energy	Depreciation
351.	2020	KY PSC	Case No. 2020-00349	Kentucky Utilities Company	Depreciation
352.	2020	KY PSC	Case No. 2020-00350	Louisville Gas and Electric Company	Depreciation
353.	2020	FERC	Docket No. ER21- 000	South FirstEnergy Operating Companies	Depreciation
354.	2020	OH PUC	Case Nos 20-1651-EL-AIR, 20-1652-EL-AAM & 20-1653-EL-ATA	Dayton Power and Light Company	Depreciation
355.	2020	OR PSC	UE 388	Northwest Natural Gas Company	Depreciation

East Kentucky Power Cooperative, Inc.
Case No. 2021-00103
General Adjustment of Rates
Filing Requirements / Exhibit List

Exhibit 16

807 KAR 5:001 Sec. 16(4)(b)
Sponsoring Witness: Richard Macke

Description of Filing Requirement:

If the utility has gross annual revenues greater than $5,000,000, the written testimony of each witness the utility proposes to use to support its application.

Response:

In support of its Application, EKPC provides written testimony from Richard J. Macke, Vice President, Economics, Rates, and Business Planning at Power System Engineering, Inc., whose testimony is included with this Exhibit 16.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF EAST	)	
KENTUCKY POWER COOPERATIVE, INC.	)	
FOR A GENERAL ADJUSTMENT OF RATES,	)	Case No. 2021-00103
APPROVAL OF DEPRECIATION STUDY,	)	
AMORTIZATION OF CERTAIN REGULATORY	)	
ASSETS AND OTHER GENERAL RELIEF	)	

DIRECT TESTIMONY OF RICHARD J. MACKE
VICE PRESIDENT, ECONOMICS, RATES, AND BUSINESS PLANNING
POWER SYSTEM ENGINEERING, INC.

ON BEHALF OF
EAST KENTUCKY POWER COOPERATIVE, INC.

Filed: April 1, 2021

PART I - QUALIFICATIONS

Q. Please state your name and business address.

A. My name is Richard J. Macke. My business address is 10710 Town Square Drive NE, Suite 201, Minneapolis, Minnesota 55449.

Q. What is your profession?

A. I am a Vice President and lead the Economics, Rates, and Business Planning Department at Power System Engineering, Inc. ("PSE"), which is headquartered at 1532 W. Broadway, Madison, Wisconsin 53713.

Q. Please describe the business activities of PSE.

A. PSE is a consulting firm serving electric utilities across the country, but primarily in the Midwest. Our headquarters is in Madison, Wisconsin with regional offices in Cincinnati, Ohio, Minneapolis, Minnesota; Marietta, Ohio; and Sioux Falls, South Dakota. PSE is involved in engineering and consulting services such as: power supply, transmission and distribution system planning; distribution, substation and transmission design; construction contracting and supervision; retail and wholesale rate design and cost of service ("COS") studies; load forecasting; financial and operating consultation; telecommunication and network design, mapping/GIS; and system automation, Demand Side Management ("DSM"), metering, and outage management systems.

Q. Please describe your responsibilities with PSE.

A. I lead and direct staff in Indiana, Minnesota, and Wisconsin who provide economic, financial, and rate-related consulting services to investor-owned, cooperative, and municipal utilities as well as regulators and industry associations. These services include:

- Cost of Service Studies
- Capital Credit Allocations
- Demand Response
- Distributed Generation Rates
- Energy Efficiency
- Financial Forecasting
- Large Power Contract Rates/Proposals
- Line Extension Policies/Charges
- Load Management Analysis
- Load Forecasting
- Market and Load Research
- Merger Analysis
- Pole Attachment Charges
- Power Cost Adjustments
- Rate Consolidation
- Retail Rate Design and Analysis
- Statistical Performance Benchmarking

Q. What is your educational background?

A. I graduated from Bethel University in St. Paul, Minnesota in 1996 with a Bachelor of Arts degree in Business, which included an emphasis in Finance and Marketing. In 2007, I received my Master of Business Administration degree, with an emphasis in Finance and Strategic Management, from the Carlson School of Business at the University of Minnesota in Minneapolis, Minnesota. I have also attended numerous industry seminars/courses on cost of service, pricing, valuation, distributed generation, etc.

Q. What is your professional background?

A. From 1996 to 1998, I was employed by PSE in its Minneapolis, Minnesota office as a Financial Analyst in the Utility Planning and Rates Department. My work responsibilities primarily were focused on retail rate studies, including revenue requirements and bundled/unbundled COS studies. I also provided analyses used to support testimony, mergers and acquisitions, and financial forecasting.

From 1998 to 1999, I was employed as a Senior Analyst by Energy & Resource Consulting Group, LLC in Denver, Colorado, a financial, engineering, and management consulting firm. I performed consulting services related to electric, gas, and water rate studies. As part of the Legend Consulting Advisor Team contracted by the City Council of the City of New Orleans, Louisiana, I assisted in various electric and gas utility matters. I also provided general financial, management, and public policy support to clients.

I rejoined PSE in 1999; and from 1999 to 2002, I held the position of Rate and Financial Analyst in the Rates and Financial Planning Department. From 2002 to March 2008, I held the position of Senior Rate and Financial Analyst in the Utility Planning and Rate Division. My responsibilities have included performing complex financial analyses, such as rate studies consisting of determination of revenue requirements, bundled and unbundled COS analysis, and rate design. Other responsibilities included performing analysis of special rates and programs, key account analyses, financial forecasting, merger and acquisition analysis, activity-based costing, policy development and evaluation, and other financial analyses for various PSE clients. Additional responsibilities included strategic planning, litigation support, regulatory compliance, capital expenditure and operational assessments, and advisement. From April 2008 to June 2010, I held the position of Leader, Rates and Financial Planning. In July 2010, I was named Vice President, Rates and Financial Planning. Since June 2011, I have held the position of Vice President, Economics, Rates, and Business Planning. In this capacity, I continue to provide, amongst other things: 1) rate, financial, and economic consulting services to clients, 2) management and leadership to the Economics, Rates, and Business Planning Department, and 3) management and leadership at the corporate level to PSE through participation on the Executive Committee and Board of Directors.

Q. Have you previously presented testimony before the Kentucky Public Service Commission ("KPSC" or "Commission")?

A. Yes. I filed testimony in Case No. 2016-00365 on behalf of Farmers RECC and in Case No. 2018-00129 on behalf of Inter-County Energy.

Q. Have you ever testified before other regulatory bodies relative to electric utility matters?

A. Yes, on several occasions. A list of my experience in this regard is provided in my curriculum vitae, attached as Exhibit (RJM-1).

Q. Do you have any other relevant experience?

A. Yes. I have directed well over 200 rate design and COS studies and numerous other rate and financial related projects. Many times, these projects were conducted for self-regulated electric utilities. I have also performed such analyses for state-regulated cooperatives in Iowa, Kansas, Michigan, Minnesota, New Hampshire, and Texas. I have also conducted seminars and made presentations to utilities, consumers, and industry groups on a variety of topics related to utility rate design, economics, and financial matters.

Q. What is the purpose of your testimony on this case?

A. I, and my firm, have been retained by East Kentucky Power Cooperative, Inc. ("EKPC") to prepare a COS and Rate Design Analysis in conjunction with this case.

Q. Are you sponsoring any exhibits?

A. Yes. I am sponsoring the following exhibits:

- Exhibit (RJM-1) – Curriculum Vitae of Richard J. Macke
- Exhibit (RJM-2) – Cost of Service Analysis

- Exhibit (RJM-3) – Proposed Rate Design

Q. Are you sponsoring any filing requirements?

A. Yes, the cost of service study meets the requirements contained in 807 KAR 5:001, Section 16(4)(u). I have also developed information that was used to estimate the effect that each new rate design will have upon the revenues of EKPC including the amounts of revenues resulting from the increase and percentage of increase, as required by 807 KAR 5:001, Section 16(4)(d), and a detailed analysis of customers' bills demonstrating the revenues from the present and proposed rates for each customer class of EKPC, as required by 807 KAR 5:001, Section 16(4)(g).

Q. Were these exhibits and this filing requirement prepared by you or under your direct supervision?

A. Yes.

PART II TESTIMONY

COST OF SERVICE STUDY

Q. Please provide a brief overview of the cost of service analysis you prepared.

A. I followed the traditional and industry-accepted approach for preparing a fully allocated, average embedded COS analysis for an electric utility, which may be described as consisting of the following steps:

Step 1 - Functionalize the utility's Rate Base and Revenue Requirements into four basic functional categories:

- Production;
- Transmission;
- Distribution; and

- General and/or Common.

Step 2 - Classify the utility's Rate Base and Revenue Requirements into the following categories:

- Direct -- Costs which are directly attributed to one specific classification (i.e. in this case, a single Owner-Member Cooperative ("owner-member") or contract customer). Expense associated with Steam Service is an example of the Direct Expense;
- Customer -- Costs which are a function of the number of customers served or delivery points (i.e., in this case, the owner-members) that do not vary significantly with the demand imposed on the system or the amount of energy consumed. Expense associated with metering at the delivery points is an example of a customer-related cost;
- Capacity -- Costs resulting from providing and maintaining in readiness for operation facilities required to meet the peak demand imposed on the system; and Energy -- Costs related to the amount of energy used.

Step 3 - Allocate the classified costs to the various rate classes. Generation and transmission ("G&T") cooperatives, such as EKPC, typically have only a single class of service, namely its owner-members. Accordingly, the three steps are often merged into a consolidated process for simplicity. However, EKPC offers optional rate structures to its owner-members for service to their large industrial customers. To facilitate evaluating and updating these rates the COS treats these optional rates as separate classes and allocates total revenue requirements based on appropriate criteria. The allocation process is discussed in more detail later in my direct testimony.

Q. Please describe the COS analysis that you prepared on behalf of EKPC.

A. The COS analysis I prepared in conjunction with this case is presented in Exhibit (RJM-2), and consists of the following schedules:

- Schedule A- Classification of Plant-in-Service;
- Schedule B - Classification of Payroll Expense;
- Schedule C - Classification of Accumulated Reserves for Depreciation;
- Schedule D - Classification of Rate Base;
- Schedule E - Classification of Revenue Requirements;
- Schedule F – Determination of Allocation Factors; and
- Schedule G – Allocation of Revenue Requirements.

Q. Please describe the plant, expense and revenue data used in the COS study.

A. The COS study is based on actual EKPC plant, expense and revenue data for the year 2019 adjusted for pro forma test year adjustments as presented by other EKPC witnesses. Further, the data has been adjusted to eliminate plant related and operating expenses recovered through EKPC's Environmental Surcharge (Rate ES) and expenses recovered via the Fuel Adjustment Clause (FAC) as included in EKPC's current KPSC tariff. The COS study reflects the remaining plant related and operating expenses which are recovered through EKPC's base rates.

Q. Please describe how you classified Plant-in-Service as shown in Exhibit (RJM-2), Schedule A.

A. First, consistent with normal COS methodology, I defined the relevant functional/classification categories as follows:

- Production Capacity-related;
- Production Energy-related;
- Production Steam Service;
- Transmission;
- Distribution substations; and
- Distribution metering.

The plant accounts, defined on the basis of the Federal Energy Regulatory Commission's ("FERC") *Uniform System of Accounts*, were classified in a manner consistent with National Association of Regulatory Utility Commissioners' ("NARUC") *Electric Utility Cost Allocation Manual* ("EUCAM"). In the case of production, it was necessary to allocate a portion of the Steam Plant investment associated with Spurlock Units 1 and 2 to the Steam Service category. (Steam Service is provided to Inland Steam out of Spurlock Units 1 and 2.) This was done on the basis of ratios of the equivalent capacity and energy requirements of Inland Steam to the total capacity and energy output of Spurlock Units 1 and 2. The remainder of the investment in production facilities was assigned to the Production-Capacity and Production-Energy categories based on the Average and Excess Demand ("AED") methodology. Stated simply, the AED methodology posits that the portion of the utility's production plant necessary to serve its average system load should be classified as Production Energy. In contrast, the primary alternative, the FERC or 12-CP method, would result in virtually 100% of Production plant being classified as

Production Capacity. Using the AED method results in approximately 44.8% of EKPC's Production plant being classified as Production Energy with the remaining 55.2% being classified as Production Capacity. While certainly not used exclusively, "energy weighting methods" such as the AED method have widespread use amongst electric generating utilities for purposes of Production plant classification. In conjunction with EKPC personnel, I have concluded that the AED method is appropriate for EKPC's COS and believe that it will 1) result in an equitable allocation of Production plant-related costs among EKPC's owner-members, 2) reflect the reality that EKPC's baseload production resources serve not only a capacity but also energy function, 3) result in proposed rates that provide a reasonable price-signal related to capacity costs, and 4) result in proposed rates that provide for a reasonable degree of continuity with present rates.

Q. Please explain how you functionalized/classified investment in transmission facilities.

A. In functionalizing and classifying transmission investment, based on data provided by EKPC, I identified the portion of transmission substation investment that was related to distribution substations and metering and assigned that to the appropriate Distribution category. Similar to Production Plant, a portion of account 353 was assigned to Steam Service on the basis of equivalent capacity requirements of Inland Steam to the total capacity and energy output of Spurlock Units 1 and 2. The remainder of the Transmission Plant investment (accounts 350 through 359), was classified as Transmission.

Q. Please explain how you functionalized/classified the investment in the distribution accounts, Accounts 360 to 373.

A. Based on data provided by EKPC, the total investment in substations and metering equipment included in accounts 360 and 362 was identified and assigned to the respective classification. Any remaining investment in these two accounts was allocated to all classifications based on labor expenses. Account 368, which consists primarily of capacitor banks and serve a transmission function, were assigned to Transmission.

Q. Please explain how you functionalized/classified investment in General Plant facilities.

A. General Plant serves an overhead function, for which there exists no direct correlation with the functional/classification categories. Therefore, it is customary to functionalize/classify this investment based on a labor expense allocator. The rationale for this approach is that General Plant is related to administration and equipping employees to perform their respective job functions.

Q. Please explain how you functionalized/classified labor expense.

A. The functionalization/classification of labor expense is provided in Schedule B. As shown, I chose to functionalize/classify labor expense in the same manner that the corresponding operation and maintenance ("O&M") expense was functionalized/classified. I will describe in more detail the methodology used to classify O&M expense later in my testimony.

Q. Please explained how you functionalized/classified Accumulated Reserves for Depreciation, as shown in Schedule C.

A. EKPC, like most G&T cooperatives, does not maintain Accumulated Reserves for Depreciation records by individual accounts corresponding to FERC defined plant accounts, but instead by functional category. Therefore, the first step was to allocate the amount recorded for each functional category to subaccounts corresponding to the plant accounts within that functional category. Second, the allocated Accumulated Reserves for Depreciation for each plant account were than allocated to each functional/ classification category on the same basis as the corresponding investment.

Q. Please explain how you functionalized/classified Rate Base shown in Schedule D.

A. The functionalization/classification of Plant-in-Service and Accumulated Reserves for Depreciation, presented in Exhibit (RJM-2), Schedules A and C, was described previously. Construction Work in Progress ("CWIP") was first broken down into appropriate categories, with the amounts in each category functionalized/classified in the same manner as the corresponding plant accounts. Similarly, Materials and Supplies ("M&S") were first broken down into relevant categories, and then functionalized/classified in the same manner as the corresponding plant accounts. Finally, working capital was determined using the customary 45 days (1/8) rule, and functionalized/classified in the same manner as the corresponding expense.

Q. Please explain how you functionalized/classified Revenue Requirements, as shown in Schedule E.

A. The first category of expenses to be functionalized/classified is Production Operations and Maintenance ("O&M") expense. After directly assigning Production O&M expenses related to providing steam service to the steam category, the remaining expenses were assigned based on the NARUC EUCAM, which assigns an expense account to either Production Capacity or Production Energy in a prescribed manner. This approach is intended to reflect the cost driver for the majority of the expense recorded in each account. Purchased Power expense was determined to be entirely related to energy purchases, and, thus, was assigned to the Production Energy category. Account 556, System Control and Dispatch was evaluated by EKPC staff and was functionalized/classified as Production Energy. Finally, Account 557, Other Expenses was determined to be roughly 50 percent capacity and 50 percent energy-related and was functionalized/classified accordingly.

Transmission and Distribution O&M expense was functionalized/classified, primarily based on the corresponding plant accounts. Customer Service and Information and Sales expense was deemed to be primarily associated with energy sales, and, thus, was assigned to the Production Energy category. Administrative and General ("A&G") expense was generally functionalized/classified based on the labor ratios developed in Schedule B.

Depreciation expense was functionalized/classified in accordance with the corresponding plant accounts. Amortization of Debt Expense and Discounts, Account 428, was functionalized/classified based on Total Rate Base.

Interest and Margin Requirements were functionalized/classified according to Rate Base, as shown in Schedule D.

Other Revenue and Non-Operating Income Credits were assigned based on an analysis of their respective sources. For example, revenue from off system sales (i.e., non-owner-member Sales) was determined to be energy sales and were assigned to the Production Energy component. Wheeling (i.e., transmission service) revenue was assigned to the Transmission category. Other Operating Revenue was directly assigned based on the source of the revenue, while Interest Income, Patronage Capital Allocations from Associated Organizations, Non-Operating, and Unbilled Revenues were assigned based on Rate Base.

Q. Please summarize the results of your Classification and Functionalization analysis.

A. The results of the analysis may be found on page 5 of Exhibit (RJM-2), Schedule E, and are summarized below:[1]

Function/Classification	Amount	Pct of Total
Production-Capacity	$ 172,575,237	37%
Production-Energy	$ 166,858,556	35%
Steam Service	$ 4,820,197	1%
Transmission	$ 105,007,730	22%
Distribution Substations	$ 19,197,972	4%
Distribution Metering	$ 2,444,085	1%
Total	$ 470,903,778	100%

Q. Please provide an overview of how these Classified and Functionalized Revenue Requirements were allocated to the rate classes for determination of proposed rates.

A. The allocation of EKPC's Revenue Requirements is shown in Exhibit RJM-2 on Schedules F and G. The first step of the allocation process is defining the rate classes. As noted previously, G&Ts often have only one rate class, i.e., its owner-members. However, G&T's may have optional rates for end-use customers that meet certain

[1] The cost of service study had been adjusted to exclude both the FAC and Environmental Surcharge Rider and so the results reflect the revenue requirement for base rates.

criteria, customers served pursuant to special contracts, and rate programs designed to encourage retail participation in demand side management ("DSM"), energy efficiency and similar programs. For EKPC, 4 rate classes for sales pursuant to contract and 3 classes for contract customers were established for purposes of the COS. These include:

- Rate B
- Rate C
- Rate E
- Rate G
- Contract
- Steam (Contract), and
- Rate TGP (Contract)

Any rates in EKPC's current tariff that were not in use during the test year 2019, e.g., Rate A, are not included. Rates and riders that are not based on average embedded cost methods such as Rate D - Interruptible Demand Credits, and the various DSM programs are not included. Any revenue impact resulting from these rates and riders is eliminated from the revenue requirements allocation purposes. They're added back for determination of total revenues under proposed rates so that they equal the total revenues proposed.

With the rate classes established, the next step is to establish the proper basis for allocating the revenue requirements. The following table summarizes the basis used for allocating each function/classification.

Function/Classification	**Allocation Basis**
Production-Capacity	Average and Excess kW Demand

Production-Energy	On-Peak, Off-Peak, and Total MWh Energy
Steam Service	Direct Assignment
Transmission	12 Month Average Coincident Peak kW Demand
Distribution Substations	Total Substations
Distribution Metering	Total Meters

Schedule F shows the determination of each of these allocators. The MW demand and MWh energy values are derived from EKPC's billing records and/or the underlying hourly load data for each rate class. On-peak and Off-peak energy periods are as defined in EKPC's current tariff. Note that Rates B and C include only sub-metered accounts that are served through substations where Rate E is the default applicable rate. Accordingly, related sub-station costs are allocated only to Rate E and not Rates B and C.

As previously discussed, Steam service is provided directly from EKPC's Spurlock Units 1 and 2 and, as a result, the cost of Steam service is based on a supplemental allocation of related costs. For Rate TGP (pipelines), EKPC delivers power purchased at market-based rates plus a fixed delivery (demand) charge. Accordingly, while both of these rates are included on Schedule F for informational purposes, they are not included in the calculation of the respective allocators used for allocation of revenue requirements to the individual rate classes.

Schedule G shows the allocation of EKPC's total revenue requirements as classified/functionalized on Schedule E (Line 210) using the appropriate allocator determined on Schedule F. Costs associated with Steam and Rate TGP are specifically assigned to these classes and remaining revenue requirements are allocated to Rates B, C, E, G and Contract. The total cost of service-based increase or decrease for each class is shown on Line 29. Line 30 shows the increase or decrease as a percentage of base rate revenues excluding FAC and ES related costs.

The split between On and Off-Peak Fuel and Purchased Power costs shown on Lines 11 and 12 is based on the average 2019 Local Market Price during the define On and Off-Peak hours per the tariff.

Beginning on Line 33, Schedule G provides average cost data per billing unit was used for guidance in developing EKPC's proposed rates.

PART III DIRECT TESTIMONY

RATE DESIGN STUDY

Q. What is the overall revenue request and how was it established?

A. The revenue requested by EKPC is approximately $868,000,000. This represents a revenue increase of $42,990,177.[2] It should be noted that this is less than the full revenue requirements developed and included in Mr. Isaac Scott's testimony and that which was allocated in the COS presented in my testimony and exhibits attached.

Q. Did you also prepare rate design to implement the $43,000,000 rate increase requested by EKPC?

A. Yes, I did. This has been provided in Exhibit (RJM-3) to my direct testimony.

Q. Are you recommending that the Commission adopt the results of you COS previously described as the sole basis for establishing EKPC's rate design and revenue allocations?

A. No, not directly. While I recommend that the Commission adopt the results of the COS as an important factor in the design of EKPC's rates, I am not recommending

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[2] The targeted base rate increase was $43,000,000 but, due to rounding this was not exactly achieved and the resulting $42,990,177 was deemed appropriate.

that the COS should be the <u>only</u> factor used by the Commission in setting EKPC's rates. Instead, as I will elaborate upon, there are other generally accepted rate design principles that guide my recommendations and ultimately EKPC, and its Board of Directors when establishing its rate design. I believe that these same principles are appropriate for the Commission to consider when approving rate design to implement the rate increase request.

Q. What objectives have you considered in developing the proposed rates?

A. There are many legitimate objectives that influence the design of rates. In my experience, some of the more important ones concerning wholesale rates are as follows:

1. The proposed rates must produce adequate revenue.
2. The proposed rates should reflect the cost of providing service. To the extent possible, no class or subclass should subsidize or be subsidized by another.
3. The rate schedules should be simple and concise to facilitate acceptance and administration.
4. Abrupt departures from historical rate practices and billing levels should be avoided if possible.
5. The rate structure should be explainable.
6. The rates should promote the efficient use of energy and capacity.

It is generally not possible to fully accomplish all the above objectives simultaneously in developing rates. Compromises based on judgment reflecting the policy of the utility must be made.

In developing the rate design recommendation contained herein, I employed my experience gained from conducting many other studies, combined with discussions with EKPC staff, its owner-members, and its Board of Directors to appropriately balance the previously stated objectives. The result is a rate design proposal that recovers the total revenue increase being requested and has been approved by the EKPC Board of Directors.

Q. Please explain your recommended rate increase.

A. The rate increase reflected in the rate design proposal is $42,990,177. This represents an approximate 5.2 percent increase over present rate levels. Exhibit (RJM-3) contains supporting information for the rate design proposal. The breakdown by rate class is shown in the following table.

Table 3: Summary of Proposed Rate Change by Rate Schedule

Line No.	Description	Present Rates Amount	Proposed Rates Amount	Proposed Rates Increase	As Percent
1		$	$	$	
2	**Totals Revenues by Rate**				
3	Rate B	59,815,719	62,102,004	2,286,285	3.8%
4	Rate C	17,153,311	17,968,058	814,747	4.7%
5	Rate E	664,081,280	699,007,015	34,925,736	5.3%
6	Rate G	25,516,274	26,840,240	1,323,966	5.2%
7	Contract	42,471,101	45,852,655	3,381,554	8.0%
8	Steam	10,716,264	10,974,152	257,888	2.4%
9	Rate TGP	6,349,849	6,349,849	-	0.0%
10	**Sub-Total Revenues**	826,103,797	869,093,973	42,990,177	5.2%
11	Rate H	49,170	49,170	-	0.0%
12	DSM Riders	(1,109,853)	(1,109,853)	-	0.0%
13	**Total Revenues**	825,043,114	868,033,290	42,990,177	5.2%

Q. How did you establish the allocation of the increase between the EKPC rate schedule.

A. The COS analysis played an important role in establishing the targeted increase for each schedule; however, other rate design objectives were also considered. After consultation with EKPC the following general guidelines in distributing the requisite rate increase to the various retail rate schedules:

1. Rate Schedules should generally be increased in relation to their performance relative to allocated cost as determined by the COS.
2. No rate schedule should increase more than 8.0 percent which represents about 1.5x's the system average.
3. Steam Service will be a direct pass through of the cost of service results
4. The TGP Rate is per contract and will not change due to the nature of this service being priced utilizing a formula that is tied to market prices.
5. Within the above limitations, Rate E will be used to "true-up" to the total rate increase requested.

Q. Within each rate class what principles were employed to establish the various rate components such as demand rates and energy rates?

A. Principals of cost causation and gradualism played significant roles in the design of the rate schedule components. Specifically, the COS indicates that EKPC's demand rates are low relative to the demand costs and energy rates are high relative to its energy costs. Fully implementing these COS results would have been an abrupt change that impacted the EKPC owner-members bills and the owner-member retail cost of service study significantly, causing greater disparity in both cases. Therefore, while it was not possible to exactly align rates with the costs – due to a preference for gradualism – the proposed rate design generally increased demand rates more than energy rates. For example, Rate E which is the main rate schedule that the owner-members purchase under for the majority of their retail member consumers is proposed to experience a 9 percent increase in the demand rate and only a 4.5 percent increase in energy. For this rate (Rate E), Rate C, and Contract this is the proposed approach, i.e. an approximate 2:1 ratio of the increase between the demand and energy rates. In my opinion this strikes a reasonable balance between pursuing the COS results while keeping the principle of gradualism in mind in terms of bill impacts and cost structure changes for the member-owners**.**

Q. Rate Schedule E has both an Option 1 and Option 2. Are both options being used and how did you establish rates for each option?

A. Currently, all EKPC owner-members purchase under Option 2 for Rate E. The difference between Option 1 and 2 for Rate E is that Option 1 has a higher demand rate and lower energy rate than Option 2. Although Option 1 is not currently being used, the rate was still developed in order to continue providing the options and yet ensure that it would produce adequate revenue should it be used by any owner-member. To achieve this the first step was to apply the present Option 1 versus Option 2 demand rate differential to the proposed Option 2 demand rate. This means that the Option 2 demand rate increases from $7.99 to $8.37 per kW and maintains its present "adder" over the Option 1 demand rates; both present and proposed. Next, a calculation was made to apply both Rate E options to all owner-members. The final step was to establish an energy rate for Option 2 that ensured that 1) the present on-peak to off-peak rate differential remained intact, and 2) would not produce less revenue from any owner-member. The last step was the essential one to ensure that, regardless of the Rate E option selected by an owner-member, EKPC's proposed revenue would not decrease and leave a shortfall. Because the selection of the Rate E option is at the discretion of the owner-member, i.e. EKPC cannot determine or even predict which option is selected, this approach neither harms the owner-member nor results in revenue erosion to EKPC.

Q. Did you also evaluate EKPC's Economic Development Rider?

A. Yes, I did. I recommend that the Economic Development Rider ("EDR") be continued under its current design.

Q. Please explain.

A. EKPC's EDR provides a discount against the standard demand charges. The demand charge discount starts at 50% in Year 1, steps down to 40% in Year 2, and continues to step down by 10% each year until, in year 6, there is no discount. Since the EDR customer pays all the other charges the same as if they didn't qualify for the EDR, the evaluation of the EDR only needs to focus on the result of applying the credit against the standard demand charges.

There are two customers being served under EKPC's Rate B that were receiving the EDR during the Test Year. One customer was in the fourth of five years at the end of the Test Year and was receiving a 20% discount and the other was in year three of five years at the end of the Test Year and was receiving a 30% discount. Again, the discount is only applied against the demand charges. The table below summarizes the annual billings and EDR discount provided to each customer.[3]

[3] For purposes of these figures, the EDR discount percentage applicable at the end of the Test Year was annualized for the entire Test Year. It therefore may not exactly align with the actual EDR discounts provided during the Test Year.

Table 2: Summary of Test Year Billings - EDR Customers								
EDR at 20% Demand Charge Discount								
EDR Customer 1	**Before EDR**		**EDR**		**After EDR**		**EDR %**	
Present Rates	$	201,899	$	(9,522)	$	192,377	-4.7%	
Proposed Rates	$	209,337	$	(9,943)	$	199,394	-4.7%	
EDR at 30% Demand Charge Discount								
EDR Customer 2	**Before EDR**		**EDR**		**After EDR**		**EDR %**	
Present Rates	$	183,371	$	(14,197)	$	169,175	-7.7%	
Proposed Rates	$	190,537	$	(14,830)	$	175,707	-7.8%	

As can be observed in the above table, the amount of the EDR discount is equal to an approximate 5% and 8% decrease in annual bill for the two customers. This percent discount will decrease to 0% in 2021 for one customer and 2022 for the other.

To evaluate the EDR discount to the demand charges, I evaluated the resulting Rate B demand rate after the EDR discount versus the PJM Reliability Pricing Model (RMP) capacity auction results, which I use as indicative of EKCP's marginal cost of capacity.[4] I find that, after the EDR discounts, the proposed Rate B demand rates are expected to recover EKPC's marginal cost of capacity. Below is a table comparing the Rate B demand rate under each level of the EDR to the marginal capacity costs.

[4] PJM Base Residual Auction (BRA) Resource Clearing Prices, System Marginal Price which reflects the clearing price for Capacity Performance Resources in an unconstrained area.

Table 3: EDR Demand Rate vs. Marginal Cost				
Year	Discount	Proposed Rate B NET Demand Rate	PJM BRA Delivery Years 2020/2021	2019/2020
		($/kW-mo.)	($/kW-mo.)	($/kW-mo.)
Year 1	50%	$ 3.75	$ 2.33	$ 3.04
Year 2	40%	$ 4.49	$ 2.33	$ 3.04
Year 3	30%	$ 5.24	$ 2.33	$ 3.04
Year 4	20%	$ 5.99	$ 2.33	$ 3.04
Year 5	10%	$ 6.74	$ 2.33	$ 3.04
Year 6	0%	$ 7.49	$ 2.33	$ 3.04

On this basis, I conclude that the EDR demand charge discount schedule continues to be supported by an analysis of marginal capacity costs such that a load qualifying for the discount will likely pay something in excess of EKPC's marginal costs which should provide a positive contribution margin towards fixed costs for the benefit of EKPC's system.[5]

Q. What is your recommendation to the Commission?

A. I recommend that the Commission find that the COS provides an equitable allocation of EKPC's revenue requirement and that the proposed rate change and rate design by rate schedule be approved as just and reasonable based upon the evidence presented by EKPC.

Does that conclude your testimony?

A. Yes.

[5] I use the term "likely" because future results of PJM BRA prices is unknown – however from the two year history included, there is over a 20% cushion between the resulting EDR demand rates and the marginal capacity cost history.

Power System Engineering, Inc. Full Service Consultants

RICHARD J. MACKE *Curriculum Vitae*

VICE PRESIDENT, ECONOMICS, RATES, AND BUSINESS PLANNING

SUMMARY OF EXPERIENCE AND EXPERTISE

- Over 23 years of experience in electric utility consulting.
- Specialized expertise in financial advisement with particular emphasis on: cost of service analyses, wholesale and retail rate design, strategic planning, mergers and acquisitions, and financial modeling.
- Frequent speaker at industry events and utility board, commission, and staff meetings.
- Expert witness in regulatory cases concerning rates and distributed generation policies.

PROFESSIONAL EXPERIENCE

Power System Engineering, Inc. - Minneapolis, MN (1999-present)

Vice President, Economics, Rates, and Business Planning (June 2011-present)
Vice President, Rates and Financial Planning (July 2010-May 2011)
Various Other Positions (1999-June 2010)

As Vice President of the Economics, Rates, and Business Planning Department at PSE, responsibilities include managing the firm's economic and rate practice areas and providing senior level consulting services to clients in the areas of cost of service, rate design, financial planning and forecasting, merger and acquisition analysis, and support. Additional responsibilities include strategic planning, litigation support, expert witness, regulatory compliance, capital expenditure, and operational assessments and advisement.

Energy & Resource Consulting Group, LLC - Denver, CO (1998-1999)

Senior Analyst

Senior Analyst for financial, engineering, and management consulting firm. Performed consulting services related to electric, gas, and water rate studies. Part of the Financial and Engineering Advisor Team contracted to the City Council of the City of New Orleans, LA to assist in various electric and gas utility matters. Provided expert testimony and participated in various regulatory proceedings involving the City Council, the Public Utilities Commission of Texas, and the Public Utilities Commission of Nevada. Provided general financial, management, and public policy support to clients.

Power System Engineering, Inc. - Blaine, MN (1996-1998)

Financial Analyst

Financial Analyst in Utility Planning and Rates Division. Emphasis on retail rate studies, including revenue requirements, and bundled/unbundled cost of service studies. Provided analysis used to support testimony, mergers and acquisitions cases, and financial forecasting.

RICHARD J. MACKE *Curriculum Vitae*

EDUCATION

University of Minnesota, Minneapolis, MN
Masters of Business Administration, 2007
Bethel University, St. Paul, MN
Bachelor of Arts Degree in Business, Minor in Economics, 1996

PRESENTATIONS AND PUBLICATIONS

Presentations at Industry Meetings

Topic	Organization	Conference	Location	Date
Rate Design Virtual Workshop	Ohio's Electric Cooperatives	2020 Virtual Rate Design Workshop	Virtual	12/2020
Rate and Cost of Service Workshop	Sangre De Cristo Electric Association	2020 Workshop	Buena Vista, CO	6/2020
The Rates of Change – Ratemaking Options for a Changing Industry	East River Electric	2020 Energize Forum	Sioux Falls, SD	2/2020
Electric Service in Annexed Areas Legislative	South Dakota Rural Electric Association	Oral Testimony to the Legislative Interim Study Committee	Pierre, SD	8/2019
Trends in Rate Design - Panel	Minnesota Rural Electric Association	2019 Energy Issues Summit	St. Cloud, MN	7/2019
Electric Vehicle Development and Rate Trends	Iowa Association of Electric Cooperatives	2019 Accountants Conference	Des Moines, IA	5/2019
Electric Vehicle Development and Rate Trends	Iowa Association of Electric Cooperatives	2019 CEO Conference	Des Moines, IA	4/2019
Cost of Service and Rate Design Seminar	PSE/Minnesota Rural Electric Association	Spring 2018 Seminar	Bloomington, MN	4/2018
Cost of Service and Rate Design Seminar	PSE/Kansas Electric Cooperatives	Fall 2017 Seminar	Salina, KS	10/2017
Evolving Rate Structures	Wisconsin Electric Cooperative Assoc.	Fall Manager's Meeting	Wisconsin Dells, WI	10/2017
Rate Design and Cost of Service Seminar	PSE/KEC	Fall 2017 Seminar	Salina, KS	10/2017
Cost of Service: Transforming Theory into Reality	APPA	Business and Finance Conference	Nashville, TN	9/2017
The Case for Peak-Time Rebate (PTR) Programs	EUCI	Residential Demand Charges Conference	Charleston, SC	7/2017
Power Cost Adjustment (PCA)	Iowa Association of Electric Cooperatives	Managers and Board President's Summer Conference	Okoboji, IA	7/2017
Distributed Generation Rate Design	Kansas Rural Electric Cooperatives	Manager's Association Spring Meeting	Wichita, KS	6/2017
NEM Policy Update and DG Rate Design	Kansas Electric Cooperatives, Inc.	Regulatory Review and Tax Committee	Salina, KS	3/2017
Rate Impact of Net Metering	Generation and Transmission Finance and Accountants Assoc.	G&T Finance and Accounting Conference	Charleston, SC	6/2016
Net Metering and Fixed Cost Recovery	Iowa Association of	Manager's Spring	Des Moines, IA	4/2016

	Electric Cooperatives	Conference		
Net Metering Deep Dive	Minnesota Rural Electric Assoc.	Annual Meeting	St. Paul, MN	3/2016
Retail Rate Design and Industry Update	Association of Missouri Electric Cooperatives	Manager's Fall Conference	Branson, MO	9/2015
Rate Design and Cost of Service Seminar	Power System Engineering, Inc.	Fall 2015 Seminar	Lexington, KY	9/2015
Distributed Generation WI Survey Results	Dairyland Power Cooperative	Solar Workshop	Plover, WI	9/2015
Consumer-Owned Generation	Hoosier Energy	2015 Board Strategic Issues Forum	French Lick, IN	8/2015
Retail Rate Design and DG	National Rural Electric Cooperative Assoc.	CEO Close-Up Conference	St. Petersburg, FL	1/2015
Evolution of Retail Rate Design	National Rural Electric Cooperative Assoc.	NRECA Issues Summit	Indianapolis, IN	10/2014
Net Metering and Retail Rate Design	Kansas Electric Cooperatives	Accountant's Meeting	Wichita, KS	10/2014
DG Rate Considerations	Wisconsin Electric Cooperative Assoc.	Emerging Energy Issues Summit	Wisconsin	8/2014
Rate Design and Cost of Service Seminar	Power System Engineering, Inc.	Spring 2014 Seminar	Indianapolis, IN	5/2014
Rate Trends and Facilities Charges	South Dakota Rural Electric Assoc.	Accountant's Fall Conference	Mitchell, SD	10/2013
Rate Design and Cost of Service Seminar	Power System Engineering, Inc.	Fall 2013 Seminar	Bloomington, MN	10/2013
Tackling New Trends in Rates and Facilities Charges	Rural Electric Managers Assoc.	Fall Financial Manager's Conf.	Duluth, MN	8/2013
Dynamic Pricing	National Rural Electric Cooperative Assoc.	Accounting, Finance and Tax Meeting	New Orleans, LA	7/2013
Rate Trends	Wisconsin Electric Cooperative Assoc.	Manager's Meeting	Warrens, WI	7/2013
Standby Rates	Iowa Association of Electric Cooperatives	Manager's Spring Conference	Des Moines, IA	4/2013

Publications

Macke, Richard; Butz, Thomas; and Sonju, Erik. "Distributed Energy Resources: Trends and Impacts on G&Ts and Their Member Cooperatives." National Rural Electric Association, July 2019.

Macke, Richard and Butz, Thomas. "The Value of Distributed Solar Generation." National Rural Electric Association, 2016.

Mbiad, Garry and Macke, Richard. "Cooperative Rate Structures - Seven Case Studies." National Rural Electric Association, 2016.

Macke, Richard. "Survey: Electric Cooperative Fixed Cost Recovery." Power System Engineering, Inc., 2014.

Mbiad, Garry and Macke, Richard. "NRECA Cooperative Solar Case Studies." National Rural Electric Association, 2014.

Macke, Richard. "G&T DER Whitepaper." Power System Engineering, Inc., 2013.

Macke, Richard, Fenrick, Steve, and Getachew, Lullit. "Performance Based Regulation for Electric and Gas Distributors." Power System Engineering, Inc., 2011.

EXPERT TESTIMONY

Case or Jurisdiction	Docket No.	Description
Kansas	18-WSEE-328-RTS	In the Matter of the Joint Application of Westar Energy, Inc. and Kansas Gas and Electric Company for Approval to Make Certain Changes in their Charges for Electric Service. Filed comments, testimony at testified at hearing after Supreme Court remanded the case back to the KCC.
Kansas	20-SPEE-169-RTS	In the Matter of the Application of Southern Pioneer Electric Company for Approval to Make Certain Changes in its Charges for Electric Service. As part of the filing, Southern Pioneer proposes to implement a 3-year Rate Plan, including increasing its Customer Charge for certain rate classes, institute a Grid Access Charge for its DG customers, and update its LED lighting rates.
Kansas	19-SPEE-240-MIS	In the Matter of Southern Pioneer Electric Company's Application for Approval of the Continuation of its Debt Service Coverage and 34.5 kV Formula Based Ratemaking Plans.
Kansas	18-SPEE-477-RTS	Southern Pioneer Electric Company, Annual Filing for approval to make certain changes to its charges for electric services, pursuant to the Debt Service Coverage Formula Based Ratemaking Plan approved in Docket No. 13-MKEE-452-MIS and 34.5kV Formula Based Ratemaking Plan approved in Docket No. 16-MKEE-023-TAR. Testimony filed on behalf of Southern Pioneer.
Kansas	16-GIME-403-GIE	Kansas Electric Cooperatives and Southern Pioneer Electric Company, in the matter of the General Investigation to Examine Issues Surrounding Rate Design for Distributed Generation Customers. Testimony filed in support of Stipulation and Agreement on behalf of both entities.
Kansas	16-PLCE-490-TAR	Prairie Land Electric Cooperative, Inc., application for approval to update its Local Access Delivery Service Tariff pursuant to the 34.5kV Formula Based Rate Plan approved in Docket No. 16-MKEE-023-TAR. Testimony filed on behalf of Prairie Land.
Kansas	16-SPEE-501-TAR	Southern Pioneer Electric Company, Annual Filing for approval to make certain changes to its charges for electric services pursuant to the 34.5kV Formula Based Rate Plan approved in Docket No. 16-MKEE-023-TAR. Testimony filed on behalf of Southern Pioneer.
Kansas	16-VICE-494-TAR	The Victory Electric Cooperative Association, Inc., application for approval to update its Local Access Delivery Service Tariff pursuant to the 34.5kV Formula Based Rate Plan approved in Docket No. 16-MKEE-023-TAR. Testimony filed on behalf of Victory.

Kansas	16-WSTE-496-TAR	Western Cooperative Electric Association, Inc., application for approval to update its Local Access Delivery Service Tariff pursuant to the 34.5kV Formula Based Rate Plan approved in Docket No. 16-MKEE-023-TAR. Testimony filed on behalf of Western.
Kansas	16-MKEE-023-TAR	Mid-Kansas Electric Company, application for approval of individual 34.5kV formula-based rates. Testimony filed on behalf of Mid-Kansas, Southern Pioneer, Victory, and Western.
Kansas	15-SPEE-519-RTS	Southern Pioneer Electric Company, Annual Filing for approval to make certain changes to its charges for electric services, pursuant to the Debt Service Coverage Formula Based Ratemaking Plan approved in Docket No. 13-MKEE-452-MIS. Testimony filed on behalf of Southern Pioneer.
Kansas	15-SPEE-161-RTS	Southern Pioneer Electric Company, application for approval to make certain changes to its Local Access Charge Rate. Testimony filed on behalf of Southern Pioneer.
Kansas	14-SPEE-507-RTS	Southern Pioneer Electric Company, Annual Filing for approval to make certain changes to its charges for electric services pursuant to the Debt Service Coverage Formula Based Ratemaking Plan Approved in Docket No. 13-MKEE-452-MIS. Testimony filed on behalf of Southern Pioneer.
Kansas	13-MKEE-452-MIS	Mid-Kansas Electric Company, LLC, application for approval of a Debt Service Coverage Ratemaking Pilot Plan. Testimony filed on behalf of its member-owner, Southern Pioneer Electric Company.
Kansas	11-MKEE-380-RTS	Mid-Kansas Electric Company, LLC, application for revised rates, tariffs, and rate design changes. Testimony filed on behalf of its member-owner, Southern Pioneer Electric Company.
Kansas	11-MKEE-491-RTS	Mid-Kansas Electric Company, LLC, application for revised rates, tariffs, and rate design changes. Testimony filed on behalf of its member-owner, Western Cooperative Electric Assn., Inc.
Kansas	11-MKEE-439-RTS	Mid-Kansas Electric Company, LLC, application for revised rates, tariffs, and rate design changes. Testimony filed on behalf of its member-owner, Wheatland Electric Cooperative, Inc.
Kansas	09-MKEE-969-RTS	Mid-Kansas Electric Company, LLC, application for approval to make certain changes in the charges for electric services. Testimony filed on behalf of Mid-Kansas and its member-owners: Lane-Scott Electric Cooperative, Inc.; Prairie Land Electric Cooperative, Inc.; Southern Pioneer Electric Company; Victory Electric Cooperative Association, Inc.; Western Cooperative Electric Association, Inc.; and Wheatland Electric Cooperative, Inc.
Kansas	09-PNRE-563-RTS	Pioneer Electric Cooperative, Inc., application to increase rates. Testimony filed on behalf of Pioneer.
Kansas	09-WHLE-681-RTS	Wheatland Electric Cooperative, Inc., application to increase rates. Testimony filed on behalf of Wheatland.
Kentucky	2018-00129	Inter-County Energy, Application for Revised Rates, Tariffs, and Rate Design Changes

Kentucky	2016-00365	Farmers Rural Electric Cooperative Corporation, application for matter of adjustment of rates. Testimony filed on behalf of Farmers.
Maryland	S.B. 771	Oral Testimony before Maryland State Senate in support of Senate Bill 771.
Maryland	H.B. 996	Oral Testimony before Maryland House of Delegates in support of House Bill 996.
Minnesota	16-512	Oral Testimony provided on behalf of the Minnesota Rural Electric Association: In the Matter of a Commission Investigation into Fees Charged to Qualifying Facilities by Cooperative Electric Associations under the2015 Amendments to Minn. Stat. § 216B.164,Subd. 3
Minnesota	E-111/GR-03-261	Dakota Electric Association, application to increase rates. Testimony filed on behalf of Dakota.
South Carolina	2014-246-E	Testimony in support of the Settlement Agreement submitted by the parties to the Commission as the generic net metering methodology required by S.C. Code §58-40- 20(F)(4) of Act 236 on behalf of Central Electric Power Cooperative, Inc. and the Electric Cooperatives of South Carolina.
South Dakota	Regarding Senate Bill 66	South Dakota Legislative Interim Study Committee - Electric Services in an Annexed Area. Presented oral testimony to the Legislative Committee at August 28, 2019 meeting. Testimony on behalf of South Dakota Rural Electric Association.
Texas	2150	North Star Steel, appropriateness of settlement rates being charged by Entergy Gulf States, Inc. Testimony filed on behalf of North Star Steel before the Public Utilities Commission of Texas.

East Kentucky Power Cooperative, Inc.
Classification of Plant in Service Excluding Environmental Surcharge Costs
TY 2019 - Pro Forma - Excludes ES and FAC

(a) Line No.	(b) Acct. No.	(c) Description	(d) Allocation Factor	(e) Pro Forma Test Year[1]	(f) Production Capacity	(g) Production Energy	(h) Production Steam Direct	(i) Transm.	(j) Distribution Substations	(k) Distribution Meters	(l) Comments
1				($)	($)	($)	($)	($)	($)	($)	
2		**Intangible Plant**									
3	301	Organization	LABOR	5,040	2,186	1,584	61	1,023	119	66	
4	302	Franchises	LABOR	-	-	-	-	-	-	-	
5	303	Misc. Intang. Plant	TRANS	2,330,311				2,330,311			2
6		Subtotal - Intangible Plant		2,335,351	2,186	1,584	61	2,331,334	119	66	
7											
8		**Production Plant**									
9		**Steam**									
10	310	Land & Land Rights	See Note	10,123,919	5,442,173	4,417,696	264,051				3
11	311	Struct. & Improve.	See Note	294,492,048	159,893,898	129,794,228	4,803,922				3
12	312	Boiler Plant Equip.	See Note	787,574,876	423,930,805	344,126,777	19,517,295				3
13	313	Engines & Gen.	See Note	-	-	-	-				3
14	314	Turbogenerator Units	See Note	253,537,267	139,940,364	113,596,903	-				3
15	315	Access. Elec. Equip.	See Note	68,280,062	37,175,550	30,177,335	927,177				3
16	316	Misc. Plant Equipment	See Note	12,027,681	6,572,629	5,335,346	119,706				3
17	317	Asset Retirement	See Note	52,983,580	28,760,235	23,346,185	877,160				
18		Subtotal		1,479,019,434	801,715,653	650,794,469	26,509,311	-	-	-	
19		**Nuclear**									
20	320	Land & Land Rights		-							
21	321	Struct. & Improve.		-							
22	322	Reactor Plant Equip.		-							
23	323	Turbogenerator Units		-							
24	324	Access. Elec. Equip.		-							
25	325	Misc. Plant Equipment		-							
26		Subtotal		-	-	-	-	-	-	-	
27		**Hydraulic**									
28	330	Land & Land Rights		-							
29	331	Struct. & Improve.		-							
30	332	Rsrvr Dams & Strwys		-							
31	333	Wheels Turb. & Gen.		-							
32	334	Accessory Electrical Equip.		-							
33	335	Misc. Plant Equipment		-							
34	336	Rds RR & Bridges		-							
35		Subtotal		-	-	-	-	-	-	-	
36		**Other**									
37	340	Land & Land Rights	PROD_CAP	5,964,036	3,291,861	2,672,175	-	-	-	-	
38	341	Struct. & Improve.	PROD_CAP	52,871,798	29,182,687	23,689,111	-	-	-	-	
39	342	Prod. & Access.	PROD_CAP	20,033,575	11,057,569	8,976,006	-	-	-	-	
40	343	Prime Movers	PROD_CAP	406,211,866	224,209,392	182,002,474	-	-	-	-	
41	344	Generators	PROD_CAP	103,150,557	56,934,141	46,216,416	-	-	-	-	
42	345	Access. Elec. Equip.	PROD_CAP	38,288,056	21,133,163	17,154,892	-	-	-	-	
43	346	Misc. Plant Equip.	PROD_CAP	15,990,208	8,825,825	7,164,383	-	-	-	-	
44		Subtotal		642,510,096	354,634,638	287,875,458	-	-	-	-	
45		Subtotal--Production		2,121,529,530	1,156,350,291	938,669,928	26,509,311	-	-	-	

1 Plant-in-Service as of December 31, 2019, excluding plant completed but not yet classified.

2 Intangible plant related to transmission interconnections with other utilities.

3 Investment in Steam Plant facilities has been assigned first directly to Inland Steam Service with the remainder allocated to Capacity and Energy based on Line 101.

East Kentucky Power Cooperative, Inc.
Classification of Plant in Service Excluding Environmental Surcharge Costs
TY 2019 - Pro Forma - Excludes ES and FAC
(Continued)

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Line	Acct.		Allocation	Pro Forma	Production				Distribution	Distribution	
No.	No.	Description	Factor	Test Year [1]	Capacity	Energy	Steam Direct	Transm.	Substations	Meters	Comments
46		**Transmission**		($)	($)	($)	($)	($)	($)	($)	
47	350	Land & Land Rights	See Note	60,408,008				60,408,008	-	-	
48	352	Struct. & Improve.	TRANS_PLNT	-				-			
49	353	Station Equip.	See Note	268,903,393	-		877,160	238,698,198	29,328,035		4
50	353	Station Equip.--Distribution Meters	DIST_METERS	626,666						626,666	
51	354	Towers & Fixtures	TRANS_PLNT	3,853,521				3,853,521			
52	355	Poles & Fixtures	TRANS_PLNT	150,851,436				150,851,436			
53	356	OH Cond. & Devices	TRANS_PLNT	132,608,503				132,608,503			
54	357	UG Conduit	TRANS_PLNT	-				-			
55	358	UG Cond. & Devices	TRANS_PLNT	-				-			
56	359	Roads & Trails	TRANS_PLNT	23,288				23,288			
57		Subtotal - Transmission		617,274,815	-	-	877,160	586,442,954	29,328,035	626,666	
58											
59		**Distribution**									
60	360	Land & Land Rights	See Note	10,063,490	98,401	71,296	-	46,061	9,844,751	2,981	5
61	361	Struct. & Improve.		-							
62	362	Station Equip.	See Note	218,326,578	8,549,562	6,194,561	-	4,002,030	196,309,152	3,271,273	5
63	363	Stor. Battery Equip.		-							
64	364	Poles Tower & Fix.		-							
65	365	OH Cond. & Devices		-							
66	366	UG Conduit		-							
67	367	UG Cond. & Devices		-							
68	368	Line Transformers	See Note	1,985,006				1,985,006			6
69	369	Services		-							
70	370	Meters		-						-	
71	371	Install on Cust. Ld		-							
72	372	Leased Ld from Cust.		-							
73	373	Street Light & Signal		-							
74		Subtotal - Distribution		230,375,075	8,647,963	6,265,857	-	6,033,097	206,153,904	3,274,254	
75		Subtotal - Prod, Trans, Dist Plant		2,969,179,420	1,164,998,254	944,935,785	27,386,472	592,476,051	235,481,938	3,900,920	
76											
77		**General**									
78	389	Land & Land Rights	LABOR	1,835,603	796,223	576,901	22,316	372,710	43,330	24,122	
79	390	Struct. & Improve.	LABOR	17,176,820	7,450,729	5,398,404	208,823	3,487,669	405,469	225,727	
80	391	Off. Furn. & Equip.	LABOR	28,195,510	12,230,267	8,861,405	342,779	5,724,959	665,571	370,528	
81	392	Transp. Equip.	LABOR	17,294,890	7,501,943	5,435,512	210,258	3,511,642	408,256	227,279	
82	393	Stores Equip.	LABOR	132,973	57,679	41,791	1,617	27,000	3,139	1,747	
83	394	Shop & Garage Equip.	LABOR	2,313,150	1,003,367	726,987	28,121	469,674	54,603	30,398	
84	395	Lab Equip.	LABOR	5,311,176	2,303,810	1,669,219	64,569	1,078,408	125,373	69,796	
85	396	Power Op. Equip.	LABOR	20,685,598	8,972,719	6,501,158	251,480	4,200,109	488,295	271,838	
86	397	Communication Equip.	LABOR	42,013,301	18,223,961	13,204,119	510,765	8,530,593	991,748	552,113	
87	398	Misc. Equip.	LABOR	2,428,473	1,053,390	763,231	29,524	493,089	57,325	31,914	
88	399	Other Tangible Prop.	LABOR	-	-	-	-	-	-	-	
89		Subtotal-General Plant		137,387,494	59,594,089	43,178,728	1,670,251	27,895,853	3,243,111	1,805,463	
90											
91		Grand Total		3,108,902,266	1,224,594,529	988,116,097	29,056,784	622,703,238	238,725,168	5,706,450	
92											

[4] Includes 1) direct assigned amount associated with Distribution Substations serving Members, 2) an amount allocated to Steam Service, and 3) the remainder to Transmission.

[5] Direct assign the investment in Distribution Substations that serve as delivery points to the Members and Meters. Assign any residual investment on the basis of LABOR2.

[6] Investment in capacitor banks installed in distribution substations. This serves a transmission function.

East Kentucky Power Cooperative, Inc.
Classification of Plant in Service Excluding Environmental Surcharge Costs
TY 2019 - Pro Forma - Excludes ES and FAC
(continued)

(a) Line No.	(b) Acct. No.	(c) Description	(d) Allocation Factor	(e) Pro Forma Test Year [1]	(f) Production Capacity ($)	(g) Production Energy ($)	(h) Production Steam Direct ($)	(i) Transm. ($)	(j) Distribution Substations ($)	(k) Distribution Meters ($)	(l) Comments
93											
94		**Allocation Factors Based on Plant**									
95	301-303	Intangible Plant		2,335,351	2,186	1,584	61	2,331,334	119	66	L6
96			INTG_PLNT	1.000000	0.000936	0.000678	0.000026	0.998280	0.000051	0.000028	
97											
98	310-316	Production Plant--Steam		1,479,019,434	801,715,653	650,794,469	26,509,311	-	-	-	L18
99			PROD_STM_PLNT	1.000000	0.542059	0.440018	0.017924	-	-	-	
100											
101		Average and Excess	PROD_CAP	1.000000	0.551952	0.448048					
102											
103	340-346	Production Plant--Other		642,510,096	354,634,638	287,875,458	-	-	-	-	L44
104			PROD_OTH_PLNT	1.000000	0.551952	0.448048					
105											
106	301-346	Total Production Plant		2,121,529,530	1,156,350,291	938,669,928	26,509,311	-	-	-	L45
107			PROD_PLNT	1.000000	0.545055	0.442450	0.012495	0.000000	0.000000	0.000000	
108											
109	353	Transmission Stations		329,311,401	-	-	877,160	299,106,206	29,328,035	-	Sum(L47:L49)
110			TRANS_STA	1.000000	0.000000	0.000000	0.002664	0.908278	0.089059	0.000000	
111											
112	354-358	Transmission Lines		287,336,748	-	-	-	287,336,748	-	-	Sum(L51:L56)
113			TRANS_LINES	1.000000	0.000000	0.000000	0.000000	1.000000	0.000000	0.000000	
114											
115	350-359	Total Transmission Plant		617,274,815	-	-	877,160	586,442,954	29,328,035	626,666	L57
116			TRANS_PLNT	1.000000	0.000000	0.000000	0.001421	0.950052	0.047512	0.001015	
117											
118	360-373	Distribution Plant		230,375,075	8,647,963	6,265,857	-	6,033,097	206,153,904	3,274,254	L74
119			DIST_PLNT	1.000000	0.037539	0.027199	0.000000	0.026188	0.894862	0.014213	
120											
121	301-373	Prod, Trans, Dist Plant		2,969,179,420	1,164,998,254	944,935,785	27,386,472	592,476,051	235,481,938	3,900,920	L75
122			PTD_PLNT	1.000000	0.392364	0.318248	0.009224	0.199542	0.079309	0.001314	
123											
124	301-399	Total Gross Plant		3,108,902,266	1,224,594,529	988,116,097	29,056,784	622,703,238	238,725,168	5,706,450	L91
125			GROSS_PLNT	1.000000	0.39389933	0.31783440	0.00934632	0.20029682	0.07678761	0.00183552	
126											

East Kentucky Power Cooperative, Inc.
Classification of Payroll Expense
TY 2019 - Pro Forma - Excludes ES and FAC
Note: Labor expense is functionalized/classified on the same basis as the corresponding expense.

(a) Line No.	(b) Acct. No.	(c) Description	(d) Allocation Factor	(e) Pro Forma Test Year	(f) Production Capacity	(g) Production Energy	(h) Production Steam Direct	(i) Transm.	(j) Distribution Substations	(k) Distribution Meters	(l) Comments
1				($)	($)	($)	($)	($)	($)	($)	
2		**Power Production**									
3		**Steam**									
4	500	Oper. Super. & Eng.		4,567,061	4,530,756	-	36,305	-	-	-	
5	501	Fuel		2,403,335	-	2,326,124	77,211	-	-	-	
6	502	Steam		5,226,834	5,097,809	-	129,025	-	-	-	
7	503	Steam-Other Sources		-							
8	504	Steam Transferred		-							
9	505	Electric		3,569,897	3,569,897	-	-	-	-	-	
10	506	Misc. Steam Power		3,374,252	3,304,195	-	70,056	-	-	-	
11	507	Rents		-							
12	510	Main. Super. & Eng.		2,283,826	-	2,208,150	75,676	-	-	-	
13	511	Main. Struct.		849,227	830,681	-	18,547	-	-	-	
14	512	Main. Boiler Plant		6,166,377	-	5,983,996	182,381	-	-	-	
15	513	Main. Electric Plant		1,720,812	-	1,672,758	48,053	-	-	-	
16	514	Main. Misc. Plant		-							
17											
18		**Nuclear**									
19	517	Oper. Super. & Eng.		-							
20	518	Nuclear Fuel		-							
21	519	Coolants & Water		-							
22	520	Steam Exp.		-							
23	521	Steam - Other Sources		-							
24	522	Steam Transferred		-							
25	523	Electric		-							
26	524	Misc. Nuclear Power		-							
27	525	Rents		-							
28	528	Main. Super. & Eng.		-							
29	529	Main. Struct.		-							
30	530	Main. Reactor Plant		-							
31	531	Main. Electric Plant		-							
32	532	Main. Misc. Plant		-							
33											
34		**Hydraulic**									
35	535	Oper. Super. & Eng.		-							
36	536	Water for Power		-							
37	537	Hydraulic		-							
38	538	Electric		-							
39	539	Misc. Hydr. Power		-							
40	540	Rents		-							
41	541	Main. Super. & Eng.		-							
42	542	Main. Struct.		-							
43	543	Main. Waterways		-							
44	544	Main. Electric Plant		-							
45	545	Main. Misc. Hydr. Plant		-							

East Kentucky Power Cooperative, Inc.
Classification of Payroll Expense
TY 2019 - Pro Forma - Excludes ES and FAC
(continued)

(a) Line No.	(b) Acct. No.	(c) Description	(d) Allocation Factor	(e) Pro Forma Test Year	(f) Production Capacity	(g) Production Energy	(h) Production Steam Direct	(i) Transm.	(j) Distribution Substations	(k) Distribution Meters	(l) Comments
46				($)	($)	($)	($)	($)	($)	($)	
47		**Power Production (Con't.)**									
48		**Other**									
49	546	Oper. Super. & Eng.		1,607,921	1,607,921	-	-	-	-	-	
50	547	Fuel		84,558	-	84,558	-	-	-	-	
51	548	Generation		1,399,757	1,399,757	-	-	-	-	-	
52	549	Misc. Other Power		783,985	783,985	-	-	-	-	-	
53	550	Rents		-							
54	551	Main. Super. & Eng.		295,389	295,389	-	-	-	-	-	
55	552	Main. Struct.		289,876	289,876	-	-	-	-	-	
56	553	Main. Gen. & Elec. Plant		1,015,976	1,015,976	-	-	-	-	-	
57	554	Main. Misc. Other Power		-							
58				-							
59		**Other Power Supply**		-							
60	555	Purchased Power (Net)		-	-	-	-	-	-	-	
61	556	System Control & Dispatch		2,596,935	-	2,575,488	-	-	-	21,447	
62	557	Other Expenses		662,882	331,441	331,441	-	-	-	-	
63											
64		Subtotal - Production		38,898,901	23,057,684	15,182,516	637,254	-	-	21,447	
65											
66		__Transmission__									
67	560	Oper. Super. & Eng.		5,447,300	-	-	3,609	5,127,091	112,425	204,175	
68	561	Load Dispatching		2,522,595	-	-	-	2,278,767	-	243,828	
69	562	Oper. Station		1,121,063	-	-	3,211	1,017,821	100,031	-	
70	563	Oper. OH Line		722,407	-	-	-	722,407	-	-	
71	564	Oper. UG Line		-							
72	565	Trans of Electricity - Others		-	-	-	-	-	-	-	
73	566	Misc. Transmission Oper.		180,660	-	-	-	180,660	-	-	
74	567	Rents		-	-	-	-	-	-	-	
75	568	Main. Super. & Eng.		159,499	-	-	106	150,123	3,292	5,978	
76	569	Main. Struct.		-							
77	570	Main. Station Equip.		859,725	-	-	2,061	653,291	64,205	140,168	
78	571	Main. OH Lines		661,392	-	-	-	661,392	-	-	
79	572	Main. UG Lines		-							
80	573	Main. Misc. Trans. Plant		1,694	-	-	-	1,694	-	-	
81											
82		Subtotal - Transmission		11,676,336	-	-	8,986	10,793,247	279,952	594,150	

East Kentucky Power Cooperative, Inc.
Classification of Payroll Expense
TY 2019 - Pro Forma - Excludes ES and FAC
(continued)

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Line	**Acct.**		**Allocation**	**Pro Forma**	**Production**				**Distribution**	**Distribution**	
No.	**No.**	**Description**	**Factor**	**Test Year**	**Capacity**	**Energy**	**Steam Direct**	**Transm.**	**Substations**	**Meters**	**Comments**
83				($)	($)	($)	($)	($)	($)	($)	
84		**Distribution**									
85	580	Oper. Super. & Eng.		-							
86	581	Load Dispatching		81,284	-	-	-	-	(1,675)	82,959	
87	582	Station		484,044	-	-	-	-	484,044	-	
88	583	OH Line		-							
89	584	UG Line		-							
90	585	Street Light & Signal Sys.		-							
91	586	Meters		-							
92	587	Customer Installation		-							
93	588	Misc. Distribution		-							
94	589	Rents		-							
95	590	Main. Super. & Eng.		-							
96	591	Main. Struct.		-							
97	592	Main. Station Equipment		492,479	-	-	-	-	492,479	-	
98	593	Main. OH Lines		-							
99	594	Main. UG Lines		-							
100	595	Main. Line Transf.		-							
101	596	Main. Street Light & Sig.		-							
102	597	Main. Meters		-							
103	598	Main. Misc.		-							
104											
105		Subtotal - Distribution		1,057,806	-	-	-	-	974,847	82,959	
106											
107		**Customer Accounts**									
108	901	Supervision		-							
109	902	Meter Reading		-							
110	903	Cust. Rec. & Coll.		-							
111	904	Uncollectible Accts.		-							
112	905	Misc. Cust. Accts.		-							
113											
114		Subtotal - Cust. Accts.		-	-	-	-	-	-	-	
115											
116		**Customer Service & Info.**									
117	907	Supervision		-							
118	908	Cust. Assistance		1,474,724	-	1,474,724		-			
119	909	Advertising		29,404	-	29,404		-			
120	910	Misc. Serv. & Info.		-	-	-		-			
121											
122		Subtotal - Cust. Service		1,504,128	-	1,504,128	-	-	-	-	

East Kentucky Power Cooperative, Inc.
Classification of Payroll Expense
TY 2019 - Pro Forma - Excludes ES and FAC
(continued)

(a) Line No.	(b) Acct. No.	(c) Description	(d) Allocation Factor	(e) Pro Forma Test Year	(f) Production Capacity	(g) Production Energy	(h) Production Steam Direct	(i) Transm.	(j) Distribution Substations	(k) Distribution Meters	(l) Comments
123				($)	($)	($)	($)	($)	($)	($)	
124		**Sales**									
125	911	Supervision		-							
126	912	Demo. & Selling		-							
127	913	Advertising		19,735	-	19,735		-			
128	916	Misc. Sales		-							
129											
130		Subtotal - Sales		19,735	-	19,735	-	-	-	-	
131											
132		**Summary**									
133		Total Labor (Excluding A&G)		53,156,906	23,057,684	16,706,379	646,241	10,793,247	1,254,799	698,556	
134											
135		Labor Allocator	LABOR	1.000000	0.433766	0.314284	0.012157	0.203045	0.023606	0.013141	
136		Labor Allocator (Excluding Steam)	LABOR2	1.000000	0.439105	0.318152		0.205544	0.023896	0.013303	

East Kentucky Power Cooperative, Inc.
Classification of Accumulated Reserves for Depreciation Excluding Environmental Surcharge Costs
TY 2019 - Pro Forma - Excludes ES and FAC

(a) Line No.	(b) Acct. No.	(c) Description	(d) Allocation Factor	(e) Pro Forma Test Year [1]	(f) Production Capacity	(g) Production Energy	(h) Production Steam Direct	(i) Transm.	(j) Distribution Substations	(k) Distribution Meters	(l) Comments
1				($)	($)	($)	($)	($)	($)	($)	
2		**Intangible Plant**									
3		Organization		-	-	-	-	-	-	-	
4		Franchises		-							
5		Misc. Intang. Plant		-	-	-	-	-	-	-	
6		Subtotal - Intangible Plant		-	-	-	-	-	-	-	
7											
8		**Production Plant**									
9		**Steam**									
10	108	Land & Land Rights			-	-	-	-	-	-	
11	108	Struct. & Improve.	See Note	143,531,577	77,930,197	63,260,011	2,341,369	-	-	-	[1]
12	108	Boiler Plant Equip.	See Note	383,853,704	206,618,335	167,722,895	9,512,474	-	-	-	[1]
13	108	Engines & Gen.	See Note	-							[1]
14	108	Turbogenerator Units	See Note	123,570,751	68,205,105	55,365,646	-	-	-	-	[1]
15	108	Access. Elec. Equip.	See Note	33,278,810	18,118,877	14,708,039	451,894	-	-	-	[1]
16	108	Misc. Plant Equipment	See Note	5,862,135	3,203,413	2,600,378	58,343	-	-	-	[1]
17		Subtotal		690,096,977	374,075,928	303,656,969	12,364,081	-	-	-	
18		**Nuclear**									
19	108	Land & Land Rights									
20	108	Struct. & Improve.									
21	108	Reactor Plant Equip.									
22	108	Turbogenerator Units									
23	108	Access. Elec. Equip.									
24	108	Misc. Plant Equipment									
25		Subtotal		-	-	-	-	-	-	-	
26		**Hydraulic**									
27	108	Land & Land Rights		-							
28	108	Struct. & Improve.		-							
29	108	Rsrvr Dams & Strwys		-							
30	108	Wheels Turb. & Gen.		-							
31	108	Accessory Electrical Equip.		-							
32	108	Misc. Plant Equipment		-							
33	108	Rds RR & Bridges		-							
34		Subtotal		-	-	-	-	-	-	-	
35		**Other**									
36	108	Land & Land Rights									
37	108	Struct. & Improve.	See Note	21,599,315	11,921,782	9,677,533	-	-	-	-	[1]
38	108	Prod. & Access.	See Note	8,184,165	4,517,265	3,666,900	-	-	-	-	[1]
39	108	Prime Movers	See Note	165,946,656	91,594,564	74,352,092	-	-	-	-	[1]
40	108	Generators	See Note	42,139,316	23,258,873	18,880,442	-	-	-	-	[1]
41	108	Access. Elec. Equip.	See Note	15,641,529	8,633,371	7,008,158	-	-	-	-	[1]
42	108	Misc. Plant Equip.	See Note	6,532,359	3,605,547	2,926,811	-	-	-	-	[1]
43		Subtotal		260,043,339	143,531,403	116,511,936		-			
44		Subtotal--Production		950,140,316	517,607,330	420,168,905	12,364,081	-	-	-	

[1] Except as noted, prorate the accumulated depreciation for the category or class based on the plant investment in each account.

East Kentucky Power Cooperative, Inc.
Classification of Accumulated Reserves for Depreciation Excluding Environmental Surcharge Costs
TY 2019 - Pro Forma - Excludes ES and FAC

(continued)

(a) Line No.	(b) Acct. No.	(c) Description	(d) Allocation Factor	(e) Pro Forma Test Year [1] ($)	(f) Production Capacity ($)	(g) Production Energy ($)	(h) Production Steam Direct ($)	(i) Transm. ($)	(j) Distribution Substations ($)	(k) Distribution Meters ($)	(l) Comments
45		**Transmission**									
46	108	Land & Land Rights									
47	108	Struct. & Improve.									
48	108	Station Equip.	See Note	110,842,896	-	-	365,238	99,390,786	11,086,871		[2]
49	108	Station Equip. Metering	See Note	163,362						163,362	[3]
49	108	Towers & Fixtures		1,429,554	-	-	-	1,429,554	-	-	
50	108	Poles & Fixtures		55,961,880	-	-	-	55,961,880	-	-	
51	108	OH Cond. & Devices		49,194,236	-	-	-	49,194,236	-	-	
52	108	UG Conduit		-							
53	108	UG Cond. & Devices		-							
54	108	Roads & Trails		8,639	-	-	-	8,639	-	-	
55		Subtotal - Transmission		217,600,567	-	-	365,238	205,985,095	11,086,871	163,362	
56											
57		**Distribution**									
58	108	Land & Land Rights			-	-	-	-	-	-	
59	108	Struct. & Improve.		-							
60	108	Station Equip.		98,750,774	3,564,442	2,582,607	-	1,668,507	90,827,229	107,988	[4]
61	108	Stor. Battery Equip.		-							
62	108	Poles Tower & Fix.		-							
63	108	OH Cond. & Devices		-							
64	108	UG Conduit		-							
65	108	UG Cond. & Devices		-							
66	108	Line Transformers		897,833	-	-	-	897,833	-	-	
67	108	Services		-							
68	108	Meters		-							
69	108	Install on Cust. Ld		-							
70	108	Leased Ld from Cust.		-							
71	108	Street Light & Signal		-							
72		Subtotal - Distribution		99,648,607	3,564,442	2,582,607	-	2,566,340	90,827,229	107,988	
73		Subtotal - Prod, Trans, Dist Plant		1,267,389,490	521,171,773	422,751,512	12,729,319	208,551,436	101,914,101	271,351	
74		**General**									
75	108	Land & Land Rights									
76	108	Struct. & Improve.		13,513,219	5,861,581	4,246,992	164,283	2,743,792	318,987	177,583	
77	108	Off. Furn. & Equip.		22,181,760	9,621,704	6,971,378	269,669	4,503,897	523,613	291,499	
78	108	Transp. Equip.		13,606,106	5,901,872	4,276,185	165,413	2,762,653	321,180	178,803	
79	108	Stores Equip.		104,612	45,377	32,878	1,272	21,241	2,469	1,375	
80	108	Shop & Garage Equip.		1,819,784	789,361	571,929	22,124	369,498	42,957	23,914	
81	108	Lab Equip.		4,178,368	1,812,436	1,313,195	50,797	848,397	98,633	54,910	
82	108	Power Op. Equip.		16,273,618	7,058,950	5,114,542	197,842	3,304,278	384,148	213,858	
83	108	Communication Equip.		33,052,388	14,337,018	10,387,845	401,825	6,711,124	780,221	434,354	
84	108	Misc. Equip.		1,910,510	828,715	600,443	23,227	387,920	45,099	25,107	
85	108	Other Tangible Prop.		-							
86	108	Subtotal-General Plant		106,640,363	46,257,014	33,515,388	1,296,451	21,652,799	2,517,307	1,401,403	
87											
88		Grand Total		1,374,029,853	567,428,787	456,266,900	14,025,770	230,204,235	104,431,408	1,672,754	

[2] Depreciation Reserves associated with Member Distribution Substations are direct assigned.

[3] Depreciation Reserves associated with distribution meters are direct assigned.

[4] Direct assign the Depreciation Reserves associated with the distribution substations, and allocate the remainder based on LABOR2.

East Kentucky Power Cooperative, Inc.
Classification of Rate Base Excluding Environmental Surcharge Costs
TY 2019 - Pro Forma - Excludes ES and FAC

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Line	Acct.		Allocation	Pro Forma		Production			Distribution	Distribution	
No.	No.	Description	Factor	Test Year	Capacity	Energy	Steam Direct	Transm.	Substations	Meters	Comments
1				($)	($)	($)	($)	($)	($)	($)	
2		Plant in Service		3,108,902,266	1,224,594,529	988,116,097	29,056,784	622,703,238	238,725,168	5,706,450	
3		Accum. Depr. Reserves		(1,374,029,853)	(567,428,787)	(456,266,900)	(14,025,770)	(230,204,235)	(104,431,408)	(1,672,754)	
4		Net Plant		1,734,872,412	657,165,742	531,849,197	15,031,014	392,499,003	134,293,760	4,033,696	
5	107	Construction Work in Progress									
6	107	Production Non-Steam Related	PROD_CAP	-	-	-	-	-	-	-	
7	107	Production-Steam Service Related	STEAM_SERV	40,416,226	21,907,975	17,783,848	724,403	-	-	-	
8	107	Production-Other	PROD_OTHER	31,087,430	17,158,765	13,928,665					
9	107	Transmission	TRANS	33,119,680				33,119,680			
10	107	Distribution Substations	DIST_SUB	7,087,640					7,087,640		
11	107	Ditstribution Meters	DIST_METER	-						-	
12	107	General Plant	LABOR	401,024	173,951	126,036	4,875	81,426	9,466	5,270	
13	107	Total CWIP		112,112,000	39,240,691	31,838,549	729,278	33,201,106	7,097,106	5,270	
14	108	Retirement Work in Progress									
15	108	Production Non-Steam Related	PROD_CAP	128,188,526	128,188,526						
16	108	Production-Steam Service Related	STEAM_SERV	-	-	-	-	-	-	-	
17	108	Production-Other	PROD_OTHER	5,365,989	2,961,767	2,404,221					
18	108	Transmission	TRANS	22,206,361				22,206,361			
19	108	Distribution Substations	DIST_SUB	8,301,815					8,301,815		
20	108	Ditstribution Meters	DIST_METER	-						-	
21	108	General Plant	LABOR	1,025,565	444,856	322,319	12,468	208,236	24,209	13,477	
22	108	Total RWIP		165,088,256	131,595,149	2,726,540	12,468	22,414,597	8,326,024	13,477	
23		Adjusted Net Plant		1,681,896,157	564,811,283	560,961,205	15,747,825	403,285,512	133,064,843	4,025,489	
24	165	Prepayments	NET_PLNT	13,709,018	5,192,945	4,202,690	118,776	3,101,540	1,061,194	31,874	
25	151	Fuel Stocks	FUEL_EXP	54,974,914	-	53,394,407	1,580,506	-	-	-	
26		Materials and Supplies [1]									
27	154	Production-Steam	PROD_STM_PLNT	56,216,613	30,472,715	24,736,295	1,007,602	-	-	-	
28	154	Production-Other	PROD_OTH_PLNT	-	-	-	-	-	-	-	
29	154	Elect. Thermal Storage	PROD_OTHER	30,017	16,568	13,449					
30	154	Transmission	TRANS_PLNT	1,908,958	-	-	2,713	1,813,609	90,699	1,938	
31	154	Distribution Substation	DIST_PLNT	5,552,044	208,416	151,007	-	145,398	4,968,313	78,910	
32	154	Distribution Meters	DIST_METER	-						-	
33	154	General Plant	LABOR	25,292	10,971	7,949	307	5,135	597	332	
34		Subtotal--M&S		63,732,924	30,708,670	24,908,700	1,010,623	1,964,142	5,059,609	81,180	
35		Cash Working Capital (1/8)									
36		Production Expense									
37		Total		22,252,274	9,014,385	12,934,803	298,052	-	-	5,033	
38		Less: Fuel		1,676,743	-	1,675,466	1,277	-	-	-	
39		Less: Purch. Power		3,719,441	-	3,719,441	-	-	-	-	
40		Net Production		16,856,090	9,014,385	7,539,896	296,775	-	-	5,033	
41		Transmission O&M		7,207,037	-	-	2,650	6,954,593	88,593	161,201	
42		Distribution O&M		576,069	-	-	-	-	547,714	28,355	
43		Customer Accounts		-	-	-	-	-	-	-	
44		Customer Service & Info.		661,535	-	661,535	-	-	-	-	
45		Sales		4,242	-	4,242	-	-	-	-	
46		Administrative & General		5,022,994	2,178,807	1,578,648	61,066	1,019,894	118,571	66,009	
47		Subtotal--CWC		30,327,968	11,193,192	9,784,321	360,491	7,974,487	754,878	260,599	
48											
49		Total Rate Base		1,844,640,980	611,906,091	653,251,324	18,818,220	416,325,681	139,940,523	4,399,142	
50											
51				1,734,872,412	657,165,742	531,849,197	15,031,014	392,499,003	134,293,760	4,033,696	
52			NET_PLNT	1.000000	0.378798	0.306564	0.008664	0.226241	0.077408	0.002325	
53				1,844,640,980	611,906,091	653,251,324	18,818,220	416,325,681	139,940,523	4,399,142	
54			RATE BASE	1.000000	0.331721	0.354135	0.010202	0.225695	0.075863	0.002385	
55			STEAM_SERV	1.000000	0.542059	0.440018	0.017924				See AED Plant Ex ESC
56			PROD OTHER	1.000000	0.551952	0.448048					See AED Plant Ex ESC

East Kentucky Power Cooperative, Inc.
Classification of Revenue Requirements Excluding Environmental Surcharge Costs
TY 2019 - Pro Forma - Excludes ES and FAC

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
Line	Acct.		Allocation	Pro Forma	Production				Distribution	Distribution	
No.	No.	Description	Factor	Test Year	Capacity	Energy	Steam Direct	Transm.	Substations	Meters	Comments
1				($)	($)	($)	($)	($)	($)	($)	
2		**Power Production**									
3		**Steam**									
4	500	Oper. Super. & Eng.	PROD_CAP	8,641,075	8,572,384		68,691				1
5	501	Fuel	PROD_ENG	12,007,369		11,997,153	10,216				1
6	502	Steam	PROD_CAP	9,312,530	9,082,650		229,880				1
7	503	Steam-Other Sources	PROD_CAP	-		-	-				1
8	504	Steam Transferred	PROD_CAP	-		-	-				1
9	505	Electric	PROD_CAP	5,990,204	5,990,204		-				1
10	506	Misc. Steam Power	PROD_CAP	17,859,746	17,488,941		370,806				1
11	507	Rents	PROD_CAP	-	-		-				1
12	509	Allowances	PROD_ENG	60,283		59,547	736				1
13	510	Main. Super. & Eng.	PROD_ENG	3,328,440		3,218,150	110,290				1
14	511	Main. Struct.	PROD_CAP	6,414,594	6,274,503		140,091				1
15	512	Main. Boiler Plant	PROD_ENG	38,849,810		37,700,760	1,149,051				1
16	513	Main. Electric Plant	PROD_ENG	10,909,960		10,605,301	304,659				1
17	514	Main. Misc. Plant	PROD_CAP	-	-		-				1
18											
19		**Nuclear**									
20	517	Oper. Super. & Eng.		-							
21	518	Nuclear Fuel		-							
22	519	Coolants & Water		-							
23	520	Steam Exp.		-							
24	521	Steam - Other Sources		-							
25	522	Steam Transferred		-							
26	523	Electric		-							
27	524	Misc. Nuclear Power		-							
28	525	Rents		-							
29	528	Main. Super. & Eng.		-							
30	529	Main. Struct.		-							
31	530	Main. Reactor Plant		-							
32	531	Main. Electric Plant		-							
33	532	Main. Misc. Plant		-							
34											
35		**Hydraulic**									
36	535	Oper. Super. & Eng.		-							
37	536	Water for Power		-							
38	537	Hydraulic		-							
39	538	Electric		-							
40	539	Misc. Hydr. Power		-							
41	540	Rents		-							
42	541	Main. Super. & Eng.		-							
43	542	Main. Struct.		-							
44	543	Main. Waterways		-							
45	544	Main. Electric Plant		-							
46	545	Main. Misc. Hydr. Plant		-							

[1] Allocate O&M expense for the steam production related expenses to Steam Service. Assign the remainder to Production-Capacity and Production-Energy in accordance with standard methodology.

East Kentucky Power Cooperative, Inc.
Classification of Revenue Requirements Excluding Environmental Surcharge Costs
TY 2019 - Pro Forma - Excludes ES and FAC
(continued)

(a) Line No.	(b) Acct. No.	(c) Description	(d) Allocation Factor	(e) Pro Forma Test Year	(f) Production Capacity	(g) Production Energy	(h) Production Steam Direct	(i) Transm.	(j) Distribution Substations	(k) Distribution Meters	(l) Comments
47				($)	($)	($)	($)	($)	($)	($)	
48		**Power Production (Con't.)**									
49		**Other**									
50	546	Oper. Super. & Eng.	PROD_CAP	3,320,745	3,320,745						
51	547	Fuel	PROD_ENG	1,406,574		1,406,574					
52	548	Generation	PROD_CAP	5,812,372	5,812,372						
53	549	Misc. Other Power	PROD_CAP	3,912,841	3,912,841						
54	550	Rents	PROD_CAP	-	-						
55	551	Main. Super. & Eng.	PROD_CAP	422,731	422,731						
56	552	Main. Struct.	PROD_CAP	834,331	834,331						
57	553	Main. Gen. & Elec. Plant	PROD_CAP	8,786,862	8,786,862						
58	554	Main. Misc. Other Power		-	-						
59											
60		**Other Power Supply**									
61	555	Purchased Power	PROD_ENG	29,755,528		29,755,528					
62	556	System Control & Dispatch	See Note	4,875,747		4,835,481				40,266	
63	557001	Long Term Power Supply	See Note	2,533,202	1,266,601	1,266,601					1
64	557002	Load Forecasting	See Note	699,836	349,918	349,918					2
65	557003	Broker Fees	PROD_ENG	2,282,256		2,282,256					3
66	559	Renewable Energy Credit Expenses	PROD_ENG	1,155		1,155					
67		Subtotal - Production		178,018,193	72,115,083	103,478,424	2,384,419	-	-	40,266	
68											
69		**Transmission**									
70	560	Oper. Super. & Eng.	TRANS_OM	10,622,772	-	-	6,545	9,999,243	218,822	398,162	
71	561	Load Dispatching	See Note	4,215,255	-			3,807,818		407,437	4
72	562	Oper. Station	TRANS_STA	3,007,189	-	-	8,010	2,731,362	267,816	-	
73	563	Oper. OH Line	TRANS_LINES	6,676,964	-	-	-	6,676,964	-	-	
74	564	Oper. UG Line	TRANS_LINES	-	-	-	-	-	-	-	
75	565	Trans of Electricity - Others	TRANS	18,056,844				18,056,844			
76	566	Misc. Transmission Oper.	TRANS	404,559				404,559			
77	567	Rents	TRANS	446,269				446,269			
78	568	Main. Super. & Eng.	TRANS_OM	237,968	-	-	147	224,000	4,902	8,919	
79	569	Main. Structures	TRANS	-				-			
80	570	Main. Station Equipment	See Note	2,913,995	-	-	6,496	2,215,200	217,205	475,093	5
81	571	Main. OH Lines	TRANS_LINES	6,151,339	-	-	-	6,151,339	-	-	
82	572	Main. UG Lines	TRANS_LINES	-	-	-	-	-	-	-	
83	573	Main. Misc. Trans. Plant	TRANS	176,182				176,182		-	5
84	575	Market Admin., Mon/Compliance	TRANS	4,746,964				4,746,964			
85		Subtotal - Transmission		57,656,297	-	-	21,198	55,636,742	708,746	1,289,612	

[1] Split 50% to Production-Capacity and 50% to Production-Energy.
[2] Split load forecasting expense 50% Production-Capacity and 50% Production-Energy.
[3] Broker fees paid to ACES associated with market energy purchases. Assign to Production-Energy.
[4] Direct assign metering expense. Assign the remainder to Transmission.
[5] Direct assign metering expense. Assign the remainder based on investment in transmission stations (TRANS_STA).

East Kentucky Power Cooperative, Inc.
Classification of Revenue Requirements Excluding Environmental Surcharge Costs
TY 2019 - Pro Forma - Excludes ES and FAC
(continued)

(a) Line No.	(b) Acct. No.	(c) Description	(d) Allocation Factor	(e) Pro Forma Test Year ($)	(f) Production Capacity ($)	(g) Production Energy ($)	(h) Production Steam Direct ($)	(i) Transm. ($)	(j) Distribution Substations ($)	(k) Distribution Meters ($)	(l) Comments
86											
87		**Distribution**									
88	580	Oper. Super. & Eng.	DIST_SUB	-					-		
89	581	Load Dispatching		222,261					(4,581)	226,842	[6]
90	582	Station	DIST_SUB	1,484,408					1,484,408	-	[6]
91	583	OH Line	DIST_SUB	-					-		
92	584	UG Line	DIST_SUB	-					-		
93	585	Street Light & Signal System	DIST_SUB	-					-		
94	586	Meters	DIST_SUB	-					-		
95	587	Customer Installation	DIST_SUB	-					-		
96	588	Misc. Operations	DIST_SUB	-					-		
97	589	Rents	DIST_SUB	-					-		
98	590	Main. Super. & Eng.	DIST_SUB	-					-		
99	591	Main. Struct.	DIST_SUB	-					-		
100	592	Main. Station Equipment	DIST_SUB	2,901,885					2,901,885		
101	593	Main. OH Lines	DIST_SUB	-					-		
102	594	Main. UG Lines	DIST_SUB	-					-		
103	595	Main. Line Transf.	DIST_SUB	-					-		
104	596	Main. Street Light & Signal	DIST_SUB	-					-		
105	597	Main. Meters	DIST_SUB	-					-		
106	598	Misc. Maintenance	DIST_SUB	-					-		
107											
108		Subtotal - Distribution		4,608,554	-	-	-	-	4,381,712	226,842	
109											
110		**Customer Accounts**									
111	901	Supervision	PROD_ENG	-		-					
112	902	Meter Reading	PROD_ENG	-		-					
113	903	Cust. Rec. & Coll.	PROD_ENG	-		-					
114	904	Uncollectible Accts.	PROD_ENG	-		-					
115	905	Misc. Cust. Accts.	PROD_ENG	-		-					
116											
117		Subtotal - Cust. Accts.		-	-	-	-	-	-	-	
118											
119		**Customer Service & Info.**									
120	907	Supervision	PROD_ENG	-		-					
121	908	Cust. Assistance	PROD_ENG	5,252,121		5,252,121					
122	909	Advertising	PROD_ENG	15,250		15,250					
123	910	Misc. Serv. & Info.	PROD_ENG	24,907		24,907					
124											
125		Subtotal - Cust. Serv. & Info.		5,292,278	-	5,292,278	-	-	-	-	
126											
127		**Sales**									
128	911	Supervision	PROD_ENG	-		-					
129	912	Demo. & Selling	PROD_ENG	-		-					
130	913	Advertising	PROD_ENG	33,939		33,939					
131	916	Misc. Sales	PROD_ENG	-		-					
132											
133		Subtotal - Sales		33,939	-	33,939	-	-	-	-	

[6] Direct assign metering expense. Assign the remainder to Distribution Substations.

East Kentucky Power Cooperative, Inc.
Classification of Revenue Requirements Excluding Environmental Surcharge Costs
TY 2019 - Pro Forma - Excludes ES and FAC

(continued)

(a) Line No.	(b) Acct. No.	(c) Description	(d) Allocation Factor	(e) Pro Forma Test Year	(f) Production Capacity	(g) Production Energy	(h) Production Steam Direct	(i) Transm.	(j) Distribution Substations	(k) Distribution Meters	(l) Comments
134				($)	($)	($)	($)	($)	($)	($)	
135		**Administrative & General**									
136	920	Salaries	LABOR	16,640,596	7,218,133	5,229,877	202,304	3,378,791	392,811	218,681	
137	921	Off. Supplies & Exp.	LABOR	8,563,344	3,714,492	2,691,324	104,107	1,738,745	202,143	112,534	
138	922	Admin. Transferred	LABOR	-	-	-	-	-	-	-	
139	923	Outside Services	LABOR	2,634,944	1,142,950	828,122	32,034	535,012	62,199	34,627	
140	924	Outage Insurance	PROD_ENG	-		-					
141	925	Injuries & Damages	LABOR	1,462,318	634,304	459,584	17,778	296,916	34,519	19,217	
142	926	Pensions & Benefits	LABOR	2,327,206	1,009,464	731,404	28,292	472,528	54,935	30,583	
143	927	Franchise Req.	LABOR	-	-	-	-	-	-	-	
144	928	Reg. Commission	LABOR	1,766,937	766,438	555,320	21,481	358,768	41,710	23,220	
145	929	Duplicate Charges	LABOR	(476,963)	(206,891)	(149,902)	(5,799)	(96,845)	(11,259)	(6,268)	
146	930	Misc. General Expense	LABOR	4,533,337	1,966,410	1,424,757	55,113	920,472	107,012	59,574	
147	931	Rents	LABOR	-	-	-	-	-	-	-	
148	935	Main. Gen. Plant	LABOR	2,732,236	1,185,153	858,699	33,216	554,767	64,496	35,905	
149											
150		Subtotal - Administration & General		40,183,955	17,430,452	12,629,185	488,526	8,159,154	948,565	528,073	
151											
152		Subtotal - Operating Expense		285,793,216.5	89,545,536	121,433,826	2,894,143	63,795,896	6,039,023	2,084,793	
153											
154		**Depreciation**									
155	405	Intangible	INTG_PLNT	11,837,172	11,082	8,029	311	11,816,811	603	336	
156	403	Production-Steam	PROD_STM_PLNT	51,017,969	27,654,744.41	22,448,800.46	914,424.24	-	-	-	
157	403	Production-Other	PROD_OTH_PLNT	18,378,213	10,143,889	8,234,324	-	-	-	-	
158	403	Transmission	TRANS_PLNT	14,871,778	-	-	21,133	14,128,957	706,590	15,098	
159	403	Distribution	DIST_PLNT	5,983,284	224,604	162,736	-	156,691	5,354,214	85,039	
160	403	General	LABOR	3,077,017	1,334,707	967,058	37,408	624,773	72,635	40,436	
161											
162		Subtotal - Depreciation		105,165,434	39,369,026	31,820,949	973,276	26,727,233	6,134,041	140,909	
163											
164		**Taxes**									[7]
165	408	Property--Production		-							
166	408	Property--Transmission		-							
167	408	Property--Distribution		-							
168	408	Property--General Plant		-							
169	408	Taxes Other States	PROD_ENG	120,195		120,195					[8]
170											
171		Subtotal - Taxes		120,195	-	120,195	-	-	-	-	
172											
173	431	**Interest - Other**	NET_PLNT	1,111	841	6	14	184	64	2	
174											
175		**Other Deductions**									
176	426	EPA Penalties	FUEL_EXP	-	-	-	-	-	-	-	
177	428	Amort. Debt Exp. & Disc.	RATE_BASE	680,238	257,673	208,537	5,894	153,898	52,656	1,582	
178	426	Other	LABOR	(441,770)	(191,625)	(138,841)	(5,371)	(89,699)	(10,428)	(5,805)	
179		Asset Retirement Obligations	PROD_CAP	(0)	(0)						
180		**Total Expenses**		391,318,425	128,981,451	153,444,672	3,867,955	90,587,512	12,215,356	2,221,479	
181											

[7] In accordance with RUS accounting standards, property tax is allocated back on EKPC's books to the functional areas in Accounts 500 to 935.

[8] California Franchise Tax associated with EKPC's member/ownership of ACES. Assign to Production-Energy.

East Kentucky Power Cooperative, Inc.
Classification of Revenue Requirements Excluding Environmental Surcharge Costs
TY 2019 - Pro Forma - Excludes ES and FAC
(continued)

(a) Line No.	(b) Acct. No.	(c) Description	(d) Allocation Factor	(e) Pro Forma Test Year	(f) Production Capacity	(g) Production Energy	(h) Production Steam Direct	(i) Transm.	(j) Distribution Substations	(k) Distribution Meters	(l) Comments
182				($)	($)	($)	($)	($)	($)	($)	
183		**Return Requirements**									
184		Rate Base		1,844,640,980	611,906,091	653,251,324	18,818,220	416,325,681	139,940,523	4,399,142	
185		Rate of Return		5.4210%	5.4210%	5.4210%	5.4210%	5.4210%	5.4210%	5.4210%	
186		Return Requirements		99,998,624	33,171,640	35,412,980	1,020,142	22,569,159	7,586,224	238,479	
187		Interest Expense	RATE_BASE	67,557,327	22,410,182	23,924,392	689,190	15,247,330	5,125,121	161,112	
188		Margin Requirements	RATE_BASE	32,441,297	10,761,458	11,488,588	330,952	7,321,829	2,461,103	77,367	
189		Total Return Requirements		99,998,624	33,171,640	35,412,980	1,020,142	22,569,159	7,586,224	238,479	
190											
191		**Total Gross Revenue Requirements**		491,317,049	162,153,091	188,857,651	4,888,098	113,156,670	19,801,580	2,459,959	
192											
193		**Other Revenue/Non-Operating Income Credits**									
194		Sales for Resale--Non-Mem.	As Billed	18,926,954		18,926,954					[9]
195		Other Oper. Inc.-Wheeling	TRANS	6,330,056				6,330,056			
196		Rent from Electric Property	TRANS	175,386				175,386			
197		Facilities Charges-Dist	DIST_SUB	98,671					98,671		
198		Rev. Sales of Renew. Credits	PROD_ENG	715,062		715,062					
199		Rev. Ancillary Service No.1	TRANS	141,300				141,300			
200		Rev. Ancillary Service No.2	PROD_CAP	87,602	87,602						
201		Misc. Operating Revenue	LABOR	-	-	-	-	-	-	-	
202		Interest Income	RATE_BASE	1,212,780	402,304	429,487	12,372	273,718	92,005	2,892	
203		Wheeling	RATE_BASE	3,576,825	1,186,508	1,266,678	36,489	807,270	271,350	8,530	
204		Income from Leased Property	RATE_BASE	634,843	210,591	224,820	6,476	143,281	48,161	1,514	
205		Cap. Credits & Pat.Dividend	RATE_BASE	2,418,758	802,353	856,566	24,675	545,901	183,495	5,768	
206		Other Non Operating Inc.	RATE_BASE	(1,187,321)	(393,859)	(420,472)	(12,113)	(267,972)	(90,074)	(2,832)	
206.1		Unbilled Revenues	RATE_BASE	-	-	-	-	-	-	-	
206.2		Unbilled ES Revenues	RATE_BASE	-	-	-	-	-	-	-	
207		Non-COS Revenues	PROD_CAP	(12,717,644)	(12,717,644)						
208		Subtotal - Rev. Credits		20,413,271	(10,422,146)	21,999,095	67,900	8,148,940	603,608	15,873	
209											
210		**Net Member Revenue Requirements**		**470,903,778**	**172,575,237**	**166,858,556**	**4,820,197**	**105,007,730**	**19,197,972**	**2,444,085**	
211			-								
212		**Allocation Factors Based on Revenue Requirements**									
213		Fuel Expense		13,413,943	-	13,403,727	10,216	-	-	-	
214			FUEL_EXP	1.000000	0.000000	0.999238	0.000762	0.000000	0.000000	0.000000	
215											
216		Transmission O&M		23,545,480	-	-	14,506	22,163,422	485,022	882,530	
217			TRANS_OM	1.000000	0.000000	0.000000	0.000616	0.941303	0.020599	0.037482	
218											

[9] During 2019, all revenue from sales to third parties was attrbutable to energy sales.

East Kentucky Power Cooperative, Inc.
Development of Allocation Factors
TY 2019 - Pro Forma - Excludes ES and FAC

(a) Line No.	(b) Descripton	(c) Units	(d) Total	(e) Rate B	(f) Rate C	(g) Rate E	(h) Rate G	(i) Contract	(j) Steam	(k) Rate TGP	(l) Source
1	**On-Peak Energy Allocation Factor (ON-ENG)**										
2	Energy Sales (MWh)	MWh	6,334,881	500,569	132,160	4,998,177	223,845	294,907	100,594	84,629	[1] See "Revenue Input" Worksheet
3	On-Peak Energy Allocation Factor		1.000000	0.079018	0.020862	0.788993	0.035335	0.046553	0.015879	0.013359	
4	- Excluding Steam and TGP		1.000000	0.081398	0.021491	0.812757	0.036400	0.047955			
5	**Off-Peak Energy Allocation Factor (OFF-ENG)**										
6	Energy Sales (MWh)	MWh	6,618,880	585,736	158,301	4,732,348	261,930	686,933	95,243	98,388	[1] See "Revenue Input" Worksheet
7	Off-Peak Energy Allocation Factor		1.000000	0.088495	0.023917	0.714977	0.039573	0.103784	0.014390	0.014865	
8	- Excluding Steam and TGP		1.000000	0.091162	0.024637	0.736524	0.040766	0.106912			
9	**Total Energy Allocation Factor (TOT-ENG)**										
10	Energy Sales (MWh)	MWh	12,953,761	1,086,305	290,461	9,730,525	485,775	981,841	195,837	183,017	L2 + L6
11	Energy Allocation Factor		1.000000	0.083860	0.022423	0.751174	0.037501	0.075796	0.015118	0.014128	
12	- Excluding Steam and TGP		1.000000	0.086387	0.023098	0.773805	0.038631	0.078079			
13	**12 Coincidental Demand Allocation Factor (AVG 12CP)**										
14	Coincidental Demand	MW	2,448	136	37	1,995	57	163	33	27	See "Revenue Input" Worksheet
15	Demand Allocation Factor		1.000000	0.055749	0.015059	0.814870	0.023378	0.066473	0.013529	0.010942	
16	- Excluding Steam and TGP		1.000000	0.057147	0.015437	0.835311	0.023964	0.068140			
17	**Average and Excess Demand Allocation Factor (AED)**										
18	Energy Sales (MWh)	MWh	12,953,761	1,086,305	290,461	9,730,525	485,775	981,841	195,837	183,017	L10
19	Average Demand	MW	1,479	124	33	1,111	55	112	22	21	L18 /8760 hrs
20	Annual System CP	MW	3,105								WP-17
21	System Excess Demand	MW	1,626								L20 - L19
22	Maximum NCP Demand by Class	MW	3,115	156	62	2,590	67	175	37	29	See "Revenue Input" Worksheet
23	Class Excess Demand	MW	1,636	31	29	1,479	12	63	15	8	L22 - L19
24	Allocated System Excess Demand	MW	1,626	31	29	1,470	12	63	15	8	L23 * L21 / L23 Total Col.
25	Class Average and Excess Demand	MW	3,105	155	62	2,581	67	175	37	28	L19 + L24
26	AED Allocation Factor		1.000000	0.050020	0.019890	0.831141	0.021626	0.056244	0.011914	0.009164	Based on L25
27	- Excluding Steam and TGP		1.000000	0.051097	0.020318	0.849037	0.022092	0.057455			
28	**Distribution Substations (SUB)**										
29	Net Plant Investment	$	146,932,942	-	-	146,193,439	739,503	-	-	-	[2]
30	Substation Allocation Factor		1.000000	-	-	0.994967	0.005033	-	-	-	
31											
32	**Meters (METER)**		409	71	9	324	3	1	1		Input
33	Net Plant Investment	$	1,756,528	304,923	38,652	1,391,479	12,884	4,295	4,295	-	
34	Meter Allocation Factor		1.000000	0.173594	0.022005	0.792176	0.007335	0.002445	0.002445	-	

[1] Contract usage based on the same on- and off-peak hours as defined in Contract. Rate E used for all other classes.

[2] The Net Plant investment in the substation used to serve Rate G is calculated at $739,503.

East Kentucky Power Cooperative, Inc.
Allocation of Revenue Requirements to Rate Classes Excluding Environmental Surcharge Costs
TY 2019 - Pro Forma - Excludes ES and FAC

(a) Line No.	(b) Description	(c) Alloc. Factor	(d) Total ($)	(e) Rate B ($)	(f) Rate C ($)	(g) Rate E ($)	(h) Rate G ($)	(i) Contract ($)	(j) Steam ($)	(k) Rate TGP ($)
1	**Revenue**									
2	Total Revenue		422,130,617	27,170,310	7,931,946	342,414,808	10,833,171	23,685,067	4,516,945	5,578,370
3										
4	**Allocation of Revenue Requirements**									
5	Production Capacity			-						
6	Interruptible Credit [1]	Direct								
7	Remaining Prod. Capacity Rev. Req.	AED	172,575,237	8,818,142	3,506,399	146,522,800	3,812,520	9,915,376		
8	Subtotal Production Capacity		172,575,237	8,818,142	3,506,399	146,522,800	3,812,520	9,915,376	-	-
9	Production Energy									
10	Energy Cost Assigned to Rate TGP	Direct	4,743,510							4,743,510
11	On-Peak F&PP [2]	ON-ENG	24,129,992	1,964,131	518,568	19,611,815	878,322	1,157,155		
12	Off-Peak F&PP [2]	OFF-ENG	19,029,264	1,734,737	468,832	14,015,505	775,742	2,034,449		
13	Remaining Energy Revenue Req.	TOT-ENG	118,955,791	10,276,200	2,747,700	92,048,576	4,595,323	9,287,992		
14	Subtotal Production Energy		166,858,556	13,975,067	3,735,100	125,675,896	6,249,388	12,479,595	-	4,743,510
15	Steam Service	Direct	4,820,197						4,820,197	
16	Transmission									
17	Transm. Cost Assigned to Rate TGP [3]	Direct	834,860							834,860
18	Remaining Transm. Rev. Req.	12CP	104,172,870	5,953,203	1,608,084	87,016,749	2,496,450	7,098,384		
19	Subtotal Transmission		105,007,730	5,953,203	1,608,084	87,016,749	2,496,450	7,098,384	-	834,860
20	Distribution Substations	SUB	19,197,972	-	-	19,101,350	96,622	-	-	
21	Meters	METER	2,444,085	424,279	53,782	1,936,146	17,927	5,976	5,976	
22	Subtotal		470,903,778	29,170,691	8,903,365	380,252,941	12,672,907	29,499,331	4,826,173	5,578,370
23	Plus: FCA Factor Cost		-	-	-	-	-	-	-	-
24	Plus: FCA Base Cost		-	-	-	-	-	-	-	-
25	Subtotal		470,903,778	29,170,691	8,903,365	380,252,941	12,672,907	29,499,331	4,826,173	5,578,370
26	Plus: Environmental Surcharge		-	-	-	-	-	-	-	-
27	Total Revenue Requirements		470,903,778	29,170,691	8,903,365	380,252,941	12,672,907	29,499,331	4,826,173	5,578,370
28										
29	**Revenue Requirements less Revenue**		48,773,161	2,000,381	971,419	37,838,133	1,839,735	5,814,264	309,227	-
30	Increase (Decrease) as % of Present Revenue		11.6%	7.4%	12.2%	11.1%	17.0%	24.5%	6.8%	0.0%
31										
32										
33	**Average Cost per Unit / Rate Design Data**									
34	Production Capacity	/CP Billing kW		$4.83	$6.02	$6.12	$4.78	$5.08	$0.00	$0.00
35	Production Energy - Total Average Billing M	/MWh								
36	All Hours	/MWh		$12.81	$12.68	$12.92	$12.86	$12.59	$0.00	$25.92
37	On-Peak Hours	/MWh		$13.33	$13.19	$13.38	$13.38	$13.26	$0.00	$0.00
38	Off-Peak Hours	/MWh		$12.37	$12.24	$12.42	$12.42	$12.31	$0.00	$0.00
39	Transmission	/CP Billing kW		$3.26	$2.76	$3.63	$3.13	$3.64	$0.00	$1.75
40	Substations (Average All Capacities)	/sub/mon.				$4,928.11	$8,051.83		$0.00	
41	Metering	/meter/mon.		$497.98	$497.98	$497.98	$497.98	$497.98	$497.98	N/A
42	Total Demand Charges	/CP Billing kW		$8.08	$8.78	$9.751	$7.91	$8.71	$0.00	$1.75

1 Interruptible Credits are removed from the cost data for evaluation pursuant supplemental analysis.

2 In 2019, 55.91% of fuel and purchased energy cost occurred during the on-peak period, with the remaining 44.09% occuring during the off-peak period.

3 Assign the demand (transmission) charge per contract directly to Rate TGP.

East Kentucky Power Cooperative, Inc.

Revenue Summary by Rate Class
Present and Proposed Rate Revenues

Table 3: Summary of Proposed Rate Change by Rate Schedule

Line		Present Rates	Proposed Rates		
No.	Description	Amount	Amount	Increase	As Percent
1		$	$	$	
2	**Totals Revenues by Rate**				
3	Rate B	59,815,719	62,102,004	2,286,285	3.8%
4	Rate C	17,153,311	17,968,058	814,747	4.7%
5	Rate E	664,081,280	699,007,015	34,925,736	5.3%
6	Rate G	25,516,274	26,840,240	1,323,966	5.2%
7	Contract	42,471,101	45,852,655	3,381,554	8.0%
8	Steam	10,716,264	10,974,152	257,888	2.4%
9	Rate TGP	6,349,849	6,349,849	-	0.0%
10	**Sub-Total COS Based Revenues**	826,103,797	869,093,973	42,990,177	5.20%
11	Rate H	49,170	49,170	-	0.00%
12	DSM Riders	(1,109,853)	(1,109,853)	-	0.00%
13	**Total Revenues by Rate**	825,043,114	868,033,290	42,990,177	5.21%

East Kentucky Power Cooperative, Inc.
Present and Proposed Rate Design and Revenues

Line No.	Description		Units	Present Rates Rate	Present Rates Amount	Proposed Rates Rate	Proposed Rates Amount
1					$		$
2	**Rate B**						
3	*Metering Charge*	Meters	-	$0.00			$0.00
4	*Demand Charges*						
5	Demand Charge	CP kW	1,767,954	$7.17	12,676,230	$7.49	13,241,975
6	Excess Demand Charge	CP kW	59,568	$9.98	594,489	$10.38	618,316
7	Interruptible (400 Hrs)	CP kW	235,184	-$5.60	(1,317,030)	-$5.60	(1,317,030)
8	EDR Discount				(23,719)		(24,773)
9	*Energy Charges*				-		-
10	Energy Charge	kWh	1,090,848,453	$0.038982	42,523,454	$0.040541	44,224,087
11	Min kWh Adjustment	kWh	4,543,620	-$0.026240	(119,225)	-$0.026240	(119,225)
12	Sub-Total Base Rates				54,334,199		56,623,350
13	Net Buy Through Charge				77,890		77,890
14	Fuel Adjustment	kWh	1,086,304,833	-$0.002702	(2,935,048)	-$0.002702	(2,935,196)
15	Environmental Surcharge			16.200%	8,338,677	15.532%	8,335,959
16	**Total Rate B**				59,815,719		62,102,004
17							
18	**Rate C**						
19	*Metering Charge*	Meters	9	$0.00			$0
20	*Demand Charges*						
21	Demand Charge	CP kW	582,643	$7.17	4,177,550	$7.78	4,532,963
22	*Energy Charges*				-		
23	Energy Charge	kWh	294,670,389	$0.038982	11,486,841	$0.040541	11,946,232
24	Min kWh Adjustment	kWh	4,208,946	-$0.026240	(110,443)	-$0.026240	(110,443)
25	Sub-Total Base Rates				15,553,949		16,368,752
26	Fuel Adjustment	kWh	290,461,443	-$0.002684	(779,575)	-$0.002684	(779,599)
27	Environmental Surcharge			16.100%	2,378,938	15.260%	2,378,905
28	**Total Rate C**				17,153,311		17,968,058

East Kentucky Power Cooperative, Inc.
Present and Proposed Rate Design and Revenues

Line No.	Description		Units	Present Rates Rate	Present Rates Amount	Proposed Rates Rate	Proposed Rates Amount
29	**Rate E**						
30	*Demand Charges*						
31	Demand Charge	CP kW	23,934,636	$6.02	144,086,507	$6.56	157,011,211
32	Power Factor Penalty	CP kW	15,979	$6.02	96,194	$6.56	104,822
33	*Energy Charges*						
34	On-Peak Energy Charge	kWh	4,998,176,543	$0.049379	246,804,960	$0.051566	257,735,972
35	Off-Peak Energy Charge	kWh	4,732,348,143	$0.040654	192,388,881	$0.042841	202,738,527
36	*Metering Charge*	Meters	328	$144.00	566,208	$151.20	594,518
37	*Sub-Station Charges*						
38	1000-2999 kVa	Subs	3	$1,088.00	39,168	$1,142.40	41,126
39	3000-7499 kVa	Subs	39	$2,737.00	1,280,916	$2,873.85	1,344,962
40	7500-14999 kVa	Subs	224	$3,292.00	8,848,896	$3,456.60	9,291,341
41	15000 kVa and Up	Subs	57	$5,310.00	3,632,040	$5,575.50	3,813,642
42	Sub-Total Base Rates				597,743,770		632,676,121
43	Special Adjustments				(117,842)		(117,842)
44	Fuel Adjustment	kWh	9,730,524,686	-$0.002698	(26,249,938)	-$0.002698	(26,252,956)
45	Environmental Surcharge			16.225%	92,705,290	15.287%	92,701,692
46	**Total Rate E**				664,081,280		699,007,015
47							
48	**Rate G**						
49	*Metering Charge*	Meters	1	$144.00	1,728	$151.20	$1,814.40
50	*Sub-Station Charges*	Subs	1	$5,310.00	63,720	$5,575.50	$66,906.00
51	*Demand Charges*						
52	Demand Charge	CP kW	797,497	$6.98	5,566,529	$7.29	5,813,753
53	Interruptible (200 Hrs)	CP kW	83,048	-$4.20	(348,802)	-$4.20	(348,802)
54	*Energy Charges*						
55	Energy Charge	kWh	485,775,112	$0.036947	17,947,933	$0.039158	19,021,982
56	Sub-Total Base Rates				23,231,109		24,555,654
57	Net Buy Through Charge				24,178		24,178
58	Fuel Adjustment	kWh	485,775,112	-$0.002710	(1,316,649)	-$0.002710	(1,316,451)
59	Environmental Surcharge			16.310%	3,577,636	15.395%	3,576,859
60	**Total Rate G**				25,516,274		26,840,240

East Kentucky Power Cooperative, Inc.
Present and Proposed Rate Design and Revenues

Line No.	Description		Units	Present Rates Rate	Present Rates Amount	Proposed Rates Rate	Proposed Rates Amount
61	**Contract**						
62	*Metering Charge*	Meters	1	$0.00		$0.00	$0.00
63	*Demand Charges*						
64	Demand Charge	CP kW	1,952,466	$6.92	13,511,065	$7.64	14,916,840
65	Interruptible (10 Min)	CP kW	1,440,000	-$6.22	(8,956,800)	-$6.22	(8,956,800)
66	Interruptible (90 Min)	CP kW	332,466	-$4.20	(1,396,357)	-$4.20	(1,396,357)
67	*Energy Charges*				-		-
68	On-Peak Energy Charge	kWh	297,565,905	$0.038905	11,576,802	$0.040929	12,179,075
69	Off-Peak Energy Charge	kWh	693,442,687	$0.035477	24,601,266	$0.037501	26,004,794
70	Min kWh Adjustment	kWh	9,167,968	-$0.026240	(240,567)	-$0.026240	(240,567)
71	Sub-Total Base Rates				39,095,408		42,506,985
72	Load Following Charge				34,539		34,539
73	Net Buy Through Charge				148,228		148,228
74	Fuel Adjustment	kWh	981,840,624	-$0.002737	(2,680,816)	-$0.002737	(2,680,816)
75	Environmental Surcharge			16.130%	5,873,742	14.736%	5,843,719
76	**Total Gallatin**				42,471,101		45,852,655
77				(0.0027304)			
78	**Steam**						
79	*Metering Charge*	Meters	1	$0.00		$0.00	$0.00
80	*Demand Charges*						
81	Demand Charge	CP kW	397,389				
82	x MMBTU Conversion		0.00917				
83	x Steam Adjustment		1.01600	$577.15	2,136,440	$582.18	2,154,508
84	*Energy Charges*						
85	Energy Charge	kWh	195,836,964				
86	x MMBTU Conversion		0.00917				
87	x Steam Adjustment	kWh	1.01600	$4.166	7,605,674	$4.30	7,845,179
88	Sub-Total Base Rates				9,742,113		9,999,687
89	Fuel Adjustment	kWh	198,970,355	-$0.002662	(529,973)	-$0.002662	(529,659)
90	Environmental Surcharge			16.328%	1,504,124	15.883%	1,504,124
91	**Total Steam**				10,716,264		10,974,152
92							
93	**Rate TGP**						
94	*Metering Charge*	Meters	-	$0.00		$0.00	
95	*Demand Charges*						
96	Demand Charge	CP kW	477,063	$1.75	834,860	$1.75	834,860
97	*Energy Charges (Averaged)*				-		-
98	On-Peak Energy Charge	kWh	84,629,228	$0.030160	2,552,749	$0.030160	2,552,749
99	Off-Peak Energy Charge	kWh	98,387,617	$0.022270	2,190,711	$0.022270	2,190,711
100	Sub-Total Base Rates				5,578,320		5,578,320
101	Net Buy Through Charge				218,754		218,754
102	Fuel Adjustment	kWh	183,016,845	$0.000000	-	$0.000000	-
103	Environmental Surcharge			9.909%	552,775	9.909%	552,775
104	**Total Rate TGP**				6,349,849		6,349,849

East Kentucky Power Cooperative, Inc.
Present and Proposed Rate Design and Revenues

Line No.	Description		Units	Present Rates Rate	Present Rates Amount	Proposed Rates Rate	Proposed Rates Amount
105	**Rate E1 - RATE DESIGN ONLY -- THERE IS CURRENTLY NO LOAD ON THIS RATE**						
106	*Demand Charges*						
107	Demand Charge	CP kW	23,934,636	$7.99	191,237,740	$8.37	200,298,881
108	Power Factor Penalty	CP kW	15,979	$7.99	127,672	$8.37	133,722
109	*Energy Charges*						
110	On-Peak Energy Charge	kWh	4,998,176,543	$0.041232	206,084,815	$0.043419	217,015,827
111	Off-Peak Energy Charge	kWh	4,732,348,143	$0.040654	192,388,881	$0.042841	202,738,527
112	*Metering Charge*	Meters	328	$144.00	566,214	$151.20	594,524
113	*Sub-Station Charges*						
114	1000-2999 kVa	Subs	3	$1,088.00	39,168	$1,142.40	41,126
115	3000-7499 kVa	Subs	39	$2,737.00	1,280,916	$2,873.85	1,344,962
116	7500-14999 kVa	Subs	224	$3,292.00	8,848,896	$3,456.60	9,291,341
117	15000 kVa and Up	Subs	57	$5,310.00	3,632,040	$5,575.50	3,813,642
118	Sub-Total Base Rates				604,206,342		635,272,553
119	Special Adjustments		-		(117,842)		(117,842)
120	Fuel Adjustment	kWh	9,730,524,686	-$0.002698	(26,252,956)	-$0.002698	(26,252,956)
121	Environmental Surcharge		-		92,705,290	15.222%	92,704,963
122	**Total Rate E**				670,540,835		701,606,718
					664,081,280		699,007,015

East Kentucky Power Cooperative, Inc.
Case No. 2021-00103
General Adjustment of Rates
Filing Requirements / Exhibit List

Exhibit 17

807 KAR 5:001 Sec. 16(4)(b)
Sponsoring Witness: Thomas Stachnik

Description of Filing Requirement:

If the utility has gross annual revenues greater than $5,000,000, the written testimony of each witness the utility proposes to use to support its application.

Response:

In support of its Application, EKPC provides written testimony from Mr. Thomas Stachnik, EKPC's Vice President of Finance and Treasurer, whose testimony is included with this Exhibit 17.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR A GENERAL ADJUSTMENT OF RATES, APPROVAL OF DEPRECIATION STUDY, AMORTIZATION OF CERTAIN REGULATORY ASSETS AND OTHER GENERAL RELIEF	)	Case No. 2021-00103

DIRECT TESTIMONY OF THOMAS J. STACHNIK
VICE PRESIDENT OF FINANCE AND TREASURER
ON BEHALF OF EAST KENTUCKY POWER COOPERATIVE, INC.

Filed: April 1, 2021

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME, TITLE AND BUSINESS ADDRESS.

A. My name is Thomas J. Stachnik. I am the Vice President and Treasurer for East Kentucky Power Cooperative, Inc. ("EKPC"). My business address is 4775 Lexington Road, Winchester, Kentucky 40391.

Q. PLEASE DESCRIBE YOUR EDUCATION AND EXPERIENCE.

A. I have a Bachelor's degree in Chemical Engineering from the University of Illinois and an MBA from the University of Chicago; additionally, I hold the Chartered Financial Analyst and Certified Treasury Professional designations. Prior to establishing a career in finance, I enjoyed work as a chemical engineer for approximately ten (10) years. I worked in the Treasury Department of Brown-Forman Corporation for thirteen (13) years before assuming my current role at EKPC in August 2015.

Q. PLEASE DESCRIBE YOUR DUTIES AS VICE PRESIDENT AND TREASURER FOR EKPC.

A. I am responsible for the management and direction of the treasury area including borrowing, investing, and cash management. I also oversee the financial forecasting, budgeting, and risk management functions. I report directly to EKPC's Executive Vice President and Chief Financial Officer, Ms. Ann Bridges.

Q. HAVE YOU TESTIFIED BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION BEFORE? IF SO, IN WHAT CASES?

A. I have provided written testimony pertaining to financing issues in several cases, including Case No. 2017-00376 Coal Combustion Residuals and Effluent

Limitation Guidelines (CCR/ELG),[1] and Case No. 2018-00292 (Bluegrass Dual Fuel).[2] I have also assisted in the preparation of financing applications and responded to the respective data requests in Case No. 2016-00116 (refinancing of the Credit Facility)[3] and Case No. 2018-00115 (private placement financing).[4]

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. The purpose of my testimony is to discuss: (1) EKPC's current credit ratings; and (2) EKPC's requested rate of return, including the criteria it considers in targeting an appropriate return, such as:

- the ability to attract capital;
- meeting debt covenants; and
- building and maintaining a sufficient equity cushion to be able to weather financial storms and potential stranded assets which could result from early retirements of coal assets due to environmental regulations.

Q. ARE YOU SPONSORING ANY EXHIBITS?

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[1] *See In the Matter of the Application of East Kentucky Power Cooperative, Inc. for Approval to Amend its Environmental Compliance Plan and Recover Costs Pursuant to its Environmental Surcharge, Settlement of Certain Asset Retirement Obligations and Issuance of a Certificate of Public Convenience and Necessity and Other Relief*, Order, Case No. 2017-00376 (Ky. P.S.C. May 18, 2018).

[2] *See In the Matter of the Application of East Kentucky Power Cooperative, Inc. for a Certificate of Public Convenience and Necessity for the Construction of Backup Fuel Facilities at its Bluegrass Generating Station*, Order, Case No. 2018-00292 (Ky. P.S.C. Feb. 28, 2019).

[3] *See In the Matter of the Application of East Kentucky Power Cooperative, Inc. for Approval of the Amendment and Extension or Refinancing of an Unsecured Revolving Credit Agreement in an Amount of up to $800,000,000 of which up to $100,000,000 may be in the Form of an Unsecured Renewable Term Loan and $200,000,000 of which will be in the Form of a Future Increase Option*, Order, Case No. 2016-00116 (Ky. P.S.C. April 11, 2016).

[4] *See In the Matter of the Application of East Kentucky Power Cooperative, Inc. for Approval of the Authority to Issue up to $300,000,000 of Secured Private Placement Debt and/or Secured Tax Exempt Bonds and for the Use of Interest Rate Management Instruments*, Order, Case No. 2018-00115 (Ky. P.S.C. July 24, 2018).

A. Yes.

- Exhibit TJS-1 is EKPC's credit rating history;
- Exhibit TJS-2 is a comparable analysis of the rated Generation and Transmission Cooperative ("G&T") peer universe;
- Exhibits TJS-3A, TJS-3B and TJS-3C provide analyses of EKPC's Return on Capital;
- Exhibit TJS-4 is the most recent Credit Report from Fitch Ratings ("Fitch"); and
- Exhibit TJS-5 is the most recent Credit Report from Standard & Poor's ("S&P").

Q. WERE THE EXHIBITS THAT ARE ATTACHED TO YOUR TESTIMONY PREPARED BY YOU OR SOMEONE WORKING UNDER YOUR SUPERVISION?

A. Exhibits TJS-1, TJS-2, TJS-3A TJS-3B and TJS-3C were prepared by myself. Exhibits TJS-4 and TJS-5 are true and correct copies of reports I received from third-party credit rating agencies.

Q. ARE YOU SPONSORING ANY FILING REQUIREMENTS?

A. No.

II. EKPC'S CREDIT RATING

Q. DOES EKPC HAVE A CREDIT RATING FROM ANY OF THE NATIONAL RATING AGENCIES?

A. Yes.

Q. WHAT IS THE CURRENT CREDIT RATING FOR EKPC?

A. EKPC currently holds investment grade ratings of 'A (Stable Outlook)' by S&P and 'BBB+ (Stable Outlook)' by Fitch.

Q. HOW HAS EKPC'S CREDIT RATING CHANGED FROM ITS LAST RATE CASE IN 2010?

A. EKPC's rating history is shown graphically in Exhibit TJS-1. At the time of the last rate case EKPC was not rated, and would likely not have achieved investment-grade ratings at that time. After the significant improvement in financial condition following that rate case, EKPC obtained initial ratings of 'BBB (Stable Outlook)' from S&P in October 2011 and 'BBB (Stable Outlook)' from Fitch in November 2011.

S&P upgraded EKPC to 'BBB (Positive Outlook)' in March 2014, then upgraded EKPC by another two notches to 'A- (Stable Outlook)' in September 2014 and to 'A (Stable Outlook)' in March 2017. This is where EKPC stands today.

Fitch upgraded EKPC to 'BBB+ (Stable Outlook)' in October 2014 and to 'A- (Stable Outlook)' in October 2016. In 2019, Fitch updated their rating methodology to put more of a focus on one particular leverage ratio, Net Adjusted Debt / Adjusted Funds Available for Debt Service ("FADS"). While Fitch conceded that EKPC's credit profile did not deteriorate and had actually improved, applying the new methodology resulted in a downgrade in June 2019 to 'BBB+ (Stable Outlook)'. The details of how their methodology resulted in this action are further discussed below. Fitch expected leverage to increase in the next few years as EKPC issues additional debt to finance its expanded capital improvement plan. The downgrade from Fitch briefly led to an increase in borrowing costs, however, EKPC promptly negotiated with its bank group to base its pricing grid solely on S&P's rating.

Q. WHAT ARE THE IMPORTANT FACTORS CONSIDERED BY RATING AGENCIES IN ASSESSING A COOPERATIVE'S RISK?

A. The three major rating agencies each have different ways of stating their criteria, however, they all are considering the ability of each borrowing entity to meet its debt service requirements. Moody's and Fitch have more rigid frameworks within a scorecard approach that assigns sub-ratings to several categories. S&P looks at a similar set of factors, discussed later in my testimony, but how they arrive at a given rating involves more judgment by the rating analysts.

Q. WHAT FACTORS DOES MOODY'S CONSIDER IN ITS RATINGS?

A. Moody's methodology is detailed in its publication, "Rating Methodology: US Electric Generation & Transmission Cooperatives", dated August 10, 2018. They break their analysis down to the five key rating factors below.

- <u>Wholesale Power Contracts ("WPCs") and Regulatory Status (20%)</u>: Considers strength of WPCs, % of member load served under WPCs, whether or not state regulated and supportiveness of state commission.
- <u>Rate Flexibility (20%)</u>: Considers board involvement and rate adjustment mechanisms, capital expenditure requirements relative to existing asset base, reliance on purchased power, and potential for rate shock exposure.
- <u>Member / Owner Profile (10%)</u>: Considers % of member sales that are residential and members' consolidated Equity to Capitalization

- G&T Financial Metrics (40%): Moody's considers five key financial ratios: Times Interest Earned Ratio ("TIER"), defined as the sum of Net Margin plus Interest Expense divided by Interest Expense; Debt Service Coverage ("DSC"), defined as the sum of Net Margin plus Interest Expense plus Depreciation divided by Interest Expense plus scheduled Principal payments; Funds from Operation ("FFO") / Debt; FFO / Interest; and Equity / Total Capitalization.
- Size (10%): Megawatt-hour Sales and Net Property Plant & Equipment.

Moody's uses objective criteria and a scorecard approach to assign ratings in each of these categories to arrive at an indicated rating. However, it also considers other factors and adjusts the rating up or down accordingly. Other factors include Management Quality, Governance, Financial Controls, Liquidity Management, and Event Risk.

Q. WHAT FACTORS DOES FITCH CONSIDER IN ITS RATINGS?

A. On April 3, 2019, Fitch issued new "U.S. Public Power Rating Criteria," which took a more rigid approach than the agency's previous methodology. Fitch's analysis is broken down into four main components:

Revenue Defensibility: Considers strength of wholesale power contracts, reliance on revenue from competitive business lines, service area demographics and economics, competitiveness of retail rates, and ability to adjust rates without outside regulatory approval. Several factors are then given a rating (aa, a, bbb, or bb) based on observations and averaged out to an assigned 'Revenue Defensibility' rating.

Operating Risk: Considers operating cost burden and flexibility, capital expenditure requirements, resource diversity, and other operating characteristics. Several factors are then given a rating (aa, a, bbb, or bb) based on observations and averaged out to an assigned 'Operating Risk' rating.

Financial Profile: Fitch places heavy emphasis on one ratio, Net Adjusted Debt to Adjusted FADS. Net Debt is Total Debt minus cash equivalents and short-term investments (including the RUS Cushion of Credit). FADS is the sum of Net Margin, Depreciation, and Interest Expense, essentially the same as the numerator of DSC. Fitch's calculation of FADS may also include other adjustments for non-cash and non-recurring items. "Adjusted" in their definition refers to the fact that they add a factor to the numerator and denominator to adjust for the debt-like quality of relying heavily on purchased power and capital leases. This adjustment does not materially affect EKPC in the calculation of this ratio as it would for cooperatives that rely more heavily on these items.

Depending upon the results of the 'Revenue Defensibility' and 'Operating Risk' ratings, Fitch assigns an acceptable level of Net Adjusted Debt to Adjusted FADS for each rating. For example, given the 'a' rating that Fitch assigns to each of these two factors for EKPC, a Net Adjusted Debt to Adjusted FADS of 6-8x is expected to maintain an 'a' Financial Profile. EKPC's current value for this ratio is a little over 8x, which places it in the 'bbb' range. If EKPC had a Revenue Defensibility of 'aa' as most of its unregulated peers do, the range for an 'a' Financial Profile would be 8-10, and EKPC would maintain a rating in the 'A' range. Fitch secondarily considers a borrower's liquidity profile and coverage of full obligations ("COFO"), a ratio similar to DSC.

EKPC's Net Adjusted Debt / Adjusted FADS was 8.2x for 2019. For 2020-2021, EKPC expects this ratio to be slightly over 9x due to the additional Net Debt resulting from increased capital spending for the CCR / ELG and Bluegrass dual fuel projects. Within the next 2-3 years, as EKPC's capital spending returns to more normal levels and FADS improves following the implementation of the rates proposed in this application, EKPC does expect this ratio to return to levels below 8x, which could result in an upgrade.

Asymmetric Factors: After arriving at an indicated rating from the Financial Profile matrix, other items are considered which could lead the analyst to adjust the rating downward, but these items are not used to consider an upward ratings adjustment (hence the 'asymmetric'). These factors include debt structure, management and governance, legal and regulatory, information quality.

Q. WHAT FACTORS DOES S&P CONSIDER IN THEIR RATINGS?

A. S&P's methodology considers many of the same factors as the other two agencies. Their written methodology is less specific as to how they arrive at a given rating than the other two agencies ("Applying Key Rating Factors to U.S. Cooperative Utilities", dated November 21, 2007), allowing for more judgment by the rating analysts. They evaluate business risk qualitatively and then perform financial metrics analyses. The strength of the qualitative measures determines what financial metrics are required in order to maintain a given rating.

Business risk is divided into six areas:

1) Regulatory environment and ratemaking flexibility – The degree of regulation of G&T and distribution members, ability to adjust rates to preserve margins, and strength of pass-through adjustment mechanisms;

2) Markets served by the utility – The quality of revenues derived from the member distribution cooperatives, with emphasis placed on the long-term, wholesale, power supply contracts between the G&T and its member systems;

3) Management team and risks of business strategies – The policies and strategic philosophies of board members are important financial performance and credit quality determinants, as is cohesiveness among board members;

4) Operational profile – A consideration of owned and contracted plant; diversity within the supply portfolio; market exposure; hedging policies and risk management strategies; and capital needs and third –party resource-procurement processes;

5) Competitive posture – A consideration of pursuits beyond the core business of providing customers with attractively priced, reliable electricity through affiliate or subsidiary companies; and

6) Bondholder/lender protections in legal documents – The legal protections contained in the wholesale power contracts, which bind distribution cooperatives to G&Ts, benefit cooperative utilities' lenders and trade creditors by enhancing prospects for the recovery of investments in these utilities and the receipt of trade receivables.

After evaluating business risk qualitatively, S&P performs a Financial Analysis, in which they calculate several metrics, which entail debt service coverage, liquidity, and leverage. The two ratios concentrate upon EKPC's DSC (or Fixed Charge Coverage, which is similar to DSC with adjustments for leases and purchased power agreements) and Debt to Total Capitalization.

While the methodology does not specify how S&P arrives at a given rating, the specific reports on EKPC detail which factors were considered when arriving at the rating. S&P has repeatedly praised EKPC's DSC ratio being at or above 1.25x and the fact that its Equity to Capitalization ratio has been steadily increasing for several years.

The most recent credit rating agency reports from Fitch and S&P are included as Exhibit TJS-4 and Exhibit TJS-5 to my testimony.

Q. DOES EKPC'S FINANCIAL CONDITION ALLOW IT TO OBTAIN CAPITAL AT THE MOST REASONABLE COST?

A. Yes. EKPC's 'A' rating from S&P allows it to access attractively priced debt capital. At this time, an upgrade from that rating is largely limited by EKPC's size and exposure to fossil-fuel related risks.

Q. PLEASE DISCUSS THE IMPORTANCE OF MAINTAINING A GOOD CREDIT POSITION FOR A GENERATION AND TRANSMISSION COOPERATIVE SUCH AS EKPC AND HOW THIS HAS RESULTED IN COST SAVINGS SINCE THE LAST RATE CASE.

A. Under EKPC's Indenture, it is required to be rated by two nationally recognized statistical rating organizations, which include S&P, Fitch, and Moody's. Holding these ratings is also essential in obtaining any financing from the capital markets. EKPC's S&P rating directly affects the price it pays in interest costs and undrawn fees on its credit facility. EKPC's current pricing grid in the credit facility is as follows:

S&P Rating	Facility fee (on $500 million)	Drawn Pricing, LIBOR +
>A+	[redacted]	[redacted]
A	[redacted]	[redacted]
A-	[redacted]	[redacted]
BBB+	[redacted]	[redacted]
BBB	[redacted]	[redacted]
<BBB	[redacted]	[redacted]

At EKPC's current 'A' Rating, the amount EKPC pays on drawn credit facility borrowings is [redacted] lower than it would be if it did not hold an investment-grade rating. Given the credit facility balance that EKPC has maintained and the savings resulting from each upgrade over the past 10 years, EKPC has saved an estimated [redacted] million in credit facility interest expense annually.

EKPC also achieved better pricing in the debt private placement market due to its improved credit ratings. With a lower rating, EKPC would have paid higher interest rates on these long tenor issuances. It is estimated that EKPC is paying about [redacted] million less in annual interest expense on its private placements than would have been achieved with the credit profile it had at the time of its last rate increase.

These calculations are conservative since they only consider the savings based on this current rating grid. However, at the time of the last rate case, given the concerns of EKPC's bank group and the state of the economy, EKPC faced a much more difficult refinancing situation. EKPC had a facility that was set to expire on September 2, 2010, which had a very favorable rate. This facility bore a facility fee of [redacted] bps on the $650 million commitment, with a drawn pricing of LIBOR + [redacted] bps (thus 100 bps all-in), not dependent on a current rating. The new three-year facility, which was put into place on July 14, 2020 bore a [redacted] bps fee on the $450 million commitment and a drawn pricing of LIBOR + [redacted] bps (thus [redacted] bps all-in), in addition to an up-front fee of [redacted] bps. At the time, approximately [redacted] million was drawn, so the incremental cost of the facility versus the prior one was on the order of [redacted] million. This is also when the covenants were changed to an every-year requirement versus only requiring the covenants be met every two out of three years.

Thankfully, this unfavorable facility was short-lived. After establishing new base rates and being well on target to achieve equity targets, EKPC negotiated a five-year facility which closed on August 9 , 2011, with initial all-in drawn pricing of LIBOR + [redacted] bps, with a ratings grid that allowed for automatic pricing savings as EKPC's ratings were upgraded. Two years later, in October 2013, another renegotiation of the credit facility resulted in an additional [redacted] bps reduction in the all-in drawn pricing. EKPC has maintained this favorable pricing grid to the present time, and at least through July 4, 2023, with further renegotiations and extensions.

Q. HOW ELSE HAS EKPC ACHIEVED COST SAVINGS ON ITS INTEREST EXPENSE SINCE THE LAST RATE INCREASE?

A. As Ms. Bridges discusses in her testimony, the 2018 Farm Bill phased out EKPC's ability to earn 5% on deposits in the Cushion of Credit but allowed it to prepay Rural Utilities Service ("RUS") / Federal Financing Bank ("FFB") debt with no penalty with the remaining funds in the Cushion of Credit. Overall, EKPC prepaid a total principal of $497 million in RUS / FFB debt with an average interest rate of 4.94%, for a total initial annual interest expense savings of $24.6 million. This savings offset the $25 million that EKPC could typically earn at 5% on its typical balance of $500 million in the Cushion of Credit. In addition, these prepayments greatly reduced the amount of scheduled principal due each year, which has had a positive effect on DSC.

Q. DO YOU EXPECT EKPC'S CREDIT RATINGS TO CHANGE IN THE NEXT YEAR?

A. No. S&P recently affirmed EKPC's rating in January 2021. While EKPC's metrics for S&P could potentially support an upgrade, EKPC's rating is limited by company size and coal asset exposure. Fitch will be reviewing EKPC in late spring 2021. EKPC does not expect a change in rating at that time, as its credit metrics have remained stable. As previously discussed, an upgrade is possible over the next few years as EKPC's Net Adjusted Debt / Adjusted FADS improves to below 8x.

III. REQUESTED RETURN

Q. HOW IS AN ELECTRIC COOPERATIVE'S RETURN CALCULATED DIFFERENTLY THAN AN INVESTOR OWNED UTILITY'S RETURN?

A. An investor owned utility is owned by stockholders who are generally not customers, creating a conflict of interest in setting rates. State regulatory commissions mediate between the owners and ratepayers to ensure that rates are fair, just and reasonable. Since an electric cooperative is owned and directed by its ratepayers, interests are more aligned. For a member-owned cooperative, achieving a certain return on an investment is not a primary concern as all profits of the cooperative ultimately belong to the ratepayers. The main concern is that capital is used efficiently on behalf of the owner-member, and that the cooperative remains financially strong. If excess revenues are collected, a generation and transmission cooperative can take action and distribute those earnings to shareholders in the form of capital credits. As a result of these dynamics, and the fact they are generally highly debt-financed, cooperatives have historically used coverage ratios, such as TIER, to define their required returns.

Q. IN YOUR OPINION, WHAT WOULD BE A REASONABLE RATE OF RETURN FOR EKPC?

A. Based upon my analysis, EKPC should retain its current target of 1.50 TIER.

Q. HAVE YOU PREPARED ANY ANALYSIS TO SUPPORT YOUR OPINION? IF SO, PLEASE DESCRIBE IT.

A. Yes. I performed both a detailed comparable analysis with other G&Ts, as well as some calculations which show how reasonable EKPC's rate of return is when viewed on a return on total capital basis. These analyses are discussed in more detail below.

Q. AT A HIGH LEVEL PLEASE EXPLAIN WHY AN ADEQUATE RETURN IS ESSENTIAL FOR EKPC?

A. EKPC must earn revenue sufficient to meet all operating and fixed costs, with sufficient margin to allow debt investors to be comfortable that all debt obligations can be satisfied. Without this assurance, EKPC's ability to access debt becomes more costly, which ultimately results in higher rates. The two main factors that allow EKPC to continue to have access to reasonably priced debt capital are: (1) the ability to meet the covenant obligations in EKPC's existing debt agreements; and (2) achieving credit ratings that demonstrate to lenders EKPC's financial strength and ability to satisfy debt covenants.

Q. LET'S DISCUSS EKPC'S DEBT AGREEMENTS FIRST. CAN YOU DESCRIBE THEM AND WHAT THEY REQUIRE?

A. EKPC maintains an unsecured syndicated credit facility, led by the National Rural Utilities Cooperative Finance Corporation ("CFC"), with five other financial institutions participating (Bank of America, U.S. Bank, KeyBank, PNC Bank, and CoBank). The credit facility has a covenant that EKPC must maintain every year in order to maintain compliance. This covenant that EKPC has to satisfy every calendar year is a margins for interest ("MFI") ratio of 1.1x, [calculated as (Margins + Interest Expense on Secured Debt) / Interest Expense on Secured Debt]. MFI is practically the same as TIER, but only considers the interest expense on debt secured by the Indenture. Even though the Credit Facility is unsecured, this ratio is used in order to be consistent with the Indenture requirements, discussed below. The two measures usually differ by only about 0.02x, so this is roughly equivalent to a TIER of 1.1x. EKPC must satisfy this covenant every year or it would be in default on the Credit Facility. Thus, it is necessary to target a TIER high enough such that it would never be expected to fall below 1.1x, even in a year with unfavorable weather or operating results.

In addition to the Credit Facility, EKPC's debt agreements include an Indenture, which governs all secured debt, which includes all RUS / FFB debt, Private Placements, and CFC loans. The Indenture is the agreement, overseen by US Bank as the Trustee, which pledges assets as collateral for EKPC's secured debt and ensures that EKPC has sufficient assets to back up these pledges. The Indenture requires that EKPC set rates sufficient to maintain the MFI ratio at a minimum of 1.1x, but does not result in an immediate default if EKPC fails to meet the covenant for a single year. However, EKPC would need to demonstrate that it is taking the necessary measures to bring the covenant into compliance. In addition to the Indenture, there are also separate loan agreements with RUS, CFC, and the Private Placement Holders. Some of these agreements do contain additional covenants (such as a requirement in EKPC's CFC loan agreements to maintain a DSC of 1.05x for two out of every three years), but none of them are as stringent as the one contained in the Credit Facility.

EKPC must also target results that support its investment-grade credit rating by maintaining strong coverage and equity ratios. One way to ensure this is to set a TIER level that is comparable to that of similar rated G&T cooperatives.

Q. WITH REGARD TO OTHER G&T COOPERATIVES, PLEASE IDENTIFY THOSE IN THE PROXY GROUP YOU REVIEWED AND DESCRIBE HOW THERE WERE SELECTED.

A. The proxy group used was all of the G&Ts with at least one investment-grade rating from one of Moody's, S&P, or Fitch. This group excludes some of the smaller G&T's and those with a smaller scope that may be part of a larger G&T group such as the transmission-only cooperatives in Missouri that are members of Associated. Using only rated G&Ts provides a good benchmark for EKPC since maintaining a strong credit rating is important to its ability to attract reasonably priced capital. The complete list of G&Ts included in my analysis is set forth in Exhibit TJS-2.

Q. HOW DOES EKPC COMPARE TO THIS PROXY GROUP?

A. EKPC, with ratings of "A" from S&P and "BBB+" from Fitch are very comparable to the larger group. The average rating given to this group is between an "A" and "A-". EKPC's current TIER and DSC are lower than the group medians, which are very close to EKPC's targets for these measures.

Q. ARE THERE ANY SIGNIFICANT DIFFERENCES BETWEEN EKPC AND THE OTHER G&T COOPERATIVES IN THE PROXY GROUP THAT WOULD AFFECT EKPC'S RELATIVE RISK PROFILE?

A. The biggest difference is that the majority of EKPC's peers are not rate-regulated and their Boards have the ability to adjust rates unilaterally as needed to achieve financials covenants and targets. The latitude most cooperatives possess to set their own rates in response to changing costs is a key driver of credit quality. Autonomous ratemaking authority sets these utilities apart from rate-regulated utilities and enables cooperative utilities to respond quickly to changing circumstances and preserve sound financial margins without exposure to the regulatory delays or disallowances that can negatively influence the financial performance of regulated utilities. Since EKPC cannot increase rates without seeking regulatory approval, it is prudent that a 1.5 target TIER be retained so that EKPC's favorable credit ratings can be maintained.

Q. HOW DOES CFC DEVELOP ITS COMPARISON GROUP OF G&TS?

A. Each year CFC publishes a Key Performance Indicators ("KPI") report, which EKPC understands to be based upon data CFC gathers from publicly available filings, such as the RUS Form 12. CFC's analysis provides another perspective on where EKPC stands relative to its peers.

Q. HOW DOES EKPC COMPARE TO CFC's ENTIRE POPULATION OF G&TS?

A. As indicated in the comparisons below, EKPC's TIER and MFI are lower than those of all G&T members and A Rated or Higher G&Ts.

TIER	2015	2016	2017	2018	2019
EKPC	1.44	1.48	1.19	1.35	1.39
All	1.64	1.60	1.63	1.59	1.63
A	1.57	1.57	1.59	1.62	1.59

MFI	2015	2016	2017	2018	2019
EKPC	1.44	1.50	1.20	1.38	1.42
All	1.51	1.64	1.54	1.65	1.65
A	1.58	1.70	1.66	1.78	1.66

Q. LET US TRANSITION TO TALKING ABOUT EKPC'S FINANCIAL METRICS. WHAT IS EKPC'S CURRENT EQUITY TO ASSET RATIO?

A. As of December 31, 2019, EKPC had an equity to asset ratio of 18.9% on a GAAP basis. Preliminary results indicate an equity to asset ratio of 21.2% as of December 31, 2020.

Q. DOES EKPC'S EQUITY TO ASSET RATIO TYPICALLY INCREASE BY OVER 2 PERCENTAGE POINTS EACH YEAR?

A. No. The increase from 2019 to 2020 was mostly due to the fact that EKPC used $320 million of the RUS cushion of credit to make penalty-free repayments of its FFB debt. Holding a large balance in the cushion of credit lowers the equity to asset ratio by increasing both assets and debt. If EKPC did not have a cushion of credit balance in 2019, the equity ratio would have been 20.8%, so the increase from 2019 to 2020 would only have been 0.3 percentage points. Historically, in years of modest capital spending, EKPC has seen gradual increases in the equity to asset ratio of 1-2%. In 2019 and 2020, with larger than usual capital expenditures, the equity ratio grew more modestly.

Q. HOW DOES EKPC'S EQUITY TO ASSET RATIO COMPARE TO OTHER G&T COOPERATIVES OF WHICH YOU ARE AWARE?

A. EKPC is a little below the average of 23.2% for other rated G&T's. The comparison can be seen in Exhibit TJS-2. The CFC KPI report indicates that all G&Ts and A Rated or Higher G&Ts have an equity percentage of 26.03 and 24.72, respectively, for 2019.

Q. IN PRACTICAL TERMS, DOES IT MATTER THAT EKPC'S EQUITY TO ASSET RATIO IS BELOW THE AVERAGE AND WHAT IS CONSIDERED WHEN SETTING A TARGET FOR EQUITY TO ASSET RATIO?

A. Rating agencies consider this ratio when considering a G&Ts credit rating. While it is not an absolute necessity to be above the industry average, rating agencies consider 20% to be a reasonable equity target to maintain an investment-grade rating. Furthermore, EKPC's Indenture requires that Equity to Total Capital (which generally runs slightly higher than Equity / Assets) be 20% before considering paying distributions to members in the form of capital credits.

EKPC has improved its equity ratio substantially since the last rate increase, but it is important to maintain strong equity in order to provide a buffer against unexpected events or asset impairments that could result from future carbon regulations.

Q. WHAT ROLE DO INTEREST RATES PLAY IN SETTING A COOPERATIVE'S RATE OF RETURN?

A. Since EKPC seeks a return based on a TIER, which is multiple of interest rates, they are directly and critically related. Since cooperatives are heavily debt-financed, low interest rates correspond to lower costs of capital and lower required returns.

Q. CAN YOU DESCRIBE EKPC'S MIX OF SHORT-TERM AND LONG-TERM DEBT?

A. Under GAAP, all of EKPC's interest-bearing debt is considered to be long-term as its Credit Facility's final maturity is over one-year away. However, EKPC's Credit

Facility is fully pre-payable at each monthly payment period and bears a variable rate on interest. Other than the credit facility, EKPC holds the majority of its debt at fixed rates in order to have a stable level of interest costs. At December 31, 2019, EKPC's variable rate debt represented only 7% of total debt.

Q. WHAT IS EKPC'S BLENDED COST OF DEBT?

A. At December 31, 2019, EKPC's blended cost of debt was 3.85%. At December 31, 2020, the blended cost of debt declined to 3.45%. The drop in interest rates in 2020 was mainly due to the prepayment of $320 million of its highest-rate Federal Financing Bank ("FFB") debt with no penalty, which was allowed under the 2018 Farm Bill. At the time of the last rate case in 2010, EKPC's blended cost of debt was 4.83% (as of 8/31/2010).

Q. HOW DID YOU ARRIVE AT THAT FIGURE?

A. EKPC calculates its blended cost of debt by taking an average of each debt issuance's interest rate, weighted by its principal amount outstanding.

Q. HOW DO THE RETURNS ON A TIER-BASED APPROACH DIFFER FROM A RETURN ON EQUITY APPROACH?

A. To compare return on equity to TIER, I performed an analysis of how the two correspond. EKPC's total capital is a mix of equity and debt. The return to the debt portion of capital is the weighted-average interest rate and the return on the equity portion is the annual margin, which accrued to the owner-members in the form of an increase in equity, which is available to be paid out as capital credits. Using 2019 year-end values for equity and debt, a weighted-average interest weight of 3.85% and a target TIER of 1.5x implies that EKPC is seeking a return on equity of 6.6% and a return on total capital of 4.5%. Because EKPC retired an additional $320 million of its highest-interest rate debt in 2020, the weighted-average interest rate declined to 3.45%. Applying this interest rate to the 2020 preliminary balance sheet results, these numbers translate to a 5.9% return on equity and a 4.0% return on total capital. This calculation is included in Exhibit TJS-3A.

These calculations illustrate how EKPC's capital structure results in very efficient use of capital. If EKPC were to use a more market-based approach to what its return on equity should be, rates would have to be set much higher. Using TIER as the benchmark allows cooperatives to ensure financial results that maintain financial strength and available liquidity efficiently. Exhibit TJS-3B, shows that if the target were a 9.5% return on equity (as would be typical for an investor-owned utility), EKPC's TIER requirement would be higher, on the order of 1.7-1.8x.

Finally, I did an analysis that asked the question, "What would EKPC's returns look like if it targeted a much higher Equity to Capital ratio of 40%?" In order to achieve this, EKPC would have to target much higher margins, and thus higher rates. At this point, the implied Return on Equity is very low, even lower than the assumed cost of debt. This indicates that the owner-members' capital would not be utilized very efficiently, and lower rates and/or capital credits would be in order. While the TIER requirement after reaching higher equity could be lowered, it would take years of requiring a higher TIER, and a minimum positive margin would still be required in order to maintain debt covenant ratios. Our current equity ratio in the area of 20% strikes a good balance of protecting against negative financial shocks while maintaining a reasonably inexpensive capital structure. This analysis is included in Exhibit TJS-3C.

Q. DID THE METHODOLOGY USED IN THIS PROCEEDING CHANGE FROM EKPC'S 2010 RATE PROCEEDING?

A. The methodology is essentially the same as the prior rate case: justifying a TIER that is comparable to the G&T universe which meets EKPC's financial goals. EKPC had been considering using DSC instead of TIER. For several years, DSC was EKPC's main target because of its importance to the rating agencies. However, after prepayment of FFB debt under the Farm Bill provision, the dynamics of DSC have changed. The prepayments reduced debt service to the point at which TIER became more of a limiting factor. For example, EKPC could potentially meet a DSC of 1.3x, while still failing to meet its financial covenant of 1.1x MFI.

Q. WHY DID YOU USE DSC RATIOS IN THIS ANALYSIS?

A. DSC is still a very important ratio from the perspective of the rating agencies. To maintain its credit rating, it is EKPC's strategic finance policy to target a DSC of 1.35x in order to ensure that DSC remains about 1.25x. Given the structure of EKPC's debt service after the substantial prepayments of amortizing FFB debt, maintaining a TIER of 1.5x will achieve this objective.

Q. WHAT IS YOUR RECOMMENDATION AS TO THE TIER THAT SHOULD BE USED IN THIS CASE?

A. I recommend that EKPC continue to target a TIER of 1.5x. This results in a reasonable return that is consistent with that of its peers and supports EKPC's credit ratings, debt covenants, and financial strength.

IV. CONCLUSION

Q. PLEASE SUMMARIZE YOUR TESTIMONY.

A. Over the last decade, EKPC has made strategic financial decisions that enabled it to obtain, and continue to receive, solid credit ratings and access to the capital markets. In order to continue EKPC's strong financial performance, EKPC should continue to target a 1.5 TIER. This is supported by peer comparisons and an analysis of EKPC's cost of capital.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

EXHIBITS

Exhibit TJS-1 – EKPC's Credit Rating History

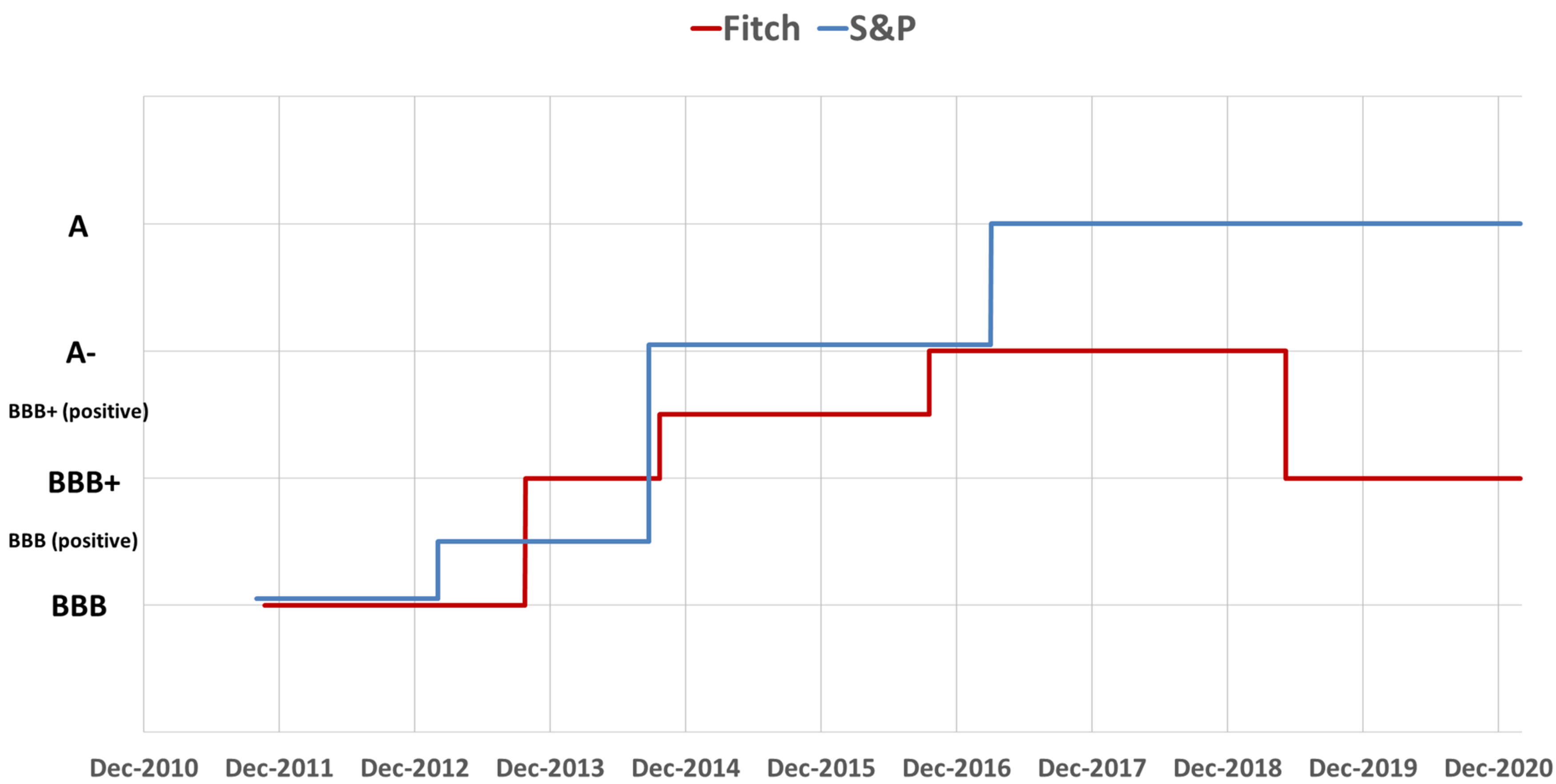
Exhibit TJS-2 – Comparably Analysis of the Rated G&T Peer Universe

Exhibit TJS-3 – Analysis of EKPC's Return on Capital

Exhibit TJS-4 – Fitch Ratings Report on EKPC (dated June 2, 2020)

Exhibit TJS-5 – S&P Ratings Report on EKPC (dated January 25, 2021)

EKPC Rating History



EAST KENTUCKY POWER COOPERATIVE
A Touchstone Energy Cooperative

RATED G&T UNIVERSE FINANCIAL COMPARISON

	Secured Financial Ratings Information			12/31/2019	2017-2019	2017-2019	
Cooperative	Moody's	Fitch	S & P	Equity Ratio	Avg. DSC	Avg. TIER	State Regulated?
Arizona Electric Power Cooperative, Inc.		A	A	40.20%	1.25	1.82	**Yes**
Arkansas Electric Cooperative Corporation	Aa3	AA-	AA	35.32%	1.89	2.04	**Yes**
Associated Electric Cooperative, Inc.	Aa3	AA-	AA	23.78%	1.34	1.62	No
Basin Electric Power Cooperative	A3	A	A	21.35%	1.75	1.35	No
Big Rivers Electric Corporation	Baa3	BBB-	BB+	38.71%	1.36	1.39	**Yes**
Brazos Electric Cooperative, Inc.		A+	A	25.13%	1.23	1.59	Transmission Only
Buckeye Power, Inc.	A2	A	A	27.31%	1.39	1.68	No
Central Electric Power - South Carolina			A+	13.14%	1.18	1.50	No
Central Iowa Power Cooperative		A-	A	28.60%	1.56	1.89	No
Chugach Electric Association, Inc.		A	A	23.30%	1.24	1.26	**Yes**
Cooperative Energy	A2	A		22.22%	1.69	1.50	No
Corn Belt Power Cooperative			A	31.91%	1.84	2.76	No
Dairyland Power Cooperative	A2		A+	23.79%	1.34	1.55	No
Georgia Transmission Corporation	A1	AA-	AA-	12.33%	1.34	1.18	No
Golden Spread Electric Cooperative	A1	AA-	AA-	39.79%	2.06	2.17	Transmission Only
Great River Energy	A3	A-	A-	18.03%	1.25	1.21	No
Hoosier Energy Rural Electric Cooperative, Inc.	A2		A+	23.16%	1.43	1.52	No
Minnkota Power Cooperative, Inc.	Baa1		A-	13.94%	1.29	1.33	No
North Carolina Electric Membership Corporation		A	A-	15.58%	1.24	1.45	No
Oglethorpe Power Corporation	Baa1	BBB+	BBB+	7.83%	0.93	1.22	No
Old Dominion Electric Cooperative	A2	A+	A+	20.34%	1.09	1.30	No
PowerSouth Energy Cooperative	A3	BBB+	BBB+	19.73%	1.27	1.21	No
San Miguel Electric Cooperative, Inc.		A+	A	23.95%	2.32	1.17	No
Seminole Electric Cooperative, Inc.	A3		A-	20.96%	1.26	1.41	No
South Texas Electric Cooperative, Inc.		A+	A	26.03%	1.43	1.75	Transmission Only
Square Butte Electric Cooperative	Baa1		A-	13.29%	1.11	1.14	No
Tri-State G&T Association, Inc.	A3	A	A-	22.44%	1.47	1.33	No
Wabash Valley Power Association, Inc.			A	19.71%	1.43	1.59	No
Western Farmers Electric Cooperative		A-	A-	27.06%	1.28	1.37	No
Wolverine (Peninsula sub is rated entity)			A	24.40%	1.43	1.78	No
Median				23.23%	1.34	1.48	
Average				23.44%	1.42	1.54	
East Kentucky Power Cooperative, Inc.		BBB+	A	18.94%	1.33	1.31	Yes

Sources:
G&T Credit Ratings as of January 2021, sourced directly from Moody's, Fitch, and S&P websites
Financial data and Regulatory status from G&T Accounting and Finance Association Annual Directories or directly from individual Financial Statements

EKPC Return on Total Capital Analysis

What Returns on Equity and Total Capital does 1.5x TIER imply?

$ Million	2019	2020 (unaudited)
Equity	715.4	744.3
Debt (RUS basis - net of cushion of credit)	2,463.9	2,560.8
Total Capital (Equity + Debt)	3,179.3	3,305.0
Equity to Total Capital	22.5%	22.5%
Avg. Interest Rate (Return on Debt)	3.85%	3.45%
Projected Interest (Debt x Average Rate)	94.9	88.3
Target TIER	1.50x	1.50x
Target Margin (1- Target TIER) * Interest	47.4	44.2
Implied ROE (Margin / Equity)	**6.6%**	**5.9%**
Target Return on Total Capital (Margin + Interest) / Total Capital	**4.5%**	**4.0%**

EKPC Return on Total Capital Analysis

What TIER would a 9.5% Return on Equity imply?

$ Million	2019	2020 (unaudited)
Equity	715.4	744.3
Debt (RUS basis - net of cushion of credit)	2,463.9	2,560.8
Total Capital (Equity + Debt)	3,179.3	3,305.0
Equity to Total Capital	22.5%	22.5%
Avg. Interest Rate (Return on Debt)	3.85%	3.45%
Projected Interest (Debt x Average Rate)	94.9	88.3
CALCULATED TIER	**1.72x**	**1.80x**
Target Margin (1- Target TIER) * Interest	68.0	70.7
ASSUMED ROE (Margin / Equity)	9.5%	9.5%
Target Return on Total Capital (Margin + Interest) / Total Capital	5.1%	4.8%

EKPC Return on Total Capital Analysis
What would a 1.5xTIER imply at a theoretical 40% equity?

$ Million	2019	2020 (unaudited)
Equity	1,272	1,322
Debt	1,908	1,983
Total Capital (Equity + Debt)	3,179.3	3,305.0
Equity to Total Capital (Input)	40.0%	40.0%
Avg. Interest Rate (Return on Debt)	3.85%	3.45%
Projected Interest (Debt x Average Rate)	73.4	68.4
Target TIER	1.50x	1.50x
Target Margin (1- Target TIER) * Interest	36.7	34.2
Implied ROE (Margin / Equity)	**2.9%**	**2.6%**
Target Return on Total Capital (Margin + Interest) / Total Capital	**3.5%**	**3.1%**

FitchRatings

RATING ACTION COMMENTARY

Fitch Affirms East Kentucky Power Cooperative's Bonds at 'BBB+'; Outlook Stable

Tue 02 Jun, 2020 - 8:49 AM ET

Fitch Ratings - Austin - 02 Jun 2020: Fitch Ratings has affirmed East Kentucky Power Cooperative's (EKPC) Issuer Default Rating (IDR) and the underlying ratings on the utility's $2.7 million Pulaski County, KY solid waste disposal revenue bonds series 1993B at 'BBB+'.

The Rating Outlook is Stable.

ANALYTICAL CONCLUSION

EKPC's rating reflects the utility's leverage profile, which is expected to remain above 8.0x in the near term as the cooperative continues an expanded capital improvement plan to address environmental regulations. EKPC's revenue defensibility assessment and rating further consider the aggregate credit quality of the cooperative's members. Member service territories are diverse, both economically and geographically, but the aggregate credit quality is approaching midrange. Fitch believes EKPC's low cost power supply is diversified and, together with wholesale market purchases, is sufficient to meet members' peak energy demands.

The recent outbreak of the coronavirus creates an uncertain environment for the public power sector in the near term. While EKPC's performance through most recently available data has not indicated significant impairment, material changes in revenue and cost profiles could worsen in the coming weeks and months if economic activity suffers further and government restrictions are maintained or expanded.

Fitch expects the EKPC's current liquidity levels and overall financial performance will remain supportive of the current rating. EKPC's operating cash flows would likely narrow following a severe decline in member energy sales, but Fitch's scenario analysis assumes management would implement a base rate increase to ensure financial metrics return to current levels. Fitch's ratings are forward looking, and Fitch will monitor developments related to the severity and duration of the virus outbreak and incorporate revised expectations for future performance and assessment of key rating drivers.

CREDIT PROFILE

EKPC provides wholesale power and energy to 16 member distribution cooperatives, which in turn provide retail electric service to 545,476 energy meters across 87 counties in Kentucky. Member territories are reasonably diverse and located throughout central and eastern Kentucky. The territories served include mountainous coal mining areas, rolling farmlands and the more suburban areas surrounding the state's largest cities.

KEY RATING DRIVERS

Revenue Defensibility: 'a'

Unconditional Power Sales Contracts; Rate Regulated

EKPC's revenue defensibility assessment reflects the very strong revenue source characteristics of its all-requirements long-term wholesale power agreements with its members that extend through Jan. 1, 2051. Aggregate member credit quality is assessed as strong, but is approaching midrange as service territory economic metrics vary widely. Wholesale electric rates and those of its members are regulated by the Kentucky Public Service Commission (PSC) limiting rate flexibility.

Operating Risk: 'a'

Ample and Low Cost Power Supply

EKPC's operating risk assessment of strong is based on the utility's history of providing a consistently low cost power supply to its members. EKPC owns a diverse generating fleet and supplements its power supply with economic purchases from the PJM wholesale market. Ongoing capital expenditures related to environmental capital improvements totaling $262 million are expected to be largely complete in 2020 and are funded through a combination of operational cash flow and additional debt. Fitch expects capex levels to return to historical levels in fiscals 2021 through 2024.

Financial Profile: 'bbb'

Leverage Expected to Remain Elevated Over the Near Term

EKPC's leverage profile remained stable at 8.1x at FYE 2019. Fitch expects leverage to increase in fiscals 2020 and 2021 as EKPC issues additional debt to finance its expanded capital improvement plan. Declining operating margins resulting from a severe decline in energy sales could further pressure metrics, but Fitch believes EKPC's leverage profile will remain supportive of the financial profile assessment. EKPC's liquidity profile is neutral to the rating assessment.

ASYMMETRIC ADDITIONAL RISK CONSIDERATIONS

No asymmetric additional risk considerations affected this rating determination.

RATING SENSITIVITIES

Factors that could, individually or collectively, lead to positive rating action/upgrade:

--A sustainable decline in net leverage below 8.0x due to lower than anticipated debt issuance;

--An increase in operating cash flow through rate increases or reduced discretionary expenditures.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

--An inability, or unwillingness, to increase member rates, which leads to weakened operating margins;

--Increased debt issuance resulting from an increase in capex.

BEST/WORST CASE RATING SCENARIO

International scale credit ratings of Public Finance issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of three notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit https://www.fitchratings.com/site/re/10111579.

SECURITY

The solid waste disposal revenue bonds are secured by a mortgage interest in substantially all of EKPC's tangible and certain of its intangible assets.

REVENUE DEFENSIBILITY

EKPC's revenue source characteristics are very strong. The wholesale power agreements extend through Jan. 1, 2051 and require members to serve their entire load through purchases from EKPC. The agreements were reaffirmed following an order by the PSC in September 2018 nullifying parts of the 2003 amendment, which previously allowed members to purchase off-system power up to 15% of their three-year average rolling peak as long as it did not exceed 5% of EKPC's peak demand. The PSC order also prohibited any future efforts by members to purchase power from suppliers other than EKPC. Fitch believes the PSC decision strengthens EKPC's revenue source characteristics and it mitigates the need for EKPC to reallocate fixed costs resulting from lost member load.

Energy sales to members accounted for 96% of EKPC's total 2019 energy sales, with the remaining energy sold primarily through EKPC's PJM interconnection. EKPC's 2019 sales to PJM represent a small decline from 2018 levels due to unfavorable weather and market prices. Fitch does not believe that the PJM market sales and other off-system sales warrant an asymmetric risk consideration. Non-member sales account for approximately 2-3% of total annual sales in EKPC's forecast.

Rate Flexibility

EKPC's wholesale electric rates and those of its members are regulated by the PSC. The PSC has a history of being supportive of EKPC, but Fitch believes regulatory oversight limits rate flexibility. EKPC's last rate case, approved in January 2011, targeted a times interest earning ratio (TIER) of 1.50x. It was intended to help support the cooperative as it moved forward with its strategic plan. Additional filings with the PSC have resulted in an allowance of an economic development rider, an environmental surcharge that recovers costs for coal-related environmental expenditures including funding for the transfer of ash storage, and support for a fuel adjustment clause (FAC) proposal. EKPC management believes that its relationship with the PSC remains healthy and that the commission will likely remain supportive of the cooperative and its members.

The EKPC board is required to review its wholesale rate at least annually, and to seek revisions as necessary to ensure covenant compliance. The utility attempts to mitigate the risks related to rate regulation through a multi-year budgeting process. Given the anticipated time frame for PSC approval and implementation of rate increases (up to 10 months), the cooperative seeks to anticipate the need for rate relief well in advance of any projected revenue shortfall, to maintain minimum annual TIER and DSC metrics. Timelier rate adjustments may be permitted if the PSC finds that EKPC's credit quality or operations will be materially impaired by a failure to implement rate changes.

Purchaser Credit Quality

Fitch assesses EKPC's Purchaser Credit Quality (PCQ) as strong based on the aggregate credit quality of its members. EKPC's member distribution cooperatives provide retail electric service throughout territories that are reasonably diverse, both economically and geographically, and sometimes weak. EKPC's members serve many of the communities surrounding Cincinnati, Lexington and Louisville, which have experienced higher rates of economic and population growth. However, EKPC's members also serve many of the coal-mining communities in east Kentucky where average household income has reached 42% of the national average and unemployment is approximately more than twice the national average (e.g., Owsley County).

In accordance with criteria, Fitch evaluated the credit quality of EKPC's top five members, which accounted for approximately 58% of 2019 revenue. EKPC's top five members received a weighted average score of 2.33, which indicates a rating factor assessment of strong but approaches the midrange threshold of 2.5. The scoring assessment evaluates wholesale members based on their ability to absorb rates, leverage and cash flow (measured by net margin and cash cushion). Member scores ranged from 2 to 3 (higher scores reflect weaker credit quality), with the lower credit quality members reflecting weak economic metrics and lower liquidity levels. Rate competitiveness remained strong at each of the top five members, but affordability remains tempered by below average median household income levels.

Energy sales to members accounted for 96% of EKPC's total 2019 energy sales, with the remaining energy sold primarily through EKPC's PJM interconnection. EKPC's 2019 sales to PJM represent a small decline from 2018 levels due to unfavorable weather and market prices. Fitch does not believe that the PJM market sales and other off-system sales warrant an asymmetric risk consideration. Nonmember sales account for approximately 2%-3% of total annual sales in EKPC's forecast.

OPERATING RISK

EKPC has consistently maintained low-cost energy to its members, averaging an operating cost burden of 5.8 cents/kWh during the past five years. EKPC's operating cost burden remained low in fiscal 2019 with a cost burden of 5.6 cents/kWh.

EKPC's operating cost burden reflects the utility's low cost baseload coal power plants, which have been increasingly supplemented with economic purchased power through EKPC's participation with the PJM marketplace. EKPC's strategy is to temper its exposure to coal and keep production costs low through optimization of its asset portfolio and flexible generation dispatching. As natural gas prices have declined, EKPC better utilized its gas-fired generation along with wholesale market purchases to hold down costs. Purchased power accounted for approximately 24% of EKPC's operating expenses in fiscal 2019, up from approximately 16% in fiscal 2016, due to lower PJM power costs.

EKPC owns a diverse generating fleet of coal-fired, natural gas-fired, landfill gas and solar facilities, totaling more than 3,400 MWs, which is sufficient to meet EKPC's peak load (2019 peak load of 3,073 MW). The cooperative's power supply is primarily coal, but EKPC has taken steps to diversify its power mix through optimization of its asset portfolio and flexible generation dispatching. EKPC purchased a 594 MW natural gas-fired facility from Bluegrass Generation Co. LLC (Bluegrass) in December 2015. As natural gas prices have declined, EKPC has been able to utilize its gas-fired generation, along with wholesale market purchases, to hold down costs. Market purchases accounted for approximately 48% of energy supplied during fiscal 2019, up from 34% in fiscal 2018 and significantly higher than 6% in fiscal 2011.

EKPC's owned coal based facilities include Spurlock and Cooper. Spurlock is the cooperative's largest plant, with 1,346 MWs of rated capacity. Cooper provides an additional 341 MWs of capacity. EKPC purchases coal for its generating plants under long-term contracts. EKPC's 2019 owned power supply capacity remains unchanged from 2018 with coal, natural gas and renewable (landfill and solar) representing 57% 42% and 1%, respectively.

In addition to its coal and natural gas facilities, the cooperative has rights to 170 MWs of hydroelectric power from the Southeastern Power Administration.

Capital Planning and Management

EKPC's capital planning and management assessment of very strong reflects EKPC's low average age of plant and its continued investment in the utility's generation and transmission assets. Historical capital spending has shown some variability spiking in 2015 following EKPC's acquisition of the natural gas-fired facility from Bluegrass. EKPC's historical five-year average capital spending has remained broadly in line or above its historical five-year average depreciation.

EKPC is in the midst of undertaking several investments aimed at addressing environmental regulations associated with both Coal Combustion Residuals (CCRs) and the Effluent Limitations Guidelines (ELG). Management estimates that compliance expenditures at Spurlock will total approximately $262 million through fiscal 2024. Emissions at Spurlock were previously reduced following the addition of flue gas desulphurization (FGD) systems, electrostatic precipitators, selective catalytic reduction units and new low-NOx burners. Similar equipment was installed in 2015 at Cooper unit No. 1, with a tie into a new air quality control system for unit No. 2 that brought the unit into compliance with the Mercury and Air Toxics (MATS) rule.

Capex rose to $203 million in fiscal 2019 and are expected to climb to approximately $225 million in fiscal 2020 before declining to an average annual amount of approximately $108 million in fiscals 2021 through 2024. EKPC will fund its capital plan through a combination of operational cash flow and debt; however, an environmental surcharge included in EKPC's wholesale rates will be used to substantially recover all costs related to the Spurlock compliance capex.

Management believes that it is well positioned to meet the Environmental Protection Agency's Affordable Clean Energy (ACE) rule, which is not expected to negatively affect EKPC financially or operationally.

FINANCIAL PROFILE

EKPC's financial profile remained relatively stable in fiscal 2019 as the cooperative's leverage ratio remained at 8.1x in FY 2019. Despite EKPC's issuance of an additional $250 million in debt in 2019, funds were used to primarily pay down borrowings on the cooperative's credit facility. EKPC previously used the credit facility to finance the CCR and ELG capital improvements at the Spurlock facility. Leverage has steadily declined from 9.2x in fiscal 2015 when EKPC purchased the Bluegrass facility.

Energy sales declined by approximately 3% in fiscal 2019, primarily due to weather and unfavorable PJM market conditions. However, EKPC's decline in operating revenues were more than offset by declines in EKPC's combined purchased power and fuel costs, which resulted in improved operating margins in fiscal 2019. Management reports that 2020 member energy sales have not been materially affected by the recent coronavirus. March and April 2020 energy sales declined relative to budgeted sales as Kentucky instituted a statewide shutdown due to the coronavirus, but yoy energy sales remained relatively stable. Additionally, EKPC's members have continued to make monthly payments to EKPC despite some increases in retail customer arrearages.

Liquidity remained healthy with 103 days cash on hand (DCOH) at FYE 2019, up from 94 days at FYE 2018. Management has historically targeted 80 to 100 days cash on hand. The cooperative also maintains a $600 million syndicated credit facility, which provides an additional source of liquidity. Management reports the utility borrowed an additional $80 million from its credit facility during the first quarter of 2020 -- raising DCOH to approximately 150 days -- to address any unanticipated liquidity needs resulting from the coronavirus. The utility currently has $325 million available on its credit facility.

Fitch Analytical Stress Test (FAST) Scenarios

The FAST base case scenario represents Fitch's expectation of EKPC's financial performance through the five-year period ending in 2024. Under Fitch's base case, leverage is expected to increase to 9.2x in fiscal 2020 as EKPC issues additional debt to finance the remaining CCR and ELG capital improvements at the Spurlock facility (totaling $262 million). Operating cash flow is expected to narrow in fiscal 2020 as energy sales remain relatively in line with 2019 sales. The base case does not include any wholesale base rate increases.

Fitch expects leverage to decline after 2021 to approximately 8.2x as capex return to historical levels and debt continues to amortize. EKPC plans to use the remaining $353 million in its cushion of credit to prepay debt owed to RUS in fiscal 2020, which was permitted following the passage of the Farm Bill in 2018. The base case also includes an additional 50-60MW of load in fiscals 2021 and 2022 as one of EKPC's major industrial customers is currently undergoing a plant expansion. Fitch assumed energy sales increase by 3.8% and 5% in fiscals 2021 and 2022, respectively to account for the increased customer load.

Fitch applied additional sensitivities to its base case to consider a more sustained slowdown resulting from the spread of the coronavirus and resulting economic slowdown. Fitch assumed a stress of a 9% decline in energy sales in fiscal 2020, followed by year over year recoveries of 5%, 3% and 1% in fiscals 2021, 2022 and 2023, respectively. The stress in sales was overlaid on EKPC's assumed annual load growth and no stress was applied to the 2024 base case energy sales growth assumption. The sensitized base case assumes management would respond to a decline in energy sales by reducing costs and increasing rates (upon PSC approval). Fitch assumed rate increases would provide an additional $20 million of annual revenue starting in fiscal 2021. Under the sensitized base case, net leverage could increase to over 11x in the near term, but would decline to current levels by 2022. Any additional operating cash flow provided by approved rate increases would further reduce the leverage metric in the near term.

Debt Profile

EKPC's debt profile is neutral to the rating. The cooperative's reported total debt of $2.7 billion at Dec. 31, 2019, most of which ($2.2 billion) has been funded pursuant to the RUS loan program at conservatively fixed interest rates. Amortization of the RUS program debt extends through 2051. EKPC also has first mortgage bonds ($329 million) and first-mortgage promissory notes ($100 million). The cooperative's remaining debt has largely been funded through tax-exempt bonds ($21.9 million), and through credit facility with National Rural Utilities Cooperative Finance Corp. (CFC) and a syndicate of banks ($190.6 million).

All of the cooperative's debt is secured under its existing indenture, except for the CFC-led facility and $5.6 million National Cooperative Services Corporation fixed rate notes. Approximately $185 million, or 6.8% of EKPC's total debt, was variable rate at Dec. 31, 2019, exposing the cooperative to manageable interest rate risk.

In addition to the sources of information identified in Fitch's applicable criteria specified below, this action was informed by information from Lumesis.

REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

ESG CONSIDERATIONS

The highest level of ESG credit relevance, if present, is a score of 3. This means ESG issues are credit-neutral or have only a minimal credit impact on the entity(ies), either due to their nature or to the way in which they are being managed by the entity(ies). For more information on Fitch's ESG Relevance Scores, visit www.fitchratings.com/esg.

RATING ACTIONS

ENTITY/DEBT	RATING		
East Kentucky Power Cooperative (KY)	LT IDR	BBB+	Affirmed

ENTITY/DEBT	RATING		
• East Kentucky Power Cooperative (KY) /Pollution Control Revenues/1	LT	BBB+	Affirmed

VIEW ADDITIONAL RATING DETAILS

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APPLICABLE CRITERIA

Public Sector, Revenue-Supported Entities Rating Criteria (pub. 27 Mar 2020) (including rating assumption sensitivity)

U.S. Public Power Rating Criteria (pub. 30 Mar 2020) (including rating assumption sensitivity)

APPLICABLE MODELS

Numbers in parentheses accompanying applicable model(s) contain hyperlinks to criteria providing description of model(s).

FAST Public Power - Fitch Analytical Stress Test Model, v1.1.3 (1)

ADDITIONAL DISCLOSURES

Dodd-Frank Rating Information Disclosure Form

Solicitation Status

Endorsement Policy

ENDORSEMENT STATUS

Pulaski County (KY)	EU Endorsed

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Utilities and Power US Public Finance North America United States

S&P Global
Ratings

RatingsDirect®

Summary:

East Kentucky Power Cooperative; Rural Electric Coop

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Rating Action

Stable Outlook

Credit Opinion

Related Research

Summary:

East Kentucky Power Cooperative; Rural Electric Coop

Credit Profile		
East Kentucky Pwr Coop ICR		
Long Term Rating	A/Stable	Affirmed

Rating Action

S&P Global Ratings affirmed its 'A' issuer credit rating on East Kentucky Power Cooperative Inc. (EKPC). The outlook is stable.

Credit overview

The rating reflects favorable regulatory support of this rate-regulated generation and transmission (G&T) cooperative electric utility. Regulatory support includes a formulaic monthly fuel adjustment clause and an environmental remediation cost surcharge. Rate decisions and adjustment mechanisms yielded fixed charge coverage (FCC) of about 1.35x in 2018-2019.

Long-term contracts with 16 member distribution cooperatives extend through 2050 and members account for about 95% of revenues. Member distribution cooperatives serve more than 545,000 retail customers in 87 of Kentucky's 120 counties. The members derive two-thirds of their revenues from residential customers. In 2019, EKPC was among the 10 largest G&T cooperatives in the U.S. as measured by member energy sales.

Tempering the cooperative's strengths are the utility's significant reliance on coal generation assets that accounted for 88%-93% of self-production since 2017 and 46%-60% of those years' energy supply. We attribute additional credit exposures to the regional economy's reliance on coal mining, which underlies low income levels. Retrenchment in coal mining operations by utility customers exposes remaining customers to reallocations of fixed costs. We also believe the utility is vulnerable to the outmigration of those seeking employment outside the service territory. Mine closures also create the potential growth in customers relying on transfer payments to support basic needs, which could make electric bills more burdensome.

In 2019, the cooperative produced 52% of the energy it sold, compared with 66% in 2018 and 59% in 2017. The declines principally reflect the utility's increasing reliance on market purchases from resources with lower variable costs than its predominantly coal-fired generation assets.

EKPC reported $860 million of fiscal 2019 operating revenues and $2.8 billion of debt at fiscal year-end (Dec. 31).

The stable outlook reflects our expectations that with moderate base rate increases and energy sales growth, the utility is capable of perpetuating consistently strong FCC of at least 1.35x and modestly improving leverage measures relative to 2019's 80% debt-to-capitalization ratio.

Environmental, social and governance factors

We believe the utility faces significant environmental exposures because of its coal fleet. EKPC produces slightly more than half of its customers' electricity needs. Although 90% of its self-production is from coal resources, purchases halve coal's contribution to total energy sales. We believe that market purchases of electricity produced with natural gas that has a lower carbon intensity than coal also present environmental exposures.

Although weighted-average retail rates are in line with the state average, we believe that the prevalence of low income levels within the service territory presents social risks and can limit financial flexibility, particularly because the economy is closely tied to the economically vulnerable coal mining industry. The pandemic's recessionary pressures could compound this exposure.

We believe the utility faces limited governance risk because it has a cohesive board and because it operates under the state's favorable regulatory framework.

Stable Outlook

Downside scenario

We could lower the rating if financial margins erode due to the costs of complying with more stringent emissions regulations or economic dislocations within the customer base due to the region's mining industry or the pandemic's recessionary pressures.

Upside scenario

Although FCC has been consistently favorable, we do not expect to raise the rating during our two-year outlook period because we believe the utility's carbon intensity creates a financial vulnerability to further regulation, the regional economy is closely tied to the struggling coal mining industry, and due to the ongoing negative economic pressures attributable to the pandemic.

Credit Opinion

S&P Global Ratings calculated favorable FCC of 1.34x in 2018 and 1.37x in 2019. S&P Global Ratings' FCC calculation treats portions of purchased power expense as debt service to reflect our view that actual and imputed capacity payments fund generation suppliers' recovery of capital investments in assets dedicated to serving EKPC. The utility's FCC ratio closely mirrors its debt service coverage ratio because energy purchases from others are primarily opportunistic economy purchases from power markets, rather than bilateral arrangements. We view debt to capitalization of 80% in 2019 as high, but consistent with that of many other G & T cooperative utilities. Debt to capitalization in 2019 was three percentage points lower than in 2017 and the utility projects further reductions to 74% by 2023, in part due to the application of cushion of credit balances to debt reduction. Liquidity levels are very strong. Unrestricted cash and investments at Dec. 31, 2019, provided 2.5 months' operating expenses, net of depreciation expense. Liquidity facilities' undrawn balances added access to liquidity equivalent to another eight months' operating expenses.

Related Research

- Through The ESG Lens 2.0: A Deeper Dive Into U.S. Public Finance Credit Factors, April 28, 2020

Certain terms used in this report, particularly certain adjectives used to express our view on rating relevant factors, have specific meanings ascribed to them in our criteria, and should therefore be read in conjunction with such criteria. Please see Ratings Criteria at www.standardandpoors.com for further information. Complete ratings information is available to subscribers of RatingsDirect at www.capitaliq.com. All ratings affected by this rating action can be found on S&P Global Ratings' public website at www.standardandpoors.com. Use the Ratings search box located in the left column.

East Kentucky Power Cooperative, Inc.
Case No. 2021-00103
General Adjustment of Rates
Filing Requirements / Exhibit List

Exhibit 18

807 KAR 5:001 Sec. 16(4)(b)
Sponsoring Witness: Scott Drake

Description of Filing Requirement:

If the utility has gross annual revenues greater than $5,000,000, the written testimony of each witness the utility proposes to use to support its application.

Response:

In support of its Application, EKPC provides written testimony from Mr. Scott Drake, EKPC'S Manager of Corporate Technical Services, whose testimony is included with this Exhibit 18.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF EAST	)	
KENTUCKY POWER COOPERATIVE, INC.	)	
FOR A GENERAL ADJUSTMENT OF RATES,	)	Case No. 2021-00103
APPROVAL OF DEPRECIATION STUDY,	)	
AMORTIZATION OF CERTAIN REGULATORY	)	
ASSETS AND OTHER GENERAL RELIEF	)	

DIRECT TESTIMONY OF SCOTT DRAKE
MANAGER OF CORPORATE TECHNICAL SERVICES
ON BEHALF OF EAST KENTUCKY POWER COOPERATIVE, INC.

Filed: April 1, 2021

I. INTRODUCTION

Q. PLEASE STATE YOU NAME, TITLE AND BUSINESS ADDRESS.

A. My name is Gregory Scott Drake. I generally go by Scott. I am the Manager of Corporate Technical Services for East Kentucky Power Cooperative, Inc. ("EKPC"). My business address is 4775 Lexington Road, Winchester, Kentucky 40391.

Q. PLEASE DESCRIBE YOUR EDUCATION AND PROFESSIONAL EXPERIENCE.

A. I have a bachelor's of science degree in Electrical Engineering from the University of Kentucky. I'm a licensed professional engineer in Kentucky. I have been employed by EKPC in various capacities for thirty years. I assumed my current position in 2009.

Q. PLEASE DESCRIBE YOUR DUTIES AT EKPC.

A. Since 2009, I have been responsible for working with EKPC's Owner-Member Cooperatives ("owner-members") to develop and implement energy efficiency and demand response programs. I direct and approve consultants' services for determining the costs and benefits of these programs. I lead the development of all energy efficiency and demand response programs and work directly with EKPC's and owner-member cooperatives' member services teams to implement those programs. In 2020, I finished my sixth year as a Board member of the Midwest Energy Efficiency Alliance. Also in 2020, I finished 5 years as the Chair of the Distributed Energy Resources ("DER") Committee of Generation &Transmission ("G&T") DER experts that provide information and advice to the G&T Managers'

Association. I am still a member of that committee. For the last 12 years I have served on National Rural Electric Cooperative Association's Business, Technology and Strategy committee for DER applications. DER applications include energy efficiency, demand response, and beneficial electrification.

Q. HAVE YOU EVER TESTIFIED BEFORE THE COMMISSION PREVIOUSLY?

A. Yes. I previously testified in Case No. 2013-00259, which was an application for a certificate of public convenience for a new air quality control system at EKPC's Cooper Station.[1] I also offered testimony in Case No. 2019-00096, EKPC's 2019 Integrated Resource Plan filing.[2]

Q. PLEASE DESCRIBE THE PURPOSE OF YOUR TESTIMONY.

A. The purpose of my testimony is to provide information responsive to the filing requirement set forth in Case No. 2008-00408,[3] wherein the Commission directed each utility to provide a discussion of its consideration of cost-effective efficiency resources as part of its resource planning. My testimony also is responsive to the filing requirement set forth in Case No. 2019-00059,[4] which requires EKPC to support the value of DSM programs.

---

[1] *See In the Matter of the Application of East Kentucky Power Cooperative, Inc. for a Certificate of Public Convenience and Necessity for Alteration of Certain Equipment at the Cooper Station and Approval of a Compliance Plan Amendment for Environmental Surcharge Cost Recovery*, Case No. 2013-00259.

[2] *See In the Matter of East Kentucky Power Cooperative, Inc.'s 2019 Integrated Resource Plan*, Case No. 2019-00096.

[3] *See In the Matter of Consideration of the New Federal Standards of the Energy Independence and Security Act of 2007*, Rehearing Order, Case No. 2008-00408 (Ky. P.S.C. July 24, 2012).

[4] *In the Matter of the Demand Side Management Filing of East Kentucky Power Cooperative, Inc.*, Order, Case No. 2019-00059 (Ky. P.S.C. Nov. 26, 2019).

Q. ARE YOU SPONSORING ANY EXHIBITS TO YOUR TESTIMONY?

A. Yes. EKPC's 2019 Annual Demand Side Management ("DSM") Report is attached as Exhibit GSD-1.

Q. WAS THIS EXHIBIT PREPARED BY YOU OR BY SOMEONE WORKING UNDER YOUR SUPERVISION?

A. Yes.

II. EKPC'S SUPPORT FOR ENERGY EFFICIENCY

Q. ARE YOU FAMILIAR WITH THE COMMISSION'S ORDERS IN CASE NO. 2008-00408 AND CASE NO. 2019-00059?

A. Yes. As part of its review of the impact of the Energy Independence and Security Act of 2007, the Commission ordered each electric utility to provide certain information as part of each application for an adjustment of base rates. Specifically, the Commission stated:

> "Each electric utility shall integrate energy efficiency resources into its plans and shall adopt policies establishing cost-effective energy efficiency resources with equal priority as other resource options. In each integrated resource plan, certificate case, and rate case, the subject electric utility shall fully explain its consideration of cost-effective energy efficiency resources as defined in the Commission's IRP regulation (807 KAR 5:058)."[5]

In my role with EKPC, I am directly responsible for overseeing and directing EKPC's efforts to develop cost-effective energy efficiency resources and incorporating them into its plans and policies.

---

[5] *Id.*, p. 10.

The Order in Case No. 2019-00059 required EKPC provide testimony in its next base rate case to support the value of DSM programs upon EKPC's system. It also required EKPC to provide testimony on why DSM expenses should continue to be in base rates; Mr. Scott addresses this in his direct testimony.

Q. IN YOUR OPINION, HAS EKPC INTEGRATED ENERGY EFFICIENCY RESOURCES INTO ITS PLANS AND POLICIES SINCE ITS LAST RATE CASE IN 2010?

A. Yes. EKPC evaluates new and existing energy efficiency resources or programs in the same manner as supply-side resources are evaluated. The benefits of energy efficiency resources or programs are derived from the avoided energy and capacity costs in the PJM markets. All of the energy efficiency resources or programs are evaluated alongside the supply-side resources for the Integrated Resource Plan ("IRP") development, which is EKPC's long-term plan to supply the energy needs of EKPC's owner-members.

Q. DESCRIBE THE ENERGY EFFICIENCY RESOURCES THAT EKPC CURRENTLY ENCOURAGES AND SUPPORTS.

A. Button-up Weatherization – The program offers incentives to End-Use Retail Members ("retail member") who add insulation in the attic and use weatherization techniques to reduce heat loss in the home.

Touchstone Energy Home – The program offers an incentive to encourage new homes to be built to higher standards for thermal integrity and equipment efficiency including high-efficient air-to-air heat pumps or geothermal heat pumps.

Community Assistance Resources for Energy Savings ("CARES") – The program provides an incentive to enhance weatherization and energy efficiency services provided to the retail member by the Kentucky Community Action Agencies network.

Heat Pump Retrofit – The program provides an incentive to retail members to convert the home from less efficient resistive heat sources to more efficient air-to-air heat pumps, geothermal heat pumps, or mini-split heat pumps.

ENERGY STAR® Manufactured Home – The program provides an incentive to the retail member to purchase a new manufactured home constructed to ENERGY STAR® standards for manufactured homes.

Q. HOW DOES EKPC DETERMINE WHETHER A PARTICULAR ENERGY EFFICIENCY RESOURCE IS COST-EFFECTIVE?

A. EKPC performs the industry standard cost-effectiveness tests known as the California Tests. The California Tests consist of the Participant Test, Total Resource Cost ("TRC") Test, Rate Impact Measure Test and the Utility Cost Test. EKPC and its owner-members deem a program or measure to be cost-effective if the Participant Test and the TRC are both at 1.0 or above with an exception for low-income programs or measures. Program or measure cost-effectiveness test results are provided every three (3) years in the EKPC IRP. EKPC's last IRP filing was the EKPC 2019 IRP Case No. 2019-00096.

Q. HOW DO YOU PLAN FOR THE PROGRAM COSTS?

A. Based on past program participation, EKPC forecasts future program participation and the resulting costs. The forecasted costs are budgeted annually. For new programs not having a history of costs at EKPC, EKPC obtains typical program costs from Technical Resource Manuals available from neighboring states. EKPC then forecasts participation levels resulting in a forecasted annual program cost.

Q. DOES EKPC TRACK PROGRAM PARTICIPATION LEVELS AND COSTS ANNUALLY?

A. Yes, EKPC and its owner-members utilize a Distributed Energy Resources ("DER") program tracking software system for all energy efficiency programs plus newer DER programs (i.e. Cooperative Solar). It tracks program participation, energy efficiency improvement measures implemented, and costs incurred by EKPC including rebates paid, implementation cost reimbursements to the owner-members, and lost-revenues provided to the owner-members. It also tracks the energy and demand savings for each program. Additionally, EKPC produces an annual DSM Report that includes the costs associated with the DSM programs broken down by program. The latest, EKPC's 2019 DSM Report, is attached to my testimony as Exhibit GSD-1.

Q. SMART GRID IS A TERM THAT HAS CAPTURED A LOT OF ATTENTION IN RECENT YEARS. WHAT ACTIVITIES HAS EKPC PURSUED PERTAINING TO SMART GRID AT THE RETAIL LEVEL?

A. The term Smart Grid has a wide definition that includes activities on the retail member's side of the electric meter. For Smart Grid activities on the retail member's side of the meter, demand response (i.e. direct load control switches, controllable thermostats, interruptible) programs are evaluated and developed when cost-effective. EKPC and all of EKPC's owner-members have these programs in place, which lower the demand on the grid when needed. Additionally, EKPC's staff is very engaged in gaining knowledge and evaluating other options for Smart Grid technologies that include batteries, electric vehicle charge management, etc. EKPC's staff also communicates information about these technologies to the EKPC owner-members. When the benefit of implementing these and other new technologies overcomes the associated costs, EKPC and the owner-members plans to develop programs, subject to Commission approval, to promote their adoption by the retail members.

Q. DOES EKPC GIVE EQUAL PRIORITY TO ENERGY EFFICIENCY AS IT DOES OTHER RESOURCE OPTIONS?

A. Yes. The benefit of a well-designed energy efficiency or demand response program is the avoided costs EKPC achieves in PJM's energy and capacity markets. The PJM energy and capacity market costs are evaluated on the same basis that EKPC evaluates investment in supply-side resources.

Q. HOW DOES EKPC PLAN TO ENCOURAGE THE DEVELOPMENT OF ENERGY EFFICIENCY RESOURCES IN THE FUTURE?

A. EKPC will continue evaluating potential energy efficiency programs and offer programs that are applicable to the service territory, the programs owner-members suggest are important for their retail members, and that are cost-effective.

III. CONCLUSION

Q. PLEASE SUMMARIZE YOUR TESTIMONY.

A. EKPC and its owner-members offer cost-effective energy efficiency programs. The development and implementation of cost-effective energy efficiency programs are given equal priority to supply-side resources. Because the program benefits are greater than implementation costs, energy efficiency programs help to mitigate upward pressure on energy and capacity costs from PJM, and that benefits all retail members.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

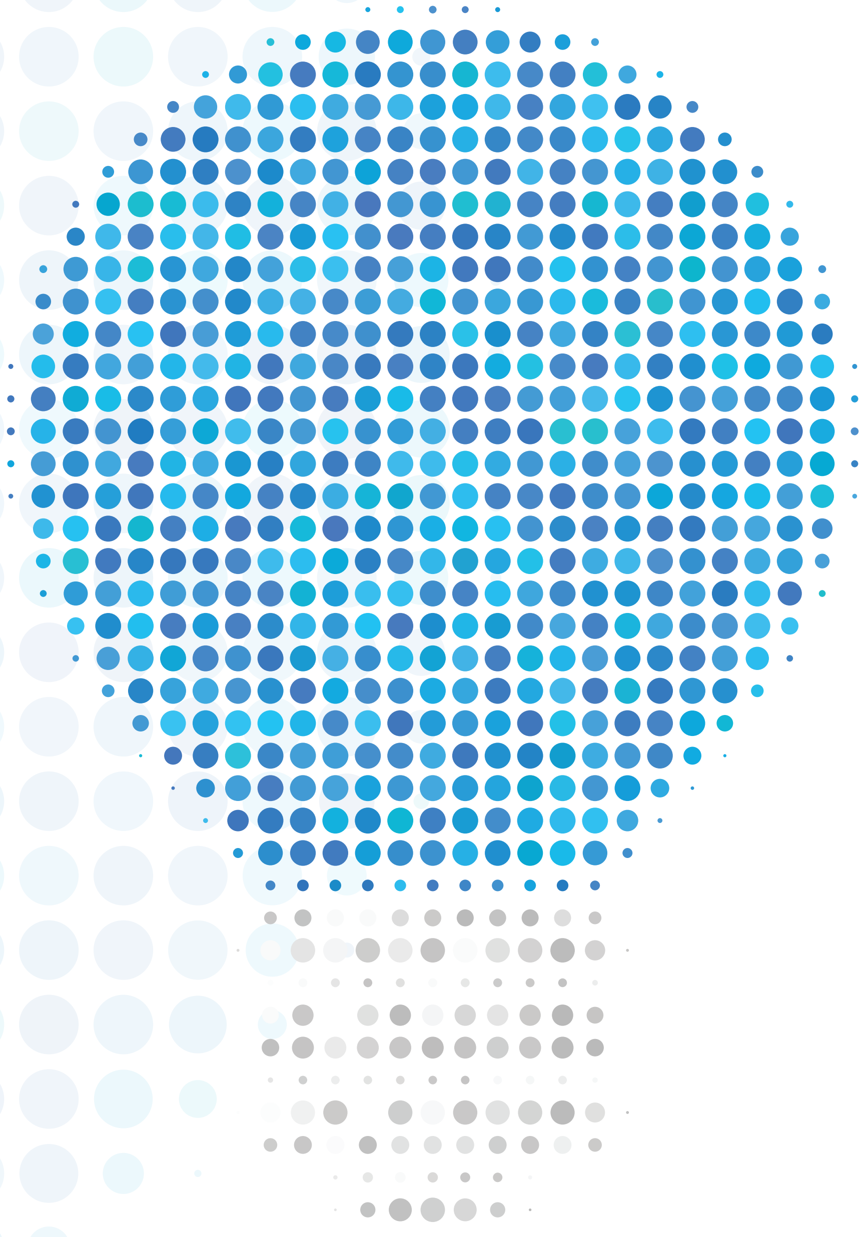
A. Yes.

Exhibit

Exhibit GSD-1 – EKPC's 2019 Annual DSM Report

DSM

Demand Side Management
2019 Annual Report



EAST KENTUCKY
POWER COOPERATIVE
A Touchstone Energy® Cooperative

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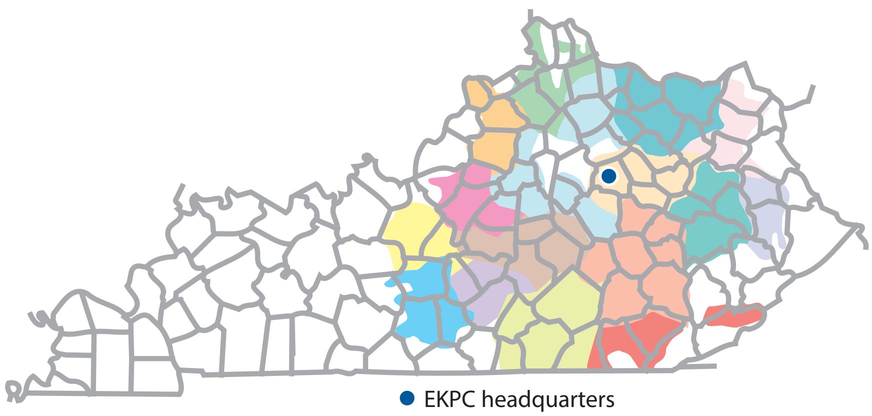
In 2019, the Kentucky Public Service Commission approved requests to sunset several Demand Side Management programs. Throughout the years, programs have been added, changed and discontinued to meet ever-evolving needs. When a program is no longer cost-effective for the membership, it becomes necessary to eliminate it. Our responsibility has always been to provide members with affordable energy, and we will continue to do so.

Discontinued programs include: HVAC Duct Sealing, ENERGY STAR Appliance Rebates, Appliance Recycling, commercial and industrial advanced lighting and industrial compressed air.

Who We Are

Located in the heart of the Bluegrass state, East Kentucky Power Cooperative is a not-for-profit generation and transmission (G&T) electric utility with headquarters in Winchester, Ky. Our cooperative has a vital mission: to safely generate and deliver affordable, reliable electric power to 16 owner-member cooperatives serving more than one million Kentuckians.

Together, with our 16 owner-members, we're known as Kentucky's Touchstone Energy Cooperatives. The member co-ops distribute energy to over 530,000 Kentucky homes, farms, businesses and industries across 87 counties. We're leaders in energy efficiency and environmental stewardship. And we're committed to providing power to improve the lives of people in Kentucky.



● EKPC headquarters

Sixteen distribution cooperatives, which are called the member systems, own EKPC. The 16 co-ops include:

- Big Sandy RECC
- Blue Grass Energy Cooperative
- Clark Energy Cooperative
- Cumberland Valley Electric
- Farmers RECC
- Fleming-Mason Energy Cooperative
- Grayson RECC
- Inter-County Energy
- Jackson Energy Cooperative
- Licking Valley RECC
- Nolin RECC
- Owen Electric Cooperative
- Salt River Electric Cooperative
- Shelby Energy Cooperative
- South Kentucky RECC
- Taylor County RECC

East Kentucky Power Generation

Coal	**Generation**
Spurlock	1,346 net MW
Cooper	341 net MW
Total	**1,687 net MW**

Hydro	**Generation**
Southeastern Power Adm. (SEPA)	170 MW

Natural Gas	**Generation**
Smith Combustion Turbine Units	Summer 753 net MW Winter 989 net MW
Bluegrass** Combustion Turbine Units	Summer 501 net MW Winter 567 net MW
Total Natural Gas Summer	**1,254 net MW**
Total Natural Gas Winter	**1,556 net MW**

Landfill	**Generation**
Bavarian	4.6 net MW
Laurel Ridge	3.0 net MW
Green Valley	2.3 net MW
Pearl Hollow	2.3 net MW
Pendleton	3.0 net MW
Glasgow***	0.9 net MW
Total Landfill	**16.1 net MW**

SolarGeneration	
Cooperative Solar	8.5 net MW

** Under an existing agreement, which continues until April 2019, a third party receives the output of one Bluegrass Generating Station unit.

*** Under an existing agreement, a third party receives the output of Glasgow in a 10-year power purchase agreement.

Residential Lighting:

Since 2003, EKPC and its owner-member cooperatives have provided more than one million compact fluorescent lights (CFL) and light-emitting diodes (LED) bulbs to members.

In 2019, cooperatives provided more than 53,540 LEDs to its members. Each member who participated in a free, online energy audit called BillingInsights™ received an LED, along with Annual Meeting attendees. These LEDs are expected to result in a lifetime savings of 10,280 MWh and 20,559,360 pounds of carbon dioxide emissions.

HVAC Duct Sealing:*

Since the 1990s, EKPC and its owner-member cooperatives have offered this program to reduce the energy loss through a home's HVAC duct system. This program provides incentives to members who seal ductwork through traditional mastic sealers. Duct loss measurement requires the use of a blower door test (before and after the duct sealing work is performed). Duct leakage per system must be reduced to below 10 percent of the fan's rated capacity. All joints in the duct system must be sealed with foil tape and mastic. This program was targeted to single-family homes using electric furnaces or electric heat pumps. All participating homes must have duct systems that are at least two years old to qualify for the incentive. The program was offered only to homes that had centrally-ducted heating systems in unconditioned areas.

In 2019, 7 HVAC Duct Sealing rebates were provided to members, resulting in a lifetime savings of 100 MWh and 199,296 pounds of carbon dioxide emissions.

** This program was discontinued in 2019.*

Button-Up Weatherization:*

Since the early 1990s, EKPC and its owner-member cooperatives have offered this program to improve a home's energy efficiency, comfort, and reduce energy use. This program offers incentives to members who add insulation materials or use other weatherization techniques to reduce heat loss in the home. Any member who resides in a site-built or manufactured home that is at least two years old and uses electricity as their primary source of heat is eligible.

This program offers a whole-house approach with multiple levels.

Button-Up Weatherization with Air Sealing:
This version of the Button-Up encourages members to air seal the envelope of their home in addition to the regular Button-Up improvements. A blower door test is required to demonstrate the impact in kW demand reduction, and an added incentive is paid based on that reduction.

Advanced Weatherization Level 2:
Level 2 encourages homeowners to address all of their home's inefficiencies at one time. The resulting BTUh savings can be as much as 150 percent of Button- Up Level I. Achieving this level of savings results in a greater incentive.

Advanced Weatherization Level 3:
This version represents the highest level. Level 3 also encourages homeowners to address all of their home's inefficiencies at one time. The resulting BTUh savings can be as much as 200 percent of Button-Up Level I. Achieving this level of savings results in an even greater incentive.

Levels 2 and 3 of this program are targeted to members who currently heat their home with electricity, particularly homes with unfinished basements, homes that have partition walls separating a crawl space or garage, and Cape Cod style homes (1.5 stories).

In 2019, 140 Button-Up rebates were provided to members, resulting in a lifetime savings of 4,975 MWh and 9,950,591 pounds of carbon dioxide emissions.

** This program was adjusted to one level in 2019, the Button-Up Weatherization with Air Sealing.*

Touchstone Energy Home:

Since 2003, EKPC and its owner-member cooperatives have offered this program to increase energy efficiency in new-home construction. This program is designed to encourage new homes to be built to higher standards for thermal integrity and equipment efficiency, as well as to choose a geothermal or an air-source heat pump, rather than less efficient forms of heating and cooling. Homes built to Touchstone Energy Home standards typically use 30 percent less energy than the same home built to typical construction standards. Plans are submitted before the home is built, a pre-drywall inspection is made, and a blower door test is administered after the home is built to verify that the home meets the standard.

This program is targeted towards the residential new construction market and members who are constructing new site-built homes.

In 2019, 298 Touchstone Energy Home rebates were provided to members, resulting in a lifetime savings of 17,645 MWh and 35,291,520 pounds of carbon dioxide emissions.

EKPC's owner-members have also used this program to partner with Kentucky's affordable housing builders. Relationships with these organizations have led to improved efficiency in affordable housing and lower monthly energy costs for recipients of these homes.

CARES:

The Community Assistance Resources for Energy Savings (CARES) program began in early 2015, and provides an incentive to enhance the weatherization and energy efficiency services provided to the end-use members by the Kentucky Community Action Agencies (CAA) network. EKPC and its owner-members provide an incentive to the CAA implementing the project on behalf of the end-use member.

This program is available to end-use members who qualify for weatherization and energy-efficiency services through their local CAA in all service territories of participating cooperatives. The maximum incentive possible per household is $2,000.

In 2019, 53 CARES incentives were provided, resulting in a lifetime savings of 3,761 MWh and 7,522,290 pounds of carbon dioxide emissions.

CARES

Heat Pump Retrofit:

For decades, EKPC and its owner-member cooperatives have offered this program to lower the cost of heating homes and increase comfort. This program provides incentives for members to replace their existing resistance heat source with a high-efficiency heat pump through three levels of rebates.

Level 1 offers a rebate for a 13 SEER/7.5 HSPF heat pump. Level 2 offers a rebate for a 14 SEER/8.0 HSPF heat pump. Level 3 offers a rebate for a 15 SEER/8.5 HSPF or higher heat pump. The existing heating system must be two years or older to qualify for incentives unless the heat pump is being installed in a new manufactured home. New manufactured homeowners who install a heat pump qualify based on the levels above.

The program is targeted to members who currently use a resistance heat source. Incentives are offered when the homeowner's primary source of heat is an electric resistance furnace, ceiling cable heat, or baseboard heat in both site-built and manufactured homes.

In 2019, 380 Heat Pump Retrofit rebates were provided to members, resulting in a lifetime savings of 14,669 MWh and 29,337,400 pounds of carbon dioxide emissions.

Direct Load Control:*

Since 2008, EKPC and its owner-member cooperatives have offered this program to manage peak usage. This program offers incentives to members who enroll central air-conditioners and electric water heaters. Switches are installed and, during periods of high demand, the utility briefly cycles the appliance off in order to reduce system peaks and save on costs for peak power. Although EKPC's system typically peaks in winter, member's heating appliances are not interrupted to lower peak. Member comfort and safety are top priority.

This program is targeted to any member with central air-conditioning, heat pump or electric tank water heaters, 40 gallons or greater.

In 2019, 75 switches were installed, resulting in a reduction of 0.070 MW during the summer months and 0.004 MW in the winter.

** Electric water heater switches are no longer being installed, due to program changes.*

Appliance Recycling:*

The Appliance Recycling program began in 2014 in an effort to encourage members to recycle old, inefficient refrigerators and freezers. Members receive a $50 incentive for recycling refrigerators and/or freezers that meet qualifying conditions. The appliances must be in working condition, plugged in and running at scheduled pick-up, between 7.75 and 30 cubic feet, and empty and defrosted with water lines disconnected.

EKPC and its owner-member cooperatives partner with Appliance Recycling Centers of America, Inc. (ARCA) for proper recycling procedures that meet all federal and state requirements.

This program was available to all end-use members who qualify.

In 2019, 117 incentives were provided to members, resulting in a lifetime savings of 624 MWh and 1,247,232 pounds of carbon dioxide emissions.

** This program was discontinued in 2019.*

ENERGY STAR Manufactured Home:

The ENERGY STAR Manufactured Home program began in 2014. An upstream program, EKPC works directly with the manufacturer to automatically upgrade the home to ENERGY STAR certified standards. EKPC utilizes a third-party administrator, Systems Building Research Alliance (SBRA), to verify information and ensure quality control.

Once the installation address is verified to be on a participating cooperative's service lines, the member will automatically receive the upgrade. An ENERGY STAR certified manufactured home is a home that has been designed, produced and installed by the home manufacturer to meet ENERGY STAR requirements for energy efficiency. These manufactured homes feature efficient heating and cooling equipment, water heaters, properly installed insulation, high-performance windows, tight construction and sealed ducts.

This program is available to all end-use members who qualify.

In 2019, 20 rebates were provided to members, resulting in a lifetime savings of 3,347 MWh and 6,694,980 pounds of carbon dioxide emissions.

ENERGY STAR Appliance Rebate:*

The ENERGY STAR Appliance Rebate program began in 2014 in an effort to encourage members to purchase new, energy-efficient appliances. EKPC and its owner-member cooperatives provide the incentives to members who purchase and install the ENERGY STAR certified appliances listed in the table.

This program was available to all end-use members who qualify.

In 2019, 1,979 rebates were provided to members, resulting in a lifetime savings of 7,862 MWh and 15,725,866 pounds of carbon dioxide emissions.

ENERGY STAR Appliances	Rebate
Refrigerator	$100
Freezer	$50
Dishwasher	$50
Clothes Washer	$75
Heat Pump Water Heater	$300
Heat Pump	$300
Central Air Conditioning	$300

** This program was discontinued in 2019.*

Commercial Program:

Commercial & Industrial Advanced Lighting

For several years, EKPC and its owner-member cooperatives have offered this program to improve lighting in commercial or industrial facilities. This program offers incentives to install high-efficiency lamps and ballasts, including, but not limited to, LED exit signs, T-5 fluorescent fixtures and advanced controls.

This program was targeted to any existing commercial or industrial facility in the service territory of a distribution cooperative. The facility and its lighting must have been in service for at least two years.

In 2019, 81 C&I Advanced Lighting rebates were provided to members, resulting in a lifetime savings of 60,814 MWh and 121,628,063 pounds of carbon dioxide emissions.

Impact Measures:

System summary of 2019 DSM program savings

DSM program totals for installed measures in 2019

All programs	Participation	Annual Energy Savings (MWh)	Summer Demand Savings (MW)	Winter Demand Savings (MW)	2019 program costs	Lifetime energy savings (MWh)	Cost of demand saved ($/kW)	Cost of energy saved ($/kWh)	Lifetime CO2 savings (lbs)
All DSM Programs	57,001	10,623	1.845	2.168	$3,707,613	$1,150	125,375	0.031	250,750,124

Appliance Recycling

Residential program	Participation	Annual Energy Savings (MWh)	Summer Demand Savings (MW)	Winter Demand Savings (MW)	2019 program costs	Measure life (years)	Lifetime energy savings (MWh)	Cost of energy saved ($/kWh)	Lifetime CO2 savings (lbs)
Appliance Recycling	117	89	0.013	0.009	$38,786	7	624	$0.41	1,247,232

Button-Up Weatherization

Residential program	Participation	Annual Energy Savings (MWh)	Summer Demand Savings (MW)	Winter Demand Savings (MW)	2019 program costs	Measure life (years)	Lifetime energy savings (MWh)	Cost of energy saved ($/kWh)	Lifetime CO2 savings (lbs)
Button-Up level 1	129	238	0.056	0.184	$100,492	15	3,576	$0.03	7,152,232
Button-Up level 2	1	5	0.001	0.004	$2,085	15	78	$0.03	156,673
Button-Up level 3	10	88	0.021	0.068	$26,250	15	1,321	$0.02	2,641,686

CARES

Residential program	Participation	Annual Energy Savings (MWh)	Summer Demand Savings (MW)	Winter Demand Savings (MW)	2019 program costs	Measure life (years)	Lifetime energy savings (MWh)	Cost of energy saved ($/kWh)	Lifetime CO2 savings (lbs)
CARES	53	251	0.038	0.076	$129,972	15	3,761	$0.03	7,522,290

* Includes $817,777 program administration and promotional expenses.

Commercial and Industrial

C&I programs	Participation	Annual Energy Savings (MWh)	Summer Demand Savings (MW)	Winter Demand Savings (MW)	2019 program costs	Measure life (years)	Lifetime energy savings (MWh)	Cost of energy saved ($/kWh)	Lifetime CO2 savings (lbs)
Lighting upgrade	81	6,081	1.110	0.737	$695,691	10	60,814	$0.011	121,628,063

Direct Load Control

Residential program	Participation	Annual Energy Savings (MWh)	Summer Demand Savings (MW)	Winter Demand Savings (MW)	2019 program costs	Cost of Demand saved ($/KW)
DLC Air Conditioner	67	0.335	0.067	0	$71,864.38	$1,072.60
DLC Water Heater	8	0.08	0.003	0.004	$8,580.82	$2,898.93
DLC total	75	0.415	0.070	0.004	$80,445.20	$1,149.87

Energy Audits

Residential program	Participation	Annual Energy Savings (MWh)	Summer Demand Savings (MW)	Winter Demand Savings (MW)	2019 program costs	Measure life (years)	Lifetime energy savings (MWh)	Cost of energy saved ($/kWh)	Lifetime CO2 savings (lbs)
In-home	1	162	0.000	0.000	$428	8	1,294	$0.00	2,587,744
Online	310	1	0.000	0.000	$132,572	5	3	$45.86	5,782

ENERGY STAR® Appliance Rebate

Residential program	Participation	Annual Energy Savings (MWh)	Summer Demand Savings (MW)	Winter Demand Savings (MW)	2019 program costs	Measure life (years)	Lifetime energy savings (MWh)	Cost of energy saved ($/kWh)	Lifetime CO2 savings (lbs)
ES Heat Pump	359	293	0.110	0.000	$218,731	15	4,402	$0.05	8,803,800
ES Central Air Conditioner	59	21	0.020	0.000	$16,261	15	309	$0.05	618,930
ES Clother Washer	354	94	0.008	0.019	$34,610	12	1,126	$0.03	2,251,200
ES Dishwasher	494	35	0.004	0.004	$36,093	10	352	$0.10	704,680
ES Freezer	82	4	0.001	0.000	$4,308	12	46	$0.09	91,656
ES Heat Pump Water Heater	74	86	0.008	0.020	$17,909	13	1,115	$0.02	2,230,800
ES Refrigerator	557	43	0.002	0.004	$97,069	12	512	$0.19	1,024,800

ENERGY STAR® Manufactured Home

Residential program	Participation	Annual Energy Savings (MWh)	Summer Demand Savings (MW)	Winter Demand Savings (MW)	2019 program costs	Measure life (years)	Lifetime energy savings (MWh)	Cost of energy saved ($/kWh)	Lifetime CO2 savings (lbs)
ES Manufactured Home	20	223	0.010	0.053	$81,680	15	3,347	$0.02	6,694,980

Heat Pump Retrofit

Residential program	Participation	Annual Energy Savings (MWh)	Summer Demand Savings (MW)	Winter Demand Savings (MW)	2019 program costs	Measure life (years)	Lifetime energy savings (MWh)	Cost of energy saved ($/kWh)	Lifetime CO2 savings (lbs)
Heat Pump	380	733	0.036	0.000	$696,895	20	14,669	$0.05	29,337,400

HVAC Duct Seal

Residential program	Participation	Annual Energy Savings (MWh)	Summer Demand Savings (MW)	Winter Demand Savings (MW)	2019 program costs	Measure life (years)	Lifetime energy savings (MWh)	Cost of energy saved ($/kWh)	Lifetime CO2 savings (lbs)
HVAC Duct Sealing	7	8	0.002	0.008	$4,000	12	100	$0.04	199,296

Residential Lighting

Residential program	Participation	Annual Energy Savings (MWh)	Summer Demand Savings (MW)	Winter Demand Savings (MW)	2019 program costs	Measure life (years)	Lifetime energy savings (MWh)	Cost of energy saved ($/kWh)	Lifetime CO2 savings (lbs)
LEDs	53,540	1,285	0.128	0.214	$49,809	8	10,280	$0.00	20,559,360

Touchstone Energy Home

Residential program	Participation	Annual Energy Savings (MWh)	Summer Demand Savings (MW)	Winter Demand Savings (MW)	2019 program costs	Measure life (years)	Lifetime energy savings (MWh)	Cost of energy saved ($/kWh)	Lifetime CO2 savings (lbs)
TSE Home Prescriptive	73	195	0.048	0.181	$102,350	20	3,903	$0.03	7,806,560
TSE Home Performance	225	687	0.158	0.582	$323,400	20	13,742	$0.02	27,484,960

2019 Basic Program Assumptions [1]

Measure: Button-Up Level 1

Annual kWh Saved:	2,205
Winter Demand Savings:	1.71
Summer Demand Savings:	0.52
Lifetime of Savings:	15 years
Installation Rate:	100%
TRC: [2]	1.45

Measure: Button-Up Level 2

Annual kWh Saved:	4,567
Winter Demand Savings:	3.53
Summer Demand Savings:	1.07
Lifetime of Savings:	15 years
(Weighted mix of measures)	
Installation Rate:	100%
TRC:	1.52

Measure: Button-Up Level 3

Annual kWh Saved:	6,090
Winter Demand Savings:	4.71
Summer Demand Savings:	1.43
Lifetime of Savings:	15 years
(Weighted mix of measures)	
Installation Rate:	100%
TRC:	1.56

Measure: Button-Up w/Air Seal

Annual kWh Saved:	3,045
Winter Demand Savings:	2.35
Summer Demand Savings:	0.720
Lifetime of Savings:	15 years
Installation Rate:	100%
TRC:	1.44

Measure: HVAC Duct Sealing

For a typical heat pump in typical residence to same home reduced by 12% savings

Annual kWh Saved:	1,038
Winter Demand Savings:	1.07
Summer Demand Savings:	0.40
Lifetime of Savings:	12 years
Installation Rate:	100%
TRC:	1.15

Measure: Heat Pump SEER 13

From Electric Furnace and Central Air to ENERGY STAR SEER 13, HSPF 7.5

Annual kWh Saved:	7,174
Winter Demand Savings:	0
Summer Demand Savings:	0 .15
Lifetime of Savings:	20 years
Installation Rate:	100%
TRC:	1.52

Measure: Heat Pump SEER 14

From Electric Furnace and Central Air to ENERGY STAR SEER 14, HSPF 8.0

Annual kWh Saved:	7,533
Winter Demand Savings:	0
Summer Demand Savings:	0.32
Lifetime of Savings:	20 years
Installation Rate:	100%
TRC:	1.32

Measure: Heat Pump SEER 15

From Electric Furnace and Central Air to ENERGY STAR SEER 15, HSPF 8.5

Annual kWh Saved:	7,978
Winter Demand Savings:	0
Summer Demand Savings:	0.45
Lifetime of Savings:	20 years
Installation Rate:	100%
TRC:	1.08

Measure: Touchstone Energy Home

Prescriptive and Performance Level #2 – Encourages new homes to be built to a standard of at least SEER 14.5, HSPF 8.2; HERS Rating of 79 and below

Annual kWh Saved:	2,568
Winter Demand Savings:	2.48
Summer Demand Savings:	0.66
Lifetime of Savings:	20 years
Installation Rate:	100%
TRC:	1.98

Measure: Touchstone Energy Home

Performance Level #1 – Encourages new homes to be built to a standard of at least SEER 14.5, HSPF 8.2; HERS rating of 80-85

Annual kWh Saved:	1,758
Winter Demand Savings:	1.7
Summer Demand Savings:	0.45
Lifetime of Savings:	20 years
Installation Rate:	100%
TRC:	2.06

Measure: LEDs

Annual kWh Saved:	24
Winter Demand Savings:	0.0040
Summer Demand Savings:	0.0024
Lifetime of Savings:	8 years
Installation Rate:	80%
TRC:	2.13

Measure: Commercial Advanced Lighting

Unit is 1 kW connected load savings

Annual kWh Saved:	4,252
Winter Demand Savings:	0.45
Summer Demand Savings:	0.85
Lifetime of Savings:	10 years
Installation Rate:	100%
TRC:	2.22

Measure: Industrial Compressed Air

Annual kWh Saved:	3,800
Winter Demand Savings:	0.30
Summer Demand Savings:	0.75
Lifetime of Savings:	7 years
Installation Rate:	0
TRC:	1.62

Measure: Water Heater >40 gals

Annual kWh Saved:	10
Winter Demand Savings:	0.52
Summer Demand Savings:	0.37
Lifetime of Savings:	20 years
Installation Rate:	100%

Measure: Central Air Conditioning

Annual kWh Saved:	5
Winter Demand Savings:	0.0
Summer Demand Savings:	1.0
Lifetime of Savings:	20 years
Installation Rate:	100%

TRC for Load Control Program	2.68

Measure: ENERGY STAR® Appliances

TRC:	1.49 in aggregate

Measure: ENERGY STAR® Heat Pump

Annual kWh Saved:	804
Winter Demand Savings:	0.00
Summer Demand Savings:	0.30
Lifetime of Savings:	20 years
Installation Rate:	100%

Measure: ENERGY STAR® Central Air

Annual kWh Saved:	529
Winter Demand Savings:	0.00
Summer Demand Savings:	0.52
Lifetime of Savings:	15 years
Installation Rate:	100%

Measure: ENERGY STAR® Clothes Washer

Annual kWh Saved:	350
Winter Demand Savings:	0.07
Summer Demand Savings:	0.03
Lifetime of Savings:	12 years
Installation Rate:	100%

Measure: ENERGY STAR® Dish Washer

Annual kWh Saved:	79
Winter Demand Savings:	0.01
Summer Demand Savings:	0.01
Lifetime of Savings:	10 years
Installation Rate:	100%

Measure: ENERGY STAR® Freezer

Annual kWh Saved:	67
Winter Demand Savings:	0.01
Summer Demand Savings:	0.01
Lifetime of Savings:	12 years
Installation Rate:	100%

Measure: ENERGY STAR® Refrigerator

Annual kWh Saved:	100
Winter Demand Savings:	0.01
Summer Demand Savings:	0.01
Lifetime of Savings:	12 years
Installation Rate:	100%

Measure: ENERGY STAR® Heat Pump Water Heater

Annual kWh Saved:	2,200
Winter Demand Savings:	0.51
Summer Demand Savings:	0.20
Lifetime of Savings:	13 years
Installation Rate:	100%

Measure: Appliance Recycling

Annual kWh Saved:	696
Winter Demand Savings:	0.07
Summer Demand Savings:	0.10
Lifetime of Savings:	7 years
Installation Rate:	100%
TRC:	2.01

Measure: CARES

Annual kWh Saved:	4,731
Winter Demand Savings:	1.44
Summer Demand Savings:	0.72
Lifetime of Savings:	15 years
Installation Rate:	100%
TRC:	1.34

Measure: ENERGY STAR® Manufactured Home

Annual kWh Saved:	11,947
Winter Demand Savings:	2.88
Summer Demand Savings:	0.51
Lifetime of Savings:	15 years
Installation Rate:	100%
TRC:	4.09

1 Savings numbers are "ex ante" or as planned gross savings except where noted.
2 Total Resource Cost (TRC) is an overall program benefits/costs analysts ratio.

EAST KENTUCKY POWER COOPERATIVE

A Touchstone Energy® Cooperative

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East Kentucky Power Cooperative, Inc.
Case No. 2021-00103
General Adjustment of Rates
Filing Requirements / Exhibit List

Exhibit 19

807 KAR 5:001 Sec. 16(4)(b)
Sponsoring Witness: Patrick Woods

Description of Filing Requirement:

If the utility has gross annual revenues greater than $5,000,000, the written testimony of each witness the utility proposes to use to support its application.

Response:

In support of its Application, EKPC provides written testimony from Mr. Patrick Woods, EKPC's Director of Regulatory and Compliance Services, whose testimony is included with this Exhibit 19.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR A GENERAL ADJUSTMENT OF RATES, APPROVAL OF DEPRECIATION STUDY, AMORTIZATION OF CERTAIN REGULATORY ASSETS AND OTHER GENERAL RELIEF	) Case No. 2021-00103

DIRECT TESTIMONY OF PATRICK C. WOODS
DIRECTOR OF REGULATORY AND COMPLIANCE SERVICES
ON BEHALF OF EAST KENTUCKY POWER COOPERATIVE, INC.

Filed: April 1, 2021

I. INTRODUCTION

Q. PLEASE STATE YOUR NAME, TITLE AND BUSINESS ADDRESS.

A. My name is Patrick C. Woods and my business address is East Kentucky Power Cooperative, Inc. ("EKPC"), 4775 Lexington Road, Winchester, Kentucky 40391. I am EKPC's Director of Regulatory and Compliance Services.

Q. PLEASE DESCRIBE YOUR EDUCATION AND PROFESSIONAL EXPERIENCE.

A. I received a Bachelor's degree in Mass Communications (Public Relations) from Eastern Kentucky University in Richmond, Kentucky. I have been employed by EKPC since November 1990 and have held my current position within the EKPC organization since April 2013.

Q. PLEASE DESCRIBE YOUR DUTIES AS DIRECTOR OF REGULATORY AND COMPLAINCE SERVICES FOR EKPC.

A. I am responsible for managing all contact and filings with the Kentucky Public Service Commission as well as overseeing the implementation and management of all NERC Reliability standards applicable to EKPC for the protection of the Bulk Electric System. I report directly to EKPC's Executive Vice President and Chief Financial Officer.

Q. HAVE YOU TESTIFIED PREVIOUSLY BEFORE THE KENTUCKY PUBLIC SERVICE COMMISSION? IF SO, PLEASE LIST THE CASES.

A. I have provided testimony in the following cases before the Kentucky Public Service Commission:

- *An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2012 through April 30, 2013,* Case No. 2013-00262;
- *An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from May 1, 2013 through October 31, 2013,* Case No. 2013-00445;
- *An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2013 through April 30, 2014,* Case No. 2014-00226;
- *An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2012 through October 31, 2014,* Case No. 2014-00451;
- *An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2014 through April 30, 2015,* Case No. 2015-00233;
- *An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from May 1, 2015 through October 31, 2015,* Case No. 2016-00002; and
- *An Examination of the Application of the Fuel Adjustment Clause of East Kentucky Power Cooperative, Inc. from November 1, 2015 through April 30, 2016,* Case No. 2016-00231.

Q. PLEASE DESCRIBE THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING.

A. The purposes of my testimony are to: (1) support certain filing requirements and exhibits required by the Commission's regulations; (2) describe the method by which EKPC informed its Owner-Member Cooperatives ("owner-members") of the proposed rate adjustment and gave timely notice to the Commission and Attorney General; and (3) request relief for certain existing reporting obligations.

II. SPONSORED FILING REQUIREMENTS

Q. ARE YOU SPONSORING ANY FILING REQUIREMENTS?

A. Yes. I am sponsoring the following exhibits to the application which fulfill various filing requirements set forth in the Commission's regulations:

1. 807 KAR 5:001, Section 14(1) – Business contact information
2. 807 KAR 5:001, Section 14(2) – Certificate of Good Standing
3. 807 KAR 5:001, Section 16(1)(b)2 – No Assumed Names
4. 807 KAR 5:001, Section 16(1)(b)5 – Customer Notice
5. 807 KAR 5:001, Section 16(2) – Notice of Intent
6. 807 KAR 5:001, Section 17 – Copy of Notice
7. 807 KAR 5:001, Section 16(4)(c), (f), (l), (s), (t) and (v) and 807 KAR 5:001, Section 16(5)(b) and (c) – Non-Applicability to EKPC
8. 807 KAR 5:051 – Non-Applicability to this Rate Filing.

Q. FOR SEVERAL OF THESE FILING REQUIREMENTS, YOU STATE THAT THEY ARE NOT APPLICABLE. PLEASE EXPLAIN WHY THAT IS THE CASE FOR EACH OF THESE FILING REQUIREMENTS.

A. Of course. The requirements in 807 KAR 5:001, Section 16(4)((b) and (c) are really alternative requirements. Because EKPC has gross annual revenues greater than

$5,000,000, it is required to file testimony pursuant to Section 16(4)(b). By contrast, utilities with gross annual revenues less than $5,000,000 have the option to file testimony to support an application under Section 16(4)(c). Due to the magnitude of its gross annual revenues, EKPC is required to file testimony and Section 16(4)(c) does not apply.

Similarly, the filing requirements in 807 KAR 5:001, Section 16(4)(f) only apply to incumbent local exchange carriers. EKPC is not an incumbent local exchange carrier. A similar reason exists for not filing copies of audit reports submitted to the Federal Energy Regulatory Commission or Federal Communications Commission under 807 KAR 5:001, Section 16(4)(l) or (s). EKPC has not been audited by either federal agency, therefore, there are no records to provide to the Commission pursuant to Section 16(4)(l). Likewise, EKPC is also not a publicly traded company and does not make filings with the U.S. Securities Exchange Commission. Thus, EKPC has not prepared and does not have any Form 10-K annual reports, Form 8-K reports or Form 10-Q reports to file pursuant to Section 16(4)(s).

Continuing on, 807 KAR 5:001, Section 16(4)(t) applies to utilities that have amounts charged or allocated to it by any affiliate or general or home office or paid monies to an affiliate or general or home office during the test period. EKPC does not have any affiliates that charge or allocate costs to EKPC, nor does it have a higher general or home office. Thus, there are no charges, allocations or monies paid that could be reported and Section 16(4)(t) is also inapplicable.

I would also point out that 807 KAR 5:001, Section 16(4)(v) applies only to local exchange carriers with more than 50,000 access lines. Because EKPC is not a local exchange carrier, this filing requirement is similarly inapplicable.

Q. WHAT ABOUT THE FILING REQUIREMENT IN 807 KAR 5:001, SECTION 16(5) THAT YOU SAY IS NOT APPLICABLE?

A. A utility is permitted to make certain adjustments to a test period when using a historical test period, however, it must support those adjustments with additional information in its application. 807 KAR 5:001, Section 16(5)(b) and (c) apply to pro forma adjustments to accommodate recent capital construction budgets and plant additions. EKPC is not proposing either type of adjustment in its application and, therefore, no additional information is required under either of these provisions.

Q. YOU ALSO SAY THAT 807 KAR 5:051 IS NOT APPLICABLE. PLEASE EXPLAIN THAT STATEMENT.

A. In 807 KAR 5:051, Section 2, an electric utility is required to "transmit to each of its consumers a clear and concise explanation of any proposed change in the rate schedule applicable to the consumer." However, pursuant to 807 KAR 5:001, Section 16(3), notice given pursuant to 807 KAR 5:001, Section 17 satisfies the requirements of 807 KAR 5:051, Section 2. As set forth in my other Exhibits, EKPC has complied with the notice requirements of 807 KAR 5:001, Section 17, therefore, no additional action is required to satisfy 807 KAR 5:051.

Q. FOR THE FILING REQUIREMENTS AND EXHIBITS THAT ARE APPLICABLE AND FOR WHICH YOU ARE THE SPONSOR, WERE

THESE DOCUMENTS PREPARED BY YOU OR UNDER YOUR SUPERVISION?

A. The Certificate of Good Standing was obtained from the office of the Kentucky Secretary of State and is a copy of an official public record for which no additional authentication is required. The Customer Notice and Notice of Intent were prepared under my supervision. All of these are official records of EKPC, and I can vouch for their authenticity.

III. NOTICE REQUIREMENTS

Q. HAS EKPC COMPLIED WITH THE REQUIREMENT RELATING TO THE GIVING OF STATUTORY NOTICE REGARDING ITS RATE FILING?

A. Yes. In accordance with KRS 278.180, EKPC filed its statutory Notice of Intent with the Commission on February 26, 2021. A copy of the Notice of Intent was contemporaneously sent via mail and e-mail to the Attorney General's Office of Rate Intervention. A copy of the Notice of Intent is set forth in Volume I, Tab 9 of the Application.

Q. DID EKPC GIVE TIMELY NOTICE OF THE RATE FILING TO ITS OWNER-MEMBERS?

A. Yes. EKPC has sixteen (16) customers. In accordance with 807 KAR 5:001, Section 17(2)(a)(1), EKPC mailed a written notice of the proposed rate increase to each of its owner-members prior to the date the Application is being submitted to the Commission. A copy of the notice to owner-members and an affidavit attesting to its mailing is set forth in Volume I, Tab 8, Attachment 1 of the Application.

Q. HAS EKPC PROVIDED NOTICE IN OTHER WAYS AS WELL?

A. Yes. In compliance with 807 KAR 5:001, Section 17(1)(a) and (b), EKPC is posting a copy of the required notice at its place of business. Likewise, EKPC is posting on its website a copy of the public notice and a hyperlink to the location on the Commission's website where the case documents are available.

IV. RELIEF FROM CERTAIN REPORTING OBLIGATIONS

Q. WHAT OTHER RELIEF IS EKPC SEEKING IN ITS RATE FILING?

A. There are several other forms of relief that are included in EKPC's rate Application. As it pertains to my role with EKPC, I would like to address our request to be relieved of certain existing reporting obligations which are no longer necessary or would appear to have fulfilled their intended purpose.

Q. PLEASE IDENTIFY THE EXISTING REPORTING OBLIGATIONS THAT EKPC BELIEVES SHOULD BE ELIMINATED.

A. EKPC is seeking relief from several existing reporting requirements. The following describes the existing filing requirements:

1. Monthly financial reporting relating to 12-month margins, budgets, and the calculation of 12-month TIER and DSC from Case No. 1995-00135 and Case No. 2006-00472;[1]

[1] *See In the Matter of General Adjustment of Electric Rates of East Kentucky Power Cooperative, Inc.*, Order, Case No. 2006-00472, ordering paragraph 6 (Ky. P.S.C. Apr. 1, 2007); Order, Case No. 2006-00472, ordering paragraph 8 (Ky. P.S.C. Dec. 5, 2007); *In the Matter of the Application of East Kentucky Power Cooperative, Inc. for the Approval of Financing in the Amount of Approximately $6,734,000 for Transmission Facilities and System Improvements*, Order, Case No. 1995-00135, ordering paragraph 3 (Ky. P.S.C. May 26, 1995).

2. Semi-annual reports summarizing the status of mitigation efforts to reduce the balance of the Smith 1 regulatory asset from Case No. 2010-00449;[2]

3. An annual report of Dale Station Projects 5 and 10 and Regulatory Asset Authority from Case No. 2015-00302;[3]

4. An annual comprehensive report detailing transmission rights, hedging strategies, and benefits and costs of joining PJM Interconnection, LLC ("PJM") from Case No. 2012-00169;[4]

5. An annual report detailing the prior calendar year's interruptions or change in load of Gallatin Steel from Case No. 2013-00174;[5]

6. Annual operating reports setting forth details of the performance of the Bluegrass Station from Case No. 2015-00267;[6]

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[2] *See In the Matter of Application of East Kentucky Power Cooperative, Inc. for an Order Approving the Establishment of a Regulatory Asset for the Amount Expended on Its Smith 1 Generating Unit*, Order, Case No. 2010-00449, ordering paragraph 3 (Ky. P.S.C .Feb. 28, 2011).

[3] *See In the Matter of the Application of East Kentucky Power Cooperative, Inc. for an Order Approving the Establishment of a Regulatory Asset for the Undepreciated Balance of the William C. Dale Generation Station*, Order, Case No. 2015-00302, ordering paragraph 7 (Ky. P.S.C. Feb. 11, 2016).

[4] *See In the Matter of Application of East Kentucky Power Cooperative, Inc. to Transfer Functional Control of Certain Transmission Facilities to PJM Interconnection, LLC*, Order, Case No. 2012-00169, ordering paragraph 6 (Ky. P.S.C. Dec. 20, 2012).

[5] *See In the Matter of Application of East Kentucky Power Cooperative, Inc. for Approval of a Special Contract Between EKPC, Owen Electric Cooperative, and Gallatin Steel Company*, Order, Case No. 2013-00174, ordering paragraph 3 (Ky. P.S.C. Feb. 27, 2014).

[6] *See In the Matter of Application of East Kentucky Power Cooperative, Inc. for Approval of the Acquisition of Existing Combustion Turbine Facilities from Bluegrass Generation Company, LLC at the Bluegrass Generating Station in LaGrange, Oldham County, Kentucky and for Approval of the Assumption of Certain Evidences of Indebtedness*, Order, Case No. 2015-00267, ordering paragraphs 3 and 4 (Ky. P.S.C. Dec. 1, 2015).

7. An annual report detailing the prior calendar year's interruption of AGC from Case No. 2015-00422;[7] and

8. A detailed discussion of the consideration given to price elasticity in the forecasted demand, energy and reserve margin information provided with the Annual Admin 387 resource assessment.

Q. PLEASE DESCRIBE THE REQUESTED RELIEF FROM THE REPORTING REQUIREMENT FROM CASE NO. 1995-00135 AND CASE NO. 2006-00472 IN MORE DETAIL.

A. In Case No. 1995-00135, the Commission directed EKPC to include its current interest rates on its outstanding variable loans in its monthly financial report to the Commission. EKPC has complied and filed the requested interest rate statements monthly for over 25 years. In Case No. 2006-00472, in order to monitor EKPC's margins, the Commission directed EKPC to add to the monthly report an accounting of expenses and revenues, monthly budget information, as well as a rolling 12-month calculation of its TIER and DSC. EKPC has complied and filed the monthly reporting for over 13 years.

Over the past twenty-five years of filings, EKPC has demonstrated its ability to manage its fixed and variable interest rate debt portfolio effectively. Further, interest rates and the volatility associated with variable interest rates have changed considerably since this order was issued in 1995. EKPC currently only has two variable rate debt obligations, which generally represent less than ten

[7] *See In the Matter of Application of East Kentucky Power Cooperative, Inc. for the Approval of a Special Contract*, Order, Case No. 2015-00422, ordering paragraph 2 (Ky. P.S.C. Mar. 14, 2016).

percent of its total debt portfolio. The interest rates on these obligations have remained stable over the years and are currently at an all-time low. Therefore, providing the above-mentioned monthly report of variable interest rates on outstanding loans provides limited additional value to the Commission and creates an administrative burden for both the Commission and EKPC.

Similarly, since the Order requiring additional monthly reporting was issued in Case No. 2006-00472, EKPC's financial condition has improved considerably. EKPC's equity to assets ratio has improved from 6.8% at December 31, 2008 to 18.9% at December 31, 2019. EKPC has since reached its goal of 20% equity and retired capital credits for the first time in the history of the organization while also controlling the costs to its owner-members and foregoing a rate increase for 10 years. From 2008 to 2019, EKPC's TIER increased from 1.25 to 1.39, while its DSC increased from 1.04 to 1.39. Further, EKPC maintains investment-grade credit ratings with both Standard and Poor's and Fitch. These agencies periodically review and update EKPC's rating, which should provide assurance to the Commission of EKPC's overall financial stability. Therefore, given the improvements to EKPC's financial performance over the past ten years, EKPC believes the filing of its monthly financial report, annual report, and audited financial statements, as required of all other utilities under the Commission's jurisdiction, should be sufficient to monitor EKPC's performance. Accordingly, EKPC respectfully requests relief from filing monthly reports to monitor EKPC's variable interest rates, margins, revenues and expenses, budget information, as well as the rolling 12-month calculation of its TIER and DSC as prescribed in Case No. 1995-00135 and Case No. 2006-00472.

Q. PLEASE DESCRIBE THE REQUESTED RELIEF FROM THE REPORTING REQUIREMENT FROM CASE NO. 2010-00449 IN MORE DETAIL.

A. In Case No. 2010-00238, the Commission found that EKPC no longer had an immediate need for the base load generation afforded by the addition of the Smith 1 Generating Unit to its fleet, and approved EKPC's request to relinquish its CPCN and abandon the construction of the unit. Subsequently, in Case No. 2010-00449, EKPC requested permission to establish a regulatory asset for expenditures made on its Smith 1 Generating Unit. In approving the request for a regulatory asset, the Commission ordered that EKPC file quarterly reports summarizing the status of its mitigation efforts to reduce the balance of the regulatory asset through the sale of Smith 1 physical assets. Then, in a July 1, 2015 letter from the PSC, EKPC was directed to submit said reports on a semi-annual basis instead of quarterly, which it duly began to do. Since the original Order, EKPC has filed 28 such reports.

EKPC has exhausted all efforts to mitigate the regulatory asset balance by either selling, scrapping, or dedicating certain compatible parts to be utilized by Spurlock Units 3 and 4. Accordingly, there will be no further mitigation efforts to report to the Commission. Further, as specified in the Stipulation and Recommendation Agreement approved in Case No. 2015-00358 related to the "Smith Solution," EKPC is requesting an adjustment in this base rate case to amortize the remaining balance of this regulatory asset through December 2026, the remaining months of the 10-year amortization period that began on January 1, 2017. In light of these developments, the reporting obligation from case No. 2010-00449 is now unnecessary and serves no substantial purpose.

Q. PLEASE DESCRIBE THE REQUESTED RELIEF FROM THE REPORTING REQUIREMENT FROM CASE NO. 2015-00302 IN MORE DETAIL.

A. In Case No. 2015-00302, EKPC was authorized to establish a regulatory asset for the undepreciated plant-in-service balance of the William C. Dale Generation Station due to EKPC's decision to cease all generation activities at the plant. The Final Order in that case directed EKPC to establish a separate regulatory asset for Projects 5 and 10 (Project 5 - Low Nitrogen Oxide Burners at Dale Units 1 and 2; and Project 10 - Dale Continuous Monitoring Equipment), which were included in EKPC's environmental compliance plan, receiving cost recovery through the environmental surcharge instead of base rates. EKPC was also ordered to file an annual report related to Projects 5 and 10, detailing the beginning balance, the monthly carrying costs, the total monthly costs incurred by account, and the monthly ending balance. EKPC is requesting amortization of the regulatory asset over a two-year period as part of this base rate case proceeding, which should negate the need for further reporting.

Q. PLEASE DESCRIBE THE REQUESTED RELIEF FROM THE REPORTING REQUIREMENT FROM CASE NO. 2012-00169 IN MORE DETAIL.

A. In Case No. 2012-00169, EKPC sought Commission approval to transfer functional control of certain EKPC transmission facilities to PJM. Ordering paragraph 5 of the Final Order directed EKPC to file an annual, "comprehensive report setting forth in detail the amount of transmission rights awarded and purchased; a description of hedging plans and strategies to address transmission congestion and market prices for capacity and energy; a breakdown by category of the prior years' benefits and costs of PJM membership; and a projection of future benefits and costs reflecting the most recent PJM capacity auction results," to ensure that EKPC's continued membership in PJM was beneficial to EKPC's owner-members and the end-use retail members, and that EKPC's participation maximized all available RTO benefits. Continuing to compare actual experience to what might have happened if EKPC had not joined PJM requires EKPC to model its system based on what would have happened to its dispatch if it had not joined PJM, which is difficult to estimate based on transmission availability assumptions that must be made about available purchases from surrounding systems. EKPC has repeatedly demonstrated that the decision to integrate with PJM was advantageous to its owner-members and retail-members and has exceeded all expected benefits. Therefore, EKPC should be relieved from continuing to provide this increasingly speculative "what-if" analysis.

Q. PLEASE DESCRIBE THE REQUESTED RELIEF FROM THE REPORTING REQUIREMENT FROM CASE NO. 2013-00174 IN MORE DETAIL.

A. In Case No. 2013-00174, EKPC applied to the Commission for approval of a new special contract between EKPC, Owen Electric Cooperative, and Gallatin Steel (now Nucor Steel Gallatin or “Nucor”) to reflect changes resulting from integration into PJM and addressing Firm and Interruptible Demand and Buy Through; PJM Limited Demand Response, Emergency — Capacity Only Program ("Demand Response Program"); and Economic Load Response Program. In Ordering paragraph 3 of the Final Order, the Commission directed EKPC to file an annual report on Nucor’s participation in the Demand Response Program and the Load Response Program under the New Contract. Specifically, EKPC was to include information for each program on: the date and type of interruption or change in load; the start and end times of each interruption or change in load; the estimated cost savings, if any, to EKPC during each interruption or change in load; and whether Nucor exercised the buy-through option during each interruption.

EKPC has demonstrated that it follows the interruptible tariff obligations and has shown that any interruptions have not impacted the ability of Nucor to manufacture its product. The special contract approved by the Commission continues to be a valuable tool for both EKPC and Nucor. This special contract was entered into to reflect changes resulting from EKPC's integration into PJM and as there have been no problems from that integration, EKPC respectfully requests it be relieved of the reporting obligations outlined in the Order.

Q. PLEASE DESCRIBE THE REQUESTED RELIEF FROM THE REPORTING REQUIREMENT FROM CASE NO. 2015-00267 IN MORE DETAIL.

A. In Case No. 2015-00267, EKPC sought approval to acquire and operate three simple-cycle combustion turbines at the Bluegrass Generating Station ("Bluegrass Station") located near LaGrange in Oldham County, Kentucky. In its final Order approving the purchase of the Bluegrass Station, the Commission directed EKPC to file an annual operating report to provide the Commission with updates on the performance of the Bluegrass Station units and EKPC's assessment of any potential changes in existing or potential environmental regulation that would impact them. The report was also to include unplanned system outages, heat rate, budgeted and actual capital expenditures for the prior year and budgeted capital expenditures for the reporting year, budgeted and actual operation and maintenance ("O&M") expenditures for the reporting year and budgeted O&M expenses for the next year. Additionally, EKPC was to include in the report an evaluation of how the Bluegrass Station units would qualify as a Capacity Performance product in PJM and how EKPC would address the related risk exposure.

Following Commission approval and EKPC's subsequent 2016 purchase of the Bluegrass Generating Station, EKPC has been very pleased with the performance and reliability of the three units. The starting reliability for the units has remained at 100% since 2018, while the equivalent forced outage rate has remained below 3% for the past four years. The units have exceeded EKPC's expectations for the general overall condition of the turbines, generators and plant auxiliaries. EKPC has recently made substantial investments in the units by making them dual-fuel capable, performed a hot gas path inspection on each, upgraded the distributed control system and completed several other smaller projects to ensure the units' reliability for years to come.

From an environmental perspective, Bluegrass Station is, and has been, complying with the Clean Air Act, Clean Water Act, and Spill Prevention, Control and Countermeasure ("SPCC") since EKPC's ownership began. Under state regulations implementing authority delegated by the United States Environmental Protection Agency ("EPA"), the station complies with current regulations pursuant to its Title V air permit, Kentucky Pollution Discharge Elimination System water permit, and SPCC regulations. The most recent modifications to Bluegrass Station were permitted as a minor permit revision by the Kentucky Division of Air Quality and approved by the Commission for the facility to become a dual-fuel facility. Should EPA regulations change, EKPC will work with state and federal regulators to maintain compliance.

Regarding the Commission's initial concern about the Bluegrass Station units qualifying as a Capacity Performance product in PJM and how EKPC addresses any related risk exposure, EKPC points out that all three (3) Bluegrass units have received payments from the PJM Reliability Pricing Model auctions as capacity performance units since becoming part of EKPC's generation fleet, and to address risk exposure, EKPC has added dual-fuel capability to the plant to ensure its availability during capacity performance events.

For all of the above reasons that point to the continued excellent performance of the Bluegrass Station units, the continued environmental compliance and monitoring of the units, and the demonstrated value of the units to

EKPC and its owner-members as a Capacity Performance product, EKPC should be relieved of the reporting duties associated with this Order.

Q. PLEASE DESCRIBE THE REQUESTED RELIEF FROM THE REPORTING REQUIREMENT FROM CASE NO. 2015-00422 IN MORE DETAIL.

A. In Case No. 2015-00422, EKPC sought approval of a revised Special Contract with interruptible service between EKPC, Nolin RECC and AGC Automotive Americas ("AGC"). In approving the Special Contract, the Commission ordered EKPC to file an annual report detailing the prior calendar year's interruptions of AGC, including the date and type of each interruption, the start and end times of each interruption and whether AGC exercised its buy-through option during each economic interruption.

EKPC has demonstrated that it follows the interruptible tariff obligations and has shown that any interruptions have not impacted the ability of AGC to manufacture its product. The revised special contract approved by the Commission continues to be a valuable tool for both EKPC and AGC. The revised special contract was entered into to reflect changes resulting from EKPC's integration into PJM and as there have been no problems from that integration, EKPC respectfully requests it be relieved of the reporting obligations outlined in the Order.

Q. PLEASE DESCRIBE THE REQUESTED RELIEF FROM PROVIDING A DETAILED DISCUSSION OF PRICE ELASTICITY WITH THE ANNUAL ADMIN 387 RESOURCE ASSESSMENT.

A. In a letter from the Commission's Executive Director to EKPC dated May 31, 2013, the Commission requested that EKPC "provide a detailed discussion of the consideration given to price elasticity in the forecasted demand, energy and reserve margin information provided with the annual Admin 387 resource assessments." EKPC has complied with this request by providing a study by GDS Associates ("GDS") conducted for EKPC in 2015. Because GDS believes the same conclusions and recommendations made in its 2015 study are still reasonable today, and remain consistent with the U.S. Energy Information Administration's long-term forecast (https://www.eia.gov/outlooks/aeo/assumptions/pdf/commercial.pdf, page 10), EKPC has provided this same study as a supplement to its Admin 387 filing every year since 2016. Unless EIA's long-term energy forecast changes, which is unlikely in the near future, EKPC will continue to provide the same GDS study as a supplement to its Admin 387 filing. EKPC believes that continuing to file a study, which has been filed five years in a row and is unlikely to change, is a redundant practice from which it respectfully requests it be relieved.

Q. WHAT IS THE BENEFIT OF HAVING THESE REPORTING OBLIGATIONS TERMINATED?

A. While the circumstances at the time sufficiently justified each of the reporting obligations I described earlier, as time has passed, the value and relevance of these reporting obligations has significantly diminished. There has been no Commission follow-up on any of the reports EKPC has filed for several years. Nevertheless, EKPC and the Commission continue to expend time and resources in preparing, submitting, receiving and maintaining these various reports. While EKPC is always willing to provide information responsive to the Commission's needs, the value of these particular reports appears to be very minimal at this point. Eliminating the requirement to file these reports would enable both EKPC and the Commission to focus upon more pressing matters and save the cost of submitting these reports.

V. CONCLUSION

Q. PLEASE SUMMARIZE YOUR TESTIMONY.

A. In my testimony I have indicated which Exhibits to the Application I am supporting and offered further support for EKPC having given the appropriate statutory Notice of Intent and customer notices. A significant portion of my testimony has been devoted to describing various reporting obligations which appear to no longer be necessary and describing why the Commission should eliminate those filing requirements.

Q. DOES THIS CONCLUDE YOUR TESTIMONY?

A. Yes.

East Kentucky Power Cooperative, Inc.
Case No. 2021-00103
General Adjustment of Rates
Filing Requirements / Exhibit List

Exhibit 20

807 KAR 5:001 Sec. 16(4)(b)
Sponsoring Witness: Denver York

Description of Filing Requirement:

If the utility has gross annual revenues greater than $5,000,000, the written testimony of each witness the utility proposes to use to support its application.

Response:

In support of its Application, EKPC provides written testimony from Mr. Denver York, EKPC's Senior Vice President of Power Delivery and System Operations, whose testimony is included with this Exhibit 20.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE ELECTRONIC APPLICATION OF EAST KENTUCKY POWER COOPERATIVE, INC. FOR A GENERAL ADJUSTMENT OF RATES, APPROVAL OF DEPRECIATION STUDY, AMORTIZATION OF CERTAIN REGULATORY ASSETS AND OTHER GENERAL RELIEF	))))))	Case No. 2021-00103

DIRECT TESTIMONY OF DENVER YORK
SENIOR VICE PRESIDENT OF POWER DELIVERY AND SYSTEM OPERATIONS
ON BEHALF OF EAST KENTUCKY POWER COOPERATIVE, INC.

Filed: April 1, 2021

I. INTRODUCTION

Q. PLEASE STATE YOU NAME, TITLE AND BUSINESS ADDRESS.

A. My name is Denver York and I am the Senior Vice President of Power Delivery and System Operations. My business address is East Kentucky Power Cooperative, Inc., 4775 Lexington Road, Winchester, Kentucky 40391.

Q. PLEASE DESCRIBE YOUR EDUCATION AND PROFESSIONAL EXPERIENCE.

A. I have a Bachelor of Science in Electrical Engineering from the Florida Institute of Technology, a Master of Science in Electrical Engineering from the Georgia Institute of Technology, and a Master of Business Administration from Eastern Kentucky University. I am a registered Professional Engineer in the state of Kentucky.

I have worked in the electric power industry at East Kentucky Power since 1997. I have worked in various areas of the company as an engineer and in leadership. These areas include SCADA (Supervisory Control and Data Acquisition), EMS (Energy Management System) support, Balancing Authority operations, and (currently) as VP over operations and maintenance of the transmission system.

Q. PLEASE DESCRIBE YOUR DUTIES AT EKPC

A. My current duties include providing oversight and direction for the operations and maintenance activities for the EKPC transmission system. This includes four service center locations, the energy control center, EMS support, telecom, protection and control, and a reliability team.

Q. HAVE YOU EVER TESTIFIED BEFORE THE COMMISSION PREVIOUSLY?

A. No.

Q. PLEASE DESCRIBE THE PURPOSE OF YOUR TESTIMONY.

A. The purpose of my testimony is to provide information responsive to the filing requirement set forth in the June 7, 2016 letter from the Commission's Executive Director to all jurisdictional electric utilities in Case No. 2012-00428,[1] wherein the Commission directed a utility to identify specific smart grid investments as part of its application for an adjustment or rates.

Q. ARE YOU SPONSORING ANY EXHIBITS TO YOUR TESTIMONY?

A. No.

II. DISCUSSION OF SMART GRID INVESTMENTS PURSUANT TO COMMISSION'S ORDER IN CASE NO. 2012-00428

Q. ARE YOU FAMILIAR WITH THE COMMISSION'S ORDER IN CASE NO. 2012-00428?

A. Yes. The case was an administrative case involving the Commission's consideration of new and emerging smart grid and smart meter technologies.

Q. HOW WOULD YOU DESRIBE SMART GRID TECHNOLOGY?

A. Smart grid technology is a term broadly applied to a number of technologies, applications and systems that allow an electric system to operate more efficiently while giving the operator greater awareness of the systems' functioning, and consumers greater knowledge as to their own consumption habits. While there are

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[1] *See In the Matter of the Consideration of the Implementation of Smart Grid and Smart Meter Technologies*, Order, Case No. 2012-00428 (Ky. P.S.C. Apr. 13, 2016); Letter from Talina R. Mathews (June 7, 2016).

aspects of smart grid that apply at the bulk transmission grid level, we generally think of “smart grid” as being primarily applied in distribution and customer contexts.

Q. HAS EKPC MADE ANY INVESTMENTS IN SMART GRID TECHNOLOGY SINCE ITS LAST RATE CASE?

A. Yes. EKPC has, since its last rate case, installed devices at multiple sites across its electric power system that could be considered smart grid technology. These devices provide digital information and control technology that improves reliability, security, and efficiency of the electric grid.

Q. CAN YOU GIVE EXAMPLES OF WHAT THESE INVESTMENTS INCLUDE:

A. Certainly. EKPC has installed:

- 832 electronic, microprocessor-based relays which provide additional functionality beyond what traditional electromechanical relays offer, including transfer trip, fault location, and event recording capabilities.
- 6 digital fault recorders that capture data at a high sample rate to aid in analysis of transmission system disturbances.
- 72 Power Quality (“PQ”) meters to facilitate investigation of customer service complaints. EKPCs current revenue metering package includes a meter with some level of PQ data capture and also supports investigation of customer service complaints.
- 68 remotely controlled, motored-power switch operators on its transmission system which allow quicker service restoration than can be provided by

manually operated switches which require the presence of a field switchman onsite to control.

- In addition to these listed devices, EKPC has installed other advance technology devices such as travelling wave relays and online dissolved gas and bushing monitors for key transformers.

Q. CAN YOU ESTIMATE THE TOTAL COST OF THESE INVESTMENTS?

A. An exact number is difficult to obtain because in most cases, these devices were installed as a portion of a larger project and were not accounted for separately. Based on current pricing and installation costs for these items, an estimate would be approximately $15,290,000.

Q. IS IT POSSIBLE TO QUANTIFY THE VALUE THAT THIS INVESTMENT IN SMART GRID TECHNOLOGY YIELDS FOR EKPC?

A. It's not really feasible to quantify the value of greater reliability, security and efficiency within the electric grid. However, I can say that I'm very pleased with how EKPC's system is performing. Since 2011, EKPC's System Average Interruption Duration Index has decreased by more than 20%. The five-year average dropped from 31.7 minutes to 25.2 minutes. The smart grid investments discussed above provided greater visibility and control for the system operators to more readily locate faults and restore service.

III. CONCLUSION

Q. PLEASE SUMMARIZE YOUR TESTIMONY.

A. EKPC has been diligent in adopting smart grid devices where the capabilities provided by those devices assist in improving reliability, security, or efficiency of the electric grid. EKPC will continue to deploy devices as it believes the utility provided is value-added. Additionally, EKPC will continue to monitor new devices available to the industry to determine if the value proposition warrants including them on the system.

Q. DOES THAT CONCLUDE YOUR TESTIMONY?

A. Yes.

Exhibit 21

807 KAR 5:001 Sec. 16(4)(c)
Sponsoring Witness: Patrick Woods

Description of Filing Requirement:

If a utility has gross annual revenues less than $5,000,000, the written testimony of each witness the utility proposes to use to support its application or a statement that the utility does not plan to submit written testimony.

Response:

This filing requirement is not applicable to EKPC since it has gross annual revenues greater than $5 million.

East Kentucky Power Cooperative, Inc.
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Exhibit 22

807 KAR 5:001 Sec. 16(4)(d)
Sponsoring Witness: Richard Macke

Description of Filing Requirement:

A statement estimating the effect that each new rate will have upon the revenues of the utility including, at minimum, the total amount of revenues resulting from the increase or decrease and the percentage of the increase or decrease

Response:

EKPC is requesting an increase in its revenues of $43,000,000. The application of the proposed rates to the applicable billing determinants will usually not result in the exact amount of requested revenues. In this case, the proposed revenue resulting from the proposed rates equals $42,990,177. For the statement of the effect on revenues for each new rate, see Exhibit 16 of the Application, the Direct Testimony of Richard J. Macke, specifically Exhibit RJM-3, page 1 of 5 thereof.

East Kentucky Power Cooperative, Inc.
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Exhibit 23

807 KAR 5:001 Sec. 16(4)(e)
Sponsoring Witnesses: Isaac Scott

Description of Filing Requirement:

If the utility provides electric, gas, water, or sewer service, the effect upon the average bill for each customer classification to which the proposed rate change will apply

Response:

The effect upon the average bill for each customer classification to which the proposed rate change will apply is as follows:

Rate Schedule	Proposed Increase	Customers*	Average Monthly Bill Increase
Rate B	$2,286,285	11	$17,320
Rate C	$814,747	5	$13,579
Rate E, Option 2	$34,925,736	16	$181,905
Rate G	$1,323,966	3	$36,777
Special Contracts:			
Contract	$3,381,554	1	$281,796
Steam	$257,888	1	$21,491
TGP	$0	1	$0

*The number of wholesale or special contract customers taking service under the listed rate.

East Kentucky Power Cooperative, Inc.
Case No. 2021-00103
General Adjustment of Rates
Filing Requirements / Exhibit List

Exhibit 24

807 KAR 5:001 Sec. 16(4)(f)
Sponsoring Witnesses: Patrick Woods

Description of Filing Requirement:

If the utility is an incumbent local exchange company, the effect upon the average bill for each customer class for the proposed rate change in basic local service.

Response:

EKPC is not an incumbent local exchange company therefore this is not applicable.

East Kentucky Power Cooperative, Inc.
Case No. 2021-00103
General Adjustment of Rates
Filing Requirements / Exhibit List

Exhibit 25

807 KAR 5:001 Sec. 16(4)(g)
Sponsoring Witness: Richard Macke

Description of Filing Requirement:

A detailed analysis of customers' bills whereby revenues from the present and proposed rates can be readily determined for each customer class

Response:

The analysis of customer bills by rate schedule, reflecting present and proposed rates, can be found in Exhibit 16 of the Application, Mr. Macke's Direct Testimony, Exhibit RJM-3, pages 2 through 5 of 5.

East Kentucky Power Cooperative, Inc.
Case No. 2021-00103
General Adjustment of Rates
Filing Requirements / Exhibit List

Exhibit 26

807 KAR 5:001 Sec. 16(4)(h)
Sponsoring Witness: Isaac Scott

Description of Filing Requirement:

A summary of the utility's determination of its revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage, or operating ratio, with supporting schedules

Response:

The revenue requirement in this case is determined on the basis of achieving a Times Interest Earned Ratio ("TIER") of 1.50. A summary of EKPC's determination of its revenue requirement based on this TIER can be found in Exhibit 13 of the application, Mr. Scott's Direct Testimony, specifically Exhibit ISS-1, Schedule 1.30, see *Application Exhibit 13 – Exhibit ISS-1 – Schedules 1.00-1.30 FINAL REV 03-08.*xlsx, tab 1.30.

East Kentucky Power Cooperative, Inc.
Case No. 2021-00103
General Adjustment of Rates
Filing Requirements / Exhibit List

Exhibit 27

807 KAR 5:001 Sec. 16(4)(i)
Sponsoring Witness: Isaac Scott

Description of Filing Requirement:

A reconciliation of the rate base and capital used to determine its revenue requirements

Response:

Please see the attachment, which presents the reconciliation, the determination of the rate base, and the capital. While providing the reconciliation, EKPC would note that its revenue requirements in this Application were not determined using either the rate base or capital.

Reconciliation of Net Original Cost Rate Base and Capitalization

Net Original Cost Rate Base	$3,080,615,898
Total Capitalization	$3,179,264,535
Difference to be Reconciled	$98,648,637
Assets not included in Net Original Cost Rate Base:	
Other Property and Investments	$54,139,913
Cash and Temporary Investments	$132,525,097
Accounts Receivable	$85,132,359
Other Current and Accrued Assets	$185,737
Derivative Instrument Assets	($77,693)
Other Assets and Debits	$145,982,441
Subtotal	$417,887,854
Liabilities not included in Net Original Cost Rate Base:	
Other Non-Current Liabilities	($119,610,466)
Current and Accrued Liabilities	($128,599,810)
Other Liabilities and Credits	($4,195,507)
Subtotal	($252,405,783)
Included in Net Original Cost Rate Base:	
Cash Working Capital Allowance	($75,633,743)
Difference between Year-End Balance and 13- Month Average -	
Material and Supplies	($993,305)
Prepayments	($1,490,422)
Fuel Stock	$11,284,036
Subtotal	($66,833,434)
Total Reconciling Items	$98,648,637

Net Original Cost Rate Base

	Test Year Actual
Utility Plant in Service	$4,181,966,162
Construction Work in Progress	$247,392,630
Total Plant in Service	$4,429,358,792
Add:	
Materials and Supplies	$64,726,229
Prepayments	$13,709,018
Fuel Stock	$56,147,565
Cash Working Capital Allowance	$75,633,743
Subtotal	$210,216,555
Deduct Accumulated Depreciation	$1,558,959,449
Net Original Cost Rate Base	$3,080,615,898

Note: The balances for Materials and Supplies, Prepayments, and Fuel Stock reflect 13-month average balances, calculated below.
Note: Cash Working Capital Allowance is based on 1/8 times O&M Expenses formula approach, calculated below.

13-Month Average Balances

	Materials & Supplies	Prepayments	Fuel Stock
December	$64,869,156	$11,934,645	$48,753,110
January	$65,051,912	$13,010,642	$45,197,099
February	$64,935,552	$12,516,907	$42,448,613
March	$64,797,250	$11,541,078	$48,683,244
April	$63,792,518	$10,773,738	$56,244,270
May	$64,470,961	$15,022,231	$62,874,673
June	$64,947,894	$14,530,036	$64,522,207
July	$65,055,237	$14,027,475	$58,951,057
August	$65,543,674	$15,689,706	$57,995,794
September	$65,227,528	$14,971,727	$62,090,079
October	$64,986,834	$16,212,346	$54,905,983
November	$64,029,531	$15,768,104	$59,820,611
December	$63,732,924	$12,218,596	$67,431,601
Totals	$841,440,971	$178,217,231	$729,918,341
13-Month Average Balances	$64,726,229	$13,709,018	$56,147,565

Cash Working Capital Allowance

Total Operation Expenses	$502,650,207	
Total Maintenance Expenses	$102,419,737	
Total O&M Expenses	$605,069,944	
1/8th of Total O&M Expenses		$75,633,743

Capitalization

	Test Year Actual
Equities and Margins:	
Memberships	$1,600
Patronage Capital	$646,857,433
Operating Margins - Current Year	$19,937,555
Non-Operating Margins	$24,266,482
Other Margins and Equity	$24,308,574
Total Equities and Margins	$715,371,644
Long-Term Debt:	
Long-Term Debt - RUS	$1,822,313,611
Long-Term Debt - Other	$641,579,280
Total Long-Term Debt	$2,463,892,891
Total Capitalization	$3,179,264,535

East Kentucky Power Cooperative, Inc.
Case No. 2021-00103
General Adjustment of Rates
Filing Requirements / Exhibit List

Exhibit 28

807 KAR 5:001 Sec. 16(4)(j)
Sponsoring Witness: Michelle Carpenter

Description of Filing Requirement:

A current chart of accounts if more detailed than the Uniform System of Accounts.

Response:

Please see attached.

ORACLE Report ID: FSX0010

Oracle PeopleSoft Financials

VALID GENERAL LEDGER ACCOUNTS

SetID: EKPC
As of Date: 08.Mar.2021

			Monetary	Statistical Account			Open Item Account				
Account	Description	Short Name	Account Type	Y/N	UOM	Bal Forward	Y/N	Description	Edit Record	Edit Field	VAT
102000	Elect Plant Purchased or Sold	EPPur/Sold	A -	No		Y	No				N
105000	Elec Plant Held for Future Use	EPFutr/Use	A -	No		Y	No				N
106000	Compltd Const Not Classfd-Elec	ComplConst	A -	No		Y	No				N
106001	Equipment Purchases	EquipPurch	A -	No		Y	No				N
107200	WIP-Construction & Contract	CWIP	A -	No		Y	No				N
108110	Accum Deprec-Steam-Lab	AcDepr-Stm	A -	No		Y	No				N
108120	Accum Deprec-Steam-Dale	AcDepr-Stm	A -	No		Y	No				N
108130	Accum Deprec-Steam-Cooper	AcDepr-Stm	A -	No		Y	No				N
108140	Accum Deprec-Steam-Splk Common	AcDepr-Stm	A -	No		Y	No				N
108141	Accum Deprec-Steam-Splk 1	AcDepr-Stm	A -	No		Y	No				N
108142	Accum Deprec-Steam-Splk 2	AcDepr-Stm	A -	No		Y	No				N
108143	Accum Deprec-Steam-Gilbert	AcDepr-Stm	A -	No		Y	No				N
108144	Accum Deprec-Steam-Splk 4	AcDepr-Stm	A -	No		Y	No				N
108410	Accum Deprec-Oth Prd-SM CT Com	AcDepr-Oth	A -	No		Y	No				N
108411	Accum Deprec-Oth Prd-SM CT 1	AcDepr-Oth	A -	No		Y	No				N
108412	Accum Deprec-Oth Prd-SM CT 2	AcDepr-Oth	A -	No		Y	No				N
108413	Accum Deprec-Oth Prd-SM CT 3	AcDepr-Oth	A -	No		Y	No				N
108414	Accum Deprec-Oth Prd-SM CT 4	AcDepr-Oth	A -	No		Y	No				N
108415	Accum Deprec-Oth Prd-SM CT 5	AcDepr-Oth	A -	No		Y	No				N
108416	Accum Deprec-Oth Prd-SM CT 6	AcDepr-Oth	A -	No		Y	No				N
108417	Accum Deprec-Oth Prd-SM CT 7	AcDepr-Oth	A -	No		Y	No				N
108419	Accum Deprec-Oth Prd-SM CT 9	AcDepr-Oth	A -	No		Y	No				N
108420	Accum Deprec-Oth Prd-SM CT 10	AcDepr-Oth	A -	No		Y	No				N
108450	Accum Depr-Oth Prd-OC CT Com	AcDepr-Oth	A -	No		Y	No				N
108451	Accum Depr-Oth Prd-OC CT 1	AcDepr-Oth	A -	No		Y	No				N
108452	Accum Depr-Oth Prd-OC CT 2	AcDepr-Oth	A -	No		Y	No				N
108453	Accum Depr-Oth Prd-OC CT 3	AcDepr-Oth	A -	No		Y	No				N
108460	Accum Deprec-Oth Prd-Landfill	AcDepr-Oth	A -	No		Y	No				N
108465	Accum Deprec-Oth Prd-Solar	AcDepr-Oth	A -	No		Y	No				N
108490	Accum Deprec-Oth Prd-Diesl Gen	AcDepr-Oth	A -	No		Y	No				N
108500	Accum Deprec-Transmission Plnt	AcDepr-Trn	A -	No		Y	No				N
108600	Accum Deprec-Distribution Plnt	AcDepr-Dst	A -	No		Y	No				N
108700	Accum Deprec-General Plant	AcDepr-Gen	A -	No		Y	No				N
108705	Accum Deprec-Software	AcDepr-Sfw	A -	No		Y	No				N
108800	Retirement Work in Progress	RWIP	A -	No		Y	No				N
108902	AccDepr AssetRetOblg	AcDepr-ARO	A -	No		Y	No				N
108911	AccDepr AssetRetCost-Lab	AcDepr-Ret	A -	No		Y	No				N
108912	AccDepr AssetRetCost-Dale	AcDepr-Ret	A -	No		Y	No				N
108913	AccDepr AssetRetCost-Cooper	AcDepr-Ret	A -	No		Y	No				N
108914	AccDepr AssetRetCost-Splk	AcDepr-Ret	A -	No		Y	No				N
108915	AccDepr AssetRetCost-Gilbert	AcDepr-Ret	A -	No		Y	No				N
108916	AccDepr AssetRetCost-Splk 4	AcDepr-Ret	A -	No		Y	No				N
108917	AccDepr AssetRetCost-CT Units	AcDepr-Ret	A -	No		Y	No				N
108918	AccDepr AssetRetCost-LF Units	AcDepr-Ret	A -	No		Y	No				N
108950	AccDepr AssetRetCost-Trns Plt	AcDepr-Ret	A -	No		Y	No				N
108960	AccDepr AssetRetCost-Dist Plt	AcDepr-Ret	A -	No		Y	No				N
108970	AccDepr AssetRetCost-Genrl Pl	AcDepr-Ret	A -	No		Y	No				N
111000	Accum Amort-Elec Utility Plant	AcAmrt-Utl	A -	No		Y	No				N
111700	Accum Amort-Elect Leased Plant	AcAmrt-Lea	A -	No		Y	No				N
114000	Electric Plant Acquisition Adj	PlntAcqAdj	A -	No		Y	No				N
115000	Accum Amort-Elec Plnt Acq Adj	AcAmortAcq	A -	No		Y	No				N
121001	Nonutility Property-Transm	NonUtlProp	A -	No		Y	No				N
123100	Patronage Cap from Assoc Coop	PatrongCap	A -	No		Y	No				N
123221	Invstmt in CFC Cap Subord Trm	Invest-CFC	A -	No		Y	No				N
123230	Oth Invst in Assoc Organizatns	OthrInvest	A -	No		Y	No				N
123231	Oth Invst-Low Int Ln Prg-Coops	OthrInvest	A -	No		Y	No				N
123232	Oth Invst-Credt Line-Mbr Coops	OthrInvest	A -	No		Y	No				N
123233	Oth Invst-Industrl Devlp Loans	OthrInvest	A -	No		Y	No				N
123234	Oth Invst-Coop Propane Buyout	OthrInvest	A -	No		Y	No				N
124000	Other Investments	OthrInvest	A -	No		Y	No				N
124005	Oth Invst-Lake Cumberlnd Devlp	OthrInvest	A -	No		Y	No				N
124006	Oth Invst-PatCap Assgn Nonassc	OthrInvest	A -	No		Y	No				N
124053	Oth Invst-Poll Ctrl Bnd-Cooper	OthrInvest	A -	No		Y	No				N
124054	Oth Invst-Poll Bnd Disc-Cooper	OthrInvest	A -	No		Y	No				N
124055	Oth Invst-Poll Ctrl Bnd-Splk 2	OthrInvest	A -	No		Y	No				N
124056	Oth Invst-Poll Bnd Disc-Splk 2	OthrInvest	A -	No		Y	No				N
124057	Oth Invst-Poll Ctrl Bnd-Smith	OthrInvest	A -	No		Y	No				N
124058	Oth Invst-Poll Bnd Disc-Smith	OthrInvest	A -	No		Y	No				N
124070	Oth Invst Avail for Sale-Gen	OthrInvest	A -	No		Y	No				N
124071	Oth Invst-LT Trade Gen F	OthrInvest	A -	No		Y	No				N

ORACLE Report ID: FSX0010

Oracle PeopleSoft Financials

VALID GENERAL LEDGER ACCOUNTS

SetID: EKPC
As of Date: 08.Mar.2021

			Monetary	Statistical Account			Open Item Account				
Account	Description	Short Name	Account Type	Y/N	UOM	Bal Forward	Y/N	Description	Edit Record	Edit Field	VAT
124080	Oth Invst-LT Rec-Inter'l Paper	OthrInvest	A -	No		Y	No				N
124081	Oth Invst-LT Rec-City Hamilton	OthrInvest	A -	No		Y	No				N
124082	Oth Invst-LT Rec-Cagles	OthrInvest	A -	No		Y	No				N
124083	Oth Invst-LT Rec-Taylor RECC	OthrInvest	A -	No		Y	No				N
124090	Oth Invst-RUS (CB)	OthrInvest	A -	No		Y	No				N
124091	Oth Invst-CFC (CB)	OthrInvest	A -	No		Y	No				N
128001	Oth Spec Fnds-Defrd Compensatn	OthSpecFds	A -	No		Y	No				N
128002	Oth Spec Fnds-Resrv Defrd Comp	OthSpecFds	A -	No		Y	No				N
128003	Oth Spec Fnds-Def Comp-J Pilot	OthSpecFds	A -	No		Y	No				N
128005	Oth Spec Fnds-Escr Dep Bnk One	OthSpecFds	A -	No		Y	No				N
128006	Oth Spec Fnds-TVA Deposit	OthSpecFds	A -	No		Y	No				N
128007	Oth Spec Fnds-Escr BG Oldham	OthSpecFnd	A -	No		Y	No				N
131101	Cash-Genrl-PNC Bank Kentucky	Cash-Genrl	A -	No		Y	No				N
131102	Cash-Genrl-PNC Prop Casualty	Cash-Genrl	A -	No		Y	No				N
131103	Cash-Genrl-PNC Payroll	Cash-Genrl	A -	No		Y	No				N
131104	Cash-Genrl-PNC Coop Solar	Cash-Genrl	A -	No		Y	No				N
131105	Cash-MMDA-USBank	Cash-MMDA	A -	No		Y	No				N
131106	Cash-MMDA-TraditionalBank	Cash-MMDA	A -	No		Y	No				N
131199	Cash-Treasury Clearing Acct	Cash-Genrl	A -	No		Y	No				N
131200	Cash-Construction Fund-Trustee	Cash-Const	A -	No		Y	No				N
131201	Cash-Construction Fund-Solar	Cash-Const	A -	No		Y	No				N
131400	Transfer of Cash	TrnsfrCash	A -	No		Y	No				N
131401	Transfr/Cash-KY REC Empl Benft	TrnsfrCash	A -	No		Y	No				N
134001	Other Special Deposits	OthSpecDep	A -	No		Y	No				N
134002	Special Deposit-PJM	SpecDepPJM	A -	No		Y	No				N
135000	Working Funds	WorkngFnds	A -	No		Y	No				N
135002	Workng Fnds-Spec ROW Procuremt	WorkngFnds	A -	No		Y	No				N
135003	Workng Fnds-Empl Fed Crd Union	WorkngFnds	A -	No		Y	No				N
135005	Workng Fnds-Medical Insurance	WorkngFnds	A -	No		Y	No				N
135006	Workng Fnds-Self Funded Dental	WorkngFnds	A -	No		Y	No				N
135007	Workng Fnds-Sec 125 Flex Spend	WorkngFnds	A -	No		Y	No				N
136001	Temp Cash Invst-Treasury Bills	TmpCashInv	A -	No		Y	No				N
136002	Temp Cash Invst-Poll Cnst-Copr	TmpCashInv	A -	No		Y	No				N
136006	Temp Cash Invst-Poll Bond-Splk	TmpCashInv	A -	No		Y	No				N
136007	Temp Cash Invst-Poll DSR-Splk	TmpCashInv	A -	No		Y	No				N
136009	Temp Cash Invst-Poll Bond-Smth	TmpCashInv	A -	No		Y	No				N
136010	Temp Cash Invst-Poll DSR-Smith	TmpCashInv	A -	No		Y	No				N
136011	Temp Cash Invst-Pledged Escrow	TmpCashInv	A -	No		Y	No				N
142100	Cust Accounts Receivable-Elec	Cust AR	A -	No		Y	No				N
143000	Uninvoiced Receivables	Uninvcd AR	A -	No		Y	No				N
143001	Oth Accts Rec-General	Other AR	A -	No		Y	No				N
143002	Oth Accts Rec-Coop Ln of Cred	Other AR	A -	No		Y	No				N
143003	Oth Accts Rec-Coop Loan Prgm	Other AR	A -	No		Y	No				N
143004	Oth Ac/Rec-Coop Propane Buyout	Other AR	A -	No		Y	No				N
143005	Oth Accts Rec-Job Orders	Other AR	A -	No		Y	No				N
143006	Oth Accts Rec-Workers Comp Ins	Oth AR	A -	No		Y	No				N
143011	Oth Accts Rec-Coop Med Insurnc	Other AR	A -	No		Y	No				N
143021	Oth Accts Rec-Benefits Billing	Other AR	A -	No		Y	No				N
143024	Oth Accts Rec-Retiree Med Ins	Other AR	A -	No		Y	No				N
143026	Oth Accts Rec-Retiree Life Ins	Other AR	A -	No		Y	No				N
143027	Oth Accts Rec-Retiree Dent Ins	Other AR	A -	No		Y	No				N
143028	Oth Accts Rec-COBRA	Other AR	A -	No		Y	No				N
143029	Oth Accts Rec-LTD Other	Other AR	A -	No		Y	No				N
143030	Oth Accts Rec-Direct Billing	Other AR	A -	No		Y	No				N
143040	Oth Accts Rec-Empl Ufrm Billng	Other AR	A -	No		Y	No				N
143090	Oth Accts Rec (CB)	Other AR	A -	No		Y	No				N
143098	Oth Accts Rec-AR Sys Ctrl Acct	Other AR	A -	No		Y	Yes	Customer	CUSTOMER	CUST_ID	N
143099	Oth Accts Rec-AR Cash Clearing	Other AR	A -	No		Y	No				N
143100	Oth Accts Rec-Long Term	Other AR	A -	No		Y	No				N
144000	Accum Prov/Uncoll Accounts-CR	UncollAcct	A -	No		Y	No				N
151001	Fuel Stock-Dale	Fuel Stock	A -	No		Y	No				N
151002	Fuel Stock-Cooper	Fuel Stock	A -	No		Y	No				N
151004	Fuel Stock-Spurlock 2	Fuel Stock	A -	No		Y	No				N
151006	Fuel Stock-Inventory Adjustmnt	Fuel Stock	A -	No		Y	No				N
151007	Fuel Stock-Limestone Inv Adj	Fuel Stock	A -	No		Y	No				N
151008	Fuel Stock-Coal-Miscellaneous	Fuel Stock	A -	No		Y	No				N
151009	Fuel Stock-Lockwood 2	Fuel Stock	A -	No		Y	No				N
151010	Fuel Stock-Oil-Smith CT	Fuel Stock	A -	No		Y	No				N
151011	Fuel Stock-Gas-Smith CT	Fuel Stock	A -	No		Y	No				N
151012	Fuel Stock-Rivereagle 1	Fuel Stock	A -	No		Y	No				N

ORACLE Report ID: FSX0010

Oracle PeopleSoft Financials

VALID GENERAL LEDGER ACCOUNTS

SetID: EKPC
As of Date: 08.Mar.2021

			Monetary	Statistical Account			Open Item Account				
Account	Description	Short Name	Account Type	Y/N	UOM	Bal Forward	Y/N	Description	Edit Record	Edit Field	VAT
151013	Fuel Stock-Rivereagle 2	Fuel Stock	A -	No		Y	No				N
151014	Fuel Stock-Diesel-Cagles	Fuel Stock	A -	No		Y	No				N
151015	Fuel Stock-Diesel-Cooper	Fuel Stock	A -	No		Y	No				N
151016	Fuel Stock-Rivereagle 3	Fuel Stock	A -	No		Y	No				N
151017	Fuel Stock-Oil-Bluegrass	Fuel Stock	A -	No		Y	No				N
151018	Fuel Stock-Gilbert	Fuel Stock	A -	No		Y	No				N
151019	Fuel Stock-Dale ROM Blend	Fuel Stock	A -	No		Y	No				N
151020	Fuel Stock-Scrubber Coal	Fuel Stock	A -	No		Y	No				N
151028	Fuel Stock-Limestone-Gilbert	Fuel Stock	A -	No		Y	No				N
151029	Fuel Stock-Limestone-Sp 2 Scrb	Fuel Stock	A -	No		Y	No				N
151030	Fuel Stock-Lime-Cooper	FuelStLime	A -	No		Y	No				N
151038	Fuel Stock-TDF Gilbert	Fuel Stock	A -	No		Y	No				N
151040	Fuel Stock-Mercontrol 8034	Fuel Stock	A -	No		Y	No				N
151041	Fuel Stock-Mercontrol 7895	Fuel Stock	A -	No		Y	No				N
151050	Fuel Stock-Ammonia Spurlock	AmmoniaSP	A -	No		Y	No				N
151090	Fuel Stock (CB)	Fuel Stock	A -	No		Y	No				N
151091	Fuel Stock-Credit (CB)	Fuel Stock	A -	No		Y	No				N
152000	Fuel Stock Exps Undistributed	FuelExpUnd	A -	No		Y	No				N
152002	Fuel Stk Exps Undist-Fuel Dep	FuelExpUnd	A -	No		Y	No				N
152003	Fuel Stk Exps Undist-Coal Barg	FuelExpUnd	A -	No		Y	No				N
152090	Fuel Stk Exps Undist-Credt(CB)	FuelExpUnd	A -	No		Y	No				N
154000	Plnt Matls/Op Supp-General	Matls/Supp	A -	No		Y	No				N
154001	Plnt Matls/Op Supp-Poles	Matls/Supp	A -	No		Y	No				N
154002	Plnt Matls/Op Supp-Reels	Matls/Supp	A -	No		Y	No				N
154003	Plnt Matls/Op Supp-OCR	Matls/Supp	A -	No		Y	No				N
154004	Plnt Matls/Op Supp-Tran Reg	Matls/Supp	A -	No		Y	No				N
154005	Plnt Matls/Op Supp-Home Guard	Matls/Supp	A -	No		Y	No				N
154006	Plnt Matls/Op Supp-ETS Hrdwr	Matls/Supp	A -	No		Y	No				N
154011	Plnt Matls/Op Supp-EK Computrs	Matls/Supp	A -	No		Y	No				N
154020	Plnt Matls/Op Supp-Gasoline	Matls/Supp	A -	No		Y	No				N
154090	Plnt Matls/Op Supp-Credit (CB)	Matls/Supp	A -	No		Y	No				N
154099	Temp Asset Recd/Not Stocked	Matls/Supp	A -	No		Y	No				N
158100	Allowance Inventory	AllowncInv	A -	No		Y	No				N
163000	Stores Exp Undistr-Wnchstr Inv	Stores	A -	No		Y	No				N
163020	Stores Exp Undistr-Dale Inv	Stores	A -	No		Y	No				N
163030	Stores Exp Undistr-Cooper Inv	Stores	A -	No		Y	No				N
163040	Stores Exp Undistr-Splk Inv	Stores	A -	No		Y	No				N
163050	Stores Exp Undistr-Smith Inv	Stores	A -	No		Y	No				N
163055	Stores Exp Undistr-Bluegrs Inv	Stores	A -	No		Y	No				N
165100	Prepayments-Insurance	Prepaymnts	A -	No		Y	No				N
165101	Prepymts-LTD Insurance	Prepaymnts	A -	No		Y	No				N
165102	Prepymts-24Hr Businss Trvl Ins	Prepaymnts	A -	No		Y	No				N
165103	Prepymts-Term Life Insurance	Prepaymnts	A -	No		Y	No				N
165200	Oth Prepymts-Misc Exp-Subsq Yr	Prepaymnts	A -	No		Y	No				N
171000	Int/Div Rec-CFC	Int/DivRec	A -	No		Y	No				N
171001	Int/Div Rec-Genrl Fnd Investmt	Int/DivRec	A -	No		Y	No				N
171003	Int/Div Rec-Poll Control-Splk	Int/DivRec	A -	No		Y	No				N
171006	Int/Div Rec-Poll Control-Smith	Int/DivRec	A -	No		Y	No				N
171008	Int/Div Rec-Poll Contrl-Cooper	Int/DivRec	A -	No		Y	No				N
171009	Int/Div Rec-Pledged Escrow	Int/DivRec	A -	No		Y	No				N
172000	Rents Receivable-Gilbert	Rents Rec	A -	No		Y	No				N
175000	Derivative Instrument Assets	DerivAsset	A -	No		Y	No				N
181001	Unamrt Debt Exp-Private Pl Bon	UnamrtDebt	A -	No		Y	No				N
181002	Unamrt Debt Exp-Splk-PC Iss Cs	UnamrtDebt	A -	No		Y	No				N
181003	Unamrt Debt Exp-Smth-PC Iss Cs	UnamrtDebt	A -	No		Y	No				N
181004	Unamrt Debt Exp-FFB Rllovr Pre	UnamrtDebt	A -	No		Y	No				N
181005	Unamrt Debt Exp-Coopr PC IssCs	UnamrtDebt	A -	No		Y	No				N
181006	Unamrt Debt Exp-Sr Cr Facility	UnamrtDebt	A -	No		Y	No				N
181007	Unamrt Debt Exp-CREB's	UnamrtDebt	A -	No		Y	No				N
181008	Unamrt Debt Exp-Priv Plac 2019	UnamrtDebt	A -	No		Y	No				N
182200	Unrecovered Plant-Dale	UnrcvdPlnt	A -	No		Y	No				N
182201	Unrecovered Plant-Dale-ES	UnrcvdPlnt	A -	No		Y	No				N
182300	Oth Reg Asset-Budgetary Only	Reg Asset	A -	No		Y	No				N
182301	Oth Reg Asset-Forced Outages	Reg Asset	A -	No		Y	No				N
182302	Other Regulatory Asset-FAC	Reg Asset	A -	No		Y	No				N
182303	Other Regulatory Asset-ES	Reg Asset	A -	No		Y	No				N
182304	Other Regulatory Asset-Mgt Aud	Reg Asset	A -	No		Y	No				N
182305	Other Regulatory Asset-RteCase	Reg Asset	A -	No		Y	No				N
182306	Other Regulatory Asset-SM CFB	Reg Asset	A -	No		Y	No				N
182320	Oth Reg A - Dale 1&2 Asbestos	Reg Asset	A -	No		Y	No				N

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			Monetary	Statistical Account			Open Item Account				
Account	Description	Short Name	Account Type	Y/N	UOM	Bal Forward	Y/N	Description	Edit Record	Edit Field	VAT
182321	Oth Reg A - Dale 3&4 Asbestos	Reg Asset	A -	No		Y	No				N
182322	Oth Reg A - Cooper Asbestos	Reg Asset	A -	No		Y	No				N
182330	Oth Reg A-Dale Ash	Reg Asset	A -	No		Y	No				N
182331	Oth Reg A-Spur Ash Pond	Reg Asset	A -	No		Y	No				N
182332	Oth Reg A-Spur Landfill	Reg Asset	A -	No		Y	No				N
182333	Oth Reg A-Cooper Landfill	Reg Asset	A -	No		Y	No				N
182334	Other Reg A-Dale Ash Hauling	Reg Asset	A -	No		Y	No				N
182335	Oth Reg A-Smith Landfill	Reg Asset	A -	No		Y	No				N
182350	Oth Reg A-Spurlock 2019 Major	Reg Asset	A -	No		Y	No				N
183000	Prelim Survey/Invstgation Chgs	PrelimSurv	A -	No		Y	No				N
184100	Clearing-Transportation Exps	ClearingAc	A -	No		Y	No				N
184202	Clearing-Dale Inventory	ClearingAc	A -	No		Y	No				N
184203	Clearing-Cooper Inventory	ClearingAc	A -	No		Y	No				N
184204	Clearing-Spurlock Inventory	ClearingAc	A -	No		Y	No				N
184205	Clearing-Smith Inventory	ClearingAc	A -	No		Y	No				N
184211	Clearing-Winchester Inventory	ClearingAc	A -	No		Y	No				N
184212	Clearing-Bardstown Inventory	ClearingAc	A -	No		Y	No				N
184213	Clearing-Burnside Inventory	ClearingAc	A -	No		Y	No				N
184214	Clearing-Crittenden Inventory	ClearingAc	A -	No		Y	No				N
184222	Clearing-Central Lab	ClearingAc	A -	No		Y	No				N
184224	Clearing-Production Staff	ClearingAc	A -	No		Y	No				N
184225	Clearing-Visa	ClearingAc	A -	No		Y	No				N
184226	Clearing-Common Landfill Chrgs	ClearingAc	A -	No		Y	No				N
184228	Clearing-Power Prod.Support	ClearingAc	A -	No		Y	No				N
184230	Clearing-Budget	ClearingAc	A -	No		Y	No				N
184241	Clearing-Accts Receivable	ClearingAc	A -	No		Y	No				N
186020	Misc Def Debit-Defd Compensatn	DefdDebits	A -	No		Y	No				N
186050	Misc Def Debit-Other	DefdDebits	A -	No		Y	No				N
186060	Misc Def Debt-Solar Lic O&M	DefdDebits	A -	No		Y	No				N
186090	Misc Def Debit-Replmt Plnt(CB)	DefdDebits	A -	No		Y	No				N
188000	Resrch/Devel-AirPoll Res Agrmt	Res/Develp	A -	No		Y	No				N
189001	Unamort Loss Reaquir Debt- RUS	UnAmortLos	A -	No		Y	No				N
200000	Memberships Issued	Membershps	Q -	No		Y	No				N
201101	Patronage Capital Credits	PtCapCredt	Q -	No		Y	No				N
201201	Patronage Capital Assignable	PtCapAssgn	Q -	No		Y	No				N
208001	Donated Capital	DonatedCap	Q -	No		Y	No				N
209001	Accum Oth Comprehensive Income	CompIncome	Q -	No		Y	No				N
215101	Unrealzd Gn/Loss-Debt/Eqty Sec	UnrGn/Loss	Q -	No		Y	No				N
215102	Other Comprehensive Income	OthCompInc	Q -	No		Y	No				N
218000	Capital Gains and Losses	CapGn/Loss	Q -	No		Y	No				N
219101	Operating Margins	OperMargns	Q -	No		Y	No				N
219102	Operating Margins-Prior Yr	OperMargns	Q -	No		Y	No				N
219201	Nonoperating Margins	NonOpMrgns	Q -	No		Y	No				N
219202	Nonoperating Margins-Prior Yr	NonOpMrgns	Q -	No		Y	No				N
219401	Oth Margins/Equities-Prior Pds	OthrMargns	Q -	No		Y	No				N
221000	Bonds	Bonds	L -	No		Y	No				N
224110	Oth LTD-Subscriptions-CFC	Oth LTD	L -	No		Y	No				N
224121	Oth LTD-CFC	Oth LTD	L -	No		Y	No				N
224122	Oth LTD-NCSC	Oth LTD	L -	No		Y	No				N
224123	Oth LTD	Oth LTD	L -	No		Y	No				N
224129	Oth LTD-CFC (CB)	Oth LTD	L -	No		Y	No				N
224140	Oth LTD-Misc-Gfathered Sick Lv	Oth LTD-Sk	L -	No		Y	No				N
224150	Oth LTD-Sr Credit Facility	Notes Exec	L -	No		Y	No				N
224151	Oth LTD-CFC Credit Facility	Notes Exec	L -	No		Y	No				N
224153	Oth LTD-CFC ETC's	Notes Exec	L -	No		Y	No				N
224154	Oth LTD-CFC-CT6,CT7 Bridge	Notes Exec	L -	No		Y	No				N
224155	Oth LTD-CFC-CT6,CT7 Bridge CTC	Notes Exec	L -	No		Y	No				N
224156	Oth LTD-CFC-CT9,10	Notes Exec	L -	No		Y	No				N
224300	LTD-RUS Notes Executed	LTD-RUS	L -	No		Y	No				N
224390	LTD-RUS Notes Exec (CB)	LTD-RUS	L -	No		Y	No				N
224400	RUS Notes Exec-Constr-Debit	RUS NtesEx	L -	No		Y	No				N
224500	Int Accrued-Defd-RUS Constrctn	IntAccrued	L -	No		Y	No				N
224600	Advance Pmts Unappld-LTD-Debit	AdvncePmts	L -	No		Y	No				N
227000	Capital Lease Obl-Non-current	CapLea Non	L -	No		Y	No				N
228200	Insurnce & Injuries-Litigation	Ins/Injurs	L -	No		Y	No				N
228300	Pens/Bnfts-Resve-Retire Medcal	Pens/Benft	L -	No		Y	No				N
228301	Pens/Bnfts-Resve-Deferred Comp	Pens/Benft	L -	No		Y	No				N
228302	Pens/Bnfts-Med-Employee Deduct	Pens/Benft	L -	No		Y	No				N
228303	Pens/Bnfts-Resv-Annuity,LTD,WC	Pens/Benft	L -	No		Y	No				N
228304	Pens/Bnfts-Resve-Dental Insur	Pens/Benft	L -	No		Y	No				N

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228305	Pens/Bnfts-Flex Spend Hea Care	Pens/Benft	L -	No		Y	No				N
228306	Pens/Bnfts-Flex Spend Dep Care	Pens/Benft	L -	No		Y	No				N
228307	Pens/Bnfts-401K Employee Contr	Pens/Benft	L -	No		Y	No				N
228308	Pens/Bnfts-401K 4% Emple Contr	Pens/Benft	L -	No		Y	No				N
228311	Pens/Bnfts-401K Employer Contr	Pens/Benft	L -	No		Y	No				N
228312	Pens/Bnfts-401K 4% Emplr Contr	Pens/Benft	L -	No		Y	No				N
228313	Pens/Bnfts-401K 6% Emplr Contr	Pens/Benft	L -	No		Y	No				N
228319	Pens/Bnfts-Retiree Med Cur Ind	Pens/Benft	L -	No		Y	No				N
228320	Pens/Bnfts-Med New Indemnity	Pens/Benft	L -	No		Y	No				N
228321	Pens/Bnfts-Retiree Med-New Ind	Pens/Benft	L -	No		Y	No				N
228323	Pension Restoration Payable	Pens/Benft	L -	No		Y	No				N
228330	Pens/Bnfts-Med PPO	Pens/Benft	L -	No		Y	No				N
228331	Pens/Bnfts-Retiree Med-PPO	Pens/Benft	L -	No		Y	No				N
228360	Pens/Bnfts-Drug Chg-Active	Pens/Benft	L -	No		Y	No				N
228361	Pens/Bnfts-Drug Chg-Retiree	Pens/Benft	L -	No		Y	No				N
228362	Pens/Bnfts-Vision	Pens/Benft	L -	No		Y	No				N
228363	Pens/Bnfts-Allstate Pln	Pens/Benft	L -	No		Y	No				N
228364	Pens/Bnfts-Sh.Term Disability	Shortterml	L -	No		Y	No				N
228368	HSA Employee Contribution	HSA EE	L -	No		Y	No				N
228369	HSA Employer Contribution	HSA ER	L -	No		Y	No				N
228422	Misc Oper Provisions-Gallatin	MiscOpProv	L -	No		Y	No				N
230002	Asset Retirement Oblig-Steam	AssetRetOb	L -	No		Y	No				N
230003	Asset Retirement Oblg-Ash	AROAshPond	L -	No		Y	No				N
230004	Asset Retirement Oblg-LFPostCl	AROLFClos	L -	No		Y	No				N
231001	Notes Payable-Other	Notes Pay	L -	No		Y	No				N
231002	Notes Payable-CFC	Notes Pay	L -	No		Y	No				N
232100	Accounts Payable-General	Accts Pay	L -	No		Y	No				N
232101	Accts Pay-General-Clearing	Accts Pay	L -	No		Y	No				N
232102	Misc Liability Rec Insp	Misc Liab	L -	No		Y	No				N
232103	Expenses Payable	Exps Pay	L -	No		Y	No				N
236100	Accrued Property Taxes	Accrd Prop	L -	No		Y	No				N
236200	Accrued FUTA	Accrd FUTA	L -	No		Y	No				N
236300	Accrued FICA/SS Medicare	Accrd FICA	L -	No		Y	No				N
236400	Accrued SUTA	Accrd SUTA	L -	No		Y	No				N
236500	Accrued State Sales Tax	AccSalesTx	L -	No		Y	No				N
237000	Interest Accrued	Intrst Acc	L -	No		Y	No				N
237030	Int Accrd-CFC Intermediate ST	Intrst Acc	L -	No		Y	No				N
237060	Int Accrd-Mbr Coop Prepymts-ST	Intrst Acc	L -	No		Y	No				N
237090	Int Accrd-RUS Constr Oblig(CB)	Intrst Acc	L -	No		Y	No				N
237190	Int Accrd-CFC (CB)	Intrst Acc	L -	No		Y	No				N
238100	Patronage Capital Payable	PatCapPay	L -	No		Y	No				N
241000	Tax Coll Payable-FIT	TaxCollPay	L -	No		Y	No				N
241005	Tax Coll Payable-SIT	TaxCollPay	L -	No		Y	No				N
241011	Tax Coll Payable-Clark PR	TaxCollPay	L -	No		Y	No				N
241012	Tax Coll Payable-Pulaski PR	TaxCollPay	L -	No		Y	No				N
241013	Tax Coll Payable-Mason PR	TaxCollPay	L -	No		Y	No				N
241014	Tax Coll Payable-Nelson PR	TaxCollPay	L -	No		Y	No				N
241015	Tax Coll Payable-Laurel PR	TaxCollPay	L -	No		Y	No				N
241016	Tax Coll Payable-Boone PR	TaxCollPay	L -	No		Y	No				N
241017	Tax Coll Payable-Pendleton PR	TaxCollPay	L -	No		Y	No				N
241018	Tax Coll Payable-Frankfort PR	TaxCollPay	L -	No		Y	No				N
241019	Tax Coll Payable-Grant Co PR	TaxCollPay	L -	No		Y	No				N
242200	Accrued Payroll	AccPayroll	L -	No		Y	No				N
242201	Accrued Performance Awards	AccPerfAwd	L -	No		Y	No				N
242300	Accrd Empl Compensated Absnces	AccCompAbs	L -	No		Y	No				N
242500	Oth Curr/Accr Liab-Svg Bond PR	CurAccLiab	L -	No		Y	No				N
242501	Oth Curr/Accr Liab-Inadvrt Pwr	CurAccLiab	L -	No		Y	No				N
242502	Oth Curr/Accr Liab-Un Fnd PR	CurAccLiab	L -	No		Y	No				N
242503	Other Curr/Accr Liab-EAssoc PR	EmpAssocPR	L -	No		Y	No				N
242504	Oth Curr/Accr Liab-Misc	CurAccLiab	L -	No		Y	No				N
242505	Oth Curr/Accr Liab-401K Ln PR	CurAccLiab	L -	No		Y	No				N
242506	Oth Curr/Accr Liab-Homestead	CurAccLiab	L -	No		Y	No				N
242507	Oth Curr/Accr Liab-Vol Lif Ins	CurAccLiab	L -	No		Y	No				N
242508	Oth Curr/Accr Liab-ACRE	CurAccLiab	L -	No		Y	No				N
242509	Oth Curr/Accr Liab-MetLife	CurAccLiab	L -	No		Y	No				N
242510	Oth Curr/Accr Liab-Supple Life	CurAccLiab	L -	No		Y	No				N
242511	Oth Curr/Accr Liab-Supple AD&D	CurAccLiab	L -	No		Y	No				N
242512	Oth Curr/Accr Liab-Family AD&D	CurAccLiab	L -	No		Y	No				N
242513	Other Curr/Accr Liab-FTR	Accr-FTR	L -	No		Y	No				N
242514	Other Curr/Accr Liab-529 Plan	Accr-529	L -	No		Y	No				N

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242590	Oth Curr/Accr Liab (CB)	CurAccLiab	L -	No		Y	No				N
243000	Capital Lease Obl-Current	CapLea Cur	L -	No		Y	No				N
252000	Customer Advances-Construction	CustAdvCon	L -	No		Y	No				N
253002	Oth Defd Cr-Ret Dis Empl Ins	DefdCredts	L -	No		Y	No				N
253006	Oth Defd Cr-Inlnd Facility Chg	DefdCredts	L -	No		Y	No				N
253007	Oth Defd Cr-Solar Pnl Lic Fee	DefdCredts	L -	No		Y	No				N
253008	Oth Defd Cr-Solar Lic Energy	DefdCredts	L -	No		Y	No				N
253009	Oth Defd Cr-Solar Lic REC	DefdCredts	L -	No		Y	No				N
253010	Oth Defd Cr-Solar Lic Capacity	DefdCredts	L -	No		Y	No				N
253110	Oth Defd Cr-Mbr Coop Prepaymts	CoopPrepmt	L -	No		Y	No				N
253120	Other Defd Cr-Ins FAC	DefdCr-Ins	L -	No		Y	No				N
253130	Other Defd Capacity Prepaids	DefdCapac	L -	No		Y	No				N
254002	Other Regulatory Liab-FAC	Reg Liab	L -	No		Y	No				N
254003	Other Regulatory Liab-ES	Reg Liab	L -	No		Y	No				N
301000	Organization	Organizatn	A -	No		Y	No				N
303001	Misc Intang Plnt-Ghent Trn Twr	MiscIntang	A -	No		Y	No				N
303002	Misc Intang Plnt-TVA Int Summe	MiscIntang	A -	No		Y	No				N
303003	Misc Intang Plnt-Pleasant Gr M	MiscIntang	A -	No		Y	No				N
303004	Misc Intang Plnt-KU Lynch Sw	MiscIntang	A -	No		Y	No				N
303005	Misc Intang Plnt-Wolfe St Corp	MiscIntang	A -	No		Y	No				N
303006	Misc Intang Plnt-KU/Lake Reba	MiscIntang	A -	No		Y	No				N
303007	Misc Intang Plnt-N Madison Tap	MiscIntang	A -	No		Y	No				N
303008	Misc Intang Plnt-Zimmer	MiscIntang	A -	No		Y	No				N
303009	Misc Intang Plnt-Stuart	MiscIntang	A -	No		Y	No				N
303010	Misc Intang Plnt-LGE Tolling	MiscIntang	A -	No		Y	No				N
310000	Land/Land Rights-Steam Prd	Land/Rghts	A -	No		Y	No				N
311000	Struct & Improvemts-Steam Prd	Struc/Impr	A -	No		Y	No				N
312000	Boiler Plant Equip-Steam Prd	BoilPlntEq	A -	No		Y	No				N
314000	Turbogenerator Unit-Steam Prd	TurbogenUn	A -	No		Y	No				N
315000	Accessory Elec Equip-Steam Prd	AccessElEq	A -	No		Y	No				N
316000	Misc Pwr Plant Equip-Steam Prd	MiscPwPlEq	A -	No		Y	No				N
317000	Asset Retire Costs-Steam Prod	ARO-StmPrd	A -	No		Y	No				N
317001	Asset Retire Costs-Ash	AROAshPond	A -	No		Y	No				N
317002	Asset Retire Costs-LFPostClos	ARO-LFPost	A -	No		Y	No				N
318000	Asset Retire Costs-Ash Pond	AROAshPond	A -	No		Y	No				N
340000	Land & Land Rights-Oth Pwr Prd	Land/Rghts	A -	No		Y	No				N
341000	Struct & Improvmts-Oth Pwr Prd	Struc/Impr	A -	No		Y	No				N
342000	Fuel Hldrs/Accessr-Oth Pwr Prd	FuelHoldrs	A -	No		Y	No				N
343000	Prime Movers-Oth Pwr Prd	PrimeMovrs	A -	No		Y	No				N
344000	Generators-Oth Pwr Prd	Generators	A -	No		Y	No				N
345000	Accessory Elec Eq-Oth Pwr Prd	AccessElEq	A -	No		Y	No				N
346000	Misc Pwr Plt Equip-Oth Pwr Prd	MiscPwPlEq	A -	No		Y	No				N
350000	Land/Land Rights-Transm Plant	Land/Rghts	A -	No		Y	No				N
350010	Land/Lnd Rghts-Easemts-TransPl	Land/Rghts	A -	No		Y	No				N
353000	Station Equipment-Trans Plant	StationEqp	A -	No		Y	No				N
353010	Station Equip-ECS-Trans Plant	StationEqp	A -	No		Y	No				N
354000	Towers & Fixtures-Trans Plant	Twrs/Fixtr	A -	No		Y	No				N
355000	Poles & Fixtures-Trans Plant	Poles/Fixt	A -	No		Y	No				N
356000	Overhd Conductors/Devices-Tran	OHCond/Dev	A -	No		Y	No				N
359000	Roads and Trails-Trans Plant	Roads/Trls	A -	No		Y	No				N
360000	Land/Land Rights-Distr Plant	Land/Rghts	A -	No		Y	No				N
362000	Station Equipment-Distr Plant	StationEqp	A -	No		Y	No				N
362001	Station Equip-SCADA-Distr Plnt	StationEqp	A -	No		Y	No				N
368000	Line Transformers-Distr Plant	LnTrnsfmrs	A -	No		Y	No				N
389000	Land/Land Rights-General Plant	Land/Rghts	A -	No		Y	No				N
389001	Land/Land Rights-Radio Towers	Land/Rghts	A -	No		Y	No				N
390000	Struct & Improvmts-General Plt	Struc/Impr	A -	No		Y	No				N
391000	Office Furn & Equip-Genrl Plnt	OffFurn/Eq	A -	No		Y	No				N
391001	Office Furn & Equip-PeopleSoft	OffFurn/Eq	A -	No		Y	No				N
391100	Office Furn & Equip - Leased	OffFurn/Le	A -	No		Y	No				N
392000	Transportation Equip-Genrl Plt	TransprtEq	A -	No		Y	No				N
393000	Stores Equipment-General Plant	Stores Eqp	A -	No		Y	No				N
394000	Tools, Shop & Garage Equipment	Garage Eqp	A -	No		Y	No				N
395000	Lab Equipment-General Plant	Lab Equip	A -	No		Y	No				N
396000	Power Operated Equip-Genrl Plt	Pwr Equip	A -	No		Y	No				N
397000	Communication Equip-Genrl Plnt	Commun Eq	A -	No		Y	No				N
397001	Communication Eq-ECS-Genrl Plt	Commun Eq	A -	No		Y	No				N
398000	Misc Equipment-General Plant	Misc Equip	A -	No		Y	No				N
399000	Other Tangible Prop-Genrl Plnt	OthTangPrp	A -	No		Y	No				N
401000	Operation Expense	Oper Exp	E -	No		N	No				N

ORACLE Report ID: FSX0010

Oracle PeopleSoft Financials

VALID GENERAL LEDGER ACCOUNTS

SetID: EKPC
As of Date: 08.Mar.2021

			Monetary	Statistical Account			Open Item Account				
Account	**Description**	**Short Name**	**Account Type**	**Y/N**	**UOM**	**Bal Forward**	**Y/N**	**Description**	**Edit Record**	**Edit Field**	**VAT**
402000	Maintenance Expense	Maint Exp	E -	No		N	No				N
403100	Deprec Exp-Steam Plant	DeprEx-Stm	E -	No		N	No				N
403190	Deprec Exp-Steam Plant (CB)	DeprEx-Stm	E -	No		N	No				N
403410	Deprec Exp-Oth Prd Plt-CT's	DeprEx-Oth	E -	No		N	No				N
403420	Deprec Exp-Oth Prd Plt-Ldfills	DeprEx-Oth	E -	No		N	No				N
403430	Deprec Exp-Oth Prd Plt-Dsl Gen	DeprEx-Oth	E -	No		N	No				N
403440	Deprec Exp-Oth Prd Plt-Solar	DeprEx-Oth	E -	No		N	No				N
403500	Deprec Exp-Transm Plant	DeprEx-Trn	E -	No		N	No				N
403590	Deprec Exp-Transm Plant (CB)	DeprEx-Trn	E -	No		N	No				N
403600	Deprec Exp-Distrib Plant	DeprEx-Dst	E -	No		N	No				N
403690	Deprec Exp-Distrib Plant (CB)	DeprEx-Dst	E -	No		N	No				N
403700	Deprec Exp-Generl Plant	DeprEx-Gen	E -	No		N	No				N
403702	Deprec Exp-Generl Plant-Nonreg	DeprEx-Gen	E -	No		N	No				N
403790	Deprec Exp-Generl Plant (CB)	DeprEx-Gen	E -	No		N	No				N
403800	Deprec Exp-Asset Retire Costs	DeprEx-ARO	E -	No		N	No				N
404000	Amortization-Leased Elec Plant	AmrtLeaPla	E -	No		N	No				N
405000	Amortization-Intangible Plant	AmrtIntang	E -	No		N	No				N
407000	Amortization-Unrecovered Plant	AmortUnrcv	E -	No		N	No				N
407300	Regulatory Debits	Reg Debits	E -	No		N	No				N
408110	Taxes-Property-Regulated	Taxes-Prop	E -	No		N	No				N
408112	Taxes-Property-Nonregulated	Taxes-Prop	E -	No		N	No				N
408190	Taxes-Property (CB)	Taxes-Prop	E -	No		N	No				N
408200	Taxes-Federal Unemployment	Taxes-FUTA	E -	No		N	No				N
408300	Taxes-FICA	Taxes-FICA	E -	No		N	No				N
408400	Taxes-State Unemployment	Taxes-SUTA	E -	No		N	No				N
408700	Taxes-Other	Taxes-Othr	E -	No		N	No				N
408790	Taxes-Other (CB)	Taxes-Othr	E -	No		N	No				N
409100	Income Taxes-Regulated	Incm Taxes	E -	No		N	No				N
409110	Income Taxes-Nonregulated	Incm Taxes	E -	No		N	No				N
409120	Income Taxes-Other States	Incm Taxes	E -	No		N	No				N
411100	Accretion Expense	AccretnEx	E -	No		N	No				N
411600	Gains/Disposition of Util Plnt	Gain/UtPlt	E -	No		N	No				N
411800	Gains/Disposition of Allownces	Gain/Allow	E -	No		N	No				N
412000	Rev Elec Plnt Leased to Others	RevLeased	R -	No		N	No				N
413100	Oper Exp Plt Leased Excld Fuel	ExpLeased	E -	No		N	No				N
413101	Oper Exp Plt Leased Oth-Fuel	ExLeasFuel	E -	No		N	No				N
413102	Oper Exp Plt Leased Prop Tax	OperExpTax	E -	No		N	No				N
413200	Maintenance Exp Plnt Lease Oth	MntcExLeas	E -	No		N	No				N
413300	Depr Exp Plnt Leased Oth	ExpLeased	E -	No		N	No				N
413400	Amort Exp Plnt Leased Oth	AmrtExLeas	E -	No		N	No				N
417101	Exps/Nonutil Oper-Other/ACES	NonUtilExp	E -	No		N	No				N
417102	Exps/Nonutil Oper-Propane	NonUtilExp	E -	No		N	No				N
417103	Exps/Nonutil Oper-Envision	NonUtilExp	E -	No		N	No				N
419000	Int/Div Income-Regulated	Int/DivInc	R -	No		N	No				N
419002	Interst Income-Inter'l Paper	Int/DivInc	R -	No		N	No				N
419010	Int/Div Income-Nonregulated	Int/DivInc	R -	No		N	No				N
419090	Int/Div Income (CB)	Int/DivInc	R -	No		N	No				N
419100	Allow/Funds Used During Constr	AFUDC	R -	No		N	No				N
421000	Misc Nonoper Incm-Other-Reg	NonOperInc	R -	No		N	No				N
421001	Misc Nonoper Incm-Intrst-Reg	NonOperInc	R -	No		N	No				N
421011	Misc Nonoper Incm-Intrst-Nonrg	NonOperInc	R -	No		N	No				N
421100	Gain/Disposition of Prop-Reg	Gn/DispPrp	R -	No		N	No				N
421110	Gain/Disposition of Prop-Nonrg	Gn/DispPrp	R -	No		N	No				N
421200	Loss/Disposition of Prop-Reg	Ls/DispPrp	R -	No		N	No				N
421210	Loss/Disposition of Prop-Nonrg	Ls/DispPrp	R -	No		N	No				N
424000	Oth Cap Creds & Patr Cap Alloc	CapCredits	R -	No		N	No				N
425000	Miscellaneous Amortization	MiscAmort	E -	No		N	No				N
426100	Donations	Donations	E -	No		N	No				N
426200	Life Insurance	Life Insur	E -	No		N	No				N
426300	Penalties	Penalties	E -	No		N	No				N
426400	Civic,Political & Related Actv	Civic/Poli	E -	No		N	No				N
426500	Oth Deductns-Regulated	Oth Deduct	E -	No		N	No				N
426501	Oth Deductns-Discounts Lost	Oth Deduct	E -	No		N	No				N
426502	Oth Deductns-AR Sm Bal Tolernc	Oth Deduct	E -	No		N	No				N
426510	Oth Deductns-Nonregulated	Oth Deduct	E -	No		N	No				N
427000	Interest on Long-Term Debt	Intrst/LTD	E -	No		N	No				N
427090	Intrst/LTD-RUS Constr Loan(CB)	Intrst/LTD	E -	No		N	No				N
427091	Intrst/LTD-CFC (CB)	Intrst/LTD	E -	No		N	No				N
428001	Amrt Debt Disc/Exp-Priv.PlBond	AmDebtDisc	E -	No		N	No				N
428002	Amrt Debt Disc/Exp-PCB-Splk	AmDebtDisc	E -	No		N	No				N

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Account	**Description**	**Short Name**	**Account Type**	**Y/N**	**UOM**	**Bal Forward**	**Y/N**	**Description**	**Edit Record**	**Edit Field**	**VAT**
428003	Amrt Debt Disc/Exp-PCB-Smith	AmDebtDisc	E -	No		N	No				N
428004	Amrt Debt Disc/Exp-Reprice Prm	AmDebtDisc	E -	No		N	No				N
428005	Amrt Debt Disc/Exp-PCB-Cooper	AmDebtDisc	E -	No		N	No				N
428006	Amrt Debt Disc/Exp-Sr Cr Facil	AmDebtDisc	E -	No		N	No				N
428007	Amrt Debt Disc/Exp-CREB	AmDebtDisc	E -	No		N	No				N
428008	Amrt Debt Disc/Exp-Priv.Pl2019	AmDebtDisc	E -	No		N	No				N
428101	Amort Loss Reaquired Debt- RUS	AmLsReaDeb	E -	No		N	No				N
431010	Other Interest Exps-Regulated	OthIntExps	E -	No		N	No				N
431020	Other Interest Exps-Nonreg	OthIntExps	E -	No		N	No				N
431030	Other Interest Exps-Leased	OthIntExps	E -	No		N	No				N
447100	Sales/Resale-RUS Borr-Mbr Coop	Sales-Mbr	R -	No		N	No				N
447103	Sales/Resale-RUS Borr-Mbr-GPwr	Sales-GPwr	R -	No		N	No				N
447142	Sales/Resale-MbrCoop-Accrd FAC	AccSalesFC	R -	No		N	No				N
447143	Sales/Resale-MbrCoop-Accrd ES	AccSalesES	R -	No		N	No				N
447150	Sales/Resale-RUS Borr-Off Sys	OffSysSale	R -	No		N	No				N
447250	Sales/Resale-Non RUS-Off Sys	OffSysSale	R -	No		N	No				N
447251	Misc Capacity Sales	CapacSales	R -	No		N	No				N
449100	Revenue Subject to Refund	RevSubjRfd	R -	No		N	No				N
451001	Misc Service Revenues-Reg	MiscSvcRev	R -	No		N	No				N
451011	Misc Service Revenues-NonReg	MiscSvcRev	R -	No		N	No				N
454001	Rent from Elec Property-Reg	Rent/ElPrp	R -	No		N	No				N
454011	Rent from Elec Property-NonReg	Rent/ElPrp	R -	No		N	No				N
456000	Oth Elec Rev-Miscellaneous	OthElecRev	R -	No		N	No				N
456003	Oth Elec Rev-Sales Tax Compens	OthElecRev	R -	No		N	No				N
456010	Oth Elec Rev-Steam Sales-Inlnd	OthElecRev	R -	No		N	No				N
456042	Oth Elec Rev-Steam-Accrd FAC	AccSalesFC	R -	No		N	No				N
456043	Oth Elec Rev-Steam-Accrd ES	AccSalesES	R -	No		N	No				N
456050	Facility Chgs-Other	OthElecRev	R -	No		N	No				N
456051	Facility Chgs-Bedford Sub	OthElecRev	R -	No		N	No				N
456052	Facility Chgs-TVA Monticello	OthElecRev	R -	No		N	No				N
456053	Facility Chgs-TVA Zula Sub	OthElecRev	R -	No		N	No				N
456054	Facility Chgs-Cagles	OthElecRev	R -	No		N	No				N
456055	Facility Chgs-Gallatin	OthElecRev	R -	No		N	No				N
456056	Facility Chgs-Hamilton Repackg	OthElecRev	R -	No		N	No				N
456057	Facility Chgs-Big Sandy-Inez	OthElecRev	R -	No		N	No				N
456058	Facility Chgs-FlemMas-Cranston	OthElecRev	R -	No		N	No				N
456080	Oth Elec Rev-Solar Pnl License	DefPnlLic	R -	No		N	No				N
456101	TS Revenue-Wheeling	TranSvcRev	R -	No		N	No				N
456102	TS Revenue-Wheeling-Gallatin	TranSvcRev	R -	No		N	No				N
456130	TS Revenue-Non Firm Pt to Pt	TranSvcRev	R -	No		N	No				N
456131	TS Revenue-Anc Svc-Sched 3.1	TranSvcRev	R -	No		N	No				N
456132	TS Revenue-Anc Svc-Sched 3.2	TranSvcRev	R -	No		N	No				N
456133	TS Revenue-Anc Svc-Sched 3.3	TranSvcRev	R -	No		N	No				N
456134	TS Revenue-Anc Svc-Sched 3.4	TranSvcRev	R -	No		N	No				N
457100	Regional Transmission Serv Rev	Reg TS Rev	R -	No		N	No				N
457200	Miscellaneous Revenue	Misc Rev	R -	No		N	No				N
459000	Rev/Sale of Renewbl Engy Credt	Sales/RECs	R -	No		N	No				N
500000	Oper Supv/Engr-Steam Gen	OprSupEngr	E -	No		N	No				N
501010	Fuel-Steam Generation-Coal	Fuel-Coal	E -	No		N	No				N
501020	Fuel-Steam Generation-Oil	Fuel-Oil	E -	No		N	No				N
501060	Fuel-Steam Generation-TDF	Fuel-TDF	E -	No		N	No				N
501080	Fuel Steam Generation-OthFuels	Fuel-Other	E -	No		N	No				N
502000	Steam Expenses-Steam Gen	Steam Exps	E -	No		N	No				N
505000	Electric Expenses-Steam Gen	Elec Exps	E -	No		N	No				N
506001	Misc Steam Power Exps	MiscStmExp	E -	No		N	No				N
506002	Misc Steam Power Exps-Environ	MiscStmExp	E -	No		N	No				N
509000	Allowances	Allowances	E -	No		N	No				N
510000	Mntc Supv/Engr-Steam Gen	MntSupEngr	E -	No		N	No				N
511000	Mntc of Structures-Steam Gen	Mnt/Struct	E -	No		N	No				N
512000	Mntc of Boiler Plant-Steam Gen	Mnt/Boiler	E -	No		N	No				N
513000	Mntc of Elec Plant-Steam Gen	Mnt/ElecPl	E -	No		N	No				N
514000	Mntc of Misc Steam Plant	Mnt/StmPlt	E -	No		N	No				N
546000	Oper Supv/Engr-Oth Power Gen	OprSupEngr	E -	No		N	No				N
547020	Fuel-Oth Power Gen-Oil	Fuel-Oil	E -	No		N	No				N
547030	Fuel-Oth Power Gen-Natural Gas	Fuel-NtGas	E -	No		N	No				N
547040	Fuel-Oth Power Gen-Methane Gas	Fuel-MeGas	E -	No		N	No				N
547041	Fuel-Oth Pwr Gen-MthGs Glasgow	Fuel-Glsgw	E -	No		N	No				N
547050	Fuel-Oth Power Gen-Diesel	Fuel-Diesl	E -	No		N	No				N
548000	Generation Exps-Oth Power Gen	Gen Exps	E -	No		N	No				N
549001	Misc Other Power Gen Expenses	OthPwrGnEx	E -	No		N	No				N

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Oracle PeopleSoft Financials

VALID GENERAL LEDGER ACCOUNTS

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			Monetary	Statistical Account			Open Item Account				
Account	**Description**	**Short Name**	**Account Type**	**Y/N**	**UOM**	**Bal Forward**	**Y/N**	**Description**	**Edit Record**	**Edit Field**	**VAT**
549002	Misc Oth Pwr Gen Exps-Environ	OthPwrGnEx	E -	No		N	No				N
550000	Rents-Other Power Generation	Rents-OPwr	E -	No		N	No				N
551000	Mntc Supv/Engr-Oth Power Gen	MntSupEngr	E -	No		N	No				N
552000	Mntc of Structures-Oth Pwr Gen	Mnt/Struct	E -	No		N	No				N
553000	Mntc of Gen&Elec Equip-Oth Gen	Mnt/ElecEq	E -	No		N	No				N
554000	Mntc of Misc Oth Pwr Gen Plant	Mnt/OPwrPl	E -	No		N	No				N
555000	Purchased Power	Pur Pwr Ex	E -	No		N	No				N
555001	Purchased Power-Solar License	Pur Pwr Ex	E -	No		N	No				N
556000	System Ctrl & Load Dispatching	SysCtl/LdD	E -	No		N	No				N
557001	Oth Pwr Supp Ex-LTerm Pwr Supp	OPwrSuppEx	E -	No		N	No				N
557002	Oth Pwr Supp Ex-Load Forecastg	OPwrSuppEx	E -	No		N	No				N
557003	Oth Pwr Supp Ex-Broker Fees	OPwrSuppEx	E -	No		N	No				N
559000	Renewable Energy Cred Expenses	REC Expns	E -	No		N	No				N
560000	Oper Supv/Engr-Transm Expenses	OprSupEngr	E -	No		N	No				N
561000	Trans Exp-Load Dispatching	TrEx-LdDsp	E -	No		N	No				N
561100	Trans Exp-Ld Disptch-Reliablty	TrEx-LdDsp	E -	No		N	No				N
561200	Trans Exp-Ld Disptch-Monitr/Op	TrEx-LdDsp	E -	No		N	No				N
561300	Ld Disptch-Trans Svc & Schedlg	TrEx-LdDsp	E -	No		N	No				N
561400	Sched,Sys Ctrl & Dispatch Svcs	TrEx-LdDsp	E -	No		N	No				N
561500	Reliablty,Plan & Stds Develpmt	TrEx-LdDsp	E -	No		N	No				N
561600	Transmission Service Studies	TrEx-LdDsp	E -	No		N	No				N
561700	Generation Interconnect Stdies	TrEx-LdDsp	E -	No		N	No				N
561800	Reliablty Plan/Stds Devel Svcs	TrEx-LdDsp	E -	No		N	No				N
562000	Trans Exp-Station Expenses	TrEx-Statn	E -	No		N	No				N
563000	Trans Exp-Overhead Line Exps	TrEx-OHLin	E -	No		N	No				N
565000	Transmission of Elec By Others	TrElByOths	E -	No		N	No				N
565001	Trans of Elec By Oth-KU Galltn	TrElByOths	E -	No		N	No				N
566000	Misc Transmission Expenses	MiscTrnExp	E -	No		N	No				N
567000	Transmission Expense-Rents	TrEx-Rents	E -	No		N	No				N
568000	Mntc Supv/Engr-Transm Exps	MntSupEngr	E -	No		N	No				N
569100	Mntc of Comptr Hdwr-Trans Exps	MntCmpHdwr	E -	No		N	No				N
569200	Mntc of Comptr Softwr-Trans Ex	MntCmpSfwr	E -	No		N	No				N
569300	Mntc of Communictn Eq-Trans Ex	MntCommEqp	E -	No		N	No				N
569400	Mntc of Misc Regionl Trans Plt	MntRegTrPl	E -	No		N	No				N
570000	Mntc of Station Equip-Trans Ex	MntStatnEq	E -	No		N	No				N
571000	Mntc of Ovhead Lines-Trans Exp	MntOHLines	E -	No		N	No				N
573000	Mntc of Misc Transmission Plnt	MntMscTrPl	E -	No		N	No				N
575700	Mrkt Admin.Monitor/Compliance	MrktMonCom	E -	No		N	No				N
581000	Distrib Exp-Load Dispatching	DiEx-LdDsp	E -	No		N	No				N
582000	Distrib Exp-Station Expenses	DiEx-StaEx	E -	No		N	No				N
592000	Mntc of Station Equip-Dist Exp	MntStatnEq	E -	No		N	No				N
904000	Uncollectible Accounts	UncollExp	E -	No		N	No				N
907000	Cust Svc & Info Exps-Supervisn	CS&I-Suprv	E -	No		N	No				N
908000	Cust Assistance Exps-Regulated	CusAssistE	E -	No		N	No				N
909000	Info/Instr Advrtg-Sfty,Tech,Co	Inf/InstAd	E -	No		N	No				N
910000	Info/Instr Advrtg-Env Educ-Reg	Inf/InstAd	E -	No		N	No				N
913000	Sales Exps-Advrtg Exp-Regultd	AdvertisEx	E -	No		N	No				N
920000	Administrative/Generl Salaries	Adm/GenSal	E -	No		N	No				N
921000	Gen/Admin Offc Supplies & Exps	OfcSupp/Ex	E -	No		N	No				N
923001	Outside Services-Regulated	OutsideSvc	E -	No		N	No				N
923011	Outside Services-Nonregulated	OutsideSvc	E -	No		N	No				N
924000	Property Insurance	ProprtyIns	E -	No		N	No				N
925000	Injuries and Damages	Injur/Dmgs	E -	No		N	No				N
926000	Employee Pensions and Benefits	Pens/Benft	E -	No		N	No				N
928000	Regulatory Commisn Exps-KY PSC	RegCommExp	E -	No		N	No				N
929001	Dupl Chgs-CR-Electric HD WH	DuplicChgs	E -	No		N	No				N
929030	Dupl Chgs-CR-EK TS-NFirm Pt/Pt	DuplicChgs	E -	No		N	No				N
929031	Dupl Chgs-CR-EKPC TS-Anc 3_1	DuplicChgs	E -	No		N	No				N
929032	Dupl Chgs-CR-EKPC TS-Anc 3_2	DuplicChgs	E -	No		N	No				N
929040	Dupl Chgs-CR-Internl Trns Resv	DuplicChgs	E -	No		N	No				N
930100	General Advertising Expense	GenAdvrtEx	E -	No		N	No				N
930200	Misc Gen Exps-Directors Fees	MiscGenExp	E -	No		N	No				N
930201	Misc Gen Exps-Dues-Regulated	MiscGenExp	E -	No		N	No				N
930202	Misc Gen Exps-Member PR-Regltd	MiscGenExp	E -	No		N	No				N
930203	Misc Gen Exps-Tax Ins Alloc	MiscGenExp	E -	No		N	No				N
930204	Misc Gen Exps-Labor Exp RD-Reg	MiscGenExp	E -	No		N	No				N
930205	Misc Gen Exps-RD Wastewtr-Reg	MiscGenExp	E -	No		N	No				N
935000	Maint/General Plant-Winchester	MntGenPlnt	E -	No		N	No				N
999001	PC Allocation Reversal	PCAllocRev		Yes	EA	N	No				N
999020	Fuel Dept %-Stm Gen Fuel-DA00	FD%FuelDA		Yes	EA	N	No				N

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Account	Description	Short Name	Account Type	Y/N	UOM	Bal Forward	Y/N	Description	Edit Record	Edit Field	VAT
999030	Fuel Dept %-Stm Gen Fuel-CP00	FD%FuelCP		Yes	EA	N	No				N
999031	Fuel Dept %-Stm Gen Fuel-CP01	FD%FuelCP1		Yes	EA	N	No				N
999032	Fuel Dept %-Stm Gen Fuel-CP02	FD%FuelCP1		Yes	EA	N	No				N
999041	Fuel Dept %-Stm Gen Fuel-SP01	FD%FuelSP1		Yes	EA	N	No				N
999042	Fuel Dept %-Stm Gen Fuel-SP02	FD%FuelSP2		Yes	EA	N	No				N
999043	Fuel Dept %-Stm Gen Fuel-SP03	FD%FuelSP3		Yes	EA	N	No				N
999044	Fuel Dept %-Stm Gen Fuel-SP04	FD%FuelSP4		Yes	EA	N	No				N
999050	Fuel Dept %-Oth Gen Fuel-SM50	FD%FuelSM		Yes	EA	N	No				N
999055	Fuel Dept %-Oth Gen Fuel-OC00	FD%FuelOC		Yes	EA	N	No				N
999120	Fuel Dept %-Emissions-DA00	FD%EmisDA		Yes	EA	N	No				N
999130	Fuel Dept %-Emissions-CP00	FD%EmisCP		Yes	EA	N	No				N
999141	Fuel Dept %-Emissions-SP01	FD%EmisSP1		Yes	EA	N	No				N
999142	Fuel Dept %-Emissions-SP02	FD%EmisSP2		Yes	EA	N	No				N
999143	Fuel Dept %-Emissions-SP03	FD%EmisSP3		Yes	EA	N	No				N
999144	Fuel Dept %-Emissions-SP04	FD%EmisSP4		Yes	EA	N	No				N
999150	Fuel Dept %-Emissions-SM50	FD%EmisSM		Yes	EA	N	No				N
999155	Fuel Dept %-Emissions-OC00	FD%EmisOC		Yes	EA	N	No				N
999220	Envir Dept Alloc %-Dale	Env%-DA		Yes	EA	N	No				N
999230	Envir Dept Alloc %-Cooper	Env%-CP		Yes	EA	N	No				N
999241	Envir Dept Alloc %-Splk 1	Env%-SP1		Yes	EA	N	No				N
999242	Envir Dept Alloc %-Splk 2	Env%-SP2		Yes	EA	N	No				N
999243	Envir Dept Alloc %-Splk 3	Env%-SP3		Yes	EA	N	No				N
999244	Envir Dept Alloc %-Splk 4	Env%-SP4		Yes	EA	N	No				N
999250	Envir Dept Alloc %-Smith CTs	Env%-SM CT		Yes	EA	N	No				N
999255	Envir Dept Alloc %-BlgrsOC CTs	Env%-OC CT		Yes	EA	N	No				N
999260	Envir Dept Alloc %-LF Gas	Env%-LFGas		Yes	EA	N	No				N
999261	Envir Dept Alloc %-LF GrnVal	Env%-LF01		Yes	EA	N	No				N
999262	Envir Dept Alloc %-LF LauRdg	Env%-LF02		Yes	EA	N	No				N
999263	Envir Dept Alloc %-LF Bvrian	Env%-LF03		Yes	EA	N	No				N
999264	Envir Dept Alloc %-LF HrdnCo	Env%-LF04		Yes	EA	N	No				N
999265	Envir Dept Alloc %-LF PendCo	Env%-LF05		Yes	EA	N	No				N
999267	Envir Dept Alloc %-LF Glasgow	Env%-LF07		Yes	EA	N	No				N
999341	Tons of Coal Purchsd %-Splk 1	CoalPurSP1		Yes	EA	N	No				N
999342	Tons of Coal Purchsd %-Splk 2	CoalPurSP2		Yes	EA	N	No				N
999343	Tons of Coal Purchsd %-Splk 3	CoalPurSP3		Yes	EA	N	No				N
999344	Tons of Coal Purchsd %-Splk 4	CoalPurSP4		Yes	EA	N	No				N
999361	Landfill Alloc %-LF GrnVal	LF%-LF01		Yes	EA	N	No				N
999362	Landfill Alloc %-LF LauRdg	LF%-LF02		Yes	EA	N	No				N
999363	Landfill Alloc %-LF Bvrian	LF%-LF03		Yes	EA	N	No				N
999364	Landfill Alloc %-LF HrdnCo	LF%-LF04		Yes	EA	N	No				N
999365	Landfill Alloc %-LF PendCo	LF%-LF05		Yes	EA	N	No				N
999367	Landfill Alloc %-LF Glasgow	LF%-LF07		Yes	EA	N	No				N
999999	Posting Suspense Account	Suspense	E -	No		N	No				N

End of Report

East Kentucky Power Cooperative, Inc.
Case No. 2021-00103
General Adjustment of Rates
Filing Requirements / Exhibit List

Exhibit 29

807 KAR 5:001 Sec. 16(4)(k)
Sponsoring Witness: Michelle Carpenter

Description of Filing Requirement:

The independent auditor's annual opinion report, with written communication from the independent auditor to the utility, if applicable, which indicates the existence of a material weakness in the utility's internal controls.

Response:

Please see attached.

FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

East Kentucky Power Cooperative, Inc.
Years Ended December 31, 2019 and 2018
With Report of Independent Auditors

Ernst & Young LLP

Building a better working world

East Kentucky Power Cooperative, Inc.

Financial Statements and Supplemental Schedules

Years Ended December 31, 2019 and 2018

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Building a better
working world

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Report of Independent Auditors

The Board of Directors
East Kentucky Power Cooperative, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of East Kentucky Power Cooperative, Inc., which comprise the balance sheets as of December 31, 2019 and 2018, and the related statements of revenue and expenses and comprehensive margin, changes in members' equities, and cash flows for the years then ended, and the related notes and schedules to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Building a better working world

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East Kentucky Power Cooperative, Inc. at December 31, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedules of Deferred Debits and Deferred Credits and Schedule of Investments as required by the United States Department of Agriculture Rural Utilities Service (RUS) 7 CFR Part 1773, *Policy on Audits of RUS Borrowers and Grantees*, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we also have issued our report dated March 31, 2020 on our consideration of East Kentucky Power Cooperatives, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of East Kentucky Power Cooperative, Inc.'s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering East Kentucky Power Cooperative, Inc.'s internal control over financial reporting and compliance.

Ernst + Young LLP

March 31, 2020

East Kentucky Power Cooperative, Inc.

Balance Sheets
(Dollars in Thousands)

	December 31 2019	December 31 2018
Assets		
Electric plant:		
In-service	**$ 4,181,966**	$ 4,198,019
Construction-in-progress	**247,393**	93,331
	4,429,359	4,291,350
Less accumulated depreciation	**1,558,960**	1,554,632
Electric plant – net	**2,870,399**	2,736,718
Long-term accounts receivable	**1,535**	3,062
Restricted cash and cash equivalents	**–**	3,000
Restricted investments	**190,409**	328,196
Investment securities:		
Available-for-sale	**38,311**	40,086
Held-to-maturity	**8,125**	8,211
Current assets:		
Cash and cash equivalents	**132,525**	126,635
Restricted investment	**160,288**	178,545
Accounts receivable	**85,260**	88,158
Fuel	**67,432**	48,753
Materials and supplies	**63,733**	64,869
Other current assets	**13,464**	12,752
Total current assets	**522,702**	519,712
Regulatory assets	**134,897**	162,547
Deferred charges	**2,628**	2,147
Other noncurrent assets	**7,375**	7,123
Total assets	**$ 3,776,381**	$ 3,810,802
Members' equities and liabilities		
Members' equities:		
Memberships	**$ 2**	$ 2
Patronage and donated capital	**694,098**	651,708
Accumulated other comprehensive margin	**21,272**	12,080
Total members' equities	**715,372**	663,790
Long-term debt	**2,711,300**	2,826,261
Current liabilities:		
Current portion of long-term debt	**93,599**	92,499
Accounts payable	**116,121**	80,816
Accrued expenses	**20,177**	14,590
Regulatory liabilities	**3,774**	4,550
Total current liabilities	**233,671**	192,455
Accrued postretirement benefit cost	**55,375**	62,888
Asset retirement obligations and other liabilities	**60,663**	65,408
Total members' equities and liabilities	**$ 3,776,381**	$ 3,810,802

See notes to financial statements.

East Kentucky Power Cooperative, Inc.

Statements of Revenue and Expenses and Comprehensive Margin

(Dollars in Thousands)

	Year Ended December 31 2019	2018
Operating revenue	**$ 860,123**	$ 900,289
Operating expenses:		
Production:		
Fuel	**162,719**	209,488
Other	**165,198**	164,970
Purchased power	**176,633**	171,743
Transmission and distribution	**46,837**	43,764
Regional market operations	**4,747**	5,244
Depreciation and amortization	**121,656**	119,704
General and administrative	**48,912**	53,662
Total operating expenses	**726,702**	768,575
Operating margin before fixed charges and other expenses	**133,421**	131,714
Fixed charges and other:		
Interest expense on long-term debt	**112,362**	115,439
Amortization of debt expense	**675**	473
Accretion and other	**(918)**	(426)
Total fixed charges and other expenses	**112,119**	115,486
Operating margin	**21,302**	16,228
Nonoperating margin:		
Interest income	**25,454**	27,745
Patronage capital allocations from other cooperatives	**635**	233
Other	**(3,187)**	(3,537)
Total nonoperating margin	**22,902**	24,441
Net margin	**44,204**	40,669
Other comprehensive margin:		
Unrealized gain (loss) on available-for-sale securities	**106**	(19)
Postretirement benefit obligation gain	**9,086**	10,695
	9,192	10,676
Comprehensive margin	**$ 53,396**	$ 51,345

See notes to financial statements.

East Kentucky Power Cooperative, Inc.

Statements of Changes in Members' Equities
(Dollars in Thousands)

	Memberships	Patronage Capital	Donated Capital	Accumulated Other Comprehensive Margin	Total Members' Equities
Balance – December 31, 2017	$ 2	$ 608,004	$ 3,035	$ 1,404	$ 612,445
Net margin	–	40,669	–	–	40,669
Unrealized loss on available for sale securities	–	–	–	(19)	(19)
Postretirement benefit obligation gain	–	–	–	10,695	10,695
Balance – December 31, 2018	2	648,673	3,035	12,080	663,790
Net margin	**–**	**44,204**	**–**	**–**	**44,204**
Retirement of patronage capital	**–**	**(1,814)**	**–**	**–**	**(1,814)**
Unrealized gain on available for sale securities	**–**	**–**	**–**	**106**	**106**
Postretirement benefit obligation gain	**–**	**–**	**–**	**9,086**	**9,086**
Balance – December 31, 2019	**$ 2**	**$ 691,063**	**$ 3,035**	**$ 21,272**	**$ 715,372**

See notes to financial statements.

East Kentucky Power Cooperative, Inc.

Statements of Cash Flows
(Dollars in Thousands)

	Year Ended December 31 2019	2018
Operating activities		
Net margin	**$ 44,204**	$ 40,669
Adjustments to reconcile net margin to net cash provided by operating activities:		
Depreciation and amortization	**121,656**	119,704
Amortization of debt issuance costs	**1,272**	1,039
Changes in operating assets and liabilities:		
Accounts receivable	**2,898**	4,063
Fuel	**(18,679)**	933
Materials and supplies	**1,136**	(3,339)
Regulatory assets/liabilities	**(1,105)**	453
Accounts payable	**12,507**	8,139
Accrued expenses	**5,537**	(25,550)
Accrued postretirement benefit cost	**1,573**	1,071
Other	**(8,055)**	(4,063)
Net cash provided by operating activities	**162,944**	143,119
Investing activities		
Additions to electric plant	**(202,608)**	(96,123)
Maturities of debt service reserve securities	**4,349**	4,288
Purchases of debt service reserve securities	**(4,366)**	(4,306)
Maturities of available-for-sale securities	**39,953**	60,555
Purchases of available-for-securities	**(38,072)**	(64,257)
Maturities of held-to-maturity securities	**86**	96
Additional deposits with RUS restricted investment	**(21,311)**	(89,369)
Maturities of RUS restricted investment	**177,372**	89,859
Other	**831**	(3,023)
Net cash used in investing activities	**(43,766)**	(102,280)
Financing activities		
Proceeds from long-term debt	**391,883**	197,030
Principal payments on long-term debt	**(504,945)**	(245,047)
Retirement of patronage capital	**(1,814)**	–
Debt issuance costs	**(1,412)**	(6,646)
Net cash used in financing activities	**(116,288)**	(54,663)
Net change in cash, cash equivalents, and restricted cash	**2,890**	(13,824)
Cash, cash equivalents, and restricted cash – beginning of year	**129,635**	143,459
Cash, cash equivalents, and restricted cash – end of year	**$ 132,525**	$ 129,635
Supplemental disclosure of cash flow		
Cash paid for interest	**$ 108,319**	$ 139,805
Noncash investing transactions:		
Additions to electric plant included in accounts payable	**$ 47,157**	$ 24,359
Unrealized gain (loss) on available-for-sale securities	**$ 106**	$ (19)

See notes to financial statements.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements

Years Ended December 31, 2019 and 2018

1. Summary of Significant Accounting Policies

Nature of Operations

East Kentucky Power Cooperative (the Cooperative or EKPC) is a not-for-profit electric generation and transmission cooperative incorporated in 1941 that provides wholesale electric service to 16 distribution members with territories that include parts of 87 counties in Kentucky. The majority of customers served by members are residential. Each of the members has entered into a wholesale power agreement with the Cooperative, which remains in effect until 2051. The rates charged to members are regulated by the Kentucky Public Service Commission (PSC or Commission).

The Cooperative owns and operates two coal-fired generation plants, twelve combustion turbines, six landfill gas plants, and a solar farm. In addition, the Cooperative has rights to 170 megawatts of hydroelectric power from the Southeastern Power Administration. One simple cycle natural gas unit was designated to serve a capacity purchase and tolling agreement through April 30, 2019. The capacity and energy from one landfill gas plant is designated to serve a member system through a ten-year purchase power agreement. A portion of the solar farm panels are licensed to customers of our members.

Basis of Accounting

The financial statements are prepared in accordance with policies prescribed or permitted by the Commission and the United States Department of Agriculture, Rural Utilities Service (RUS), which conform with accounting principles generally accepted in the United States of America (GAAP) in all material respects. As a rate-regulated entity, the Cooperative's financial statements reflect actions of regulators that result in the recording of revenues and expenses in different time periods than enterprises that are not rate regulated in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 980, *Regulated Operations*.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

1. Summary of Significant Accounting Policies (continued)

Electric Plant in Service

Electric plant is stated at original cost, which is the cost of the plant when first dedicated to public service by the initial owner, plus the cost of all subsequent additions. The cost of assets constructed by the Cooperative includes material, labor, contractor and overhead costs.

The cost of maintenance and repairs, including renewals of minor items of property, is charged to operating expense. The cost of replacement of depreciable property units, as distinguished from minor items, is charged to electric plant. The cost of units replaced or retired, including cost of removal, net of any salvage value, is charged to accumulated depreciation.

Depreciation and Amortization

Depreciation for the generating plants and transmission facilities is provided on the basis of estimated useful lives at straight-line composite rates. Rates applied to electric plant in service for both 2019 and 2018 are:

Transmission and distribution plant	0.71%–3.42%
General plant	2.0%–20.00%

The production plant assets are depreciated on a straight-line basis from the date of acquisition to the end of life of the respective plant, which ranged from 2030 to 2051 in 2019 and 2018.

Depreciation and amortization expense was $121.7 million and $119.7 million for 2019 and 2018, respectively. Depreciation and amortization expense includes amortization expense of $12.2 million in 2019 and $12.6 million in 2018 related to plant abandonments granted regulatory asset treatment (Note 5).

The Cooperative received PSC approval to charge depreciation associated with asset retirement obligations to regulatory assets. These regulatory assets are charged to depreciation expense as recovery occurs. Depreciation charged to regulatory assets was $5.8 million and $6.3 million in 2019 and 2018, respectively.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Asset Impairment

Long-lived assets held and used by the Cooperative are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable. Specifically, the evaluation for impairment involves comparison of an asset's carrying value to the estimated undiscounted cash flows the asset is expected to generate over its remaining life. If this evaluation were to conclude that the carrying value of the asset is impaired, an impairment charge would be recorded as a charge to operations based on the difference between the asset's carrying amount and its fair value. No impairment was recognized for long-lived assets during the years ended December 31, 2019 or 2018.

Restricted Investments

Restricted investments represent funds restricted by contractual stipulations or other legal requirements. Funds designated for the repayment of debt within one year are shown as current assets on the balance sheets. All other restricted investments are shown as noncurrent on the balance sheets. Restricted investment activity is classified as investing activities on the statements of cash flows.

The Cooperative participates in the cushion of credit program administered by the RUS. Prior to December 20, 2018, RUS borrowers could make voluntary irrevocable deposits into a special account that earned 5% interest per year. The balance (deposits and earned interest) could only be used to repay scheduled principal and interest payments on loans made or guaranteed by the RUS. On December 20, 2018, President Trump signed the Agriculture Improvement Act of 2018 ("the Farm Bill") which included provisions that modified the cushion of credit program. The Farm Bill prohibited new deposits to the cushion of credit and enabled balance holders to use existing cushion of credit funds to prepay RUS/FFB debt without a prepayment penalty through September 30, 2020. The Cooperative utilized this new provision to pay off higher interest loans totaling $177.3 million on July 2, 2019. Existing cushion of credit account balances will continue to earn 5% interest until October 1, 2020, at which time the interest rate will be reduced to 4%.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Restricted investments at December 31, 2019 and 2018, consisted of the following (dollars in thousands):

	2019	2018
Debt service reserve (Note 6)	**$ 1,103**	$ 1,087
Noncurrent restricted investment – RUS cushion of credit	**189,306**	327,109
Restricted investments – noncurrent	**190,409**	328,196
Current restricted investment – RUS cushion of credit	**160,288**	178,545
Total restricted investments	**$ 350,697**	$ 506,741

Cash, Cash Equivalents, and Restricted Cash

The Cooperative considers temporary investments having an original maturity of three months or less when purchased to be cash equivalents. Cash equivalents at December 31, 2019 and 2018, consisted primarily of money market mutual funds and investments in commercial paper.

Restricted cash represented funds pledged as collateral with a third party in conjunction with a capacity purchase and tolling agreement that ended on April 30, 2019. The remaining collateral was refunded to the Cooperative in May 2019.

The Cooperative adopted the Accounting Standards Update (ASU) 2016-18, *Statement of Cash Flows (Topic 230) – Restricted Cash*, in 2019, which required the statement of cash flows to present the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Amounts described as restricted cash and restricted cash equivalents are included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. This amendment also required a reconciliation of cash and cash equivalents and restricted cash and cash equivalents within the balance sheet and the amounts shown in the statement of cash flows.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

The following table provides a reconciliation of cash and cash equivalents and restricted cash reported within the balance sheets that sum to the total of the same amounts shown in the statements of cash flows (dollars in thousands):

	2019	2018
Cash and cash equivalents	**$ 132,525**	$ 126,635
Restricted cash	–	3,000
Total	**$ 132,525**	$ 129,635

ASU 2016-18 was adopted using a retrospective transition method, which requires each comparative period to reflect the application of the amendment in the statements of cash flows. Accordingly, for the year ended December 31, 2018, net cash used by investing activities increased $1.5 million; net change in cash, cash equivalents, and restricted cash decreased $1.5 million; and beginning of year and end of year cash, cash equivalents, and restricted cash increased $4.5 million and $3.0 million, respectively.

Investment Securities

Investment securities are classified as held-to-maturity and carried at amortized cost when management has the positive intent and ability to hold them to maturity. Investment securities are classified as available-for-sale when they might be sold before maturity. Available-for-sale securities are carried at fair value, with unrealized holding gains and losses reported in other comprehensive margin on the statements of revenue and expenses and comprehensive margin.

Interest income includes amortization of purchase premium or discount. Gains and losses on sales are based on the amortized cost of the security sold. Investment securities are written down to fair value when a decline in fair value is other-than-temporary.

1. Summary of Significant Accounting Policies (continued)

Fair Value of Financial Instruments

The carrying amount of cash, receivables and certain other current liabilities approximates fair value due to the short maturity of the instruments.

The Cooperative uses fair value to measure certain financial instruments. The fair value of a financial instrument is the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (the exit price). Observable inputs or unobservable inputs, defined by ASC Topic 820, *Fair Value Measurements and Disclosures*, may be used in the calculation of fair value. ASC Topic 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are described below:

- *Level 1* – Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- *Level 2* – Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;
- *Level 3* – Prices or valuations that require inputs that are both significant to the fair value measure and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The inputs used to measure cash equivalents are Level 1 measurements, as the money market funds are exchange traded funds in an active market. The inputs used to measure the available-for-sale and debt service reserve investments are Level 1 measurements, as the securities are based on quoted market prices for identical investments or securities. Included in the available-for-sale securities on the following table are securities held in connection with the directors' and certain employees' elective deferred compensation programs and the supplemental executive retirement plan covering certain executives. These assets are included in other noncurrent assets on the balance sheets.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Estimated fair values of the Cooperative's financial instruments as of December 31, 2019 and 2018, were as follows (dollars in thousands):

		Fair Value at Reporting Date Using		
	Fair Value December 31, 2019	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Cash equivalents	**$ 111,000**	**$ 111,000**	**$ –**	**$ –**
Available-for-sale securities	**41,758**	**41,758**	**–**	**–**
Debt service reserve	**1,103**	**1,103**	**–**	**–**

		Fair Value at Reporting Date Using		
	Fair Value December 31, 2018	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Cash equivalents	$ 95,000	$ 95,000	$ –	$ –
Available-for-sale securities	44,372	44,372	–	–
Debt service reserve	1,087	1,087	–	–

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

The estimated fair values of the Cooperative's financial instruments carried at cost at December 31, 2019 and 2018, were as follows (dollars in thousands):

	2019		2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Held-to-maturity investments	**$ 8,125**	**$ 11,954**	$ 8,211	$ 10,613
Long-term debt	**2,804,899**	**3,139,309**	2,918,760	3,175,389

The inputs used to measure held-to-maturity investment securities are considered Level 2 and are based on third-party yield rates of similarly maturing instruments determined by recent market activity. The fair value of long-term debt, including current maturities and prepayment costs, is calculated using published interest rates for debt with similar terms and remaining maturities and is a Level 2 fair value measurement.

Concentration of Credit Risk

Credit risk represents the risk of loss that would occur if suppliers or customers did not meet their contractual obligations to EKPC. Concentration of credit risk occurs when significant suppliers or customers possess similar characteristics that would cause their ability to meet contractual obligations to be affected by the same events.

The Cooperative's sales are primarily to its member cooperatives and totaled approximately $825.4 million and $853.2 million for 2019 and 2018, respectively. Accounts receivable at December 31, 2019 and 2018, were primarily from billings to member cooperatives.

At December 31, 2019 and 2018, individual accounts receivable balances that exceeded 10% of total accounts receivable are as follows (dollars in thousands):

	2019	2018
Owen Electric Cooperative	**$ 11,791**	$ 12,744
Blue Grass Energy Cooperative	**9,145**	9,270
South Kentucky RECC	**9,050**	9,381

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Inventories

Inventories of fuel and materials and supplies are valued at the lower of average cost or net realizable value. Upon removal from inventory for use, the average cost method is used. Physical adjustments of fuel inventories are charged to expense over the subsequent six months and recovered or refunded, as required, through the fuel adjustment clause.

Regulatory Assets and Liabilities

ASC Topic 980 applies to regulated entities for which rates are designed to recover the costs of providing service. In accordance with this topic, certain items that would normally be reflected in the statements of revenue and expenses are deferred on the balance sheets. Regulatory assets represent probable future revenues associated with certain incurred costs, which will be recovered from customers through the rate-making process. Regulatory assets are charged to earnings as collection of the cost in rates is recognized or when future recovery is no longer probable. Conversely, regulatory liabilities represent future reductions in revenues associated with amounts that are to be credited to customers through the rate-making process.

Debt Issuance Costs

Debt issuance costs are presented as a direct deduction from long-term debt with the exception of those issuance costs associated with line-of-credit arrangements which are classified as a deferred charge asset on the balance sheet.

Debt issuance costs are amortized to interest expense over the life of the respective debt using the effective interest rate method or the straight-line method when results approximate the effective interest rate method.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Asset Retirement Obligations

ASC Topic 410, *Asset Retirement Obligations*, requires legal obligations associated with the retirement of long-lived assets to be recognized at fair value when incurred and capitalized as part of the related long-lived asset, including asset retirement obligations where an obligation exists even though the method or timing of settlement may be conditional. The liability is accreted to its present value each period and the capitalized cost is depreciated over the useful life of the related asset. When the asset is retired, the entity settles the obligation for its recorded amount or incurs a gain or loss.

Fair value of each respective ARO, when incurred, is determined by discounting expected future cash outflows associated with required retirement activities using a credit adjusted risk-free rate. Cash outflows for retirement activities are based upon market information, historical information and management's estimates and would be considered Level 3 under the fair value hierarchy.

The Cooperative's asset retirement obligations (ARO) represent the requirements related to asbestos abatement and reclamation and capping of ash disposal sites at its coal-fired plants. Estimated cash flow revisions in 2019 and 2018 are primarily related to changes in the estimated cost to settle ash disposal sites to comply with the closure and post-closure requirements of the Coal Combustion Residuals (CCR) Rule and the estimated cost to abate asbestos at Cooper Station, respectively. Settlement activities are associated with the abatement of asbestos at Dale Station and capping of ash disposal sites.

The Cooperative continues to evaluate the useful lives of its plants and the costs of remediation required by law.

The following table represents the details of asset retirement obligation activity as reported on the accompanying Balance Sheets (dollars in thousands):

	2019	2018
Balance – beginning of year	**$ 60,280**	$ 56,309
Liabilities settled	**(7,293)**	24
Estimated cash flow revisions	**1,722**	2,413
Accretion	**1,610**	1,534
Balance – end of year	**$ 56,319**	$ 60,280

1. Summary of Significant Accounting Policies (continued)

As discussed in Note 5, the PSC granted regulatory asset treatment of accretion and depreciation associated with AROs on EKPC's books by type and location beginning in January 2014. These regulatory assets will be charged to accretion expense and depreciation expense as recovery of settlement costs occurs.

Accretion charged to regulatory assets in 2019 and 2018 was $1.6 million and $1.5 million, respectively. Accretion expense recognized in 2019 was $0.4 million which represented the recovery of settlement costs associated with the Dale Station reclamation project and capping activities at Cooper Station and Spurlock Station. Accretion expense recognized in 2018 was $(.02) million which represented the net impact of a PSC-ordered credit for accretion expense recognized in 2017 on an ARO before regulatory asset treatment was granted by the PSC and recovery of settlement costs associated with the Dale Station ash transfer and reclamation projects.

Revenue Recognition

The Cooperative adopted Accounting Standards Update 2014-09, *Revenue from Contracts with Customers (Topic 606)*, or ASU 2014-09 as of January 1, 2019. The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASU 2014-09 was adopted using the modified retrospective approach. There was no material impact on revenue recognition as a result of adopting this ASU and accordingly, no cumulative effective adjustment was recognized. ASU 2014-09 also requires expanded disclosures to enable users of the financial statements to understand the nature, amount, timing, and uncertainty of revenues and cash flows arising from contracts with customers. Related disclosures are outlined below.

Operating revenues are primarily derived from sales of electricity to members. These sales, which comprise approximately 96 percent of EKPC's operating revenues, are pursuant to identical long-term wholesale power contracts maintained with RUS and each of the Cooperative's 16 members that extend through December 31, 2050. The wholesale power contract obligates each member to pay EKPC for demand and energy furnished in accordance with rates established by the PSC. Energy and demand have the same pattern of transfer to members as one cannot be provided without the other. Therefore, these components of electric power sales to members are considered one performance obligation. Electricity revenues are recognized over time as energy is delivered based upon month-end meter readings and rates set forth in EKPC's tariffs, as approved by the PSC.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Non-member revenues are primarily comprised of PJM Interconnection, LLC (PJM) electric and capacity revenues, and other revenues. In the PJM market, electricity sales are separately identifiable from participation in the capacity market as the two can be transacted independently of one another. Therefore PJM electric sales are considered a separate contract with a single performance obligation and revenue is recognized based upon the megawatt-hours delivered in each hour at the market price. Capacity revenues represent compensation received from PJM for making generation capacity available to satisfy system integrity and reliability requirements. Capacity is a stand-ready obligation to deliver energy when called upon and is considered a single performance obligation. Revenue is recognized over time based upon megawatts and the prices set by the PJM competitive auction for the delivery year.

Other revenues primarily consist of transmission, wheeling, and leasing activities. Transmission and wheeling are related to contractual agreements with PJM and other electric utilities for transmitting electricity over EKPC's transmission lines. Each of these services are provided over time with progress measured using the output method. Lease revenue is related to power sales arrangements that are required to be accounted for as leases since the arrangement conveys the right to the output of specific plant facilities for a stated period of time. See Note 10.

The following represents operating revenues by revenue stream for the years ended December 31, 2019 and 2018 (dollars in thousands):

	Year Ended December 31	
	2019	**2018**
Member electric sales	**$ 825,410**	$ 853,175
Non-member sales:		
Electric	**19,580**	28,550
Capacity	**6,330**	3,508
Other	**8,803**	15,056
Total operating revenues	**$ 860,123**	$ 900,289

1. Summary of Significant Accounting Policies (continued)

Rate Matters

The base rates charged by the Cooperative to its members are regulated by the PSC. Any change in base rates requires that EKPC file an application with the PSC and interested parties may seek intervention in the proceeding if they satisfy certain regulatory requirements. EKPC's last base rate case was authorized by the PSC on January 14, 2011.

The PSC has adopted a uniform fuel adjustment clause for all electric utilities within its jurisdiction. Under this clause, fuel cost above or below a stated amount per kWh is charged or credited to the member cooperatives for all energy sales during the month following actual fuel costs being incurred and is included in member electric sales. The regulatory asset or liability represents the amount that has been under- or over-recovered due to timing or adjustments to the mechanism.

The PSC has an environmental cost recovery mechanism that allows utilities to recover certain costs incurred in complying with the Federal Clean Air Act as amended and those federal, state, and local environmental requirements which apply to coal combustion wastes and byproducts from facilities utilized for the production of energy from coal. This environmental surcharge is billed on a percentage of revenue basis, one month following the actual costs incurred and is included in member electric sales. The regulatory asset or liability represents the amount that has been under- or over-recovered due to timing or adjustments to the mechanism.

Members' Equities

Memberships represent contributions to the Cooperative made by members. Should the Cooperative cease business, these amounts, if available, will be returned to the members.

Patronage capital represents net margin allocated to the Cooperative's members on a contribution-to-gross margin basis pursuant to the provisions of its bylaws. The Cooperative's bylaws permit the Board of Directors to retire capital contributed by or allocated to members when, after any proposed retirement, the total capital of the Cooperative equals or exceeds 20% of total assets, as defined by RUS. In addition, provisions of certain financing documents prohibit the retirement of capital until stipulated requirements related to aggregate margins and equities are met.

On April 9, 2019, the Cooperative's Board of Directors authorized the retirement of patronage capital in the amount of $1.8 million, which represented margins assigned to members from the inception of the Cooperative through 1967.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Comprehensive Margin

Comprehensive margin includes both net margin and other comprehensive margin. Other comprehensive margin represents the change in unrealized gains and losses on available-for-sale securities, as well as the change in the funded status of the accumulated postretirement benefit obligation. The Cooperative presents each item of other comprehensive margin on a net basis in the Statements of Revenue and Expenses and Comprehensive Margin. Reclassification adjustments are disclosed in Note 8. For any item required under U.S. GAAP to be reclassified to net income in its entirety in the same reporting period, the affected line item(s) on the Statements of Revenue and Expenses and Comprehensive Margin are provided.

Income Taxes

The Cooperative is exempt under Section 501(c)(12) of the Internal Revenue Code from federal income tax for any year in which at least 85% of its gross income is derived from members but is responsible for income taxes on certain unrelated business income. ASC Topic 740, *Income Taxes*, clarifies the accounting for uncertainty in income taxes recognized in the financial statements. This interpretation requires financial statement recognition of the impact of a tax position if a position is more likely than not of being sustained on audit, based on the technical merits of the position. Additionally, ASC Topic 740 provides guidance on measurement, recognition, classification, accounting in interim periods, and disclosure requirements for uncertain tax positions. The Cooperative has determined that more than 85% of its gross income is derived from members and it meets the exemption status under the Section 501(c)(12).

Regional Transmission Organization

The Cooperative is a transmission-owning member of PJM and functional control of certain transmission facilities is maintained by PJM. Open access to the EKPC transmission system is managed by PJM pursuant to the FERC approved PJM Open Access Transmission Tariff and the Cooperative is an active participant in PJM's Regional Transmission Planning process, which develops a single approved transmission plan for the entire PJM footprint. Energy related purchases and sales transactions within PJM are recorded on an hourly basis with all transactions within each market netted to a single purchase or sale for each hour.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

1. Summary of Significant Accounting Policies (continued)

Power Sales Arrangements

The Cooperative is the lessor under power sales arrangements that are required to be accounted for as operating leases due to the terms of the agreements. The details of those agreements are discussed in Note 10. The revenues from these arrangements are included in operating revenues on the Statements of Revenue and Expenses and Comprehensive Margin.

New Accounting Guidance

In February 2016, the FASB issued Accounting Standards Update 2016-02, *Leases (Topic 842)*, or ASU 2016-02. The core principle of this revised accounting guidance requires that lessees recognize all leases (other than leases with a term of twelve months or less) on the balance sheet as lease liabilities, based upon the present value of the lease payments, with corresponding right of use assets. ASU 2016-02 also makes targeted changes to other aspects of the current guidance, including the lease classification criteria and the lessor accounting model. The amendments in ASU 2016-02 will be effective for the Cooperative beginning in 2021. The Company is currently assessing the impact of adopting this guidance.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments – Credit Losses (Topic 326)*, a new standard to replace the incurred loss impairment methodology under current GAAP with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. The standard is effective for the Company on January 1, 2023, and early adoption is permitted. The Company is currently evaluating the impact the new standard will have on its financial statements.

Reclassifications

Certain reclassifications have been made to the prior year financial statements to conform to the current presentation. The changes in classification were due to the adoption of ASU 2016-18 (see Cash, Cash Equivalents, and Restricted Cash above), and the adoption of ASU 2017-07 (see Note 7).

2. Electric Plant in Service

Electric plant in service at December 31, 2019 and 2018, consisted of the following (dollars in thousands):

	2019	2018
Production plant	**$ 3,082,196**	$ 3,133,868
Transmission plant	**847,023**	832,891
General plant	**137,387**	132,548
Completed construction, not classified, and other	**115,360**	98,712
Electric plant in service	**$ 4,181,966**	$ 4,198,019

Acquisition adjustments of $4 million were included in electric plant in service at December 31, 2019 and 2018. Acquisition adjustments represent the difference between the net book value of the original owner and the fair value of the assets at the date of acquisition.

3. Long-Term Accounts Receivable

Long-term accounts receivable includes interest-bearing notes to certain member systems for the buyout of EKPC's joint ownership of their propane companies. The member systems make monthly principal and interest (prime rate minus one-half of one percent, adjusted annually) payments. The notes are payable in full in 2025. Additionally, in 2018, EKPC entered into an agreement with an industrial customer that utilizes steam from Spurlock Station in its manufacturing processes to make certain repairs to the steam system. The amount is being reimbursed to the Cooperative over 41 months at an interest rate of 4.5%.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

4. Investment Securities

Cost and estimated fair value of available-for-sale investment securities at December 31, 2019 and 2018, were as follows (dollars in thousands):

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
2019				
U.S. Treasury Bill/Note	**$ 20,551**	**$ 29**	**$ –**	**$ 20,580**
Zero coupon bond	**17,695**	**36**	**–**	**17,731**
	$ 38,246	**$ 65**	**$ –**	**$ 38,311**

	Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
2018				
U.S. Treasury Bill/Note	$ 22,437	$ –	$ (34)	$ 22,403
Zero coupon bond	17,690	–	(7)	17,683
	$ 40,127	$ –	$ (41)	$ 40,086

Proceeds from maturities of securities were $40.0 million and $60.6 million in 2019 and 2018, respectively.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

4. Investment Securities (continued)

Amortized cost and estimated fair value of held-to-maturity investment securities at December 31, 2019 and 2018, are as follows (dollars in thousands):

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
2019				
National Rural Utilities Cooperative Finance Corporation:				
3%–5% capital term certificates	**$ 7,656**	**$ 3,806**	**$ –**	**$ 11,462**
6.5875% subordinated term certificate	**165**	**32**	**–**	**197**
0% subordinated term certificate	**304**	**–**	**(9)**	**295**
	$ 8,125	**$ 3,838**	**$ (9)**	**$ 11,954**

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
2018				
National Rural Utilities Cooperative Finance Corporation:				
3%–5% capital term certificates	$ 7,656	$ 2,387	$ –	$ 10,043
6.5875% subordinated term certificate	195	37	–	232
0% subordinated term certificate	360	–	(22)	338
	$ 8,211	$ 2,424	$ (22)	$ 10,613

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

4. Investment Securities (continued)

The amortized cost and fair value of securities at December 31, 2019, by contractual maturity, are shown below (dollars in thousands). Expected maturities may differ from contractual maturities because certain borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Amortized Cost	Fair Value
Available-for-sale:		
Due in one year or less	$ 38,246	$ 38,311
	$ 38,246	$ 38,311
Held-to-maturity:		
Due in one year or less	$ 658	$ 665
Due after one year through five years	469	492
Due after ten years	6,998	10,797
	$ 8,125	$ 11,954

5. Regulatory Assets and Liabilities

The PSC authorized the establishment of a regulatory asset at December 31, 2010, for the costs incurred on the cancelled construction of the Smith Unit 1 coal-fired plant. Effective January 1, 2017, the PSC approved a Stipulation and Recommendation Agreement between EKPC and intervenors which enabled EKPC to begin amortizing the regulatory asset balance, net of estimated mitigation and salvage efforts, over a period of ten years. PJM capacity market revenues through delivery year 2019 will be used to offset the expense until EKPC's next base rate case. The amortization associated with the remaining balance of the regulatory asset will be included for recovery in EKPC's next general base rate case. In 2019, EKPC began focused mitigation and salvage efforts by utilizing compatible components from Smith Unit 1 valued at $20.6 million at Spurlock Station and selling parts for salvage totaling $2.0 million. The balance of the regulatory asset at December 31, 2019, was $88.8 million.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

5. Regulatory Assets and Liabilities (continued)

The PSC has authorized EKPC to recognize depreciation and accretion expenses related to its asbestos abatement and ash disposal AROs as regulatory assets. The associated regulatory assets are expensed as recovery occurs. In separate proceedings, the PSC authorized recovery of the costs incurred to settle EKPC's ash disposal AROs through the environmental surcharge mechanism. While the Cooperative has not yet requested recovery of the other ARO related regulatory assets, management believes it is probable that the PSC will allow the Cooperative to recover the full amount through rates or other mechanisms.

The PSC authorized the Cooperative to establish two regulatory assets for the abandonment of Dale Station at December 31, 2015, representing its net book value of $3.2 million. One regulatory asset was established in the amount of $2.4 million with a forty-two month amortization, which was consistent with the remaining depreciable life of the asset included in current rates. Amortization of this asset ended on June 30, 2019. A separate regulatory asset of $0.8 million, which represents the balance of capital projects remaining to be recovered in the environmental surcharge at December 31, 2015, will be considered for recovery, along with an associated return, during EKPC's next rate case.

The RUS authorized the Cooperative to establish a $7.2 million regulatory asset at December 31, 2019, for the costs related to major maintenance and the replacement of minor components of property incurred at Spurlock Station in 2019 and to amortize the balance over eight years. Management believes it is probable that the PSC will authorize recovery of any remaining balance in the Cooperative's next rate case.

Regulatory assets (liabilities) were comprised of the following as of December 31, 2019 and 2018 (dollars in thousands):

	2019	**2018**
Plant abandonment – Smith Unit 1	**$ 88,847**	$ 123,506
Plant abandonment – Dale Station	**750**	1,012
ARO-related depreciation and accretion expenses	**38,056**	38,029
Major maintenance projects – Spurlock Station	**7,244**	–
	$ 134,897	$ 162,547
Environmental cost recovery	**$ (1,033)**	$ (874)
Fuel adjustment clause	**(2,741)**	(3,676)
	$ (3,774)	$ (4,550)

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

6. Long-Term Debt

The Cooperative executed an Indenture of Mortgage, Security Agreement and Financing Statement, dated as of October 11, 2012 (Indenture) between the Cooperative, as Grantor, to U.S. Bank National Association, as Trustee. The Indenture provides first mortgage note holders and tax-exempt bond holders with a pro-rated interest in substantially all owned assets.

Long-term debt outstanding at December 31, 2019 and 2018, consisted of the following (dollars in thousands):

	2019	2018
First mortgage notes:		
1.91%–4.95%, payable quarterly to Federal Financing Bank (FFB) in varying amounts through 2050, weighted average 3.84%	**$ 2,171,907**	$ 2,387,597
5.13% payable quarterly to RUS in varying amounts through 2024	**–**	4,184
First Mortgage Bonds, Series 2014A, fixed rate of 4.61%, payable semi-annual, matures February 6, 2044	**179,000**	184,000
First Mortgage Bonds, Series 2019, fixed rate of 4.45%, payable semi-annual, matures April 19, 2049	**150,000**	–
First Mortgage Promissory Note, fixed rate of 4.30%, payable semi-annual, matures April 30, 2049	**100,000**	–
Tax-exempt bonds:		
Solid Waste Disposal Revenue Bonds, Series 1993B, variable rate bonds, due August 15, 2023 1.40% and 1.88% at December 31, 2019 and 2018, respectively	**2,700**	3,300
Clean Renewable Energy Bonds, fixed rate of 0.40% payable quarterly to CFC to December 1, 2023	**1,777**	2,221
New Clean Renewable Energy Bonds, fixed rate of 4.5% payable annually to CFC to January 31, 2047, reimbursed by IRS annually of up to 2.94% for a net rate of 1.56%	**17,397**	17,705
Promissory notes:		
Variable rate notes payable to CFC, 2.70% at December 31, 2019	**185,000**	320,000
5.05%–5.50% fixed rate notes payable to National Cooperative Services Corporation, weighted average 5.22%	**5,575**	7,411
Total debt	**2,813,356**	2,926,418
Less debt issuance costs	**(8,457)**	(7,658)
Total debt adjusted for debt issuance costs	**2,804,899**	2,918,760
Less current maturities	**(93,599)**	(92,499)
Total long-term debt	**$ 2,711,300**	$ 2,826,261

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

6. Long-Term Debt (continued)

First Mortgage Notes and Bonds

The Cooperative received loan funds in varying amounts through its first mortgage notes payable to the Federal Financing Bank and RUS. All such loans are subject to certain conditions outlined by RUS. Listed below are descriptions of those loan applications for which additional funds were advanced to the Cooperative during the year and the status of any remaining funds approved and available for advance at December 31, 2019. The amounts outstanding under these notes are $2.2 billion at December 31, 2019.

In May 2015, the Cooperative submitted to RUS a loan application in the amount of $90.6 million for various transmission projects. The loan documents were subsequently executed in January 2017 with a maturity date of December 31, 2049; $11.5 million was advanced in 2019. As of December 31, 2019, $16.3 million of the loan remained available for advance.

In June 2015, the Cooperative submitted to RUS a loan application in the amount of $238.9 million for various generation projects. The loan was revised to $221.8 million and approved by RUS in September 2015. The loan documents were subsequently executed in January 2017 with a maturity date of December 31, 2049; $25.4 million was advanced in 2019. As of December 31, 2019, $92.2 million of the loan remained available for advance.

On June 8, 2018, the Cooperative accepted a conditional offer from RUS to participate in their Federal Financing Bank (FFB) Pilot Refinancing Program. On December 21, 2018, the Cooperative entered into an agreement with RUS to refinance $62.4 million of existing higher interest advances, plus a $6.3 million make whole premium, at favorable current interest rates and extended the maturity date to January 3, 2051.

On December 20, 2018, the Cooperative gave notice to RUS to pay off approximately $178 million in higher interest loans on or after January 2, 2019, from the Cushion of Credit, pursuant to the provisions of the 2018 Farm Bill. On July 2, 2019, these higher interest loans totaling $177.3 million were paid off using funds from the Cushion of Credit.

On December 11, 2013, the Cooperative entered into a Bond Purchase Agreement for $200 million 4.61% First Mortgage Bonds, Series 2014A due February 2044. The transaction closed and funded on February 6, 2014. The debt is secured on equal footing with the Cooperative’s other secured debt under the Indenture. The amount outstanding under these notes is $179.0 million at December 31, 2019.

6. Long-Term Debt (continued)

On April 18, 2019, the Cooperative entered into a bond purchase agreement for $150 million at 4.45% First Mortgage Bonds, Series 2019 due to mature on April 19, 2049. The transaction closed and was funded on April 18, 2019. The debt is secured on equal footing with the Cooperative's other secured debt under the Indenture. The amount outstanding under these bonds is $150 million at December 31, 2019.

On April 19, 2019, the Cooperative signed a promissory note to CFC for $100 million at a fixed rate of 4.30% with a maturity date of April 30, 2049. The debt is secured and on equal footing with other secured debt. The balance on the loan was $100 million at December 31, 2019.

Tax-Exempt Bonds

The interest rate on the Series 1993B Solid Waste Disposal Revenue Bonds is subject to change semiannually. The interest rate adjustment period on the variable rate bonds may be converted to a weekly, semiannual, annual or three-year basis, or to a fixed-rate basis, at the option of the Cooperative. A $5 million CFC guarantee secures payment of the Series 1993B bonds and has an expiration date of August 15, 2023. The 1993B solid waste disposal revenue bonds require that debt service reserve funds be on deposit with a trustee throughout the term of the bonds in the amount of $1.1 million. In addition, mandatory sinking fund payments are required ranging from $0.6 million in 2019 to $0.7 million in 2024. Debt service reserve and construction funds are held by a trustee and are invested primarily in U.S. Government securities and CFC promissory notes. These funds are included in restricted investments on the accompanying Balance Sheets and have a fair value of approximately $1.1 million at December 31, 2019 and 2018.

In January 2008, EKPC was approved to receive up to $8.6 million to finance certain qualified renewable energy projects with Clean Renewable Energy Bonds. The loan was fully advanced in July 2009. The amount outstanding at December 31, 2019, is $1.8 million.

In September 2016, EKPC was authorized by the IRS to issue $19.8 million in New Clean Renewable Energy Bonds to finance a planned community solar facility. In February 2017, EKPC issued an $18 million note to CFC. The amount outstanding as of December 31, 2019, is $17.4 million.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

6. Long-Term Debt (continued)

Promissory Notes

On July 5, 2019, the Cooperative exercised its option to extend its existing $600 million unsecured credit facility with CFC as the lead arranger, for an additional year. The facility consists of a $500 million revolving tranche and a $100 million term loan tranche. This facility matures on July 4, 2023, and is to be utilized for general corporate purposes including capital construction projects. As of December 31, 2019, the Cooperative had outstanding borrowings of $185 million (including the $100 million unsecured term loan). As of December 31, 2019, the availability under the credit facility was $415 million.

In December 2010, the Cooperative entered into an unsecured loan agreement with the National Cooperative Services Corporation for $23.8 million to refinance indebtedness to RUS. As of December 31, 2019, the amount outstanding under these notes is $5.6 million.

Estimated annual maturities of long-term debt adjusted for debt issuance costs for the five years subsequent to December 31, 2019, are as follows (dollars in thousands):

Years ending December 31:	
2020	$ 93,599
2021	96,307
2022	99,917
2023	102,972
2024	103,474
Thereafter	2,308,630
	$ 2,804,899

The Indenture and certain other debt agreements contain provisions which, among other restrictions, require the Cooperative to maintain certain financial ratios. The Cooperative was in compliance with these financial ratios at December 31, 2019 and 2018.

As of December 31, 2019, the Cooperative has $3.3 million outstanding in a letter of credit with the Commonwealth of Kentucky for Worker’s Compensation.

As of December 31, 2019, the Cooperative has pledged securities of $17.5 million with the Commonwealth of Kentucky and the United States Department of Labor.

7. Retirement Benefits

Pension Plan

Pension benefits for employees hired prior to January 1, 2007, are provided through participation in the National Rural Electric Cooperative Association (NRECA) Retirement and Security Plan (RS Plan). The plan is a defined benefit pension plan qualified under Section 401 and tax exempt under Section 501(a) of the Internal Revenue Code. It is considered a multiemployer plan under the accounting standards. The plan sponsor's Employer Identification Number is 53-0116145 and the Plan Number is 333.

A unique characteristic of a multiemployer plan compared to a single employer plan is that all plan assets are available to pay benefits of any plan participant. Separate asset accounts are not maintained for participating employers. This means that assets contributed by one employer may be used to provide benefits to employees of other participating employers.

The Cooperative's contributions to the RS Plan in 2019 and 2018 represented less than 5 percent of the total contributions made to the plan by all participating employers. The Cooperative made annual contributions to the plan of $7.9 million and $8.3 million in 2019 and 2018, respectively.

For the RS Plan, a "zone status" determination is not required and therefore, not determined, under the Pension Protection Act (PPA) of 2006. In addition, the accumulated benefit obligations and plan assets are not determined or allocated separately by individual employer. In total, the RS Plan was over 80 percent funded on January 1, 2019 and 2018, based on the PPA funding target and PPA actuarial value of assets on those dates. Because the provisions of the PPA do not apply to the RS Plan, funding improvement plans and surcharges are not applicable. Future contribution requirements are determined each year as part of the actuarial valuation of the plan and may change as a result of plan experience.

Retirement Savings Plan

The Cooperative offers a Retirement Savings Plan for all employees who are eligible to participate in the Cooperative's benefit programs. The plan allows participants to make contributions by salary reduction, pursuant to Section 401(k) of the Internal Revenue Code. For employees hired prior to January 1, 2007, the Cooperative makes matching contributions to the account of each participant up to 2.0% of the participant's compensation. For employees hired on or after January 1, 2007, the Cooperative will automatically contribute 6.0% of base wages and match the employee contribution up to 4.0%. The Cooperative contributed approximately $4.0 million and $3.8 million to the plan for the years ended December 31, 2019 and 2018, respectively. Employees vest immediately in their contributions and the contributions of the Cooperative.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

7. Retirement Benefits (continued)

Supplemental Executive Retirement Plan

The Cooperative provides a 457(f) Supplemental Executive Retirement Plan to certain executives of the organization. The plan is considered a defined contribution plan whereby annual contributions are made based upon a percentage of base salary. Participants become 100% vested and the account balance paid out upon attaining age 62 or if separation occurs due to involuntary termination without cause, disability, or death. Separation for any other reason before age 62 will result in participants forfeiting their benefits.

Supplemental Death Benefit Plan

The Cooperative provides a Supplemental Death Benefit Plan to all employees eligible to participate in the pension plan. The supplemental death benefit is payable to a deceased employee's beneficiary if the lump sum value of a 100% survivor benefit under the pension plan exceeds the pension plan benefits plus the Cooperative's group life insurance proceeds. Management believes that any liability related to this plan will not have a material effect on the financial statements.

Postretirement Medical Benefits

The Cooperative sponsors a defined benefit plan that provides medical and life insurance coverage to retirees and their dependents. Participating retirees and dependents contribute 50% of the projected cost of coverage. For purposes of the liability estimates, the substantive plan is assumed to be the same as the written plan. The plan is not funded.

The Cooperative adopted the Accounting Standards Update (ASU) 2017-07, *Compensation – Retirement Benefits (Topic 715) – Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost*, in 2019. The adoption of this guidance requires the presentation of non-service cost components of net periodic benefit costs outside of operating income. The ASU also stipulates that only the service cost component of net benefit cost is eligible for capitalization. ASU 2017-07 was adopted using a retrospective transition method, which requires each comparative period to reflect the application of the amendment in the statements of revenues, expenses, and comprehensive margin. Accordingly, $2.3 million in non-service costs were reclassified from operating expenses to other non-operating expenses in 2018.

The following sets forth the accumulated postretirement benefit obligation, the change in plan assets, and the components of accrued postretirement benefit cost and net periodic benefit cost as of December 31, 2019 and 2018 (dollars in thousands):

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

7. Retirement Benefits (continued)

	2019	2018
Change in benefit obligation:		
Accumulated postretirement benefit obligation – beginning of year	**$ 66,053**	$ 75,806
Service cost	**1,163**	1,503
Interest cost	**2,869**	2,788
Participants' contributions	**1,542**	1,462
Plan amendment – prior service credit	**(17,509)**	(4,692)
Benefits paid	**(4,237)**	(4,399)
Actuarial loss (gain)	**7,672**	(6,415)
Accumulated postretirement benefit obligation – end of year	**$ 57,553**	$ 66,053
Change in plan assets:		
Fair value of plan assets – beginning of year	**$ –**	$ –
Employer contributions	**2,695**	2,937
Participant contributions	**1,542**	1,462
Benefits paid	**(4,237)**	(4,399)
Fair value of plan assets – end of year	**–**	–
Funded status – end of year	**$ (57,553)**	$ (66,053)
Amounts recognized in balance sheet consists of:		
Current liabilities	**$ 2,178**	$ 3,165
Noncurrent liabilities	**55,375**	62,888
Total amount recognized in balance sheet	**$ 57,553**	$ 66,053
Amounts included in accumulated other comprehensive margin:		
Prior service credit	**$ 26,671**	$ 9,914
Unrecognized actuarial gain (loss)	**(5,464)**	2,207
Total amount in accumulated other comprehensive margin	**$ 21,207**	$ 12,121
Net periodic benefit cost:		
Service cost	**$ 1,163**	$ 1,503
Interest cost	**2,869**	2,788
Amortization of net actuarial (gain) loss	**(751)**	(412)
Net periodic benefit cost	**$ 3,281**	$ 3,879
Amounts included in other comprehensive margin:		
Prior service credit arising during the year	**$ 17,509**	$ 4,692
Net (loss) gain arising during the year	**(7,672)**	6,415
Amortization of net actuarial (gain) loss	**(751)**	(412)
Net gain recognized in other comprehensive margin	**$ 9,086**	$ 10,695
Amounts expected to be realized in next fiscal year:		
Amortization of prior service credit	**$ 2,020**	$ 751
Amortization of net gain	**407**	–
	$ 2,427	$ 751

7. Retirement Benefits (continued)

Effective January 1, 2020, the plan changed post-65 participant coverage to an insured Medicare Advantage product, which resulted in a prior service credit of $17.5 million. This prior service credit will be amortized over 13.79 years, which represents the average future years of service to full eligibility.

The discount rate used to determine the accumulated postretirement benefit obligation was 3.45% and 4.45% for 2019 and 2018, respectively. The decline in the discount rate resulted in a $7.9 million actuarial loss while changes in mortality and other assumptions resulted in an actuarial gain of $0.2 million.

The Cooperative expects to contribute approximately $2.2 million to the plan in 2020. The expected benefit payments from the plan, which reflect anticipated future service, are (dollars in thousands):

Years ending December 31:		
2020	$	2,178
2021		2,256
2022		2,306
2023		2,446
2024		2,490
2025–2029		12,899

For measurement purposes, a 5.9% annual rate of increase in the per capita cost of covered health care benefits was used for the year ended December 31, 2019. The rate is assumed to decline to 4.5% after 18 years. The health care cost trend rate assumption has a significant effect on the amounts reported. For example, a 1% increase in the health care trend rate would increase the service and interest costs by $0.7 million and increase the postretirement benefit obligation by $9.3 million. A 1% decrease in the health care trend rate would decrease total service and interest costs by $0.6 million and decrease the postretirement benefit obligation by $7.5 million.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

8. Changes in Accumulated Other Comprehensive Margin by Component

The following table represents the details of accumulated other comprehensive margin activity by component (dollars in thousands):

	Postretirement Benefit Obligation	Unrealized Gain (Loss) on Investments Available for Sale	Accumulated Other Comprehensive Margin
Balance – December 31, 2017	$ 1,426	$ (22)	$ 1,404
Other comprehensive gain (loss) before reclassifications	11,107	(19)	11,088
Amounts reclassified from accumulated other comprehensive margin	(412)	–	(412)
Net current period other comprehensive gain (loss)	10,695	(19)	10,676
Balance – December 31, 2018	12,121	(41)	12,080
Other comprehensive gain before reclassifications	**9,837**	**106**	**9,943**
Amounts reclassified from accumulated other comprehensive margin	**(751)**	**–**	**(751)**
Net current period other comprehensive gain	**9,086**	**106**	**9,192**
Balance – December 31, 2019	**$ 21,207**	**$ 65**	**$ 21,272**

The postretirement benefit obligation reclassification noted above represents the amortization of actuarial (gain) loss that is included in the computation of net periodic postretirement benefit cost. See Note 7 – Retirement Benefits for additional details.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

9. Commitments and Contingencies

The Cooperative periodically enters into long-term agreements for the purchase of power. Payments made under long-term power contracts in 2019 and 2018 were $6.5 million and $6.4 million, respectively. One long-term agreement remained in effect at December 31, 2019, and will continue until either party gives a three year notice of termination. Total minimum payment obligations related to this contract are as follows (dollars in thousands):

Years ending December 31:	
2020	$ 3,756
2021	3,906
2022	3,998

The Cooperative is committed to purchase coal for its generating plants under long-term contracts that extend through 2022. Coal payments under contracts for 2019 and 2018 were $96.2 million and $85.5 million, respectively. Total minimum purchase obligations for the next three years are as follows (dollars in thousands):

Years ending December 31:	
2020	$ 87,626
2021	42,845
2022	1,925

The minimum cost of the coal purchases, based on the latest contractual prices, is subject to escalation clauses that are generally based on government-published indices and market price.

The Cooperative is also committed to purchase limestone and lime for its coal-fired generating plants under all requirements contracts that extend through 2021. These contracts set forth pricing and quantity maximums for each product but do not require minimum purchases. Given that annual quantities purchased will vary according to the generation produced at each plant, minimum purchase obligations for the next two years cannot be determined.

The supply agreements are not accounted for as derivatives based upon the Normal Purchases Normal Sales exception as permitted by ASC 815, *Derivatives and Hedging*.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

10. Power Sales Arrangements

In December 2015, the Cooperative became the lessor under two power sales arrangements that were required to be accounted for as operating leases due to the specific terms of the agreements. One arrangement, was a capacity purchase and tolling agreement that entitled a third party to 165 MW of firm generation and capacity from Bluegrass Generation Station Unit 3 through April 30, 2019. The third party was responsible for the delivery of natural gas and also for securing electric transmission service in their balancing area. The other arrangement is an agreement to sell the capacity and energy from the Glasgow landfill gas plant to a member system for a period of ten years. The revenue associated with these arrangements for 2019 and 2018 was $4.0 million and $10.8 million, respectively, and is included in operating revenue on the Statements of Revenue and Expenses and Comprehensive Margin for the years ended December 31, 2019 and 2018.

The minimum future revenues under the remaining arrangement is as follows (dollars in thousands):

Years ending December 31:		
2020	$	460
2021		452
2022		452
2023		452
2024		452

11. Environmental Matters

On August 21, 2018, the United States Court of Appeals for the District of Columbia rendered a decision in a case involving a number of consolidated petitions, namely Utility Solid Waste Activities Group, et al., against the U.S. Environmental Protection Agency (EPA). These petitioners challenged the EPA's 2015 Final Rule governing the disposal of coal combustion residuals (CCR) produced by electric utilities and independent power plants. The 2015 Rule currently in effect establishes minimum national criteria for the safe disposal of solid waste CCR and includes location restrictions, structural integrity requirements, liner design criteria, operations, groundwater monitoring, closure and post-closure requirements. The closure and post-closure requirements contained within this rule resulted in the Cooperative revising its asset retirement obligations in 2016. In 2019, the EPA published additional rules that proposed substantial changes to the CCR federal regulatory scheme. Although, in each of these proposals,

11. Environmental Matters (continued)

the EPA has suggested significant changes and additions to the CCR Rule provisions for beneficial use, reporting, website posting, and impoundment liners, the proposed rules concerning closure have the potential for the most impact on the Company's CCR compliance strategy. The Closure Part A Rule proposes to move the closure commencement deadline for unlined or clay-lined impoundments from October 2020 to August 2020. The Rule provides for short-term and long-term extensions for facilities that cannot secure capacity for CCR storage by the deadline of August 2020. The Company's Spurlock Station surface impoundment is unlined per the CCR rule. The Closure Part A Rule dictates that EKPC cease placement of CCR material in the impoundment by August 2020 or seek EPA approval under the alternate closure plan by June 2020. The Company plans to seek EPA approval under the alternative closure plan by June 2020.

On February 24, 2017, President Trump issued an Executive Order (EO 13777) that required agencies to review regulations that create undue burden on regulated entities. As part of this process, EPA is reviewing the Effluent Limitations Guidelines (ELG) rule and reconsidering a number of issues. The ELG rule currently in effect governs the quality of the wastewater that can be discharged from power plants. ELG phases in more stringent effluent limits for arsenic, mercury, selenium, and nitrogen discharged from wet scrubber systems and zero discharge of pollutants in ash transport water. Power plants must comply between 2018 and 2023, depending upon when new Clean Water Act permits are required for each respective plant. On November 4, 2019, the EPA published a proposal to revise the ELG Rule for flue-gas desulfurization (FGD) wastewater and bottom ash transporter (BAT) water. The proposed rule puts forward BAT limitations that are more stringent than Best Practicable Control Technology limitations but extends compliance as far out as December 31, 2023 (BA Transport Water) or December 31, 2025 (FGD Wastewater), depending on NPDES renewal dates. Comments were due on January 21, 2020, and a final rule is expected in 2020. The Company's Spurlock Station will be in compliance with ELG prior to the deadlines articulated in the Proposed Rule.

On May 18, 2018, the PSC granted the Cooperative a certificate of public convenience and necessity (CPCN) and also authorized an amendment to its environmental compliance plan to include a project that is necessary for Spurlock Station to comply with the final rules on CCR and ELG. The project, which also includes the closure of the Spurlock ash pond and settlement of the corresponding asset retirement obligation, is estimated at $262.4 million and will be substantially recovered through the Cooperative's environmental surcharge mechanism. The EPA's review and potential changes to the CCR and ELG rules did not affect EKPC beginning the construction project in January 2019 with an estimated completion date of November 2024.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

11. Environmental Matters (continued)

On September 6, 2019, the EPA's Affordable Clean Energy rule (ACE) became effective. The intent of ACE is to provide existing coal-fired electric utility generating units, (EGUs), with achievable and realistic standards for reducing greenhouse gas (GHG) emissions. This action was finalized in conjunction with three related, but separate and distinct rulemakings: 1) the repeal of the Clean Power Plan (CPP), 2) the replacement of the Clean Power Plan by the ACE that will set new standards of performance based upon the Best Emission System of Reductions (BSER) and 3) revisions to the Clean Air Act Section 111(d) implementation regulations that shift greater discretion to the states for the implementation of ACE. New emission guidelines within ACE will influence the state's development of standards of performance to reduce carbon dioxide (CO2) emissions from existing coal-fired EGUs – consistent with EPA's role as defined under the CAA. EKPC will continue to evaluate the impact of this rule on its existing coal-fired fleet and remain actively engaged with the Kentucky Environmental Cabinet and EPA to understand their interpretation of the standards of performance.

12. Related Party Transactions

The Cooperative is a member of CFC, which provides a portion of the Cooperative's financing, including a $100 million fixed rate loan executed in 2019. CFC is also a joint lead arranger and an 18.3% participant in the Cooperative's $600 million unsecured credit facility. Held-to-maturity investments included CFC capital term certificates of $8.1 million and $8.2 million at December 31, 2019 and 2018, respectively. CFC Patronage capital assigned to EKPC was $1.5 million and $1.3 million at December 31, 2019 and 2018, respectively.

The Cooperative is also a member of CoBank, which is a 15% participant in the Cooperative's $600 million unsecured credit facility. The balance of CoBank patronage capital assigned to EKPC was $0.5 million and $0.4 million at December 31, 2019 and 2018, respectively.

EKPC is a member of ACES LLC (ACES), which provides various energy marketing, settlement and risk management related services to its members and clients. EKPC's Chairman of the Board and EKPC's CEO serve as ACES Board Members. EKPC accounts for its investment in ACES on the cost basis of accounting. At December 31, 2019 and 2018, the balance of EKPC's investment in ACES was approximately $0.6 million. Payments to ACES were $2.3 million in 2019 and in 2018.

East Kentucky Power Cooperative, Inc.

Notes to Financial Statements (continued)

13. Subsequent Events

On March 10, 2020, the Cooperative gave notice to RUS that the Cooperative will prepay approximately $358 million in higher interest rate loans on August 14, 2020 from the Cushion of Credit, pursuant to the provisions of the 2018 Farm Bill which enables RUS borrowers to use funds in the Cushion of Credit to prepay RUS/FFB loans with no prepayment penalty through September 30, 2020.

In March 2020, the outbreak of COVID-19 (coronavirus) caused by a novel strain of the coronavirus was recognized as a pandemic by the World Health Organization. The federal government and the Commonwealth of Kentucky both declared states of emergency. The outbreak has become increasingly widespread in the United States and has begun to have a notable impact on general economic conditions, including early indications of reduced consumer spending due to both job losses and temporary business closures as well as other effects attributable to the coronavirus and various regulatory governmental actions. The Company continues to monitor the coronavirus outbreak and its impacts closely. The extent to which the coronavirus outbreak will impact the Company's operations or financial results is uncertain. However the Company believes it has sufficient equity and liquidity to sustain through and beyond the event.

Management has evaluated subsequent events through March 31, 2020, which is the date these financial statements were available to be issued.

Supplementary Information

East Kentucky Power Cooperative, Inc.

Schedules of Deferred Debits and Credits

(Dollars in Thousands)

	December 31 2019	December 31 2018	RUS Approval
Regulatory asset – plant abandonment – Smith Unit 1	**$ 88,847**	$ 123,506	*
Regulatory asset– plant abandonment – Dale Station	**750**	1,012	*
Regulatory asset– major maintenance	**7,244**	–	*
Regulatory asset – ARO related depreciation and accretion	**38,056**	38,029	Part 1767 Account 182
Total regulatory assets	**$ 134,897**	$ 162,547	
Debt issuance costs – unsecured credit facility	**$ 1,086**	$ 1,142	Part 1767 Account 181
Preliminary survey and investigation charges	**579**	537	1767.13(d)(1)
Miscellaneous deferred charges	**963**	468	1767.13(d)(3)
Total deferred charges	**$ 2,628**	$ 2,147	

* The Cooperative obtained written approval for the deferred debit from the Rural Utilities Service.

	December 31 2019	December 31 2018	RUS Approval
Regulatory liability – environmental surcharge	**$ 1,033**	$ 874	Part 1767 Account 254
Regulatory liability – fuel adjustment clause	**2,741**	3,676	Part 1767 Account 254
Total regulatory liabilities	**$ 3,774**	$ 4,550	
Deferred solar panel licenses	**$ 422**	$ 403	Part 1767 Account 253
Total deferred charges	**$ 422**	$ 403	

East Kentucky Power Cooperative, Inc.

Schedule of Investments

(Dollars in Thousands)

Entity name	**ACES**
Principal business	Purchase and sell power
Ownership percentage	4.76%
Accounting method	Cost basis
Activity since original investment:	
Original investment	$ 750
Advances	507
Repayments	(504)
Accumulated loss	(129)
Book value of investment at December 31, 2019 and 2018	$ 624

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Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Management and the Board of Directors of
East Kentucky Power Cooperative, Inc.

We have audited, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of East Kentucky Power Cooperative, Inc., which comprise the statement of financial position as of December 31, 2019, and the related statements of revenue and expenses and comprehensive margin, changes in members' equities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 31, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered East Kentucky Power Cooperative, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of East Kentucky Power Cooperative, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of East Kentucky Power Cooperative, Inc.'s internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether East Kentucky Power Cooperative, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ernst & Young LLP

March 31, 2020

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Report on Compliance with Aspects of Contractual Agreements and Regulatory Requirements for Electric Borrowers

Board of Directors
East Kentucky Power Cooperative, Inc.
Winchester, Kentucky

Independent Auditors Report

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of East Kentucky Power Cooperative, Inc. (EKPC), which comprise the balance sheet as of December 31, 2019, and the related statement of revenue and expenses and comprehensive margin, change in members' equities, and change in cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 31, 2020. In accordance with *Government Auditing Standards*, we have also issued our report dated March 31, 2020, on our consideration of EKPC's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. No other reports other than the reports referred to above, except the debt covenant compliance report dated March 31, 2020, related to our audit have been furnished to management.

In connection with our audit, nothing came to our attention that caused us to believe that EKPC failed to comply with the terms, covenants, provisions, or conditions of their loan, grant, and security instruments as set forth in 7 CFR Part 1773, *Policy on Audits of Rural Utilities Service Borrowers*, §1773.33, insofar as they relate to accounting matters as enumerated below. However, our audit was not directed primarily toward obtaining knowledge of noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding EKPC's noncompliance with the above-referenced terms, covenants, provisions, or conditions of the contractual agreements and regulatory requirements, insofar as they relate to accounting matters. In connection with our audit, we noted no matters regarding the Company's accounting and records to indicate that the Company did not:

- Maintain adequate and effective accounting procedures;
- Utilize adequate and fair methods for accumulating and recording labor, material, and overhead costs, and the distribution of these costs to construction, retirement, and maintenance or other expense accounts;
- Reconcile continuing property records to controlling general ledger plant accounts;

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- Clear construction accounts and accrue depreciation on completed construction
- Record and properly price the retirement of plant;
- Seek approval of the sale, lease or transfer of capital assets and disposition of proceeds for the sale or lease of plant, material, or scrap;
- Maintain adequate control over materials and supplies;
- Prepare accurate and timely Financial and Operating Reports;
- Obtain written Rural Utilities Service (RUS) approval to enter into any contract for the management, operation, or maintenance of the borrower's system if the contract covers all or substantially all of the electric system;
- Disclose material related party transactions in the financial statements, in accordance with requirements for related parties in generally accepted accounting principles;
- Record depreciation in accordance with RUS requirements (See RUS Bulletin 183-1, Depreciation Rates and Procedures);
- Comply with the requirements for the detailed schedule of deferred debits and deferred credits; and
- Comply with the requirements for the detailed schedule of investments.

The purpose of this report is solely to communicate, in connection with the audit of the financial statements, on compliance with aspects of contractual agreements and regulatory requirements for electric borrowers based on the requirements of 7 CFR Part 1773, *Policy on Audits of Rural Utilities Service Borrowers and Grantees*. Accordingly, this report is not suitable for any other purpose.

Ernst + Young LLP

March 31, 2020

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