BOEHM, KURTZ & LOWRY

ATTORNEYS AT LAW
36 EAST SEVENTH STREET
SUITE 1510
CINCINNATI, OHIO 45202
TELEPHONE (513) 421-2255

TELECOPIER (513) 421-2764

VIA OVERNIGHT MAIL

September 2, 2010

RECEIVED
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PUBLIC SERVICE COMMISSION

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

Re: Case No. 2010-00167

Dear Mr. Derouen:

Please find enclosed the original and twelve (12) copies each of the DIRECT TESTIMONY AND EXHIBITS LANE KOLLEN, STEPHEN J. BARON and PAUL A. COOMES on behalf of GALLATIN STEEL filed in the above-referenced matter.

By copy of this letter, all parties listed on the attached Certificate of Service been served. Please place this document of file.

Very Truly Yours,

Michael L. Kurtz, Esq.
BOEHM, KURTZ & LOWRY

MLKkew
Attachment
cc: Certificate of Service
Richard G. Raff, Esq.
Quang D. Nguyen, Esq.

G:\WORK\MLK\GALLATIN\2010-00167 (Rate Case)\Derouen Ltr. doc

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing was served by mailing a true and correct copy, by first-class postage prepaid mail, to all parties on the 2nd day of September, 2010.

Lawrence W Cook
Assistant Attorney General
Office of the Attorney General Utility & Rate
1024 Capital Center Drive
Suite 200
Frankfort, KY 40601-8204

Ann F Wood
East Kentucky Power Cooperative, Inc.
4775 Lexington Road
P. O. Box 707
Winchester, KY 40392-0707

Mark David Goss
Frost, Brown, Todd, LLC
250 West Main Street
Suite 2700
Lexington, KY 40507

Michael L. Kurtz, Esq.

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

GENERAL ADJUSTMENT OF ELECTRIC	)	CASE NO.
RATES OF EAST KENTUCKY POWER	)	2010-00167
COOPERATIVE, INC.	)	

DIRECT TESTIMONY

AND EXHIBITS

OF

LANE KOLLEN

ON BEHALF OF

GALLATIN STEEL COMPANY

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

SEPTEMBER 2010

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

GENERAL ADJUSTMENT OF ELECTRIC RATES OF EAST KENTUCKY POWER COOPERATIVE, INC.	)))	**CASE NO. 2010-00167**

DIRECT TESTIMONY OF LANE KOLLEN

I. QUALIFICATIONS AND SUMMARY

Q. Please state your name and business address.

A. My name is Lane Kollen. My business address is J. Kennedy and Associates, Inc. ("Kennedy and Associates"), 570 Colonial Park Drive, Suite 305, Roswell, Georgia 30075.

Q. What is your occupation and by whom are you employed?

A. I am a utility rate and planning consultant holding the position of Vice President and Principal with the firm of Kennedy and Associates.

Q. Please describe your education and professional experience.

A. I earned a Bachelor of Business Administration in Accounting degree and a Master of Business Administration degree, both from the University of Toledo. I also earned a Master of Arts degree from Luther Rice University. I am a Certified Public Accountant, with a practice license, and a Certified Management Accountant.

I have been an active participant in the utility industry for more than thirty years, both as an employee and as a consultant. Since 1986, I have been a consultant with Kennedy and Associates, providing services to state and local government agencies and consumers of utility services in the planning, ratemaking, financial, accounting, tax, and management areas. From 1983 to 1986, I was a consultant with Energy Management Associates, providing services to investor and consumer owned utility companies in the planning, financial, and ratemaking areas. From 1976 to 1983, I was employed by The Toledo Edison Company in a series of positions providing services in the accounting, tax, financial, and planning areas.

I have appeared as an expert witness on planning, ratemaking, accounting, financial, and tax issues before regulatory commissions and courts at the federal and state levels on nearly two hundred occasions, including proceedings before the Kentucky Public Service Commission ("Commission") involving East Kentucky Power Cooperative, Inc. ("EKPC" or "Company") and other Kentucky electric utilities. I have developed and presented papers at various industry conferences on ratemaking, accounting, and tax issues. My qualifications and regulatory appearances are further detailed in my Exhibit___(LK-1).

Q. On whose behalf are you testifying?

A. I am testifying on behalf of Gallatin Steel Company, a large customer taking electric service on the East Kentucky Power Cooperative, Inc. system through Owen Electric.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to address EKPC's forecasted revenue requirement for a 2011 future test year and to make recommendations on the appropriate base rate increase amount.

Q. Please summarize your testimony.

A. I recommend that the Commission reduce EKPC's rate increase request by at least \$46.345 million, to no more than \$3.030 million on an annual basis. This compares to the Company's claimed revenue deficiency of \$49.375 million.

The Company's filing reflects a significant change in its past approach to rate recovery. In the past, the Company used historic test years and limited its requests to the amounts necessary to meet its financial obligations. In the past, the Company carefully controlled costs so that it could meet its financial obligations and limit the amount and effect of its rate increases. In its last rate case, EKPC received a \$59.5 million rate increase effective April 1, 2009, which was 87.6% of its requested amount. This rate increase was pursuant to a settlement agreement which included Gallatin Steel and the Attorney General. In this filing, and for the first time, the Company has used a fully projected test year to quantify its rate increase request.

With this background, the fully projected 2011 test year reflects very significant increases in the Company's expenses compared to the most recent historic year. EKPC assumes that from 2009 to 2011 its operations expenses, excluding fuel and purchased power expense, will grow by 22.8% and that its maintenance expenses will grow by 20.4%. These significant expense increases are projections only; they have not been incurred and are the result of the hundreds of assumptions the Company used to develop the expenses for its projected test year.

It also is important to recognize that these significant expense increases were not developed for management or budget purposes, but rather were developed specifically for this rate case. [Campbell Direct (revised) at 4]. In addition, Ms. Wood testifies that the amounts used in the test year were "obtained from the 2011 forecast presented to EKPC's Board of Directors ("Board") and used as the basis for their approval of this rate increase." [Wood Direct at 11]. Thus, these projected test year expenses were not developed in the normal course of business for use by EKPC to manage its costs in the same manner that its operating budgets are developed and utilized.

Given the Company's new approach of using a fully projected test year and the significant increases in test year expenses compared to the most recent calendar year, the Commission should carefully scrutinize the expense increases for reasonableness and remove excessive and unreasonable expenses. This is necessary to protect the 511,000 ratepayers served by the 16 distribution cooperatives that own EKPC from excessive rates due to unreasonable assumptions regarding future test year expenses. I understand that it is necessary for EKPC to increase its equity capitalization and for that reason, I have not opposed the Company's proposed increase in the TIER from 1.35 to 1.50. However, the Commission should not allow unreasonable expense amounts in setting rates, whether actual or projected, on the basis that such overrecoveries will allow the Company further to increase its equity even beyond the increases that will result from recovering 50% more than its actual or projected interest expense through the use of the 1.50 TIER.

I recommend various adjustments to the Company's projected 2011 test year expenses. Most of these adjustments are due to unreasonable assumptions and/or computations reflected in the projected test year expenses. The Commission should be aware that disallowances of projected expenses that are unreasonable do not represent disallowances of actual expenses; projected expenses are the result of assumptions and they have not been incurred and may not be incurred. The revenue requirement effects of the adjustments that I recommend are summarized on the following table.

East Kentucky Power Cooperative, Inc.
Case Number 2010-00167
Summary Gallatin Revenue Requirement Recommendations
($ Millions)

	Amount
Rate Increase Requested by Company	49.375
Gallatin Adjustments to Company's Forecasted Revenue Requirement:	
Reduce Assumed Salaries and Wages and Related Payroll Tax Expense	(3.444)
Reduce Assumed Benefits Expense	(2.961)
Reduce Assumed Purchased Power Expense Due to Forced Outages	(3.660)
Adjust 2004 Spurlock 1 Outage Cost Amortization from 2 to 3 Years	(0.791)
Reduce Assumed Interest Expense on Debt Used to Fund Excess Cash	(28.093)
Reduce Assumed Interest Expense on Debt Used to Fund Additional Smith 1 CFB CWIP	(1.210)
Reduce Assumed Interest Rate on Credit Facility Debt to 4%	(6.188)
Total Gallatin Adjustments	(46.345)
Gallatin's Adjusted Revenue Requirement/(Surplus)	3.030

In the remainder of my testimony, I first address the magnitude of the assumed expense increases in the 2011 test year compared to the actual expenses in 2009, the most recent calendar year, and demonstrate that projected O&M increases of more than 20% in two years are not reasonable and that these projected increases are inconsistent with actual experience to date in 2010. I then address specific operating expenses sought by the Company, including increases in payroll and benefits expenses and the recovery of purchased power expenses for forced outages not recoverable through the fuel adjustment clause mechanism, and make recommendations to reduce the Company's requested expense amounts. Finally, I address the proposed 30% increase in interest expense from 2009 to 2011. I demonstrate that more than half of the 30% increase stems from the Company's unreasonable assumption that it will borrow hundreds of millions of dollars more than it needs to fund its projected increase in rate base. This excessive and unnecessary assumed borrowing at interest rates of up to 7.5% will result in huge cash balances, which are not necessary to provide utility service and are not included in rate base.

II. COMPARISON OF EXPENSES IN TEST YEAR TO HISTORIC YEAR

Q. Please provide a comparison of the Company's proposed 2011 test year expenses to 2009, the most recent historic year and the Company's base year.

A. The Company provided a comparison of its projected 2011 test year, base year, 2009 calendar year and prior calendar years on a per books basis in Tab 56 of its filing. I have replicated the Company's comparison as my Exhibit___(LK-2).

In addition, I have summarized the Company's comparisons of the forecasted 2011 test year to the 2009 actual expense amounts, excluding fuel and purchased power expense (other power supply expense), and computed the variances for each category of expenses on the following table:

East Kentucky Power Cooperative, Inc.
Per Books Expense Comparison, Excluding Fuel and Purchased Power Expense
($ Millions)

	2009 Actual	Test Year	Increase	% Increase
Operation Expenses				
Production Costs Excluding Fuel	58.409	70.782	12.374	21.2%
Transmission	25.519	34.588	9.069	35.5%
Distribution	0.752	1.468	0.716	95.3%
Customer Service & Information	1.996	3.360	1.365	68.4%
Sales	0.006	0.021	0.015	244.2%
Administration and General	28.655	31.429	2.774	9.7%
Total Operation Expenses, excl Fuel and Purchased Power	115.336	141.649	26.313	22.8%
Maintenance Expenses				
Production Maintenance	48.336	56.916	8.580	17.8%
Transmission Expense	4.325	5.687	1.362	31.5%
Distribution Expense	0.925	1.014	0.090	9.7%
General Plant	0.934	2.049	1.115	119.4%
Total Maintenance Expenses	54.520	65.666	11.147	20.4%
Fixed Costs, Excl Other				
Depreciation/Amortization	60.549	78.899	18.350	30.3%
Interest on Long Term Debt	113.320	147.317	33.997	30.0%
Total Fixed Costs, Excl Other	173.868	226.216	52.347	30.1%
Total Expenses, excl Fuel, Purch Power, Other Fixed	343.724	433.531	89.807	26.1%

Q. What do you conclude from the comparison of the projected 2011 test year expense amounts to the actual 2009 expense amounts?

A. I conclude that the Company's test year expense projections reflect significant growth in each expense category and that the increases in test year operation and maintenance ("O&M") expense amounts are not readily explained simply by projected inflation. Inflation growth would account for only 4-6% of the growth if the assumed annual rate was 2-3%. Inflation over the two year period 2009-2011 cannot justify a 22.8% increase in operation expense or a 20.4% increase in maintenance expense. These huge projected expense increases are all the more questionable given the current depressed economic conditions. Thus, the growth in projected O&M expense requires further investigation into the assumptions and computations used by the Company to quantify the projected expense amounts.

I conclude that the growth in depreciation expense can be explained by the growth in plant in service, with the most significant impact being the addition to gross plant in service of the Smith 9 and 10 combustion turbine investments in April 2010 and the addition to gross plant in service of the Spurlock 4 investment in April 2009.

I conclude that the projected 30% growth in the interest expense cannot be explained by an increase in net investment rate base. As I subsequently will describe in greater detail, the 30% growth in interest expense stems from the unreasonable assumption that the utility will borrow hundreds of millions of dollars it does not need to fund actual construction projects, net of the decline in existing net plant due to additional depreciation. Instead, the assumed excess borrowing simply results in huge cash balances (which the Company assumes will yield virtually no interest income and even if the Company assumed that it would, the interest income is not multiplied by the TIER while the interest expense is).

Q. Has the Company provided a variance explanation for the increases in these expenses in response to discovery?

A. Yes, to some extent. The Company provided general descriptions of the underlying expense increases in the test year by comparison to the base year in response to Staff 2-2. Those general descriptions generally cited increases in payroll and benefits costs allocated to each of the expense categories. I have attached a copy of the Company's response to Staff 2-2 as my Exhibit___(LK-3).

Q. How do the Company's actual 2010 expense amounts compare to the 2010 budget, which was used in part to develop the base year expense amounts?

A. The Company's actual expense amounts year to date through July 2010 are less than the 2010 budget in every expense category other than fuel and purchased power (fuel accounts and other power supply), according to the Company's response to Staff 1-43 (updated through reporting month of July 2010). I have attached a copy of the Company's response to Staff 1-43 as my Exhibit___(LK-4).

Q. What is the significance of that fact on the Company's test year expenses?

A. It demonstrates that actual expenses, at least to date in 2010, are much less than the Company's budget for 2010 and that the Commission should carefully review the underlying assumptions and computations for the 2011 forecast used by the Company in support of its rate increase request.

III. OPERATING EXPENSE ISSUES

Q. Payroll expense is included in every category of O&M expense on your comparative table and is cited repeatedly by the Company in its response to Staff 2-2 as one of the reasons why its projected 2011 test year expenses are

greater than the base year. Please describe the increase in payroll expense compared to the historic year.

A. The Company assumes an increase in payroll *expenses* of $8.194 million, or 19%, from $43.882 million in 2009 to $51.676 million in the 2011 test year, according to its response to Gallatin 2-19. The Company assumes an increase of $5.064 million, or 10.9%, from $46.612 in the base year to $51.676 million in the test year. I have attached a copy of the Company's response to Gallatin 2-19 as my Exhibit___(LK-5) and a copy of my workpaper summing the amounts provided in response to Gallatin 2-19 as my Exhibit___(LK-6).

Q. Is the assumed increase in payroll expenses in the test year reasonable?

A. No. The increase in the base year is reasonable compared to 2009 because it reflects the actual annualized payroll expense increases associated with Spurlock 4, which entered commercial operation in April 2009. That increase is only 6.2%. However, the assumed increase in the test year expense compared to the base year expense is excessive. That increase is 10.9%. The average actual annual increase in payroll costs (expense plus amounts capitalized) since 2005 through 2009 was only 3.9%, and that limited growth rate was achieved despite the addition of Spurlock 3 in April 2005, Spurlock 4 in April 2009 and several CTs. There are no new generating units scheduled for commercial operation in the test year.

Q. What is your recommendation?

A. I recommend that the Commission reduce the Company's assumed increase in payroll expense to a 3.0% annual escalation, or 4.0% from the base year to the test year. This increase is nearly double the present rate of inflation and does not reflect any offset for productivity and efficiency improvements. This increase is very generous given the economic circumstances and the cost reductions normally implemented in such circumstances. This reduces the Company's payroll expense by $3.200 million. In addition, I recommend that the Commission reduce the Company's related payroll taxes expense by $0.244 million. The computations are detailed on my Exhibit___(LK-7).

Q. Please describe the increase in benefits expenses compared to the historic year.

A. The Company assumes an increase in per books employee benefits *expenses* of $13.008 million, or 89%, from $14.585 million in 2009 to $27.593 million in the test year, according to the information provided in its response to Gallatin 2-19. The Company assumes an increase in per books employee benefits *costs* (*expenses* plus *capitalized* amounts) of $12.132 million, or 64%, from $19.012 million in 2009 to $31.144 million in the test year, according to its responses to Gallatin 2-11 (2009) and Staff 1-36(a) (base year and test year).

Q. How do the individual benefits costs projected for the test year compare to the 2009 costs by program?

A. The Company provided the *cost* (expense plus capitalized) of each employee benefit for 2009 in response to response to Gallatin 2-11 and for the test year in response to Staff 1-36(a). I have attached a side by side comparison for 2009 and the test year and a variance computation (test year less 2009) as my Exhibit___(LK-8).

Q. Does the Company propose any proforma adjustments to the benefits costs?

A. Yes. The Company reduced the per books projected employee benefits *costs* through a proforma adjustment to "other miscellaneous expenses" reflected on Ms. Wood's Exhibit 1 and detailed on her Exhibit 1 Schedule 1.15. This reduced the per books test year *costs* by $3.664 million to $27.480 and the related *expense* to $23.929 million. Consequently, the Company's proposed increase in employee benefits *expense* is $9.344 million, or 64%, on a ratemaking basis compared to the actual expense in 2009. The programs subject to the proforma adjustment also are detailed on Ms. Wood's Exhibit 1 Schedule 1.15.

Q. How did the Company project the employee benefits expenses for the test year?

A. The Company provided its workpaper for the per books costs in response to Gallatin 2-12. I have attached a copy of this workpaper as my Exhibit___(LK-9). The Company identified certain assumptions on its workpaper, although many of the amounts were simply input into the workpaper with no further detail.

Q. Are the projected increases in employee benefits expenses reasonable?

A. No. The increases in certain of the expenses have not been justified and are not reasonable. First, the Company assumes an increase in the defined benefit pension cost from $7.384 million in 2009 to $11.330 million in the test year. This increase is due in part to an unsupported assumption that the NRECA rate applied to applicable payroll dollars will increase from 25.50% in 2010 to 28.05% in 2011 compared to 2010. This assumption alone adds $1.030 to the pension costs or $0.896 million to pension expense.

Second, the Company appears to have included both the pay as you go *cost* for retiree health insurance of $0.804 million and the actuarially determined SFAS 106 cost of $3.600 million. This adds $0.699 million to other postretirement benefits *expense*, assuming an 87% *expense* to *cost* ratio.

Third, the Company assumes an increase in the 401(k) employer 6% and 4% contributions from $0.291 million in 2009 to $1.000 million in the test year. The Company projected the amount of this benefit cost at $0.605 million for the base year. The Company has not justified this three-fold increase in the projected cost of this benefit. Among other problems in its quantification of the 401(k) employer contribution cost for the test year test year cost, the Company assumed that it would add an average of 30 FTEs after July 2009 through the end of 2011 in its quantification of the. This added $0.150 million to the Company's cost for this benefit. However, the Company's response to Staff 1-31 indicates that the projected increase in FTEs is not the 30 assumed for this benefits expense computation, but only half that number of FTEs for that period. Thus, the

Company's cost is overstated by at least $0.075 million due to this inconsistency alone.

Another problem is that the Company simply "rounded up" its computation of the 401(k) employer contributions from $0.932 million to $1 million, thus overstating this cost by $0.068 million for this methodological assumption alone.

Fourth, the Company assumes an increase in long term disability insurance cost from $0.197 million in 2009 to $0.360 million in the test year. This adds $0.142 million to the Company's long term disability expense in the test year. Yet, a note on the Company's employee benefits workpapers states that the Company went out for bids and received a rate that was less than it incurred for 2009. Thus, the entire increase is unsupported and contrary to its claimed experience.

Fifth, the Company assumes an increase in workers' compensation from *negative* $0.082 million in 2009 to $0.266 million in the test year. The Company provided no support for its projected cost. This adds $0.231 million to the Company's benefits expense for the test year compared to a $0 baseline (in lieu of the negative cost in 2009).

Sixth, the Company assumes an increase in post employment long term disability from $0.001 million in 2009 to $0.200 million in the test year. The Company provided no support for its projected cost. This adds $0.173 million to the Company's benefits expense for the test year.

Seventh, the Company assumes an increase in the cost of its wellness program from $0.070 million in 2009 to $0.250 million in the test year. The Company provided no support for its projected cost. If indeed this cost increase is justified economically, then the Company also should assume a reduction in its medical insurance expense, but it did not. This increase in this *cost* adds $0.157 million to the Company's benefits *expense* for the test year.

Eighth, the Company assumes an increase in the cost of its medical surveillance program from $0.033 million in 2009 to $0.103 million in the test year. The Company provided no support for its projected cost. This adds $0.061 million to the Company's benefits *expense* for the test year.

Q. What is your recommendation?

A. I recommend that the Commission reduce the Company's assumed benefits *expense* by $2.661 million based on a reduction in the proposed benefits *cost* of $3.059 million. I applied an 87.0% expense factor for the test year (on a proforma ratemaking basis) to the reduction in the benefits costs to determine the expense portion of the reduction. The computations are detailed on my Exhibit___(LK-10).

Q. The Company included $10.000 million in other power supply expense for purchased power expense due to forced outages that is not recoverable through the fuel adjustment clause. Is this amount reasonable?

A. No. It is excessive for two reasons. First, it is more than the average for the last five years of $8.252 million even if the cost of the 2008 forced outages that were deferred is included.[1] It also is more than the average for the last five years of $7.240 million if the cost of the 2008 forced outages are excluded. Second, the Company now has outage insurance with a $1 million deductible. The Company included at least $0.900 million and as much as $2.1 million in its test year expense for this insurance in the test year. Although the Company included either $0.9 million or $2.1 million for the cost of this insurance, it did not reflect any reduction in the expense amounts that will be recovered from the insurance company in the future.[2] If there was no expected benefit from incurring this cost, then it should not be incurred.

Q. What are the terms of the Company's outage insurance and of what significance are those terms to the amounts recoverable in this proceeding?

A. The terms of the Company's outage insurance were provided in response to Staff 2-18(c). The Company purchased a one year term policy, which runs from July 1, 2010 through June 30, 2011. The deductible is $1 million and the maximum

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[1] The Commission authorized the Company to defer the 2008 purchased power expense associated with multiple forced outages at the Company's generating units in Case No. 2008-00436.

2 The Company's response to Gallatin 2-9 shows $1.200 million for outage insurance in the Company's per books quantification for the test year and then shows Ms. Wood's adjustment to increase this amount by $0.900 million for a total $2.100 million in outage insurance expense. There is no Company testimony indicating that the total outage insurance expense is $2.100 million. However, if the correct amount in the test year is $2.100 million, and not $0.900 million, then the Commission should use the $2.100 million in conjunction with my recommendation for the appropriate purchased power expense that is not recovered through the fuel adjustment for forced outages.

payout is $20 million. I have attached a copy of the Company's response to Staff 2-18(c) as my Exhibit___(LK-11).

Q. What do you recommend for the purchased power expense associated with forced outages that is not recoverable through the fuel adjustment clause?

A. I recommend that the Commission allow no more than $6.340 million for this purchased power expense. I computed this based on the five year average of actual costs for the years 2005-2009, excluding the costs of the 2008 outages less the $0.9 million included in expenses for outage insurance. If the outage insurance expense is $2.100 million rather than the $0.900 million, then the Commission should allow no more than $5.140 million for this purchased power expense.

Q. What is the effect of your recommendation on the Company's test year revenue requirement?

A. The effect is to reduce the Company's test year revenue requirement by $3.660 million, the difference between the Company's request for $10.000 million and my recommendation to allow $6.340 million.

Q. The Company proposes a two year amortization period for the remaining unamortized costs of the 2004 Spurlock 1 outage. Do you agree with a two year amortization period?

A. No. I recommend that the Commission use a three year amortization period. This is the same amortization period the Company proposes for the remaining unamortized costs of the 2008 Spurlock 4 outage and the amortization of the management audit costs. The Company is allowed to recover the interest expense plus a TIER margin on the debt incurred to finance this cost, so the longer amortization period does not harm the Company.

Q. What is the effect of your recommendation?

A. The effect is to reduce amortization expense and the revenue requirement by $0.791 million. The amortization expense using a three year amortization period is $1.583 million. The Company's proposed amortization expense using a two year amortization period is $2.374 million.

IV. INTEREST EXPENSE ISSUES

Q. Please describe the Company's assumed increase in interest expense.

A. The Company assumes an increase in per books interest expense of $33.997 million, or 30.0%, from $113.320 million in 2009 to $147.317 million in the test year. The test year amount assumes that the Company will issue $175 million in private placement debt at 7.5% in late 2010. This debt issue originally was intended to finance the costs of the Smith 1 circulating fluidized bed ("CFB") facility. The test year amounts also assume that the Company will issue additional FFB long term debt and will maintain borrowings pursuant to its credit facility in a range between $250 million and $325 million each month during the test year. In addition, the test year amounts assume that the interest rate on new FFB debt will range from 5.0% to 5.50% and on the credit facility borrowings will be 5.50%, according to the Company's response to Staff 2-2(h).

Q. How much does the Company assume that it will finance, including debt and increases in its members equity, from the end of the 2009 historic year to the end of the 2011 test year?

A. The Company assumes that it will increase total capitalization by $427.019 million, from $2,826.186 million at December 31, 2009 (actual) to $3,253.205 million at December 31, 2011 (projected), according to its response to Gallatin 2-13. I have attached a copy of this response as my Exhibit___(LK-12).

Q. How does the Company's assumption of additional financing compare to its assumptions regarding the increase in net investment rate base during that same time period?

A. The Company assumes that it will finance $115.334 million more than the increase in its net investment rate base (including environmental) during the two year period ($427.019 million increase in capitalization less $311.675 million increase in net investment rate base). The Company assumes that it will increase its rate base by $311.675 million (including environmental), from $2,775.603 million at December 31, 2009 to $3,087.278 million at December 31, 2011. I obtained the net investment rate base amount for December 31, 2009 from the

Company's response to Staff 1-16 and for December 31, 2011 from Tab 47 of the Company's filing. I have attached a copy of the Company's response to Staff 1-16 as my Exhibit___(LK-13) and a copy of Tab 47 from the Company's filing as my Exhibit___(LK-14).

The following table compares the Company's net investment rate base (including environmental), capitalization and cash and cash equivalents at December 31, 2009 (actual) and for each month during the test year (projected). The Company provided its projections of cash and cash equivalent amounts in response to Gallatin 2-14, a copy of which is attached as my Exhibit___(LK-15).

East Kentucky Power Cooperative, Inc.
Case Number 2010-00167
Difference in Capitalization and Net Investment Rate Base
Compared to Cash and Cash Equivalents
($ Millions)

	Net Investment Rate Base	Capitalization	Variance	Cash & Cash Equivalents
Dec-09	2,775.603	2,826.186	50.583	51.552
Jan-11	2,904.158	3,182.806	278.65	277.508
Feb-11	2,920.876	3,184.985	264.11	279.563
Mar-11	2,937.580	3,256.864	319.28	344.343
Apr-11	2,954.273	3,269.029	314.76	353.833
May-11	2,970.955	3,273.038	302.08	341.327
Jun-11	2,987.608	3,266.180	278.57	309.011
Jul-11	3,004.252	3,264.050	259.80	280.084
Aug-11	3,020.894	3,265.273	244.38	265.246
Sep-11	3,037.527	3,260.631	223.10	258.463
Oct-11	3,054.154	3,252.377	198.22	235.881
Nov-11	3,070.781	3,248.515	177.73	207.090
Dec-11	3,087.278	3,253.205	165.93	170.227

Q. Please explain the significance of the preceding table

A. Fundamentally, net investment rate base is financed by capitalization. Generally, rate base and capitalization are closely synchronized, except for amounts that are not included in rate base, such as cash and cash equivalents. The Commission sets rates for cooperatives based on the utility's interest expense, but ensures that net investment rate base and the capitalization used to quantify the utility's interest expense are closely synchronized and that the interest expense included in the revenue requirement is not used for non-utility purposes, such as investments in unregulated activities. This ensures that the interest expense recovered in rates is used to pay for the interest expense on debt used to finance the used and useful investment in generation and transmission facilities, not for investments in other unregulated and/or non-jurisdictional ventures.

The preceding table demonstrates that there is a huge disconnect between the net investment rate base in the test year compared to the Company's projection of the capitalization to finance that rate base. At some point during 2010 in its projections, the Company assumes that it will issue significantly more debt than is necessary to finance the growth in its rate base. This assumption in 2010 then carries forward into each month of the test year. The excessive financing results in huge balances in cash and cash equivalents throughout the test year. Thus, the excessive debt effectively will be issued not to finance rate base, but rather to finance the buildup of huge cash and cash equivalent balances, which are not included in rate base.

Q. Is the assumption of excessive financing likely to occur in the real world, aside from the assumptions used to develop the expenses in the projected test year?

A. No. I don't believe that the Company actually will issue excessive amounts of debt or incur the related interest expense in the test year. It would be extremely unusual for a Company such as EKPC to finance hundreds of millions of dollars in excess of the growth in its net investment rate base during the test year, particularly when the Company already had $51.552 million in cash and cash equivalents at the end of 2009. There is no rational or prudent reason for a utility to borrow excessive amounts of debt at up to a 7.5% interest rate solely for the purpose of building and maintaining huge amounts of cash and cash equivalents which yield virtually no interest income. This is especially true since for ratemaking purposes the assumed interest expense is increased by 50% through the use of a 1.50 TIER.

Q. What effect would the issuance of excessive amounts of debt have on the Company's real world financial results?

A. It would result in a self-imposed deterioration in the Company's financial and credit metrics, all else equal, e.g., reducing the equity ratio, in contravention of its attempts to improve these credit metrics. It also would result in a self-imposed reduction in its margins, which in turn would reduce its earned TIER and DSC.

Q. What is the significance of the huge amounts of cash and cash equivalents during the test year?

A. These balances are significant because the excessive financing issued to generate these investment balances creates additional and unnecessary interest expense along with the related 1.50 TIER gross-up that the Company included in its revenue requirement. The interest expense is based on the average amount of debt outstanding during the test year. If the amount of debt assumed to be outstanding during the test year is excessive or issued so that the Company can invest in cash and cash equivalents, which are not included in rate base, then the related interest expense is excessive and should not be included in the revenue requirement.

Q. What is the interest expense associated with this excessive financing during the test year?

A. The interest expense on the debt necessary to finance these cash and cash equivalent amounts is $18.219 million using the average balance of the excessive financing during the test year. I computed the interest expense in two steps. In the first step, I computed the interest expense on the $175 million on the Smith 1 private placement debt issue using the Company's 7.5% interest rate assumption. The debt pursuant to this assumed private placement in November 2010 (see response to Staff 1-27 for assumptions on date and amount) is not necessary and the assumption that it will be issued contributes directly to the excessive average cash and cash equivalent balance during the test year. I computed the interest expense on the remaining average cash and cash equivalent balance of $101.881 million during the test year using the Company's 5.5% interest rate assumption for FFB and credit facility borrowings.

Q. **Is the Company's assumption reasonable that it will issue excessive amounts of debt in order to maintain cash and cash equivalent balances of hundreds of millions of dollars during the test year?**

A. No. This assumption is completely unreasonable and improperly and rather dramatically overstates the Company's revenue requirement by more than 100%, all else equal. The Company's ratemaking assumption is inconsistent with prudent financial management and highlights the importance of comparing the Company's ratemaking assumptions in a projected test year to the reality of its actual experience and likely financing activities. In fact, the Company describes its actual financing process in response to Staff 2-32: "EKPC generally funds its capital expenditures in arrears. Temporary construction funding is provided through the Credit Facility and subsequently long-term financing is obtained from RUS or another source."

Q. **Should the Commission reduce the Company's projected interest expense and related TIER requirement on the debt it assumes will be issued to fund these excess cash and cash equivalent balances?**

A. Yes. The Company's ratemaking assumption is unreasonable. The Commission should eliminate the entirety of the interest expense on the excessive debt the

Company assumes that it will issue to fund these cash and cash equivalent balances and the related TIER requirement. The actual interest expense incurred will reflect the Company's actual borrowings from FFB and the credit facility on a "swing" or as-needed basis, not on some assumed issuance schedule that is not tied directly to the cash requirements necessary to fund its incremental rate base investment.

Q. Why eliminate the entirety of the interest on the debt to fund these cash and cash equivalent balances and the related TIER requirement and not some lesser amount?

A. None of this assumption of excessive debt financing actually will finance the Company's net investment rate base used to provide services to the distribution cooperative members. The Company should not be allowed to recover from the 511,000 ratepayers of the 16 distribution cooperatives that own EKPC the interest on debt the Company assumes that it will incur to fund temporary, unnecessary and arbitrary increases in its cash and cash equivalent balances.

Q. Have you quantified the effect of your recommendation on the Company's proposed revenue requirement?

A. Yes. The effect is to reduce the Company's revenue requirement by $27.329 million. I computed this amount by grossing up the excessive interest expense by the Company's proposed 1.50 TIER.

Q. Is any of this excessive interest expense attributable to the Company's environmental surcharge revenue requirement?

A. No, except for a minor amount due to the reduction in the average interest rate used to quantify the Company's proforma environmental surcharge ("ECR") interest expense. The interest expense due to the Company's assumption that it will issue excessive amounts of debt to fund hundreds of millions of dollars in cash and cash equivalents is solely a base revenue requirement issue. In its filing, the Company separated and removed the interest expense on the projected ECR rate base investment. In the ECR, the debt issued and used to finance ECR investment is assumed to be equal to the net investment rate base. Thus, none of the interest expense on the excess debt financing affects the ECR revenue requirement or the Company's proforma ECR interest expense adjustment, except to the extent that it affects the interest rate used to compute that proforma adjustment.

Q. Is there another adjustment that should be made to the Company's assumed interest expense?

A. Yes. The Company included interest expense on the debt to finance additional Smith 1 CFB construction expenditures through the end of the test year, despite the fact that the project is on hold and may be cancelled upon completion of the Commission's pending investigation. The Company assumes that it will spend $1.139 million per month through the end of 2010, or $10.251 million from April 1, 2010 through December 31, 2010, and then $0.735 each month during 2011, according to the Company's response to Gallatin 2-3. The average balance of the additional Smith 1 CFB construction expenditures ("CWIP") during the test year is $14.661 million ($0.735 million times 12 months divided by 2 plus the $10.251 million in additional expenditures from April through December 2010).

Q. Have you quantified the amount of excessive interest expense and the related 1.50 TIER associated with the debt to fund these additional Smith 1 CFB construction expenditures?

A. Yes. The Commission should reduce the Company's interest expense and the related TIER by $1.210 million. I applied the Company's assumed 5.5% interest rate on the FFB and credit facility borrowings to the average balance of the additional debt during the test year and then multiplied that result times the 1.5 TIER.

Q. Is there an additional adjustment that should be made to the interest expense on the credit facility borrowings?

A. Yes. The Company assumed that the credit facility borrowings would bear an average interest rate of 5.5% during the test year. After reviewing the confidential pricing information for the credit facility provided by the Company in its confidential supplemental response to Gallatin 2-7, I believe that the interest rate assumption should be 4.0% or less.

Q. Have you quantified the amount of excessive interest expense and the related 1.50 TIER associated with the Company's use of a 5.50% interest rate rather than a 4.0% interest rate on borrowings pursuant to the credit facility?

A. Yes. The effect is to reduce the Company's test year interest expense and related TIER by $6.188 million. I applied the 1.5% reduction in the interest rate to the Company's average $275 million of outstanding borrowings on the credit facility during the test year and grossed-up the interest amount by using the Company's proposed 1.50 TIER. There is an offset to this amount to reflect the portion attributable to the ECR; however, I cannot quantify this amount.[3]

Q. Does this complete your testimony?

A. Yes.

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[3] The Company was asked to provide its interest expense computations in Gallatin 2-2. However, the data provided by the Company in response simply summed up input values for the interest expense on each category of debt.

AFFIDAVIT

STATE OF GEORGIA)

COUNTY OF FULTON)

LANE KOLLEN, being duly sworn, deposes and states: that the attached is his sworn testimony and that the statements contained are true and correct to the best of his knowledge, information and belief.

Lane Kollen

Sworn to and subscribed before
me on this 2 day of September, 2010.

Notary Public

JESSICA K. INMAN
MY COMMISSION EXPIRES
NOTARY PUBLIC
JULY 31ST, 2011
CHEROKEE COUNTY, GA

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

IN THE MATTER OF:

GENERAL ADJUSTMENT OF ELECTRIC RATES OF EAST KENTUCKY POWER COOPERATIVE, INC.	)))	PSC CASE NO. 2010-00167

EXHIBITS

OF

LANE KOLLEN

ON BEHALF OF THE

KENTUCKY INDUSTRIAL UTILITY CUSTOMERS, INC.

J. KENNEDY AND ASSOCIATES, INC.
ROSWELL, GEORGIA

SEPTEMBER 2010

EXHIBIT ____ (LK-1)

RESUME OF LANE KOLLEN, VICE PRESIDENT

EDUCATION

University of Toledo, BBA
Accounting

University of Toledo, MBA

Luther Rice University, MA

PROFESSIONAL CERTIFICATIONS

Certified Public Accountant (CPA)

Certified Management Accountant (CMA)

PROFESSIONAL AFFILIATIONS

American Institute of Certified Public Accountants

Georgia Society of Certified Public Accountants

Institute of Management Accountants

More than thirty years of utility industry experience in the financial, rate, tax, and planning areas. Specialization in revenue requirements analyses, taxes, evaluation of rate and financial impacts of traditional and nontraditional ratemaking, utility mergers/acquisition and diversification. Expertise in proprietary and nonproprietary software systems used by utilities for budgeting, rate case support and strategic and financial planning.

RESUME OF LANE KOLLEN, VICE PRESIDENT

EXPERIENCE

1986 to Present: **J. Kennedy and Associates, Inc.:** Vice President and Principal. Responsible for utility stranded cost analysis, revenue requirements analysis, cash flow projections and solvency, financial and cash effects of traditional and nontraditional ratemaking, and research, speaking and writing on the effects of tax law changes. Testimony before Connecticut, Florida, Georgia, Indiana, Louisiana, Kentucky, Maine, Maryland, Minnesota, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Texas, West Virginia and Wisconsin state regulatory commissions and the Federal Energy Regulatory Commission.

1983 to 1986: **Energy Management Associates:** Lead Consultant.
Consulting in the areas of strategic and financial planning, traditional and nontraditional ratemaking, rate case support and testimony, diversification and generation expansion planning. Directed consulting and software development projects utilizing PROSCREEN II and ACUMEN proprietary software products. Utilized ACUMEN detailed corporate simulation system, PROSCREEN II strategic planning system and other custom developed software to support utility rate case filings including test year revenue requirements, rate base, operating income and pro-forma adjustments. Also utilized these software products for revenue simulation, budget preparation and cost-of-service analyses.

1976 to 1983: **The Toledo Edison Company:** Planning Supervisor.
Responsible for financial planning activities including generation expansion planning, capital and expense budgeting, evaluation of tax law changes, rate case strategy and support and computerized financial modeling using proprietary and nonproprietary software products. Directed the modeling and evaluation of planning alternatives including:

Rate phase-ins.
Construction project cancellations and write-offs.
Construction project delays.
Capacity swaps.
Financing alternatives.
Competitive pricing for off-system sales.
Sale/leasebacks.

CLIENTS SERVED

Industrial Companies and Groups

Air Products and Chemicals, Inc.
Airco Industrial Gases
Alcan Aluminum
Armco Advanced Materials Co.
Armco Steel
Bethlehem Steel
Connecticut Industrial Energy Consumers
ELCON
Enron Gas Pipeline Company
Florida Industrial Power Users Group
Gallatin Steel
General Electric Company
GPU Industrial Intervenors
Indiana Industrial Group
Industrial Consumers for Fair Utility Rates - Indiana
Industrial Energy Consumers - Ohio
Kentucky Industrial Utility Customers, Inc.
Kimberly-Clark Company
Lehigh Valley Power Committee
Maryland Industrial Group
Multiple Intervenors (New York)
National Southwire
North Carolina Industrial Energy Consumers
Occidental Chemical Corporation
Ohio Energy Group
Ohio Industrial Energy Consumers
Ohio Manufacturers Association
Philadelphia Area Industrial Energy Users Group
PSI Industrial Group
Smith Cogeneration
Taconite Intervenors (Minnesota)
West Penn Power Industrial Intervenors
West Virginia Energy Users Group
Westvaco Corporation

Regulatory Commissions and Government Agencies

Cities in Texas-New Mexico Power Company's Service Territory
Cities in AEP Texas Central Company's Service Territory
Cities in AEP Texas North Company's Service Territory
Georgia Public Service Commission Staff
Kentucky Attorney General's Office, Division of Consumer Protection
Louisiana Public Service Commission Staff
Maine Office of Public Advocate
New York State Energy Office
Office of Public Utility Counsel (Texas)

Utilities

Allegheny Power System
Atlantic City Electric Company
Carolina Power & Light Company
Cleveland Electric Illuminating Company
Delmarva Power & Light Company
Duquesne Light Company
General Public Utilities
Georgia Power Company
Middle South Services
Nevada Power Company
Niagara Mohawk Power Corporation
Otter Tail Power Company
Pacific Gas & Electric Company
Public Service Electric & Gas
Public Service of Oklahoma
Rochester Gas and Electric
Savannah Electric & Power Company
Seminole Electric Cooperative
Southern California Edison
Talquin Electric Cooperative
Tampa Electric
Texas Utilities
Toledo Edison Company

Expert Testimony Appearances
of
Lane Kollen
As of August 2010

Date	Case	Jurisdict.	Party	Utility	Subject
10/86	U-17282 Interim	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements financial solvency.
11/86	U-17282 Interim Rebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements financial solvency.
12/86	9613	KY	Attorney General Div. of Consumer Protection	Big Rivers Electric Corp.	Revenue requirements accounting adjustments financial workout plan.
1/87	U-17282 Interim	LA 19th Judicial District Ct.	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements, financial solvency.
3/87	General Order 236	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Tax Reform Act of 1986.
4/87	U-17282 Prudence	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend 1, economic analyses, cancellation studies.
4/87	M-100 Sub 113	NC	North Carolina Industrial Energy Consumers	Duke Power Co.	Tax Reform Act of 1986.
5/87	86-524-E-SC	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Revenue requirements. Tax Reform Act of 1986.
5/87	U-17282 Case In Chief	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, financial solvency.
7/87	U-17282 Case In Chief Surrebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements River Bend 1 phase-in plan, financial solvency.
7/87	U-17282 Prudence Surrebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend 1, economic analyses, cancellation studies.
7/87	86-524 E-SC Rebuttal	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Revenue requirements, Tax Reform Act of 1986.

Expert Testimony Appearances
of
Lane Kollen
As of August 2010

Date	Case	Jurisdict.	Party	Utility	Subject
8/87	9885	KY	Attorney General Div. of Consumer Protection	Big Rivers Electric Corp.	Financial workout plan.
8/87	E-015/GR-87-223	MN	Taconite Intervenors	Minnesota Power & Light Co.	Revenue requirements, O&M expense, Tax Reform Act of 1986.
10/87	870220-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue requirements, O&M expense, Tax Reform Act of 1986.
11/87	87-07-01	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Tax Reform Act of 1986.
1/88	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, rate of return.
2/88	9934	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Economics of Trimble County completion.
2/88	10064	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Revenue requirements, O&M expense, capital structure, excess deferred income taxes.
5/88	10217	KY	Alcan Aluminum National Southwire	Big Rivers Electric	Financial workout plan. Corp.
5/88	M-87017 -1C001	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Nonutility generator deferred cost recovery.
5/88	M-87017 -2C005	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Nonutility generator deferred cost recovery.
6/88	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Prudence of River Bend 1 economic analyses, cancellation studies, financial modeling.
7/88	M-87017- -1C001 Rebuttal	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Nonutility generator deferred cost recovery, SFAS No. 92

Expert Testimony Appearances
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As of August 2010

Date	Case	Jurisdict.	Party	Utility	Subject
7/88	M-87017- -2C005 Rebuttal	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Nonutility generator deferred cost recovery, SFAS No. 92
9/88	88-05-25	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Excess deferred taxes, O&M expenses.
9/88	10064 Rehearing	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Premature retirements, interest expense.
10/88	88-170- EL-AIR	OH	Ohio Industrial Energy Consumers	Cleveland Electric Illuminating Co.	Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital.
10/88	88-171- EL-AIR	OH	Ohio Industrial Energy Consumers	Toledo Edison Co.	Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital.
10/88	8800 355-EI	FL	Florida Industrial Power Users' Group	Florida Power & Light Co.	Tax Reform Act of 1986, tax expenses, O&M expenses, pension expense (SFAS No. 87).
10/88	3780-U	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Co.	Pension expense (SFAS No. 87).
11/88	U-17282 Remand	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Rate base exclusion plan (SFAS No. 71)
12/88	U-17970	LA	Louisiana Public Service Commission Staff	AT&T Communications of South Central States	Pension expense (SFAS No. 87).
12/88	U-17949 Rebuttal	LA	Louisiana Public Service Commission Staff	South Central Bell	Compensated absences (SFAS No. 43), pension expense (SFAS No. 87), Part 32, income tax normalization.
2/89	U-17282 Phase II	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, phase-in of River Bend 1, recovery of canceled plant.

Expert Testimony Appearances
of
Lane Kollen
As of August 2010

Date	Case	Jurisdict.	Party	Utility	Subject
6/89	881602-EU 890326-EU	FL	Talquin Electric Cooperative	Talquin/City of Tallahassee	Economic analyses, incremental cost-of-service, average customer rates.
7/89	U-17970	LA	Louisiana Public Service Commission Staff	AT&T Communications of South Central States	Pension expense (SFAS No. 87), compensated absences (SFAS No. 43), Part 32.
8/89	8555	TX	Occidental Chemical Corp.	Houston Lighting & Power Co.	Cancellation cost recovery, tax expense, revenue requirements.
8/89	3840-U	GA	Georgia Public Service Commission Staff	Georgia Power Co.	Promotional practices, advertising, economic development.
9/89	U-17282 Phase II Detailed	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, detailed investigation.
10/89	8880	TX	Enron Gas Pipeline	Texas-New Mexico Power Co.	Deferred accounting treatment, sale/leaseback.
10/89	8928	TX	Enron Gas Pipeline	Texas-New Mexico Power Co.	Revenue requirements, imputed capital structure, cash working capital.
10/89	R-891364	PA	Philadelphia Area Industrial Energy Users Group	Philadelphia Electric Co.	Revenue requirements.
11/89 12/89	R-891364 Surrebuttal (2 Filings)	PA	Philadelphia Area Industrial Energy Users Group	Philadelphia Electric Co.	Revenue requirements, sale/leaseback.
1/90	U-17282 Phase II Detailed Rebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements , detailed investigation.
1/90	U-17282 Phase III	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Phase-in of River Bend 1, deregulated asset plan.
3/90	890319-EI	FL	Florida Industrial Power Users Group	Florida Power & Light Co.	O&M expenses, Tax Reform Act of 1986.

Expert Testimony Appearances
of
Lane Kollen
As of August 2010

Date	Case	Jurisdict.	Party	Utility	Subject
4/90	890319-EI Rebuttal	FL	Florida Industrial Power Users Group	Florida Power & Light Co.	O&M expenses, Tax Reform Act of 1986.
4/90	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Fuel clause, gain on sale of utility assets.
9/90	90-158	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Revenue requirements, post-test year additions, forecasted test year.
12/90	U-17282 Phase IV	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements.
3/91	29327, et. al.	NY	Multiple Intervenors	Niagara Mohawk Power Corp.	Incentive regulation.
5/91	9945	TX	Office of Public Utility Counsel of Texas	El Paso Electric Co.	Financial modeling, economic analyses, prudence of Palo Verde 3.
9/91	P-910511 P-910512	PA	Allegheny Ludlum Corp., Armco Advanced Materials Co., The West Penn Power Industrial Users' Group	West Penn Power Co.	Recovery of CAAA costs, least cost financing.
9/91	91-231 -E-NC	WV	West Virginia Energy Users Group	Monongahela Power Co.	Recovery of CAAA costs, least cost financing.
11/91	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Asset impairment, deregulated asset plan, revenue requirements.
12/91	91-410-EL-AIR	OH	Air Products and Chemicals, Inc., Armco Steel Co., General Electric Co., Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Revenue requirements, phase-in plan.
12/91	10200	TX	Office of Public Utility Counsel of Texas	Texas-New Mexico Power Co.	Financial integrity, strategic planning, declined business affiliations.

**Expert Testimony Appearances
of
Lane Kollen
As of August 2010**

Date	Case	Jurisdict.	Party	Utility	Subject
5/92	910890-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue requirements, O&M expense, pension expense, OPEB expense, fossil dismantling, nuclear decommissioning.
8/92	R-00922314	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Incentive regulation, performance rewards, purchased power risk, OPEB expense.
9/92	92-043	KY	Kentucky Industrial Utility Consumers	Generic Proceeding	OPEB expense.
9/92	920324-EI	FL	Florida Industrial Power Users' Group	Tampa Electric Co.	OPEB expense.
9/92	39348	IN	Indiana Industrial Group	Generic Proceeding	OPEB expense.
9/92	910840-PU	FL	Florida Industrial Power Users' Group	Generic Proceeding	OPEB expense.
9/92	39314	IN	Industrial Consumers for Fair Utility Rates	Indiana Michigan Power Co.	OPEB expense.
11/92	U-19904	LA	Louisiana Public Service Commission Staff	Gulf States Utilities/Entergy Corp.	Merger.
11/92	8649	MD	Westvaco Corp., Eastalco Aluminum Co.	Potomac Edison Co.	OPEB expense.
11/92	92-1715-AU-COI	OH	Ohio Manufacturers Association	Generic Proceeding	OPEB expense.
12/92	R-00922378	PA	Armco Advanced Materials Co., The WPP Industrial Intervenors	West Penn Power Co.	Incentive regulation, performance rewards, purchased power risk, OPEB expense.
12/92	U-19949	LA	Louisiana Public Service Commission Staff	South Central Bell	Affiliate transactions, cost allocations, merger.

Expert Testimony Appearances
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As of August 2010

Date	Case	Jurisdict.	Party	Utility	Subject
12/92	R-00922479	PA	Philadelphia Area Industrial Energy Users' Group	Philadelphia Electric Co.	OPEB expense.
1/93	8487	MD	Maryland Industrial Group	Baltimore Gas & Electric Co., Bethlehem Steel Corp.	OPEB expense, deferred fuel, CWIP in rate base
1/93	39498	IN	PSI Industrial Group	PSI Energy, Inc.	Refunds due to over-collection of taxes on Marble Hill cancellation.
3/93	92-11-11	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	OPEB expense.
3/93	U-19904 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities/Entergy	Merger. Corp.
3/93	93-01 EL-EFC	OH	Ohio Industrial Energy Consumers	Ohio Power Co.	Affiliate transactions, fuel.
3/93	EC92-21000 ER92-806-000	FERC	Louisiana Public Service Commission	Gulf States Utilities/Entergy Corp.	Merger.
4/93	92-1464-EL-AIR	OH	Air Products Armco Steel Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Revenue requirements, phase-in plan.
4/93	EC92-21000 ER92-806-000 (Rebuttal)	FERC	Louisiana Public Service Commission	Gulf States Utilities/Entergy Corp.	Merger.
9/93	93-113	KY	Kentucky Industrial Utility Customers	Kentucky Utilities	Fuel clause and coal contract refund.
9/93	92-490, 92-490A, 90-360-C	KY	Kentucky Industrial Utility Customers and Kentucky Attorney General	Big Rivers Electric Corp.	Disallowances and restitution for excessive fuel costs, illegal and improper payments, recovery of mine closure costs.
10/93	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	Revenue requirements, debt restructuring agreement, River Bend cost recovery.

Expert Testimony Appearances
of
Lane Kollen
As of August 2010

Date	Case	Jurisdict.	Party	Utility	Subject
1/94	U-20647	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Audit and investigation into fuel clause costs.
4/94	U-20647 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Nuclear and fossil unit performance, fuel costs, fuel clause principles and guidelines.
5/94	U-20178	LA	Louisiana Public Service Commission Staff	Louisiana Power & Light Co.	Planning and quantification issues of least cost integrated resource plan.
9/94	U-19904 Initial Post-Merger Earnings Review	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues.
9/94	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policies, exclusion of River Bend, other revenue requirement issues.
10/94	3905-U	GA	Georgia Public Service Commission Staff	Southern Bell Telephone Co.	Incentive rate plan, earnings review.
10/94	5258-U	GA	Georgia Public Service Commission Staff	Southern Bell Telephone Co.	Alternative regulation, cost allocation.
11/94	U-19904 Initial Post-Merger Earnings Review (Rebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues.
11/94	U-17735 (Rebuttal)	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policy, exclusion of River Bend, other revenue requirement issues.
4/95	R-00943271	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Revenue requirements. Fossil dismantling, nuclear decommissioning.

**Expert Testimony Appearances
of
Lane Kollen
As of August 2010**

Date	Case	Jurisdict.	Party	Utility	Subject
6/95	3905-U Rebuttal	GA	Georgia Public Service Commission	Southern Bell Telephone Co.	Incentive regulation, affiliate transactions, revenue requirements, rate refund.
6/95	U-19904 (Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment.
10/95	95-02614	TN	Tennessee Office of the Attorney General Consumer Advocate	BellSouth Telecommunications, Inc.	Affiliate transactions.
10/95	U-21485 (Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues.
11/95	U-19904 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co. Division	Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment.
11/95	U-21485 (Supplemental Direct) 12/95 U-21485 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues.
1/96	95-299-EL-AIR 95-300-EL-AIR	OH	Industrial Energy Consumers	The Toledo Edison Co. The Cleveland Electric Illuminating Co.	Competition, asset writeoffs and revaluation, O&M expense, other revenue requirement issues.
2/96	PUC No. 14965	TX	Office of Public Utility Counsel	Central Power & Light	Nuclear decommissioning.
5/96	95-485-LCS	NM	City of Las Cruces	El Paso Electric Co.	Stranded cost recovery, municipalization.
7/96	8725	MD	The Maryland Industrial Group and Redland Genstar, Inc.	Baltimore Gas & Electric Co., Potomac Electric Power Co. and Constellation Energy Corp.	Merger savings, tracking mechanism, earnings sharing plan, revenue requirement issues.

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9/96 11/96	U-22092 U-22092 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues, allocation of regulated/nonregulated costs.
10/96	96-327	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Environmental surcharge recoverable costs.
2/97	R-00973877	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Stranded cost recovery, regulatory assets and liabilities, intangible transition charge, revenue requirements.
3/97	96-489	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Environmental surcharge recoverable costs, system agreements, allowance inventory, jurisdictional allocation.
6/97	TO-97-397	MO	MCI Telecommunications Corp., Inc., MCImetro Access Transmission Services, Inc.	Southwestern Bell Telephone Co.	Price cap regulation, revenue requirements, rate of return.
6/97	R-00973953	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
7/97	R-00973954	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
7/97	U-22092	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Depreciation rates and methodologies, River Bend phase-in plan.
8/97	97-300	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co. and Kentucky Utilities Co.	Merger policy, cost savings, surcredit sharing mechanism, revenue requirements, rate of return.

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8/97	R-00973954 (Surrebuttal)	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
10/97	97-204	KY	Alcan Aluminum Corp. Southwire Co.	Big Rivers Electric Corp.	Restructuring, revenue requirements, reasonableness
10/97	R-974008	PA	Metropolitan Edison Industrial Users Group	Metropolitan Edison Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements.
10/97	R-974009	PA	Penelec Industrial Customer Alliance	Pennsylvania Electric Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements.
11/97	97-204 (Rebuttal)	KY	Alcan Aluminum Corp. Southwire Co.	Big Rivers Electric Corp.	Restructuring, revenue requirements, reasonableness of rates, cost allocation.
11/97	U-22491	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.
11/97	R-00973953 (Surrebuttal)	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
11/97	R-973981	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements, securitization.
11/97	R-974104	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization.

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12/97	R-973981 (Surrebuttal)	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements.
12/97	R-974104 (Surrebuttal)	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization.
1/98	U-22491 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.
2/98	8774	MD	Westvaco	Potomac Edison Co.	Merger of Duquesne, AE, customer safeguards, savings sharing.
3/98	U-22092 (Allocated Stranded Cost Issues)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation.
3/98	8390-U	GA	Georgia Natural Gas Group, Georgia Textile Manufacturers Assoc.	Atlanta Gas Light Co.	Restructuring, unbundling, stranded costs, incentive regulation, revenue requirements.
3/98	U-22092 (Allocated Stranded Cost Issues) (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation.
10/98	97-596	ME	Maine Office of the Public Advocate	Bangor Hydro-Electric Co.	Restructuring, unbundling, stranded costs, T&D revenue requirements.
10/98	9355-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Co.	Affiliate transactions.
10/98	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policy, other revenue requirement issues.

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11/98	U-23327	LA	Louisiana Public Service Commission Staff	SWEPCO, CSW and AEP	Merger policy, savings sharing mechanism, affiliate transaction conditions.
12/98	U-23358 (Direct)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
12/98	98-577	ME	Maine Office of Public Advocate	Maine Public Service Co.	Restructuring, unbundling, stranded cost, T&D revenue requirements.
1/99	98-10-07	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Stranded costs, investment tax credits, accumulated deferred income taxes, excess deferred income taxes.
3/99	U-23358 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
3/99	98-474	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements, alternative forms of regulation.
3/99	98-426	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements, alternative forms of regulation.
3/99	99-082	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
3/99	99-083	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
4/99	U-23358 (Supplemental Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
4/99	99-03-04	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Regulatory assets and liabilities, stranded costs, recovery mechanisms.
4/99	99-02-05	CT	Connecticut Industrial Utility Customers	Connecticut Light and Power Co.	Regulatory assets and liabilities stranded costs, recovery mechanisms.

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Date	Case	Jurisdict.	Party	Utility	Subject
5/99	98-426 99-082 (Additional Direct)	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
5/99	98-474 99-083 (Additional Direct)	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
5/99	98-426 98-474 (Response to Amended Applications)	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co. and Kentucky Utilities Co.	Alternative regulation.
6/99	97-596	ME	Maine Office of Public Advocate	Bangor Hydro-Electric Co.	Request for accounting order regarding electric industry restructuring costs.
6/99	U-23358	LA	Louisiana Public Public Service Comm. Staff	Entergy Gulf States, Inc.	Affiliate transactions, cost allocations.
7/99	99-03-35	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Stranded costs, regulatory assets, tax effects of asset divestiture.
7/99	U-23327	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co., Central and South West Corp, and American Electric Power Co.	Merger Settlement and Stipulation.
7/99	97-596 Surrebuttal	ME	Maine Office of Public Advocate	Bangor Hydro-Electric Co.	Restructuring, unbundling, stranded cost, T&D revenue requirements.
7/99	98-0452-E-GI	WV	West Virginia Energy Users Group	Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power	Regulatory assets and liabilities.
8/99	98-577 Surrebuttal	ME	Maine Office of Public Advocate	Maine Public Service Co.	Restructuring, unbundling, stranded costs, T&D revenue requirements.
8/99	98-426 99-082 Rebuttal	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.

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Date	Case	Jurisdict.	Party	Utility	Subject
8/99	98-474 98-083 Rebuttal	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
8/99	98-0452-E-GI Rebuttal	WV	West Virginia Energy Users Group	Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power	Regulatory assets and liabilities.
10/99	U-24182 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues.
11/99	21527	TX	Dallas-Ft.Worth Hospital Council and Coalition of Independent Colleges and Universities	TXU Electric	Restructuring, stranded costs, taxes, securitization.
11/99	U-23358 Surrebuttal Affiliate Transactions Review	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Service company affiliate transaction costs.
04/00	99-1212-EL-ETPOH 99-1213-EL-ATA 99-1214-EL-AAM		Greater Cleveland Growth Association	First Energy (Cleveland Electric Illuminating, Toledo Edison)	Historical review, stranded costs, regulatory assets, liabilities.
01/00	U-24182 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues.
05/00	2000-107	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	ECR surcharge roll-in to base rates.
05/00	U-24182 Supplemental Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Affiliate expense proforma adjustments.
05/00	A-110550F0147	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy	Merger between PECO and Unicom.

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Date	Case	Jurisdict.	Party	Utility	Subject
07/00	22344	TX	The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges and Universities	Statewide Generic Proceeding	Escalation of O&M expenses for unbundled T&D revenue requirements in projected test year.
05/00	99-1658-EL-ETP	OH	AK Steel Corp.	Cincinnati Gas & Electric Co.	Regulatory transition costs, including regulatory assets and liabilities, SFAS 109, ADIT, EDIT, ITC.
07/00	U-21453	LA	Louisiana Public Service Commission	SWEPCO	Stranded costs, regulatory assets and liabilities.
08/00	U-24064	LA	Louisiana Public Service Commission Staff	CLECO	Affiliate transaction pricing ratemaking principles, subsidization of nonregulated affiliates, ratemaking adjustments.
10/00	PUC 22350 SOAH 473-00-1015	TX	The Dallas-Ft. Worth Hospital Council and The Coalition of Independent Colleges And Universities	TXU Electric Co.	Restructuring, T&D revenue requirements, mitigation, regulatory assets and liabilities.
10/00	R-00974104 Affidavit	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Final accounting for stranded costs, including treatment of auction proceeds, taxes, capital costs, switchback costs, and excess pension funding.
11/00	P-00001837 R-00974008 P-00001838 R-00974009	PA	Metropolitan Edison Industrial Users Group Penelec Industrial Customer Alliance	Metropolitan Edison Co. Pennsylvania Electric Co.	Final accounting for stranded costs, including treatment of auction proceeds, taxes, regulatory assets and liabilities, transaction costs.
12/00	U-21453, U-20925, U-22092 (Subdocket C) Surrebuttal	LA	Louisiana Public Service Commission Staff	SWEPCO	Stranded costs, regulatory assets.
01/01	U-24993 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.

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Date	Case	Jurisdict.	Party	Utility	Subject
01/01	U-21453, U-20925, U-22092 (Subdocket B) Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Industry restructuring, business separation plan, organization structure, hold harmless conditions, financing.
01/01	Case No. 2000-386	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Recovery of environmental costs, surcharge mechanism.
01/01	Case No. 2000-439	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Recovery of environmental costs, surcharge mechanism.
02/01	A-110300F0095 A-110400F0040	PA	Met-Ed Industrial Users Group Penelec Industrial Customer Alliance	GPU, Inc. FirstEnergy Corp/	Merger, savings, reliability.
03/01	P-00001860 P-00001861	PA	Met-Ed Industrial Users Group Penelec Industrial Customer Alliance	Metropolitan Edison Co. and Pennsylvania Electric Co.	Recovery of costs due to provider of last resort obligation.
04 /01	U-21453, U-20925, U-22092 (Subdocket B) Settlement Term Sheet	LA	Louisiana Public Public Service Comm. Staff	Entergy Gulf States, Inc.	Business separation plan: settlement agreement on overall plan structure.
04 /01	U-21453, U-20925, U-22092 (Subdocket B) Contested Issues	LA	Louisiana Public Public Service Comm. Staff	Entergy Gulf States, Inc.	Business separation plan: agreements, hold harmless conditions, separations methodology.
05 /01	U-21453, U-20925, U-22092 (Subdocket B) Contested Issues Transmission and Distribution Rebuttal	LA	Louisiana Public Public Service Comm. Staff	Entergy Gulf States, Inc.	Business separation plan: agreements, hold harmless conditions, Separations methodology.

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Date	Case	Jurisdict.	Party	Utility	Subject
07/01	U-21453, U-20925, U-22092 Subdocket B Transmission and Distribution Term Sheet	LA	Louisiana Public Public Service Comm. Staff	Entergy Gulf States, Inc.	Business separation plan: settlement agreement on T&D issues, agreements necessary to implement T&D separations, hold harmless conditions, separations methodology.
10/01	14000-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Company	Revenue requirements, Rate Plan, fuel clause recovery.
11/01	14311-U Direct Panel with Bolin Killings	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital.
11/01	U-25687 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, capital structure, allocation of regulated and nonregulated costs, River Bend uprate.
02/02	25230	TX	Dallas Ft.-Worth Hospital Council & the Coalition of Independent Colleges & Universities	TXU Electric	Stipulation. Regulatory assets, securitization financing.
02/02	U-25687 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate.
03/02	14311-U Rebuttal Panel with Bolin Killings	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, earnings sharing plan, service quality standards.
03/02	14311-U Rebuttal Panel with Michelle L. Thebert	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital.
03/02	001148-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Co.	Revenue requirements. Nuclear life extension, storm damage accruals and reserve, capital structure, O&M expense.
04/02 (Supplemental Surrebuttal)	U-25687	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate.
04/02	U-21453, U-20925 and U-22092		Louisiana Public Service Commission	SWEPCO	Business separation plan, T&D Term Sheet, separations methodologies, hold harmless

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Date	Case	Jurisdict.	Party	Utility	Subject
	(Subdocket C)		Staff		conditions.
08/02	EL01- 88-000	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and The Entergy Operating Companies	System Agreement, production cost equalization, tariffs.
08/02	U-25888	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc. and Entergy Louisiana, Inc.	System Agreement, production cost disparities, prudence.
09/02	2002-00224 2002-00225	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co. Louisville Gas & Electric Co.	Line losses and fuel clause recovery associated with off-system sales.
11/02	2002-00146 2002-00147	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co. Louisville Gas & Electric Co.	Environmental compliance costs and surcharge recovery.
01/03	2002-00169	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Power Co.	Environmental compliance costs and surcharge recovery.
04/03	2002-00429 2002-00430	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co. Louisville Gas & Electric Co.	Extension of merger surcredit, flaws in Companies' studies.
04/03	U-26527	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, Capital structure, post test year Adjustments.
06/03	EL01- 88-000 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement, production cost equalization, tariffs.
06/03	2003-00068	KY	Kentucky Industrial Utility Customers	Kentucky Utilities Co.	Environmental cost recovery, correction of base rate error.
11/03	ER03-753-000	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Unit power purchases and sale cost-based tariff pursuant to System Agreement.

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11/03	ER03-583-000, ER03-583-001, and ER03-583-002 ER03-681-000, ER03-681-001 ER03-682-000, ER03-682-001, and ER03-682-002 ER03-744-000, ER03-744-001 (Consolidated)	FERC	Louisiana Public Service Commission	Entergy Services, Inc., the Entergy Operating Companies, EWO Marketing, L.P, and Entergy Power, Inc.	Unit power purchase and sale agreements, contractual provisions, projected costs, levelized rates, and formula rates.
12/03	U-26527 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, Capital structure, post test year adjustments.
12/03	2003-0334 2003-0335	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co. Louisville Gas & Electric Co.	Earnings Sharing Mechanism.
12/03	U-27136	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	Purchased power contracts between affiliates, terms and conditions.
03/04	U-26527 Supplemental Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post test year adjustments.
03/04	2003-00433	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit.
03/04	2003-00434	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit.
03/04	SOAH Docket 473-04-2459, PUC Docket	TX	Cities Served by Texas-New Mexico Power Co.	Texas-New Mexico Power Co.	Stranded costs true-up, including including valuation issues, ITC, ADIT, excess earnings.

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05/04	29206 04-169- EL-UNC	OH	Ohio Energy Group, Inc.	Columbus Southern Power Co. & Ohio Power Co.	Rate stabilization plan, deferrals, T&D rate increases, earnings.
06/04	SOAH Docket 473-04-4555 PUC Docket 29526	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric	Stranded costs true-up, including valuation issues, ITC, EDIT, excess mitigation credits, capacity auction true-up revenues, interest.
08/04	SOAH Docket 473-04-4556 PUC Docket 29526 (Suppl Direct)	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric	Interest on stranded cost pursuant to Texas Supreme Court remand.
09/04	Docket No. U-23327 Subdocket B	LA	Louisiana Public Service Commission Staff	SWEPCO	Fuel and purchased power expenses recoverable through fuel adjustment clause, trading activities, compliance with terms of various LPSC Orders.
10/04	Docket No. U-23327 Subdocket A	LA	Louisiana Public Service Commission Staff	SWEPCO	Revenue requirements.
12/04	Case No. 2004-00321 Case No. 2004-00372	KY	Gallatin Steel Co.	East Kentucky Power Cooperative, Inc., Big Sandy Recc, etal.	Environmental cost recovery, qualified costs, TIER requirements, cost allocation.
01/05	30485	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric, LLC	Stranded cost true-up including regulatory Central Co. assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT.
02/05	18638-U	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements.
02/05	18638-U Panel with Tony Wackerly	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Comprehensive rate plan, pipeline replacement program surcharge, performance based rate plan.
02/05	18638-U Panel with Michelle Thebert	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Energy conservation, economic development, and tariff issues.

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03/05	Case No. 2004-00426 Case No. 2004-00421	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co. Louisville Gas & Electric	Environmental cost recovery, Jobs Creation Act of 2004 and § 199 deduction, excess common equity ratio, deferral and amortization of nonrecurring O&M expense.
06/05	2005-00068	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Environmental cost recovery, Jobs Creation Act of 2004 and §199 deduction, margins on allowances used for AEP system sales.
06/05	050045-EI	FL	South Florida Hospital and Heallthcare Assoc.	Florida Power & Light Co.	Storm damage expense and reserve, RTO costs, O&M expense projections, return on equity performance incentive, capital structure, selective second phase post-test year rate increase.
08/05	31056	TX	Alliance for Valley Healthcare	AEP Texas Central Co.	Stranded cost true-up including regulatory assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT.
09/05	20298-U	GA	Georgia Public Service Commission Adversary Staff	Atmos Energy Corp.	Revenue requirements, roll-in of surcharges, cost recovery through surcharge, reporting requirements.
09/05	20298-U Panel with Victoria Taylor	GA	Georgia Public. Service Commission Adversary Staff	Atmos Energy Corp.	Affiliate transactions, cost allocations, capitalization, cost of debt.
10/05	04-42	DE	Delaware Public Service Commission Staff	Artesian Water Co.	Allocation of tax net operating losses between regulated and unregulated.
11/05	2005-00351 2005-00352	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co. Louisville Gas and Electric Co.	Workforce Separation Program cost recovery and shared savings through VDT surcredit.
01/06	2005-00341	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	System Sales Clause Rider, Environmental Cost Recovery Rider. Net Congestion Rider, Storm damage, vegetation management program, depreciation, off-system sales, maintenance normalization, pension and OPEB.
03/06 05/06	31994 31994 Supplemental	TX	Cities	Texas-New Mexico Power Co.	Stranded cost recovery through competition transition or change. Retrospective ADFIT, prospective ADFIT.

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03/06	U-21453, U-20925, U-22092	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Jurisdictional separation plan.
3/06	NOPR Reg 104385-OR	IRS	Alliance for Valley Health Care and Houston Council for Health Education	AEP Texas Central Company and CenterPioint Energy Houston Electric	Proposed Regulations affecting flow-through to ratepayers of excess deferred income taxes and investment Tax credits on generation plant that Is sold or deregulated.
4/06	U-25116	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	2002-2004 Audit of Fuel Adjustment Clause Filings. Affiliate transactions.
07/06	R-00061366, Et. al	PA	Met-Ed Ind. Users Group Pennsylvania Ind. Customer Alliance	Metropolitan Edison Co. Pennsylvania Electric Co.	Recovery of NUG-related stranded costs, government mandated programs costs, storm damage costs.
07/06	U-23327	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co.	Revenue requirements, formula rate plan, banking proposal.
08/06	U-21453, U-20925 U-22092 (Subdocket J)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Jurisdictional separation plan.
11/06	05CVH03-3375 Franklin County Court Affidavit	OH	Various Taxing Authorities (Non-Utility Proceeding)	State of Ohio Department of Revenue	Accounting for nuclear fuel assemblies as manufactured equipment and capitalized plant.
12/06	U-23327 Subdocket A Reply Testimony	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co..	Revenue requirements, formula rate plan, banking proposal.
03/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc., Entergy Louisiana, LLC	Jurisdictional allocation of Entergy System Agreement equalization remedy receipts.
03/07	33309	TX	Cities	AEP Texas Central Co.	Revenue requirements, including functionalization of transmission and distribution costs.
03/07	33310	TX	Cities	AEP Texas North Co.	Revenue requirements, including functionalization of transmission and distribution costs.

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03/07	2006-00472	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative	Interim rate increase, RUS loan covenants, credit facility requirements, financial condition.
03/07	U-29157	LA	Louisiana Public Service Commission Staff	Cleco Power, LLC	Permanent (Phase II) storm damage cost recovery.
04/07	U-29764 Supplemental And Rebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc. Entergy Louisiana, LLC	Jurisdictional allocation of Entergy System Agreement equalization remedy receipts.
04/07	ER07-682-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Allocation of intangible and general plant and A&G expenses to production and state income tax effects on equalization remedy receipts
04/07	ER07-684-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Fuel hedging costs and compliance with FERC USOA.
05/07	ER07-682-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Allocation of intangible and general plant and A&G expenses to production and account 924 effects on MSS-3 equalization remedy payments and receipts.
06/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, LLC Entergy Gulf States, Inc.	Show cause for violating LPSC Order on fuel hedging costs.
07/07	2006-00472	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative	Revenue requirements, post test year adjustments, TIER, surcharge revenues and costs, financial need.
07/07	ER07-956-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Storm damage costs related to Hurricanes Katrina and Rita and effects of MSS-3 equalization payments and receipts.

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Date	Case	Jurisdict.	Party	Utility	Subject
10/07	05-UR-103 Direct	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company Wisconsin Gas, LLC	Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds.
10/07	05-UR-103 Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company Wisconsin Gas, LLC	Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds.
10/07	25060-U Direct	GA	Georgia Public Service Commission Public Interest Adversary Staff	Georgia Power Company	Affiliate costs, incentive compensation, consolidated income taxes, §199 deduction.
11/07	06-0033-E-CN Direct	WV	West Virginia Energy Users Group	Appalachian Power Company	IGCC surcharge during construction period and post-in-service date.
11/07	ER07-682-000 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization and allocation of intangible and general plant and A&G expenses.
01/08	ER07-682-000 Cross Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Fuctionalization and allocation of intangible and general plant and A&G expenses.
01/08	07-551-EL-AIR Direct	OH	Ohio Energy Group, Inc.	Ohio Edison Company, Cleveland Electric Illuminating Company, Toledo Edison Company	Revenue Requirements.
02/08	ER07-956-000 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization of expenses in account 923; storm damage expense and accounts 924, 228.1, 182.3, 254 and 407.3; tax NOL carrybacks in account 165 and 236; ADIT; nuclear service lives and effect on depreciation and decommissioning.

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Date	Case	Jurisdict.	Party	Utility	Subject
03/08	ER07-956-000 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization of expenses in account 923; storm damage expense and accounts 924, 228.1, 182.3, 254 and 407.3; tax NOL carrybacks in account 165 and 236; ADIT; nuclear service lives and effect on depreciation and decommissioning.
04/08	2007-00562 2007-00563	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co. Louisville Gas and Electric Co.	Merger surcredit.
04/08	26837 Direct Panel with Thomas K. Bond, Cynthia Johnson, Michelle Thebert	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
05/08	26837 Rebuttal Panel with Thomas K. Bond, Cynthia Johnson, Michelle Thebert	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
05/08	26837 Supplemental Rebuttal Panel with Thomas K. Bond, Cynthia Johnson, Michelle Thebert	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
06/08	2008-00115	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Environmental surcharge recoveries, incl costs recovered in existing rates, TIER
07/08	27163 Direct	GA	Georgia Public Service Commission Public Interest Advocacy Staff	Atmos Energy Corp.	Revenue requirements, incl projected test year rate base and expenses.
07/08	27163 Panel with Victoria Taylor	GA	Georgia Public Service Commission Public Interest Advocacy Staff	Atmos Energy Corp.	Affiliate transactions and division cost allocations, capital structure, cost of debt.
08/08	6680-CE-170 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Nelson Dewey 3 or Colombia 3 fixed financial parameters.

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Date	Case	Jurisdict.	Party	Utility	Subject
08/08	6680-UR-116 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	CWIP in rate base, labor expenses, pension expense, financing, capital structure, decoupling.
08/08	6680-UR-116 Rebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Capital structure.
08/08	6690-UR-119 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Public Service Corp.	Prudence of Weston 3 outage, incentive compensation, Crane Creek Wind Farm incremental revenue requirement, capital structure.
09/08	6690-UR-119 Surrebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Public Service Corp.	Prudence of Weston 3 outage, Section 199 deduction.
09/08	08-935-EL-SSO 08-918-EL-SSO	OH OH	Ohio Energy Group, Inc.	First Energy	Standard service offer rates pursuant to electric security plan, significantly excessive earnings test.
10/08	08-917-EL-SSO	OH	Ohio Energy Group, Inc.	AEP	Standard service offer rates pursuant to electric security plan, significantly excessive earnings test.
10/08	2007-564 2007-565 2008-251 2008-252	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co., Kentucky Utilities Company	Revenue forecast, affiliate costs, depreciation expenses, federal and state income tax expense, capitalization, cost of debt.
11/08	EL08-51	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Spindletop gas storage facilities, regulatory asset and bandwidth remedy.
11/08	35717	TX	Cities Served by Oncor Delivery Company	Oncor Delivery Company	Recovery of old meter costs, asset ADFIT, cash working capital, recovery of prior year restructuring costs, levelized recovery of storm damage costs, prospective storm damage accrual, consolidated tax savings adjustment.
12/08	27800	GA	Georgia Public Service Commission	Georgia Power Company	AFUDC versus CWIP in rate base, mirror CWIP, certification cost, use of short term debt and trust preferred financing, CWIP recovery, regulatory incentive.
01/09	ER08-1056	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.

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Date	Case	Jurisdict.	Party	Utility	Subject
01/09	ER08-1056 Supplemental Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Blytheville leased turbines; accumulated depreciation.
02/09	EL08-51 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Spindletop gas storage facilities regulatory asset and bandwidth remedy.
02/09	2008-00409 Direct	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Revenue requirements.
03/09	ER08-1056 Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
03/09	U-21453,U-20925 U-22092 (Subdocket J)		Louisiana Public Service Commission Staff	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.
04/09	U-21453, U-20925 U-22092 (Subdocket J) Rebuttal		Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.
04/09	2009-00040 Direct-Interim (Oral)	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Emergency interim rate increase; cash requirements.
04/09	36530	TX	State Office of Administrative Hearings	Oncor Electric Delivery Company, LLC	Rate case expenses.
05/09	ER08-1056 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
06/09	2009-00040 Direct-Permanent	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Revenue requirements, TIER, cash flow.
07/09	080677-EI	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Multiple test years, GBRA rider, forecast assumptions, revenue requirement, O&M expense, depreciation expense, Economic Stimulus Bill, capital structure.
08/09	U-21453, U-20925 U-22092 (Subdocket J) Supplemental Rebuttal		Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.

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Date	Case	Jurisdict.	Party	Utility	Subject
08/09	8516 and 29950	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Modification of PRP surcharge to include infrastructure costs.
09/09	05-UR-104 Direct and Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company	Revenue requirements, incentive compensation, depreciation, deferral mitigation, capital structure, cost of debt.
09/09	09AL-299E	CO	CF&I Steel, Rocky Mountain Steel Mills LP, Climax Molybdenum Company	Public Service Company of Colorado	Forecasted test year, historic test year, proforma adjustments for major plant additions, tax depreciation.
09/09	6680-UR-117 Direct and Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Power and Light Company	Revenue requirements, CWIP in rate base, deferral mitigation, payroll, capacity shutdowns, regulatory assets, rate of return.
10/09	09A-415E	CO	Cripple Creek & Victor Gold Mining Company, et al.	Black Hills/CO Electric Utility Company	Cost prudence, cost sharing mechanism.
10/09	EL09-50 Direct	LA	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations.
10/09	2009-00329	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	Trimble County 2 depreciation rates.
12/09	PUE-2009-00030	VA	Old Dominion Committee for Fair Utility Rates	Appalachian Power Company	Return on equity incentive.
12/09	ER09-1224 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical v. actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
01/10	ER09-1224 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical v. actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT
01/10	EL09-50 Rebuttal	LA	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations.
02/10	ER09-1224 Final	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical v. actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.

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Date	Case	Jurisdict.	Party	Utility	Subject
02/10	30442 Wackerly-Kollen Panel	GA	Georgia Public Service Commission Staff	Atmos Energy Corporation	Revenue Requirement issues.
02/10	30442 McBride-Kollen Panel	GA	Georgia Public Service Commission Staff	Atmos Energy Corporation	Affiliate/division transactions, cost allocation, capital structure.
02/10	2009-00353	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	Ratemaking recovery of wind power purchased power agreements.
03/10	2009-00545	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Ratemaking recovery of wind power purchased power agreement.
03/10	E015/GR-09-1151	MN	Large Power Interveners	Minnesota Power	Revenue requirement issues, cost overruns on environmental retrofit project.
04/10	2009-00459	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Revenue requirement issues.
04/10	2009-00458 2009-00459	KY	Kentucky Industrial	Kentucky Utilities Company Louisville Gas and Electric Company	Revenue requirement issues.
08/10	31647	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Revenue requirement and synergy savings issues.
08/10	31647 Wackerly-Kollen Panel	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Affiliate transaction and Customer First program issues.
08/10	2010-00204	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	PPL acquisition of E.ON U.S. (LG&E and KU) conditions, acquisition savings, sharing deferral mechanism.

EXHIBIT ____ (LK-2)

East Kentucky Power Cooperative, Inc.
Case No. 2010-00167
Fully Forecasted Test Period
Volume 5, Tab 56

Filing Requirement
807 KAR 5:001 Section 10(10)(k)
Sponsoring Witness: Ann F. Wood and Frank J. Oliva

Description of Filing Requirement:

Comparative financial data and earnings measures for the 10 most recent calendar years, base period, and forecast period;

Response:

Comparative financial data and earnings measures for the 10 most recent calendar years, base period, and forecast period are included on pages 2 and 3 of this response.

EAST KENTUCKY POWER COOPERATIVE
& CHARLESTON BOTTOMS RECC
STATEMENT OF OPERATIONS

	Test Year	Base Year	2009 Actual	2008 Actual	2007 Actual	2006 Actual
Electric Energy Revenue						
Power Sales-Mbr Coops-Basic Rate	$ 870,589,834	$ 812,175,786	$ 684,810,077	$ 628,675,947	$ 578,900,113	$ 499,881,247
Power Sales-Member Coops - Rate Increase			-	-	-	-
Power Sales-Mbr Coops-Fuel Clause	(47,919,245)	(92,613,945)	(10,494,247)	102,684,583	82,895,790	79,302,740
Power Sales-Mbr Coops-Environmental Surcharge	102,331,164	80,527,071	61,545,064	47,867,930	58,575,397	55,193,441
Power Sales-Mbr Coops-Steam	12,515,469	12,399,759	12,953,999	13,677,840	11,976,967	11,098,876
Power Sales-Off System	4,077,673	7,118,235	9,844,534	5,183,439	7,741,219	3,457,797
Wheeling Revenue	2,538,793	1,047,223	306,212	442,414	313,199	1,453,786
Other Operating Revenue-Income	2,207,169	(7,262,454)	14,123,513	(3,359,884)	5,196,300	572,055
Total Operating Revenue & Patronage Capital	**946,340,857**	**813,391,666**	**773,089,151**	**795,172,289**	**745,598,985**	**650,959,942**
Operation Expenses						
Production Costs Excluding Fuel	70,782,434	62,912,789	58,408,578	56,816,788	62,815,011	68,259,844
Fuel	445,953,276	337,952,731	294,840,153	302,977,775	293,755,765	278,209,877
Other Power Supply	57,299,991	77,269,552	105,415,279	172,148,523	127,085,904	83,353,027
Transmission	34,588,197	31,419,075	25,519,165	28,097,897	21,208,154	21,470,845
Distribution	1,467,869	1,093,336	751,766	729,119	722,064	929,377
Customer Accounts	-		-	-	-	-
Customer Service & Information	3,360,190	2,460,435	1,995,650	2,589,982	3,448,627	4,343,009
Sales	21,002	17,591	6,101	18,648	79,220	128,469
Administration and General	31,429,193	29,002,554	28,654,744	23,378,297	27,756,906	31,620,587
Total Operation Expenses	**644,902,152**	**542,128,084**	**515,591,438**	**586,754,827**	**536,871,872**	**488,314,815**

STATEMENT OF OPERATIONS	Test Year	Base Year	2009 Actual	2008 Actual	2007 Actual	2006 Actual
Maintenance Expenses						
Production Maintenance	56,916,009	53,577,467	48,336,183	51,467,888	47,361,569	38,550,633
Transmission Expense	5,686,816	5,940,112	4,324,921	4,040,158	4,140,373	3,953,908
Distribution Expense	1,014,342	1,488,233	924,519	1,197,187	1,424,112	1,202,831
General Plant	2,049,142	1,863,907	934,103	762,890	785,231	612,008
Total Maintenance Expenses	**65,666,309**	**62,867,720**	**54,519,726**	**57,468,224**	**53,711,285**	**44,319,380**
Fixed Costs						
Depreciation/Amortization	$78,898,822	$70,863,419	60,548,674	41,196,739	40,562,780	39,384,188
Taxes	800	800	800	800	(9,918)	559
Interest on Long Term Debt	147,316,797	118,251,581	113,319,764	109,848,439	102,943,597	84,634,106
Interest During Construction	0	0	-	-	-	-
Other Interest Expense	39,999	40,338	35,761	27,254	42,482	199,868
Other Deductions	1,782,585	4,301,143	7,207,522	6,456,376	(2,405,438)	1,079,103
Total Fixed Costs	**228,039,003**	**193,457,281**	**181,112,549**	**157,529,809**	**141,133,504**	**125,297,824**
Total Cost of Electric Service	**938,607,464**	**798,253,065**	**751,223,703**	**801,752,660**	**731,716,461**	**657,932,019**
Operating Margins	**7,733,393**	**15,138,590**	**21,865,448**	**(6,580,391)**	**13,882,525**	**(6,972,077)**
Non-Operating Items						
Interest Income	$3,417,679	$3,516,216	3,615,136	5,384,480	7,860,295	8,432,862
Allowance Funds Used for Const.	0	0	4,883,872	28,884,837	22,274,767	9,191,679
Other Non-Operating Income	(69,488)	7,680	(59,870)	36,834	340,067	206,014
Oth Cap. Credits/Patronage Div.	150,000	371,810	264,435	144,602	135,467	315,491
Total Non-Operating Items	**3,498,391**	**3,895,706**	**8,703,573**	**34,450,953**	**30,610,615**	**18,146,066**
Net Patronage Capital & Margins (Deficit) *	**$ 11,231,784**	**$ 19,034,296**	**$ 30,569,021**	**$ 27,870,562**	**$ 44,493,140**	**$ 11,173,989**

* Test Year Excludes Rate Increase

	Test Year	Base Year	2009 Actual	2008 Actual	2007 Actual	2006 Actual
Sales to Coops-MWH:						
Rate E	10,900,307	10,080,296	8,608,733	9,753,133	9,726,963	9,100,864
Rate B	912,839	899,407	882,870	903,556	890,752	852,915
Rate C	306,081	315,676	661,041	517,268	576,889	560,000
Rate G	319,824	328,808	864,506	242,059	225,497	220,445
Inland Steam	281,958	267,906	270,199	277,527	261,315	266,469
Gallatin Steel	968,960	958,479	793,684	958,331	986,518	976,939
Pumping Stations	182,305 **	111,922 **	158,722	192,511	183,888	149,770
Total Sales to Coops-MWH	13,654,274	12,962,494	12,239,535	12,842,385	12,851,620	12,129,402

** On-Peak Energy Rate is Based on Forward Price (Cinergy Hub)
Off-Peak Energy Rate is Based on EKPC System Avrg Incremental Cost Plus O & M Plus 3 Mill Adder

	Test Year	Base Year	2009 Actual	2008 Actual	2007 Actual	2006 Actual
Generation - MWH	13,765,169	12,144,462	10,925,248	10,870,423	11,493,588	11,197,632
Revenue from Members (Mills per kWh)	67.67	63.23	61.16	61.74	58.98	53.22
% kWh Increase Over Prev. Year	6.88	5.91	-4.7%	-0.1%	6.0%	-1.9
% Equity	7.87	7.71	7.4	6.7	7.0	5.3
TIER	1.08	1.16	1.27	1.25	1.43	1.13
DSC	0.97	1.08	1.11	1.04	1.17	0.96
System Peak Demand - MW						
Winter Season	3,079	2,859	2,872	3,149	3,033	2,859
Summer Season	2,476	2,487	2,175	2,265	2,487	2,339
Member Load Growth %						
Energy	7.7	(0.5)	(4.69)	(0.07)	5.8	(1.9)
Demand	(0.4)	14.3	(2.52)	0.40	5.3	1.3
Load Factor %	51	52	44	48	51	50

EAST KENTUCKY POWER COOPERATIVE & CHARLESTON BOTTOMS RECC STATEMENT OF OPERATIONS	2005 Actual	2004 Actual	2003 Actual	2002 Actual	2001 Actual	2000 Actual
Electric Energy Revenue						
Power Sales-Mbr Coops-Basic Rate	$ 494,814,870	$ 441,379,469	$ 412,273,089	$ 359,847,164	$ 365,999,078	$ 354,809,057
Power Sales-Member Coops - Rate Increase	-	-	-	-	-	-
Power Sales-Mbr Coops-Fuel Clause	88,492,268	51,618,557	21,840,046	15,865,085	20,536,274	(1,534,706)
Power Sales-Mbr Coops-Environmental Surcharge	26,730,039	-	-	-	-	-
Power Sales-Mbr Coops-Steam	10,672,135	8,170,632	6,939,763	6,610,536	6,940,437	5,754,651
Power Sales-Off System	7,469,042	1,642,591	3,191,048	15,029,202	30,999,237	29,685,492
Wheeling Revenue	1,954,292	2,340,590	2,272,673	1,585,256	1,588,644	2,485,379
Other Operating Revenue-Income	1,364,427	528,624	607,840	541,443	787,100	2,081,074
Total Operating Revenue & Patronage Capital	**531,296,873**	**505,880,463**	**447,124,459**	**429,488,886**	**426,850,770**	**393,280,947**
Operation Expenses						
Production Costs Excluding Fuel	63,420,822	37,501,941	27,165,535	28,470,655	24,657,916	20,730,827
Fuel	263,434,248	173,506,697	137,102,799	146,508,315	132,044,462	114,138,767
Other Power Supply	116,313,213	140,464,513	107,038,399	67,664,304	88,128,206	80,274,821
Transmission	15,362,739	19,774,760	16,577,321	13,461,376	12,494,624	13,635,601
Distribution	864,406	797,532	698,264	728,634	1,083,229	726,211
Customer Accounts	(1,030)	(231)	342	2,967	8,988	-
Customer Service & Information	3,922,001	3,955,733	2,269,548	2,400,806	3,762,348	5,804,869
Sales	127,401	2,588,962	1,969,230	2,443,237	2,468,085	2,471,338
Administration and General	31,722,702	27,740,975	21,913,491	20,461,389	19,605,618	19,512,152
Total Operation Expenses	**495,166,502**	**409,350,882**	**314,732,949**	**282,379,690**	**284,274,874**	**257,294,584**
STATEMENT OF OPERATIONS	**2005 Actual**	**2004 Actual**	**2003 Actual**	**2002 Actual**	**2001 Actual**	**2000 Actual**
Maintenance Expenses						
Production Maintenance	33,469,444	45,133,508	33,230,279	22,813,491	26,038,606	30,603,789
Transmission Expense	3,803,633	3,764,098	3,320,335	3,469,801	5,343,031	3,899,893
Distribution Expense	998,693	1,261,740	1,006,414	1,390,871	983,612	1,034,800
General Plant	744,421	668,582	294,791	2,508,097	890,102	814,536
Total Maintenance Expenses	**39,016,191**	**50,827,928**	**37,851,819**	**30,182,861**	**33,258,351**	**36,353,018**
Fixed Costs						
Depreciation/Amortization	52,037,569	38,994,125	31,166,309	45,106,388	46,065,091	44,790,588
Taxes	234,938	2,938	9	(511,493)	766,257	611,630
Interest on Long Term Debt	69,570,645	53,923,424	44,457,850	39,318,685	37,590,537	38,412,297
Interest During Construction	-	-	-	-	-	-
Other Interest Expense	273,168	565,068	611,325	258,263	(91,364)	1,358
Other Deductions	33,884,038	1,337,754	991,274	1,590,733	1,762,314	15,849,315
Total Fixed Costs	**156,090,576**	**94,823,309**	**77,226,797**	**85,782,876**	**86,092,835**	**99,665,188**
Total Cost of Electric Service	**690,183,269**	**552,002,119**	**429,811,535**	**398,324,317**	**403,622,860**	**393,312,790**
Operating Margins	**(58,886,396)**	**(46,321,655)**	**17,312,924**	**31,164,369**	**23,227,910**	**(31,843)**
Non-Operating Items						
Interest Income	5,896,139	2,510,109	2,934,796	4,033,983	5,903,994	8,332,492
Allowance Funds Used for Const.	6,225,998	16,080,435	8,950,643	2,071,675	450,290	-
Other Non-Operating Income	179,283	208,192	55,851	99,420	602,797	350,361
Oth Cap. Credits/Patronage Div.	575,454	255,405	143,564	58,887	232,997	90,595
Total Non-Operating Items	**12,876,874**	**19,054,141**	**12,084,854**	**6,263,965**	**7,190,078**	**8,773,448**
Net Patronage Capital & Margins (Deficit) *	**$ (46,007,522)**	**$ (27,267,516)**	**$ 29,397,778**	**$ 37,428,334**	**$ 30,417,988**	**$ 8,741,605**

* Test Year Excludes Rate Increase

	2005 Actual	2004 Actual	2003 Actual	2002 Actual	2001 Actual	2000 Actual
Sales to Coops-MWH:						
Rate E	9,357,671	8,813,123	8,649,015	8,438,163	8,074,094	8,042,288
Rate B	906,278	821,529	734,526	714,071	544,610	503,363
Rate C	431,215	444,374	394,795	544,394	449,965	423,985
Rate G	219,304	222,543	215,188	217,673	210,099	205,114
Inland Steam	278,754	263,476	243,527	241,211	255,707	235,872
Gallatin Steel	992,824	1,047,466	1,007,736	1,005,492	992,711	918,004
Pumping Stations	179,421	194,873	195,648	189,281	92,482	555
Total Sales to Coops-MWH	12,365,467	11,807,384	11,440,435	11,350,285	10,619,668	10,328,981
Generation - MWH	11,105,626	9,046,449	9,081,760	9,873,289	9,211,819	9,162,952
Revenue from Members (Mills per kWh)	50.18	42.45	38.54	36.32	37.05	34.76
% kWh Increase Over Prev. Year	4.7	3.2	0.8	6.9	2.8	6.1
% Equity	5.7	9.1	12.6	13.7	11.3	8.3
TIER	0.34	0.49	1.66	1.95	1.81	1.23
DSC	0.66	0.72	1.35	1.73	1.76	1.45
System Peak Demand - MW						
Winter Season	2,842	2,711	2,589	2,568	2,217	2,322
Summer Season	2,227	2,041	1,996	2,120	1,980	1,941
Member Load Growth %						
Energy	4.7	3.2	0.7	6.9	2.8	6.1
Demand	6.2	4.0	(0.6)	6.2	3.6	5.6
Load Factor %	52	51	51	58	52	52

EXHIBIT ____ (LK-3)

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2010-00167
SECOND DATA REQUEST RESPONSE

COMMISSION STAFF'S SECOND DATA REQUEST DATED 7/8/10
REQUEST 2
RESPONSIBLE PERSON: **Frank J. Oliva/Ann F. Wood**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 2. Refer to the information at Tab 19 in Volume 1 of EKPC's application which shows the data for the forecasted test period as adjustments to the base period.

Request 2a. Provide a detailed description along with workpapers, spreadsheets or other support for the forecasted level of off-system sales revenues of $4,077,083.

Response 2a. A detail of off-system sales revenue is provided on page 5 of this response.

Request 2b. Production Costs Excluding Fuel are shown increasing by $7.9 million, or 12.5 percent, from the base period to the forecasted period. Explain in detail why this cost category is expected to increase by this magnitude.

Response 2b. There were several Spurlock Station operational items which are sensitive to electrical generation that were below budgeted amounts in the base period. The generation for Spurlock Station was 15% below the budgeted amount in 2009. This decrease in generation made the quantity for lab supplies, limestone, anhydrous ammonia, and magnesium hydroxide lower in the base period than in the forecasted period. In addition, the cost for air permit fees and benefit allocations for Spurlock were below budget during the base period. EKPC does not anticipate this decline in Spurlock generation for the forecasted test year.

<u>**Request 2c.**</u> Fuel expenses are shown increasing from $337.9 million to $445.9 million, an increase of 31.9 percent, from the base period to the forecasted period. Explain in detail why this cost category is expected to increase by this magnitude.

<u>**Response 2c.**</u> The largest increases in fuel expenses are discussed below.

Fuel for the Spurlock Station Units 1 and 2 scrubbers increased $55.8 million from the base period to the forecasted test period. Additional burn of 352,424.0 tons of coal in the test period accounted for $18.9 million of the increase, with increased volume in-service hours of 1,565.6. The coal cost per ton in the test period is $66.41, up $12.90 from the base period of $53.51; this equates to a $36.1 million increase. The fuel oil usage is up slightly in the test period.

Fuel for the combustion turbines at the J.K. Smith Station increased $32.5M from the base period to the forecasted test period. The gas usage in the forecasted period is up 3,063,239 MMBTU for an $18.4 million increase in volume over the base period due to increased utilization and impact of the addition of units #9 & #10. The cost per MMBTU in the test period is $7.63, up $1.61 or $11.7 million over the$6.02 base period rate. The oil usage is also up approximately $2.3 million.

<u>**Request 2d.**</u> Transmission costs are shown increasing from $31.4 million to $34.6 million, an increase of 10.1 percent, from the base period to the forecasted period. Explain in detail why this cost category is expected to increase by this magnitude.

Response 2d. Transmission wheeling increased $0.3 million; labor, taxes, and insurance charged to transmission operations increased $1.0 million; medical insurance and retirement benefits allocated to transmission operations increased $1.3 million.

Request 2e. Distribution costs are shown increasing from $1.1 million to nearly $1.5 million, or 34.2 percent, from the base period to the forecasted period. Explain in detail why this category of cost is expected to increase by this magnitude.

Response 2e. Labor, taxes, and insurance charged to distribution operations increased $0.2 million; medical insurance and retirement benefits allocated to distribution operations increased $0.1 million.

Request 2f. Sales costs are shown increasing from $2.46 million to $3.36 million, or 36.5 percent, from the base period to the forecast period. Explain in detail why this category of cost is expected to increase by this magnitude.

Response 2f. The cost category for this increase is actually the line labeled "Customer Service and Information." The majority of this increase is related to the Demand Side Management program.

Request 2g. Provide schedules showing the derivation of depreciation expense levels for both the base period and forecasted period. These should include all plant balances at the necessary account or sub-account levels, along with the specific depreciation rates applied to each account or sub-account.

Response 2g. The table below summarizes the "probable retire dates" and "calculated annual accrual rates" provided in the depreciation study summary filed in Application Volume 5, Tab 41.

Production plant	Years 2019–2049
Transmission and distribution plant	0.71%–3.42%
General plant	2.00%–20.00%

Depreciation for production plant is based on the estimated useful life of the plants ("probable retire dates"). Because the useful life date is used for production plant, it is not possible to provide a plant balance multiplied by a rate to arrive at base year/forecasted test year depreciation expense. Page 6 of this response provides a calculation of average annual rates for transmission and distribution plant; these average rates fall within the rate range listed above. Because of the varying nature of general plant, an asset balances multiplied by a rate does not yield a calculated depreciation expense.

Request 2h. Provide a schedule of all long-term debt and the relevant interest rates which shows the derivation of interest on long-term debt for the forecasted period.

Response 2h. Page 7 of this response provides EKPC's outstanding long-term debt as of June 30, 2010, in addition to anticipated loan advances and interest rates for the forecasted test year.

EAST KENTUCKY POWER COOPERATIVE
2011 BUDGET
OUTSIDE SALES

	Source	Kwh	Rate		Revenue
January	Other Sales	10,111,000	0.041200	$	416,573.00
February	Other Sales	17,899,000	0.039880	$	713,812.00
March	Other Sales	4,584,000	0.037770	$	173,138.00
April	Other Sales	9,711,000	0.036220	$	351,732.00
May	Other Sales	5,644,000	0.036100	$	203,748.00
June	Other Sales	2,811,000	0.037060	$	104,176.00
July	Other Sales	5,529,000	0.037860	$	209,328.00
August	Other Sales	20,404,000	0.036870	$	752,295.00
September	Other Sales	9,364,000	0.035360	$	331,111.00
October	Other Sales	6,312,000	0.037600	$	237,331.00
November	Other Sales	6,790,000	0.037160	$	252,316.00
December	Other Sales	8,125,000	0.040900	$	332,313.00
		107,284,000		$	4,077,873.00

Base Year - Plant Account Balances for Transmission & Distribution

Category	Accounts		Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10
Lines	354,355,356,368		189,124,754	189,135,176	193,430,542	222,040,050	223,238,106	223,457,292	223,470,677	223,470,677	223,470,677	224,224,340	224,224,340	224,678,440
Stations	353, 362		303,838,702	312,670,848	312,688,243	317,870,663	320,305,802	320,424,502	320,196,801	320,196,801	320,196,801	321,502,194	321,502,194	330,669,551
Total		B	492,963,456	501,806,024	506,118,785	539,910,712	543,543,908	543,881,794	543,667,477	543,667,477	543,667,477	545,726,533	545,726,533	555,347,990

Base Year - Depreciation Expense for Transmission & Distribution Plant

Category	Account		Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Avg Monthly	Annual Rate
Transmission	40350		445,916	565,263	475,630	537,729	505,317	506,054	515,149	483,878	483,878	486,845	486,845	487,436		
Distribution	40360		412,371	413,737	414,782	416,967	422,689	425,243	432,209	429,039	429,042	444,477	444,477	451,092		
Total		A	858,287	979,000	890,412	954,696	928,006	931,297	947,357	912,917	912,920	931,322	931,322	938,528		
		A/B	0.17%	0.20%	0.18%	0.18%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	2.08%

Forecasted Test Year - Plant Account Balances for Transmission & Distribution

Category	Accounts		Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
Lines	354,355,356,368		224,678,440	224,678,440	224,678,440	224,678,440	224,678,440	228,712,240	228,712,240	228,818,240	228,818,240	228,818,240	228,818,240	235,251,517
Stations	353, 362		344,920,489	344,920,489	344,920,489	344,920,489	344,920,489	356,077,030	356,077,030	356,077,030	356,077,030	356,077,030	356,077,030	371,702,505
Total		D	569,598,928	569,598,928	569,598,928	569,598,928	569,598,928	584,789,269	584,789,269	584,895,269	584,895,269	584,895,269	584,895,269	606,954,021

Forecasted Test Year - Depreciation Expense for Transmission & Distribution Plant

Category	Account		Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Avg Monthly	Annual Rate
Transmission	40350		494,563	494,563	494,564	494,564	494,563	499,736	499,735	499,873	499,873	499,874	499,873	508,225		
Distribution	40360		467,567	467,567	467,567	467,567	467,567	488,437	488,436	490,463	490,463	490,464	490,464	520,192		
Total		C	962,130	962,130	962,131	962,131	962,130	988,173	988,171	990,336	990,336	990,338	990,337	1,028,417		
		C/D	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	0.17%	2.03%

East Kentucky Power Cooperative
SCHEDULE OF LONG-TERM DEBT
6/30/2010

	Amount	Anticipated Composite Rate-%
RUS - EKPC	$34,203,378	5.03
CFC # 9001	2,984,008	5.50
CFC # 9033	3,867,750	5.50
CFC # 9034	4,860,840	5.50
CFC # 9038	3,801,000	5.50
CFC Unsecured Credit Facility (Avg. Balance for 2011)	275,000,000	5.50
FFB Debt		
L-8	49,072,195	7.60
M-9	21,718,295	6.32
N-8	53,667,333	7.01
P-12	923,974	8.81
R-12	12,715,602	6.30
S-8	77,020,798	6.20
T-62	11,932,167	5.25
U-8	5,036,965	6.07
V-8	43,077,683	5.29
W-8	73,762,928	5.07
X-8	72,477,459	4.61
Y-8	200,581,133	4.92
Z-8	406,576,040	4.71
AA-8	13,472,155	4.13
AB-8	50,368,061	5.05
AC-8	55,434,310	4.44
AD-8	468,919,795	4.50
AE-8	169,249,000	4.16
AG-8	385,910,000	4.36
AH-8	10,433,000	4.38
Anticipated New FFB Advances	340,182,000	5.00 - 5.50
National Cooperative Services Corporation	4,500,000	7.70
Clean Renewable Energy Bonds	7,267,259	0.40
Pollution Control and Solid Waste Disposal Bonds		
Cooper	7,700,000	3.50
Smith	7,625,000	3.50
Spurlock	58,200,000	3.50
Smith CFB Private Placement (Anticipated)	175,000,000	7.50

EXHIBIT ____ (LK-4)

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2010-00167
FIRST DATA REQUEST RESPONSE

COMMISSION STAFF'S FIRST DATA REQUEST DATED 5/14/10
REQUEST 43
RESPONSIBLE PERSON: **Ann F. Wood**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 43. As the historical data becomes available, provide detailed monthly income statements for each forecasted month of the base period, including the month in which the Commission hears this case.

Response 43. A detailed monthly income statement for April 2010 is provided on pages 2 and 3 of this response.

EAST KENTUCKY POWER COOPERATIVE
STATEMENT OF OPERATIONS
RUS FORM 12A, SECTION A
Report as of: April 30, 2010

Period 4 - 2010-04-01 Current Period Actual	Plan	Variance		Year to Date Actual	Plan	Variance
			Operating Revenues & Patronage Capital			
			Electric Energy Revenues			
41,296,632.00	53,207,819.00	(11,911,187.00)	Power Sales-Mbr Cooperatives	286,344,394.00	279,469,429.00	6,874,965.00
2,105,045.86	275,243.00	1,829,802.86	Power Sales-Off System	5,187,009.32	1,461,666.00	3,725,343.32
43,401,677.86	**53,483,062.00**	**(10,081,384.14)**	**Total Electric Energy Revenue**	**291,531,403.32**	**280,931,095.00**	**10,600,308.32**
10,795,968.12	1,251,682.00	9,544,286.12	Other Operating Revenue-Income	(5,075,318.96)	5,586,386.00	(10,661,704.96)
54,197,645.98	**54,734,744.00**	**(537,098.02)**	**Total Operating Revenue & Patronage Capital**	**286,456,084.36**	**286,517,481.00**	**(61,396.64)**
			Operation Expenses			
4,591,123.12	5,244,244.00	(653,120.88)	Production Costs Excludes Fuel	18,906,221.30	21,244,837.00	(2,338,615.70)
23,249,325.11	25,110,557.00	(1,861,231.89)	Fuel Accounts	115,470,626.87	120,437,087.00	(4,966,460.13)
3,679,768.21	3,530,959.00	148,809.21	Other Power Supply	32,543,585.44	25,861,640.00	6,681,945.44
2,712,089.73	2,517,404.00	194,685.73	Transmission	12,062,451.43	11,273,684.00	788,767.43
85,181.02	126,497.00	(41,315.98)	Distribution	307,147.52	497,352.00	(190,204.48)
0.00	0.00	0.00	Customer Accounts	0.00	0.00	0.00
103,478.89	216,643.00	(113,164.11)	Customer Service & Information	565,419.01	919,207.00	(353,787.99)
848.76	1,629.00	(780.24)	Sales	5,544.38	6,816.00	(1,271.62)
2,640,710.67	2,117,834.00	522,876.67	Administration and General	9,825,381.86	10,536,411.00	(711,029.14)
37,062,525.51	**38,865,767.00**	**(1,803,241.49)**	**Total Operation Expenses**	**189,686,377.81**	**190,777,034.00**	**(1,090,656.19)**
			Maintenance Expenses			
5,368,601.33	4,329,144.00	1,039,457.33	Production	13,604,500.32	14,186,957.00	(582,456.68)
350,050.17	532,055.00	(182,004.83)	Transmission Expense	1,302,712.85	1,965,561.00	(662,848.15)
253,642.86	178,318.00	75,324.86	Distribution Expense	574,381.67	649,451.00	(75,069.33)
88,077.54	311,469.00	(223,391.46)	General Plant	273,444.24	700,525.00	(427,080.76)
6,060,371.90	**5,350,986.00**	**709,385.90**	**Total Maintenance Expenses**	**15,755,039.08**	**17,502,494.00**	**(1,747,454.92)**

EAST KENTUCKY POWER COOPERATIVE
STATEMENT OF OPERATIONS
RUS FORM 12A, SECTION A
Report as of: April 30, 2010

Period 4 - 2010-04-01 Current Period Actual	Current Period Plan	Current Period Variance		Year to Date Actual	Year to Date Plan	Year to Date Variance
			Operating Expenses			
5,709,063.36	6,005,519.00	(296,455.64)	Depreciation/Amortization	22,785,234.70	23,812,010.00	(1,026,775.30)
0.00	0.00	0.00	Taxes	800.00	800.00	0.00
9,306,439.32	9,959,937.00	(653,497.68)	Interest on Long Term Debt	37,276,172.75	38,820,773.00	(1,544,600.25)
0.00	0.00	0.00	Interest on Construction	0.00	0.00	0.00
9,277.85	3,288.00	5,989.85	Other Interest Expense	15,627.26	13,150.00	2,477.26
562,168.34	171,776.00	390,392.34	Other Deductions	1,014,926.40	678,427.00	336,499.40
15,586,948.87	**16,140,520.00**	**(553,571.13)**	**Total Operating Expenses**	**61,092,761.11**	**63,325,160.00**	**(2,232,398.89)**
58,709,846.28	**60,357,273.00**	**(1,647,426.72)**	**Total Cost of Electric Service**	**266,534,178.00**	**271,604,688.00**	**(5,070,510.00)**
(4,512,200.30)	**(5,622,529.00)**	**1,110,328.70**	**Operating Margins**	**19,921,906.36**	**14,912,793.00**	**5,009,113.36**
			Non-Operating Items			
272,269.63	254,424.00	17,845.63	Interest Income	1,014,376.25	1,018,164.00	(3,787.75)
0.00	0.00	0.00	Allowance Funds Used for Const	0.00	0.00	0.00
(12,224.59)	(4,585.00)	(7,639.59)	Other Non-Operating Income	15,747.43	(23,393.00)	39,140.43
421.34	4,166.00	(3,744.66)	Oth Cap. Credits/Patronage Div	36,134.77	16,664.00	19,470.77
260,466.38	**254,005.00**	**6,461.38**	**Total Non-Operating Items**	**1,066,258.45**	**1,011,435.00**	**54,823.45**
(4,251,733.92)	**(5,368,524.00)**	**1,116,790.08**	**Net Patronage Capital & Margins**	**20,988,164.81**	**15,924,228.00**	**5,063,936.81**

EXHIBIT ____ (LK-5)

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 19
RESPONSIBLE PERSON: **Ann F. Wood**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 19. Refer to Volume 5, Tab 52 of the Company's filing.

Request 19a. Please provide the Company's quantification of payroll ***expenses*** by FERC O&M expense account in i) calendar year 2009, ii) the base period and iii) the test year. Identify and describe the basis for all increases in staffing from the end of the month preceding the base period through the last month of the test year included in the computation of payroll expenses. Separately quantify all payroll ***expenses*** associated with the new Smith projects that were included in the base period and in the test year. The term ***expenses*** used in this question refers to the payroll costs that are reflected in the base period and test year expense amounts, not the amounts included in construction or other non-expense accounts.

Response 19a. Payroll expenses by FERC O&M account for 2009, the base year, and test year are provided on pages 3 through 9 of this response. Please see the response to Request 31 of Commission Staff's first data request for test year staffing information. Each new position goes through a justification process, which includes a cost/benefit analysis and a comparison with other alternatives (i.e. temporary labor or consultant services.) New positions must be approved by the President and CEO. There are no payroll expenses associated with the new Smith projects in either the base year or test year.

Request 19b. Please provide the Company's quantification of benefits ***expenses*** in i) calendar year 2009, ii) the base period and iii) the test year. Provide all support for the Company's computations of each benefits expense in the base period and the test year, including the portion of the benefits costs that were allocated to ***expense.***

Response 19b. Please see the response to Request 12 for computations of benefits expense. Please see pages 10 through16 of this response for benefits allocated to FERC O&M accounts.

2009 Payroll by FERC O&M Account

FERC Account	Labor $
50020	$ 895,122
50030	1,146,591
50040	1,287,577
50041	296,960
50042	294,345
500432	42,171
50044	321,436
50045	197,822
50120	429,006
50130	534,251
50141	469,783
50142	960,497
50144	541,063
501445	168,650
50220	989,415
50230	640,012
50240	421,043
50241	418,859
50242	418,937
50244	372,731
50245	292,431
50520	636,846
50530	742,389
50540	34,021
50541	418,937
50542	419,552
50544	372,736
50545	277,483
50620	65,068
50621	127,252
50630	123,924
50631	207,962
50640	142,174
506444	293,470
506445	-
506446	118,699
50645	194,582
50646	157,168
50647	187,166
51020	513,062
51030	343,554
51040	928,451
51120	68,440
51130	152,109
51140	217,892
51220	797,862
51230	1,263,468
51240	2,047,956
51241	463,317
51242	395,333
51243	10,133

FERC Account	Labor $
512431	20,383
512432	250,722
51244	785,183
51245	203,654
51320	401,110
51330	798,036
51340	21,751
51341	76,320
51342	96,256
51344	75,859
51345	26,179
51430	57,972
51440	2,193
54651	171,577
54661	70,810
54851	423,206
54861	366,951
54951	1,631
54961	186,530
54962	24,019
55151	4,257
55161	17,643
55251	7,773
55300	4,204
55351	71,432
55361	28,234
55451	1,096
55600	2,118,022
55700	543,246
55701	167,114
56000	1,416,194
56100	1,211,516
56200	790,948
56300	456,659
56600	289,918
56800	8,872
57000	523,137
57100	566,680
58100	47,727
58200	251,985
59200	295,943
90800	594,892
90900	7,453
91000	978
91300	3,347
92000	6,844,589
93010	78,691
93022	446,714
93025	48,378
93026	152
93500	114,480

Base Year Payroll by FERC O&M Account

FERC Account	Base Year Labor
50020	982,790.81
50030	1,173,877.40
50040	1,683,616.40
50041	284,438.24
50042	284,436.93
500431	52,027.00
500432	52,027.00
50044	291,983.59
50045	273,361.01
50120	473,808.27
50130	592,870.97
50141	539,269.58
50142	945,789.72
50144	531,887.09
501445	335,115.96
50220	964,486.15
50230	693,296.33
50240	454,797.63
50241	438,395.06
50242	437,502.62
502431	34,690.00
502432	34,690.00
50244	377,750.32
50245	377,200.86
50520	695,793.14
50530	762,186.39
50540	42,736.86
50541	446,169.62
50542	449,487.19
505431	34,690.00
505432	34,690.00
50544	377,610.32
50545	307,836.40
50620	90,315.37
50621	137,207.74
50630	131,880.76
50631	251,175.81
50640	159,591.39
506444	267,355.32
506445	(63,506.53)
506446	259,328.62
50645	64,839.52
50646	196,645.18
50647	291,291.04

FERC Account	Base Year Labor
51020	542,691.14
51030	383,460.14
51040	946,318.63
51120	85,129.42
51130	143,345.98
51140	336,964.65
51220	736,883.11
51230	1,246,653.39
51240	2,122,314.46
51241	390,814.65
51242	526,170.35
51243	2,222.36
512431	79,644.93
512432	202,781.61
51244	615,100.13
51245	400,387.52
51320	96,133.24
51330	591,741.67
51340	99,765.98
51341	77,387.66
51342	146,536.16
51344	210,200.39
51345	69,731.05
51430	18,821.82
51440	5,614.43
54651	177,162.67
54661	56,066.85
54721	8,574.00
54851	428,698.85
54861	283,105.58
54951	4,312.00
54961	147,135.64
54962	30,723.32
55151	47,915.00
55251	3,256.43
55300	10,311.28
55351	90,724.55
55361	104,001.38
55451	5,195.00
55600	2,069,321.46
55700	664,472.91
55701	180,416.86
56000	1,691,179.48
56100	1,247,521.25
56200	732,738.81
56300	573,897.01

FERC Account	Base Year Labor
56600	312,353.50
56800	3,533.22
57000	585,631.78
57100	547,958.91
58100	45,226.59
58200	289,803.68
59200	310,558.09
90800	716,810.54
90900	22,979.36
91300	7,273.54
92000	7,320,320.70
93010	69,181.80
93022	333,195.72
93025	51,103.91
93500	114,814.46

2011 Payroll by FERC O&M Account

FERC Account	Labor $
50020	$ 1,161,830
50030	1,425,377
50040	1,899,484
50041	214,935
50042	214,935
500431	128,967
500432	128,967
50044	214,935
50045	214,935
50120	565,122
50130	712,016
50141	552,262
50142	1,090,129
50144	537,875
501445	501,874
50220	1,123,777
50230	710,610
50240	429,867
50241	386,885
50242	386,885
502431	85,970
502432	85,970
50244	386,885
50245	386,885
50520	725,020
50530	781,671
50540	42,986
50541	408,375
50542	408,375
505431	85,970
505432	85,970
50544	386,885
50545	214,935
50620	181,253
50621	175,954
50630	177,647
50631	332,361
50640	257,918
506444	254,156
506446	273,703
50646	293,259
50647	508,300
51020	548,867
51030	515,781
51040	1,000,844
51120	87,665
51130	139,454
51140	500,910
51220	607,740
51230	1,473,145
51240	2,359,831

FERC Account	Labor $
51241	451,908
51242	397,357
51243	3,994
512431	86,724
512432	92,584
51244	403,407
51245	511,266
51320	111,510
51330	397,971
51340	211,481
51341	130,208
51342	224,480
51344	359,920
51345	124,348
51430	26,312
51440	11,719
54651	145,408
54661	9,542
54721	21,602
54851	411,954
54861	225,884
54951	10,984
54961	78,203
54962	39,092
55151	115,000
55251	4,060
55300	17,563
55351	127,010
55361	232,850
55451	12,470
55600	2,622,689
55700	848,878
55701	215,306
56000	2,072,717
56100	1,400,082
56200	716,513
56300	706,509
56600	334,111
57000	561,106
57100	486,940
58100	51,450
58200	416,283
59200	309,245
90800	816,477
90900	26,553
91300	8,815
92000	8,493,879
93010	55,911
93022	361,253
93025	55,839
93500	142,008

Benefits by FERC O&M Account--2009

50020 Total	$ 294,312
50030 Total	359,978
50040 Total	431,560
50041 Total	94,474
50042 Total	93,374
500432 Total	15,173
50044 Total	102,521
50045 Total	59,674
50120 Total	81,205
50130 Total	181,486
50141 Total	177,800
50142 Total	348,892
50144 Total	200,241
501445 Total	74,026
50220 Total	340,263
50230 Total	206,312
50240 Total	143,359
50241 Total	144,711
50242 Total	144,756
50244 Total	122,654
50245 Total	90,805
50520 Total	209,639
50530 Total	238,467
50540 Total	15,754
50541 Total	144,756
50542 Total	144,955
50544 Total	122,655
50545 Total	85,224
50620 Total	29,986
50621 Total	41,414
50630 Total	45,557
50631 Total	68,070
50640 Total	49,577
506444 Total	98,141
506445 Total	-
506446 Total	37,309
50645 Total	52,944
50646 Total	53,192
50647 Total	63,674
51020 Total	175,781
51030 Total	112,886

51040 Total	287,004
51120 Total	26,277
51130 Total	50,433
51140 Total	75,900
51220 Total	231,676
51230 Total	356,645
51240 Total	681,668
51241 Total	126,245
51242 Total	116,980
51243 Total	2,448
512431 Total	3,760
512432 Total	69,888
51244 Total	215,658
51245 Total	54,723
51320 Total	87,394
51330 Total	191,268
51340 Total	7,576
51341 Total	20,143
51342 Total	24,520
51344 Total	23,142
51345 Total	9,042
51430 Total	21,333
51440 Total	768
54651 Total	55,142
54661 Total	24,183
54851 Total	136,300
54861 Total	114,445
54951 Total	599
54961 Total	61,385
54962 Total	7,824
55151 Total	1,740
55161 Total	6,505
55251 Total	3,454
55300 Total	1,493
55351 Total	26,082
55361 Total	4,129
55451 Total	366
55600 Total	710,186
55700 Total	184,893
55701 Total	56,061
56000 Total	520,397
56100 Total	420,633
56200 Total	271,530
56300 Total	170,512
56600 Total	97,908
56800 Total	3,200
57000 Total	151,668

57100 Total	200,613
58100 Total	15,437
58200 Total	89,737
59200 Total	99,028
90800 Total	200,824
90900 Total	1,943
91000 Total	518
91300 Total	1,016
92000 Total	2,598,374
93010 Total	28,598
93022 Total	161,511
93025 Total	16,295
93026 Total	62
93500 Total	48,092

Benefits by FERC O&M Account--Base Year (New PeopleSoft account structure reflected)

500000	$ 2,060,437
501010	1,301,419
502000	1,432,703
505000	1,162,422
506001	171,279
506002	587,744
510000	719,498
511000	221,187
512000	2,223,469
513000	435,040
514000	8,339
546000	86,012
547030	4,014
548000	240,170
549001	1,811
549002	65,366
551000	22,749
552000	1,517
553000	80,371
554000	2,265
556000	877,927
557001	299,348
557002	73,182
560000	851,121
561000	496,436
562000	278,981
563000	246,365
566000	130,482
568000	1,041
570000	200,620
571000	220,612
581000	18,963
582000	109,878
592000	112,255
908000	297,182
909000	9,513
913000	2,902
920000	3,430,030
926000	969,883
930100	28,424
930202	136,760
930204	20,722
935000	48,845

Benefits by FERC O&M Account--Test Year

50020 Total	$	558,340
50030 Total		707,170
50040 Total		993,311
50041 Total		111,850
50042 Total		111,850
500431 Total		66,989
500432 Total		66,989
50044 Total		111,850
50045 Total		111,850
50120 Total		273,108-
50130 Total		355,555
50141 Total		289,476
50142 Total		571,374
50144 Total		281,595
501445 Total		262,195
50220 Total		536,212
50230 Total		349,796
50240 Total		223,396
50241 Total		201,269
50242 Total		201,269
502431 Total		44,558
502432 Total		44,558
50244 Total		201,269
50245 Total		201,269
50520 Total		345,855
50530 Total		384,957
50540 Total		22,431
50541 Total		212,181
50542 Total		212,181
505431 Total		44,558
505432 Total		44,558
50544 Total		201,269
50545 Total		111,850
50620 Total		86,388
50621 Total		90,329
50630 Total		87,601
50631 Total		170,654
50640 Total		133,977
506444 Total		130,340
506446 Total		140,343

50646 Total	150,649
50647 Total	260,983
51020 Total	277,957
51030 Total	265,227
51040 Total	484,379
51120 Total	42,133
51130 Total	65,776
51140 Total	242,493
51220 Total	263,408
51230 Total	636,544
51240 Total	1,142,141
51241 Total	218,850
51242 Total	192,479
51243 Total	1,819
512431 Total	41,830
512432 Total	44,857
51244 Total	195,207
51245 Total	247,343
51320 Total	53,652
51330 Total	167,017
51340 Total	102,453
51341 Total	63,048
51342 Total	108,516
51344 Total	174,292
51345 Total	60,320
51430 Total	8,790
51440 Total	5,759
54651 Total	66,382
54661 Total	4,850
54721 Total	11,518
54851 Total	184,295
54861 Total	90,935
54951 Total	4,850
54961 Total	40,011
54962 Total	20,006
55151 Total	62,139
55251 Total	1,819
55300 Total	8,790
55351 Total	65,170
55361 Total	107,000
55451 Total	6,365
55600 Total	1,385,240
55700 Total	456,796
55701 Total	116,093
56000 Total	1,526,189
56100 Total	752,940
56200 Total	328,881

56300 Total	360,708
56600 Total	180,354
57000 Total	236,430
57100 Total	238,855
58100 Total	26,068
58200 Total	190,963
59200 Total	127,915
90800 Total	432,547
90900 Total	14,246
91300 Total	4,547
92000 Total	4,572,505
92600	832,500
93010 Total	29,099
93022 Total	193,085
93025 Total	30,312
93500 Total	68,807

EXHIBIT ____ (LK-6)

Gallatin Summary of EKPC's Response to Gallatin Request 2-19
Payroll by FERC O&M Account

2009 Actual Payroll	Base Year Payroll	2011 Payroll
895,122	982,791	1,161,830
1,146,591	1,173,877	1,425,377
1,287,577	1,683,616	1,899,484
296,960	284,438	214,935
294,345	284,437	214,935
42,171	52,027	128,967
321,436	52,027	128,967
197,822	291,984	214,935
429,006	273,361	214,935
534,251	473,808	565,122
469,783	592,871	712,016
960,497	539,270	552,262
541,063	945,790	1,090,129
168,650	531,887	537,875
989,415	335,116	501,874
640,012	964,486	1,123,777
421,043	693,296	710,610
418,859	454,798	429,867
418,937	438,395	386,885
372,731	437,503	386,885
292,431	34,690	85,970
636,846	34,690	85,970
742,389	377,750	386,885
34,021	377,201	386,885
418,937	695,793	725,020
419,552	762,186	781,671
372,736	42,737	42,986
277,483	446,170	408,375
65,068	449,487	408,375
127,252	34,690	85,970
123,924	34,690	85,970
207,962	377,610	386,885
142,174	307,836	214,935
293,470	90,315	181,253
118,699	137,208	175,954
194,582	131,881	177,647
157,168	251,176	332,361
187,166	159,591	257,918
513,062	267,355	254,156
343,554	(63,507)	273,703
928,451	259,329	293,259
68,440	64,840	508,300
152,109	196,645	548,867
217,892	291,291	515,781
797,862	542,691	1,000,844

Gallatin Summary of EKPC's Response to Gallatin Request 2-19
Payroll by FERC O&M Account

2009 Actual Payroll	Base Year Payroll	2011 Payroll
1,263,468	383,460	87,665
2,047,956	946,319	139,454
463,317	85,129	500,910
395,333	143,346	607,740
10,133	336,965	1,473,145
20,383	736,883	2,359,831
250,722	1,246,653	451,908
785,183	2,122,314	397,357
203,654	390,815	3,994
401,110	526,170	86,724
798,036	2,222	92,584
21,751	79,645	403,407
76,320	202,782	511,266
96,256	615,100	111,510
75,859	400,388	397,971
26,179	96,133	211,481
57,972	591,742	130,208
2,193	99,766	224,480
171,577	77,388	359,920
70,810	146,536	124,348
423,206	210,200	26,312
366,951	69,731	11,719
1,631	18,822	145,408
186,530	5,614	9,542
24,019	177,163	21,602
4,257	56,067	411,954
17,643	8,574	225,884
7,773	428,699	10,984
4,204	283,106	78,203
71,432	4,312	39,092
28,234	147,136	115,000
1,096	30,723	4,060
2,118,022	47,915	17,563
543,246	3,256	127,010
167,114	10,311	232,850
1,416,194	90,725	12,470
1,211,516	104,001	2,622,689
790,948	5,195	848,878
456,659	2,069,321	215,306
289,918	664,473	2,072,717
8,872	180,417	1,400,082
523,137	1,691,179	316,516
566,680	1,247,521	706,509
47,727	732,739	334,111
251,985	573,897	561,106

Gallatin Summary of EKPC's Response to Gallatin Request 2-19
Payroll by FERC O&M Account

	2009 Actual Payroll	Base Year Payroll	2011 Payroll
	295,943	312,354	486,940
	594,892	3,533	51,450
	7,453	585,632	416,283
	978	547,959	309,245
	3,347	45,227	816,477
	6,844,589	289,804	26,553
	78,691	310,558	8,815
	446,714	716,811	8,493,879
	48,378	22,979	55,911
	152	7,274	361,253
	114,480	7,320,321	55,839
		69,182	142,008
		333,196	
		51,104	
		114,814	
Total	43,882,324	46,611,724	51,675,730
% Increase 2011 Over 2009 Actual			18%
$ Increase 2011 Over 2009 Actual			7,793,406

EXHIBIT ____ (LK-7)

East Kentucky Power Cooperative, Inc.
Case Number 2010-00167
Gallatin Recommendation to Reduce O&M Salaries and Wages and Related Payroll Taxes
($ Millions)

	Amount
Base Year O&M Wages and Salaries	46.612
Escalation at 3% Per Year	4%
Test Year O&M Wages and Salaries Assuming 3% Escalation over Base Year	48.476
Test Year O&M Wages and Salaries included in Filing	51.676
Gallatin Recommendation to Reduce O&M Salaries and Wages	(3.200)
Payroll Tax Factor	7.63%
Gallatin Recommendation to Reduce Payroll Tax Expense	(0.244)
Gallatin Recommendation to Reduce O&M Salaries and Wages and Related Payroll Tax Expense	(3.444)

EXHIBIT ____ (LK-8)

East Kentucky Power Cooperative, Inc.
Case Number 2010-00167
Comparison of Benefits by Program between 2009 Actual and Test Year Periods
($)

Sources: Responses to Gallatin 2-11 and Staff 1-36 (a)

		2009 Actual	Test Year	Variance
1802	Retirement	7,384,077	11,330,000	3,945,923
1803	Sick Leave Liability	119,599	80,000	(39,599)
1804	Dental - Vision	234,243	280,000	45,757
1805	401K - Employer 2% Contribution	763,171	810,000	46,829
1806	LTD Insurance	196,575	360,000	163,425
1807	Business Travel Insurance	1,315	1,500	185
1808	Employee Safety Awards	2,819	54,000	51,181
1809	Group Term Life/AD&D	237,453	262,000	24,547
1811	Vending Supplies	31,836	30,000	(1,836)
1812	Post Retirement Medical Insurance	2,942,208	3,600,000	657,792
1813	Post Employment - LTD, WC	875	200,000	199,125
1814	Employee Food Certificates	29,328	30,000	672
1815	Employee Recreation	19,000	19,000	0
1816	Employee Recruiting/Relocation	254,649	200,000	(54,649)
1817	Employee Association Board Lunches	1,730	2,000	270
1818	Employee Service Awards	70,253	65,000	(5,253)
1819	Employee Physicals	17,240	35,100	17,860
1821	Employee Recognition Dinner	45,962	40,000	(5,962)
1823	Retiree Lunch	0	500	500
1825	Workers Compensation	(82,017)	265,700	347,717
1827	Key Contributor Awards	78,767	100,000	21,233
1829	Employee Assistance Program (EAP)	21,887	27,000	5,113
1831	Wellness Program	70,027	250,000	179,973
1832	Medical Surveillance	33,528	101,250	67,722
1834	CDL Physicals	1,475	3,400	1,925
1835	CDL Drug & Alcohol Testing	2,840	5,150	2,310
1836	Corporate Drug & Alcohol Testing	8,641	15,500	6,859
1837	Medical Insurance - PPO	5,510,404	7,600,000	2,089,596
1850	401K - Employer 6% Contribution	194,933	600,000	405,067
1851	401K - Employer 4% Contribution	96,032	400,000	303,968
1852	Car Allowance	15,000	0	(15,000)
1853	Retirement Benefit Debt Reduction		3,500,000	3,500,000
	Subtotal	18,303,850	30,267,100	11,963,250
	Provided to Retirees			
1810	Retired Employees Life Insurance	24,620	28,000	3,380
1822	Executive Retirement Plan	44,861	45,000	139
1842	Retiree Medical - PPO	638,742	804,000	165,258
	Total	19,012,073	31,144,100	12,132,027

EXHIBIT ____ (LK-9)

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 12
RESPONSIBLE PERSON: **Ann F. Wood**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 12. Please provide the Company's computation of each benefit expense included in the base period and in the test year. Provide all assumptions, data and computations, including electronic spreadsheets with formulas intact. In addition, please provide a copy of all source documents relied on, such as actuarial reports. Finally, provide the expense % used in the computations and demonstrate that the Company did not include benefits costs that normally would be capitalized as expense amounts.

Response 12. The requested information is included on the attached CD.

Below is information provided in Application volume 5, tab 52, page 3 of 4.

Test Year	Amount
1 Defined Benefit Plan	14,830,000
2 Medical Insurance - PPO	8,404,000
3 Post - Retirement Medical Benefits	3,600,000
4 401K Employer contributions	1,810,000
5 Long-Term Disability Insurance	360,000
6 Dental & Vision Insurance	280,000
7 Worker's Compensation	265,700
8 Group Term Life/AD&D	262,000
9 Wellness Program	250,000
10 Post Employment Benefits	200,000
11 Employee Recruiting/Relocation	200,000
12 Miscellaneous	682,400

Computation of Each Benefit:

1. Only employees hired prior to January 1, 2007 and employees hired after December 31, 2006 who worked for an organization participating in the NRECA plan prior to joining EKPC are eligible to participate in the plan. 2011 budget based on July 2009 annualized base salaries:

July 2009 base salaries	$39,414,717
Projected salary increase - November 2009	2.25%
Projected November 2009 base salaries used for 2010 calculations:	$40,301,548
2010 NRECA DB rate as provided by NRECA:	25.50%
2010 Projected DB premiums:	$10,276,895
2010 Projected DB Budget:	$10,300,000
2011 Projected increase to DB premiums due to aging of workforce and market conditions:	10%
2011 Projected DB Budget	$11,330,000
2011 Additional Premium ("DRC") due to possible underfunding due to market conditions per NRECA of approximately 30 to 35% increase.	$3,500,000
NRECA advised that DRC will not be required in 2011.	$14,830,000

5. Long Term Disability Insurance:	$360,000
In 2009 LTD expenses were budgeted at $300,000. The LTD contract was scheduled to expire on December 31, 2009. EKPC's insurance broker reported that due to the increase in LTD claims, this premium could increase substantially. Accordingly for budgeting purposes EKPC increased this benefit 10% for 2010 and 10% for 2011. After the fact, EKPC went out for bids and actually received a bid that was less than the 2009 rate.	
6. Dental & Vision Insurance:	
Dental & Vision is composed of Single Dental only. Dependent dental and the entire vision plan is paid by the employee.	
Monthly dental single coverage for all employees - May 2009	$19,515
Annualized costs	$234,180
Dental inflation for 2010 - 10.0%	$257,598
Dental inflation for 2011 - 8.7%	$280,000
7. Workers' Compensation:	
Self insured plan - Estimated costs:	$265,700
- TPA expense	
- Write off of premium paid to AEGIS	
- Estimated amount paid to State Fund.	
8. Group Term Life/AD&D:	
Group Term Life includes 2 times salary for each active and disabled employee plus $10,000 on each spouse and $10,000 on each child.	
2 times salary plus AD&D is calculated at a rate per $1,000 in coverage.	
Spouse life is based on age of the spouse and Child rate is a flat rate.	
2009 Annual life insurance cost as of July 2009:	$234,000
Assuming 30 additional employees added in the balance of 2009 and 40 employees added during 2010 at approximately $400 per employee.	$262,000
9. Wellness Program:	$250,000
Program consists of estimated costs for blood work at all locations for all employees, nurse attending each monthly safety meeting at all locations to discuss a wellness issue , and a nurse coach at all locations to discuss blood work results and follow-up discussions.	

10. Post Employment Benefits:

Post Employment LTD & WC -

The projection is based upon estimated increases in long-term disability insurance premiums and workers' compensation claims. $200,000

11. Employee Recruiting /Relocation:

Estimated costs to cover recruiting, interview, & moving expenses of demand positions based on past history. $200,000

12. Miscellaneous:

Employee Safety Awards, recreation, service awards, recognition dinner, key contributor awards, EAP, medical surveillance, employee & CDL physicals & drug testing. $682,400

Base Period expenses are composed of actual expenses paid from September 2009 to March 2009, and budgeted expenses from April 2010 to August 2010.

Budgeted amounts are determined based upon the same methodology as that described for the test year.

EXHIBIT ____ (LK-10)

East Kentucky Power Cooperative, Inc.
Case Number 2010-00167
Gallatin Recommendation to Reduce Employee Benefits
($ Millions)

		Amount
Defined Benefit Pension Cost		(1.030)
OPEB		(0.804)
401(k)	(1)	(0.691)
Long-Term Disability Insurance		(0.163)
Post Employment Long-Term Disability		(0.199)
Workers Compensation		(0.266)
Wellness Program		(0.180)
Medical Surveillance		(0.070)
Gallatin Recommended Reduction in Proposed Benefits Costs		(3.403)
O&M Expense Factor		87%
Gallatin Recommended Reduction in Proposed O&M Benefits Costs		(2.961)

(1)	Test Year Projection - 401-K	1.000
	2009 Actual	0.291
	Escalated for 2010 at 3%	0.300
	Escalated for 2011 at 3%	0.309
	Difference	(0.691)

EXHIBIT ____ (LK-11)

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2010-00167
SECOND DATA REQUEST RESPONSE

COMMISSION STAFF'S SECOND DATA REQUEST DATED 7/8/10
REQUEST 18
RESPONSIBLE PERSON: Frank J. Oliva/Ann F. Wood
COMPANY: East Kentucky Power Cooperative, Inc.

Request 18. Refer to Wood Exhibit 1, Schedules 1.02 and 1.16.

Request 18a. Explain whether $39.8 million is EKPC's budgeted amount of purchased power expense for calendar year 2011.

Response 18a. EKPC's budgeted amount of purchased power for calendar year 2011 is $39.8 million.

Request 18b. Explain whether Schedule 1.02 reflects that EKPC's 2011 budget includes $10.0 million in forced outage costs to be recovered through base rates.

Response 18b. Schedule 1.02 reflects that the 2011 budget includes $10 million in forced outage costs to be recovered through base rates. These costs represent forced outage replacement purchased power costs, which are not recoverable through the fuel adjustment clause mechanism.

Request 18c. Provide a detailed description of the terms of the coverage EKPC will have under the outage insurance for which it has budgeted $900,000.

Response 18c. Primary terms of the outage insurance policy covering EKPC are as follows:

Term: July 1, 2010 – June 30, 2011
Perils Insured Against: Losses incurred due to Unplanned Events
Event Duration Limit: 90 consecutive calendar days
Purchased Power Index (PPI): MISO Cinergy Hub Day-Ahead Market
PPI Limit: $100/MWh
Insured Price (IP): $30/MWh
Term $ Deductible: $1,000,000
Aggregate Capacity Deductible: 100 MW
Schedule: On-Peak Hours Only, 7x16, Monday-Sunday, HE 0800-2300 EPT
Policy Limit: $20,000,000

Settlement Calculation: Average of the PPI (up to the PPI Limit) less the IP, multiplied by the lost capacity excess of the Capacity Deductible, up to the Capacity Limit, for all applicable hours (Schedule) of the day, up to the maximum of the Event Duration Limit or the Expiration Date, whichever comes first.

EXHIBIT ____ (LK-12)

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 13
RESPONSIBLE PERSON: **Frank J. Oliva**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 13. Please provide a schedule of capitalization showing the amounts of short term debt by source, long term debt by issue and patronage capital for each month during calendar year 2009, each month during the base period and each month during the test year.

Response 13. Schedules of capitalization for 2009 calendar year, base year and test year are provided on pages 2 through 4 of this response.

East Kentucky Power Cooperative, Inc.
Schedule of Capitalization of Long-Term and Short-Term Debt
Calendar Year 2009

	1/31/2009	2/28/2009	3/31/2009	4/30/2009	5/31/2009	6/30/2009	7/31/2009	8/31/2009	9/30/2009	10/31/2009	11/30/2009	12/31/2009
Tax-Exempt Debt:												
Spurlock	$ 67,000,000	$ 67,000,000	$ 67,000,000	$ 67,000,000	$ 67,000,000	$ 67,000,000	$ 67,000,000	$ 67,000,000	$ 67,000,000	$ 58,200,000	$ 58,200,000	$ 58,200,000
Smith	11,535,000	11,535,000	11,535,000	11,535,000	11,535,000	11,535,000	11,535,000	11,535,000	11,535,000	7,625,000	7,625,000	7,625,000
Cooper	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000	8,100,000	7,700,000	7,700,000	7,700,000	7,700,000	7,700,000
Intermediate Debt - General	615,000,000	615,000,000	615,000,000	615,000,000	580,000,000	440,000,000	365,000,000	315,000,000	315,000,000	300,000,000	300,000,000	325,000,000
CFC Long-Term Debt	17,686,439	17,686,439	17,337,979	17,337,979	17,337,979	16,985,095	16,985,095	16,627,730	16,627,730	16,627,730	16,265,826	16,265,826
CFC Other:												
Inland	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	4,500,000
CREB's	6,797,332	6,797,332	6,662,754	6,662,754	6,662,754	6,528,175	7,805,575	7,805,575	7,670,996	7,670,996	7,670,996	7,536,417
RUS Notes	39,525,955	38,746,329	38,612,469	38,473,612	37,904,723	37,703,559	37,567,377	36,991,322	36,849,624	36,711,670	36,123,237	35,984,083
FFB Notes	1,628,991,822	1,628,991,822	1,621,217,966	1,646,217,966	1,706,217,966	1,847,665,528	1,910,565,528	2,082,470,373	2,106,893,650	2,131,976,604	2,118,289,941	2,144,243,674
Total Debt	2,400,636,548	2,399,856,923	2,391,466,167	2,416,327,310	2,440,758,421	2,441,517,356	2,430,558,575	2,551,130,000	2,575,277,000	2,572,512,000	2,557,875,000	2,607,055,000
Total Members' Equity	197,756,601	212,679,818	218,438,840	224,348,504	228,086,908	228,087,000	228,200,753	229,285,000	227,553,000	223,012,000	221,841,000	219,131,000
Total Capitalization	$ 2,598,393,149	$ 2,612,536,741	$ 2,609,905,007	$ 2,640,675,814	$ 2,668,845,329	$ 2,669,604,356	$ 2,658,759,328	$ 2,780,415,000	$ 2,802,830,000	$ 2,795,524,000	$ 2,779,716,000	$ 2,826,186,000

East Kentucky Power Cooperative, Inc.
Schedule of Capitalization (Detailing Long-Term and Short-Term Debt)
Base Period

	9/30/2009	10/31/2009	11/30/2009	12/31/2009	1/31/2010	2/28/2010	3/31/2010	4/30/2010	5/31/2010	6/30/2010	7/31/2010	8/31/2010
Tax-Exempt Debt:												
Spurlock	$ 67,000,000	$ 58,200,000	$ 58,200,000	$ 58,200,000	$ 58,200,000	$ 58,200,000	$ 58,200,000	$ 58,200,000	$ 58,200,000	$ 58,200,000	$ 58,200,000	$ 58,200,000
Smith	11,535,000	7,625,000	7,625,000	7,625,000	7,625,000	7,625,000	7,625,000	7,625,000	7,625,000	7,625,000	7,625,000	7,625,000
Cooper	7,700,000	7,700,000	7,700,000	7,700,000	7,700,000	7,700,000	7,700,000	7,700,000	7,700,000	7,700,000	7,700,000	7,300,000
Intermediate Debt - General	315,000,000	300,000,000	300,000,000	325,000,000	325,000,000	325,000,000	325,000,000	325,000,000	325,000,000	325,000,000	325,000,000	325,000,000
CFC Long-Term Debt	16,627,730	16,627,730	16,265,826	16,265,826	16,265,826	16,265,826	15,899,326	15,899,326	15,899,326	15,513,598	15,513,598	15,124,014
CFC Other:												
Inland	6,000,000	6,000,000	6,000,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
CREB's	7,670,996	7,670,996	7,670,996	7,536,417	7,536,417	7,536,417	7,401,838	7,401,838	7,401,838	7,267,259	7,267,259	7,267,259
RUS Notes	36,849,624	36,711,670	36,123,237	35,984,083	35,844,334	35,239,407	35,098,406	34,952,590	34,431,701	34,203,378	34,059,915	33,874,442
FFB Notes	2,106,893,650	2,131,976,604	2,118,289,941	2,144,243,674	2,171,496,423	2,120,183,350	2,146,045,430	2,126,098,246	2,168,033,135	2,195,195,765	2,346,754,228	2,355,653,285
Total Debt	2,575,277,000	2,572,512,000	2,557,875,000	2,607,055,000	2,634,168,000	2,582,250,000	2,607,470,000	2,587,377,000	2,628,791,000	2,655,205,000	2,806,620,000	2,814,544,000
Total Members' Equity	227,553,000	223,012,000	221,841,000	219,131,000	229,119,000	238,492,000	244,378,000	239,009,000	234,946,000	235,291,000	240,340,000	246,755,000
Total Capitalization	$ 2,802,830,000	$ 2,795,524,000	$ 2,779,716,000	$ 2,826,186,000	$ 2,863,287,000	$ 2,820,742,000	$ 2,851,848,000	$ 2,826,386,000	$ 2,863,737,000	$ 2,890,496,000	$ 3,046,960,000	$ 3,061,299,000

East Kentucky Power Cooperative, Inc.
Schedule of Capitalization of Long-Term and Short-Term Debt
Test Year

	1/31/2011	2/28/2011	3/31/2011	4/30/2011	5/31/2011	6/30/2011	7/31/2011	8/31/2011	9/30/2011	10/31/2011	11/30/2011	12/31/2011
Tax-Exempt Debt:												
Spurlock	$ 48,500,000	$ 48,500,000	$ 48,500,000	$ 48,500,000	$ 48,500,000	$ 48,500,000	$ 48,500,000	$ 48,500,000	$ 48,500,000	$ 48,392,500	$ 48,392,500	$ 48,392,500
Smith	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	-	-	-
Cooper	7,300,000	7,300,000	7,300,000	7,300,000	7,300,000	7,300,000	7,300,000	6,900,000	6,900,000	6,900,000	6,900,000	6,900,000
Intermediate Debt - General	325,000,000	300,000,000	275,000,000	275,000,000	250,000,000	250,000,000	250,000,000	250,000,000	250,000,000	275,000,000	275,000,000	325,000,000
CFC Long-Term Debt	14,410,800	14,038,711	14,038,711	14,038,711	13,666,260	13,666,260	13,666,260	13,289,878	13,289,878	13,289,878	13,116,594	13,116,594
CFC Other:												
Inland	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	1,500,000
CREB's	6,993,971	6,993,971	6,857,327	6,857,327	6,857,327	6,720,683	6,720,683	6,720,683	6,584,039	6,584,039	6,584,039	6,459,785
RUS Notes	32,592,927	32,566,089	32,534,626	32,109,762	32,077,068	32,044,374	32,014,992	31,643,316	31,608,764	31,576,786	31,183,714	31,075,435
FFB Notes	2,475,019,302	2,492,343,229	2,584,436,336	2,599,933,200	2,632,602,345	2,624,696,683	2,616,651,065	2,609,724,123	2,601,819,319	2,572,183,797	2,564,675,153	2,508,332,686
Total Debt	2,916,117,000	2,908,042,000	2,974,967,000	2,990,039,000	2,997,303,000	2,989,228,000	2,981,153,000	2,973,078,000	2,965,002,000	2,956,927,000	2,948,852,000	2,940,777,000
Total Members' Equity	266,689,000	276,943,000	281,897,000	278,990,000	275,735,000	276,952,000	282,897,000	292,195,000	295,629,000	295,450,000	299,663,000	312,428,000
Total Capitalization	$ 3,182,806,000	$ 3,184,985,000	$ 3,256,864,000	$ 3,269,029,000	$ 3,273,038,000	$ 3,266,180,000	$ 3,264,050,000	$ 3,265,273,000	$ 3,260,631,000	$ 3,252,377,000	$ 3,248,515,000	$ 3,253,205,000

EXHIBIT ____ (LK-13)

EAST KENTUCKY POWER COOPERATIVE, INC.
PSC CASE NO. 2010-00167
FIRST DATA REQUEST RESPONSE

COMMISSION STAFF'S FIRST DATA REQUEST DATED 5/14/10
REQUEST 16
RESPONSIBLE PERSON: **Ann F. Wood**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 16. Provide a rate base, capital structure, and statement of income for East Kentucky for the most recent 12-month period for which information is available at the time it files its application and for the base period used in the application. Provide detailed explanations necessary to reconcile this data with the filed base period information.

Response 16. The requested information for May 2009 –April 2010 is provided on the following pages.

Rate Base - Pages 2 through 3
Capital Structure - Page 4
Statement of Income - Page 5

There is only a 1.7% variance between the most recent rate base and the base period rate base. There is only a 2.1% variance between the most recent capitalization and the base period capitalization. There is a 9.2% variance between the most recent income statement and the base period income statement.

Please note that the requested base period information is provided as reference below.

Rate Base – Application Volume 5, Tab 47
Capital Structure – First Data Request 15, Page 2 of 2
Statement of Income – Application Volume 1, Tab 19

EAST KENTUCKY POWER COOPERATIVE, INC.
Most Recent 13-Month Average Net Cost Rate Base

Item	Actuals 1 Apr 2009	Actuals 2 May 2009	Actuals 3 Jun 2009	Actuals 4 Jul 2009	Actuals 5 Aug 2009	Actuals 6 Sep 2009	Actuals 7 Oct 2009	Actuals 8 Nov 2009	Actuals 9 Dec 2009	Actuals 10 Jan 2010	Actuals 11 Feb 2010	Actuals 12 Mar 2010	Actuals 13 Apr 2010	13-Month Average
Net Cost Rate Base -- Including Environmental														
Utility Plant in Service														
Generation	2,248,782,271	2,251,136,855	2,265,804,885	2,257,160,846	2,401,002,020	2,402,861,317	2,395,116,934	2,398,047,770	2,402,565,768	2,403,558,298	2,406,127,329	2,409,394,020	2,412,166,279	2,357,210,338
Transmission	394,196,931	397,010,274	396,964,089	398,304,797	398,723,397	399,973,298	408,139,608	413,518,371	450,811,671	452,088,948	452,329,698	452,358,059	452,414,013	420,525,627
Distribution	148,200,296	149,746,904	150,655,812	151,486,094	155,041,123	155,476,652	156,154,484	156,166,513	156,590,952	159,094,021	159,193,375	158,982,676	159,050,205	155,064,547
General	72,148,422	73,312,632	73,275,538	73,371,003	73,481,365	73,453,212	73,543,349	73,620,284	73,779,239	73,665,885	73,741,802	73,849,074	74,380,491	73,509,406
Total Utility Plant in Service	2,863,337,920	2,871,206,464	2,876,700,325	2,880,322,740	3,028,247,905	3,031,764,477	3,032,954,375	3,041,352,918	3,083,747,630	3,088,407,152	3,091,392,204	3,094,583,829	3,098,010,988	3,006,309,917
Construction Work in Progress (CWIP)														
Generation	402,757,079	410,764,931	423,103,763	431,892,004	304,785,844	321,050,606	330,977,358	337,540,372	342,737,028	343,555,443	347,904,709	355,193,684	363,046,121	362,716,072
Transmission	47,652,328	48,850,486	54,515,556	55,584,310	57,462,938	57,847,123	59,962,819	58,935,735	29,283,218	27,872,368	29,413,183	31,788,314	33,539,758	45,439,087
Distribution	6,743,156	7,022,326	7,027,610	7,891,288	5,097,466	5,229,370	4,890,847	6,725,890	6,979,845	4,913,278	5,383,487	5,760,548	6,633,918	6,176,848
General	1,251,888	1,346,622	1,281,391	1,297,906	1,360,641	1,388,862	1,443,021	1,499,690	3,843,255	3,682,090	3,702,920	3,723,628	3,853,449	2,282,720
Total CWIP	458,404,450	467,984,364	485,928,321	496,665,505	368,706,889	385,515,961	397,274,045	402,701,687	382,843,346	380,023,179	386,404,299	396,466,174	407,073,246	416,614,728
Materials & Supplies	40,577,970	40,830,028	44,469,790	43,886,850	43,123,702	43,331,053	43,283,282	47,558,379	40,166,969	40,207,058	40,919,500	41,118,274	42,095,181	42,426,772
Fuel Stock	82,948,150	77,282,934	74,575,150	77,115,550	75,531,225	78,568,139	77,342,463	79,413,837	81,734,287	70,818,958	68,568,637	66,667,910	66,924,807	75,191,696
Cash Working Capital (1/8th of Adj. Annual O&M)	24,369,699	24,369,699	24,369,699	24,369,699	24,369,699	24,369,699	24,369,699	24,369,699	24,369,699	24,369,699	24,369,699	24,369,699	24,369,699	24,369,699
Total	3,469,638,189	3,481,673,490	3,506,043,285	3,522,340,344	3,539,979,420	3,563,549,329	3,575,223,864	3,595,396,520	3,612,861,931	3,603,826,046	3,611,654,339	3,623,205,886	3,638,473,921	3,564,912,813
Less: Accumulated Depreciation														
Generation	578,466,869	582,410,658	586,393,744	590,327,168	594,626,774	598,938,333	603,102,571	607,435,774	611,786,692	616,126,933	620,507,643	624,953,706	629,356,035	603,417,915
Transmission	130,195,125	130,589,557	130,868,534	131,372,604	131,766,170	131,586,753	131,769,288	132,413,097	132,024,339	133,196,083	132,994,096	133,169,067	133,721,553	131,874,328
Distribution	40,546,117	40,920,967	41,063,583	41,437,120	41,849,978	42,148,917	42,323,895	42,738,491	42,844,659	43,267,348	43,692,591	43,976,772	44,402,589	42,401,002
General	48,601,262	48,949,247	48,923,331	49,162,785	49,484,601	49,708,150	50,027,752	50,375,866	50,602,921	50,820,447	51,117,048	51,465,290	51,824,679	50,081,798
Total Accumulated Depreciation	797,809,373	802,870,429	807,249,191	812,299,677	817,727,523	822,382,152	827,223,506	832,963,228	837,258,611	843,410,810	848,311,378	853,564,834	859,304,856	827,875,044
Net Investment Rate Base	2,671,828,816	2,678,803,061	2,698,794,093	2,710,040,667	2,722,251,897	2,741,167,177	2,748,000,358	2,762,433,292	2,775,603,320	2,760,415,236	2,763,342,961	2,769,641,052	2,779,169,065	2,737,037,769
Net Cost Rate Base Items -- Environmental Plant														
Plant in Service	513,136,290	513,406,955	514,363,109	514,466,212	657,500,348	658,373,811	649,461,783	652,239,262	652,239,262	653,506,487	653,537,385	656,536,256	658,661,670	611,340,679
Construction Work in Progress (CWIP)	135,714,491	138607252	140388455	141612317	3,556,948	3,564,141	3,569,917	3,566,474	5,796,375	5,854,627	5,920,365	5,920,163	5,920,163	46,153,207
Accumulated Depreciation	50,308,504	51,447,743	52,598,786	53,739,964	55,242,957	56,752,271	58,115,392	59,650,519	61,163,187	62,698,978	64,215,611	65,842,860	67,418,023	58,399,600
Allowance Inventory	16,694,174	16,294,189	15,996,918	15,145,334	14,268,392	13,560,291	12,800,906	11,971,339	11,092,688	10,570,662	10,048,724	9,576,653	9,168,964	12,863,787
Limestone Inventory	984,783	985,585	956,921	1,023,269	1,049,507	1,071,006	1,020,223	1,122,728	722,077	754,742	822,450	772,522	777,077	927,916
Cash Working Capital	1,491,125	1,558,545	1,627,503	1,679,918	1,688,758	1,706,844	1,769,441	1,849,763	1,864,545	2,027,226	2,055,920	2,168,110	2,192,521	1,821,555
Net Cost Rate Base -- Excluding Environmental														
Utility Plant in Service														
Generation	1,735,655,981	1,737,729,700	1,741,441,776	1,742,694,634	1,743,501,672	1,744,487,506	1,745,655,151	1,745,808,508	1,750,326,506	1,750,051,811	1,752,589,944	1,752,857,764	1,753,504,609	1,745,869,659
Transmission	394,196,931	397,010,274	396,964,089	398,304,797	398,723,397	399,973,298	408,139,608	413,518,371	450,811,671	452,088,948	452,329,698	452,358,059	452,414,013	420,525,627
Distribution	148,200,296	149,746,904	150,655,812	151,486,094	155,041,123	155,476,652	156,154,484	156,166,513	156,590,952	159,094,021	159,193,375	158,982,676	159,050,205	155,064,547
General	72,148,422	73,312,632	73,275,538	73,371,003	73,481,365	73,453,212	73,543,349	73,620,264	73,779,239	73,665,885	73,741,802	73,849,074	74,380,491	73,509,406

Total Utility Plant in Service	2,350,201,630	2,357,799,509	2,362,337,216	2,365,856,528	2,370,747,557	2,373,390,666	2,383,492,592
Construction Work in Progress (CWIP)							
Generation	267,042,588	272,157,679	282,715,308	290,279,687	301,228,896	317,486,465	327,407,441
Transmission	47,652,328	48,850,486	54,515,556	55,584,310	57,462,938	57,847,123	59,962,819
Distribution	6,743,156	7,022,326	7,027,610	7,891,286	5,097,466	5,229,370	4,890,847
General	1,251,888	1,346,622	1,281,391	1,297,906	1,360,641	1,388,862	1,443,021
Total CWIP	322,689,959	329,377,112	345,539,866	355,053,188	365,149,941	381,951,820	393,704,128
Materials & Supplies	40,577,970	40,830,028	44,469,790	43,866,850	43,123,702	43,331,053	43,283,282
Fuel Stock	65,269,193	60,003,160	57,621,311	60,946,947	60,193,326	63,936,842	63,521,334
Cash Working Capital (1/8th of Adj. Annual O&M)	22,878,574	22,811,154	22,742,196	22,689,781	22,680,941	22,662,855	22,600,258
Total	2,801,617,326	2,810,820,964	2,832,710,379	2,848,413,294	2,861,895,467	2,885,273,236	2,906,601,594
Less: Accumulated Depreciation							
Generation	528,158,365	530,962,915	533,794,958	536,587,204	539,383,817	542,186,062	544,987,179
Transmission	130,195,125	130,589,557	130,868,534	131,372,604	131,766,170	131,586,753	131,769,288
Distribution	40,546,117	40,920,967	41,063,583	41,437,120	41,849,978	42,148,917	42,323,895
General	48,601,262	48,949,247	48,923,331	49,162,785	49,484,601	49,708,150	50,027,752
Total Accumulated Depreciation	747,500,869	751,422,686	754,650,405	758,559,713	762,484,566	765,829,881	769,108,114
Net Investment Rate Base	2,054,116,457	2,059,398,278	2,078,059,973	2,089,853,581	2,098,410,901	2,119,643,355	2,137,493,480

Total Utility Plant in Service	2,389,113,656	2,431,508,368	2,434,900,665	2,437,854,819	2,438,047,573	2,439,349,318	2,394,969,238
Construction Work in Progress (CWIP)							
Generation	333,973,898	336,940,653	337,700,816	341,984,344	349,273,521	357,125,958	316,562,866
Transmission	56,835,735	29,283,218	27,872,368	29,413,183	31,768,314	33,539,758	45,439,087
Distribution	6,725,890	6,978,845	4,913,278	5,383,487	5,760,548	6,633,918	6,176,848
General	1,499,690	3,843,255	3,682,090	3,702,920	3,723,628	3,853,449	2,282,720
Total CWIP	399,135,213	377,046,971	374,168,552	380,483,934	390,546,011	401,153,083	370,461,521
Materials & Supplies	47,558,379	40,166,969	40,207,058	40,918,500	41,118,274	42,095,181	42,426,772
Fuel Stock	66,319,770	69,819,522	59,493,554	57,697,463	56,318,735	56,958,766	61,399,994
Cash Working Capital (1/8th of Adj. Annual O&M)	22,519,938	22,506,154	22,342,473	22,313,779	22,201,589	22,177,178	22,548,144
Total	2,924,646,954	2,941,146,984	2,931,112,302	2,939,269,495	2,948,232,182	2,961,733,526	2,891,805,669
Less: Accumulated Depreciation							
Generation	547,785,255	550,623,505	553,427,955	556,282,032	559,110,846	561,938,012	545,018,316
Transmission	132,413,097	132,024,339	133,196,083	132,994,096	133,169,067	133,721,553	131,974,328
Distribution	42,738,491	42,844,659	43,267,348	43,692,591	43,976,772	44,402,589	42,401,002
General	50,375,866	50,602,921	50,820,447	51,117,048	51,485,290	51,824,679	50,081,798
Total Accumulated Depreciation	773,312,709	776,095,424	780,711,832	784,095,767	787,721,974	791,886,833	769,475,444
Net Investment Rate Base	2,151,334,245	2,165,051,560	2,150,400,470	2,155,173,728	2,160,510,208	2,169,846,693	2,122,330,225

EAST KENTUCKY POWER COOPERATIVE, INC.
13-Month Average Capitalization

Item	1 Apr 2009	2 May 2009	3 Jun 2009	4 Jul 2009	5 Aug 2009	6 Sep 2009	7 Oct 2009	8 Nov 2009	9 Dec 2009	10 Jan 2010	11 Feb 2010	12 Mar 2010	13 Apr 2010	13-Month Average
Capitalization														
Members' Equity	224,348,500	226,956,392	228,086,910	228,200,750	229,285,136	227,552,780	223,012,900	221,841,420	219,131,230	229,118,940	238,492,107	244,377,931	240,167,914	229,274,839
Long-Term Debt	2,527,215,210	2,552,418,536	2,552,390,700	2,541,690,160	2,551,129,938	2,575,277,316	2,572,511,750	2,557,874,840	2,607,054,917	2,634,167,695	2,582,249,854	2,607,470,339	2,607,417,280	2,574,528,349
Total	2,751,563,710	2,779,374,928	2,780,477,610	2,769,890,910	2,780,415,073	2,802,830,096	2,795,524,650	2,779,716,260	2,826,186,147	2,863,286,635	2,820,741,961	2,851,848,270	2,847,585,195	2,803,803,188
Capital Structure (Percentage of Total)														
Members' Equity	8.15%	8.17%	8.20%	8.24%	8.25%	8.12%	7.98%	7.98%	7.75%	8.00%	8.45%	8.57%	8.43%	8.18%
Long-Term Debt	91.85%	91.83%	91.80%	91.76%	91.75%	91.88%	92.02%	92.02%	92.25%	92.00%	91.55%	91.43%	91.57%	91.82%
Total	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

EAST KENTUCKY POWER COOPERATIVE, INC.
STATEMENT OF OPERATIONS

	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-09	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	12 month period ended 4/30/10
Electric Energy Revenues													
Power Sales--Member Cooperatives	50,356,446	57,512,612	57,991,480	61,588,741	53,963,931	50,364,390	52,667,102	74,071,226	94,555,833	86,226,258	64,265,671	41,296,632	744,860,322
Power Sales--Off-System	2,829,352	1,403,904	930,153	551,667	199,951	1,106,545	476,784	645,455	733,081	162,145	2,186,738	2,105,046	13,330,821
Total Electric Energy Revenue	53,185,798	58,916,516	58,921,633	62,140,408	54,163,882	51,470,935	53,143,886	74,716,681	95,288,914	86,388,403	66,452,409	43,401,678	758,191,143
Other Operating Revenue--Income	4,522,729	4,442,802	1,104,126	1,152,838	800,756	3,673,161	4,270,070	6,956,269	(7,848,881)	(9,352,190)	1,329,785	10,795,968	21,847,431
Total Operating Revenue & Patronage Capital	57,708,527	63,359,318	60,025,759	63,293,247	54,964,638	55,144,096	57,413,956	81,672,949	87,440,033	77,036,212	67,782,193	54,197,646	780,038,574
Operation Expenses													
Production Costs Excluding Fuel	4,836,358	4,997,681	4,930,853	4,855,875	4,940,920	5,145,835	4,970,234	6,133,590	4,214,889	4,759,208	5,341,000	4,591,123	59,717,567
Fuel	21,866,431	25,182,366	24,432,390	26,781,737	20,133,175	21,998,582	23,477,477	32,706,048	37,210,240	28,973,891	26,037,170	23,249,325	312,048,833
Other Power Supply	5,772,774	6,274,681	6,153,218	5,342,404	7,536,734	6,867,291	5,759,583	10,394,194	13,246,728	10,803,098	4,813,991	3,679,768	86,644,465
Transmission	1,519,064	1,608,455	2,053,412	2,893,437	1,998,564	2,412,341	2,721,299	2,419,327	3,090,099	3,420,074	2,840,189	2,712,090	29,688,350
Distribution	76,697	63,148	80,528	73,861	47,438	79,341	90,311	37,523	67,184	78,496	76,286	85,181	855,994
Customer Service & Information	207,643	108,590	91,225	132,174	208,925	230,848	264,202	202,128	86,555	173,442	201,943	103,479	2,011,155
Sales	-	-	-	-	927	1,012	1,617	1,234	526	524	3,645	849	10,334
Administration & General	2,210,732	3,389,557	2,758,499	2,147,294	2,108,280	1,981,076	2,065,550	3,059,440	2,564,219	2,152,958	2,467,494	2,640,711	29,545,810
Total Operation Expenses	36,489,698	41,624,478	40,500,125	42,226,781	36,974,963	38,716,326	39,350,272	54,953,485	60,480,440	50,361,893	41,781,720	37,062,526	520,522,508
Maintenance Expenses													
Production	3,910,954	4,020,983	3,829,604	3,716,942	4,709,395	5,639,781	4,774,973	7,816,212	1,512,282	2,410,770	4,312,847	5,368,601	52,023,342
Transmission	183,269	330,846	257,725	320,923	474,454	730,105	223,063	842,338	223,974	358,818	369,870	350,050	4,665,436
Distribution	109,878	54,350	124,030	101,915	72,665	61,783	53,983	84,302	74,343	97,789	148,607	253,643	1,237,289
General Plant	64,705	117,962	55,265	93,581	87,401	87,543	72,248	127,612	55,139	50,850	79,378	88,078	979,761
Total Maintenance Expenses	4,268,807	4,524,141	4,266,624	4,233,362	5,343,915	6,519,211	5,124,268	8,870,464	1,865,737	2,918,227	4,910,703	6,060,372	58,905,828
Operating Expenses													
Depreciation/Amortization	5,188,446	5,166,532	5,141,588	5,560,395	5,528,159	5,502,079	5,585,888	5,672,767	5,630,325	5,690,024	5,755,823	5,709,063	66,131,088
Taxes	-	-	-	-	-	-	-	-	-	-	800.00	-	800
Interest on Long-Term Debt	9,261,660	9,110,577	9,459,362	9,545,508	9,292,139	9,746,905	9,542,355	9,588,261	9,535,418	8,759,217	9,675,098	9,306,439	112,822,940
Other Interest Expense	1,881	3,104	6,165	2,717	3,169	4,300	8,817	2,935	2,089	2,011	2,249	9,278	46,716
Other Deductions	108,581	2,138,975	741,398	809,816	(127,140)	(206,606)	(631,458)	4,053,022	100,834	135,612	216,312	562,168	7,901,516
Total Operating Expenses	14,560,568	16,419,188	15,348,514	15,918,436	14,696,327	15,046,678	14,503,603	19,316,985	15,268,665	14,586,864	15,650,283	15,586,949	186,903,060
Total Cost of Electric Service	55,319,073	62,567,807	60,115,264	62,378,579	57,015,205	60,282,215	58,978,143	83,140,934	77,614,842	67,866,784	62,342,705	58,709,846	766,331,397
Operating Margins (Deficit)	2,389,454	791,511	(89,505)	914,668	(2,050,567)	(5,138,119)	(1,564,187)	(1,467,985)	9,825,190	9,169,428	5,439,488	(4,512,200)	13,707,176
Non-Operating Items													
Interest Income	244,654	345,546	217,661	212,671	319,181	380,022	363,365	357,644	108,100	185,316	448,692	272,269	3,455,119
Allowance for Funds Used During Construction	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Non-Operating Income	(5,363)	14,665	12,849	(27,065)	11,371	(5,024)	(4,167)	967	19,832	4,053	4,086	(12,225)	13,981
Other Capital Credits/Patronage	783	1,433	0	5,626	10,457	204,224	572	14	205	0	35,509	421	259,243
Total Non-Operating Items	240,074	361,643	230,510	191,233	341,009	579,222	359,770	358,624	128,137	189,369	488,286	260,466	3,728,343
Net Patronage Capital & Margins (Deficit)	2,629,528	1,153,154	141,006	1,105,900	(1,709,558)	(4,558,898)	(1,204,418)	(1,109,360)	9,953,327	9,358,797	5,927,774	(4,251,735)	17,435,520
TIER													1.15
DSC													1.05

EXHIBIT ____ (LK-14)

East Kentucky Power Cooperative, Inc.
Case No. 2010-00167
Fully Forecasted Test Period Filing
Volume 5, Tab 47

Filing Requirement
807 KAR 5:001 Section 10(10)(b)
Sponsoring Witness: Ann F. Wood

Description of Filing Requirement:

Jurisdictional rate base summary for both base and forecasted periods with supporting schedules which include detailed analyses of each component of the rate base;

Response:

The rate base summaries for the base period and forecasted period, which include details of the components each rate base, are included on page 2 through 5 of this response.

EAST KENTUCKY POWER COOPERATIVE, INC.
Base Period 13-Month Average Net Cost Rate Base

Item	Actuals 1 August 2009	Actuals 2 September 2009	Actuals 3 October 2009	Actuals 4 November 2009	Actuals 5 December 2009	Actuals 6 January 2010	Actuals 7 February 2010	Actuals 8 March 2010	Budget 9 April 2010	Budget 10 May 2010	Budget 11 June 2010	Budget 12 July 2010	Budget 13 August 2010	13-Month Average
Net Cost Rate Base -- Including Environmental														
Utility Plant in Service														
Generation	2,401,002,020	2,402,861,317	2,395,116,934	2,398,047,770	2,402,565,768	2,403,558,298	2,406,127,329	2,409,394,020	2,553,436,143	2,557,009,016	2,560,581,888	2,564,154,761	2,567,727,634	2,463,198,684
Transmission	398,723,397	399,973,296	408,139,608	413,518,371	450,811,671	452,088,948	452,329,698	452,358,059	454,471,108	456,584,157	458,697,206	460,810,255	462,923,305	440,109,929
Distribution	155,041,123	155,476,652	156,154,484	156,166,513	156,590,952	159,094,021	159,193,375	158,982,676	159,888,268	160,793,861	161,699,453	162,605,046	163,510,638	158,861,313
General	73,481,365	73,453,212	73,543,349	73,620,264	73,779,239	73,665,885	73,741,802	73,849,074	74,551,809	75,254,544	75,957,278	76,660,013	77,362,748	74,532,352
Total Utility Plant in Service	3,028,247,905	3,031,764,477	3,032,954,375	3,041,352,918	3,083,747,630	3,088,407,152	3,091,392,204	3,094,583,829	3,242,347,328	3,249,641,577	3,256,935,826	3,264,230,075	3,271,524,324	3,136,702,279
Construction Work in Progress (CWIP)														
Generation	304,785,644	321,050,606	330,977,358	337,540,372	342,737,028	343,555,443	347,904,709	355,193,684	216,588,934	218,453,434	234,632,986	250,812,538	266,992,090	297,786,540
Transmission	57,462,938	57,847,123	59,962,819	56,935,735	29,283,218	27,872,368	29,413,183	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	39,192,867
Distribution	5,097,466	5,229,370	4,890,847	6,725,890	6,979,845	4,913,278	5,383,487	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,675,652
General	1,360,641	1,388,862	1,443,021	1,499,690	3,843,255	3,682,090	3,702,920	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,020,173
Total CWIP	368,706,889	385,515,961	397,274,045	402,701,687	382,843,346	380,023,179	386,404,299	396,466,174	257,861,424	259,725,924	275,905,476	292,085,028	308,264,580	345,675,232
Materials & Supplies	43,123,702	43,331,053	43,283,282	47,558,379	40,166,969	40,207,058	40,919,500	41,118,274	41,637,026	42,155,778	42,674,531	43,193,283	43,712,035	42,544,682
Fuel Stock	75,531,225	78,568,139	77,342,463	79,413,837	81,734,287	70,818,958	68,568,637	66,667,910	64,614,660	62,561,411	60,508,163	58,454,914	56,401,665	69,322,021
Cash Working Capital (1/8th of Adj. Annual O&M)	22,904,901	22,904,901	22,904,901	22,904,901	22,904,901	22,904,901	22,904,901	22,904,901	22,904,901	22,904,901	22,904,901	22,904,901	22,904,901	22,904,901
Total	3,538,514,622	3,562,084,531	3,573,759,066	3,593,931,722	3,611,397,133	3,602,361,248	3,610,189,541	3,621,741,088	3,629,365,340	3,636,989,592	3,658,928,897	3,680,868,201	3,702,807,505	3,617,149,115
Less: Accumulated Depreciation														
Generation	594,626,774	598,938,333	603,102,571	607,435,774	611,786,692	616,126,933	620,507,643	624,953,706	629,632,942	634,318,856	639,032,119	643,745,382	648,475,352	620,976,621
Transmission	131,766,170	131,586,753	131,769,288	132,413,097	132,024,339	133,196,083	132,994,096	133,169,067	133,657,259	134,145,471	134,636,639	135,127,807	135,619,566	133,238,896
Distribution	41,849,978	42,148,917	42,323,895	42,738,491	42,844,659	43,267,348	43,692,591	43,976,772	44,405,814	44,834,856	45,279,333	45,723,810	46,174,902	43,789,336
General	49,484,601	49,708,150	50,027,752	50,375,866	50,602,921	50,820,447	51,117,048	51,465,280	51,874,329	52,602,364	53,330,791	54,061,985	54,793,370	51,558,840
Total Accumulated Depreciation	817,727,523	822,382,153	827,223,506	832,963,228	837,258,611	843,410,811	848,311,378	853,564,835	859,570,354	865,901,547	872,278,882	878,658,984	885,063,190	849,562,692
Net Investment Rate Base	2,720,787,099	2,739,702,378	2,746,535,560	2,760,968,494	2,774,138,522	2,758,950,437	2,761,878,163	2,768,176,253	2,769,794,986	2,771,088,045	2,786,650,015	2,802,209,217	2,817,744,315	2,767,586,422

EAST KENTUCKY POWER COOPERATIVE, INC.
Base Period 13-Month Average Net Cost Rate Base

Item	Actuals 1 August 2009	Actuals 2 September 2009	Actuals 3 October 2009	Actuals 4 November 2009	Actuals 5 December 2009	Actuals 6 January 2010	Actuals 7 February 2010	Actuals 8 March 2010	Budget 9 April 2010	Budget 10 May 2010	Budget 11 June 2010	Budget 12 July 2010	Budget 13 August 2010	13-Month Average
Net Cost Rate Base Items -- Environmental Plant														
Plant in Service	657,500,348	658,373,811	649,461,783	652,239,262	652,239,262	653,506,487	653,537,385	656,536,256	664,700,352	664,700,353	664,700,354	664,700,355	664,700,356	658,222,797
Construction Work in Progress (CWIP)	3,556,948	3,564,141	3,569,917	3,566,474	5,796,375	5,854,627	5,920,365	5,920,365						2,903,786
Accumulated Depreciation	55,242,957	56,752,271	58,115,392	59,650,519	61,163,187	62,698,978	64,215,611	65,842,860	67,310,801	68,829,173	70,347,545	71,865,917	73,384,289	64,263,038
Allowance Inventory	14,288,392	13,560,291	12,800,906	11,971,339	11,092,688	10,570,662	10,048,724	9,576,653	6,688,278	6,243,918	5,762,878	5,141,637	4,523,253	9,405,355
Limestone Inventory	1,049,507	1,071,006	1,020,223	1,122,728	722,077	754,742	822,450	772,522	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	948,866
Cash Working Capital	1,688,758	1,706,844	1,769,441	1,849,763	1,864,545	2,027,226	2,055,920	2,168,110	2,801,723	2,916,660	3,107,787	3,270,615	3,405,403	2,356,369
Net Cost Rate Base -- Excluding Environmental														
Utility Plant in Service														
Generation	1,743,501,672	1,744,487,506	1,745,655,151	1,745,808,508	1,750,326,506	1,750,051,811	1,752,589,944	1,752,857,764	1,888,735,791	1,892,308,663	1,895,881,534	1,899,454,406	1,903,027,278	1,804,975,887
Transmission	398,723,397	399,973,296	408,139,608	413,518,371	450,811,671	452,088,948	452,329,698	452,358,059	454,471,108	456,584,157	458,697,206	460,810,255	462,923,305	440,109,929
Distribution	155,041,123	155,476,652	156,154,484	156,166,513	156,590,952	159,094,021	159,193,375	158,982,676	159,888,268	160,793,861	161,699,453	162,605,046	163,510,638	158,861,313
General	73,481,365	73,453,212	73,543,349	73,620,264	73,779,239	73,665,885	73,741,802	73,849,074	74,551,809	75,254,544	75,957,278	76,660,013	77,362,748	74,532,352
Total Utility Plant in Service	2,370,747,557	2,373,390,666	2,383,492,592	2,389,113,656	2,431,508,368	2,434,900,665	2,437,854,819	2,438,047,573	2,577,646,976	2,584,941,224	2,592,235,472	2,599,529,720	2,606,823,968	2,478,479,481
Construction Work in Progress (CWIP)														
Generation	301,228,896	317,486,465	327,407,441	333,973,898	336,940,653	337,700,816	341,984,344	349,273,319	216,588,934	218,453,434	234,632,986	250,812,538	266,992,090	294,862,755
Transmission	57,462,938	57,847,123	59,962,818	56,935,735	29,283,218	27,872,368	29,413,183	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	39,192,867
Distribution	5,097,466	5,229,370	4,890,847	6,725,890	6,979,845	4,913,278	5,383,487	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,675,652
General	1,360,641	1,388,862	1,443,021	1,499,690	3,843,255	3,682,090	3,702,920	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,020,173
Total CWIP	365,149,941	381,951,820	393,704,128	399,135,213	377,046,971	374,168,552	380,483,934	390,545,809	257,861,424	259,725,924	275,905,476	292,085,028	308,264,580	342,771,446
Materials & Supplies	43,123,702	43,331,053	43,283,282	47,558,379	40,166,969	40,207,058	40,919,500	41,118,274	41,637,026	42,155,778	42,674,531	43,193,283	43,712,035	42,544,682
Fuel Stock	60,193,326	63,936,842	63,521,334	66,319,770	69,919,522	59,493,554	57,697,463	56,318,735	56,926,382	55,317,493	53,745,285	52,313,276	50,878,411	58,967,800
Cash Working Capital (1/8th of Adj. Annual O&M)	21,216,143	21,198,057	21,135,460	21,055,138	21,040,356	20,877,675	20,848,981	20,736,791	20,103,178	19,988,241	19,797,115	19,634,286	19,499,498	20,548,532
Total	2,860,430,669	2,883,808,438	2,905,136,796	2,923,182,156	2,939,682,186	2,929,647,504	2,937,804,697	2,946,767,182	2,954,174,987	2,962,128,661	2,984,357,878	3,006,755,594	3,028,178,493	2,943,311,942
Less: Accumulated Depreciation														
Generation	539,383,817	542,186,062	544,987,179	547,785,255	550,623,505	553,427,955	556,292,032	559,110,846	562,322,141	565,489,683	568,684,574	571,879,465	575,091,063	556,712,583
Transmission	131,766,170	131,586,753	131,769,288	132,413,097	132,024,339	133,196,083	132,994,096	133,169,067	133,657,269	134,145,471	134,636,639	135,127,807	135,619,566	133,238,896
Distribution	41,849,978	42,148,917	42,323,895	42,738,491	42,844,659	43,267,348	43,692,591	43,976,772	44,405,814	44,834,856	45,279,333	45,723,810	46,174,902	43,789,336
General	49,484,601	49,708,150	50,027,752	50,375,866	50,602,921	50,820,447	51,117,048	51,465,290	51,874,329	52,602,364	53,330,791	54,061,985	54,793,370	51,558,840
Total Accumulated Depreciation	762,484,566	765,629,882	769,108,114	773,312,709	776,095,424	780,711,833	784,095,767	787,721,975	792,259,553	797,072,374	801,931,337	806,793,067	811,678,901	785,299,654
Net Investment Rate Base	2,097,946,103	2,118,178,556	2,136,028,682	2,149,869,447	2,163,586,762	2,148,935,671	2,153,708,930	2,159,045,207	2,161,915,434	2,165,056,287	2,182,426,541	2,199,962,526	2,217,499,592	2,158,012,288

EAST KENTUCKY POWER COOPERATIVE, INC.
Forecasted Test Period 13-Month Average Net Cost Rate Base

Item	1 December 2010	2 January 2011	3 February 2011	4 March 2011	5 April 2011	6 May 2011	7 June 2011	8 July 2011	9 August 2011	10 September 2011	11 October 2011	12 November 2011	13 December 2011	13-Month Average
Net Cost Rate Base -- Including Environmental														
Utility Plant in Service														
Generation	2,582,019,125	2,585,817,452	2,589,615,779	2,593,414,106	2,597,212,433	2,601,010,760	2,604,809,087	2,608,607,414	2,612,405,741	2,616,204,068	2,620,002,395	2,623,800,722	2,627,599,049	2,604,809,087
Transmission	471,375,501	473,697,752	476,020,004	478,342,255	480,664,507	482,986,758	485,309,009	487,631,261	489,953,512	492,275,764	494,598,015	496,920,266	499,242,518	485,309,009
Distribution	167,133,008	168,128,259	169,123,509	170,118,760	171,114,011	172,109,261	173,104,512	174,099,762	175,095,013	176,090,264	177,085,514	178,080,765	179,076,015	173,104,512
General	80,173,687	80,743,501	81,313,316	81,883,131	82,452,945	83,022,760	83,592,574	84,162,389	84,732,203	85,302,018	85,871,833	86,441,647	87,011,462	83,592,574
Total Utility Plant in Service	3,300,701,321	3,308,386,964	3,316,072,608	3,323,758,252	3,331,443,895	3,339,129,539	3,346,815,182	3,354,500,826	3,362,186,469	3,369,872,113	3,377,557,757	3,385,243,400	3,392,929,044	3,346,815,182
Construction Work in Progress (CWIP)														
Generation	331,710,298	346,093,699	360,477,100	374,860,501	389,243,902	403,627,303	418,010,704	432,394,105	446,777,506	461,160,907	475,544,308	489,927,709	504,311,110	418,010,704
Transmission	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314
Distribution	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548
General	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628
Total CWIP	372,982,788	387,366,189	401,749,590	416,132,991	430,516,392	444,899,793	459,283,194	473,666,595	488,049,996	502,433,397	516,816,798	531,200,199	545,583,600	459,283,194
Materials & Supplies	45,787,044	45,940,757	46,094,470	46,248,183	46,401,895	46,555,608	46,709,321	46,863,034	47,016,747	47,170,460	47,324,173	47,477,885	47,631,598	46,709,321
Fuel Stock	48,188,669	49,195,388	50,202,106	51,208,824	52,215,543	53,222,261	54,228,980	55,235,698	56,242,416	57,249,135	58,255,853	59,262,572	60,269,290	54,228,980
Cash Working Capital (1/8th of Adj. Annual O&M)	30,565,412	30,565,412	30,565,412	30,565,412	30,565,412	30,565,412	30,565,412	30,565,412	30,565,412	30,565,412	30,565,412	30,565,412	30,565,412	30,565,412
Total	3,798,225,234	3,821,454,710	3,844,684,185	3,867,913,661	3,891,143,137	3,914,372,613	3,937,602,089	3,960,831,565	3,984,061,041	4,007,290,516	4,030,519,992	4,053,749,468	4,076,978,944	3,937,602,089
Less: Accumulated Depreciation														
Generation	667,443,280	672,196,380	676,955,879	681,722,510	686,493,615	691,264,720	696,038,166	700,820,715	705,603,264	710,389,972	715,176,679	719,963,385	724,786,080	696,065,740
Transmission	137,593,731	138,092,617	138,591,503	139,090,390	139,589,277	140,088,163	140,592,222	141,096,281	141,600,478	142,104,675	142,608,873	143,113,070	143,625,619	140,596,992
Distribution	47,997,434	48,465,001	48,932,568	49,400,135	49,867,702	50,335,269	50,823,706	51,312,142	51,802,605	52,293,068	52,783,532	53,273,996	53,794,188	50,852,411
General	57,768,042	58,542,480	59,328,084	60,120,625	60,919,917	61,729,557	62,539,739	63,350,087	64,160,806	64,975,900	65,796,785	66,617,913	67,495,422	62,565,027
Total Accumulated Depreciation	910,802,487	917,296,458	923,808,034	930,333,660	936,870,511	943,417,709	949,993,833	956,579,225	963,167,153	969,763,615	976,365,869	982,968,364	989,701,309	950,082,171
Net Investment Rate Base	2,887,422,747	2,904,158,252	2,920,876,151	2,937,580,001	2,954,272,626	2,970,954,904	2,987,608,256	3,004,252,340	3,020,893,888	3,037,526,901	3,054,154,123	3,070,781,104	3,087,277,635	2,987,519,918

EAST KENTUCKY POWER COOPERATIVE, INC.
Forecasted Test Period 13-Month Average Net Cost Rate Base

Item	1 December 2010	2 January 2011	3 February 2011	4 March 2011	5 April 2011	6 May 2011	7 June 2011	8 July 2011	9 August 2011	10 September 2011	11 October 2011	12 November 2011	13 December 2011	13-Month Average
Net Cost Rate Base Items -- Environmental Plant														
Plant in Service	664,700,358	664,700,361	664,700,364	664,700,367	664,700,370	664,700,373	664,700,376	664,700,379	664,700,382	664,700,385	664,700,388	664,700,391	664,700,394	664,700,376
Construction Work in Progress (CWIP)	109,905,359	132,625,406	141,762,132	150,063,736	164,993,790	174,794,828	188,698,918	196,787,744	207,257,536	238,913,782	248,013,535	261,863,473	268,217,170	191,069,801
Accumulated Depreciation	79,457,777	80,976,149	82,494,521	84,012,893	85,531,265	87,049,637	88,568,009	90,086,381	91,604,753	93,123,125	94,641,497	96,159,869	97,678,241	88,568,009
Allowance Inventory	2,326,674	4,631,113	4,242,888	3,822,948	3,434,767	3,097,249	2,735,617	2,249,893	1,756,100	1,378,155	989,526	640,798	199,811	2,423,503
Limestone Inventory	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Cash Working Capital	3,567,812	3,586,958	3,608,740	3,617,153	3,607,064	3,661,599	3,691,021	3,746,841	3,790,773	3,815,330	3,841,603	3,979,219	4,018,826	3,733,303
Net Cost Rate Base -- Excluding Environmental														
Utility Plant in Service														
Generation	1,917,318,767	1,921,117,091	1,924,915,415	1,928,713,739	1,932,512,063	1,936,310,387	1,940,108,711	1,943,907,035	1,947,705,359	1,951,503,683	1,955,302,007	1,959,100,331	1,962,898,655	1,940,108,711
Transmission	471,375,501	473,697,752	476,020,004	478,342,255	480,664,507	482,986,758	485,309,009	487,631,261	489,953,512	492,275,764	494,598,015	496,920,266	499,242,518	485,309,009
Distribution	167,133,008	168,128,259	169,123,509	170,118,760	171,114,011	172,109,261	173,104,512	174,099,762	175,095,013	176,090,264	177,085,514	178,080,765	179,076,016	173,104,512
General	80,173,687	80,743,501	81,313,316	81,883,131	82,452,945	83,022,760	83,592,574	84,162,389	84,732,203	85,302,018	85,871,833	86,441,647	87,011,462	83,592,574
Total Utility Plant in Service	2,636,000,963	2,643,686,603	2,651,372,244	2,659,057,885	2,666,743,525	2,674,429,166	2,682,114,806	2,689,800,447	2,697,486,087	2,705,171,728	2,712,857,369	2,720,543,009	2,728,228,650	2,682,114,806
Construction Work in Progress (CWIP)														
Generation	221,804,939	213,468,293	218,714,968	224,796,765	224,250,112	228,832,475	229,311,766	235,606,361	239,509,970	222,247,125	227,530,773	228,084,236	236,093,940	228,940,903
Transmission	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314	31,788,314
Distribution	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548	5,760,548
General	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628	3,723,628
Total CWIP	263,077,429	254,740,783	259,987,458	266,069,255	265,522,602	270,104,965	270,584,276	276,878,851	280,782,460	263,519,615	268,803,263	269,336,726	277,366,430	268,213,393
Materials & Supplies	45,787,044	45,940,757	46,094,470	46,248,183	46,401,895	46,555,608	46,709,321	46,863,034	47,016,747	47,170,460	47,324,173	47,477,885	47,631,598	46,709,321
Fuel Stock	44,861,996	43,564,275	44,959,218	46,385,877	47,780,776	49,125,012	50,493,362	51,985,805	53,486,317	54,870,980	56,268,328	57,821,773	59,069,480	50,805,477
Cash Working Capital (1/8th of Adj. Annual O&M)	26,997,600	26,978,464	26,956,672	26,948,259	26,958,348	26,903,813	26,874,391	26,818,571	26,774,639	26,750,082	26,723,809	26,586,193	26,546,586	26,832,109
Total	3,016,725,031	3,014,910,872	3,029,370,062	3,044,709,458	3,053,407,146	3,067,118,564	3,076,776,157	3,092,346,708	3,105,546,250	3,097,482,865	3,111,974,940	3,121,665,587	3,138,842,744	3,074,675,106
Less: Accumulated Depreciation														
Generation	587,985,503	591,220,211	594,461,358	597,709,617	600,962,350	604,215,083	607,470,157	610,734,334	613,998,511	617,268,847	620,535,182	623,803,516	627,107,839	607,497,731
Transmission	137,593,731	138,092,617	138,591,503	139,090,390	139,589,277	140,088,163	140,592,222	141,096,281	141,600,478	142,104,675	142,608,873	143,113,070	143,625,619	140,698,992
Distribution	47,997,434	48,465,001	48,932,568	49,400,135	49,867,702	50,335,269	50,823,706	51,312,142	51,802,605	52,293,068	52,783,532	53,273,996	53,794,188	50,852,411
General	57,768,042	58,542,480	59,328,084	60,120,625	60,919,917	61,729,557	62,539,739	63,350,087	64,160,606	64,975,900	65,796,785	66,617,913	67,495,422	62,565,027
Total Accumulated Depreciation	831,344,710	836,320,309	841,313,513	846,320,767	851,339,246	856,368,072	861,425,824	866,492,844	871,562,400	876,640,490	881,724,372	886,808,495	892,023,068	861,514,162
Net Investment Rate Base	2,185,380,321	2,178,590,563	2,188,056,548	2,198,388,690	2,202,067,900	2,210,750,492	2,215,350,332	2,225,853,864	2,233,983,850	2,220,842,375	2,230,250,568	2,234,757,092	2,246,819,676	2,213,160,944

EXHIBIT ____ (LK-15)

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 14
RESPONSIBLE PERSON: **Frank J. Oliva**
COMPANY: **East Kentucky Power Cooperative, Inc.**

Request 14. Please provide a schedule of cash flows for each month during calendar year 2009, each month during the base period and each month during the test year. To the extent that cash flows from investing are different than the monthly changes in capitalization shown in the schedule of capitalization provided in response to the immediately preceding question, then provide a reconciliation and detailed explanation of each difference.

Response 14. EKPC prepares a statement of cash flows quarterly. Please see Application Volume 5, Tab 40, for the quarterly cash flow information for 2009. The cash flow statement, as contained in EKPC's March 31, 2010 quarterly report, is provided on page 2 of this response. The forecasted cash flow schedule for April 10 – August 10, the remaining months in the base period, is provided on page 3 of this response. The forecasted cash flow schedule for each month in the test year is provided on page 4 of this response.

EAST KENTUCKY POWER COOPERATIVE, INC. AND SUBSIDIARY		
CONSOLIDATED STATEMENTS OF CASH FLOWS		
FOR THE THREE MONTHS ENDED MARCH 31, 2010 AND 2009		
(Dollars in thousands)		
	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net margin	$ 25,240	$ 28,231
Adjustments to reconcile net margin to net cash from operating activities:		
Depreciation	17,076	12,112
Amortization of loan costs	689	704
Changes in:		
Accounts receivable	6,114	16,321
Fuel	13,527	(4,121)
Materials and supplies	(1,048)	(2,628)
Regulatory asset	10,089	1,774
Emission allowances	1,539	3,321
Accounts payable — trade	(33,616)	(36,117)
Accrued expenses	(2,817)	(9,132)
Accrued postretirement benefit cost	2,224	1,848
Current portion of regulatory liability	5,358	1,867
Regulatory liability	5,070	7,219
Other	5,718	2,992
Net cash provided by operating activities	55,163	24,391
CASH FLOWS FROM INVESTING ACTIVITIES:		
Additions to electric plant	(25,229)	(57,216)
Maturities and calls of securities available for sale	21,066	27,516
Purchases of securities available for sale	(21,103)	(27,687)
Maturities of securities held to maturity	26	26
Purchases of securities held to maturity	(76)	(7,298)
Payments received on long-term accounts receivable	324	284
Net cash used in investing activities	(24,992)	(64,375)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from long-term debt	96,274	92,719
Principal payments on long-term debt	(95,859)	(48,059)
Net cash provided by financing activities	415	44,660
NET CHANGE IN CASH AND CASH EQUIVALENTS	30,586	4,676
CASH AND CASH EQUIVALENTS — Beginning of year	51,552	54,305
CASH AND CASH EQUIVALENTS — Year to date	$ 82,138	$ 58,981

[redacted]

	Apr-10 Forecast	May-10 Forecast	Jun-10 Forecast	Jul-10 Forecast	Aug-10 Forecast
AVAILABLE FUNDS					
NET MARGIN	$ (5,369)	$ (4,064)	$ 345	$ 5,050	$ 6,414
DEPRECIATION & AMORTIZATION	$ 6,006	$ 6,331	$ 6,377	$ 6,380	$ 6,404
LTD ADVANCES	$ 3,492	$ 65,000	$ 50,000	$ 175,000	$ 31,510
SHORT TERM BORROWINGS	$ 11,000	$ -	$ -	$ -	$ -
OPERATING RESERVES	$ 245	$ 245	$ 245	$ 245	$ 245
INLAND DERPECIATION	$ 65	$ 65	$ 65	$ 65	$ 65
OTHER TRANSACTIONS	$ 0	$ -	$ (0)	$ -	$ 0
TOTAL AVAILABLE	$ 15,439	$ 67,578	$ 57,033	$ 186,740	$ 44,638
CASH REQUIREMENTS					
PRINCIPAL PAYMENTS	$ 23,586	$ 23,586	$ 23,586	$ 23,586	$ 23,586
SHORT TERM DEBT PAYMENTS	$ -	$ 11,000	$ -	$ -	$ -
FUEL STOCK	$ (2,053)	$ (2,053)	$ (2,053)	$ (2,053)	$ (2,053)
MATERIALS & SUPPLIES	$ 519	$ 519	$ 519	$ 519	$ 519
OTHER ASSETS	$ 52	$ 52	$ 52	$ 52	$ 52
ACCOUNTS RECEIVABLE	$ (14,417)	$ 3,496	$ 7,287	$ 11,635	$ (1,212)
POST RETIREMENT MEDICAL FD	$ 245	$ 245	$ 245	$ 245	$ 245
INTEREST CHARGED TO CONSTR	$ -	$ -	$ -	$ -	$ -
CAPITAL ADDITIONS	$ 9,159	$ 9,159	$ 23,474	$ 23,474	$ 23,474
CAPITAL CREDITS RETIRED					
TOTAL CASH REQUIREMENTS	$ 17,090	$ 46,003	$ 53,109	$ 57,457	$ 44,610
INCREASE (DECREASE) IN CASH	$ (1,651)	$ 21,575	$ 3,923	$ 129,283	$ 28
BEGINNING CASH BALANCE	$ 109,653	$ 108,002	$ 129,577	$ 133,500	$ 262,783
ENDING CASH BALANCE	$ 108,002	$ 129,577	$ 133,500	$ 262,783	$ 262,811

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	Jan-11 Forecast	Feb-11 Forecast	Mar-11 Forecast	Apr-11 Forecast	May-11 Forecast	Jun-11 Forecast	Jul-11 Forecast	Aug-11 Forecast	Sep-11 Forecast	Oct-11 Forecast	Nov-11 Forecast	Dec-11 Forecast
AVAILABLE FUNDS												
NET MARGIN	$ 14,870	$ 10,255	$ 4,954	$ (2,908)	$ (3,255)	$ 1,217	$ 5,945	$ 9,299	$ 3,434	$ (179)	$ 4,213	$ 12,765
DEPRECIATION & AMORTIZATION	$ 6,494	$ 6,512	$ 6,526	$ 6,537	$ 6,547	$ 6,576	$ 6,585	$ 6,588	$ 6,596	$ 6,602	$ 6,602	$ 6,733
LTD ADVANCES	$ 50,000	$ -	$ 75,000	$ 23,147	$ 15,340	$ -	$ -	$ -	$ -	$ -	$ -	$ -
SHORT TERM BORROWINGS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
OPERATING RESERVES	$ 238	$ 238	$ 238	$ 238	$ 238	$ 238	$ 238	$ 238	$ 238	$ 238	$ 238	$ 238
INLAND DERPECIATION	$ 65	$ 65	$ 65	$ 65	$ 65	$ 65	$ 65	$ 65	$ 65	$ 65	$ 65	$ 65
OTHER TRANSACTIONS	$ 342	$ 342	$ 342	$ 342	$ 342	$ 342	$ 342	$ 342	$ 342	$ 342	$ 342	$ (1,558)
TOTAL AVAILABLE	$ 72,009	$ 17,411	$ 87,125	$ 27,421	$ 19,277	$ 8,438	$ 13,175	$ 16,531	$ 10,675	$ 7,068	$ 11,460	$ 18,243
CASH REQUIREMENTS												
PRINCIPAL PAYMENTS	$ 8,075	$ 8,075	$ 8,075	$ 8,075	$ 8,075	$ 8,075	$ 8,075	$ 8,075	$ 8,075	$ 8,075	$ 8,075	$ 8,075
SHORT TERM DEBT PAYMENTS	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
FUEL STOCK	$ 1,007	$ 1,007	$ 1,007	$ 1,007	$ 1,007	$ 1,007	$ 1,007	$ 1,007	$ 1,007	$ 1,007	$ 1,007	$ 1,007
MATERIALS & SUPPLIES	$ 154	$ 154	$ 154	$ 154	$ 154	$ 154	$ 154	$ 154	$ 154	$ 154	$ 154	$ 154
OTHER ASSETS	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15
ACCOUNTS RECEIVABLE	$ 13,148	$ (16,202)	$ (9,214)	$ (13,627)	$ 225	$ 9,196	$ 10,544	$ (189)	$ (14,100)	$ (1,908)	$ 8,693	$ 23,548
POST RETIREMENT MEDICAL FD	$ 238	$ 238	$ 238	$ 238	$ 238	$ 238	$ 238	$ 238	$ 238	$ 238	$ 238	$ 238
INTEREST CHARGED TO CONSTR	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
CAPITAL ADDITIONS	$ 22,069	$ 22,069	$ 22,069	$ 22,069	$ 22,069	$ 22,069	$ 22,069	$ 22,069	$ 22,069	$ 22,069	$ 22,069	$ 22,069
CAPITAL CREDITS RETIRED												
TOTAL CASH REQUIREMENTS	$ 44,707	$ 15,356	$ 22,344	$ 17,931	$ 31,783	$ 40,754	$ 42,102	$ 31,369	$ 17,458	$ 29,650	$ 40,251	$ 55,106
INCREASE (DECREASE) IN CASH	$ 27,302	$ 2,055	$ 64,780	$ 9,490	$ (12,506)	$ (32,316)	$ (28,927)	$ (14,838)	$ (6,783)	$ (22,582)	$ (28,791)	$ (36,863)
BEGINNING CASH BALANCE	$ 250,206	$ 277,508	$ 279,563	$ 344,343	$ 353,833	$ 341,327	$ 309,011	$ 280,084	$ 265,246	$ 258,463	$ 235,881	$ 207,090
ENDING CASH BALANCE	$ 277,508	$ 279,563	$ 344,343	$ 353,833	$ 341,327	$ 309,011	$ 280,084	$ 265,246	$ 258,463	$ 235,881	$ 207,090	$ 170,227