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COMMISSION

September 1, 2010

VIA U.S. MAIL

Mr. Jeff Derouen
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

Re: Case No. 2010-00167

Dear Mr. Derouen:

Please find enclosed for filing with the Commission in the above-reference case, an original and ten copies of East Kentucky Power Cooperative, Inc.'s ("EKPC") revision to Response 24 of Gallatin Steel's Second Set of Data Requests, originally filed August 19, 2010.

Please stamp and return the copy marked "to be stamped" in the enclosed postage paid envelope.

Very truly yours,



Ann F. Wood
Manager, Regulatory Services

Enclosures

Cc: Parties of Record

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COMMISSION

GALLATIN Request 24

Page 1 of 7

(Revised)

EAST KENTUCKY POWER COOPERATIVE, INC.

PSC CASE NO. 2010-00167

SECOND SET OF DATA REQUESTS RESPONSE

GALLATIN'S SECOND SET OF DATA REQUESTS DATED 08/05/10

REQUEST 24

RESPONSIBLE PERSON: Ann F. Wood

COMPANY: East Kentucky Power Cooperative, Inc.

Request 24. Refer to the Company's response to Staff 2-2. Please provide a variance analysis for the base period compared to calendar year 2009 by account using the trial balance for the base period provided in Volume 5 Tab 48 and the trial balance for the calendar year 2009 provided in response to the immediately preceding question. In the variance analysis, please describe the reasons for all variances in expenses of greater than 5%, please identify the reason(s) for the variance and a quantification for each reason. Please address the reasons for the variance rather than the result. For example, if there is an increase in payroll expenses, that is the result. The reason may be that the Company increased staffing for a new generating unit.

Response 24. A variance analysis is provided on pages 2 through 7 of this response. Because of the extensive amount of time required in providing explanations to all variances greater than 5% without an associated monetary threshold, EKPC used flux criteria of greater than \$500,000 and 5% for providing explanations.

EAST KENTUCKY POWER COOPERATIVE, INC.

TRIAL BALANCE
YEAR ENDED 12/31/2009

EAST KENTUCKY POWER COOPERATIVE, INC.

BASE YEAR TRIAL BALANCE
12 MONTHS ENDED AUGUST 31, 2010

FERC Account	Account	Description	8/31/2010	12/31/2009	Variance	% Variance	Explanation
403	40310	Depr Exp Steam Prod Pnt Lab	\$ 14,944.48	\$ 25,619.13	\$ (10,674.65)	-42%	
403	40311	Depr Exp Steam Prod Pnt Dale	271,230.69	187,775.64	83,455.05	44%	
403	40312	Depr Exp Steam Prod Pnt Cooper	2,164,106.65	2,282,214.43	(118,107.78)	-5%	
403	40313	Depr Exp Steam Prod Plant CB	693,759.75	622,954.31	70,805.44	11%	
403	40314	Depr Exp Steam Prod Pnt Spur 2	26,408,898.51	12,256,051.79	14,152,846.72	115%	Scrubber became operational in 11/2009. All budget amounts are included in 40314 for the budget portion of the base period. The base period includes the entire year where the YTD 12/31/2009 does not.
403	403144	Depr Exp Steam Prod Pnt Gilber	5,781,184.35	9,908,594.62	(4,127,410.27)	-42%	
403	403145	Depr Exp Steam Prod Pnt-Splk4	7,641,662.47	9,693,247.10	(2,051,584.63)	-21%	Spurlock Unit 4 became operational in 4/2009. All budget amounts are included in 40314 for the budget portion of the base period. The base period includes the entire year where the YTD 12/31/2009 does not.
403	40315	Depr Exp Steam Prod Pnt-SpurC	2,497,023.89	4,275,487.89	(1,778,464.00)	-42%	Depreciation for all CT's is budgeted under 40341 for the base year. Also includes CT's 9 and 10.
403	40340	Depr Exp CT Common	800,879.42	1,363,825.25	(562,945.83)	-41%	
403	403406	Depr Exp CT Unit 6	331,647.44	568,538.43	(236,890.99)	-42%	
403	403407	Depr Exp CT Unit 7	328,262.39	562,735.45	(234,473.06)	-42%	
403	40341	Depr Exp CT Unit 1	4,614,758.20	650,230.73	3,964,527.47	610%	includes 9 & 10
403	40342	Depr Exp CT Unit 2	363,685.28	623,460.53	(259,775.25)	-42%	
403	40343	Depr Exp CT Unit 3	381,111.92	653,334.69	(272,222.77)	-42%	
403	40344	Depr Exp CT Unit 4	494,187.67	847,178.74	(352,991.07)	-42%	
403	40345	Depr Exp CT Unit 5	426,899.51	731,827.77	(304,928.26)	-42%	
403	40346	Depr Exp Green Valley LF	44,762.14	76,730.34	(31,968.20)	-42%	
403	40347	Depr Exp Laurel Ridge LF	60,918.73	105,589.92	(44,671.19)	-42%	
403	40348	Depr Exp Bavarian LF	274,906.01	95,315.08	179,590.93	188%	
403	403481	Depr Exp Hardin Co LF	59,816.55	102,605.32	(42,788.77)	-42%	
403	403482	Depr Exp Pendleton Co LF	69,661.45	136,582.99	(66,921.54)	-49%	
403	403483	Depr Exp Mason Co LF	42,911.47	0.00	42,911.47	0%	
403	40349	Depr Exp Diesel Generator	81,358.84	81,358.00	0.84	0%	
403	40350	Depr Exp Transmission Plant	5,979,939.58	5,547,570.79	432,368.79	8%	
403	40351	Depr Exp Transmission Plant CB	99,124.79	169,928.33	(70,803.54)	-42%	
403	40360	Depr Exp Distribution Plant	5,136,127.20	4,867,035.20	269,092.00	6%	
403	40370	Depr Exp General Plant	5,747,392.98	4,060,355.83	1,687,037.15	42%	Additions to General plant closed out in March 2010.
403	40372	Depr Exp General Plant-Nonreg	375.62	643.92	(268.30)	-42%	
405	40500	Amortization Intangible Plant	51,881.24	51,881.57	(0.33)	0%	
409	40902	Taxes-Other States	800.00	800.00	-	0%	
411	41180	Gain Disposition of Allowance	(100,000.00)	(43,036.48)	(56,963.52)	132%	
417	41710	Exp NonUtility Oper-Oth/ACES	2,193.40	748.22	1,445.18	193%	
417	41711	Expense NonUtility Oper-Propan	7,972.87	35,765.39	(27,792.52)	-78%	
417	41712	Expense NonUtility Oper-Envisi	33,732.07	18,829.93	14,902.14	79%	
419	41900	Interest & Dividend Inc-Reg	(3,130,431.54)	(3,135,360.85)	4,929.31	0%	
419	41902	Interest Dividend Inc-Nonregul	(64,916.18)	(94,730.87)	29,814.69	-31%	
419	41910	Interest Inc Inland Container	(320,868.00)	(385,044.00)	64,176.00	-17%	Effective March 31, 2009 the PSC allowed EKPC to receive a cash return on CWIP therefore the practice of accruing any AFUDC ceased.
419	41911	Allowance Oth Funds Used Const	-	(4,883,872.37)	4,883,872.37	-100%	
421	42102	Misc Income Oth-Regulated	(48.00)	(22,793.14)	22,745.14	-100%	
421	42110	Gain Disposition of Prop-Reg	(51,730.46)	(55,495.64)	3,765.18	-7%	
421	42120	Loss Disposition of Prop-Reg	200.00	82,815.42	(82,615.42)	-100%	
424	42400	Oth Cap Cred Patr Cap Alloc	(371,810.07)	(264,434.94)	(107,375.13)	41%	

FERC Account	Account	Description	8/31/2010	12/31/2009	\$ Variance	% Variance	Explanation
426	42610	Donations	95,759.50	94,746.50	\$ 1,013.00	1%	
426	42620	Life Insurance	(42,721.83)	(24,841.69)	(17,880.14)	72%	
426	42630	Penalties	2,117,642.00	4,937,772.00	(2,820,130.00)	-57%	Due to increase in margins the EPA penalty has increased.
426	42640	Civic & Political Activities	37,397.90	54,230.16	(16,832.26)	-31%	
426	42650	Other Deductions-Regulated	891,596.52	1,139,994.24	(248,397.72)	-22%	
426	42651	Discount Lost	7,309.03	9,146.57	(1,837.54)	-20%	
426	42652	Other Deductions-Nonregulated	(132,133.75)	(132,133.75)	\$ -	0%	
427	42710	Interest RUS Construction Loan	1,794,680.97	1,904,065.50	(109,384.53)	-6%	
427	42711	Interest RUS Const Loan CB	-	456.74	(456.74)	-100%	Variance due to loan advances received & anticipated during & after 2009 in the base year
427	42712	Interest FFB Const Loan	106,692,154.81	91,309,739.85	\$ 15,382,414.96	17%	Variance is because this is a LIBOR-based loan & LIBOR rates declined in 2009 causing interest expense to decline from earlier in the year.
427	427131	Int Oth LTD Sr Cr Fac	5,626,044.91	11,886,847.24	(6,260,802.33)	-53%	Variance because bridge loan for the CTs was paid off in Nov 2009, resulting in lower interest expense for the base period.
427	427151	Int Oth LTD CT9-10	1,220,547.94	4,604,794.50	(3,384,246.56)	-73%	Variance because bridge loan for the CTs was paid off in Nov 2009, resulting in lower interest expense for the base period.
427	427161	Int Oth LTD CT9-10 CTC's	258,981.78	939,528.37	(680,546.59)	-72%	lower interest expense for the base period.
427	42717	Int Oth LTD CFC T62	182,138.53	182,254.58	(116.05)	0%	
427	42718	Int Oth LTD CFC R12	232,598.69	232,254.23	\$ 344.46	0%	
427	42719	Int Oth LTD NCSC Inland	380,187.50	457,187.50	(77,000.00)	-17%	
427	42720	Int Oth LTD CFC P12 Loan	206,099.34	216,542.61	(10,443.27)	-5%	
427	42721	Int Oth LTD CFC CB	159,618.08	181,791.34	(22,173.26)	-12%	
427	42723	Int Oth LTD CFC CTC Invest	8,297.13	9,447.17	(1,150.04)	-12%	
427	42725	Int Oth LTD Smith Poll Control	157,923.32	369,890.51	(211,967.19)	-57%	
427	42727	Int Oth LTD Cooper PCB	222,478.17	276,093.76	(53,615.59)	-19%	
427	42729	Int Oth LTD Spur Poll Control	1,082,240.13	722,246.10	\$ 359,994.03	50%	
427	427291	Int Oth LTD CREB	27,589.53	26,623.93	\$ 965.60	4%	
428	42802	Amrt Dbt Disc Exp Spur PCB ISS	51,061.82	51,063.12	(1.30)	0%	
428	42803	Amrt Dbt Disc Exp Smith PCB ISS	41,687.72	41,687.52	\$ 0.20	0%	
428	42805	Amrt Dbt Disc Exp Coop PCB ISS	10,026.65	10,031.40	(4.75)	0%	
428	42806	Amrt Dbt Exp Sr Cr Fac	1,279,236.69	1,024,580.04	\$ 254,656.65	25%	
428	42807	Amrt Dbt Exp CREB	44,281.12	44,281.92	(0.80)	0%	
431	43100	Other Interest Expenses-Reg	40,337.89	35,780.84	\$ 4,557.05	13%	
447	44710	Sales Resale RUS Borr Mbr Coop	(800,021,255.00)	(735,745,960.00)	\$ (64,275,295.00)	9%	Increase due hotter temperatures (up 6 degrees June 2009 to 2010)
447	44711	Sales Resale RUS Borr Off Sys	(434,031.00)	(773,905.80)	\$ 339,874.80	-44%	
447	44713	Sales-Resale-MBR Coop-Grn Pwr	(67,637.00)	(114,934.00)	\$ 47,297.00	-41%	
447	44720	Sales Resale NON RUS Off Sys	(6,684,203.67)	(9,070,627.86)	\$ 2,386,424.19	-26%	Decrease due to base load capacity needed to serve native load.
449	44910	Revenue Subject to Refund	9,431,793.00	(11,439,089.00)	\$ 20,870,882.00	-182%	Varies due to O/U recovery on FAC, ES
451	45100	Misc Service Revenues-Reg	(18,082.49)	(10,433.58)	(7,648.91)	73%	
454	45401	Rent From Electric Prop-Reg	(97,647.50)	(92,291.94)	(5,355.56)	6%	
456	45600	Oth Elect Rev Wheeling	(1,047,223.17)	(306,211.50)	(741,011.67)	242%	This account represents revenues from wheeling activities and should be viewed in conjunction with accounts 45631-45633. For budgeting purposes, wheeling charges associated with various KU/EKPC interconnection points are reported in this account, but are recorded in accounts 45631-45633 on the actual sides. Excluding these revenues from 45600 leaves a test year total \$369,663 versus the 2009 actuals total of \$306,211.
456	45601	Oth Elect Rev TVA Monticello	-	(2,864.00)	\$ 2,864.00	-100%	
456	45603	Oth Elect Rev Sales Tax Compon	(16,907.46)	(16,693.66)	(213.80)	1%	
456	45604	Oth Elect Rev Miscellaneous	(80,000.00)	(240,000.00)	\$ 160,000.00	-67%	
456	45605	Oth Elect Rev Zulia Sub Rent	-	(12,016.77)	\$ 12,016.77	-100%	

This account represents revenues from wheeling activities and should be viewed in conjunction with accounts 45631-45633. For budgeting purposes, wheeling charges associated with various KU/EKPC interconnection points are reported in this account, but are recorded in accounts 45631-45633 on the actual sides. Excluding these revenues from 45600 leaves a test year total \$369,663 versus the 2009 actuals total of \$306,211.

FERC Account	Account	Description	8/31/2010	12/31/2009	\$ Variance	% Variance	Explanation
			(12,399,759.00)	(12,953,999.00)	\$ 554,240.00	-4%	This account represents EKPC's steam sales to Inland Container. These sales have trended slightly higher than anticipated resulting in the larger actual number for 2009 versus the test year which includes several budgeted periods.
456	45606	Oth Elect Rev Steam Inland Con	(109,392.00)	(109,392.00)	\$ -	0%	
456	45612	Oth Elect Rev Cagles Facility	(42,124.06)	(42,126.96)	\$ 2.90	0%	
456	45614	Oth Elect Rev Big Sandy Inez69	(1,672,525.74)	(2,026,422.70)	\$ 353,896.96	-17%	
456	45632	Oth Rev Oth Tran NonFirm Pt P	(91,415.67)	(91,211.60)	\$ (204.07)	0%	
456	45633	Oth Rev Oth Tran Anc Svc 3_1	(41,243.83)	(40,971.04)	\$ (272.79)	1%	
456	45634	Oth Rev Oth Tran Anc Svc 3_2	1,605,320.44	1,319,923.42	\$ 285,397.02	22%	
500	50020	Operation Supr Engr Dale	1,982,430.74	1,700,420.37	\$ 282,010.37	17%	
500	50030	Operation Supr Engr Cooper	3,071,853.25	2,258,035.27	\$ 813,817.98	36%	Labor and benefits increased \$632K as a result of decreased construction (capital) activities; Consulting expense increased \$143K.
500	50040	Operation Supr Engr Spik	421,282.85	419,323.88	\$ 1,958.97	0%	
500	50041	Operation Supr Engr Spik 1	419,380.96	414,413.74	\$ 4,967.22	1%	
500	50042	Operation Supr Engr Spik 2	0.00	0.00	\$ 0.00	0%	
500	500431	Operation Supr Engr Scrub1	77,756.00	60,571.82	\$ 17,184.18	28%	
500	500432	Operation Supr Engr Scrub2	431,357.08	452,988.20	\$ (21,631.12)	-5%	
500	50044	Operation Supr Engr Gilbert	403,739.91	285,981.62	\$ 117,758.29	41%	
500	50045	Operation Supr Engr Spik4	29,031,755.35	28,235,233.23	\$ 796,522.12	3%	
501	50120	Fuel Coal Dale	478,745.02	409,645.21	\$ 69,099.81	17%	
501	50121	Fuel Oil Dale	53,985,104.71	49,719,064.76	\$ 4,266,039.95	9%	Fuel Costs increased starting in late 2009 and continued to rise, especially in the contracts Cooper uses (One supplier increased \$10 per ton)
501	50130	Fuel Coal Cooper	303,412.85	305,585.23	\$ (2,172.38)	-1%	
501	50131	Fuel Oil Cooper	53,992,119.00	49,679,175.95	\$ 4,312,943.05	9%	Cost of coal purchased in 2009 decreased.
501	50141	Fuel Coal Spik 1	82,146,658.63	81,653,913.56	\$ 492,745.07	1%	
501	50142	Fuel Coal Spik 2	42,768,012.58	37,389,005.31	\$ 5,379,007.27	14%	Cost of coal purchased in 2009 decreased.
501	50144	Fuel Coal Gilbert	46,416,710.48	27,116,571.97	\$ 19,300,138.51	71%	Increased fuel costs starting in late 2009 which are continuing to rise and unit became operational in April 2009 thus base year includes full year compared to YTD 12/31/2009.
501	50145	Fuel Coal Spik 4	81,635.64	436,976.78	\$ (355,341.14)	-81%	
501	50146	Fuel Oil Spik 1	521,946.41	481,690.42	\$ 40,255.99	8%	
501	50147	Fuel Oil Spik 2	506,704.63	761,099.61	\$ (254,394.98)	-33%	
501	50148	Fuel Oil Gilbert	439,269.24	588,573.62	\$ (149,304.38)	-25%	
501	50149	Fuel Oil Spik 4	1,641,898.04	1,653,008.48	\$ (11,110.44)	-1%	
502	50220	Steam Expenses Dale	1,477,855.91	1,366,246.26	\$ 111,609.65	8%	
502	50230	Steam Expenses Cooper	2,677,368.19	1,980,371.37	\$ 696,996.82	35%	Lab supplies and chemicals increased \$629K due to having a full year of Spurlock 4 in the base year, coupled with projected market price increases of chemicals.
502	50240	Steam Expenses Spurlock	1,106,710.01	963,814.80	\$ 142,895.21	15%	
502	50241	Steam Expenses Spik 1	1,039,219.19	1,042,622.63	\$ (3,403.44)	0%	
502	50242	Steam Expenses Spurlock 2	218,075.39	0.00	\$ 218,075.39	0%	
502	502431	Steam Expenses Scrub1	389,101.47	104,906.49	\$ 284,194.98	271%	
502	502432	Steam Expenses Scrub2	1,037,259.02	1,150,008.95	\$ (112,749.93)	-10%	
502	50244	Steam Expenses Gilbert	1,317,964.46	655,846.32	\$ 662,118.14	101%	Unit # 4 became operation in April 2009. Base year will include more months of operation than YTD 12/31/2009.
505	50245	Electric Expenses Spik4	1,114,560.32	1,000,947.25	\$ 113,613.07	11%	
505	50520	Electric Expenses Dale	1,160,718.86	1,103,212.94	\$ 57,505.92	5%	
505	50530	Electric Expenses Cooper	131,949.97	126,034.87	\$ 5,915.10	5%	
505	50540	Electric Expenses Spurlock	676,618.49	624,064.10	\$ 52,554.39	8%	
505	50541	Electric Expenses Spurlock 1	744,731.50	700,282.74	\$ 44,448.76	6%	
505	50542	Electric Expenses Spurlock 2	51,780.00	0.00	\$ 51,780.00	0%	

FERC Account	Account	Description	8/31/2010	12/31/2009	\$ Variance	% Variance	Explanation
505	505432	Electric Expenses Scrub2	71,998.17	22,259.21	\$ 49,738.96	223%	
505	50544	Electric Expenses-Gilbert	733,691.90	737,954.08	\$ (4,262.18)	-1%	
505	50545	Electric Expenses Spk4	572,865.23	475,825.16	\$ 97,040.07	20%	
506	50620	Misc Steam Power Exp Dale	601,102.07	464,350.69	\$ 136,751.38	29%	
506	50621	Misc Steam Power Exp ENV Dale	664,390.10	678,991.58	\$ (14,601.48)	-2%	
506	50630	Misc Steam Power Exp Cooper	1,413,929.05	1,206,871.05	\$ 207,058.00	17%	
506	50631	Misc Steam Power Exp ENV Cpr	995,614.16	830,989.02	\$ 164,625.14	20%	
506	50640	Misc Steam Power Exp Spurlock	4,515,841.48	4,608,819.40	\$ (92,977.92)	-2%	
506	50641	Misc Steam Power Exp Spurlock 1	1,480,284.59	1,903,509.42	\$ (423,224.83)	-22%	
506	50642	Misc Steam Power Exp Spurlock 2	1,549,452.66	1,858,896.80	\$ (309,444.14)	-17%	
506	50643	Misc Steam Power Exp Scrubbers	2,192.90	0.00	\$ 2,192.90	0%	
Scrubbers became operation in 2009. Base year will include more months of operation that YTD 12/31/2009							
506	506431	Misc Steam Power Exp Scrubber1	1,289,018.97	349,674.96	\$ 939,344.01	269%	
506	506432	Misc Steam Power Exp Scrubber2	2,044,613.69	1,888,867.64	\$ 155,746.05	8%	
506	50644	Misc Steam Power Exp Gilbert	4,681,942.31	4,227,804.90	\$ 454,137.41	11%	
506	506444	Misc Steam Power Exp ENV Gilb	597,812.71	576,947.83	\$ 20,864.88	4%	
506	506446	Misc Steam Pwr Exp ENV Spk 4	3,505,834.94	1,973,668.90	\$ 1,532,166.04	78%	Unit #4 became operational in April 2009.
506	506445	Misc Steam Pwr Exp ENV SpkCom	928,940.70	682,239.27	\$ 246,701.43	36%	
506	50645	Misc Steam Pwr Exp ENV Spk1	751,084.60	794,241.58	\$ (43,156.98)	-5%	
506	50646	Misc Steam Pwr Exp ENV Spk1	508,649.48	418,112.76	\$ 90,536.72	22%	
509	50927	Misc Steam Pwr Exp ENV Spk2	715,049.92	454,436.03	\$ 260,613.89	57%	
509	50930	Allowances Cooper	1,754,465.00	2,389,798.80	\$ (635,333.80)	-27%	Reduction in price of allowances.
509	50940	Allowances Spurlock	3,832,760.00	4,651,740.71	\$ (818,980.71)	-18%	Reduction in price of allowances.
509	50950	Allowances Smith	1,602,195.00	3,345,404.77	\$ (1,743,209.77)	-52%	Reduction in price of allowances and reduced need due to scrubbers.
510	51020	Maint Superv Engr Dale	37,633.00	45,329.00	\$ (7,696.00)	-17%	
510	51030	Maint Superv Engr Cooper	820,151.75	740,996.54	\$ 79,155.21	11%	
510	51040	Maint Superv Engr Spurlock	580,294.19	503,946.84	\$ 76,347.35	15%	
511	51110	Maint of Structures Centrl Lab	1,411,354.35	1,326,616.56	\$ 84,737.79	6%	
511	51120	Maint of Structures Dale	32,943.40	18,164.76	\$ 14,778.64	81%	
511	51130	Maint of Structures Cooper	239,821.52	178,536.54	\$ 61,284.98	34%	
511	51140	Maint of Structures Spurlock	630,349.63	784,292.28	\$ (153,942.65)	-20%	
512	51220	Maint of Boiler Plant Dale	2,921,163.21	2,040,235.36	\$ 880,927.85	43%	# of Units in operation in base year increased thus increasing maintenance.
512	51230	Maint of Boiler Plant Cooper	6,061,063.36	4,689,915.41	\$ 1,371,147.95	29%	Major overhaul maintenance vs. only necessary maintenance in 2009
Bought sky climbers (\$150,000+), Repair & Replacement of Barge Unloader(\$456,000+), Removal of material for coal pile runoff not in 2009, increased staff							
512	51240	Maint of Boiler Plant Spurlock	7,091,803.76	5,952,747.51	\$ 1,139,056.25	19%	
512	51241	Maint of Boiler Plant Spk 1	3,397,185.45	3,739,300.28	\$ (342,114.83)	-9%	
512	51242	Maint of Boiler Plant Spk 2	3,031,007.87	2,799,148.42	\$ 231,859.45	8%	
512	51243	Maint of Boiler Plant Scrubber	443,095.74	456,041.43	\$ (12,945.69)	-3%	
Scrubber operational in 8/2009. Base year will have more months of operation than YTD ended 12/31/2009							
512	512431	Maint Boiler Plant Scrubber 1	733,635.45	127,412.51	\$ 606,222.94	476%	
512	512432	Maint Boiler Plant Scrubber 2	2,153,819.95	1,434,732.18	\$ 719,087.77	50%	Scrubber #2 became operational in 11/2009.
Increase in various maintenance projects for Gilbert, including Pollution control equipment being one of the larger projects.							
512	51244	Maint of Boiler Plant Gilbert	4,742,791.65	4,148,819.75	\$ 593,971.90	14%	
512	51245	Maint of Boiler Plant Spk 4	2,960,311.91	1,743,132.35	\$ 1,217,179.56	70%	#4 Oper. In 04/2009. 1st year maintenance much under warranty
513	51320	Maint of Electric Plant Dale	341,229.50	2,439,283.05	\$ (2,098,053.55)	-86%	Overhaul in 2009 making up \$1.7 million variance.
513	51330	Maint of Electric Plant Cooper	3,204,666.59	4,874,313.79	\$ (1,669,647.20)	-34%	Overhaul of Unit #1 in 2009.
513	51340	Maint of Electric Plant Spk	311,584.81	79,432.23	\$ 232,152.58	292%	
513	51341	Maint of Electric Plant Spk 1	506,974.90	582,492.88	\$ (75,517.98)	-13%	
513	51342	Maint of Electric Plant Spk 2	410,934.84	389,839.68	\$ 21,095.16	5%	
513	51344	Maint of Electric Plant Gilbert	1,144,064.04	362,528.29	\$ 781,535.75	216%	Unit #3 Turbine Maintenance in base year - \$1.2 million
513	51345	Maint of Electric Plant Spur 4	201,139.19	103,622.01	\$ 97,517.18	94%	

FERC Account	Account	Description	8/31/2010	12/31/2009	\$ Variance	% Variance	Explanation
514	51420	Maint of Misc Steam Plant Daile	4,258.22	7,183.21	\$ (2,924.99)	-41%	
514	51430	Maint of Misc Steam Plant Cpr	40,367.84	92,673.11	\$ (52,305.27)	-56%	
514	51440	Maint of Misc Steam Plant Splk	20,505.26	24,282.57	\$ (3,777.31)	-16%	
546	54651	Operation Superv Engr CT	277,328.22	272,452.00	\$ 4,876.22	2%	
546	54661	Oper Supv Engr-Landfill Gas	86,621.53	106,988.31	\$ (20,366.78)	-19%	
547	54710	Fuel Diesel Genr Cooper	1,835.00	0.00	\$ 1,835.00	0%	
547	54711	Fuel CT Oil	1,242,242.23	634,075.43	\$ 608,166.80	96%	No oil used in May, July and December 2009.
547	54712	Fuel Diesel Genr Cagles	835.00	0.00	\$ 835.00	0%	
547	54721	Fuel CT Gas	25,675,371.79	17,099,936.91	\$ 8,575,434.88	50%	Both price and quantity of gas increased from 2009 to 2010.
547	54761	Fuel Landfill Gas/Meth Gas	360,372.20	329,605.50	\$ 30,766.70	9%	
548	54851	Generation Expense CT	2,751,295.61	2,591,918.05	\$ 159,377.56	6%	
548	54861	Generation Exp-Landfill Gas	494,442.16	582,240.60	\$ (87,798.44)	-15%	
549	54900	Misc Oth Power Genr Exp DG	7,985.06	2,010.26	\$ 5,974.80	297%	
549	54951	Misc Oth Power Genr Exp CT	550,752.22	287,896.96	\$ 262,855.26	91%	
549	54961	Environmental Expense-CT	378,176.46	430,954.81	\$ (52,778.35)	-12%	
549	54962	Environmental Expense-Landfill	61,507.44	70,188.31	\$ (8,680.87)	-12%	
549	54963	Misc Oth Pwr Genr Exp-Landfill	176,630.02	94,169.95	\$ 82,460.07	88%	
551	55151	Maint Super Engr CT	74,314.00	2,868.23	\$ 71,445.77	2491%	
551	55161	Maint Super Engr_Landfill Gas	-	24,362.02	\$ (24,362.02)	-100%	
552	55251	Maint of Structures-Smith	107,576.03	59,401.18	\$ 48,174.85	81%	
552	55261	Maint of Structures-LG	53,541.45	79,357.56	\$ (25,816.11)	-33%	
553	55300	Maint Gen Elect Eq DG	29,621.11	17,427.90	\$ 12,193.21	70%	
553	55351	Maint Gen Elect Eq CT	1,572,595.97	1,232,252.51	\$ 340,343.46	28%	
553	55361	Maint Gen Elec Eq Landfill Gas	2,079,841.01	1,545,221.45	\$ 534,619.56	35%	Major overhaul of Green Valley and Laurel Ridge budgeted in 2010.
554	55451	Maint Misc Oth Pwr Gen CT	99,877.48	98,813.51	\$ 1,063.97	1%	
555	55500	Purchased Power	65,832,651.65	94,595,182.76	\$ (28,762,531.11)	-30%	Spurlock #4 became operation in April 2009 therefore reducing need for outside purchased power.
556	55600	System Control Load Dispatch	3,751,899.32	3,643,002.51	\$ 108,896.81	3%	
557	55700	Long-Term Power Supply Expense	5,432,136.93	4,961,145.31	\$ 470,991.62	9%	
557	55701	Oth Exp Load Forecasting	408,770.34	333,665.05	\$ 75,105.29	23%	
557	55702	Oth Exp Broker Fees	1,844,094.02	1,882,283.82	\$ (38,189.80)	-2%	
560	56000	Oper Supv and Engineering	3,550,483.62	2,922,646.12	\$ 627,837.50	21%	Labor and benefits increased \$603K.
561	56100	Load Dispatch Transmission	2,557,908.47	2,536,940.45	\$ 20,968.02	1%	
562	56200	Station Expenses	2,084,271.44	2,524,182.26	\$ (439,910.82)	-17%	
563	56300	Overhead Line Expenses	3,248,796.68	1,690,706.88	\$ 1,558,089.80	92%	Change in allocation of property taxes.
565	56500	Trans Elect by Others	18,998,699.07	14,828,463.71	\$ 4,170,235.36	28%	Related to purchased power needed for 9 unscheduled outages.
566	56600	Misc Trans Expenses	532,632.19	567,937.70	\$ (35,305.51)	-6%	
567	56700	Rents	446,283.49	448,287.84	\$ (2,004.35)	0%	
568	56800	Maint Supv and Engineering	4,846.34	11,834.30	\$ (6,987.96)	-59%	
570	57000	Maint Station Equipment	2,652,141.74	1,731,480.84	\$ 920,660.90	53%	Increase of \$589K in oil spill containment and \$153K in routine substation maintenance. Labor and benefits also increased \$118K.
571	57100	Maint OH Lines Line Maint	3,164,092.75	2,530,288.99	\$ 633,803.76	25%	Increase of \$420K in right of way mowing, and \$207K in routine maintenance.
573	57300	Maint Misc Transmission Plant	119,031.62	51,316.69	\$ 67,714.93	132%	
581	58100	Load Dispatch Distribution	163,487.75	161,956.69	\$ 1,531.06	1%	
582	58200	Distribution Station Expenses	929,848.60	589,810.14	\$ 340,038.46	58%	
592	59200	Maint of Dist Station Eq	1,486,233.14	924,518.50	\$ 561,714.64	61%	Increase of \$565K in oil spill containment.
908	90800	Customer Assistance-Regulated	2,412,414.97	1,983,731.19	\$ 428,683.78	22%	
909	90900	Info/Instr Adv-Safety,Tech, Co	40,520.38	11,054.45	\$ 29,465.93	267%	
910	91000	Info/Instr Adv-Envir Educ-Reg	7,500.00	864.41	\$ 6,635.59	768%	
913	91300	Advertising Exp-Regulated	17,590.52	6,100.96	\$ 11,489.56	188%	
920	92000	Administrative General Salar	11,433,463.55	10,362,927.15	\$ 1,070,536.40	10%	Increase in executive staff.
921	92100	GA Office Supplies & Expenses	5,326,017.83	4,901,662.74	\$ 424,355.09	9%	

FERC Account	Account	Description	8/31/2010	12/31/2009	\$ Variance	% Variance	Explanation
923	92300	Outside Services-Regulated	4,433,526.42	4,864,797.92	\$ (431,271.50)	-9%	
925	92500	Injuries and Damages	1,977,082.78	2,005,367.02	\$ (28,284.24)	-1%	
926	92600	Employee Pensions Benefits	969,882.76	1,032,871.73	\$ (62,988.97)	-6%	
928	92800	PSC Annual Assessment	1,275,908.00	1,215,150.47	\$ 60,757.53	5%	
929	92900	Dupl Chgs Cr Elect HD WH	(487,856.00)	(483,399.00)	\$ (4,457.00)	1%	
929	92932	Oth Rev EKPC Tran NonFrm Pt Pt	622,067.00	1,609,029.72	\$ (986,962.72)	-61%	should net to zero
929	92933	Oth Rev EKPC Tran Anc Svc 3_1	33,955.83	87,829.65	\$ (53,873.82)	-61%	
929	92934	Oth Rev EKPC Tran Anc Svc 3_2	15,251.26	39,448.72	\$ (24,197.46)	-61%	
929	92940	Oth Rev Internal Trans Reserv	(671,274.09)	(1,736,308.09)	\$ 1,065,034.00	-61%	
930	93010	General Advertising Expenses	678,487.90	1,124,730.15	\$ (446,242.25)	-40%	
930	93020	Misc Gen Exp Directors Fees	365,405.90	406,623.04	\$ (41,217.14)	-10%	
930	93021	Misc General Exp Dues-Reg	1,620,177.43	1,609,475.92	\$ 10,701.51	1%	
930	93022	Misc Gen Exp Mbr PR-Reg	723,210.36	790,847.03	\$ (67,636.67)	-9%	
930	93023	Misc Gen Exp Tax Ins Alloc	494,357.38	531,599.69	\$ (37,242.31)	-7%	
930	93025	Misc Gen Exp Labor Exp RD_Reg	192,893.25	291,981.05	\$ (99,087.80)	-34%	
930	93026	Misc Gen Exp RD-Wastewater-Reg	(3.62)	109.11	\$ (112.73)	-103%	
935	93500	Maint General Plant Winchester	1,663,907.26	934,103.42	\$ 729,803.84	78%	All EKPC warehouses are now being charged to 93500 rather than that allocated to various accounts.
		Net Margin	\$ (19,034,295.64)	\$ (30,569,020.76)	\$ 11,534,725.12		
			\$	\$ 11,534,725.12			