



ARKANSAS POWER & LIGHT COMPANY
POST OFFICE BOX 551 LITTLE ROCK, ARKANSAS 72203 (501) 371-4000

April 24, 1987

Mr. Harvey G. Hubbs, Secretary
Missouri Public Service Commission
P. O. Box 360
Jefferson City, Missouri 65102

Re: Case No. A0-87-⁴⁸~~46~~

Dear Mr. Hubbs:

Please find attached Arkansas Power & Light Company's submittal of calendar year 1986 data as required in the above-referenced case number. Three copies of the following documents are attached:

- 1) Per book cost of service studies showing the Missouri jurisdictional revenue requirement under:
 - a) the federal tax law in effect in 1986 reflecting a corporate income tax rate of 46%
 - b) the current tax law reflecting the 40% tax rate effective for 1987
 - c) the current tax law reflecting the 34% tax rate that will become effective on January 1, 1988
- 2) Workpapers showing the development of certain ratemaking adjustments included in the above studies to properly state the per book revenue requirement, including the required income tax adjustments.
- 3) Workpaper showing the development of the estimated excess deferred income tax balances applicable to the Missouri retail jurisdiction.

A summary of the results of the above analyses for the Missouri retail jurisdiction is included as Table 1.

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PUBLIC SERVICE COMMISSION

Missouri Study
46% Federal Tax Rate

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ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE	T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
RATE BASE			
1 PLANT IN SERVICE	3,515,909	104,399	3,411,510
2 DEPRECIATION RESERVES	-942,392	-26,712	-915,680
3 ELEC PLT ACQUIS'A ADJUST	590	31	559
4 FUEL INVENTORY	22,332	742	22,090
5 MATERIALS & SUPPLIES	37,204	1,180	35,024
6 PREPAYMENTS	6,370	154	6,216
7 LIBERALIZED DEPRECIATION	-312,243	-4,303	-302,935
8 ACCUM DEF INC TAX-OTHER	0	0	0
9 INVEST TAX CREDIT - 3%	-3,505	-104	-3,401
10 INVESTMENT IN SPI	40,583	1,319	39,264
11 TOTAL RATE BASE	2,365,348	69,701	2,295,647
REVENUES			
12 RATE SCHEDULE	1,024,424	37,001	987,423
13 MSU POWER POOL SALES	219,962	6,327	213,635
14 SYSTEM SALES	64,167	2,243	61,924
15 OTHER REVENUES	35,332	743	34,589
16 MSPP/SYSTEM/OTHER REV	324,461	9,000	315,461
17 TOTAL REVENUES ADJUSTED	1,348,335	47,549	1,300,786
EXPENSES			
18 O & M EXPENSE	901,455	37,003	864,452
19 DEPRECIATION EXPENSE	115,322	3,421	111,901
20 TAXES OTHER THAN INCOME	38,314	1,153	37,161
21 INCOME TAX-FED	40,447	-1,151	41,598
22 INCOME TAX-ST	3,210	-51	3,259
23 PROV DEF INCOME TAX-OR-FED	35,390	2,352	33,038
24 PROV DEF INCOME TAX-OR-ST	2,404	143	2,261
25 PROV DEF INCOME TAX-CR-FED	-4,064	-136	-4,200
26 PROV DEF INCOME TAX-CR-ST	-290	-7	-283
27 INVESTMENT TAX CREDIT-NET	10,121	302	9,819
28 TOTAL OPER EXPENSES ADJUSTED	1,145,209	42,933	1,102,276
29 OPERATING INCOME ADJUSTED	203,126	4,616	198,510
30 RATE OF RETURN	8.61	6.46	8.55
REVENUE REQUIREMENTS			
31 REQUIRED RATE OF RETURN	11.0000	11.0000	11.0000
32 REQUIRED OPER INCOME(L11XL31)	260,188	7,607	252,581
33 OPER INC DEFICIENCY(L32-L29)	56,512	3,151	53,361
34 REVENUE CONVERSION FACTOR	1.9164	1.9084	1.9174
35 REVENUE DEFICIENCY(L33XL34)	108,330	6,014	102,316
36 % INCREASE (L35/L12)	10.57	15.95	10.37
37 PROP RATE SCHED REV(L12+L35)	1,132,754	43,645	1,089,109

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ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	T000			
	PLANT IN SERVICE	T001			
1	TOTAL PRODUCTION PLANT	PLPT0 001	2,005,383	53,222	1,955,161
	TRANSMISSION PLANT	T003			
	TRANSMISSION SUBSTATIONS	T004			
2	STEP UP	PLTSSU 001	22,714	502	22,112
3	POWER SUPPLY	PLTSPS 002	181,201	3,755	177,446
4	TOTAL SUBSTATIONS	PLTST0	203,915	4,257	201,558
5	TOTAL LINES	PLTLT0 002	372,042	7,025	364,417
6	TOTAL TRANSMISSION PLANT	PLTT0	577,957	11,782	565,475

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE	T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
RATE BASE	T000		
PLANT IN SERVICE	T001		
DISTRIBUTION PLANT	T006		
DISTRIBUTION SUBSTATIONS	T007		
1 DIRECT-AR	PLDSOA 13,275	0	13,275
2 DIRECT-MO	PLDSOM 335	0	335
3 DIRECT	PLDSO 13,613	0	13,613
4 RETAIL GENERAL-AR	PLDSRGA D03A 100,559	0	100,559
5 RETAIL GENERAL-MO	PLDSRGM D03M 5,133	5,133	0
6 RETAIL GENERAL	PLDSRG 105,692	5,133	100,559
7 TOTAL SUBSTATIONS	PLDSTO 122,535	5,133	114,502
DISTRIBUTION LINES	T008		
8 DIRECT-AR	PLDLDA 1,547	0	1,547
9 DIRECT-MO	PLDLDM 184	0	184
10 DIRECT	PLDLDO 1,731	0	1,731
RETAIL GENERAL	T009		
11 PRIMARY DEMAND-AR	PLDRGDA D04A 101,976	0	101,976
12 PRIMARY DEMAND-MO	PLDRGDM D04M 4,574	4,574	0
13 PRIMARY DEMAND	PLDLRGPD 106,550	4,574	101,976
14 PRIMARY CUSTOMER-AR	PLDRGCA C03A 156,315	0	156,315
15 PRIMARY CUSTOMER-MO	PLDRGCM C03M 7,843	7,843	0
16 PRIMARY CUSTOMER	PLDLRGPC 164,158	7,843	156,315
17 SECONDARY DEMAND-AR	PLDRGSA D05A 20,211	0	20,211
18 SECONDARY DEMAND-MO	PLDRGSM D05M 795	795	0
19 SECONDARY DEMAND	PLDLRGSD 21,006	795	20,211
20 SECONDARY CUSTOMER-AR	PLDRGSCA C04A 32,036	0	32,036
21 SECONDARY CUSTOMER-MO	PLDRGSCM C04M 3,702	3,702	0
22 SECONDARY CUSTOMER	PLDLRGSC 35,738	3,702	32,036
23 RETAIL GENERAL	PLDLRG 377,753	17,220	360,533
24 TOTAL LINES	PLDLTO 379,489	17,220	362,269
LINE TRANSFORMERS	T010		
25 DIRECT-AR	PLDTDA 214	0	214
26 DIRECT-MO	PLDTDM 29	0	29
27 DIRECT	PLDTDO 243	0	243
RETAIL GENERAL	T009		
28 DEMAND-AR	PLDRGDA D07A 57,501	0	57,501
29 DEMAND-MO	PLDRGDM D07M 2,253	2,253	0
30 DEMAND	PLDRGDO 59,754	2,253	57,501
31 CUSTOMER-AR	PLDRGCA C04A 37,913	0	37,913
32 CUSTOMER-MO	PLDRGCM C04M 2,921	2,921	0
33 CUSTOMER	PLDRGDC 40,834	2,921	37,913
34 RETAIL GENERAL	PLDRG 160,233	5,174	155,059
35 TOTAL LINE TRANSFORMERS	PLDTTO 161,131	5,174	155,957

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE			
	PLANT IN SERVICE	T000		
		T001		
	DISTRIBUTION PLANT SERVICES	T006		
		T011		
1	RETAIL GENERAL-CUST-AR	DSERGCA C369A	62,781	0
2	RETAIL GENERAL-CUST-MO	DSERGCM C369M	2,015	2,015
3	RETAIL GENERAL-CUST	PLDSERG	64,796	2,015
4	TOTAL SERVICES	PLDSETO	64,796	2,015
	METERS	T012		
5	DIRECT-AR	FLDMA	108	0
6	DIRECT-MO	PLDMO	12	0
7	DIRECT	PLDMO	120	0
8	RETAIL GENERAL-CUST-AR	FLDMRGCA C370A	51,580	0
9	RETAIL GENERAL-CUST-MO	FLDMRGCM C370M	1,973	1,973
10	RETAIL GENERAL-CUST	PLDMRG	53,553	1,973
11	TOTAL METERS	PLDMTO	53,553	1,973
12	TOTAL INST CUST PREM	PLDCPTO 001	12,751	338
	STREET LIGHTS	T106		
13	ARKANSAS	PLDOLA S01A	22,264	0
14	MISSOURI	PLDSL M S01M	1,227	1,227
15	TOTAL STREET LIGHTS	PLDSLTO	23,491	1,227
16	TOTAL DISTRIBUTION PLANT	PLDLO	817,971	30,385

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MD RETAIL	ALL OTHER
	RATE BASE	T000			
	PLANT IN SERVICE	T001			
	GENERAL PLANT	T013			
1	LABOR	PLGL LOMTOA	27,765	919	25,846
2	PRODUCTION	PLGP D01	7,426	197	7,229
3	TRANSMISSION	PLGT PLTTOA	9,643	200	9,443
4	DISTRIBUTION	PLGD PLDTOA	10,585	407	10,178
5	CUSTOMER SERVICES	PLGCS CMCSTOA	114	2	112
6	STORES	PLGST MSTCA	526	17	509
7	ENERGY	PLGE E01	25,023	513	24,510
8	TOTAL GENERAL PLANT	PLGTO	81,052	2,615	78,437
	INTANGIBLE PLANT	T014			
9	ORGANIZATION	PLIOR C01	33	2	31
10	FRANCHISE	PLIFR C02	53	3	50
11	MISC INTANG-COMP SOFTWARE	PLIMISCC C01	223	10	213
12	MISC INTANG-TRANS SOFTWARE	PLIMISLR D01	29	1	28
13	MISC INTANG-ISES 1 SYNCHRON	PLIMISIS D01AW	14,004	0	14,004
14	MISC INTANG-82-314-U, 60 MOS	PLIMISMS PLTCAEXI	2,370	71	2,299
15	MISC INTANG-MSS COMP SOFTWARE	PLIMIMSS PLTCAEXI	6,122	133	5,989
16	MISC MSS COMP S/W-CMS	PLIMCSM D01	1,803	2	1,801
17	MISC MISTEC S/W COST	PLIMMSTC PLTTOA	677	14	663
18	MISC STEAM GEN CL PROCESS	PLIMSGCP E01	3,571	116	3,455
19	MISC 82-314-U, 48 MOS	PLIM48M PLTCAEXI	1,826	54	1,772
20	TOTAL INTANGIBLE PLANT	PLITO	30,516	496	29,020
21	TOTAL PLANT IN SERVICE	PLTO	3,515,909	104,399	3,411,510

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ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	RATE BASE				
	PLANT IN SERVICE	T000 T001			
1	TOTAL PLANT IN SERVICE	PLT0	3,515,909	104,399	3,411,510
2	TOTAL PLANT IN SERVICE ADJUSTED	PLT0A	3,515,909	104,399	3,411,510
	PLANT SUMMARY	T093			
3	TOTAL PRODUCTION ADJUSTED	PLPT0A	2,006,383	53,222	1,953,161
4	TOTAL TRANSMISSION ADJUSTED	PLTT0A	577,957	11,922	566,035
5	TOTAL DISTRIBUTION ADJUSTED	PLDT0A	317,971	30,035	287,936
6	TOTAL GENERAL ADJUSTED	PLGT0A	51,052	2,515	48,537
7	TOTAL INTANGIBLE ADJUSTED	PLIT0A	30,516	476	29,040
8	TOTAL PLANT IN SERVICE ADJUSTED	PLT0A	3,515,909	104,399	3,411,510

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ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1936
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	T003			
	RESERVE FOR DEPRECIATION	T015			
1	TOTAL PRODUCTION	DRPT0 001	-526,564	-13,454	-512,510
	TRANSMISSION PLANT	T003			
	TRANSMISSION SUBSTATIONS	T004			
2	STEP UP	DRTSU 001	-4,847	-128	-4,719
3	POWER SUPPLY	DRTPS 002	-38,518	-739	-37,729
4	TOTAL SUBSTATIONS	DRTST0	-43,365	-915	-42,447
5	TOTAL LINES	DRTL0 002	-81,833	-1,677	-80,156
6	TOTAL TRANSMISSION	DRTT0	-125,196	-2,595	-122,603

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE CASE				
	RESERVE FOR DEPRECIATION	T000 T015			
	DISTRIBUTION PLANT	T006			
	DISTRIBUTION SUBSTATIONS	T007			
1	DIRECT-AR	DR0SD4 PLOSD4	-5,127	0	-5,127
2	DIRECT-MO	DR0SDM PLOSDM	-63	0	-63
3	DIRECT	DR0SD	-5,195	0	-5,195
4	RETAIL GENERAL-AR	DR0SRG4 C034	-39,107	0	-39,107
5	RETAIL GENERAL-MO	DR0SRGM C03M	-1,595	-1,595	0
6	RETAIL GENERAL	DR0SRG	-40,705	-1,595	-39,107
7	TOTAL SUBSTATIONS	DR0ST0	-45,900	-1,595	-44,302
	DISTRIBUTION LINES	T003			
8	DIRECT-AR	DR0LDA PLOLDA	-523	0	-523
9	DIRECT-MO	DR0LDM PLOLDM	-44	0	-44
10	DIRECT	DR0LD	-567	0	-567
	RETAIL GENERAL	T009			
11	PRIMARY DEMAND-AR	DR0LRGPA D044	-32,753	0	-32,753
12	PRIMARY DEMAND-MO	DR0LRGPM D04M	-1,109	-1,109	0
13	PRIMARY DEMAND	DR0LRGP0	-33,862	-1,109	-32,753
14	PRIMARY CUSTOMER-AR	DR0LRGPCA C034	-55,153	0	-55,153
15	PRIMARY CUSTOMER-MO	DR0LRGPCM C03M	-1,950	-1,950	0
16	PRIMARY CUSTOMER	DR0LRGPC	-57,103	-1,950	-55,153
17	SECONDARY DEMAND-AR	DR0LRGSA D054	-6,316	0	-6,316
18	SECONDARY DEMAND-MO	DR0LRGSM D05M	-179	-179	0
19	SECONDARY DEMAND	DR0LRGSD	-6,495	-179	-6,316
20	SECONDARY CUSTOMER-AR	DR0LRGSCA C044	-27,773	0	-27,773
21	SECONDARY CUSTOMER-MO	DR0LRGSCM C04M	-900	-900	0
22	SECONDARY CUSTOMER	DR0LRGSC	-28,673	-900	-27,773
23	RETAIL GENERAL	DR0LRG	-126,173	-4,135	-122,035
24	TOTAL LINES	DR0LTO	-126,740	-4,135	-122,605
	LINE TRANSFORMERS	T010			
25	DIRECT-AR	DR0TJA PLOTJA	-53	0	-53
26	DIRECT-MO	DR0TJM PLOTJM	-19	0	-19
27	DIRECT	DR0TJ	-77	0	-77
	RETAIL GENERAL	T009			
28	DEMAND-AR	DR0TRGOA D074	-15,250	0	-15,250
29	DEMAND-MO	DR0TRGOM D07M	-1,499	-1,499	0
30	DEMAND	DR0TRGD	-16,749	-1,499	-15,250
31	CUSTOMER-AR	DR0TRGCA C044	-23,703	0	-23,703
32	CUSTOMER-MO	DR0TRGCM C04M	-1,943	-1,943	0
33	CUSTOMER	DR0TRGC	-25,646	-1,943	-23,703
34	RETAIL GENERAL	DR0TRG	-45,425	-3,442	-41,983
35	TOTAL LINE TRANSFORMERS	DR0TTO	-45,502	-3,442	-42,060

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE			
	RESERVE FOR DEPRECIATION	T000 T015		
	DISTRIBUTION PLANT SERVICES	T006 T011		
1	RETAIL GENERAL-CUST-AR	DDSERGCA C369A	-23,036	0
2	RETAIL GENERAL-CUST-MO	DDSERGCM C369M	-729	-23,036
3	RETAIL GENERAL-CUST	DDSEPGC	-729	0
4	TOTAL SERVICES	DDSETO	-23,767	-23,036
	METERS	T012		
5	DIRECT-AR	DDMDA PLMDA	-32	0
6	DIRECT-MO	DDMDM PLMDM	-6	-32
7	DIRECT	DDMD	-33	-6
8	RETAIL GENERAL-CUST-AR	DDMPGCA C370A	-15,177	0
9	RETAIL GENERAL-CUST-MO	DDMRGCM C370M	-1,074	-15,177
10	RETAIL GENERAL-CUST	DDMRGC	-1,074	0
11	TOTAL METERS	DDMT0	-16,287	-15,215
12	TOTAL INST CUST PREM	DDCPT0 001	-514	-14
	STREET LIGHTS	T106		
13	ARKANSAS	DDSLA 501A	-7,434	0
14	MISSOURI	DDSLM 501M	-452	-7,434
15	TOTAL STREET LIGHTS	DDSLTO	-7,886	0
16	TOTAL DISTRIBUTION	DDTO	-266,603	-255,156

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	T000			
	RESERVE FOR DEPRECIATION	T015			
	GENERAL PLANT	T013			
1	LABOR	DRGL LOMTOA	-5,640	-167	-5,453
2	PRODUCTION	DRGP D01	-1,530	-41	-1,439
3	TRANSMISSION	DRGT PLITOA	-2,432	-50	-2,382
4	DISTRIBUTION	DRGD PLUTOA	-3,239	-143	-3,096
5	CUSTOMER SERVICES	DRGCS CMCSTOA	-53	-1	-52
6	STGRES	DRGST MSTOA	-331	-12	-364
7	ENERGY	DRGE E01	-2,363	-77	-2,290
8	TOTAL GENERAL	DRGTO	-15,633	-510	-15,128
	ACCOUNT 111-	T065			
	ACCUM AMORT OF INTANG	T067			
9	FRANCHISE	DRAAF C02	-4	-0	-4
10	MISC-COMPUTER SOFTWARE-AMP	DRAAC C01	-223	-10	-213
11	MISC-TRANSLATOR SOFTWARE	DRALR D01	-29	-1	-28
12	MISC-ISES SYNCHRONIZATION	DRAAISES D01AW	-1,556	0	-1,556
13	MISC-82-314-U/60 MOS	JRAAMSS PLTOAEXI	-874	-26	-848
14	MISC-MSS COMPUTER SOFTWARE	DRACCS PLTOAEXI	-2,159	-64	-2,095
15	MISC-MSS COMP S/W-CMS	DRACMS D01	-66	-12	-55
16	MISC-MISTEC S/W COST	DRAMSTC PLITOA	-267	-6	-261
17	MISC-STEAM GEN CL PROCESS	DRASGCP E01	-1,087	-35	-1,052
18	MISC-82-314-U/45 MOS	DRAMS48 PLTOAEXI	-1,522	-45	-1,477
19	TOTAL ACC AMORT OF INTANG	DRATO	-3,359	-206	-3,153
20	TOTAL RES FOR DEPRECIATION	DRTO	-942,392	-26,712	-913,680
21	TOTAL DEPREC'N RESERVES ADJUST	DRTOA	-942,392	-26,712	-913,680
	DEPREC RES SUMMARY	T094			
22	TOTAL PRODUCTION ADJUSTED	DRPTOA	-526,564	-13,754	-512,810
23	TOTAL TRANSMISSION ADJUSTED	DRITOA	-125,194	-2,595	-122,603
24	TOTAL DISTRIBUTION ADJUSTED	DRDTOA	-266,603	-11,447	-255,156
25	TOTAL GENERAL ADJUSTED	DRGTOA	-15,633	-510	-15,128
26	TOTAL ACC AMORT OF INTANG ADJ	DRATOA	-3,359	-206	-3,153
27	TOTAL DEPREC'N RESERVES ADJUST	DRTOA	-942,392	-26,712	-913,680

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1966
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	TC00			
	ACQUISITION ADJUSTMENT	TC10			
	ELECTRIC PLANT ACQUISITION ADJ	TC17			
1	PRODUCTION PLANT	AACPP	001 33	1	32
2	TRANSMISSION PLANT	AACTP	PLTTOA 52	2	30
3	DISTRIBUTION-AR	AACDPA	PLDQAA 102	0	102
4	DISTRIBUTION-MO	AACDPM	PLDQAM 10	10	0
5	DISTRIBUTION-BOTH STATES	AACDPS	PLDQAA 275	12	263
6	DISTRIBUTION PLANT	AACDP	453	23	425
7	GENERAL PLANT	AACGP	PLGECM 22	1	21
8	TOTAL ACQUISITION ADJUSTMENT	AACGT0	590	31	559
	AMORTIZATION OF ACQUISITION ADJ	TC15			
9	PRODUCTION PLANT-CREDIT	AACPP	001 0	0	0
10	TRANSMISSION PLANT-CREDIT	AACTP	PLTTOA 0	0	0
11	DISTRIBUTION-CREDIT-AR	AACDPA	PLDQAA 0	0	0
12	DISTRIBUTION-CREDIT-MO	AACDPM	PLDQAM 0	0	0
13	DISTRIBUTION-CREDIT-BOTH STATES	AACDPS	PLDQAA 0	0	0
14	DISTRIBUTION PLANT-CREDIT	AACDP	0	0	0
15	GENERAL PLANT-CREDIT	AACGP	PLGECM 0	0	0
16	TOTAL AMORTIZATION - ACQ ADJ	AACGT0	0	0	0
17	NET ELECTRIC PLANT ACQUISITION ADJ	AACNT0	590	31	559

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1955
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	RATE BASE	T000				
	FUEL INVENTORY	T005				
1	FUEL INVENTORY	FI	EQ1	22,832	742	22,090
2	TOTAL FUEL INVENTORY	FI0		22,832	742	22,090
3	TOTAL FUEL INVENTORY ADJ	FI0A		22,832	742	22,090
	TOTAL MATERIAL & SUPPLIES	T019				
4	TRANSMISSION SUBSTATIONS	MSTS	PLTSTOA	883	19	864
5	TRANSMISSION LINES	MSTL	PLTLTOA	5,423	111	5,312
6	DISTRIBUTION SUBSTATIONS	MSDS	PLDSTO	175	12	163
7	DISTRIBUTION LINES	MSDL	PLDLTO	2,945	154	2,791
8	METERS	MSDM	PLDMTO	290	11	279
9	STREET LIGHTS	MSDSL	PLDSLTO	322	17	305
10	OFFICE SUPPLIES	MSOS	LOMTOA	167	5	161
11	ENERGY	MSE	EO1	25,001	313	24,688
12	OTHER	MSO	PLPTDTOA	1,993	59	1,934
13	TOTAL MATERIALS & SUPPLIES	MSTO		37,204	1,130	36,074
14	TOTAL MAT'L'S & SUPPLIES ADJUSTED	MSTOA		37,204	1,130	36,074

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE				
	PREPAYMENTS	T020 T020			
	PREPAID TAXES	T021			
1	CAPITAL STOCK - FRANCHISE	WCPTCSF PLTOA	183	5	178
2	REGULATORY COMMISSION-AR	WCPTRCA RSRDAA	952	0	932
3	REGULATORY COMMISSION-MO	WCPTRCM RSRDMA	5	5	0
4	OTHER	WCPTOT4 PLTOA	1	0	1
5	TOTAL PREPAID TAXES	WCPTT0	1,171	10	1,161
	PREPAID INSURANCE	T022			
6	PRODUCTION	WCPIP DO1	2,435	64	2,369
7	GENERAL	WCPIG PLGECM	19	1	18
8	TOTAL PLANT	WCPIIP PLTOA	787	23	764
9	LABOR RELATED	WCPIIL LOMTOA	427	14	413
10	TOTAL PREPAID INSURANCE	WCPIIO	3,608	103	3,505
	MISCELLANEOUS PREPAYMENTS	T023			
11	PRODUCTION	WCPMP DO1	1,497	40	1,457
12	TRANSMISSION	WCPMT PLTTOA	32	1	31
13	DISTRIBUTION	WCPMD PLDIOA	4	0	4
14	EEI	WCPME PLTOR	0	0	0
15	TOTAL MISC PREPAYMENTS	WCPMTO	1,533	41	1,492
16	TOTAL PREPAYMENTS	WCPT0	6,370	154	6,216
17	TOTAL PREPAYMENTS ADJUSTED	WCPTOA	6,370	154	6,216

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1935
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	TC00			
	ACCUMULATED DEF INC TAXES	T154			
1	LIBERALIZED DEPRECIATION	DTLDT0 PLTOAEXI	-512,252	-15,272	-497,010
2	ADJUST-LIBERAL DEPR	PF07ACLB PLTCAEXI	200,039	5,953	194,075
3	ADJUSTED LIBERALIZED DEPR	DTLDT0A	-312,243	-9,305	-322,915
4	ACCUM DEF INC TX-OTHER	DTCT0 PLTOAEXI	42,399	1,264	41,134
5	ADJUST-ACC DEF TX OTHER	PF07ADT0 PLTCAEXI	-42,393	-1,264	-41,134
6	ADJUSTED ACC DEF INC TX-OTHER	DTOT0A	0	0	0
7	INVEST TAX CREDIT - 3%	DTITC PLTOAEXI	-3,505	-104	-3,401

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ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1935
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	T000			
	INVESTMENT IN S F I	T024			
1	INVESTMENT IN SYS FUEL INC	SFI E01	0	0	0
2	TOTAL INVEST IN SYSTEM FUEL INC	SFITO	0	0	0
3	ADJUSTMENT-INVEST IN SYS FUELS	PFOBISFI E01	40,583	1,319	39,264
4	TOTAL INVEST SYS FUEL INC ADJ	SFT0A	40,583	1,319	39,264
5	TOTAL RATE BASE	R0TO	2,107,124	03,022	2,103,442
6	TOTAL ADJUSTMENTS TO RATE BASE	READJMT	193,224	0,019	192,205
7	TOTAL RATE BASE ADJUSTED	R0T0A	2,300,348	09,701	2,290,647

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ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	REVENUES			
	T110			
	SALES REVENUES			
1	RETAIL SALES	T111		
2	WHOLESALE SALES	RSRD	407,671	37,851
3	TOTAL RATE SCHEDULE REV	RSWD	116,753	169,290
		RSRGWTO	1,024,424	37,851
				116,753
				950,743
	MSU PWR POOL	T137		
4	ENERGY - EXCHANGE	RSMSPTOE E01	140,584	4,570
5	ENERGY - UNIT POWER PURCH	RSMSPTUE E01	25,533	532
6	TOTAL MSPP ENERGY	RSMSPT	156,167	5,401
7	DEMAND - RESERVE EQUAL	RSMSPTOD D01	16,914	443
8	DEMAND - UNIT PWR PURCH	RSMSPTOU D01	36,881	977
9	TOTAL MSPP DEMAND	RSMSPTD	53,795	1,426
10	TOT MSU PWR POOL SALES	RSMSPPTO	219,962	5,827
				136,014
				24,751
				160,755
				16,460
				35,404
				52,369
				213,135
11	SYSTEM SALES TO OTHERS	RSSTO E01	69,167	2,245
12	TOTAL SALES REVENUES	RSTO	1,313,553	40,756
				1,266,797

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	REVENUES	T110			
	OTHER REVENUES	TOZE			
1	OTH ELEC REV-TRANS ED RCPTS	ROTE	002	25,332	519
2	OTH ELEC REV-TRANS FACIL RCPT	ROTEHV	002	1,241	25
	OTH ELEC REV - OTHER	T136			1,216
3	RETAIL REV-AR	ROARRS	RSFDAA	487	0
4	RETAIL REV-MO	RORRMS	FSRDMA	4	459
5	RETAIL REVENUE	ROORA		493	0
6	DISTRIBUTION LINES - AR	ROOLA	PLDLTCA	2,156	0
7	DISTRIBUTION LINES - MO	ROOLM	PLDLTCM	67	0
8	DISTRIBUTION LINES	ROOL		1,253	0
9	TRANSMISSION LINES	ROTL	PLTLTOA	63	13
10	SALES TAX COMM-AR	ROSTCA	RSRDAA	645	0
11	SALES TAX COMM-MO	ROSTCM	RSFDMA	16	0
12	SALES TAX COMMISSION	ROSTC		661	16
13	TRANSMISSION SVC CHARGE	ROT	002	32	1
14	PRODUCTION	ROP	001	104	3
15	MISCELLANEOUS	ROMISC	PLTOA	72	29
16	LAGDP	RGL	LOMTOA	118	4
17	OTH ELEC REV-OTHER	ROEFO		5,224	150
18	TOTAL OTHER ELECTRIC REVS	ROTO		31,253	631
19	TOTAL REVENUES	PTO		1,345,410	47,430
20	ADJUSTMENT-INT INC ON SPI INV	PFDSROII	001	3,469	113
21	ADJUSTMENT-TOTAL OTHER REVENUES	ROTOADJ		3,469	113
22	TOTAL REVENUES ADJUSTED	RTOA		1,348,885	47,549

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1965
(THOUSANDS OF DOLLARS)

LINE		TOTAL COMPANY	TOTAL MO RETAIL	ALL OTHER
	REVENUES	T110		
	REVENUE SUMMARY	T095		
	SALES REVENUES	T111		
1	TOTAL RETAIL DIRECT	RSRDTOA	907,671	369,990
2	TOTAL WHOLESALE	RSWTOA	110,753	110,753
3	TOTAL RATE SCHEDULE REV	RSRDWTOA	1,024,424	950,743
	MSU POWER POOL	T137		
4	ENERGY - EXCHANGE	RSMSSEA	140,594	4,570
5	ENERGY - UNIT PUR PURCH	RSMSSEUPA	25,533	532
6	TOT MSPP-ENERGY	RSMSPTSA	155,167	5,401
7	DEMAND - RESERVE EQUAL	RSMSDREA	10,714	445
8	DEMAND - UNIT PUR PURCH	RSMSDUPA	30,531	477
9	TOTAL MSPP DEMAND	RSMSPTDA	53,795	1,420
10	TOT MSU POWER POOL SALES	RSMSPTT	219,962	6,827
11	TOTAL SYSTEM SALES	RSSSTOA	69,107	2,243
12	TOTAL SALES REVENUES ADJUSTED	RSTOA	1,313,553	40,750
	OTHER ELEC REV	T138		
13	OTH ELEC REV-TRANS EQ RECPTS	ROTTERA	25,335	519
14	OTH ELEC REV-TRANS FACIL RECPTS	ROTTFRA	1,241	25
15	OTH ELEC REV-OTHER	ROTJOA	3,753	249
16	TOTAL OTHER REVENUE ADJUSTED	ROTOA	35,332	793
17	TOTAL MSPP/SYSTEM/OTHER REV	ROTMSOR	324,461	9,065
18	TOTAL REVENUES ADJUSTED	RTOA	1,345,885	47,549

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1966
(THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	OPERATION & MAINTENANCE	T031			
	PRODUCTION EXPENSE	T032			
1	OPERATION	CMPO DO1	77,716	2,059	75,657
2	MAINTENANCE	CMFM EO1	46,983	1,527	45,456
3	FUEL	CMFF EO1	331,993	10,791	321,202
	PURCHASED POWER	T033			
4	MSE DEMAND	CMPPMD DO1	329,234	8,725	320,509
5	UE DEMAND	CMPPUED DO1M	3,706	3,706	0
6	OTHER DEMAND	CMPPOD DO1	4,534	120	4,414
7	TOTAL DEMAND	CMPPTD	337,474	12,551	324,923
8	MSE ENERGY	CMPPME EO1	16,271	529	15,742
9	UE ENERGY	CMPPUE EO1M	2,552	2,552	0
10	OTHER ENERGY	CMPPOE EO1	97,961	3,154	94,777
11	TOTAL ENERGY	CMPPTE	117,084	6,565	110,519
12	TOTAL PURCHASED POWER	CMPPTO	454,553	19,116	435,442
13	LOAD DISPATCHING	CMPLD DO1	2,387	63	2,324
	OTHER PROD EXP & CR	T036			
14	DEFERRED FUEL	CMPPDF EO2	-2,500	0	-2,500
15	NUCLEAR RESERVE	CMPCNR EO3	-4,208	0	-4,208
16	ARK GG SETT-M33	CMPCMS DO1AR	-136,311	0	-136,311
17	GG DEFERRED - MO	CMPCMR DO1M	-2,700	-2,700	0
18	OTHER EXPENSE - DEMAND	CMPPCD DO1	13,769	365	13,404
19	OTHER EXPENSE - ENERGY	CMPCPE EO1	5,160	153	4,992
20	TOTAL OTHER PROD EXP & CR	CMPCPTO	-177,156	-2,167	-174,989
21	TOTAL PRODUCTION EXPENSE	CMPTO	736,481	31,359	705,122
	TRANSMISSION EXPENSE	T034			
	SUBSTATION EXPENSE	T035			
22	STEP UP	CMTSSU DO1	250	7	243
23	POWER SUPPLY	CMTSPS EO2	1,936	41	1,895
24	TOTAL SUBSTATION EXPENSE	CMTSTO	2,236	47	2,189
25	TOTAL LINE EXPENSE	CMTLTO DO2	1,467	71	1,396
26	MISCELLANEOUS EXPENSE	CMTMISC CMTSLTO	344	7	337
27	TOTAL TRANSMISSION EXPENSE	CMTTO	6,047	126	5,921

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
EXPENSES					
OPERATION & MAINTENANCE					
	T030				
	T031				
DISTRIBUTION EXPENSE					
	T037				
	T035				
1	DIRECT-AR	OMDSOA PLDSOA	569	0	569
2	DIRECT-MO	OMDSOM PLDSOM	7	0	7
3	DIRECT	OMDSO	576	0	576
4	RETAIL GENERAL-AR	OMDSRGA D03A	4,340	0	4,340
5	RETAIL GENERAL-MO	OMDSRGM D03M	167	167	0
6	RETAIL GENERAL	OMDSRG	4,507	167	4,340
7	TOTAL SUBSTATION EXPENSE	OMDSTO	5,083	167	4,916
LINE EXPENSE					
	T036				
8	DIRECT-AR	ODLDA PLDLDA	64	0	64
9	DIRECT-MO	ODLOM PLDLOM	3	0	3
10	DIRECT	ODLO	72	0	72
	T009				
11	PRIMARY DEMAND-AR	ODLRGPA D04A	4,095	0	4,095
12	PRIMARY DEMAND-MO	ODLRGPM D04M	204	204	0
13	PRIMARY DEMAND	ODLRGPD	4,299	204	4,095
14	PRIMARY CUSTOMER-AR	ODLRGPA C03A	6,447	0	6,447
15	PRIMARY CUSTOMER-MO	ODLRGPM C03M	336	336	0
16	PRIMARY CUSTOMER	ODLRGPC	6,783	336	6,447
17	SECONDARY DEMAND-AR	ODLRGSA D05A	775	0	775
18	SECONDARY DEMAND-MO	ODLRGSM D05M	32	32	0
19	SECONDARY DEMAND	ODLRGSD	807	32	775
20	SECONDARY CUSTOMER-AR	ODLRGSA C04A	3,282	0	3,282
21	SECONDARY CUSTOMER-MO	ODLRGSM C04M	155	155	0
22	SECONDARY CUSTOMER	ODLRGSC	3,437	155	3,282
23	RETAIL GENERAL	ODLRG	15,326	727	14,599
24	TOTAL LINE EXPENSE	OMLTO	15,398	727	14,671
LINE TRANSFORMER EXPENSE					
	T033				
25	DIRECT-AR	OMTDA PLDTDA	2	0	2
26	DIRECT-MO	OMTDM PLDTDM	0	0	0
27	DIRECT	OMTD	2	0	2
	T009				
28	DEMAND-AR	OMDTRGA D07A	498	0	498
29	DEMAND-MO	OMDTRGM D07M	3	3	0
30	DEMAND	OMDTRGD	501	3	498
31	CUSTOMER-AR	OMDTRGA C04A	646	0	646
32	CUSTOMER-MO	OMDTRGM C04M	3	3	0
33	CUSTOMER	OMDTRGC	649	3	646
34	RETAIL GENERAL	OMTRG	1,150	6	1,144
35	TOTAL LINE TRANSFORMER EXP	OMOTTO	1,152	6	1,146

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1966
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	OPERATION & MAINTENANCE			
	DISTRIBUTION EXPENSE			
	METER EXPENSE			
1	DIRECT-AR	10	0	10
2	DIRECT-MO	1	0	1
3	DIRECT	11	0	11
4	RETAIL GENERAL-CUST-AR	4,729	0	4,729
5	RETAIL GENERAL-CUST-MO	202	202	0
6	RETAIL GENERAL-CUST	4,931	202	4,729
7	TOTAL METER EXPENSE	4,942	202	4,740
	STREET LIGHT EXPENSE			
8	ARKANSAS	553	0	553
9	MISSOURI	71	71	0
10	TOTAL STREET LIGHT EXPENSE	624	71	553
11	TOTAL CUST INST EXPENSE	705	17	687
	RENT EXPENSE			
12	ARKANSAS	1,565	0	1,565
13	MISSOURI	19	19	0
14	TOTAL RENT EXPENSE	1,584	19	1,565
	MISCELLANEOUS EXPENSE			
15	ARKANSAS	2,440	0	2,440
16	MISSOURI	105	104	1
17	TOTAL MISCELLANEOUS EXPENSE	2,545	104	2,441
18	TOTAL DISTRIBUTION EXPENSE	32,364	1,314	31,050

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1936
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES				
OPERATION & MAINTENANCE				
	T030			
	T031			
	CUSTOMER ACCOUNTING EXPENSE	T040		
1	METER READING-AR	OMCAMRA CA902A	4,117	0
2	METER READING-MO	OMCAMRM CA902M	245	245
3	METER READING	OMCAMR	4,363	245
4	CUST RECORDS & COLLECTS-AR	OMCACRA CA903A	9,689	0
5	CUST RECORDS & COLLECTS-MO	OMCACRM CA903M	324	322
6	CUST RECORDS & COLLECTIONS	OMCACR	10,013	322
7	UNCOLLECTIBLE ACCTS-AR	OMCAUAA CA904A	4,255	0
8	UNCOLLECTIBLE ACCTS-MO	OMCAUAM CA904M	65	65
9	UNCOLLECTIBLE ACCOUNTS	OMCAUA	4,920	65
10	MISC CUST ACCTG EXP-AR	OMCAMSCA OMCAUCUA	273	0
11	MISC CUST ACCTG EXP-MO	OMCAMSCM OMCAUCUM	11	11
12	MISC CUSTOMER ACCOUNTING	OMCAMISC	284	11
13	TOTAL CUSTOMER ACCT EXP	OMCATO	19,580	643
				13,937
	CUSTOMER SERVICES EXPENSE	T041		
14	CUST ASSIST EXP-AR	OMCSCAA CS905A	3,552	0
15	CUST ASSIST EXP-MO	OMCSCAM CS905M	40	40
16	CUSTOMER ASSISTANCE EXPENSE	OMCSCA	3,592	40
17	INFORM & INSTRUCT EXP-AR	OMCSINF A CS909A	226	0
18	INFORM & INSTRUCT EXP-MO	OMCSINF M CS909M	0	0
19	INFORMATION & INSTRUCTION EXP	OMCSINF	226	0
20	MISC CUST SERVICES-AR	OMCSMISCA OMCSCAIA	336	0
21	MISC CUST SERVICES-MO	OMCSMISCM OMCSCAIM	32	32
22	MISC CUSTOMER SERVICES	OMCSMISC	363	32
23	TOTAL CUSTOMER SVCS EXP	OMCSTG	4,186	72
				4,114
24	TOTAL SALES EXP	OMSTO 001	2,119	56
				2,063

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	OPERATION & MAINTENANCE	T031			
	ADMINISTRATIVE & GENERAL EXPENSE	T042			
1	LABOR	CMAGL LOMTOA	54,369	1,500	52,869
2	PRODUCTION RELATED	CMAGIA DO1	8,035	213	7,822
3	TRANSMISSION & DISTRIBUTION	CMAGIB PLTOTOA	4,123	142	3,980
4	LABOR RELATED	CMAGIC LOMTOA	2	0	2
5	GENERAL PLANT RELATED	CMAGID PLGECM	13	0	13
6	TOTAL PLANT RELATED	CMAGIE PLTOA	733	22	711
7	INSURANCE	CMAGI	12,911	377	12,534
8	REG COMM EXP-ARKANSAS	RTREGA RSROAA	207	0	207
9	REG COMM EXP-MISSOURI	RTREGM RSROMA	456	456	0
10	REGULATORY EXP RETAIL GENERAL	OMAGREGR	663	456	207
11	REGULATORY EXP WHSE GENERAL	OMAGREWG RSWTOA	185	0	185
12	EEI MEMBERSHIP	OMAGEGR1 PLTOR	3,464	116	3,368
13	LOCAL RESEARCH & OTHER	OMAGEGR2 PLTOA	4	0	4
14	EXPER & GEN RESEARCH	OMAGEGR	3,488	116	3,372
15	PRODUCTION	OMAGPLP DO1	-1,574	-44	-1,618
16	GENERAL	OMAGG PLGECM	2,216	71	2,145
17	TOTAL PLANT	OMAGTPL PLTOA	22,038	654	21,384
18	ENERGY	OMAGEN EO1	-1,231	-42	-1,273
19	CUSTOMER SERVICES	OMAGCS OMCSTOA	595	10	585
20	TOTAL ADMIN & GENERAL	OMAGTO	43,510	3,400	40,110
21	TOTAL O & M EXPENSE	OMTO	394,267	37,000	357,267

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	OPERATION & MAINTENANCE			
		T030		
		T031		
1	TOTAL O & M EXPENSE	OMT0	544,287	37,000
				581,287
2	ADJUST-DEFERRED FUEL	PF010PDF E02	2,866	0
3	-NUCL REFUELING RES	PF010PNR E03	4,203	0
4	-TOTAL OTHER PRODUCTION	PF010PT0	7,074	0
5	ADJUST-TOTAL PROD OSM	OMPT0ADJ	7,074	0
				7,074
6	ADJUST-CONSTRUCT CWR	PF01AGCP E01	94	3
7	ADJUST-TOTAL A&G OSM	OMAGADJ	94	3
				91
8	ADJUST-TOTAL OSM	OMT0ADJ	7,168	3
				7,165
9	TOTAL O & M EXPENSE ADJUSTED	OMT0A	901,455	37,003
				938,452

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030		
	OPERATION & MAINTENANCE	T031		
	O & M SUMMARY	T097		
	PRODUCTION EXPENSE	TJ32		
1	TOTAL OPERATION ADJUSTED	OMPOTOA	77,716	2,059
2	TOTAL MAINTENANCE ADJUSTED	OMPMTCA	46,983	1,527
3	TOTAL FUEL ADJUSTED	OMPFTOA	331,443	10,791
	PURCHASED POWER	T033		321,202
4	MSE DEMAND	OMPPPHDA	324,234	6,725
5	UE DEMAND	OMPPPUOA	3,706	3,706
6	OTHER DEMAND	OMPPPODA	4,534	120
7	TOTAL DEMAND ADJUSTED	OMPPPODT	337,474	12,551
8	MSE ENERGY	OMPPPMEA	15,271	529
9	UE ENERGY	OMPPPUOA	2,552	2,552
10	OTHER ENERGY	OMPPPOEA	77,961	3,134
11	TOTAL ENERGY ADJUSTED	OMPPPOET	117,024	5,565
12	TOTAL PURCHASED POWER ADJ'D	OMPPPTOA	454,558	19,116
13	TOTAL LOAD DISPATCH ADJ'D	OMPLTOA	2,337	53
	OTHER PROD EXP & CR	T096		2,324
14	TOTAL DEFERRED FUEL	OMPOPFET	0	0
15	TOTAL NUCLEAR RESERVE	OMPPNRT	0	0
16	TOTAL ARK SS SETT - M33	OMPGPMST	-136,311	0
17	TOTAL SS DEFERRAL - MO	OMPGPMRT	-2,700	-2,700
18	TOTAL OTHER EXPENSE - DEMAND	OMPOPODT	13,769	365
19	TOTAL OTHER EXPENSE - ENERGY	OMPOPGET	5,160	166
20	TOT OTHER PROD EXP & CR ADJ'D	OMPPPTOA	-176,022	-2,167
21	TOTAL PRODUCTION ADJUSTED	OMPOTOA	743,555	31,324
22	TOTAL TRANSMISSION ADJUSTED	OMTTCA	6,947	126
23	TOTAL DISTRIBUTION ADJUSTED	OMDTCA	32,364	1,314
24	TOTAL CUSTOMER ACCOUNTING ADJ'D	OMCATADJ	14,580	643
25	TOTAL CUSTOMER SERVICES ADJ'D	OMCSTCA	4,156	72
26	TOTAL SALES EXP ADJUSTED	OMSTOA	2,119	56
27	TOTAL ADMIN & GENERAL ADJUSTED	OMAGTOA	93,604	3,403
28	TOTAL O & M EXPENSE ADJUSTED	OMTOA	901,455	37,003

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ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	DEPRECIATION EXPENSE	T043			
1	TOTAL PRODUCTION EXPENSE	DXPT0 D01	67,745	1,795	65,950
	TRANSMISSION EXPENSE	T034			
	SUBSTATION EXPENSE	T035			
2	STEP UP	DXTSSU D01	552	15	537
3	POWER SUPPLY	DXTSPS D02	4,374	90	4,284
4	TOTAL SUBSTATION EXPENSE	DXTST0	4,926	104	4,822
5	TOTAL LINE EXPENSE	DXTLT0 D02	9,019	185	8,834
6	TOTAL TRANSMISSION EXPENSE	DXTTO	13,945	289	13,656

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES				
DEPRECIATION EXPENSE	T030 T043			
DISTRIBUTION EXPENSE				
SUBSTATION EXPENSE	T037 T035			
1 DIRECT-AR	DXDSDA PLCSOA	419	0	419
2 DIRECT-MO	DXDSOM PLOSDM	0	0	0
3 DIRECT	DXDSD	427	0	427
4 RETAIL GENERAL-AR	DXDSRGA C03A	3,199	0	3,199
5 RETAIL GENERAL-MO	DXDSRGM C03M	191	191	0
6 RETAIL GENERAL	DXDSRG	3,390	191	3,199
7 TOTAL SUBSTATION EXPENSE	DXDSTO	3,817	191	3,626
LINE EXPENSE				
8 DIRECT-AR	T036 DXDLDA PLDLDA	49	0	49
9 DIRECT-MO	DXDLDM PLDLDM	0	0	0
10 DIRECT	DXDLD	55	0	55
RETAIL GENERAL	T009			
11 PRIMARY DEMAND-AR	DXLRGPA D04A	3,243	0	3,243
12 PRIMARY DEMAND-MO	DXLRGPM D04M	149	149	0
13 PRIMARY DEMAND	DXLRGPD	3,392	149	3,243
14 PRIMARY CUSTOMER-AR	DXLRGPA C03A	3,339	0	3,339
15 PRIMARY CUSTOMER-MO	DXLRGPM C03M	265	265	0
16 PRIMARY CUSTOMER	DXLRGPC	3,604	265	3,339
17 SECONDARY DEMAND-AR	DXLRGSA D05A	640	0	640
18 SECONDARY DEMAND-MO	DXLRGSM D05M	25	25	0
19 SECONDARY DEMAND	DXLRGSD	665	25	640
20 SECONDARY CUSTOMER-AR	DXLRGSA C04A	2,629	0	2,629
21 SECONDARY CUSTOMER-MO	DXLRGSM C04M	124	124	0
22 SECONDARY CUSTOMER	DXLRGSC	2,753	124	2,629
23 RETAIL GENERAL	DXDLRG	12,114	563	11,551
24 TOTAL LINE EXPENSE	DXCLTO	12,169	563	11,606
LINE TRANSFORMER EXPENSE				
25 DIRECT-AR	T038 DXDTDA PLDTDA	7	0	7
26 DIRECT-MO	DXDTDM PLDTDM	1	0	1
27 DIRECT	DXDTD	8	0	8
RETAIL GENERAL	T009			
28 DEMAND-AR	DXDTRGA D07A	2,177	0	2,177
29 DEMAND-MO	DXDTRGM D07M	74	74	0
30 DEMAND	DXDTRGD	2,251	74	2,177
31 CUSTOMER-AR	DXDTRGA C04A	2,322	0	2,322
32 CUSTOMER-MO	DXDTRGM C04M	97	97	0
33 CUSTOMER	DXDTRGC	2,419	97	2,322
34 RETAIL GENERAL	DXDTRG	5,170	171	4,999
35 TOTAL LINE TRANSFORMER EXPENSE	DXDTTO	5,178	171	5,007

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	DEPRECIATION EXPENSE	T043			
	DISTRIBUTION EXPENSE	T077			
	SERVICE EXPENSE	T044			
1	RET GENL-CUSTOMER-AR	DXSERGCA C369A	2,030	0	2,030
2	RET GENL-CUSTOMER-MO	DXSERGCM C369M	64	64	0
3	RETAIL GENERAL-CUSTOMER	DXSERGCG	2,094	64	2,030
4	TOTAL SERVICES EXPENSE	DXDSETO	2,094	64	2,030
	METER EXPENSE	T039			
5	DIRECT-AR	DXDMDA PLDMDA	3	0	3
6	DIRECT-MO	DXDMCM PLDMCM	1	0	1
7	DIRECT	DXDMC	4	0	4
8	RET GENL-CUSTOMER-AR	DXDMRGCA C370A	1,640	0	1,640
9	RET GENL-CUSTOMER-MO	DXDMRGCM C370M	62	62	0
10	RETAIL GENERAL-CUSTOMER	DXDMRGCG	1,702	62	1,640
11	TOTAL METER EXPENSE	DXDMTO	1,706	62	1,644
12	TOTAL INST CUST PREMISE	DXDCPTO 001	422	11	411
	STREET LIGHT EXPENSE	T107			
13	ARKANSAS	DXOSLA S01A	712	0	712
14	MISSOURI	DXOSLM S01M	67	67	0
15	TOTAL STREET LIGHTS	DXOSLTO	779	67	712
16	TOTAL DISTRIBUTION EXPENSE	DXOTO	26,105	1,124	25,030

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES					
DEPRECIATION EXPENSE	T030 T043				
GENERAL EXPENSE	T045				
1 LAEGR	DXGL	LOWTOA	1,051	35	1,016
2 PRODUCTION	DXGP	DO1	247	7	240
3 TRANSMISSION	DXGT	PLTTOA	316	7	309
4 DISTRIBUTION	DXGD	PLTOA	329	15	314
5 CUSTOMER SERVICES	DXGCS	OMCSTOA	5	0	5
6 STORES	DXGST	MSTOA	22	1	21
7 TOTAL GENERAL EXPENSE	DXGTO		1,970	63	1,907
AMORTIZATION EXP-INTANGIBLES	T080				
8 MISC-MSS COMPUTER SOFTWARE	DXAEC	PLTOAEXI	1,210	36	1,174
9 MISC-ISES I SYNCHRONIZATION	DXAISES	DO1AW	467	0	467
10 MISC-52-314-U, 60 MO.	DXAEMSS	PLTOAEXI	374	11	363
11 MISC-MSS COMP S/W CMS	DXACMS	DO1	321	9	312
12 MISC-MISTEC S/W COST	DXAMIST	PLTTOA	135	3	132
13 MISC-STEAM GEN CL PROC	DXASGCP	EO1	519	27	492
14 MISC-52-314-U, 48 MO.	DXA48M	PLTOAEXI	457	14	443
15 TOTAL AMORTIZATION INTANG	DXAATO		3,757	99	3,658
16 TOTAL DEPRECIATION EXPENSE	DXTO		113,612	3,376	110,236
17 ADJUST-DEP EXP PROD-DECOM INT	PF13DXP	DO1	1,710	45	1,665
18 ADJUST-TOTAL PRODUCTION EXP	DXPTOAJ		1,710	45	1,665
19 ADJUSTMENT-TOTAL DEPR EXPENSE	DXTOAJ		1,710	45	1,665
20 TOTAL DEPRECIATION EXP ADJUSTED	DXTOA		115,322	3,421	111,901
DEPREC EXPENSE SUMMARY T095					
21 TOTAL PRODUCTION ADJUSTED	DXPTOA		57,455	1,741	55,714
22 TOTAL TRANSMISSION ADJUSTED	DXTTOA		13,945	265	13,680
23 TOTAL DISTRIBUTION ADJUSTED	DXOTOA		26,165	1,129	25,036
24 TOTAL GENERAL ADJUSTED	DXGTOA		1,970	63	1,907
25 TOTAL AMORTIZATION EXP-INTANG	DXAATO		3,787	99	3,688
26 TOTAL DEPRECIATION EXP ADJUSTED	DXTOA		115,322	3,421	111,901

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES				
	TAXES OTHER THAN INCOME	T030 T040			
	FEDERAL	T047			
1	FICA	T0FFIC LOMTOA	7,542	250	7,292
2	UNEMPLOYMENT	T0FUE LOMTOA	213	7	206
3	TOTAL FEDERAL	T0FT0	7,755	257	7,498
	STATE OF ARKANSAS	T043			
4	UNEMPLOYMENT	T0SAUE LOMTOA	295	10	235
5	CAPITAL STOCK FRANCHISE	T0SACSF PLTOA	997	30	967
6	REGULATORY COMMISSION	T0SARC RSRDAA	2,555	0	2,555
7	GROSS RECEIPTS	T0SAGR PLTCAEXI	26	1	25
8	TOTAL STATE OF ARKANSAS	T0SATG	3,903	40	3,863
	STATE OF MISSOURI	T049			
9	UNEMPLOYMENT	T0SMUE LOMTOA	2	0	2
10	CAPITAL STOCK FRANCHISE	T0SMCSF PLTOA	19	1	13
11	REGULATORY COMMISSION	T0SMRC RSRDMA	57	07	0
12	TOTAL STATE OF MISSOURI	T0SMT0	83	63	20
13	TOTAL STATE	T0SAM	3,991	103	3,883
	LOCAL	T050			
14	REAL & PERSONAL	T0LRP PLTOA	26,553	739	25,714
15	TOTAL LOCAL	T0LTO	26,553	739	25,714
16	TOTAL OTHER	T0OTO PLTOA	10	0	10
17	TOTAL TAXES OTHER THAN INCOME	TOTO	38,314	1,153	37,161
18	TOTAL TAXES OTHER THAN INC ADJ	TOTOA	38,314	1,153	37,161

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1956
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	INCOME TAX CALCULATIONS			
1	TOTAL REVENUES ADJUSTED	1,342,885	47,549	1,301,336
2	TOTAL O & M EXPENSE ADJUSTED	901,455	37,003	864,452
3	TOTAL DEPRECIATION EXP ADJUSTED	115,322	3,421	111,901
4	TOTAL TAXES OTHER THAN INC ADJ	33,514	1,153	37,161
5	NET INCOME BEFORE INCOME TAXES	293,794	5,972	287,222

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	INCOME TAX CALCULATIONS			
	ADJUSTMENTS TO NET INCOME			
1	UNSKILLED REVENUE			
2	NUCLEAR FUEL EXPENSE			
3	PRRA-DEPREC EXP EX INTANG			
4	PRRA-TRANSPORTATION EQUIP			
5	PROPERTY RET RESERVE APP			
6	TAX DEPREC-PRODUCTION			
7	TAX DEPREC-TRANSMISSION			
8	TAX DEPREC-TRANS & GISTR			
9	TAX DEPREC-DISTRIBUTION			
10	TAX DEPREC-GENERAL PLANT			
11	TAX DEPREC-LABOR RELATED			
12	TAX DEPREC-TOT PLT EX INTANG			
13	TAX DEPREC-ENERGY RELATED			
14	DEPREC FOR TAX PURPOSES			
15	SALE OF VEHICLE I.T.C.			
16	OTHER TAX CHGD-PROD PLANT			
17	OTHER TAX CHGD-TRANS PLANT			
18	OTHER TAX CHGD-DISTR PLANT			
19	OTHER TAX CHGD-GENERAL PLT			
20	OTH TAX CHGD-TOT PLT			
21	OTHER TAX CHGD-PLT ACCT			
22	RPPT-PRODUCTION			
23	RPPT-TRANSMISSION			
24	RPPT-DISTRIBUTION			
25	RPPT-GENERAL			
26	RPPT-TOTAL PLANT			
27	REAL & PER PR TX CHG WOS			
28	PENSIONS-PRODUCTION			
29	PENSIONS-TRANSMISSION			
30	PENSIONS-DISTRIBUTION			
31	PENSIONS-GENERAL			
32	PENSIONS-TOTAL LABOR			
33	PENS PLAN DEB FOR TX PUR			
34	INTEREST ON NUCLEAR FUEL			

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	INCOME TAX CALCULATIONS			
	ADJUSTMENTS TO NET INCOME			
1	INC IN RES-INJUR & DAMAGES	19	1	18
2	INC IN RES-PROP INSURANCE	3,429	118	3,311
3	INC IN RES-PENS & BENEFITS	496	16	480
4	INC IN RES-VEHICLE INSUR	194	0	194
5	INC IN RES-TOTAL PLANT	0	0	0
6	INCREASE IN RESERVES	4,138	141	3,997
7	INTEREST ON TAX DEFICIT	5,422	110	5,312
8	INTEREST ON NUCLEAR RES	695	0	695
9	NUCLEAR RESERVE EXPENSE	-4,205	3	-4,208
10	RESERVED REVENUES	3,057	112	2,945
11	DEFERRED FUEL COSTS	-2,800	0	-2,800
12	DEFERRED DIRECTORS' FEES	-32	-1	-31
13	ALL FOR FUNDS OUR CONST	-1,390	-41	-1,349
14	AMORT OF GN-BLDG SALE	-217	-7	-210
15	AND SHUTDOWN EXPENSE	-552	-15	-567
16	LEASE COST CAP ON CHE	43	2	41
17	REMOVAL EXPENSES	-5,532	-432	-4,950
18	COMPUTER SOFTWARE CAP	-2,391	-29	-2,362
19	INT CHGS-DECOMMISS	-1,710	-45	-1,665
20	INT CHGS-OTHER	-144,160	-4,395	-148,555
21	INT CHGS-APDC	4,360	124	4,236
22	TOTAL INT CHARGES	-140,510	-4,311	-144,821
23	AMORT OF INTANG PLT-Ises	457	0	457
24	AMORT OF INT PLT-32-314-U	535	25	510
25	CONSTRUCTION POWER-MPL	-24	-1	-23
26	INTERCO SALES	303	11	292
27	MISC INTANG PLANT	-609	-13	-596
28	ACRS RETIREMENT LOSSES	-463	-21	-442
29	INTEREST ON DECOMMISS	1,710	45	1,665
30	AMORT OF COMPUTER S/W	1,065	50	1,015
31	AMORT BK GAINS-WEST MKHM	-5	-0	-5
32	AMORT BK GAINS-AND BLDGS	-52	-2	-50
33	INTEREST ON PCG	17	0	17
34	BOOK DEPR ON NACC MINING EQ	1,362	44	1,318
35	NUCL REFUEL MAINT-AND 2	-4,426	-144	-4,570
36	INT ACCURAL	-349	-9	-358
37	AMORT OF STEAM GEN DEV	319	27	292

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1976
 (THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	INCOME TAX CALCULATIONS	T051			
	ADJUSTMENTS TO NET INCOME	T052			
1	AFK WMSLE ER-31-577	SJA481 SE1577	-900	0	-900
2	GG1 COST OVER/UNDER RECOV	SJGGCUR 001	3,089	52	3,007
3	INVENTORY DEFERRAL GG1 SETTLE	SJIDGGS 001	3,421	91	3,530
4	GG1 RESERVE EQUAL CR	SJGGREC 001	2,550	63	2,482
5	RESERVE FOR CONTINGENCIES	SJRFC 001	13,973	370	13,606
6	STE44 GEN PROC DEV	SJSGPD 001	-25	-1	-24
7	INVENTORY SHARE DEF-GG1 SET	SJISDGG 001	-118,851	-3,150	-115,731
8	CURRENT RECOV SHARE DEF-GG1	SJCRSDGG 001	-95,321	-2,800	-95,715
9	GG1 - DEF ARK WMSL	SJGGD44 5004	3,457	0	3,457
10	GG1 - DEF MO RETAIL	SJSGDMR 0014	-2,700	-2,700	0
11	ACT 310 SUR REF REV	SJACT310 0014R	905	0	905
12	ALLOWANCE FOR UNCOLLECTIBLES	SJALLFUN 0MCAUA	2,145	28	2,117
13	DIGBY 1 & 2	SJDIGBY RSTOA	17,520	516	17,010
14	UNCOLLECTIBLE ACCOUNTS	SJUNCAC 0MCAUA	-70	-1	-69
15	FMO REDEMPTION COSTS	SJFMRRC RSTOA	-3,563	-105	-3,463
16	TOTAL ADJUSTMENTS TO NET INCOME	SJANITO	-395,021	-13,655	-581,130

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE	TOTAL COMPANY	TOTAL MO RETAIL	ALL OTHER	
EXPENSES				
INCOME TAX CALCULATIONS	T030 T051			
ADJUSTMENTS TO NET INCOME	T052			
1 ADJUST-INTEREST CHARGES	PF05SJTI SJTIC	146,510	4,311	142,199
2 -ANN INT ADJ TO RATE BASE	PF05SJAI	-110,935	-3,209	-107,726
3 -INCREASE IN RESERVES	PF07SJIF SJICRE	-4,133	-141	-3,992
4 -INT ON DECOMMISSIONING	PF07SJIO D01	-1,710	-45	-1,665
5 -UNEILLED REVENUE	PF07SJUR SFC3	-2,378	-49	-2,329
6 -INT ON TAX DEFICIT	PF07SJIT NIKBIT	-5,422	-110	-5,532
7 -NUCL RESERVE EXPENSE	PF07SJNR E03	4,208	0	4,208
8 -INT ON NUCL RESERVE	PF07SJIN E03	-895	0	-895
9 -DEF DIRECTORS' FEES	PF07SJDF LOMTOA	36	1	37
10 -RESERVED REVENUES	PF07SJRR PSF0ATOA	-3,057	-112	-2,945
11 -AMORT OF INTAN PLT-ISES	PF07SJAI D01AW	-467	0	-467
12 -LEASE COST AB CME	PF07SJCH D01	-93	-2	-95
13 -ARK WHSL ER31-577	PF07SJBI S61577	900	0	900
14 -SALE OF VEHICLE I.T.C.	PF07SJSV PLGECM	1	0	1
15 -ACT 310 SUR REF REV	PF07SJ31 D01AR	-405	0	-405
16 -INTERCO SALES	PF07SJIS PLTOA	-363	-11	-374
17 -INT ON PCB'S	PF07SJCB D01	-17	0	-17
18 -NUCL REFUEL MNT-ANO2	PF07SJRM E01	4,426	144	4,570
19 -3G1 RES EQUAL CR	PF07SJPE D01	-2,550	-63	-2,613
20 -3G1 COST OVER/UNDER REC	PF07SJCO D01	-3,089	-62	-3,151
21 -INVENT DEF 3G1 SETTLE	PF07SJDI D01	-3,421	-91	-3,512
22 -RESERVE FOR CONTING	PF07SJRC D01	-13,978	-370	-14,348
23 -ALLOW FOR UNCOLLECTIBLES	PF07SJAU OMCAUA	-2,145	-23	-2,168
24 -DISBY 1 & 2	PF07SJ03 R8TOA	-17,526	-516	-18,042
25 -AFDC	PF07SJAF PLTOA	1,390	41	1,431
26 -JTH TX CHGD-PLT A/C	PF07SJOT SJOTCPL	95	3	98
27 -PENS PLAN DEF FOR TX	PF07SJPE SJPPD	30	1	31
28 -REMOVAL EXPENSES	PF07SJRV SFC2	5,388	432	5,820
29 -RSP TAX CHGD MO'S	PF07SJRP SJRPPT	104	3	107
30 -DEFERRED FUEL COSTS	PF07SJFC E02	2,866	0	2,866
31 -AND SHUT DOWN EXP	PF07SJAN D01	582	15	597

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES				
INCOME TAX CALCULATIONS				
	T030			
	T051			
	T052			
1	ADJUSTMENTS TO NET INCOME			
2	ADJUST-AMORT GN ON SL-BLDS	PF07SJAG LOMTOA 217	7	210
3	-AMORT PR GN-AMSC	PF07SJAM SHWMSC 5	0	5
4	-AMORT L GN AND BLDG	PF07SJAB J01 82	2	80
5	-COMPUTER OUTLAGE	PF07SJCS R13CARXL 2,291	54	2,237
6	-MISC INTNG PAY	PF07SJMI PLTCLNMI 601	13	588
7	-STEAM PWR PROCDG	PF07SJSS C01 25	1	24
8	-LWR SHARE DEBTNGS SETTLE	PF07SJSD T01 116,841	3,150	113,691
9	-LWR REC SHARE DEBT-001	PF07SJCR C01 44,331	1,206	43,125
10	-LWR DEF ARK WMSLE	PF07SJCN S01 13,457	0	13,457
11	-INT ACCURAL	PF07SJIT C01 349	0	349
12	-UNCOLLECT ACCTS	PF07SJUA ONCJUA 70	0	70
13	-FMS REVENUE COSTS	PF07SJFM RBT0A 3,562	105	3,457
14	-CONSTRUCT PWA	PF07SJCP C01 24	1	23
15	-PERS RETIRE LGVIES	PF07SJAC PLCTOA 468	21	447
16	-PROP RET RES DECOM INT	PF13SJPR J01 1,710	45	1,665
16	TOTAL PROPORNA ADJ TO NET INC	SJANITOA 217,517	5,111	211,406
17	TAXABLE INCOME	SJTITO 116,290	-1,201	115,089

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1976
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	EXPENSES	T030				
	INCOME TAX CALCULATIONS	T051				
	STATE INCOME TAX	T057				
1	TAXABLE INCOME	SJTITC	116,290	-1,801	114,092	
2	TOTAL STATE TAXABLE INCOME	SJSTTITO	116,290	-1,801	114,092	
3	STATE INCOME TAX DEF ADJ(2.76%)	ITST	3,210	-50	3,259	
4	ARKANSAS TAX RATE	SJATR	PLTGA	-132	-4	-128
5	INTEREST ON CWIP	SJSTICW	PLTGA	154	5	159
6	VEHICLE I.T.C.	SJVITCS	PLGECM	0	0	0
7	PRIOR YR ADJUSTMENT	SJSPYA	PLTGA	-4,422	-131	-4,291
8	ADJUST-INT ON CWIP STATE	PF05SJST	PLTOA	-164	-5	-159
9	-AR TX RT	PF07SJSA	PLTOA	132	4	128
10	-VEHICLE ITC	PF07SJVS	PLGECM	0	0	0
11	-PRIOR YR ADJUST	PF07SJPS	PLTOA	4,422	131	4,291
12	TOTAL STATE INCOME TAX	ITSITO	3,210	-50	3,259	

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES				
INCOME TAX CALCULATIONS	T030 T051			
FEDERAL INCOME TAX	T054			
1 TAXABLE INCOME	SJTTTO	110,290	-1,201	113,092
2 STATE INCOME TAX	ITSTFTC	-3,210	50	-3,259
3 PREFERRED DIVIDENDS PAID	SJFTPOP RSTOA	-135	-4	-131
4 TOT FED TAXABLE INCOME	SJFTTOI	112,946	-1,755	114,701
5 FED INC TAX BEF ADJ(40%)	SJFTTXO	51,955	-206	52,763
6 ARKANSAS TAX RATE	SJATRF PLTOA	62	2	60
7 INVESTMENT TAX CREDIT	SJITCF PLTOAEXI	-11,593	-349	-11,344
8 PROV FOR CONTINGENCIES	SJFTPC NINBIT	300	0	294
9 INTEREST ON CWIP	SJFTICW PLTOA	1,193	35	1,158
10 VEHICLE I.T.C.	SJVTICF PLGECM	0	0	0
11 PRIOR YEAR ADJUSTMENT	SJFPYA PLTOA	-37,780	-1,122	-39,055
12 ADJUST-INT ON CWIP FEDERAL	PFOSSJFD PLTOA	-1,193	-35	-1,158
13 -AR TX RT	PFO7SJFA PLTOA	-62	-2	-60
14 -VEHICLE ITC	PFO7SJVF PLGECM	0	0	0
15 -PROV FOR CONTING	PFO7SJPC NINBIT	-300	-6	-294
16 -PRIOR YR ADJUST	PFO7SJPF PLTCA	37,780	1,122	39,055
17 -PRIOR YR ADJ-ITC	PFO7SJPI PLTCAEXI	185	5	179
18 TOTAL FEDERAL INCOME TAX	ITFTTO	40,447	-1,151	41,598
19 TOTAL INCOME TAX	ITTO	43,657	-1,200	44,857

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1936
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS T030			
	T025			
	PROVISION FOR DEF INCOME TAX-DA T056			
	GG1 OVER/UNDER RECOV T117			
1	FEDERAL ITDTDFURF 001	305	21	784
2	STATE ITDTDFURS 001	111	3	103
3	TOTAL GG1 OVER/UNDER RECOV ITDTDFUR	416	24	887
	GG1 NLR OVER/UNDER RECOV T119			
4	FEDERAL ITDTNLOF SDOH	76	0	76
5	STATE ITDTNLOS SDOH	10	0	10
6	TOTAL NLR OVER/UNDER RECOV ITDTNL0	86	0	86
	GG1 BENTON OVER/UNDER RECOV T120			
7	FEDERAL ITDTB0F SDOH	15	0	15
8	STATE ITDTB0S SDOH	2	0	2
9	TOTAL BENTON OVER/UNDER RECOV ITDTB0	17	0	17
	GG1 PARAGOULD OVER/UNDER RECOV T121			
10	FEDERAL ITDTPA0F SDOH	33	0	33
11	STATE ITDTPA0S SDOH	4	0	4
12	TOTAL PARAGOULD O/U RECOVERY ITDTPA0	37	0	37
	GG1 PRESCOTT OVER/UNDER RECOV T122			
13	FEDERAL ITDTPROF SDOH	2	0	2
14	STATE ITDTPROS SDOH	1	0	1
15	TOTAL PRESCOTT O/U RECOVERY ITDTPRO	3	0	3
	GG1 MO ARK OVER/UNDER RECOV T123			
16	FEDERAL ITDTNA0F SDOH	41	0	41
17	STATE ITDTNA0S SDOH	5	0	5
18	TOTAL MO ARK O/U RECOVERY ITDTNA0	46	0	46
	NUCLEAR RESERVE & INTEREST T076			
19	FEDERAL ITDTNRIF E03	6,254	0	6,254
20	STATE ITDTNRIS E03	461	0	461
21	TOTAL NUCL RES & INTEREST ITDTNRIT	7,115	0	7,115
	COAL HANDLING EQUIP SALE T071			
22	FEDERAL ITDTCE5F 001	23	2	26
23	STATE ITDTCE5S 001	10	0	10
24	TOTAL COAL HANDL EQ SALE ITDTCE5T	78	2	76
	TAX GAIN-AND BLDG SALE T081			
25	FEDERAL ITDTAN0F 001	42	1	41
26	STATE ITDTAN0S 001	5	0	5
27	TOTAL TAX GAIN-AND BLDG ITDTAN0T	47	1	46

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES				
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-DE	T055		
	REMOVAL COST	TJ75		
1	FEDERAL	ITOTRCF SF02	54	50
2	STATE	ITOTFC5 SF02	7	6
3	TOTAL REMOVAL COST	ITOTRCT	61	56
	UNBILLED REVENUE	T057		
4	FEDERAL	ITOTURF SF03	0,076	5,451
5	STATE	ITOTURS SF03	338	321
6	TOTAL UNBILLED REVENUE	ITOTURT	0,914	6,772
	BUILDING SALE/LEASEBACK	T055		
7	FEDERAL	ITOTBSF LOMTOA	55	53
8	STATE	ITOTBS5 LOMTOA	14	14
9	TOTAL BLDG SALE/LEASEBACK	ITOTBST	69	67
	TAX GAIN ON SALE-W. MARKHAM	T074		
10	FEDERAL	ITOTTSF SFHMSC	4	4
11	STATE	ITOTTS5 SFHMSC	1	1
12	TOTAL TAX GN ON SALE-W MAR	ITOTTSST	5	5
	DIRECTORS FEES	T113		
13	FEDERAL	ITOTOIRF LOMTOA	7	7
14	STATE	ITOTOIRS LOMTOA	1	1
15	TOTAL DIRECTORS FEES	ITOTDIR	8	8
	RETAIL REV ADJMNT	T037		
16	FEDERAL	ITOTARAF FSRWTOA	389	375
17	STATE	ITOTARR5 FSRWTOA	54	52
18	TOTAL RETAIL REV ADJMNT	ITOTARRAT	443	427
	FEC JONESBORO	T131		
19	FEDERAL	ITOTFEJF SDWH	511	511
20	STATE	ITOTFEJ5 SDWH	71	71
21	TOTAL FEC JONESBORO	ITOTFEJ	582	582
	UNIT PURCHASED POWER	T142		
22	FEDERAL	ITOTUPPF D01	1,121	1,091
23	STATE	ITOTUPPS D01	154	150
24	TOTAL UNIT PURCHASED PWR	ITOTUPP	1,275	1,241
	RES CONT FASB 5	T132		
25	FEDERAL	ITOTRCFF D01	15,213	14,310
26	STATE	ITOTRCFS D01	2,096	2,040
27	TOTAL RES CONT FASB 5	ITOTRC5F	17,309	16,350

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES	T030			
DEFERRED ITEMS	T025			
PROVISION FOR DEF INCOME TAX-UP	T056			
LIBERALIZED DEPRECIATION	T036			
1 FEDERAL-PRODUCTION	ITOTL0FA G01	23,946	655	23,311
2 -TRANS & DISTR	ITOTL0FB PLT0TOA	1,951	67	1,834
3 -ENERGY RELATED	ITOTL0FC E01	3,820	124	3,696
4 -LABOR RELATED	ITOTL0FD LOMTOA	656	22	634
5 -GENERAL PLANT	ITOTL0FE PLGECM	324	11	313
6 -TOTAL PLT EX INTANG	ITOTL0FF PLTCAEXI	0	0	0
7 -TRANSMISSION	ITOTL0FG PLTTOA	6,276	130	6,146
8 -DISTRIBUTION	ITOTL0FH PLOTOA	5,325	244	5,081
9 FEDERAL	ITOTL0F	42,503	1,232	41,271
10 STATE-PRODUCTION	ITOTL0SA D01	2,195	55	2,137
11 -TRANS & DISTR	ITOTL0SB PLT0TOA	1,482	51	1,431
12 -ENERGY RELATED	ITOTL0SC E01	426	14	412
13 -LABOR RELATED	ITOTL0SD LOMTOA	47	2	45
14 -GENERAL PLANT	ITOTL0SE PLGECM	1	0	1
15 -TOTAL PLT EX INTANG	ITOTL0SF PLTCAEXI	0	0	0
16 -TRANSMISSION	ITOTL0SG PLTTOA	64	1	63
17 -DISTRIBUTION	ITOTL0SH PLOTOA	72	3	69
18 STATE	ITOTL0S	4,227	129	4,159
19 TOTAL LIBERALIZED DEPREC	ITOTLDT	46,790	1,361	45,429
NUCLEAR FUEL NORMALIZATION	T073			
20 FEDERAL	ITOTNFNF E01	39	1	38
21 STATE	ITOTNFNS E01	0	0	0
22 TOTAL NUCLEAR FUEL NORM	ITOTNFNT	39	1	38
TAXES & PENSIONS CAPITALIZED	T064			
23 FEDERAL-PRODUCTION	ITOTTPFA D01	72	2	70
24 -TRANSMISSION	ITOTTPFB PLTTOA	-17	-0	-17
25 -DISTRIBUTION	ITOTTPFC PLOTOA	4	0	4
26 -GENERAL	ITOTTPFD PLGECM	-1	-0	-1
27 -TOTAL PLANT	ITOTTPFE PLTTOA	0	0	0
28 FEDERAL	ITOTTPCF	50	2	50
29 STATE-PRODUCTION	ITOTTPSA D01	10	0	10
30 -TRANSMISSION	ITOTTPSB PLTTOA	-3	-0	-3
31 -DISTRIBUTION	ITOTTPSC PLOTOA	1	0	1
32 -GENERAL	ITOTTPSD PLGECM	0	0	0
33 -TOTAL PLANT	ITOTTPSE PLTTOA	0	0	0
34 STATE	ITOTTPCS	8	0	8
35 TOTAL TAXES & PENSIONS CAP	ITOTTPCT	66	2	64

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	EXPENSES				
	DEFERRED ITEMS	T030 T025			
	PROVISION FOR DEF INCOME TAX-DR	T056			
	DEF REV & INT (DIGBY)	T143			
1	FEDERAL	ITDTDIGF R3TCA	13,781	553	15,228
2	STATE	ITDTDIGS R3TCA	2,589	76	2,513
3	TOTAL DEF REV & INT (DIGBY)	ITDTDIG	21,370	630	22,740
	FMS REDEMPTION COSTS	T144			
4	FEDERAL	ITDTFMBF R3TOA	1,543	45	1,498
5	STATE	ITDTFMB S R3TOA	213	0	207
6	TOTAL FMS REDEMPTION COSTS	ITDTFMB	1,756	52	1,704
	INTANG PLT 82-3140	T039			
7	FEDERAL	ITDTIPF PLTOAEXI	284	3	256
8	STATE	ITDTIPS PLTOAEXI	30	1	35
9	TOTAL INTANG PLT 82-3140	ITDTIPT	300	3	291
	GG1 PHASE-IN CURRENT	T124			
10	FEDERAL	ITDTPICF D01	42,532	1,127	41,405
11	STATE	ITDTPICS D01	5,380	155	5,705
12	TOTAL GG1 PHASE-IN	ITDTPIC	48,392	1,282	47,110
	GG1 INVENTORY DEFERRAL	T125			
13	FEDERAL	ITDTGIDF D01	43,243	1,294	47,549
14	STATE	ITDTGIDS D01	6,730	175	5,552
15	TOTAL GG1 INVENTORY DEF	ITDTGID	55,573	1,473	54,100
	GG1 EXCESS CAPACITY	T126			
16	FEDERAL	ITDTECF D01	13,340	354	12,992
17	STATE	ITDTECS D01	1,539	49	1,790
18	TOTAL GG1 EXCESS CAPACITY	ITDTEC	15,185	402	14,783
	GG1 PARAGUOLD PHASE-IN	T127			
19	FEDERAL	ITDTPAPF SDOH	-62	0	-62
20	STATE	ITDTPAPS SDOH	-12	0	-12
21	TOTAL GG1 PARAGUOLD PHASE-IN	ITDTPAP	-94	0	-94
	GG1 PARAGUOLD INV DEF	T128			
22	FEDERAL	ITDTPAIF SDOH	-90	0	-90
23	STATE	ITDTPAIS SDOH	-12	0	-12
24	TOTAL GG1 PARAGUOLD INV DEF	ITDTPAI	-102	0	-102

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1996
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-DR	TJ56		
	GG1 PRESCOTT PHASE-IN	T129		
1	FEDERAL	ITDTPRPF SDOH	78	78
2	STATE	ITDTPRPS SDOH	10	10
3	TOTAL GG1 PRESCOTT PHASE-IN	ITDTPRP	88	88
	GG1 PRESCOTT INV DEF	T130		
4	FEDERAL	ITDTPRIF SDOH	90	90
5	STATE	ITDTPRIS SDOH	12	12
6	TOTAL GG1 PRESCOTT INV DEF	ITDTPRI	102	102
	GG1 MO RETAIL	T113		
7	FEDERAL	ITDTGMRP DOIM	1,220	0
8	STATE	ITDTGMRS DOIM	168	0
9	TOTAL GG1 MO RETAIL	ITDTGMR	1,388	0
	GG1-NO APK PHASE-IN	T145		
10	FEDERAL	ITDTNAPF SDOH	19	19
11	STATE	ITDTNAPS SDOH	3	3
12	TOTAL GG1-NO APK PHASE-IN	ITDTNAP	22	22
	GG1-NO APK INV DEF	T146		
13	FEDERAL	ITDTNAIF SDOH	22	22
14	STATE	ITDTNAIS SDOH	3	3
15	TOTAL GG1-NO APK INV DEF	ITDTNAI	25	25
	GG1-NLR PHASE-IN	T147		
16	FEDERAL	ITDTNLPF SDOH	-673	-673
17	STATE	ITDTNLPS SDOH	-93	-93
18	TOTAL GG1-NLR PHASE-IN	ITDTNLP	-766	-766
	GG1-NLR INV DEF	T148		
19	FEDERAL	ITDTNLIF SDOH	-728	-728
20	STATE	ITDTNLIS SDOH	-100	-100
21	TOTAL GG1-NLR INV DEF	ITDTNLI	-828	-828

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MC RETAIL	ALL OTHER
	EXPENSES			
	DEPRECIATED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-DR	T056		
	GGI-BENTON PHASE-IN	T149		
1	FEDERAL	ITDTSEPF SDCW	-113	0
2	STATE	ITDTSEPS SDCW	-16	0
3	TOTAL GGI-BENTON PHASE-IN	ITDTSEP	-129	0
	GGI-BENTON INV DEF	T150		
4	FEDERAL	ITDTSEIF SDCW	-122	0
5	STATE	ITDTSEIS SDCW	-17	0
6	TOTAL GGI-BENTON INV DEF	ITDTSEI	-139	0
	DEFERRED FUEL	T059		
7	FEDERAL	ITDTDFE E02	-17,153	0
8	STATE	ITDTDFE E02	-2,363	0
9	TOTAL DEFERRED FUEL	ITDTDFE	-19,516	0
	COMPUTER SOFTWARE CAP	T091		
10	FEDERAL	ITDTCSOF PLTOAEXI	1,294	39
11	STATE	ITDTCSOS PLTCAEXI	173	5
12	TOTAL COMP SOFTWARE CAP	ITDTCSOT	1,467	44
	STEAM GEN PROCESS	T114		
13	FEDERAL	ITDTSGPF E01	11	0
14	STATE	ITDTSGPS E01	1	0
15	TOTAL STEAM GEN PROCESS	ITDTSGP	12	0
	PROV FOR DEFERRED INC TAX	T063		
16	FEDERAL	ITDTFTO	152,443	6,479
17	STATE	ITDTFTO	23,569	552
18	TOTAL PROV FOR DEF INC TAX	ITDTFTO	176,012	7,031

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE	TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES	T030		
DEFERRED ITEMS	T025		
PROVISION FOR DEF INCOME TAX-OR	T056		
ADJUSTMENTS - FEDERAL:	T139		
1 GGT OVER/UND RECOV	PF07FE0U D01 -505	-21	-734
2 GGT NLR O/U RECOV	PF07FE0L S00W -76	0	-76
3 GGT BENTON O/U REC	PF07FE03 S00W -15	0	-15
4 GGT PARAGOULD O/U REC	PF07FE00 S00W -33	0	-33
5 GGT PRESCOTT O/U RECOV	PF07FEPR S00W -2	0	-2
6 GGT NO ARK O/U RECOV	PF07FE0A S00W -41	0	-41
7 NUCLEAR RESERVE	PF07FENR E03 -6,254	0	-6,254
8 COAL ANDL EQ SALE	PF07FECH D01 -68	-2	-68
9 TX GAIN-AND BLDG SALE	PF07FEAN D01 -42	-1	-41
10 REMOVAL COST	PF07FE0C SF02 -54	-4	-50
11 UNSILLED REV	PF07FEUR SF03 -6,375	-125	-5,951
12 BLDG SALE	PF07FE0S LOMTOA -55	-2	-53
13 WEST MARKHAM SC	PF07FE0W SFWMSC -4	-3	-4
14 DIRECTORS FEES	PF07FE0I LOMTOA -7	-0	-7
15 RETAIL REV ADJMT	PF07FE0R R5ROWTOA -324	-14	-375
16 REC JONESBORO	PF07FE0E S00W -311	0	-311
17 UNIT PURCHASED PWR	PF07FEUP D01 -1,121	-30	-1,091
18 RES CONT FASB S	PF07FE0E D01 -15,213	-403	-14,810
19 DEF REV & INT(CIGAY)	PF07FE0G RETCA -13,781	-553	-13,228
20 FMS REDEMP COSTS	PF07FE0M R3T04 -1,543	-45	-1,498
21 PR YR ADJ LIB DEPREC	PF07FEPLD ITOTLDF -5,775	-157	-5,609
22 MO ST TX CHG LIBER DEPREC	PF07FEMLD ITOTLDF 402	26	376
23 MO ST TX EFF NORM NF	PF07FE0N E01 -39	-1	-35
24 TX & PENS CAPITAL	PF07FE0P ITOTTPCF -55	-2	-55
25 INT PLT 32-314U	PF07FE0P PLTOAEXI -264	-5	-259
26 GGT PHASE-IN CURR	PF07FE0I D01 -42,532	-1,127	-41,405
27 GGT INVENT DEF	PF07FE0I D01 -43,543	-1,244	-42,299
28 GGT EXCESS CAPACITY	PF07FE0C D01 -13,345	-354	-12,991
29 GGT PARAGOULD PH-IN	PF07FE0P S00W 82	0	82
30 GGT PARAGOULD INV DEF	PF07FE0A S00W 90	0	90
31 GGT PRESCOTT PH-IN	PF07FE0P S00W -78	0	-78
32 GGT PRESCOTT INV DEF	PF07FE0P S00W -90	0	-90
33 GGT NO ARK PH-IN	PF07FE0P S00W -19	0	-19
34 GGT NO ARK INV DEF	PF07FE0I S00W -22	0	-22
35 GGT NLR PH-IN	PF07FE0P S00W 673	0	673
36 GGT NLR INV DEF	PF07FE0I S00W 725	0	725
37 GGT BENTON PH-IN	PF07FE0P S00W 113	0	113
38 GGT BENTON INV DEF	PF07FE0I S00W 122	0	122
39 MO ST TX RT-GGT MO RET	PF07FE0M D01W 41	41	0
40 DEFERRED FUEL	PF07FE0F E02 17,153	0	17,153
41 COMPUTER S/W CAPIT	PF07FE0S PLTOAEXI -1,294	-39	-1,255
42 STEAM GEN PROCESS	PF07FE0G E01 -11	-0	-11
43 ADJUST-DEF INC TAXES FEDERAL	PF07D0TFN -143,558	-4,127	-139,431

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE	TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES			
DEFERRED ITEMS	T030 T025		
PROVISION FOR DEF INCOME TAX-JR	T056		
ADJUSTMENTS - STATE:	T140		
1 G01 O/U RECOV	PF07SECU 001	-111	-3
2 G01 NLR O/U RECOV	PF07SENL SDCW	-10	0
3 G01 BENTON O/U RECOV	PF07SE3 SDCW	-2	0
4 G01 PARAGOULD O/U RECOV	PF07SEPO SDCW	-4	0
5 G01 PRESCOTT O/U REC	PF07SEPR SDCW	-1	0
6 G01 NO ARK O/U RECOV	PF07SENA SDCW	-5	0
7 NUCLEAR RESERVE	PF07SENP E03	-361	0
8 COAL HNDL EQ SALE	PF07SECH 001	-10	-10
9 TX GN-AND BLDG SALE	PF07SEAN 001	-5	-5
10 REMOVAL COST	PF07SERC SFG2	-7	-1
11 UNSILLED REV	PF07SEUR SFG3	-233	-17
12 BLDG SALE	PF07SEBS LOMTOA	-14	-0
13 WEST MAPKHAM SC	PF07SE4M SFWMSC	-1	-0
14 DIRECTORS FEES	PF07SEDI LOMTOA	-1	-0
15 RETAIL REV ADJMT	PF07SEAR ASRDWTOA	-54	-2
16 REC JONESBORO	PF07SEFE SDCW	-71	0
17 UNIT PURCHASE PWR	PF07SEUP 001	-154	-4
18 RES CONT FABSS S	PF07SERE 001	-2,096	-54
19 DEF REV & INT(DIGBY)	PF07SEGG R3TOA	-2,589	-76
20 FMS REDEMP COSTS	PF07SEFM R3TOA	-213	-6
21 LIB DEPREC	PF07SELD ITDTLOS	-4,095	-123
22 PA YR ADJ LIB DEPREC	PF07SPLD ITDTLOS	-24	-1
23 MO ST TX CHG LIGER DEPREC	PF07SMLD ITDTLOS	2,153	65
24 TX & PENS CAPTIAL	PF07SETP ITDTTPCS	-3	-0
25 INT PLT-32-314U	PF07SEIP PLTOAEXI	-36	-1
26 G01 PHASE-IN CURR	PF07SEPI 001	-5,560	-155
27 G01 INVENT DEF	PF07SEID 001	-6,730	-175
28 G01 EXCESS CAPACITY	PF07SEEC 001	-1,539	-49
29 G01 PARAGOULD PH-IN	PF07SEPP SDCW	12	0
30 G01 PARAGOULD INV	PF07SEPA SDCW	12	0
31 G01 PRESCOTT PH-IN	PF07SEPS SDCW	-10	0
32 G01 PRESCOTT INV	PF07SEPO SDCW	-12	0
33 G01 NO ARK PH-IN	PF07SENP SDCW	-3	0
34 G01 NO ARK INV DEF	PF07SENI SDCW	-3	0
35 G01 NLR PH-IN	PF07SEPN SDCW	93	0
36 G01 NLR INV DEF	PF07SEIN SDCW	100	0
37 G01 BENTON PH-IN	PF07SEBP SDCW	16	0
38 G01 BENTON INV DEF	PF07SEBI SDCW	17	0
39 G01 NO RETAIL	PF07SEMR 001M	-162	-162
40 MO ST TX RT-G01 MO RET	PF07SMRM 001M	72	72
41 DEFERRED FUEL	PF07SEDF E02	2,363	0
42 COMPUTER S/W CAPIT	PF07SECS PLTOAEXI	-178	-5
43 STEAM GEN PROCESS	PF07SESG E01	-1	-0
44 ADJUST-DEF INC TAXES STATE	PF07DTSM	-21,165	-704

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1956
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-DR	T050		
1	ADJUSTMENT-DEF INC TAX-FED	IT0TFAD	-143,558	-4,127
2	ADJUSTMENT-DEF INC TAX-STATE	IT0TSA0	-21,105	-704
3	ADJUSTMENT-TOT DEF TAX	IT0TAD	-164,723	-4,831
	PROVISION FOR DEF INCOME TAX-DR	T050		
4	FEDERAL	IT0TF0A	30,890	2,302
5	STATE	IT0TST0A	2,404	148
6	TOTAL PROVISION DEF INC TAX ADJ	IT0TT0A	41,294	2,450

-137,431
 -20,401
 -157,832

30,535
 2,250
 32,786

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	EXPENSES				
	DEPRECIATED ITEMS	T030 T025			
	PROVISION FOR DEF INCOME TAX-CR	T061			
	INTEREST ON TAX DEFICIT	T092			
1	FEDERAL	ITOTCITF NINBIT	-2,345	-45	-2,297
2	STATE	ITOTCITS NINBIT	-323	-7	-316
3	TOTAL INTEREST ON TAX DEF	ITOTCITT	-2,668	-54	-2,614
	GG1 OVER/UNDER RECOV	T117			
4	FEDERAL	ITOTCOUF 001	-2,141	-57	-2,084
5	STATE	ITOTCOUS 001	-295	-8	-287
6	TOTAL GG1 O/U RECOVERY	ITOTCOU	-2,436	-65	-2,371
	GG1 PARAGOULD OVER/UNDER RECOV	T121			
7	FEDERAL	ITOTCPAF S00W	-21	0	-21
8	STATE	ITOTCPAS S00W	-3	0	-3
9	TOTAL GG1 PARAGOULD O/U REC	ITOTCPA	-24	0	-24
	GG1 PRESCOTT OVER/UNDER RECOV	T122			
10	FEDERAL	ITOTCPRF S00W	-6	0	-6
11	STATE	ITOTCPRS S00W	-1	0	-1
12	TOTAL GG1 PRESCOTT O/U RECOVERY	ITOTCPR	-7	0	-7
	GG1 NO ARK OVER/UNDER RECOV	T123			
13	FEDERAL	ITOTCNAF S00W	-35	0	-35
14	STATE	ITOTCNAS S00W	-4	0	-4
15	TOTAL GG1 NO ARK O/U RECOVERY	ITOTCNA	-39	0	-39
	NUCLEAR RESERVE & INTEREST	T076			
16	FEDERAL	ITOTCNRF E03	-4,734	0	-4,734
17	STATE	ITOTCNRS E03	-553	0	-553
18	TOTAL NUCL RESERVE & INTEREST	ITOTCNRT	-5,287	0	-5,287
	DECOMMISSIONING EXPENSE	T077			
19	FEDERAL	ITOTCOEF 001	-1,644	-44	-1,600
20	STATE	ITOTCOES 001	-227	-6	-221
21	TOTAL DECOMMISSIONING EXP	ITOTCOET	-1,871	-50	-1,821
	UNBILLED REVENUE	T057			
22	FEDERAL	ITOTCURF SF03	-2,460	-174	-2,286
23	STATE	ITOTCURS SF03	-1,166	-24	-1,142
24	TOTAL UNBILLED REVENUE	ITOTCURT	-3,626	-198	-3,428
	RETAIL REV ADJMNT	T067			
25	FEDERAL	ITOTCRRF RSR0WTOA	-392	-14	-378
26	STATE	ITOTCRRS RSR0WTOA	-54	-2	-52
27	TOTAL RETAIL REV ADJMNT	ITOTCPRT	-446	-16	-430

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1936
(THOUSANDS OF DOLLARS)

LINE	T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES			
DEFERRED ITEMS	T030 T025		
PROVISION FOR DEF INCOME TAX-CR	T061		
FEC JONESBORO	T131		
1 FEDERAL	ITDTCFEE SDWH	-513	0
2 STATE	ITDTCFES SDWH	-70	0
3 TOTAL FEC JONESBORO	ITDTCFE	-583	0
UNIT PURCHASED POWER	T142		
4 FEDERAL	ITDTCUPF 001	-2,409	-64
5 STATE	ITDTCUPS 001	-332	-7
6 TOTAL UNIT PURCHASED PWR	ITDTCUPT	-2,741	-73
MAINT COST-OUTAGE	T100		
7 FEDERAL	ITDTCFMC E01	1,914	62
8 STATE	ITDTCFMC E01	264	9
9 TOTAL MAINT COST-OUTAGE	ITDTCMCT	2,178	71
RES CONT FASB 5	T132		
10 FEDERAL	ITDTCRCF 001	-3,690	-230
11 STATE	ITDTCPCS 001	-1,197	-32
12 TOTAL RES CON FASB 5	ITDTCRC	-9,887	-262
DEF REV & INT (JIGBY)	T143		
13 FEDERAL	ITDTCGGF ABTOA	-7,562	-223
14 STATE	ITDTCGGS RBTCA	-1,044	-31
15 TOTAL DEF REV & INT (JIGBY)	ITDTCOG	-8,606	-254
GAIN ON SALE OF GAS PROPERTY	T079		
16 FEDERAL	ITDTCGGF PLTOAEXI	-27	-1
17 STATE	ITDTCGGS PLTOAEXI	-1	0
18 TOTAL GAIN ON GAS PROP	ITDTCGST	-28	-1
DEFENSE PROPERTY	T084		
19 FEDERAL	ITDTCDEF SFDTAATO	-458	-12
20 STATE	ITDTCDEF SFDTAATO	0	0
21 TOTAL DEFENSE PROPERTY	ITDTCDEPT	-458	-12
INTEREST CAP ON NUCLEAR FUEL	T080		
22 FEDERAL	ITDTCICF E01	-472	-15
23 STATE	ITDTCICS E01	-60	-2
24 TOTAL INT CAP ON NUCL FUEL	ITDTCICT	-532	-17
AECC COST OF MONEY	T082		
25 FEDERAL	ITDTCAEF 001	-135	-4
26 STATE	ITDTCAES 001	-18	0
27 TOTAL AECC COST OF MONEY	ITDTCAPT	-153	-4

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS			
	PROVISION FOR DEF INCOME TAX-CR			
	NUCLEAR FUEL NORMALIZATION			
1	FEDERAL			
2	STATE			
3	TOTAL NORM OF NUCL FUEL			
	LIBERALIZED DEPRECIATION			
4	FEDERAL-PRODUCTION			
5	-TRANS & DISTR			
6	-ENERGY RELATED			
7	-LABOR RELATED			
8	-GENERAL PLANT			
9	-TOT PLT EX INTANG			
10	-TRANSMISSION			
11	-DISTRIBUTION			
12	FEDERAL			
13	STATE-PRODUCTION			
14	-TRANS & DISTR			
15	-ENERGY RELATED			
16	-LABOR RELATED			
17	-GENERAL PLANT			
18	-TOT PLT EX INTANG			
19	-TRANSMISSION			
20	-DISTRIBUTION			
21	STATE			
22	TOTAL LIBERALIZED DEPREC			
	TAXES & PENSIONS CAPITALIZED			
23	FEDERAL-PRODUCTION			
24	-TRANSMISSION			
25	-DISTRIBUTION			
26	-GENERAL			
27	-TOTAL PLANT			
28	FEDERAL			
29	STATE-PRODUCTION			
30	-TRANSMISSION			
31	-DISTRIBUTION			
32	-GENERAL			
33	-TOTAL PLANT			
34	STATE			
35	TOTAL TAXES & PENS CAP			

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	DEFERRED ITEMS	T025			
	PROVISION FOR DEF INCOME TAX-CR	T081			
	POLLUTION CONTROL BONDS	T104			
1	FEDERAL	ITDTCFPC 001	-7	-0	-7
2	STATE	ITDTCSPC 001	-1	-0	-1
3	TOT POLLUTION CONTROL BONDS	ITDTCPCY	-8	-0	-8
	INTANG PLT 62-3140	T089			
4	FEDERAL	ITDTCIPF PLTOAEXI	-397	-12	-385
5	STATE	ITDTCIPS PLTOAEXI	-55	-2	-53
6	TOTAL INTANG PLT 32-3140	ITDTCIPT	-452	-13	-439
	INTEREST ON DEFERRED PAYABLE	T078			
7	FEDERAL	ITDTCIDF 001	-102	-3	-99
8	STATE	ITDTCIDS 001	-14	-0	-14
9	TOTAL INT ON DEFERRED PAYABLES	ITDTCIDT	-116	-3	-113
	CONSTRUCTION POWER	T072			
10	FEDERAL	ITDTCOPF 001	-5	-0	-5
11	STATE	ITDTCOPS 001	-1	-0	-1
12	TOTAL CONSTRUCTION POWER	ITDTCOPT	-7	-0	-7
	ISES BOOK DEP CAP	T090			
13	FEDERAL	ITDTCIBF 001AW	-75	0	-75
14	STATE	ITDTCIBS 001AW	-10	0	-10
15	TOTAL ISES BOOK DEPR CAP	ITDTCIBT	-85	0	-85
	GG1-CITY OF PRESCOTT	T152			
16	FEDERAL	ITDTCFPR 000W	-32	0	-32
17	STATE	ITDTCSPR 000W	-5	0	-5
18	TOTAL GG1-CITY OF PRESCOTT	ITDTCFPR	-37	0	-37
	GG1 FARM/JONESBORO	T133			
19	FEDERAL	ITDTCFJF 00JF	80	0	80
20	STATE	ITDTCFJS 00JF	-80	0	-80
21	TOTAL GG1 FARM/JONESBORO	ITDTCFJ	0	0	0

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1985
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	DEFERRED ITEMS	T025			
	PROVISION FOR DEF INCOME TAX-CR	T061			
	DEFERRED FUEL	T054			
1	FEDERAL	ITOTCOFF E02	14,393	0	14,393
2	STATE	ITOTCOFS E02	2,534	0	2,534
3	TOTAL DEFERRED FUEL	ITOTCOFT	20,927	0	20,927
	COMPUTER SOFTWARE CAP	T091			
4	FEDERAL	ITOTCFCS PLTCAEXI	-696	-21	-575
5	STATE	ITOTCSS PLTCAEXI	-97	-5	-94
6	TOTAL COMPUTER S/W CAP	ITOTCCST	-793	-24	-769
	STEAM GEN PROCESS	T114			
7	FEDERAL	ITOTCSGF E01	-281	-9	-272
8	STATE	ITOTCSGS E01	-39	-1	-38
9	TOTAL STEAM GEN PROCESS	ITOTCSG	-320	-10	-310
	M38 DIT REFUND	T153			
10	FEDERAL	ITOTCM3F R8T0A	-3,954	-117	-3,837
11	STATE	ITOTCM3S R8T0A	0	0	0
12	TOTAL M38 DIT REFUND	ITOTCM3	-3,954	-117	-3,837
	PROVISION FOR DEF INCOME TAX-CR	T061			
13	FEDERAL	ITOTCFTO	-29,731	-1,114	-28,617
14	STATE	ITOTCSTO	-4,545	-173	-4,475
15	TOTAL INCOME TAX DEFERRED-CREDIT	ITOTCTO	-34,276	-1,285	-33,091

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
EXPENSES					
DEFERRED ITEMS		T030 T025			
PROVISION FOR DEF INCOME TAX-CR		T051			
ADJUSTMENTS - FEDERAL:		T139			
1	INT ON TAX DEFICIT	PF07FE12 NINBIT	2,345	48	2,297
2	GG1 OVER/UNDER RECOV	PF07CFDU D01	2,141	57	2,084
3	GG1 PARAGOULD O/U RECOV	PF07CFPA S00W	21	0	21
4	GG1 PRESCOTT O/U RECOV	PF07CFPF S00W	6	0	6
5	GG1 WJ ARK O/U RECOV	PF07CFNA S00W	35	0	35
6	NUCLEAR RESERVE	PF07FEN2 E03	4,734	0	4,734
7	DECOMMISS EXP	PF07FEDE D01	1,644	44	1,600
8	UNBILLED REVENUE	PF07FEU2 SF03	3,460	174	3,286
9	RETAIL REV ADJMT	PF07FER2 RSRDOWTOA	392	14	378
10	FEC JONESBORO	PF07FEFJ SDWH	513	0	513
11	UNIT PURCH PWR	PF07FEU3 D01	2,409	64	2,345
12	MAINT COST OUTAGE	PF07FEMC E01	-1,914	-62	-1,852
13	RES CONTING FASE 5	PF07CFRC D01	3,690	230	3,460
14	DEF REV & INT(DIGBY)	PF07CFDG R3TOA	7,532	223	7,309
15	GAIN ON GAS PROPERTY	PF07FEGP PLTOAEXI	27	1	26
16	DEFENSE PROPERTY	PF07CFDP SFDTAATO	453	12	441
17	MO ST TX CHG INT NF	PF07CMNF E01	-16	-1	-15
18	AECC COST OF MONEY	PF07CFAE D01	135	4	131
19	PR YR ADJ LIBER DEPREC	PF07CFLD ITCTCLDF	116	3	113
20	MO ST TX CHG LIBER DEPREC	PF07CMLD ITCTCLDF	-563	-16	-537
21	TX & PENS CAPITAL	PF07CFTP ITDTCTPF	780	23	757
22	POLL CONTR BONDS	PF07FEP2 D01	7	0	7
23	INTANG PLT 32-314-U	PF07CFIP PLTOAEXI	397	12	385
24	INT ON DRF PAYABLES	PF07CFID D01	102	3	99
25	CONSTR POWER	PF07CFCP E01	6	0	6
26	ISCS BOOK DEPR	PF07CFIS D01AW	75	0	75
27	GG1 CITY OF PRESCOTT	PF07CFP2 S00W	32	0	32
28	GG1 FAAM/JONESBORO	PF07FEJF SDJF	-80	0	-80
29	DEFERRED FUEL	PF07FE02 E02	-12,393	0	-12,393
30	COMPUTER S/W	PF07CFCS PLTOAEXI	696	21	675
31	STEAM GEN PROCESS	PF07CFSG E01	281	9	272
32	M36 DIT REFUND	PF07CF35 R3TOA	3,954	117	3,837
33	ADJUST-DEF INC TAXES CR FEDERAL	PF07DCFN	25,067	979	24,088

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1936
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-CR	T051		
	ADJUSTMENTS - STATE:	T140		
1	INT ON TX DEFICIT	PF07SEI2 NINSIT 323	7	516
2	GG1 OVER/UNDER RECOV	PF07CSOU DO1 255	0	257
3	GG1 PARASOULD O/U RECOV	PF07CSPA SDOH 3	0	3
4	GG1 PRESCOTT O/U RECOV	PF07CSPR SDOH 1	0	1
5	GG1 NO ARK O/U RECOV	PF07CENA SDOH 4	0	4
6	NUCLEAR RESERVE	PF07SEN2 E03 553	0	553
7	DECOMMISS EXP	PF07SEDE DO1 227	0	221
8	UNFILLED REVENUE	PF07SEU2 SF03 1,155	24	1,142
9	RETAIL REV ADJMT	PF07SER2 PSKDATOA 54	2	52
10	FEC JONESBORO	PF07SEFJ SDWH 70	0	70
11	UNIT PURCH PAR	PF07SEU3 DO1 332	9	323
12	MAINT COST OUTAGE	PF07SEM4 E01 -254	-9	-255
13	RES CONTING FASB 5	PF07CSRC DO1 1,197	32	1,165
14	DEF REV & INT(DIGBY)	PF07CSOG RSTOA 1,044	31	1,013
15	GAIN ON GAS PROP	PF07SEGP PLTCAEXI 1	0	1
16	NO ST TX CHG INT NF	PF07MSNF E01 35	1	34
17	AECG COST OF MONEY	PF07CSAE DO1 13	0	13
18	NUCL FUEL NORM	PF07CSNN E01 26	3	23
19	LIBER DEPREC	PF07SEL2 ITDTCLDS 1,499	47	1,452
20	PR YR ADJ LIBER DEPREC	PF07CSLD ITDTCLDS 1	0	1
21	NO ST TX CHG LIBER DEPREC	PF07MSLD ITDTCLDS -265	-3	-257
22	TX & PENS CAPITAL	PF07CSTP ITDTCTPS 107	3	104
23	POLL CONTR BONDS	PF07SEP2 DO1 1	0	1
24	INTANG PLT 82-314-U	PF07CSIP PLTCAEXI 55	2	53
25	INT ON DEF PAYABLES	PF07CSID DO1 14	0	14
26	CONSTR PAR	PF07CSCP E01 1	0	1
27	ISES BOOK DEPR	PF07CSIS DO1AW 10	0	10
28	GG1 PRESCOTT	PF07CSP2 SDOH 5	0	5
29	GG1 FARM/JONESBORO	PF07SEJF SDJF 50	0	50
30	DEFERRED FUEL	PF07SEJ2 E02 -2,534	0	-2,534
31	COMPUTER S/W	PF07CSCS PLTCAEXI 97	3	94
32	STEAM GEN PROCESS	PF07CSSG E01 39	1	32
33	ADJUST-DEF INC TAXES CR STATE	PF07DCSN 4,355	101	4,194

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-CR	T061		
1	ADJUSTMENT-DEF TAX CR-FED	ITOTCF4	25,007	979
2	ADJUSTMENT-DEF TAX CR STATE	ITOTCSA	4,355	101
3	ADJUSTMENT-TOT DEF TAX CREDIT	ITOTC4	29,422	1,140
	PROVISION FOR DEF INCOME TAX-CR	T061		
4	FEDERAL	ITOTCF4	-4,004	-130
5	STATE	ITOTCSA	-290	-9
6	TOTAL INCOME TAX DEF-CREDIT ADJ	ITOTCTOA	-4,294	-145
	INVESTMENT TAX CREDIT - FEDERAL	T020		
7	INVEST TAX CREDIT PROVISION	ITITCPRV PLTOAEXI	11,503	343
8	ALLOCATION TO CURRENT YEAR INC	ITITC4CY PLTOAEXI	-1,357	-41
9	TOTAL INVESTMENT TAX CREDIT	ITITCTC	10,121	302
10	ADJUST-ITC AMORTIZATION	PF07ITC PLTOAEXI	0	0
11	TOTAL INVEST TAX CREDIT ADJ	ITITCTOA	10,121	302
12	TOTAL OPER EXPENSES ADJUSTED OPEXTA		1,145,209	43,033
				1,102,175

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1955
(THOUSANDS OF DOLLARS)

LINE	T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
RATE BASE			
1 PLANT IN SERVICE	3,515,409	104,399	3,411,510
2 DEPRECIATION RESERVES	-942,392	-23,712	-918,680
3 ELEC. PLT. ACQUISITION ADJUST	590	31	559
4 FUEL INVENTORY	22,332	742	22,090
5 MATERIALS & SUPPLIES	37,204	1,130	36,224
6 PREPAYMENTS	5,370	154	5,216
7 LIBERALIZED DEPRECIATION	-311,974	-9,300	-302,674
8 ACCUM. DEF. INC. TAX-OTHER	0	0	0
9 INVEST. TAX CREDIT - 3%	-3,505	-104	-3,401
10 INVESTMENT IN SFI	40,593	1,319	39,264
11 TOTAL RATE BASE	2,365,517	69,709	2,295,908
REVENUES			
12 RATE SCHEDULE	1,024,424	37,031	936,743
13 MSU POWER POOL SALES	219,762	5,627	213,135
14 SYSTEM SALES	69,167	2,249	66,919
15 OTHER REVENUES	35,332	793	34,539
16 MSPP/SYSTEM/OTHER REV	324,461	9,408	314,593
17 TOTAL REVENUES ADJUSTED	1,345,585	47,569	1,301,336
EXPENSES			
18 O & M EXPENSE	901,455	37,003	864,452
19 DEPRECIATION EXPENSE	115,722	3,421	111,901
20 TAXES OTHER THAN INCOME	38,314	1,153	37,161
21 INCOME TAX-FED	45,742	-545	47,290
22 INCOME TAX-ST	1,115	-51	1,166
23 PROV. DEF. INCOME TAX-DR-FED	33,713	2,039	31,674
24 PROV. DEF. INCOME TAX-DR-ST	2,565	164	2,501
25 PROV. DEF. INCOME TAX-CR-FED	-4,599	-154	-4,445
26 PROV. DEF. INCOME TAX-CR-ST	-293	-9	-284
27 INVESTMENT TAX CREDIT-NET	-1,167	-41	-1,346
28 TOTAL OPER. EXPENSES ADJUSTED	1,135,517	42,596	1,092,621
29 OPERATING INCOME ADJUSTED	213,769	4,653	209,715
30 RATE OF RETURN	9.02	6.67	9.09
REVENUE REQUIREMENTS			
31 REQUIRED RATE OF RETURN	11.0000	11.0000	11.0020
32 REQUIRED OPER. INCOME (L11AL31)	260,218	7,655	252,550
33 OPER. INC. DEFICIENCY (L32-L29)	46,250	3,315	43,935
34 REVENUE CONVERSION FACTOR	1.7322	1.7227	1.7329
35 REVENUE DEFICIENCY (L33/L34)	21,154	5,194	20,960
36 % INCREASE (L35/L12)	7.92	13.73	7.70
37 PROP. RATE SCHED. REV (L12+L35)	1,105,579	42,375	1,062,703

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1996
 (THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE				
	PLANT IN SERVICE	T000 T001			
1	TOTAL PRODUCTION PLANT	PLPT0 001	2,009,383	53,222	1,955,161
	TRANSMISSION PLANT	T003			
	TRANSMISSION SUBSTATIONS	T004			
2	STEP UP	PLTSSU 001	22,714	602	22,112
3	POWER SUPPLY	PLTSPS 002	133,201	3,755	179,446
4	TOTAL SUBSTATIONS	PLTST0	205,915	4,357	201,558
5	TOTAL LINES	PLTLT0 002	372,042	7,625	564,417
6	TOTAL TRANSMISSION PLANT	PLTTO	577,957	11,982	565,975

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	T000		
	PLANT IN SERVICE	T001		
	DISTRIBUTION PLANT	T004		
	DISTRIBUTION SUBSTATIONS	T007		
1	DIRECT-AR	PL0SDA	13,275	0
2	DIRECT-MO	PL0SDM	338	0
3	DIRECT	PL0SD	13,613	0
4	RETAIL GENERAL-AR	PL0SRGA D03A	100,889	0
5	RETAIL GENERAL-MO	PL0SRGM D03M	8,133	8,133
6	RETAIL GENERAL	PL0SRG	109,022	8,133
7	TOTAL SUBSTATIONS	PL0STC	122,635	8,133
	DISTRIBUTION LINES	T009		
8	DIRECT-AR	PL0LDA	1,547	0
9	DIRECT-MO	PL0LDM	184	0
10	DIRECT	PL0LD	1,731	0
	RETAIL GENERAL	T009		
11	PRIMARY DEMAND-AR	PL0RSDA D04A	101,976	0
12	PRIMARY DEMAND-MO	PL0RSDM D04M	4,874	4,874
13	PRIMARY DEMAND	PL0LRSD	106,850	4,874
14	PRIMARY CUSTOMER-AR	PL0RSCA D03A	156,315	0
15	PRIMARY CUSTOMER-MO	PL0RSCM D03M	7,843	7,843
16	PRIMARY CUSTOMER	PL0LRSPC	164,158	7,843
17	SECONDARY DEMAND-AR	PL0RSSDA D05A	20,211	0
18	SECONDARY DEMAND-MO	PL0RSSDM D05M	795	795
19	SECONDARY DEMAND	PL0LRSSD	21,006	795
20	SECONDARY CUSTOMER-AR	PL0RSSCA D04A	32,036	0
21	SECONDARY CUSTOMER-MO	PL0RSSCM D04M	3,703	3,703
22	SECONDARY CUSTOMER	PL0LRSSC	35,744	3,703
23	RETAIL GENERAL	PL0LRG	377,756	17,220
24	TOTAL LINES	PL0LTO	377,756	17,220
	LINE TRANSFORMERS	T010		
25	DIRECT-AR	PL0TDA	214	0
26	DIRECT-MO	PL0TDM	29	0
27	DIRECT	PL0TD	243	0
	RETAIL GENERAL	T009		
28	DEMAND-AR	PL0TRSDA D07A	67,801	0
29	DEMAND-MO	PL0TRSDM D07M	2,253	2,253
30	DEMAND	PL0TRSD	70,054	2,253
31	CUSTOMER-AR	PL0TRSCA D04A	87,913	0
32	CUSTOMER-MO	PL0TRSCM D04M	2,921	2,921
33	CUSTOMER	PL0TRSC	90,834	2,921
34	RETAIL GENERAL	PL0TRG	160,888	5,174
35	TOTAL LINE TRANSFORMERS	PL0TTO	161,131	5,174

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	T000		
	PLANT IN SERVICE	T001		
	DISTRIBUTION PLANT SERVICES	T006 T011		
1	RETAIL GENERAL-CUST-AR	0SERGCA C369A	62,781	0
2	RETAIL GENERAL-CUST-MO	0SERGCM C369M	2,015	0
3	RETAIL GENERAL-CUST	PLDSERG C	64,796	0
4	TOTAL SERVICES	PLDSETO	64,796	0
	METERS	T012		
5	DIRECT-AR	PLDMCA	108	0
6	DIRECT-MO	PLDMCM	12	0
7	DIRECT	PLDMC	120	0
8	RETAIL GENERAL-CUST-AR	PLDMRCA C370A	51,550	0
9	RETAIL GENERAL-CUST-MO	PLDMRCM C370M	1,978	0
10	RETAIL GENERAL-CUST	PLDMRCC	53,553	0
11	TOTAL METERS	PLDMTC	53,553	0
12	TOTAL INST COST PREM	PLDCPTC 001	12,751	0
	STREET LIGHTS	T105		
13	ARKANSAS	PLCSLA S01A	22,264	0
14	MISSOURI	PLCSLM S01M	1,227	0
15	TOTAL STREET LIGHTS	PLCSLTC	23,491	0
16	TOTAL DISTRIBUTION PLANT	PLDTC	17,471	0

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE			TOTAL COMPANY	TOTAL 40 RETAIL	ALL OTHER
	RATE BASE				
	PLANT IN SERVICE	T000 T001			
	GENERAL PLANT	T013			
1	LARGE	PLGL LOMTOA	27,765	919	26,846
2	PRODUCTION	PLGP DO1	7,426	147	7,279
3	TRANSMISSION	PLGT PLITOA	9,643	200	9,443
4	DISTRIBUTION	PLSD PLITOA	10,585	467	10,118
5	CUSTOMER SERVICES	PLGCS CMCSOA	114	2	112
6	STORES	PLGST MSTOA	526	17	509
7	ENERGY	PLGE EO1	25,023	913	24,110
8	TOTAL GENERAL PLANT	PLSTO	91,082	2,615	88,467
	INTANGIBLE PLANT	T014			
9	ORGANIZATION	PLIOR CO1	33	2	31
10	FRANCHISE	PLIFR CO2	53	3	50
11	MISC INTANG-COMP SOFTWARE	PLIMISCC CO1	223	10	213
12	MISC INTANG-TRANS SOFTWARE	PLIMISLR CO1	29	1	28
13	MISC INTANG-ISES I SYNCHRON	PLIMISIS CO1AW	14,004	0	14,004
14	MISC INTANG-12-314-04 60 MOS	PLIMISMS PLTCAEXI	2,370	71	2,299
15	MISC INTANG-MSS COMP SOFTWARE	PLIMIMSS PLTCAEXI	6,122	133	5,989
16	MISC MSS COMP S/W-CMS	PLIMCSM CO1	1,603	42	1,561
17	MISC MISTEC S/W COST	PLIMSTC PLITOA	577	14	563
18	MISC STEAM GEN CL PROCESS	PLIMSGCP EO1	3,571	116	3,455
19	MISC 62-314-04 60 MOS	PLIM44M PLTCAEXI	1,526	54	1,472
20	TOTAL INTANGIBLE PLANT	PLITO	30,516	425	29,991
21	TOTAL PLANT IN SERVICE	PLTO	121,598	3,040	118,557

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1956
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE CASE			
	PLANT IN SERVICE	T000 T001		
1	TOTAL PLANT IN SERVICE	PLT0	3,515,909	104,399 3,411,510
2	TOTAL PLANT IN SERVICE ADJUSTED	PLT0A	3,515,909	104,399 3,411,510
	PLANT SUMMARY	T093		
3	TOTAL PRODUCTION ADJUSTED	PLPTCA	2,004,383	53,222 1,955,161
4	TOTAL TRANSMISSION ADJUSTED	PLTTCA	577,957	11,982 565,975
5	TOTAL DISTRIBUTION ADJUSTED	PLD0A	817,971	35,055 781,926
6	TOTAL GENERAL ADJUSTED	PLGT0A	81,092	2,615 78,467
7	TOTAL INTANGIBLE ADJUSTED	PLITCA	80,516	496 81,012
8	TOTAL PLANT IN SERVICE ADJUSTED	PLT0A	3,515,909	104,399 3,411,510

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1965
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE				
	RESERVE FOR DEPRECIATION	T000 T015			
1	TOTAL PRODUCTION	DAPTC 001	-525,564	-13,954	-512,610
	TRANSMISSION PLANT	T003			
	TRANSMISSION SUBSTATIONS	T004			
2	STEP UP	DATSSU 001	-4,547	-125	-4,719
3	POWER SUPPLY	DATSPS 002	-35,515	-759	-37,729
4	TOTAL SUBSTATIONS	DATSTG	-42,365	-913	-42,447
5	TOTAL LINES	DATLTD 002	-51,233	-1,577	-50,156
6	TOTAL TRANSMISSION	DATTO	-125,193	-2,595	-122,603

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	RATE BASE	T000			
	RESERVE FOR DEPRECIATION	T015			
	DISTRIBUTION PLANT	T056			
	DISTRIBUTION SUBSTATIONS	T007			
1	DIRECT-AR	DPDSOA PLOSOA	-5,127	0	-5,127
2	DIRECT-MO	DPDSOM PLOSDM	-68	0	-68
3	DIRECT	DPDSO	-5,195	0	-5,195
4	RETAIL GENERAL-AR	DPDSRGA D03A	-39,107	0	-39,107
5	RETAIL GENERAL-MO	DPDSRGM D03M	-1,598	-1,598	0
6	RETAIL GENERAL	DPDSRG	-40,705	-1,598	-39,107
7	TOTAL SUBSTATIONS	DPDSO	-45,900	-1,598	-44,302
	DISTRIBUTION LINES	T008			
8	DIRECT-AR	DPDLDA PLOLDA	-523	0	-523
9	DIRECT-MO	DPDLOM PLELOM	-44	0	-44
10	DIRECT	DPDLO	-567	0	-567
	RETAIL GENERAL	T009			
11	PRIMARY DEMAND-AR	DPDRSPDA D04A	-32,723	0	-32,723
12	PRIMARY DEMAND-MO	DPDRSPDM D04M	-1,109	-1,109	0
13	PRIMARY DEMAND	DPDRSPD	-33,832	-1,109	-32,723
14	PRIMARY CUSTOMER-AR	DPDRSPCA D03A	-55,158	0	-55,158
15	PRIMARY CUSTOMER-MO	DPDRSPCM D03M	-1,950	-1,950	0
16	PRIMARY CUSTOMER	DPDRSPC	-57,108	-1,950	-55,158
17	SECONDARY DEMAND-AR	DPDRSGDA D05A	-6,316	0	-6,316
18	SECONDARY DEMAND-MO	DPDRSGDM D05M	-179	-179	0
19	SECONDARY DEMAND	DPDRSGD	-6,495	-179	-6,316
20	SECONDARY CUSTOMER-AR	DPDRSGCA D04A	-27,778	0	-27,778
21	SECONDARY CUSTOMER-MO	DPDRSGCM D04M	-900	-900	0
22	SECONDARY CUSTOMER	DPDRSGC	-28,678	-900	-27,778
23	RETAIL GENERAL	DPDRS	-126,173	-4,133	-122,035
24	TOTAL LINES	DPDLTO	-126,740	-4,133	-122,602
	LINE TRANSFORMERS	T010			
25	DIRECT-AR	DPDTDA PLOTDA	-58	0	-58
26	DIRECT-MO	DPDTDM PLOTDM	-19	0	-19
27	DIRECT	DPDTD	-77	0	-77
	RETAIL GENERAL	T029			
28	DEMAND-AR	DPDTRSDA D07A	-13,250	0	-13,250
29	DEMAND-MO	DPDTRSDM D07M	-1,499	-1,499	0
30	DEMAND	DPDTRSD	-14,749	-1,499	-13,250
31	CUSTOMER-AR	DPDTRSCA D04A	-23,703	0	-23,703
32	CUSTOMER-MO	DPDTRSCM D04M	-1,943	-1,943	0
33	CUSTOMER	DPDTRSC	-25,646	-1,943	-23,703
34	RETAIL GENERAL	DPDTRG	-45,425	-3,442	-41,983
35	TOTAL LINE TRANSFORMERS	DPDTT	-45,502	-3,442	-42,060

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE			
	RESERVE FOR DEPRECIATION	T000 T015		
	DISTRIBUTION PLANT	T006		
	SERVICES	T011		
1	RETAIL GENERAL-CUST-AR	00SERGCA C369A -23,038	0	-23,038
2	RETAIL GENERAL-CUST-MO	00SERGCM C369M -729	-729	0
3	RETAIL GENERAL-CUST	00SERGSC -23,767	-729	-23,038
4	TOTAL SERVICES	00SETO -23,767	-729	-23,038
	METERS	T012		
5	DIRECT-AR	00DADA PLOMDA -32	0	-32
6	DIRECT-MO	00DMDM PLOMDM -6	0	-6
7	DIRECT	00DMD -35	0	-35
8	RETAIL GENERAL-CUST-AR	00DMRGCA C370A -15,177	0	-15,177
9	RETAIL GENERAL-CUST-MO	00DMRGCM C370M -1,074	-1,074	0
10	RETAIL GENERAL-CUST	00DMRGSC -16,251	-1,074	-15,177
11	TOTAL METERS	00DMTC -16,259	-1,074	-15,215
12	TOTAL INST CUST PREM	00DCPTG C01 -519	-14	-505
	STREET LIGHTS	T106		
13	ARKANSAS	00DSLA S01A -7,434	0	-7,434
14	MISSOURI	00DSL* S01M -452	-452	0
15	TOTAL STREET LIGHTS	00DSLTO -7,886	-452	-7,434
16	TOTAL DISTRIBUTION	00DIO -266,603	-11,447	-255,156

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			T O T A L	TOTAL MO	ALL
			C O M P A N Y	RETAIL	OTHER
	RATE BASE	T020			
	RESERVE FOR DEPRECIATION	T015			
	GENERAL PLANT	T013			
1	LABOR	DRSL	L0MTOA	-5,440	-5,453
2	PRODUCTION	DRGP	CO1	-1,530	-1,439
3	TRANSMISSION	DRGT	PLTTOA	-2,432	-2,352
4	DISTRIBUTION	DRSD	PLSTOA	-3,239	-3,096
5	CUSTOMER SERVICES	DRGCS	OMCSTOA	-53	-52
6	STORES	DRGST	MSTOA	-321	-369
7	ENERGY	DRGE	EO1	-2,363	-2,236
8	TOTAL GENERAL	DRSTO		-15,638	-15,125
	ACCOUNT 111-	T066			
	ACCUM AMORT OF INTANG	T067			
9	FRANCHISE	DRAF	CO2	-4	-4
10	MISC-COMPUTER SOFTWARE-AMP	DRAC	CO1	-223	-213
11	MISC-TRANSLATOR SOFTWARE	DRALR	CO1	-29	-28
12	MISC-ISES SYNCHRONIZATION	DRAISES	DO1AW	-1,556	-1,556
13	MISC-32-314-U,48 MOS	DRAMSS	PLTCAEXI	-74	-74
14	MISC-455 COMPUTER SOFTWARE	DRACS	PLTCAEXI	-2,159	-2,095
15	MISC-455 COMP S/W-CMS	DRACMS	CO1	-68	-650
16	MISC-MISTEC S/W COST	DRAMSTC	PLTTOA	-267	-261
17	MISC-STEAM GEN CL PROCESS	DRASGCP	EO1	-1,067	-1,052
18	MISC-32-314-U,48 MOS	DRAMS48	PLTCAEXI	-1,522	-1,477
19	TOTAL ACC AMORT OF INTANG	DRATO		-9,359	-9,183
20	TOTAL RES FOR DEPRECIATION	DRTO		-942,392	-913,680
21	TOTAL DEPREC'N RESERVES ADJUST	DRTOA		-942,392	-913,680
	DEPREC RES SUMMARY	T094			
22	TOTAL PRODUCTION ADJUSTED	DRPTOA		-525,504	-512,510
23	TOTAL TRANSMISSION ADJUSTED	DRPTOA		-125,174	-122,503
24	TOTAL DISTRIBUTION ADJUSTED	DRPTOA		-265,803	-255,156
25	TOTAL GENERAL ADJUSTED	DRPTOA		-15,638	-15,125
26	TOTAL ACC AMORT OF INTANG ADJ	DRATOA		-9,359	-9,183
27	TOTAL DEPREC'N RESERVES ADJUST	DRTOA		-942,392	-913,680

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1950
 (THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE			
	ACQUISITION ADJUSTMENT			
	ELECTRIC PLANT ACQUISITION ADJ			
1	PRODUCTION PLANT	33	1	32
2	TRANSMISSION PLANT	92	2	90
3	DISTRIBUTION-AR	162	0	162
4	DISTRIBUTION-MO	16	16	0
5	DISTRIBUTION-BOTH STATES	275	12	263
6	DISTRIBUTION PLANT	453	28	425
7	GENERAL PLANT	22	1	21
8	TOTAL ACQUISITION ADJUSTMENT	590	31	559
	AMORTIZATION OF ACQUISITION ADJ			
9	PRODUCTION PLANT-CREDIT	0	0	0
10	TRANSMISSION PLANT-CREDIT	0	0	0
11	DISTRIBUTION-CREDIT-AR	0	0	0
12	DISTRIBUTION-CREDIT-MO	0	0	0
13	DISTRIBUTION-CREDIT-BOTH STATES	0	0	0
14	DISTRIBUTION PLANT-CREDIT	0	0	0
15	GENERAL PLANT-CREDIT	0	0	0
16	TOTAL AMORTIZATION - ACQ ADJ	0	0	0
17	NET ELECTRIC PLANT ACQUISITION ADJ	590	31	559

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL NO RETAIL	ALL OTHER
	RATE BASE	T000			
	FUEL INVENTORY	T005			
1	FUEL INVENTORY	F1	501	22,832	742
2	TOTAL FUEL INVENTORY	F1T0		22,832	742
					22,090
3	TOTAL FUEL INVENTORY ADJ	F1T0A		22,832	742
					22,090
	TOTAL MATERIALS & SUPPLIES	T019			
4	TRANSMISSION SUBSTATIONS	MSTS	PLTSTOA	333	19
					804
5	TRANSMISSION LINES	MSTL	PLTLTOA	5,428	111
					5,317
6	DISTRIBUTION SUBSTATIONS	MSDS	PLDSTO	175	12
					103
7	DISTRIBUTION LINES	MSDL	PLDLTO	2,945	134
					2,811
8	METERS	MSDM	PLDMTO	290	11
					279
9	STREET LIGHTS	MSDSL	PLDSLTO	322	17
					305
10	OFFICE SUPPLIES	MSOS	LOMTOA	107	0
					101
11	ENERGY	MSE	ED1	25,001	913
					24,188
12	OTHER	MSO	PLPTOTOA	1,993	59
					1,934
13	TOTAL MATERIALS & SUPPLIES	MSTO		37,204	1,190
					36,024
14	TOTAL MAT'LS & SUPPLIES ADJUSTED	MSTOA		37,204	1,190
					36,024

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE			
	PREPAYMENTS	T000 T020		
	PREPAID TAXES	T021		
1	CAPITAL STOCK - FRANCHISE	WCPTCSF PLTOA	153	5
2	REGULATORY COMMISSION-AR	WCPTAC4 RSPDAA	952	0
3	REGULATORY COMMISSION-MO	WCPTRCM RSPDMA	5	5
4	OTHER	WCPTGTH PLTOA	1	0
5	TOTAL PREPAID TAXES	WCPTT0	1,171	10
				1,161
	PREPAID INSURANCE	T022		
6	PRODUCTION	WCP1P D01	2,433	64
7	GENERAL	WCP1G PLGECH	19	1
8	TOTAL PLANT	WCP1P PLTOA	787	23
9	LABOR RELATED	WCP1P LOMTOA	427	14
10	TOTAL PREPAID INSURANCE	WCP1G	3,666	103
				3,563
	MISCELLANEOUS PREPAYMENTS	T023		
11	PRODUCTION	WCPMP D01	1,497	40
12	TRANSMISSION	WCPMT PLTTOA	20	1
13	DISTRIBUTION	WCPMD PLDIOA	4	0
14	EEI	WCPME FLTOR	0	0
15	TOTAL MISC PREPAYMENTS	WCPMTG	1,533	41
				1,492
16	TOTAL PREPAYMENTS	WCPTG	6,370	154
				6,216
17	TOTAL PREPAYMENTS ADJUSTED	WCPTG4	6,370	154
				6,216

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LIVE		TOTAL C O M P A N Y	TOTAL % RETAIL	ALL OTHER	
	****RATE BASE***	T100			
	ACCUMULATED DEF INC TAXES	T154			
1	LIBERALIZED DEPRECIATION	DTLDT0 PLTCAEXI	-512,282	-15,272	-497,010
2	ADJUST-LIBERAL DEPR	PF07ACLB PLTCAEXI	208,308	5,971	194,337
3	ADJUSTED LIBERALIZED DEPR	DTLDT02	-311,974	-9,300	-302,674
4	ACCUM DEF INC TX-OTHER	DTOT0 PLTCAEXI	42,398	1,284	41,114
5	ADJUST-ACC DEF TX OTHER	PF07ACD0 PLTCAEXI	-42,398	-1,284	-41,114
6	ADJUSTED ACC DEF INC TX-OTHER	DTOT02	0	0	0
7	INVEST TAX CREDIT - 3%	DTITC PLTCAEXI	-3,505	-104	-3,401

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	T000			
	INVESTMENT IN S = I	T024			
1	INVESTMENT IN SYS FUEL INC	SFI E01	0	0	0
2	TOTAL INVEST IN SYSTEM FUEL INC	SFIT0	0	0	0
3	ADJUSTMENT-INVEST IN SYS FUELS	PF03ISFI E01	40,533	1,319	39,264
4	TOTAL INVEST SYS FUEL INC ADJ	SFT04	40,533	1,319	39,264
5	TOTAL RATE BASE	R010	2,167,124	63,692	2,103,442
6	TOTAL ADJUSTMENTS TO RATE BASE	RA00JMT	192,443	6,327	192,466
7	TOTAL RATE BASE ADJUSTED	RA104	2,365,617	69,709	2,295,908

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1935
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	REVENUES	T113		
	SALES REVENUES	T111		
1	RETAIL SALES	RSPD	907,871	37,631
2	WHOLESALE SALES	RSWD	116,753	116,753
3	TOTAL RATE SCHEDULE REV	RSDWTO	1,024,624	37,631
				935,743
	MSU POWER POOL	T137		
4	ENERGY - EXCHANGE	RSMSPTOE E01	140,584	4,570
5	ENERGY - UNIT POWER PURCH	RSMSPTUE E01	25,583	832
6	TOTAL MSPP ENERGY	RSMSPTE	155,167	5,401
7	DEMAND - RESERVE EQUAL	RSMSPTOD D01	16,914	448
8	DEMAND - UNIT PWR PURCH	RSMSPTOU D01	36,881	977
9	TOTAL MSPP DEMAND	RSMSPTD	53,795	1,426
10	TOT MSU PWR POOL SALES	RSMSPPTO	219,962	6,827
				213,135
11	SYSTEM SALES TO OTHERS	RSSSTO E01	69,167	2,248
				66,919
12	TOTAL SALES REVENUES	RSTO	1,313,553	46,756
				1,255,797

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	REVENUES	T110			
	OTHER REVENUES	T020			
1	OTH ELEC REV-TRANS EL ACPTS	ROTE	25,332	519	24,813
2	OTH ELEC REV-TRANS FACIL ACPT	ROTEHV	1,241	25	1,216
	OTH ELEC REV - OTHER	T120			
3	RETAIL REV-AR	ROARAS	459	0	459
4	RETAIL REV-MO	ROREMS	4	4	0
5	RETAIL REVENUE	ROSPA	493	4	489
6	DISTRIBUTION LINES - AF	RODLA	2,126	0	2,126
7	DISTRIBUTION LINES - MO	RODLM	67	66	1
8	DISTRIBUTION LINES	RODL	2,253	66	2,187
9	TRANSMISSION LINES	ROTL	634	13	621
10	SALES TAX COMM-AR	ROSTCA	645	0	645
11	SALES TAX COMM-MO	ROSTCM	16	16	0
12	SALES TAX COMMISSION	ROSTC	661	16	645
13	TRANSMISSION SVC CHARGE	RO2	33	1	37
14	PRODUCTION	RO2	109	3	106
15	MISCELLANEOUS	ROMISC	978	29	949
16	LABOR	ROL	118	4	114
17	OTH ELEC REV-OTHER	ROERO	5,284	136	5,148
18	TOTAL OTHER ELECTRIC REVS	RO20	31,363	661	31,192
19	TOTAL REVENUES	RT0	1,345,416	47,436	1,297,980
20	ADJUSTMENT-INT INC ON SPI INV	ROBPOIT EQ1	3,469	113	3,356
21	ADJUSTMENT-TOTAL OTHER REVENUES	RO2ADJ	3,469	113	3,356
22	TOTAL REVENUES ADJUSTED	RT0A	1,348,885	47,549	1,301,336

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1936
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	REVENUES	T110		
	REVENUE SUMMARY	T025		
	SALES REVENUES	T111		
1	TOTAL RETAIL DIRECT	RSRDTCA	907,671	269,290
2	TOTAL WHOLESALE	RSWTD3	116,753	116,753
3	TOTAL RATE SCHEDULE REV	RSPDHTOA	1,024,424	936,743
	MSU POWER POOL	T137		
4	ENERGY - EXCHANGE	RSMSEEA	140,524	135,014
5	ENERGY - UNIT PWR PURCH	RSMSEUPA	25,543	24,751
6	TOT MSPP-ENERGY	RSMSPTEA	166,167	159,766
7	DEMAND - RESERVE EQUAL	RSMSDREA	15,914	16,466
8	DEMAND - UNIT PWR PURCH	RSMSDUPA	36,361	35,204
9	TOTAL MSPP DEMAND	RSMSPDQA	53,795	52,369
10	TOT MSU POWER POOL SALES	RSMSPPT	212,762	213,135
11	TOTAL SYSTEM SALES	RSSSTD4	59,167	65,219
12	TOTAL SALES REVENUES ADJUSTED	RSTOA	1,313,553	1,255,797
	OTHER ELEC REV	T133		
13	OTH ELEC REV-TRANS ED RECPTS	ROTTEEA	25,338	24,212
14	OTH ELEC REV-TRANS FACIL RECP	ROTTEPA	1,241	1,216
15	OTH ELEC REV-OTHER	ROTOD3	2,753	3,504
16	TOTAL OTHER REVENUE ADJUSTED	ROTQA	35,332	34,539
17	TOTAL MSPP/SYSTEM/OTHER REV	ROTMSOR	324,661	314,543
18	TOTAL REVENUES ADJUSTED	RTOA	1,342,335	1,301,336

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	OPERATION & MAINTENANCE	T031			
	PRODUCTION EXPENSE	T032			
1	OPERATION	CMPO DO1	77,716	2,059	75,657
2	MAINTENANCE	CMPM EO1	46,983	1,527	45,456
3	FUEL	CMPE EO1	331,993	10,791	321,202
	PURCHASED POWER	T033			
4	USE DEMAND	CMPPMO EO1	329,234	9,725	320,509
5	UE DEMAND	CMPPUO EO1M	3,705	3,706	0
6	OTHER DEMAND	CMPPCO DO1	4,534	120	4,414
7	TOTAL DEMAND	CMPPTO	337,474	12,551	324,923
8	USE ENERGY	CMPPME EO1	16,271	529	15,742
9	UE ENERGY	CMPPUE EO1M	2,652	2,652	0
10	OTHER ENERGY	CMPPOE EO1	37,961	3,194	34,777
11	TOTAL ENERGY	CMPPTE	117,084	6,565	110,519
12	TOTAL PURCHASED POWER	CMPPTO	454,553	19,116	435,442
13	LOAD DISPATCHING	CMPLD DO1	2,357	63	2,324
	OTHER PROD EXP & CR	T034			
14	DEFERRED FUEL	CMPPDF EO2	-2,866	0	-2,866
15	NUCLEAR RESERVE	CMPPNR EO3	-4,208	0	-4,208
16	ARK 99 SETT-MIS	CMPPMS DO1AR	-1,631	0	-1,631
17	99 DEFERRAL - MO	CMPPMR EO1M	-2,700	-2,700	0
18	OTHER EXPENSE - DEMAND	CMPPOD DO1	13,759	365	13,404
19	OTHER EXPENSE - ENERGY	CMPPOE EO1	5,160	163	4,992
20	TOTAL OTHER PROD EXP & CR	CMPPTO	-177,156	-2,167	-174,989
21	TOTAL PRODUCTION EXPENSE	CMPTO	735,491	31,359	705,032
	TRANSMISSION EXPENSE	T034			
	SUBSTATION EXPENSE	T035			
22	STEP UP	CMTSSU DO1	250	7	243
23	POWER SUPPLY	CMTSPS DO2	1,966	41	1,945
24	TOTAL SUBSTATION EXPENSE	CMTSTO	2,236	47	2,139
25	TOTAL LINE EXPENSE	CMTLTO DO2	3,467	71	3,396
26	MISCELLANEOUS EXPENSE	CMTMISC CMTSLTO	344	7	337
27	TOTAL TRANSMISSION EXPENSE	CMTTO	3,847	125	3,721

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1926
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030		
	OPERATION & MAINTENANCE	T031		
	DISTRIBUTION EXPENSE	T037		
	SUBSTATION EXPENSE	T035		
1	DIRECT-AR	OMDSOA PLOSDA 569	0	569
2	DIRECT-MO	OMDSOM PLOSDM 7	0	7
3	DIRECT	OMDSO 576	0	576
4	RETAIL GENERAL-AR	OMDSRGA D03A 4,340	0	4,340
5	RETAIL GENERAL-MO	OMDSRGM D03M 167	167	0
6	RETAIL GENERAL	OMDSRG 4,507	167	4,340
7	TOTAL SUBSTATION EXPENSE	OMDSTO 5,083	167	4,916
	LINE EXPENSE	T036		
8	DIRECT-AR	OMLDA PLOLDA 64	0	64
9	DIRECT-MO	OMLDM PLOLDM 3	0	3
10	DIRECT	OMLDO 72	0	72
	RETAIL GENERAL	T039		
11	PRIMARY DEMAND-AR	OMLRGPA C04A 4,095	0	4,095
12	PRIMARY DEMAND-MO	OMLRGPM C04M 204	204	0
13	PRIMARY DEMAND	OMLRGPD 4,299	204	4,095
14	PRIMARY CUSTOMER-AR	OMLRGPCA C03A 6,447	0	6,447
15	PRIMARY CUSTOMER-MO	OMLRGPCH C03M 336	336	0
16	PRIMARY CUSTOMER	OMLRGPC 6,783	336	6,447
17	SECONDARY DEMAND-AR	OMLRGSA C05A 775	0	775
18	SECONDARY DEMAND-MO	OMLRGSM C05M 32	32	0
19	SECONDARY DEMAND	OMLRGSD 807	32	775
20	SECONDARY CUSTOMER-AR	OMLRGSCA C04A 3,232	0	3,232
21	SECONDARY CUSTOMER-MO	OMLRGSCM C04M 155	155	0
22	SECONDARY CUSTOMER	OMLRGSC 3,437	155	3,232
23	RETAIL GENERAL	OMLRG 15,326	727	14,599
24	TOTAL LINE EXPENSE	OMLTO 15,598	727	14,671
	LINE TRANSFORMER EXPENSE	T038		
25	DIRECT-AR	OMTDA PLOTDA 2	0	2
26	DIRECT-MO	OMTDM PLOTDM 0	0	0
27	DIRECT	OMTDO 2	0	2
	RETAIL GENERAL	T039		
28	DEMAND-AR	OMTRGPA D07A 498	0	498
29	DEMAND-MO	OMTRGPM D07M 3	3	0
30	DEMAND	OMTRGPD 501	3	498
31	CUSTOMER-AR	OMTRGPCA C04A 646	0	646
32	CUSTOMER-MO	OMTRGPCH C04M 3	3	0
33	CUSTOMER	OMTRGSC 649	3	646
34	RETAIL GENERAL	OMTRS 1,150	6	1,144
35	TOTAL LINE TRANSFORMER EXP	OMTTO 1,152	6	1,146

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1985
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	OPERATION & MAINTENANCE	T030 T031		
	DISTRIBUTION EXPENSE	T037		
	METER EXPENSE	T039		
1	DIRECT-AR	QMOMDA PLOMDA 10	0	10
2	DIRECT-MO	QMOMDM PLOMDM 1	0	1
3	DIRECT	QMOMO 11	0	11
4	RETAIL GENERAL-CUST-AR	QMOMRGA C370A 4,729	0	4,729
5	RETAIL GENERAL-CUST-MO	QMOMRGM C370M 202	202	0
6	RETAIL GENERAL-CUST	QMOMRGC 4,931	202	4,729
7	TOTAL METER EXPENSE	QMOMTO 4,942	202	4,740
	STREET LIGHT EXPENSE	T107		
8	ARKANSAS	QMOSLTA S01A 333	0	333
9	MISSOURI	QMOSLTM S01M 71	71	0
10	TOTAL STREET LIGHT EXPENSE	QMOSLTO 404	71	333
11	TOTAL COST INST EXPENSE	QMOCPTO SC1 706	19	667
	RENT EXPENSE	T135		
12	ARKANSAS	QMORTOA PLOLTOA 1,565	0	1,565
13	MISSOURI	QMORTOM PLOLTM 19	19	0
14	TOTAL RENT EXPENSE	QMORTO 1,584	19	1,565
	MISCELLANEOUS EXPENSE	T109		
15	ARKANSAS	QMISTOA QMOSLTMA 2,440	0	2,440
16	MISSOURI	QMISTOM QMOSLTMM 105	104	1
17	TOTAL MISCELLANEOUS EXPENSE	QMOMISTO 2,545	104	2,441
18	TOTAL DISTRIBUTION EXPENSE	QMOTO 32,364	1,314	31,350

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MC RETAIL	ALL OTHER
	EXPENSES	T030			
	OPERATION & MAINTENANCE	T031			
	CUSTOMER ACCOUNTING EXPENSE	T040			
1	METER READING-AR	OMCAMFA CA902A	4,117	0	4,117
2	METER READING-MO	OMCAMFM CA902M	246	245	1
3	METER READING	OMCAMR	4,353	245	4,118
4	CUST RECORDS & COLLECTS-AR	OMCACFA CA903A	9,689	0	9,689
5	CUST RECORDS & COLLECTS-MO	OMCACFM CA903M	324	322	2
6	CUST RECORDS & COLLECTIONS	OMCACR	10,013	322	9,691
7	UNCOLLECTIBLE ACCTS-AR	OMCAUAA CA904A	4,355	0	4,355
8	UNCOLLECTIBLE ACCTS-MO	OMCAUAM CA904M	65	65	0
9	UNCOLLECTIBLE ACCOUNTS	OMCAUA	4,420	65	4,355
10	MISC CUST ACCTS EXP-AR	OCAMISCA OMCAUCUA	273	0	273
11	MISC CUST ACCTS EXP-MO	OCAMISCM OMCAUCUM	11	11	0
12	MISC CUSTOMER ACCOUNTING	OMCAMISC	284	11	273
13	TOTAL CUSTOMER ACCT EXP	OMCATC	19,580	643	18,937
	CUSTOMER SERVICES EXPENSE	T041			
14	CUST ASSIST EXP-AR	OMCSCAA CS905A	3,552	0	3,552
15	CUST ASSIST EXP-MO	OMCSCAM CS905M	40	40	0
16	CUSTOMER ASSISTANCE EXPENSE	OMCSCA	3,592	40	3,552
17	INFORM & INSTRUCT EXP-AR	OMCSIFA CS906A	226	0	226
18	INFORM & INSTRUCT EXP-MO	OMCSIFM CS906M	0	0	0
19	INFORMATION & INSTRUCTION EXP	OMCSINF	226	0	226
20	MISC CUST SERVICES-AR	OCSMISCA OMCSCAIA	336	0	336
21	MISC CUST SERVICES-MO	OCSMISCM OMCSCAIM	32	32	0
22	MISC CUSTOMER SERVICES	OMCSMISC	368	32	336
23	TOTAL CUSTOMER SVCS EXP	OMCSTD	4,186	72	4,114
24	TOTAL SALES EXP	OMSTD DD1	2,119	56	2,063

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	OPERATION & MAINTENANCE	TO30 TO31		
	ADMINISTRATIVE & GENERAL EXPENSE	TC42		
1	LABOR	OMAGL LOMTOA	54,369	1,000
2	PRODUCTION RELATED	OMAGIA DO1	3,035	213
3	TRANSMISSION & DISTRIBUTION	OMAGIE PLTDTOA	4,128	142
4	LABOR RELATED	OMAGIC LOMTOA	2	0
5	GENERAL PLANT RELATED	OMAGID PLGECH	13	0
6	TOTAL PLANT RELATED	OMAGIE PLTDTA	733	22
7	INSURANCE	OMAGI	12,911	377
8	REG COMM EXP-ARKANSAS	RTREGA RSRDAA	207	0
9	REG COMM EXP-MISSOURI	RTREGM RSRDMA	456	456
10	REGULATORY EXP RETAIL GENERAL	OMAGRERG	663	456
11	REGULATORY EXP WHSE GENERAL	OMAGREWS RSWTDA	185	0
12	SEE MEMBERSHIP	OMAGSR1 PLTOR	3,484	116
13	LOCAL RESEARCH & OTHER	OMAGSR2 PLTDA	4	0
14	EXPER & GEN RESEARCH	OMAGEOR	3,438	116
15	PRODUCTION	OMAGPLP DO1	-1,674	-44
16	GENERAL	OMAGG PLGECH	2,216	71
17	TOTAL PLANT	OMAGTPL PLTDA	23,038	654
18	ENERGY	OMAGEN DO1	-1,281	-42
19	CUSTOMER SERVICES	OMAGCS OMCSTDA	595	10
20	TOTAL ADMIN & GENERAL	OMAGTO	93,510	3,400
21	TOTAL O & M EXPENSE	OMTO	244,237	37,000
				357,237

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	OPERATION & MAINTENANCE			
		T030		
		T031		
1	TOTAL O & M EXPENSE	GMTC	394,287	357,287
2	ADJUST-DEFERRED FUEL	PF010PDF E02	2,865	0
3	FUEL REFUELING RES	PF010PNP E03	4,208	0
4	TOTAL OTHER PRODUCTION	PF010PTC	7,074	0
5	ADJUST-TOTAL PRODUCTION	CMPT010J	7,074	0
6	ADJUST-CONSTRUCT P&R	PF010GCP E01	94	3
7	ADJUST-TOTAL ASG G&M	CM45ADJ	94	3
8	ADJUST-TOTAL O&M	CMTC010J	7,168	3
9	TOTAL O & M EXPENSE ADJUSTED	GMT04	901,455	37,003
				904,452

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1985
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	TO30		
	OPERATION & MAINTENANCE	TO31		
	O & M SUMMARY	TJ47		
	PRODUCTION EXPENSE	TO32		
1	TOTAL OPERATION ADJUSTED	OMPTOA 77,716	2,059	75,657
2	TOTAL MAINTENANCE ADJUSTED	OMPTOA 40,963	1,527	45,450
3	TOTAL FUEL ADJUSTED	OMPTOA 331,993	10,791	321,202
	PURCHASED POWER	TO33		
4	USE DEMAND	OMPPHDA 329,234	8,725	320,509
5	UE DEMAND	OMPPHDA 3,706	3,706	0
6	OTHER DEMAND	OMPPHDA 4,534	120	4,414
7	TOTAL DEMAND ADJUSTED	OMPPHDA 337,474	12,551	324,923
8	USE ENERGY	OMPPHEA 10,271	529	15,742
9	UE ENERGY	OMPPHEA 2,552	2,552	0
10	OTHER ENERGY	OMPPHEA 97,461	3,134	94,327
11	TOTAL ENERGY ADJUSTED	OMPPHEA 110,284	6,165	110,519
12	TOTAL PURCHASED POWER ADJ'D	OMPPPTOA 454,551	19,116	435,435
13	TOTAL LOAD DISPATCH ADJ'D	OMPLDTA 2,387	63	2,324
	OTHER PROD EXP & CR	TO36		
14	TOTAL DEFERRED FUEL	OMPPDFT 0	0	0
15	TOTAL NUCLEAR RESERVE	OMPPNRT 0	0	0
16	TOTAL APK GS SETT - M33	OMPPHST -186,311	0	-186,311
17	TOTAL GS DEFERRAL - MO	OMPPHRT -2,700	-2,700	0
18	TOTAL OTHER EXPENSE - DEMAND	OMPPDST 13,767	365	13,402
19	TOTAL OTHER EXPENSE - ENERGY	OMPPDET 5,160	165	4,995
20	TOT OTHER PROD EXP & CR ADJ'D	OMPPPTOA -170,942	-2,167	-168,775
21	TOTAL PRODUCTION ADJUSTED	OMPTOA 743,555	31,339	712,216
22	TOTAL TRANSMISSION ADJUSTED	OMTTA 6,247	126	5,921
23	TOTAL DISTRIBUTION ADJUSTED	OMDTA 30,364	1,314	31,050
24	TOTAL CUSTOMER ACCOUNTING ADJ'D	OMCATADJ 12,580	643	11,937
25	TOTAL CUSTOMER SERVICES ADJ'D	OMSTCA 4,126	72	4,054
26	TOTAL SALES EXP ADJUSTED	OMSTCA 2,112	55	2,057
27	TOTAL ADMIN & GENERAL ADJUSTED	OMASTCA 93,604	3,403	90,201
28	TOTAL O & M EXPENSE ADJUSTED	OMTOA 901,455	37,003	864,452

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1956
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y .	TOTAL NO RETAIL	ALL OTHER
	EXPENSES				
	DEPRECIATION EXPENSE	T03D T043			
1	TOTAL PRODUCTION EXPENSE	DXPTD 001	67,745	1,795	65,950
	TRANSMISSION EXPENSE	T034			
	SUBSTATION EXPENSE	T035			
2	STEP UP	DXTSSU 001	552	15	537
3	POWER SUPPLY	DXTSPS 002	4,374	90	4,284
4	TOTAL SUBSTATION EXPENSE	DXTSTO	4,926	104	4,822
5	TOTAL LINE EXPENSE	DATLTO 002	9,319	155	9,164
6	TOTAL TRANSMISSION EXPENSE	DXTTO	13,945	259	13,686

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
EXPENSES					
	DEPRECIATION EXPENSE	T033 T041			
	DISTRIBUTION EXPENSE	T037			
	SUBSTATION EXPENSE	T035			
1	DIRECT-AR	DXDSDA PLOSDA	419	0	419
2	DIRECT-MO	DXDSDM PLOSDM	8	0	8
3	DIRECT	DXDSD	427	0	427
4	RETAIL GENERAL-AR	DXDSAGA D03A	3,199	0	3,199
5	RETAIL GENERAL-MO	DXDSAGM D03M	191	191	0
6	RETAIL GENERAL	DXDSAG	3,390	191	3,199
7	TOTAL SUBSTATION EXPENSE	DXDSTO	3,817	191	3,626
	LINE EXPENSE	T036			
8	DIRECT-AR	DXDLDA PLOLDA	49	0	49
9	DIRECT-MO	DXDLDM PLOLDM	6	0	6
10	DIRECT	DXDLG	55	0	55
	RETAIL GENERAL	T039			
11	PRIMARY DEMAND-AR	DXLRGPA D04A	3,243	0	3,243
12	PRIMARY DEMAND-MO	DXLRGPM D04M	149	149	0
13	PRIMARY DEMAND	DXLRGPD	3,392	149	3,243
14	PRIMARY CUSTOMER-AR	DXLRGPCA C03A	5,039	0	5,039
15	PRIMARY CUSTOMER-MO	DXLRGPCM C03M	265	265	0
16	PRIMARY CUSTOMER	DXLRGPC	5,304	265	5,039
17	SECONDARY DEMAND-AR	DXLRGSDA D05A	540	0	540
18	SECONDARY DEMAND-MO	DXLRGSDM D05M	25	25	0
19	SECONDARY DEMAND	DXLRGSD	565	25	540
20	SECONDARY CUSTOMER-AR	DXLRGSCA C04A	2,629	0	2,629
21	SECONDARY CUSTOMER-MO	DXLRGSCM C04M	124	124	0
22	SECONDARY CUSTOMER	DXLRGSC	2,753	124	2,629
23	RETAIL GENERAL	DXLRG	12,114	563	11,551
24	TOTAL LINE EXPENSE	DXDLTO	12,169	563	11,606
	LINE TRANSFORMER EXPENSE	T038			
25	DIRECT-AR	DXDTDA PLOTDA	7	0	7
26	DIRECT-MO	DXDTDM PLOTDM	1	0	1
27	DIRECT	DXDTG	8	0	8
	RETAIL GENERAL	T039			
28	DEMAND-AR	DXDTRDA D07A	2,177	0	2,177
29	DEMAND-MO	DXDTRDM D07M	74	74	0
30	DEMAND	DXDTRGD	2,251	74	2,177
31	CUSTOMER-AR	DXDTRCA C04A	2,422	0	2,422
32	CUSTOMER-MO	DXDTRCM C04M	97	97	0
33	CUSTOMER	DXDTRC	2,519	97	2,422
34	RETAIL GENERAL	DXDTAG	5,170	171	4,999
35	TOTAL LINE TRANSFORMER EXPENSE	DXDTTO	5,178	171	5,007

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEPRECIATION EXPENSE	TJ33 TJ43		
	DISTRIBUTION EXPENSE			
	SERVICE EXPENSE	TJ37 TJ44		
1	RET GENL-CUSTOMER-AR	DXSERGCA C369A	2,030	0
2	RET GENL-CUSTOMER-MO	DXSERGCM C369M	64	64
3	RETAIL GENERAL-CUSTOMER	DXDSERGC	2,094	64
4	TOTAL SERVICES EXPENSE	DXDSETO	2,094	64
	METER EXPENSE	TJ39		
5	DIRECT-AR	DXDMDA PLOMDA	3	0
6	DIRECT-MO	DXDMDM PLOMDM	1	0
7	DIRECT	DXDMO	4	0
8	RET GENL-CUSTOMER-AR	DXDMR3CA C370A	1,640	0
9	RET GENL-CUSTOMER-MO	DXDMRGCM C370M	62	62
10	RETAIL GENERAL-CUSTOMER	DXDMRGC	1,702	62
11	TOTAL METER EXPENSE	DXDMTO	1,706	62
12	TOTAL INST COST PREMISE	DXDCPTO C01	422	11
	STREET LIGHT EXPENSE	TJ37		
13	ARKANSAS	DXDSL4 S014	712	0
14	MISSOURI	DXDSL4 S014	67	67
15	TOTAL STREET LIGHTS	DXDSLTO	779	67
16	TOTAL DISTRIBUTION EXPENSE	DXDT2	24,165	1,129

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
EXPENSES					
	DEPRECIATION EXPENSE	T030 T043			
	GENERAL EXPENSE	T045			
1	LABOR	DXGL LOMTOA	1,051	35	1,016
2	PRODUCTION	DXGP DD1	247	7	240
3	TRANSMISSION	DXGT PLTTGA	310	7	309
4	DISTRIBUTION	DXGD PLOTGA	329	15	314
5	CUSTOMER SERVICES	DXGCS CMGSTGA	5	0	5
6	STORES	DXGST MSTGA	22	1	21
7	TOTAL GENERAL EXPENSE	DXGTO	1,770	65	1,707
	AMORTIZATION EXP-INTANGIBLES	T090			
8	MISC-MSS COMPUTER SOFTWARE	DXAEC PLTCAEXI	1,210	30	1,174
9	MISC-ISES I SYNCHRONIZATION	DXAEISES DDTAW	467	0	467
10	MISC-22-314-U, 60 MO.	DXPEMSS PLTCAEXI	370	11	357
11	MISC-MSS COMP S/W CMS	DXACMS DD1	321	9	312
12	MISC-22STEC S/W CEST	DXAMIST PLTTGA	135	3	132
13	MISC-STREAM GEN CL PROC	DXASGCP DD1	219	27	192
14	MISC-22-314-U, 48 MO.	DXA4EM PLTCAEXI	457	14	443
15	TOTAL AMORTIZATION INTANG	DXAATO	3,757	99	3,658
16	TOTAL DEPRECIATION EXPENSE	DXTD	113,612	3,176	110,236
17	ADJUST-DEP EXP PRODU-DECOM INT	DX13DXP DD1	1,710	45	1,665
18	ADJUST-TOTAL PRODUCTION EXP	DXPTOADDJ	1,710	45	1,665
19	ADJUSTMENT-TOTAL DEPR EXPENSE	DXTCADDJ	1,710	45	1,665
20	TOTAL DEPRECIATION EXP ADJUSTED	DXTOA	115,322	3,421	111,901
DEPREC EXPENSE SUMMARY T095					
21	TOTAL PRODUCTION ADJUSTED	DXPTOA	63,455	1,541	57,014
22	TOTAL TRANSMISSION ADJUSTED	DXTTGA	13,245	209	13,056
23	TOTAL DISTRIBUTION ADJUSTED	DXTOGA	26,165	1,129	25,036
24	TOTAL GENERAL ADJUSTED	DXGTGA	1,770	65	1,707
25	TOTAL AMORTIZATION EXP-INTANG	DXAATO	3,757	99	3,658
26	TOTAL DEPRECIATION EXP ADJUSTED	DXTOA	115,322	3,421	111,901

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES				
	TAXES OTHER THAN INCOME				
	FEDERAL				
1	FICA	LOMTQA	7,542	250	7,292
2	UNEMPLOYMENT	LOMTQA	213	7	206
3	TOTAL FEDERAL		7,755	257	7,498
	STATE OF ARKANSAS				
4	UNEMPLOYMENT	LOMTQA	295	10	285
5	CAPITAL STOCK FRANCHISE	PLTQA	997	30	967
6	REGULATORY COMMISSION	RSPDAA	2,585	0	2,585
7	GROSS RECEIPTS	PLTQAEXI	26	1	25
8	TOTAL STATE OF ARKANSAS		3,903	40	3,863
	STATE OF MISSOURI				
9	UNEMPLOYMENT	LOMTQA	2	0	2
10	CAPITAL STOCK FRANCHISE	PLTQA	19	1	18
11	REGULATORY COMMISSION	RSPDAA	67	67	0
12	TOTAL STATE OF MISSOURI		88	68	20
13	TOTAL STATE		3,991	108	3,883
	LOCAL				
14	REAL & PERSONAL	PLTQA	26,553	769	25,784
15	TOTAL LOCAL		26,553	769	25,784
16	TOTAL OTHER		10	0	10
17	TOTAL TAXES OTHER THAN INCOME		38,314	1,153	37,161
18	TOTAL TAXES OTHER THAN INC ADJ		38,314	1,153	37,161

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	INCOME TAX CALCULATIONS			
1	TOTAL REVENUES ADJUSTED	1,345,865	47,549	1,301,336
2	TOTAL O & M EXPENSE ADJUSTED	901,455	37,003	864,452
3	TOTAL DEPRECIATION EXP ADJUSTED	115,322	3,421	111,901
4	TOTAL TAXES OTHER THAN INC ADJ	35,314	1,153	37,161
5	NET INCOME BEFORE INCOME TAXES	293,794	5,972	287,822

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1936
(THOUSANDS OF DOLLARS)

LINE	T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES			
INCOME TAX CALCULATIONS			
ADJUSTMENTS TO NET INCOME			
1 UNBILLED REVENUE	2,378	49	2,329
2 NUCLEAR FUEL EXPENSE	47,501	1,544	45,957
3 PRA-DEPREC EXP EX INTANG	109,825	3,277	106,548
4 PRA-TRANSPORTATION EQUIP	57	2	55
5 PROPERTY NET RESERVE ADJ	109,882	3,277	106,605
6 TAX DEPREC-PRODUCTION	-94,874	-2,620	-92,254
7 TAX DEPREC-TRANSMISSION	-15,519	-384	-15,135
8 TAX DEPREC-TRANS & DIST	-19,613	-675	-18,938
9 TAX DEPREC-DISTRIBUTION	-19,415	-256	-19,159
10 TAX DEPREC-GENERAL PLANT	-1,277	-41	-1,236
11 TAX DEPREC-LABOR RELATED	-2,562	-73	-2,489
12 TAX DEPREC-TOT PLT EX INTANG	-12,601	-376	-12,225
13 TAX DEPREC-ENERGY RELATED	-50,834	-1,652	-49,182
14 DEPREC FOR TAX PURPOSES	-223,497	-6,683	-216,814
15 SALE OF VEHICLE I.T.C.	-1	-0	-1
16 OTHER TAX CHGD-PROD PLANT	-93	-2	-91
17 OTHER TAX CHGD-TRANS PLANT	-7	-0	-7
18 OTHER TAX CHGD-DISTR PLANT	-5	-0	-5
19 OTHER TAX CHGD-GENERAL PLT	0	0	0
20 OTH TAX CHGD-TOT PLT	0	0	0
21 OTHER TAX CHGD-PLT ACCT	-95	-3	-92
22 PPPT-PRODUCTION	-94	-2	-92
23 PPPT-TRANSMISSION	-3	-0	-3
24 PPPT-DISTRIBUTION	-2	-0	-2
25 PPPT-GENERAL	0	0	0
26 PPPT-TOTAL PLANT	0	0	0
27 REAL & PER PL TX CHG WOS	-104	-3	-101
28 PENSIONS-PRODUCTION	-22	-1	-21
29 PENSIONS-TRANSMISSION	-5	-0	-5
30 PENSIONS-DISTRIBUTION	-3	-0	-3
31 PENSIONS-GENERAL	0	0	0
32 PENSIONS-TOTAL LABOR	0	0	0
33 PENS PLAN DED FOR TX PUR	-30	-1	-29
34 INTEREST ON NUCLEAR FUEL	-4,147	-135	-4,012

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE	TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES	T030		
INCOME TAX CALCULATIONS	T051		
ADJUSTMENTS TO NET INCOME	T052		
1 INC IN RES-INJUR & DAMAGES	SJICREA LOMTOA 19	1	19
2 INC IN RES-PROP INSURANCE	SJICREB PLTDTOA 3,429	118	3,311
3 INC IN RES-PENS & BENEFITS	SJICREC LOMTOA 496	16	480
4 INC IN RES-VEHICLE INSUR	SJICRED PLGECM 194	6	135
5 INC IN RES-TOTAL PLANT	SJICREE PLTOA 0	0	0
6 INCREASE IN RESERVES	SJICRE 4,138	141	3,997
7 INTEREST ON TAX DEFICIT	SJITO NINBIT 5,422	110	5,312
8 INTEREST ON NUCLEAR RES	SJINR E03 695	0	695
9 NUCLEAR RESERVE EXPENSE	SJNRE E03 -4,202	0	-4,202
10 RESERVED REVENUES	SJRR RSRDWT0A 2,357	112	2,245
11 DEFERRED FUEL COSTS	SJDFC E02 -2,366	0	-2,366
12 DEFERRED DIRECTORS' FEES	SJDFC LOMTOA -32	-1	-37
13 ALL FOR FUNDS OUR CONST	SJNAR PLTOA -1,390	-41	-1,349
14 AMORT OF GN-BLDG SALE	SJCGSP LOMTOA -217	-7	-210
15 AND SHUTDOWN EXPENSE	SJANDSO D01 -552	-15	-567
16 LEASE COST CAP ON CME	SJLCCC4 D01 93	2	91
17 REMOVAL EXPENSES	SJFNE SF02 -5,388	-432	-4,956
18 COMPUTER SOFTWARE CAP	SJCSO PLTOAEXI -2,991	-59	-2,932
19 INT CHGS-DECOMMISS	SJTICD D01 -1,710	-45	-1,665
20 INT CHGS-OTHER	SJTICD RST0A -149,160	-4,395	-144,765
21 INT CHGS-APFC	SJINAR PLTOA 4,231	127	4,231
22 TOTAL INT CHARGES	SJTIC -147,510	-4,311	-142,199
23 AMORT OF INTANG PLT-ISES	SJAIP1 D01AW 467	0	467
24 AMORT OF INT PLT-BE-B14-U	SJAIP2 PLTOAEXI 535	25	510
25 CONSTRUCTION POWER-MPSL	SJCPML E01 -29	-1	-28
26 INTERCO SALES	SJIS PLTOA 353	11	352
27 MISC INTANG PLANT	SJMIP PLTOAEXI -509	-13	-591
28 ACRS RETIREMENT LOSSES	SJARL PLTOA -468	-21	-447
29 INTEREST ON DECOMMISS	SJIOD D01 1,710	45	1,665
30 AMORT OF COMPUTER SW	SJACS PLTOAEXI 1,666	30	1,616
31 AMORT BK GAINS-WEST KMM	SJABGM SFWMS -5	-0	-5
32 AMORT BK GAINS-AND BLDGS	SJABGAND D01 -92	-2	-90
33 INTEREST ON PCD	SJIOPCR D01 17	0	17
34 BOOK DEPR ON NACC MINING EQ	SJBNACC E01 1,362	44	1,318
35 NUCL REFUEL MAINT-AND 2	SJNRM E01 -4,426	-144	-4,282
36 TAX ACCURAL	SJTYI D01 -349	-9	-340
37 AMORT OF STEAM GEN DEV	SJASSO E01 519	27	792

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T050			
	INCOME TAX CALCULATIONS	T051			
	ADJUSTMENTS TO NET INCOME	T052			
1	APK WHSL- ER-#1-577	SJAW51 S21577	-900	0	-900
2	SS1 COST OVER/UNDER RECOV	SJSGOUR C01	3,039	32	3,007
3	INVENTORY DEFERRAL SS1 SETTLE	SJISGGS C01	3,421	91	3,330
4	SS1 RESERVE EQUAL CR	SJSSREC D01	2,550	65	2,485
5	RESERVE FOR CONTINGENCIES	SJRFC D01	13,978	370	13,608
6	STEAM GEN PRIC DEV	SJSGPD E01	-25	-1	-24
7	INVENTORY SHARE DEF-SS1 SET	SJISDGS D01	-118,481	-3,150	-115,331
8	CURRENT RECOV SHARE DEF-SS1	SJCRSDGS D01	-95,321	-2,606	-92,715
9	SS1 - DEF APK WHSL	SJSGDAW S00W	3,457	0	3,457
10	SS1 - DEF MO RETAIL	SJSGDMR C01M	-2,700	-2,700	0
11	ACT SIO SUP REF REV	SJACT310 C01AR	905	0	905
12	ALLOWANCE FOR UNCOLLECTIBLES	SJALLFUN CMCAUA	2,145	28	2,117
13	DISEY 1 & 2	SJDISBY RSTDA	17,526	516	17,010
14	UNCOLLECTIBLE ACCOUNTS	SJUNCAC CMCAUA	-70	-1	-69
15	FMG REDEMPTION COSTS	SJFMSRC RSTDA	-3,562	-105	-3,457
16	TOTAL ADJUSTMENTS TO NET INCOME	SJANITO	-395,021	-13,885	-381,136

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1966
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	EXPENSES				
	INCOME TAX CALCULATIONS	T030 T051			
1	ADJUST-INTEREST CHARGES	PFOSSJTI SJTIC	146,510	4,311	142,199
2	-ANN INT ADJ TO RATE BASE	PFOSSJAI	-110,947	-3,269	-107,678
3	-INCREASE IN RESERVES	PFO7SJIR SJICRE	-4,132	-141	-3,991
4	-INT ON DECOMMISSIONING	PFO7SJIO D01	-1,710	-45	-1,665
5	-UNBILLED REVENUE	PFO7SJUF SF03	-2,375	-49	-2,329
6	-INT ON TAX DEFICIT	PFO7SJIT MINBIT	-5,422	-110	-5,312
7	-NUCL RESERVE EXPENSE	PFO7SJNR E03	4,209	0	4,209
8	-INT ON NUCL RESERVE	PFO7SJIN E03	-695	0	-695
9	-JEF DIRECTORS' FEES	PFO7SJDF LGMT04	39	1	37
10	-RESERVED REVENUES	PFO7SJRP RS4DWT0A	-3,057	-112	-2,945
11	-AMORT OF INTAN PLT-ISES	PFO7SJAI D01AW	-467	0	-467
12	-LEASE COST W/ CHG	PFO7SJCH D01	-93	-2	-91
13	-ARK ASL EMT-577	PFO7SJBI S21577	900	0	900
14	-SALE OF VEHICLE I.T.C.	PFO7SJSV PLGECM	1	0	1
15	-ACT 310 SUR REF REV	PFO7SJSI D01AR	-905	0	-905
16	-INTERCO SALES	PFO7SJIS PLT04	-363	-11	-352
17	-INT ON PCE'S	PFO7SJCB D01	-17	-0	-17
18	-NUCL REFUEL MNT-AND2	PFO7SJRM E01	4,426	144	4,282
19	-301 PAS EQUAL CR	PFO7SJRE D01	-2,550	-68	-2,482
20	-301 COST OVER/UNDER REC	PFO7SJCO D01	-1,089	-52	-1,037
21	-INVENT JEF 301 SETTLE	PFO7SJDI D01	-3,421	-91	-3,330
22	-RESERVE FOR CONTING	PFO7SJRC D01	-13,479	-370	-13,849
23	-ALLOW FOR UNCOLLECTIBLES	PFO7SJAU CMCAUA	-2,145	-23	-2,117
24	-DISBY 1 & 2	PFO7SJGG R3T04	-17,524	-516	-17,010
25	-AFDC	PFO7SJA F PLT04	1,390	41	1,349
26	-OTH TX CHSD-PLT A/C	PFO7SJGT SJCTCPL	93	3	92
27	-PENS PLAN DED FOR TX	PFO7SJPE SJPPD	30	1	29
28	-REMOVAL EXPENSES	PFO7SJRV SF02	5,383	432	4,951
29	-FED TXS CHSD WO'S	PFO7SJRP SJRPPT	104	3	101
30	-DEFERRED FUEL COSTS	PFO7SJFC E02	2,866	0	2,866
31	-AND SHUT DOWN EXP	PFO7SJA N D01	582	13	567

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES				
	INCOME TAX CALCULATIONS	T030		
		T031		
	ADJUSTMENTS TO NET INCOME	T052		
1	ADJUST-AMORT ON ON SL-BLOS	PF07SJAG LOMTOA	217	7
2	-AMORT BK UN-WMSC	PF07SJAM SFAMSC	5	0
3	-AMORT BK ON-AND BLOS	PF07SJAB D01	22	2
4	-COMPUTER SOFTWARE	PF07SJCS PLTOAEXI	2,491	39
5	-FISC INTANG PLT	PF07SJAI PLTCAEXI	609	13
6	-STEAM GEN PROC DEV	PF07SJSS E01	25	1
7	-INV SHARE DEF-GG1 SETTLE	PF07SJSD D01	113,851	3,150
8	-CUR REC SHARE DEF-GG1	PF07SJCR D01	98,321	2,506
9	-GG1-DEF ARK WHSLE	PF07SJAW SDOW	-3,457	0
10	-TMI ACCURAL	PF07SJTM D01	349	9
11	-UNCOLLECT ACCTS	PF07SJUA OMCAUA	70	1
12	-FMB REDEMP COSTS	PF07SJFM RATOA	3,568	105
13	-CONSTRUCT PWR	PF07SJCP E01	24	1
14	-ACRS RETIRE LOSSES	PF07SJAC PLDTOA	468	21
15	-NUCL FUEL INT CAP	PF07SJNF E01	4,147	135
16	-PROP RET RES DECOM INT	PF13SJPR D01	1,710	45
17	TOTAL PROFORMA ADJ TO NET INC	SJANITOA	221,652	6,246
18	TAXABLE INCOME	SJTITO	120,425	-1,867
				122,092

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER		
	EXPENSES					
	INCOME TAX CALCULATIONS	TC30 T051				
	STATE INCOME TAX	T053				
1	TAXABLE INCOME	SJTITO	120,425	-1,007	122,092	
2	TOTAL STATE TAXABLE INCOME	SJSTTITO	120,425	-1,007	122,092	
3	STATE INCOME TAX BEF ADJ(3.06%)	ITST	3,655	-51	3,736	
4	ARKANSAS TAX RATE	SJATR	PLTOA	-132	-4	-128
5	INTEREST ON CAIP	SJSTICW	PLTOA	154	5	159
6	VEHICLE I.T.C.	SJVITCS	PLGECM	0	0	0
7	PRIOR YR ADJUSTMENT	SJSPYA	PLTOA	-4,422	-131	-4,291
8	ADJUST-INT ON CAIP STATE	PF05SJST	PLTOA	-164	-5	-159
9	-AP TX PT	PF07SJSA	PLTOA	132	4	128
10	-VEHICLE ITC	PF07SJVS	PLGECM	0	0	0
11	-PRIOR YR ADJUST	PF07SJPS	PLTOA	4,422	131	4,291
12	TOTAL STATE INCOME TAX	ITSTTO	3,695	-51	3,736	

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES				
	INCOME TAX CALCULATIONS	T030		
		T031		
	FEDERAL INCOME TAX	T034		
1	TAXABLE INCOME	SJTITO	128,425	122,092
2	STATE INCOME TAX	ITSTFIC	-3,685	-3,736
3	PREFERRED DIVIDENDS PAID	SJFTDPD PLTOA	-133	-131
4	TOT FED TAXABLE INCOME	SJFTT0I	118,505	113,225
5	FED INC TAX 35% ADJ(40%)	SJFTTX0	46,642	47,290
6	ARKANSAS TAX RATE	SJATRF PLTOA	62	60
7	INVESTMENT TAX CREDIT	SJITCF PLTOAEXI	-11,693	-11,344
8	PROV FOR CONTINGENCIES	SJFTPC NINBIT	300	294
9	INTEREST ON CWIP	SJFTICW PLTOA	1,193	1,158
10	VEHICLE I.T.C.	SJVITCF PLGECM	0	0
11	PRIOR YEAR ADJUSTMENT	SJFPYA PLTOA	-37,780	-36,653
12	ADJUST-INT ON CWIP FEDERAL	PF03SJFD PLTOA	-1,193	-1,158
13	-EXP TX RT	PF07SJFA PLTOA	-62	-60
14	-VEHICLE ITC	PF07SJVF PLGECM	0	0
15	-PROV FOR CONTING	PF07SJPC NINBIT	-300	-294
16	-PRIOR YR ADJUST	PF07SJPF PLTOA	37,750	36,655
17	-PRIOR YR ADJ-ITC	PF07SJPI PLTOAEXI	195	179
18	-ITC	PF07SJFI PLTOAEXI	11,508	11,155
19	TOTAL FEDERAL INCOME TAX	ITSTT0	46,442	47,290
20	TOTAL INCOME TAX	ITTO	50,327	51,026

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-OP	T056		
	GG1 OVER/UNDER RECOV	T117		
1	FEDERAL	IT0T0URF 001	805	754
2	STATE	IT0T0URS 001	111	103
3	TOTAL GG1 OVER/UNDER RECOV	IT0T0UR	916	857
	GG1 CLR OVER/UNDER RECOV	T119		
4	FEDERAL	IT0TNLOF 000W	76	76
5	STATE	IT0TNLOS 000W	10	10
6	TOTAL CLR OVER/UNDER RECOV	IT0TNLO	86	86
	GG1 BENTON OVER/UNDER RECOV	T120		
7	FEDERAL	IT0TB0F 000W	15	15
8	STATE	IT0TB0S 000W	2	2
9	TOTAL BENTON OVER/UNDER RECOV	IT0TB0	17	17
	GG1 PARASGOLD OVER/UNDER RECOV	T121		
10	FEDERAL	IT0TP0F 000W	33	33
11	STATE	IT0TP0S 000W	4	4
12	TOTAL PARASGOLD O/U RECOVERY	IT0TP0	37	37
	GG1 PRESCOTT OVER/UNDER RECOV	T122		
13	FEDERAL	IT0TPROF 000W	2	2
14	STATE	IT0TPROS 000W	1	1
15	TOTAL PRESCOTT O/U RECOVERY	IT0TPRO	3	3
	GG1 NO ARK OVER/UNDER RECOV	T123		
16	FEDERAL	IT0TNAOF 000W	41	41
17	STATE	IT0TNAOS 000W	5	5
18	TOTAL NO ARK O/U RECOVERY	IT0TNAO	46	46
	NUCLEAR RESERVE & INTEREST	T076		
19	FEDERAL	IT0TNP0F 003	6,254	6,254
20	STATE	IT0TNP0S 003	361	361
21	TOTAL NUCL RES & INTEREST	IT0TNP0T	7,115	7,115
	COAL HANDLING EQUIP SALE	T071		
22	FEDERAL	IT0TCE0F 001	69	66
23	STATE	IT0TCE0S 001	13	10
24	TOTAL COAL HANDL EQ SALE	IT0TCE0T	82	76
	TAX GAIN-AND BLDG SALE	T071		
25	FEDERAL	IT0TAN0F 001	42	41
26	STATE	IT0TAN0S 001	5	5
27	TOTAL TAX GAIN-AND BLDG	IT0TAN0T	47	46

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-DR	T056		
	REMOVAL COST	T075		
1	FEDERAL	IT0TRCF SF02	54	4
2	STATE	IT0TRCS SF02	7	1
3	TOTAL REMOVAL COST	IT0TRCT	61	5
	UNBILLED REVENUE	T057		
4	FEDERAL	IT0TURF SF03	6,076	125
5	STATE	IT0TURS SF03	332	17
6	TOTAL UNBILLED REVENUE	IT0TUAT	6,414	142
	BUILDING SALE/LEASEBACK	T058		
7	FEDERAL	IT0TBSF L0MT04	55	2
8	STATE	IT0TBSS L0MT04	14	0
9	TOTAL BLDG SALE/LEASEBACK	IT0TBST	69	2
	TAX GAIN ON SALE-W. MARKHAM	T074		
10	FEDERAL	IT0TTGSF SFWMSC	4	0
11	STATE	IT0TTGSS SFWMSC	1	0
12	TOTAL TAX GN ON SALE-W MAR	IT0TTGST	5	0
	DIRECTORS FEES	T113		
13	FEDERAL	IT0TDIIF L0MT04	7	0
14	STATE	IT0TDIRS L0MT04	1	0
15	TOTAL DIRECTORS FEES	IT0TDIA	8	0
	RETAIL REV ADJUNT	T087		
16	FEDERAL	IT0TPRAF RSP0WTO4	359	14
17	STATE	IT0TPPAS RSP0WTO4	54	2
18	TOTAL RETAIL REV ADJUNT	IT0TPRAT	413	16
	REC JONESBORO	T131		
19	FEDERAL	IT0TFEUF S0WH	511	0
20	STATE	IT0TFEUS S0WH	71	0
21	TOTAL REC JONESBORO	IT0TFEJ	582	0
	UNIT PURCHASED POWER	T142		
22	FEDERAL	IT0TUPPF D01	1,121	30
23	STATE	IT0TUPPS D01	154	4
24	TOTAL UNIT PURCHASED PWR	IT0TUPP	1,275	34
	RES CONT FASB 5	T132		
25	FEDERAL	IT0TRCFE D01	15,213	403
26	STATE	IT0TRCFS D01	2,096	56
27	TOTAL RES CONT FASB 5	IT0TRCSF	17,309	459

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-OR	T055		
	LIBERALIZED DEPRECIATION	T035		
1	FEDERAL-PRODUCTION	ITOTL0FA 001	23,946	635
2	-TRANS & DISTR	ITOTL0FB PLT0TOA	1,951	67
3	-ENERGY RELATED	ITOTL0FC 501	3,520	124
4	-LABOR RELATED	ITOTL0FD LOMT0A	656	22
5	-GENERAL PLANT	ITOTL0FE PLGECM	329	11
6	-TOTAL PLT EX INTANG	ITOTL0FF PLTCAEXI	0	0
7	-TRANSMISSION	ITOTL0FG PLTTOA	4,276	130
8	-DISTRIBUTION	ITOTL0FH PL0T0A	5,523	244
9	FEDERAL	ITOTL0F	42,503	1,232
10	STATE-PRODUCTION	ITOTL0SA 001	2,145	53
11	-TRANS & DISTR	ITOTL0SB PLT0TOA	1,492	51
12	-ENERGY RELATED	ITOTL0SC 501	426	14
13	-LABOR RELATED	ITOTL0SD LOMT0A	47	2
14	-GENERAL PLANT	ITOTL0SE PLGECM	1	0
15	-TOTAL PLT EX INTANG	ITOTL0SF PLTCAEXI	0	0
16	-TRANSMISSION	ITOTL0SG PLTTOA	64	1
17	-DISTRIBUTION	ITOTL0SH PL0T0A	72	3
18	STATE	ITOTL0S	4,287	129
19	TOTAL LIBERALIZED DEPREC	ITOTL0T	46,790	1,361
	NUCLEAR FUEL NORMALIZATION	T073		
20	FEDERAL	ITOTN0VF 001	39	1
21	STATE	ITOTN0VS 001	0	0
22	TOTAL NUCLEAR FUEL NORM	ITOTN0T	39	1
	TAXES & PENSIONS CAPITALIZED	T061		
23	FEDERAL-PRODUCTION	ITOTTPA 001	72	2
24	-TRANSMISSION	ITOTTPB PLTTOA	-17	-0
25	-DISTRIBUTION	ITOTTPC PL0T0A	4	3
26	-GENERAL	ITOTTPD PLGECM	-1	-0
27	-TOTAL PLANT	ITOTTPE PLTCA	0	0
28	FEDERAL	ITOTTPF	55	2
29	STATE-PRODUCTION	ITOTTPSA 001	10	0
30	-TRANSMISSION	ITOTTPSB PLTTOA	-3	-0
31	-DISTRIBUTION	ITOTTPSC PL0T0A	1	0
32	-GENERAL	ITOTTPSD PLGECM	0	0
33	-TOTAL PLANT	ITOTTPE PLTCA	0	0
34	STATE	ITOTTPS	5	0
35	TOTAL TAXES & PENSIONS CAP	ITOTTPCT	66	2

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1985
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	EXPENSES				
	DEFERRED ITEMS	T030 T025			
	PROVISION FOR DEF INCOME TAX-DR	T056			
	DEF REV & INT (QIGBY)	T143			
1	FEDERAL	ITDTSIGF P8TOA	13,781	553	13,228
2	STATE	ITDTSIGS P8TOA	2,599	70	2,513
3	TOTAL DEF REV & INT (QIGBY)	ITDTSIG	21,370	630	20,740
	FMS REDEMPTION COSTS	T144			
4	FEDERAL	ITDTMFHF P8TOA	1,543	45	1,498
5	STATE	ITDTMFHS P8TOA	213	6	207
6	TOTAL FMS REDEMPTION COSTS	ITDTMF3	1,756	52	1,704
	INTANG PLT 82-3140	T149			
7	FEDERAL	ITDTIPF PLTCAEXI	264	8	256
8	STATE	ITDTIPS PLTCAEXI	36	1	35
9	TOTAL INTANG PLT 82-3140	ITDTIPT	300	9	291
	551 PHASE-IN CURRENT	T124			
10	FEDERAL	ITDTPICF 001	42,532	1,127	41,405
11	STATE	ITDTPICS 001	5,560	155	5,705
12	TOTAL 551 PHASE-IN	ITDTPIG	48,092	1,282	47,110
	551 INVENTORY DEFERRAL	T125			
13	FEDERAL	ITDTSIDF 001	43,543	1,494	42,049
14	STATE	ITDTSIDS 001	6,730	173	6,552
15	TOTAL 551 INVENTORY DEF	ITDTSID	50,273	1,667	48,606
	551 EXCESS CAPACITY	T126			
16	FEDERAL	ITDTSECF 001	13,346	354	12,992
17	STATE	ITDTSECS 001	1,539	49	1,770
18	TOTAL 551 EXCESS CAPACITY	ITDTSEC	15,185	402	14,783
	551 PARAGOULD PHASE-IN	T127			
19	FEDERAL	ITDTPAFF S00W	-82	0	-82
20	STATE	ITDTPAFS S00W	-12	0	-12
21	TOTAL 551 PARAGOULD PHASE-IN	ITDTPAF	-94	0	-94
	551 PARAGOULD INV DEF	T128			
22	FEDERAL	ITDTPAIF S00W	-90	0	-90
23	STATE	ITDTPAIS S00W	-12	0	-12
24	TOTAL 551 PARAGOULD INV DEF	ITDTPAI	-102	0	-102

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1996
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030		
	DEFERRED ITEMS	T025		
	PROVISION FOR DEF INCOME TAX-DR	T056		
	331 PRESCOTT PHASE-IN	T129		
1	FEDERAL	IT0TPRF S00W	78	78
2	STATE	IT0TPRS S00W	10	10
3	TOTAL 331 PRESCOTT PHASE-IN	IT0TPR	88	88
	331 PRESCOTT INV DEF	T130		
4	FEDERAL	IT0TPRI S00W	90	90
5	STATE	IT0TPRI S00W	12	12
6	TOTAL 331 PRESCOTT INV DEF	IT0TPRI	102	102
	331 MO RETAIL	T118		
7	FEDERAL	IT0TMRP S01M	1,220	0
8	STATE	IT0TMRP S01M	155	0
9	TOTAL 331 MO RETAIL	IT0TMR	1,368	0
	331-MO ARK PHASE-IN	T145		
10	FEDERAL	IT0TMRP S00W	19	19
11	STATE	IT0TMRP S00W	3	3
12	TOTAL 331-MO ARK PHASE-IN	IT0TMR	22	22
	331-MO ARK INV DEF	T146		
13	FEDERAL	IT0TMRP S00W	22	22
14	STATE	IT0TMRP S00W	3	3
15	TOTAL 331-MO ARK INV DEF	IT0TMR	25	25
	331-NLR PHASE-IN	T147		
16	FEDERAL	IT0TNLP S00W	-673	-673
17	STATE	IT0TNLP S00W	-23	-23
18	TOTAL 331-NLR PHASE-IN	IT0TNLP	-746	-756
	331-NLR INV DEF	T148		
19	FEDERAL	IT0TNLP S00W	-725	-725
20	STATE	IT0TNLP S00W	-100	-100
21	TOTAL 331-NLR INV DEF	IT0TNLP	-825	-825

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-CP	T054		
	GGI-BENTON PHASE-IN	T149		
1	FEDERAL	ITDT3EPF S00W	-113	0
2	STATE	ITDT3EPS S00W	-16	0
3	TOTAL GGI-BENTON PHASE-IN	ITDT3EP	-129	0
	GGI-BENTON INV DEF	T150		
4	FEDERAL	ITDT3EIF S00W	-122	0
5	STATE	ITDT3EIS S00W	-17	0
6	TOTAL GGI-BENTON INV DEF	ITDT3EI	-139	0
	DEFERRED FUEL	T059		
7	FEDERAL	ITDT0FF E02	-17,153	0
8	STATE	ITDT0FS E02	-2,363	0
9	TOTAL DEFERRED FUEL	ITDT0FT	-19,516	0
	COMPUTER SOFTWARE CAP	T091		
10	FEDERAL	ITDT0SCF PLTQAEXI	1,294	39
11	STATE	ITDT0SCS PLTQAEXI	175	5
12	TOTAL COMP SOFTWARE CAP	ITDT0SCT	1,472	44
	STEAM GEN PROCESS	T114		
13	FEDERAL	ITDT5,PF E01	11	0
14	STATE	ITDT5,PS E01	1	0
15	TOTAL STEAM GEN PROCESS	ITDT5,P	12	0
	PROV FOR DEFERRED INC TAX	T093		
16	FEDERAL	ITDTFTO	152,445	5,479
17	STATE	ITDTSTO	23,569	852
18	TOTAL PROV FOR DEF INC TAX	ITDTT	206,017	7,331

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE	TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
****EXPENSES****	T030		
DEFERRED ITEMS	T025		
PROVISION FOR DEF INCOME TAX-DE	T056		
ADJUSTMENTS - FEDERAL:	T159		
1 551 OVER/UND RECOV	PF07FE0U D01	-505	-734
2 551 NLR O/U RECOV	PF07FENL S00W	-76	-76
3 551 BENTON O/U REC	PF07FEEB S00W	-15	-15
4 551 PARASGOLD O/U REC	PF07FEPO S00W	-33	-33
5 551 PRESCOTT O/U RECOV	PF07FEPR S00W	-2	-2
6 551 NO ARK O/U RECOV	PF07FENA S00W	-41	-41
7 NUCLEAR RESERVE	PF07FENR E03	-6,254	-6,254
8 COAL MNDL EV SALE	PF07FECH D01	-2	-64
9 TX SALEM AND BLOS SALE	PF07FEAN D01	-42	-41
10 REMOVAL COST	PF07FERC SFG2	-54	-50
11 UNBILLED REV	PF07FEUR SFG3	-6,076	-5,951
12 BLOS SALE	PF07FEES LOMTOA	-55	-53
13 WEST WARKHAM SC	PF07FEWM SFAMSC	-4	-4
14 DIRECTORS FEES	PF07FEDI LOMTOA	-7	-7
15 RETAIL REV ADJUNT	PF07FERK RSKWTOA	-339	-375
16 REC JONESBORO	PF07FEFE S00W	-511	-511
17 UNIT PURCHASED PW4	PF07FEUP D01	-1,121	-1,031
18 RES COST PASS 5	PF07FEFE D01	-15,213	-14,810
19 DEF REV & INT(DISBY)	PF07FEES RBTGA	-15,781	-13,223
20 FMS ACUMPT COSTS	PF07FEFM RBTGA	-1,543	-1,492
21 PR YR ADJ LIE DEPREC	PF07FEPLD ITCTLOF	-5,776	-5,609
22 MO ST TX CHS LIBER DEPREC	PF07FEPLD ITCTLOF	902	876
23 MO ST TX EFF NGRM NF	PF07FEVN E01	-39	-38
24 TX & PENS CAPITAL	PF07FEYP ITCTTPCF	-58	-56
25 INT PLY 23-3140	PF07FEYP PLTCAEXI	-264	-256
26 551 PHASE-IN CURF	PF07FEPI D01	-42,532	-41,405
27 551 INVENT DEF	PF07FEPI D01	-43,543	-47,549
28 551 EXCESS CAPACITY	PF07FEPI D01	-15,740	-12,792
29 551 PARASGOLD PH-IN	PF07FEPP S00W	32	42
30 551 PARASGOLD INV DEF	PF07FEPA S00W	90	90
31 551 PRESCOTT PH-IN	PF07FEPS S00W	-73	-73
32 551 PRESCOTT INV DEF	PF07FEPI S00W	-90	-90
33 551 NO ARK PH-IN	PF07FENP S00W	-19	-19
34 551 NO ARK INV DEF	PF07FENI S00W	-22	-22
35 551 NLR PH-IN	PF07FEPH S00W	673	673
36 551 NLR INV DEF	PF07FEIN S00W	729	729
37 551 BENTON PH-IN	PF07FEIP S00W	113	113
38 551 BENTON INV DEF	PF07FEII S00W	122	122
39 MO ST TX RT-551 MC RET	PF07FEIR D01W	41	0

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1956
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	EXPENSES	T030			
	DEFERRED ITEMS	T025			
	PROVISION FOR DEF INCOME TAX-DEF	T056			
	ADJUSTMENTS - FEDERAL:	T139			
1	DEFERRED FUEL	PF07FEDF E02	17,153	0	17,153
2	COMPUTER S/W CAPIT	PF07FHCS PLTCAEX1	-1,244	-39	-1,255
3	STEAM GEN PROCESS	PF07FESG EG1	-11	-0	-11
4	LIE DEPR CHG IN FED TX RT	PF07FLWG ITDTLDF	-4,703	-142	-4,755
5	SS1 MO RET FED TX RT	PF07FG4C D01M	-165	-165	0
6	LIE DEPR FD EFF ST TX CHG	PF07FLST ITDTLDF	-101	-3	-98
7	SS1 MO RET FD EFF ST TX CHG	PF07FGST D01M	-3	-3	0
8	ADJUST-DEF INC TAXES FEDERAL	PF07DTFN	-143,735	-4,440	-144,295

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1996
(THOUSANDS OF DOLLARS)

LINE	TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES	T030		
DEFERRED TAXES	T025		
PROVISION FOR DEF INCOME TAX-DR	T056		
ADJUSTMENTS - STATES:	T140		
1 001 O/U RECOV	PF07SECU D01	-111	-3
2 001 NLR O/U RECOV	PF07SENL SDCW	-10	0
3 001 BENTON O/U RECOV	PF07SEPS SDCW	-2	0
4 001 PARAGOULD O/U RECOV	PF07SEPO SDCW	-4	0
5 001 PRESCOTT O/U RECOV	PF07SEPR SDCW	-1	0
6 001 NO ARK O/U RECOV	PF07SENA SDCW	-5	0
7 NUCLEAR RESERVE	PF07SENR E03	-561	0
8 COAL INCL EL SALE	PF07SECH D01	-10	-0
9 TX SH-AND BLDG SALE	PF07SEAN D01	-5	-3
10 REMOVAL COST	PF07SERC SFC0	-7	-1
11 UNBILLED REV	PF07SEUR SFC0	-232	-17
12 BLDG SALE	PF07SESS LOMT04	-14	-0
13 WEST MARKHAM SC	PF07SEWM SFWMSC	-1	-0
14 DIRECTORS FEES	PF07SEDI LOMT04	-1	-0
15 RETAIL REV ADJUNT	PF07SERR RSFOWT04	-54	-2
16 REC JONESBORO	PF07SEFE SDCW	-71	0
17 UNIT PURCHASE PWR	PF07SEUP D01	-154	-4
18 RES CONT FASB: S	PF07SEPB D01	-2,096	-56
19 DEF REV & INT(CIGRY)	PF07SEDS RT04	-2,589	-76
20 FHE REDEMPT COSTS	PF07SEFM RT04	-213	-6
21 LIA DEPREC	PF07SELD ITOTLDS	-4,045	-123
22 PR YR ADJ LIA DEPREC	PF07SELD ITOTLDS	-24	-1
23 MO ST TX CHG LIAER DEPREC	PF07SELD ITOTLDS	2,152	65
24 TX & PENS CAPITAL	PF07SETP ITOTTPCS	-2	-0
25 INT PLT-94-3140	PF07SEIP PLT0AEXI	-36	-1
26 001 PHASE-IN CURP	PF07SEPI D01	-5,360	-155
27 001 INVENT DEF	PF07SEID D01	-5,730	-173
28 001 EXCESS CAPACITY	PF07SEEC D01	-1,839	-49
29 001 PARAGOULD PH-IN	PF07SEPP SDCW	12	0
30 001 PARAGOULD INV	PF07SEPA SDCW	12	0
31 001 PRESCOTT PH-IN	PF07SEPS SDCW	-10	0
32 001 PRESCOTT INV	PF07SEPD SDCW	-12	0
33 001 NO ARK PH-IN	PF07SENP SDCW	-3	0
34 001 NO ARK INV DEF	PF07SENI SDCW	-3	0
35 001 NLR PH-IN	PF07SEPN SDCW	93	0
36 001 NLR INV DEF	PF07SEIN SDCW	100	0
37 001 BENTON PH-IN	PF07SEBP SDCW	16	0
38 001 BENTON INV DEF	PF07SEBI SDCW	17	0
39 001 MO RETAIL	PF07SEVR D01V	-162	-162

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	TC30 TC25		
	PROVISION FOR DEF INCOME TAX-OR	TC56		
	ADJUSTMENTS - STATE:	T140		
1	MO ST TX RT-001 MO RET	PF07SMR 001M	72	0
2	DEFERRED FUEL	PF07SEDF 502	2,363	2,363
3	COMPUTER S/A CAPIT	PF07SECS PLTGAEXI	-173	-173
4	STEAM GEN PROCESS	PF07SESG 501	-1	-1
5	LIS DEPREC ST TX 3.06%	PF07SL33 ITDTLOS	253	245
6	001 MO RET ST TX 3.06%	PF07SL33 001M	3	0
7	ADJUST-DEF INC TAXES STATE	PF07DTSN	-20,904	-20,215

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL NO RETAIL	ALL OTHER
	EXPENSES	T030		
	DEFERRED ITEMS	T025		
	PROVISION FOR DEF INCOME TAX-OR	T055		
1	ADJUSTMENT-DEF INC TAX-FED	IT0TFAD	-144,735	-4,440
2	ADJUSTMENT-DEF INC TAX-STATE	IT0TSA0	-20,404	-668
3	ADJUSTMENT-TOT DEF TAX	IT0TAD	-169,639	-5,129
	PROVISION FOR DEF INCOME TAX-OR	T056		
4	FEDERAL	IT0TF0A	33,713	2,039
5	STATE	IT0TST0A	2,665	164
6	TOTAL PROVISION DEF INC TAX ADJ	IT0TT0A	36,378	2,202

-144,295
 -20,216
 -164,510

31,674
 2,501
 34,175

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	EXPENSES				
	DEFERRED ITEMS	T030 T025			
	PROVISION FOR DEF INCOME TAX-CR	T051			
	INTEREST ON TAX DEFICIT	T032			
1	FEDERAL	IT0TCITF NINBIT	-2,345	-48	-2,297
2	STATE	IT0TCITS NINBIT	-323	-7	-316
3	TOTAL INTEREST ON TAX DEF	IT0TCITT	-2,668	-54	-2,614
	GG1 OVER/UNDER RECOV	T117			
4	FEDERAL	IT0TCOUF 001	-2,141	-57	-2,084
5	STATE	IT0TCOUS 001	-295	-4	-287
6	TOTAL GG1 O/U RECOVERY	IT0TCOU	-2,436	-65	-2,371
	GG1 PARAGOULD OVER/UNDER RECOV	T121			
7	FEDERAL	IT0TCPAF S00W	-21	0	-21
8	STATE	IT0TCPAS S00W	-3	0	-3
9	TOTAL GG1 PARAGOULD O/U REC	IT0TCPA	-24	0	-24
	GG1 PRESCOTT OVER/UNDER RECOV	T122			
10	FEDERAL	IT0TCPRF S00W	-6	0	-6
11	STATE	IT0TCPRS S00W	-1	0	-1
12	TOTAL GG1 PRESCOTT O/U RECOVERY	IT0TCPR	-7	0	-7
	GG1 NO ARK OVER/UNDER RECOV	T123			
13	FEDERAL	IT0TCNAF S00A	-35	0	-35
14	STATE	IT0TCNAS S00A	-4	0	-4
15	TOTAL GG1 NO ARK O/U RECOVERY	IT0TCNA	-39	0	-39
	NUCLEAR RESERVE & INTEREST	T076			
16	FEDERAL	IT0TCNRF E03	-4,734	0	-4,734
17	STATE	IT0TCNRS E03	-553	0	-553
18	TOTAL NUCL RESERVE & INTEREST	IT0TCNRT	-5,287	0	-5,287
	DECOMMISSIONING EXPENSE	T077			
19	FEDERAL	IT0TCDEF 001	-1,544	-44	-1,500
20	STATE	IT0TCDES 001	-227	-6	-221
21	TOTAL DECOMMISSIONING EXP	IT0TCDET	-1,571	-50	-1,521
	UNBILLED REVENUE	T057			
22	FEDERAL	IT0TCURF SF03	-5,460	-174	-5,286
23	STATE	IT0TCURS SF03	-1,165	-24	-1,142
24	TOTAL UNBILLED REVENUE	IT0TCUPT	-9,525	-198	-9,429
	RETAIL REV ADJUNT	T057			
25	FEDERAL	IT0TCRPF RSRDWT0A	-392	-14	-378
26	STATE	IT0TCRRS RSRDWT0A	-54	-2	-52
27	TOTAL RETAIL REV ADJUNT	IT0TCRPT	-446	-16	-430

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MC RETAIL	ALL OTHER
	*****EXPENSES***			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-CR	T061		
	FED JONESBORO	T131		
1	FEDERAL	ITOTCFEF SDWH		
2	STATE	ITOTCFES SDWH	-513	0
3	TOTAL FED JONESBORO	ITOTCFE	-70	-513
	UNIT PURCHASED POWER	T142		
4	FEDERAL	ITOTCUPE E01		
5	STATE	ITOTCUPS E01	-2,400	-64
6	TOTAL UNIT PURCHASED PWR	ITOTCUPT	-332	-2,345
	MAINT COST-OUTAGE	T160		
7	FEDERAL	ITOTCFMC E01		
8	STATE	ITOTCFMS E01	1,914	62
9	TOTAL MAINT COST-OUTAGE	ITOTCFCT	264	1,952
	RES COMT FASE 5	T132		
10	FEDERAL	ITOTCRCE E01		
11	STATE	ITOTCRCS E01	-1,197	-32
12	TOTAL RES COM FASE 5	ITOTCRCE	-9,557	-252
	DEF REV & INT (DISBY)	T143		
13	FEDERAL	ITOTCDBF E01		
14	STATE	ITOTCDBS E01	-7,552	-223
15	TOTAL DEF REV & INT (DISBY)	ITOTCDBT	-1,044	-31
	GAIN ON SALE OF GAS PROPERTY	T079		
16	FEDERAL	ITOTCGGF PLTGAEXI		
17	STATE	ITOTCGGS PLTGAEXI	-27	-1
18	TOTAL GAIN ON GAS PROP	ITOTCGGT	-1	-26
	DEFENSE PROPERTY	T094		
19	FEDERAL	ITOTDEFF SEDTAATC		
20	STATE	ITOTDEFS SEDTAATC	-453	-12
21	TOTAL DEFENSE PROPERTY	ITOTDEFT	0	-446
	INTEREST CAP ON NUCLEAR FUEL	T060		
22	FEDERAL	ITOTCICF E01		
23	STATE	ITOTCICS E01	-472	-15
24	TOTAL INT CAP ON NUCL FUEL	ITOTCICT	-60	-457
	RECC COST OF MONEY	T052		
25	FEDERAL	ITOTCAEF E01		
26	STATE	ITOTCAES E01	-135	-4
27	TOTAL RECC COST OF MONEY	ITOTCAET	-18	-131
			-153	-149

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-CR	TC61		
	NUCLEAR FUEL NORMALIZATION	T073		
1	FEDERAL	ITOTCAFF E01	0	0
2	STATE	ITOTCAFS E01	-56	-53
3	TOTAL NORM OF NUCL FUEL	ITOTCHFT	-56	-53
	LIBERALIZED DEPRECIATION	T083		
4	FEDERAL-PRODUCTION	ITOCLOFA D01	-1,391	-1,354
5	-TRANS & DISTR	ITOCLOFB PLTDTQA	-20	-19
6	-ENERGY RELATED	ITOCLOFC E01	419	405
7	-LABOR RELATED	ITOCLOFD LOMTQA	-50	-48
8	-GENERAL PLANT	ITOCLOFE PLGECM	-2	-2
9	-TOT PLT EX INTANG	ITOCLOFF PLTQAEXI	-2,542	-2,511
10	-TRANSMISSION	ITOCLOFG PLTTQA	0	0
11	-DISTRIBUTION	ITOCLOFH PLDTQA	-72	-68
12	FEDERAL	ITOTCLOF	-3,724	-3,617
13	STATE-PRODUCTION	ITOCLOSA D01	-190	-155
14	-TRANS & DISTR	ITOCLOSB PLTDTQA	-3	-3
15	-ENERGY RELATED	ITOCLOSC E01	-912	-882
16	-LABOR RELATED	ITOCLOSD LOMTQA	-17	-16
17	-GENERAL PLANT	ITOCLOSE PLGECM	0	0
18	-TOT PLT EX INTANG	ITOCLOSF PLTQAEXI	-377	-356
19	-TRANSMISSION	ITOCLOSG PLTTQA	0	0
20	-DISTRIBUTION	ITOCLOSH PLDTQA	-1	-1
21	STATE	ITOTCLOS	-1,500	-1,453
22	TOTAL LIBERALIZED DEPREC	ITOTCLOT	-5,224	-5,071
	TAXES & PENSIONS CAPITALIZED	T069		
23	FEDERAL-PRODUCTION	ITOTTXFP D01	-479	-468
24	-TRANSMISSION	ITOTTXFT PLTTQA	-131	-122
25	-DISTRIBUTION	ITOTTXFD PLDTQA	-158	-159
26	-GENERAL	ITOTTXFG PLGECM	-4	-4
27	-TOTAL PLANT	ITOTTFP PLTQA	0	0
28	FEDERAL	ITOTCTPF	-790	-757
29	STATE-PRODUCTION	ITOTTXSP D01	-65	-63
30	-TRANSMISSION	ITOTTXST PLTTQA	-13	-13
31	-DISTRIBUTION	ITOTTXSD PLDTQA	-23	-22
32	-GENERAL	ITOTTXSG PLGECM	-1	-1
33	-TOTAL PLANT	ITOTCTPS PLTQA	0	0
34	STATE	ITOTCTPS	-107	-104
35	TOTAL TAXES & PENS CAP	ITOTCTPT	-127	-126

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030		
	DEPRECIATED ITEMS	T025		
	PROVISION FOR DEF INCOME TAX-CR	T061		
	POLLUTION CONTROL BONDS	T104		
1	FEDERAL	IT0TCPC D01	-7	-7
2	STATE	IT0TCSPC D01	-1	-1
3	TOT POLLUTION CONTROL BONDS	IT0TCPC	-8	-8
	INTANG PLT 82-3140	T029		
4	FEDERAL	IT0TCIPF PLTOAEXI	-397	-395
5	STATE	IT0TCIPS PLTOAEXI	-55	-53
6	TOTAL INTANG PLT 82-3140	IT0TCIPT	-452	-439
	INTEREST ON DEFERRED PAYABLE	T071		
7	FEDERAL	IT0TCIDF D01	-102	-99
8	STATE	IT0TCIDS D01	-14	-14
9	TOTAL INT ON DEFERRED PAYABLES	IT0TCIDT	-116	-113
	CONSTRUCTION POWER	T072		
10	FEDERAL	IT0TCCPF D01	-6	-6
11	STATE	IT0TCCPS D01	-1	-1
12	TOTAL CONSTRUCTION POWER	IT0TCCPT	-7	-7
	ISSS BOOK DEP CAP	T090		
13	FEDERAL	IT0TCIRF D014W	-75	-75
14	STATE	IT0TCIS D014W	-10	-10
15	TOTAL ISSS BOOK DEPR CAP	IT0TCIRT	-85	-85
	SS1-CITY OF PRESCOTT	T152		
16	FEDERAL	IT0TCFPR SDGW	-32	-32
17	STATE	IT0TCFPR SDGW	-5	-5
18	TOTAL SS1-CITY OF PRESCOTT	IT0TCFPR	-37	-37
	SS1 FARM/JONESBORO	T113		
19	FEDERAL	IT0TCFJR SDJF	80	80
20	STATE	IT0TCFJR SDJF	-80	-80
21	TOTAL SS1 FARM/JONESBORO	IT0TCFJ	0	0

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-CP	T061		
	DEFERRED FUEL	T059		
1	FEDERAL	ITDTCOFF E02	18,393	18,393
2	STATE	ITDTCDFS E02	2,534	2,534
3	TOTAL DEFERRED FUEL	ITDTCOFF	20,927	20,927
	COMPUTER SOFTWARE CAP	T041		
4	FEDERAL	ITDTCFCS PLT04EXI	-696	-675
5	STATE	ITDTCSS PLT04FXI	-47	-94
6	TOTAL COMPUTER S/W CAP	ITDTCOST	-743	-769
	STEAM GEN PROCESS	T114		
7	FEDERAL	ITDTCSSG E01	-281	-272
8	STATE	ITDTCSSS E01	-39	-35
9	TOTAL STEAM GEN PROCESS	ITDTCSS	-320	-310
	MIS DIT REFUND	T152		
10	FEDERAL	ITDTCMSF RBT04	-3,254	-3,337
11	STATE	ITDTCMS RBT04	0	0
12	TOTAL MIS DIT REFUND	ITDTCMS	-3,254	-3,337
	PROVISION FOR DEF INCOME TAX-CP	T061		
13	FEDERAL	ITDTCFTC	-24,731	-25,517
14	STATE	ITDTCSTC	-4,545	-4,475
15	TOTAL INCOME TAX DEFERRED-CREDIT	ITDTCFC	-29,276	-30,091

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL NO RETAIL	ALL OTHER	
	EXPENSES				
	DEFERRED ITEMS	T030 T025			
	PROVISION FOR DEF INCOME TAX-CR	T061			
	ADJUSTMENTS - FEDERAL:	T137			
1	INT ON TAX DEFICIT	PF07FE12 NINBIT	2,145	43	2,297
2	SS1 OVER/UNDER RECOV	PF07CF00 001	2,141	57	2,084
3	SS1 PARASGOLD O/U RECOV	PF07CFPA S00W	21	0	21
4	SS1 PRESCOTT O/U RECOV	PF07CFPA S00W	6	0	6
5	SS1 NOARK O/U RECOV	PF07CFNA S00W	35	0	35
6	NUCLEAR RESERVE	PF07FEN2 E03	4,734	0	4,734
7	DECOMMISS EXP	PF07FEDE 001	1,544	44	1,600
8	UNBILLED REVENUE	PF07FAU2 SPO3	3,460	174	3,636
9	RETAIL REV ADJMT	PF07FER2 ASPDNTOA	392	14	378
10	REC JONESBORO	PF07FEFJ S00W	513	0	513
11	UNIT PURCH PWR	PF07FEUS 001	2,409	24	2,345
12	MAINT COST OUTAGE	PF07FENC E01	-1,914	-62	-1,852
13	RES CONTING FASE 5	PF07CFRC 001	3,660	230	3,460
14	DEF REV & INT(DIGBY)	PF07CFDS R3T0A	7,582	223	7,359
15	SWIN ON GAS PROPERTY	PF07FEJP PLTCAEXI	27	1	26
16	DEFENSE PROPERTY	PF07CFDP SFOAATO	453	12	446
17	NO ST TX CHG INT NF	PF07CMNF E01	-15	-1	-15
18	REC COST OF MONEY	PF07CFAB 001	115	4	131
19	PR Y. ADJ LIFER DEPRE	PF07CFLD ITOTCLDF	116	3	113
20	NO ST TX CHG LIFER DEPRE	PF07CMLD ITOTCLDF	-562	-16	-552
21	TX & PENS CAPITAL	PF07CFIP ITOTCTPF	780	23	747
22	POLL CONTR BONDS	PF07FER2 001	7	0	7
23	INTANG PLT DEBIT-U	PF07CFIP PLTCAEXI	397	12	385
24	INT ON DEF PAYABLES	PF07CFID 001	102	3	99
25	CONSTR POWER	PF07CFOP E01	0	0	0
26	ISSS 2004 DEPR	PF07CFIS 001A	75	0	75
27	SS1 CITY OF PRESCOTT	PF07CFP2 S00W	32	0	32
28	SS1 FARM/JONESBORO	PF07FEJF S0JF	-20	0	-20
29	DEFERRED FUEL	PF07FEDE E02	-1,393	0	-1,393
30	COMPUTER S/W	PF07CFOS PLTCAEXI	696	21	675
31	STEAM GEN PROCESS	PF07CFSG E01	281	0	272
32	435 DIT REFUND	PF07CFIX R3T0A	3,254	117	3,137
33	INT CAP NF CHG FD TX PT	PF07FCI4 E01	64	2	62
34	INT CAP NF REC EFF ST TX CHG	PF07FCIT E01	1	0	1
35	ADJUST-DEF INC TAXES CR FEDERAL	PF07DCFN	25,132	931	24,151

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LIVE	TOTAL C O M P A N Y	TOTAL NO RETAIL	ALL OTHER	
EXPENSES	T030			
DEFERRED ITEMS	T035			
PROVISION FOR DEF INCOME TAX-CR	T051			
ADJUSTMENTS - STATE:	T140			
1 INT ON TX DEFICIT	PF07SE12 NINBIT	323	7	316
2 551 OVER/UNDER RECOV	PF07CS0U D01	245	3	237
3 551 PARASOULD O/U RECOV	PF07CS0A S00W	3	0	3
4 551 PRESCOTT O/U RECOV	PF07CS0R S00W	1	0	1
5 551 AD APP O/U RECOV	PF07CS0A S00W	4	0	4
6 NUCLEAR RESERVE	PF07SE12 E01	653	0	653
7 DECOMMISS EXP	PF07SE0E D01	227	6	221
8 UNBILLED REVENUE	PF07SE02 SF03	1,166	24	1,142
9 RETAIL REV ADJUNT	PF07SE02 PSRD4TOA	54	2	52
10 REC JONESBORO	PF07SE0J S00W	70	0	70
11 UNIT PURCH PWR	PF07SE03 D01	332	9	323
12 MAINT COST OUTAGE	PF07SE0C E01	-264	-9	-255
13 RES CONTING PASS S	PF07CS0C D01	1,197	32	1,165
14 DEF REV : INT(DIBBY)	PF07CS05 PST04	1,044	51	1,013
15 GAIN ON GAS PROP	PF07SE0P PLT04EXI	1	0	1
16 MO ST TX CHG INT NF	PF07M3NF E01	35	1	34
17 AECG COST OF MONEY	PF07CS0A E01	13	0	13
18 NUCL FUEL NORM	PF07CS0N E01	26	3	23
19 LISEK DEPRFC	PF07SE02 IT0TCL0S	1,449	47	1,452
20 PR YR 40J LISEK DEPRFC	PF07CS0D IT0TCL0S	1	0	1
21 MO ST TX CHG LISEK DEPRFC	PF07M3LD IT0TCL0S	-265	-5	-257
22 TX S PENS CAPITAL	PF07CS0P IT0TCL0S	107	3	104
23 POLL CONTR JONDS	PF07SE02 D01	1	0	1
24 INTONJ PLY 52-314-U	PF07CS0P PLT04EXI	55	2	53
25 INT ON DEF PAYABLES	PF07CS0D D01	14	0	14
26 CONSTR PWR	PF07CS0P E01	1	0	1
27 ISSD BOOK JEFF	PF07CS0S D01AW	10	0	10
28 551 PRESCOTT	PF07CS0P S00W	5	0	5
29 551 FARM/JONESBORO	PF07SE0J S00W	20	0	20
30 DEFERRED FUEL	PF07SE02 E01	-2,534	0	-2,534
31 COMPUTER S/W	PF07CS0S PLT04EXI	97	3	94
32 STEAM GEN PROCESS	PF07CS0S E01	39	1	38
33 INT CAP NF ST TX 3.06%	PF07CS0S E01	-3	-0	-3
34 ADJUST-DEF INC TAXES CR STATE	PF07CS0N	4,352	151	4,191

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T035		
	PROVISION FOR DEF INCOME TAX-CR	T061		
1	ADJUSTMENT-DEF TAX CR-FED	ITOTCF4	25,132	981
2	ADJUSTMENT-DEF TAX CR STATE	ITOTCS4	4,352	161
3	ADJUSTMENT-TOT DEF TAX CREDIT	ITOTC4	29,484	1,142
	PROVISION FOR DEF INCOME TAX-CR	T061		
4	FEDERAL	ITOTCF4	-4,599	-134
5	STATE	ITOTCS4	-293	-9
6	TOTAL INCOME TAX DEF-CREDIT ADJ	ITOTCT04	-4,892	-143
	INVESTMENT TAX CREDIT - FEDERAL	T026		
7	INVEST TAX CREDIT PROVISION	ITITCPRV PLT0AEXI	11,503	343
8	ALLOCATION TO CURRENT YEAR INC	ITITCACY PLT0AEXI	-1,327	-41
9	TOTAL INVESTMENT TAX CREDIT	ITITCT0	10,176	302
10	ADJUST-ITC AMORTIZATION	PA07ITC PLT0AEXI	-11,503	-343
11	TOTAL INVEST TAX CREDIT ADJ	ITITCT0A	-1,327	-41
12	TOTAL OPER EXPENSES ADJUSTED CREDIT		1,135,517	42,896
				1,592,021

Missouri Study
34% Federal Tax Rate

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ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE	T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
RATE BASE			
1 PLANT IN SERVICE	3,515,909	104,399	3,411,510
2 DEPRECIATION RESERVES	-942,392	-23,712	-913,680
3 ELEC PLT ACQUIS'N ADJUST	590	31	559
4 FUEL INVENTORY	22,832	742	22,090
5 MATERIALS & SUPPLIES	37,204	1,130	36,024
6 PREPAYMENTS	5,370	154	6,216
7 LIBERALIZED DEPRECIATION	-311,769	-9,294	-302,475
8 ACCUM DEF INC TAX-OTHER	0	0	0
9 INVEST TAX CREDIT - 3%	-3,505	-104	-3,401
10 INVESTMENT IN SFI	40,583	1,319	39,264
11 TOTAL RATE BASE	2,365,822	69,715	2,296,107
REVENUES			
12 RATE SCHEDULE	1,024,424	37,681	986,743
13 MSU POWER POOL SALES	219,962	6,827	213,135
14 SYSTEM SALES	67,167	2,246	66,919
15 OTHER REVENUES	35,332	793	34,539
16 MSPP/SYSTEM/OTHER REV	324,461	9,858	314,593
17 TOTAL REVENUES ADJUSTED	1,343,885	47,549	1,301,336
EXPENSES			
18 G & M EXPENSE	901,455	37,003	864,452
19 DEPRECIATION EXPENSE	115,322	3,421	111,901
20 TAXES OTHER THAN INCOME	38,314	1,153	37,161
21 INCOME TAX-FED	39,520	-549	40,069
22 INCOME TAX-ST	4,046	-50	4,102
23 PROV DEF INCOME TAX-DR-FED	28,567	1,727	26,840
24 PROV DEF INCOME TAX-DR-ST	2,926	180	2,746
25 PROV DEF INCOME TAX-CR-FED	-4,535	-131	-4,404
26 PROV DEF INCOME TAX-CR-ST	-295	-9	-296
27 INVESTMENT TAX CREDIT-NET	-1,327	-41	-1,346
28 TOTAL OPER EXPENSES ADJUSTED	1,123,933	42,697	1,081,235
29 OPERATING INCOME ADJUSTED	224,952	4,852	220,101
30 RATE OF RETURN	9.51	6.96	9.39
REVENUE REQUIREMENTS			
31 REQUIRED RATE OF RETURN	11.0000	11.0000	11.0000
32 REQUIRED OPER INCOME (L11XL31)	260,240	7,669	252,572
33 OPER INC DEFICIENCY (L32-L29)	35,288	2,817	32,471
34 REVENUE CONVERSION FACTOR	1.5824	1.5709	1.5834
35 REVENUE DEFICIENCY (L33XL34)	55,940	4,425	51,415
36 % INCREASE (L35/L12)	5.45	11.74	5.21
37 PROP RATE SCHED REV (L12+L35)	1,030,264	42,106	1,038,156

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1925
 (THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	***** BASE****	T000			
	PLANT IN SERVICE	T001			
1	TOTAL PRODUCTION PLANT	PLPT0 D01	2,005,353	53,222	1,955,161
	TRANSMISSION PLANT	T003			
	TRANSMISSION SUBSTATIONS	T004			
2	STEP UP	PLTSSU D01	22,714	602	22,112
3	POWER SUPPLY	PLTSPS D02	153,201	3,755	179,446
4	TOTAL SUBSTATIONS	PLTST0	205,915	4,357	201,555
5	TOTAL LINES	PLTLT0 D02	372,042	7,625	364,417
6	TOTAL TRANSMISSION PLANT	PLTT0	577,957	11,982	565,975

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	***** BASE ***				
	PLANT IN SERVICE	T000			
		T001			
	DISTRIBUTION PLANT	T006			
	DISTRIBUTION SUBSTATIONS	T007			
1	DIRECT-AR	PLDSDA	13,275	0	13,275
2	DIRECT-MO	PLDSOM	338	0	338
3	DIRECT	PLDSO	13,613	0	13,613
4	RETAIL GENERAL-AR	PLDSRGA D03A	100,889	0	100,889
5	RETAIL GENERAL-MO	PLDSRGM D03M	8,133	8,133	0
6	RETAIL GENERAL	PLDSRG	109,022	8,133	100,889
7	TOTAL SUBSTATIONS	PLDSTO	122,635	8,133	114,502
	DISTRIBUTION LINES	T008			
8	DIRECT-AR	PLDLOA	1,547	0	1,547
9	DIRECT-MO	PLLDOM	184	0	184
10	DIRECT	PLDLO	1,731	0	1,731
	RETAIL GENERAL	T009			
11	PRIMARY DEMAND-AR	DLRGPDA D04A	101,975	0	101,975
12	PRIMARY DEMAND-MO	DLRGPDM D04M	4,874	4,874	0
13	PRIMARY DEMAND	PLDLRSPD	106,850	4,874	101,975
14	PRIMARY CUSTOMER-AR	DLRGPDA C03A	156,315	0	156,315
15	PRIMARY CUSTOMER-MO	DLRGPDM C03M	7,843	7,843	0
16	PRIMARY CUSTOMER	PLDLRSPC	164,158	7,843	156,315
17	SECONDARY DEMAND-AR	DLRGSDA D05A	20,211	0	20,211
18	SECONDARY DEMAND-MO	DLRGSOM D05M	795	795	0
19	SECONDARY DEMAND	PLDLRGSO	21,006	795	20,211
20	SECONDARY CUSTOMER-AR	DLRGSDA C04A	32,036	0	32,036
21	SECONDARY CUSTOMER-MO	DLRGSOM C04M	3,708	3,708	0
22	SECONDARY CUSTOMER	PLDLRGSO	35,744	3,708	32,036
23	RETAIL GENERAL	PLDLRG	377,758	17,220	360,538
24	TOTAL LINES	PLDLTO	379,489	17,220	362,269
	LINE TRANSFORMERS	T010			
25	DIRECT-AR	PLDTDA	214	0	214
26	DIRECT-MO	PLDTOM	29	0	29
27	DIRECT	PLDTD	243	0	243
	RETAIL GENERAL	T009			
28	DEMAND-AR	PLDTRGDA D07A	67,801	0	67,801
29	DEMAND-MO	PLDTRGDM D07M	2,253	2,253	0
30	DEMAND	PLDTRGO	70,054	2,253	67,801
31	CUSTOMER-AR	PLDTRGDA C04A	57,913	0	57,913
32	CUSTOMER-MO	PLDTRGDM C04M	2,921	2,921	0
33	CUSTOMER	PLDTRGO	60,834	2,921	57,913
34	RETAIL GENERAL	PLDTRG	160,883	5,174	155,714
35	TOTAL LINE TRANSFORMERS	PLDTTO	161,131	5,174	155,957

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	T000			
	PLANT IN SERVICE	T001			
	DISTRIBUTION PLANT	T005			
	SERVICES	T011			
1	RETAIL GENERAL-CUST-AR	OSERGCA C369A	62,781	0	62,781
2	RETAIL GENERAL-CUST-MO	OSERGCM C369M	2,015	2,015	0
3	RETAIL GENERAL-CUST	PLDSERG	64,796	2,015	62,781
4	TOTAL SERVICES	PLDSETO	64,796	2,015	62,781
	METERS	T012			
5	DIRECT-AR	PLDMA	108	0	108
6	DIRECT-MO	PLDMCM	12	0	12
7	DIRECT	PLDMO	120	0	120
8	RETAIL GENERAL-CUST-AR	PLDMRGCA C370A	51,580	0	51,580
9	RETAIL GENERAL-CUST-MO	PLDMRGCM C370M	1,978	1,978	0
10	RETAIL GENERAL-CUST	PLDMRG	53,558	1,978	51,580
11	TOTAL METERS	PLDMTO	53,678	1,978	51,700
12	TOTAL INST CUST PREM	PLDCPTO D01	12,751	338	12,413
	STREET LIGHTS	T105			
13	ARKANSAS	PLDSL A S01A	22,264	0	22,264
14	MISSOURI	PLDSL M S01M	1,227	1,227	0
15	TOTAL STREET LIGHTS	PLDSL TG	23,491	1,227	22,264
16	TOTAL DISTRIBUTION PLANT	PLDTG	817,971	36,085	781,886

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1980
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	T000			
	PLANT IN SERVICE	T001			
	GENERAL PLANT	T013			
1	LABOR	PLGL LOMTOA	27,765	919	25,846
2	PRODUCTION	PLGP DO1	7,426	197	7,229
3	TRANSMISSION	PLGT PLTTOA	9,543	200	9,443
4	DISTRIBUTION	PLGO PLDTOA	10,555	467	10,118
5	CUSTOMER SERVICES	PLGCS CMCSTOA	114	2	112
6	STORES	PLGST MSTOA	526	17	509
7	ENERGY	PLGE EO1	25,023	313	24,210
8	TOTAL GENERAL PLANT	PLGTO	81,082	2,015	78,467
	INTANGIBLE PLANT	T014			
9	ORGANIZATION	PLIGR CO1	33	2	31
10	FRANCHISE	PLIFR CO2	53	3	55
11	MISC INTANG-COMP SOFTWARE	PLIMISCC CO1	223	10	213
12	MISC INTANG-TRANS SOFTWARE	PLIMISLR DO1	29	1	28
13	MISC INTANG-2SES 1 SYNCHRON	PLIMISIS DO1AW	14,004	0	14,004
14	MISC INTANG-2-314-U, 60 MOS	PLIMISMS PLTOAEXI	2,370	71	2,299
15	MISC INTANG-MSS COMP SOFTWARE	PLIMIMSS PLTOAEXI	6,122	193	5,939
16	MISC MSS COMP S/W-CMS	PLIMCSM DO1	1,603	42	1,561
17	MISC MISTEC S/W COST	PLIMMSTC PLTTOA	677	14	663
18	MISC STEAM GEN CL PROCESS	PLIMSGCP EO1	3,571	116	3,455
19	MISC 22-314-U, 60 MOS	PLIM4SM PLTOAEXI	1,326	54	1,272
20	TOTAL INTANGIBLE PLANT	PLITO	30,516	496	30,020
21	TOTAL PLANT IN SERVICE	PLTO	3,515,402	104,399	3,411,510

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	****RATE BASE****				
	PLANT IN SERVICE	T000 T001			
1	TOTAL PLANT IN SERVICE	PLT0	3,515,909	104,399	3,411,510
2	TOTAL PLANT IN SERVICE ADJUSTED	PLT0A	3,515,909	104,399	3,411,510
	PLANT SUMMARY	T093			
3	TOTAL PRODUCTION ADJUSTED	PLPT0A	2,003,383	53,222	1,955,161
4	TOTAL TRANSMISSION ADJUSTED	PLTT0A	577,957	11,932	565,975
5	TOTAL DISTRIBUTION ADJUSTED	PLDT0A	817,971	36,035	781,936
6	TOTAL GENERAL ADJUSTED	PLGT0A	61,032	2,615	58,417
7	TOTAL INTANGIBLE ADJUSTED	PLIT0A	30,516	496	30,020
8	TOTAL PLANT IN SERVICE ADJUSTED	PLT0A	3,515,909	104,399	3,411,510

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE				
	RESERVE FOR DEPRECIATION	T000 T013			
1	TOTAL PRODUCTION	DRPT0 D01	-526,564	-13,954	-512,610
	TRANSMISSION PLANT	T003			
	TRANSMISSION SUBSTATIONS	T004			
2	STEP UP	DR1SSU D01	-4,347	-128	-4,719
3	POWER SUPPLY	DR1SPS D02	-38,518	-789	-37,729
4	TOTAL SUBSTATIONS	DR1ST0	-43,365	-918	-42,447
5	TOTAL LINES	DR1L10 D02	-21,333	-1,677	-20,156
6	TOTAL TRANSMISSION	DR1T10	-125,198	-2,595	-122,603

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	RATE BASE	T000			
	RESERVE FOR DEPRECIATION	T015			
	DISTRIBUTION PLANT	T006			
	DISTRIBUTION SUBSTATIONS	T007			
1	DIRECT-AR	DRDSDA PLOSDA	-5,127	0	-5,127
2	DIRECT-MO	DRDSDM PLOSDM	-68	0	-68
3	DIRECT	DRDSD	-5,195	0	-5,195
4	RETAIL GENERAL-AR	DRDSRGA D03A	-39,107	0	-39,107
5	RETAIL GENERAL-MO	DRDSRGM D03M	-1,598	-1,598	0
6	RETAIL GENERAL	DRDSRG	-40,705	-1,598	-39,107
7	TOTAL SUBSTATIONS	DRDSTO	-45,900	-1,598	-44,302
	DISTRIBUTION LINES	T008			
8	DIRECT-AR	DRDLDA PLGLDA	-523	0	-523
9	DIRECT-MO	DRDLDM PLGLDM	-44	0	-44
10	DIRECT	DRDL	-567	0	-567
	RETAIL GENERAL	T009			
11	PRIMARY DEMAND-AR	DLRGSDA D04A	-32,783	0	-32,783
12	PRIMARY DEMAND-MO	DLRGSDM D04M	-1,109	-1,109	0
13	PRIMARY DEMAND	DLRGSD	-33,892	-1,109	-32,783
14	PRIMARY CUSTOMER-AR	DLRGSCA C03A	-55,158	0	-55,158
15	PRIMARY CUSTOMER-MO	DLRGSCM C03M	-1,950	-1,950	0
16	PRIMARY CUSTOMER	DLRGSC	-57,108	-1,950	-55,158
17	SECONDARY DEMAND-AR	DLRGSDA D05A	-6,316	0	-6,316
18	SECONDARY DEMAND-MO	DLRGSDM D05M	-179	-179	0
19	SECONDARY DEMAND	DLRGSD	-6,495	-179	-6,316
20	SECONDARY CUSTOMER-AR	DLRGSCA C04A	-27,778	0	-27,778
21	SECONDARY CUSTOMER-MO	DLRGSCM C04M	-900	-900	0
22	SECONDARY CUSTOMER	DLRGSC	-28,678	-900	-27,778
23	RETAIL GENERAL	DLRGS	-126,173	-4,133	-122,035
24	TOTAL LINES	DRDLTO	-126,740	-4,133	-122,602
	LINE TRANSFORMERS	T010			
25	DIRECT-AR	DRDTDA PLDTDA	-58	0	-58
26	DIRECT-MO	DRDTDM PLDTDM	-19	0	-19
27	DIRECT	DRDTD	-77	0	-77
	RETAIL GENERAL	T009			
28	DEMAND-AR	DRDTRGDA D07A	-13,280	0	-13,280
29	DEMAND-MO	DRDTRGDM D07M	-1,499	-1,499	0
30	DEMAND	DRDTRGD	-14,779	-1,499	-13,280
31	CUSTOMER-AR	DRDTRGCA C04A	-23,703	0	-23,703
32	CUSTOMER-MO	DRDTRGCM C04M	-1,943	-1,943	0
33	CUSTOMER	DRDTRGC	-25,646	-1,943	-23,703
34	RETAIL GENERAL	DRDTRG	-45,625	-3,442	-41,943
35	TOTAL LINE TRANSFORMERS	DRDTTO	-45,502	-3,442	-42,060

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	T000		
	RESERVE FOR DEPRECIATION	T015		
	DISTRIBUTION PLANT	T006		
	SERVICES	T011		
1	RETAIL GENERAL-CUST-AR	DCSERSCA C369A	-23,033	0
2	RETAIL GENERAL-CUST-MO	DCSERSCM C369M	-729	-729
3	RETAIL GENERAL-CUST	DCSERSCC	-23,767	-729
4	TOTAL SERVICES	DRDSETO	-23,767	-729
	METERS	T012		
5	DIRECT-AR	DRDMDA PLDMDA	-32	0
6	DIRECT-MO	DRDMDM PLDMDM	-6	0
7	DIRECT	DRDMO	-38	0
8	RETAIL GENERAL-CUST-AR	DRDMRSCA C370A	-15,177	0
9	RETAIL GENERAL-CUST-MO	DRDMRSCM C370M	-1,074	-1,074
10	RETAIL GENERAL-CUST	DRDMRSC	-16,251	-1,074
11	TOTAL METERS	DRDMTO	-16,259	-1,074
12	TOTAL INST COST PREM	DRDCPTO D01	-519	-14
	STREET LIGHTS	T106		
13	ARKANSAS	DRDSL A S01A	-7,434	0
14	MISSOURI	DRDSL M S01M	-452	-452
15	TOTAL STREET LIGHTS	DRDSLTO	-7,886	-452
16	TOTAL DISTRIBUTION	DRDOTO	-266,603	-11,447

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	RATE BASE	T000			
	RESERVE FOR DEPRECIATION	T015			
	GENERAL PLANT	T013			
1	LABOR	DRGL LOMTOA	-5,040	-157	-5,453
2	PRODUCTION	DRGP 001	-1,530	-41	-1,439
3	TRANSMISSION	DRGT PLTTOA	-2,432	-50	-2,382
4	DISTRIBUTION	DRGO PLD00A	-3,239	-143	-3,096
5	CUSTOMER SERVICES	DRGCS OMCSTOA	-53	-1	-52
6	STORES	DRGST MSTOA	-381	-12	-369
7	ENERGY	DRGE E01	-2,363	-77	-2,286
8	TOTAL GENERAL	DRGTO	-15,038	-510	-15,128
	ACCOUNT 111-	T066			
	ACCUM AMORT OF INTANG	T067			
9	FRANCHISE	DRAAF C02	-4	-0	-4
10	MISC-COMPUTER SOFTWARE-AMP	DRAAC C01	-223	-10	-213
11	MISC-TRANSLATOR SOFTWARE	DRAALR 001	-29	-1	-28
12	MISC-ISES SYNCHRONIZATION	DRAAISES D01AW	-1,556	0	-1,556
13	MISC-32-314-JJ63 MOS	DRAAMSS PLT0AEX1	-574	-26	-548
14	MISC-MSS COMPUTER SOFTWARE	DRAACS PLT0AEX1	-2,159	-64	-2,095
15	MISC-MSS COMP S/W-CMS	DRAACMS 001	-663	-13	-650
16	MISC-MISTEC S/W COST	DRAAMSTC PLTTOA	-267	-6	-261
17	MISC-STEAM GEN CL PROCESS	DRAASGCP E01	-1,087	-35	-1,052
18	MISC-32-314-JJ63 MOS	DRAAMSS2 PLT0AEX1	-1,522	-45	-1,477
19	TOTAL ACC AMORT OF INTANG	DRAATO	-1,359	-206	-1,153
20	TOTAL RES FOR DEPRECIATION	DRTO	-942,392	-28,712	-913,680
21	TOTAL DEPREC'N RESERVES ADJUST	DRTOA	-942,392	-28,712	-913,680
	DEPREC RES SUMMARY	T094			
22	TOTAL PRODUCTION ADJUSTED	DRPTOA	-528,524	-13,954	-512,010
23	TOTAL TRANSMISSION ADJUSTED	DRITOA	-125,193	-2,595	-122,803
24	TOTAL DISTRIBUTION ADJUSTED	DRD0TA	-266,803	-11,447	-255,156
25	TOTAL GENERAL ADJUSTED	DRG0TA	-15,638	-510	-15,128
26	TOTAL ACC AMORT OF INTANG ADJ	DRAATOA	-2,329	-206	-2,183
27	TOTAL DEPREC'N RESERVES ADJUST	DATOA	-942,392	-28,712	-913,680

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	T000			
	ACQUISITION ADJUSTMENT	T016			
	ELECTRIC PLANT ACQUISITION ADJ	T017			
1	PRODUCTION PLANT	AASPP 001	33	1	32
2	TRANSMISSION PLANT	AAGTP PLTTOA	32	2	30
3	DISTRIBUTION-AR	AASDPA PLDT0AA	162	0	162
4	DISTRIBUTION-MO	AASDPM PLDT0AM	16	16	0
5	DISTRIBUTION-BOTH STATES	AASDPB PLDT0A	275	12	263
6	DISTRIBUTION PLANT	AAGDP	453	28	425
7	GENERAL PLANT	AASGP PLGECM	22	1	21
8	TOTAL ACQUISITION ADJUSTMENT	AAGTO	590	31	559
	AMORTIZATION OF ACQUISITION ADJ	T018			
9	PRODUCTION PLANT-CREDIT	AACPP 001	0	0	0
10	TRANSMISSION PLANT-CREDIT	AACTP PLTTOA	0	0	0
11	DISTRIBUTION-CREDIT-AR	AACDPA PLDT0AA	0	0	0
12	DISTRIBUTION-CREDIT-MO	AACDPM PLDT0AM	0	0	0
13	DISTRIBUTION-CREDIT-BOTH STATES	AACDPB PLDT0A	0	0	0
14	DISTRIBUTION PLANT-CREDIT	AACDP	0	0	0
15	GENERAL PLANT-CREDIT	AACGP PLGECM	0	0	0
16	TOTAL AMORTIZATION - ACQ ADJ	AACTO	0	0	0
17	NET ELECTRIC PLANT ACQUISITION ADJ	AAATO	590	31	559

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1996
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	T000			
	FUEL INVENTORY	TQ55			
1	FUEL INVENTORY	FI	E01 22,832	742	22,090
2	TOTAL FUEL INVENTORY	FITO	22,832	742	22,090
3	TOTAL FUEL INVENTORY ADJ	FITQA	22,832	742	22,090
	TOTAL MATERIAL & SUPPLIES	TQ19			
4	TRANSMISSION SUBSTATIONS	MSTS	PLTSTOA 883	19	864
5	TRANSMISSION LINES	MSTL	PLTLTQA 5,423	111	5,317
6	DISTRIBUTION SUBSTATIONS	MSDS	PLDSTQ 175	12	163
7	DISTRIBUTION LINES	MSDL	PLDLTQ 2,945	134	2,811
8	METERS	MSDM	PLDMTQ 290	11	279
9	STREET LIGHTS	MSDSL	PLDSLQ 322	17	305
10	OFFICE SUPPLIES	MSOS	LQNTQA 167	6	161
11	ENERGY	MSE	E01 25,001	813	24,188
12	OTHER	MSO	PLPTDTQA 1,993	59	1,934
13	TOTAL MATERIALS & SUPPLIES	MSTO	37,204	1,180	36,024
14	TOTAL MAT'LS & SUPPLIES ADJUSTED	MSTQA	37,204	1,180	36,024

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1936
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	T000			
	PREPAYMENTS	T020			
	PREPAID TAXES	T021			
1	CAPITAL STOCK - FRANCHISE	WCPTCSF PLTOA	183	5	173
2	REGULATORY COMMISSION-AR	WCPTCCA RSRDAA	982	0	982
3	REGULATORY COMMISSION-MO	WCPTRCM RSRDMA	5	5	0
4	OTHER	WCPTOTH PLTOA	1	0	1
5	TOTAL PREPAID TAXES	WCPTTO	1,171	10	1,161
	PREPAID INSURANCE	T022			
6	PRODUCTION	WCPIP DO1	2,433	64	2,369
7	GENERAL	WCPIG PLUECM	19	1	18
8	TOTAL PLANT	WCPIP PLTOA	787	23	764
9	LABOR RELATED	WCPIIL LOMTOA	427	14	413
10	TOTAL PREPAID INSURANCE	WCPIIO	3,666	103	3,563
	MISCELLANEOUS PREPAYMENTS	T023			
11	PRODUCTION	WCPMD DO1	1,497	40	1,457
12	TRANSMISSION	WCMT PLTTGA	32	1	31
13	DISTRIBUTION	WCPMD PLBTOA	4	0	4
14	CELL	WCPME PLTOR	0	0	0
15	TOTAL MISC PREPAYMENTS	WCPMTD	1,533	41	1,492
16	TOTAL PREPAYMENTS	WCPTD	6,370	154	6,216
17	TOTAL PREPAYMENTS ADJUSTED	WCPTOA	6,370	154	6,216

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	T000			
	ACCUMULATED DEF INC TAXES	T154			
1	LIBERALIZED DEPRECIATION	DTL0T0 PLT0AEXI	-512,282	-15,272	-497,010
2	ADJUST-LIBERAL DEPR	PF07A0L3 PLT0AEXI	200,513	5,978	194,535
3	ADJUSTED LIBERALIZED DEPR	DTL0T0A	-311,769	-9,294	-302,475
4	ACCUM DEF INC TX-OTHER	DT0T0 PLT0AEXI	42,398	1,254	41,134
5	ADJUST-ACC DEF TX OTHER	PF07A0T0 PLT0AEXI	-42,398	-1,254	-41,134
5	ADJUSTED ACC DEF INC TX-OTHER	DT0T0A	0	0	0
7	INVEST TAX CREDIT - 3%	DTITC PLT0AEXI	-3,505	-104	-3,401

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	T000			
	INVESTMENT IN S F I	T024			
1	INVESTMENT IN SYS FUEL INC	SFI E01	0	0	0
2	TOTAL INVEST IN SYSTEM FUEL INC	SF1T0	0	0	0
3	ADJUSTMENT-INVEST IN SYS FUELS	PFC0ISFI E01	40,593	1,319	39,264
4	TOTAL INVEST SYS FUEL INC ADJ	SFT0A	40,583	1,319	39,264
5	TOTAL RATE BASE	RAT0	2,167,124	63,682	2,103,442
6	TOTAL ADJUSTMENTS TO RATE BASE	READJMT	195,698	6,033	192,665
7	TOTAL RATE BASE ADJUSTED	RETOA	2,365,822	69,715	2,295,107

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1976
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	REVENUES				
	T110				
	SALES REVENUES				
1	RETAIL SALES				
2	WHOLESALE SALES				
3	TOTAL RATE SCHEDULE REV				
	T111				
	RSRD	907,671	37,681	869,990	
	RSWD	116,753	0	116,753	
	RSRJWTO	1,024,424	37,681	986,743	
	MSU PWR POOL				
	T137				
4	ENERGY - EXCHANGE	RSMSPTOE E01	140,584	4,570	136,014
5	ENERGY - UNIT POWER PURCH	RSMSPTUE E01	25,583	832	24,751
6	TOTAL MSPP ENERGY	RSMSPTE	166,167	5,401	160,766
7	DEMAND - RESERVE EQUAL	RSMSPTOD D01	16,914	443	16,460
8	DEMAND - UNIT PWR PURCH	RSMSPTOU D01	36,881	477	35,904
9	TOTAL MSPP DEMAND	RSMSPTD	53,795	1,420	52,369
10	TOT MSU PWR POOL SALES	RSMSPPTO	219,962	6,827	213,135
11	SYSTEM SALES TO OTHERS	RSSSTO E01	69,167	2,248	66,919
12	TOTAL SALES REVENUES	RSTO	1,313,553	46,756	1,266,797

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1955
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	REVENUES	T110			
	OTHER REVENUES	T023			
1	OTH ELEC REV-TRANS EQ RCPTS	RCOE	25,333	519	24,819
2	OTH ELEC REV-TRANS FACIL RCPT	RCOEHV	1,241	25	1,216
	OTH ELEC REV - OTHER	T135			
3	RETAIL REV-AR	RRRAS	489	0	489
4	RETAIL REV-MO	RRRMS	4	4	0
5	RETAIL REVENUE	RRRA	493	4	489
6	DISTRIBUTION LINES - AR	RCDLA	2,186	0	2,186
7	DISTRIBUTION LINES - MO	RCDLM	67	66	1
8	DISTRIBUTION LINES	RCDL	2,253	66	2,187
9	TRANSMISSION LINES	RCTL	634	13	621
10	SALES TAX COMM-AR	RSTCA	645	0	645
11	SALES TAX COMM-MO	RSTCM	16	16	0
12	SALES TAX COMMISSION	RSTC	661	16	645
13	TRANSMISSION SVC CHARGE	ROT	38	1	37
14	PRODUCTION	ROP	109	3	106
15	MISCELLANEOUS	ROMISC	978	29	949
16	LAEDA	RCL	118	4	114
17	OTH ELEC REV-OTHER	ROERO	5,284	136	5,148
18	TOTAL OTHER ELECTRIC REVS	RCO	31,363	681	31,182
19	TOTAL REVENUES	RTC	1,345,416	47,436	1,297,980
20	ADJUSTMENT-INT INC ON SPI INV	PFOBROI E01	3,469	113	3,356
21	ADJUSTMENT-TOTAL OTHER REVENUES	ROTOADJ	3,469	113	3,356
22	TOTAL REVENUES ADJUSTED	RTOA	1,348,885	47,549	1,301,336

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	REVENUES				
	T110				
	REVENUE SUMMARY				
	T095				
	SALES REVENUES				
	T111				
1	TOTAL RETAIL DIRECT	RSRDT0A	907,671	37,681	869,990
2	TOTAL WHOLESALE	RSWTOA	116,753	0	116,753
3	TOTAL RATE SCHEDULE REV	RSRDWTOA	1,024,424	37,681	986,743
	MSO POWER POOL	T137			
4	ENERGY - EXCHANGE	RSMSEEA	140,534	4,570	135,964
5	ENERGY - UNIT PUR PURCH	RSMSEUPA	25,583	632	24,951
6	TOT MSPP-ENERGY	RSMSPTEA	166,167	5,401	160,766
7	DEMAND - RESERVE EQUAL	RSMSPDEA	16,914	448	16,466
8	DEMAND - UNIT PUR PURCH	RSMSPDUPA	36,881	977	35,904
9	TOTAL MSPP DEMAND	RSMSPDPA	53,795	1,426	52,369
10	TOT MSO POWER POOL SALES	RSMSPPT	219,962	6,827	213,135
11	TOTAL SYSTEM SALES	RSSSTOA	69,167	2,242	66,925
12	TOTAL SALES REVENUES ADJUSTED	RSTOA	1,313,553	46,750	1,266,803
	OTHER ELEC REV	T138			
13	OTH ELEC REV-TRANS ED RECPTS	ROTTERA	25,332	519	24,813
14	OTH ELEC REV-TRANS FACIL RECPT	ROTTERA	1,241	25	1,216
15	OTH ELEC REV-OTHER	ROTODPA	5,753	249	5,504
16	TOTAL OTHER REVENUE ADJUSTED	ROTOA	35,332	793	34,539
17	TOTAL MSPP/SYSTEM/OTHER REV	ROTMSOW	324,461	9,565	314,896
18	TOTAL REVENUES ADJUSTED	RTOA	1,355,535	47,549	1,307,986

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1936
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	OPERATION & MAINTENANCE	T031			
	PRODUCTION EXPENSE	T032			
1	OPERATION	OMPO 001	77,710	2,059	75,657
2	MAINTENANCE	OMPM 001	40,983	1,527	45,456
3	FUEL	OMPF 001	331,993	10,741	321,202
	POUCHED POWER	T033			
4	USE DEMAND	OMPPMD 001	329,234	8,725	320,509
5	DE DEMAND	OMPPUED 001M	3,706	3,706	0
6	OTHER DEMAND	OMPPOD 001	4,534	120	4,414
7	TOTAL DEMAND	OMPPTD 001	337,474	12,551	324,923
8	USE ENERGY	OMPPME 001	10,271	529	15,742
9	DE ENERGY	OMPPUEE 001M	2,852	2,452	0
10	OTHER ENERGY	OMPPDE 001	47,961	3,154	44,777
11	TOTAL ENERGY	OMPPTE 001	117,084	6,565	110,519
12	TOTAL PURCHASED POWER	OMPPPTD 001	454,558	19,116	435,442
13	LOAD DISPATCHING	OMPLD 001	2,387	63	2,324
	OTHER PROD EXP & CR	T034			
14	DEFERRED FUEL	OMPOPDF 002	-2,866	0	-2,866
15	NUCLEAR RESERVE	OMPOPNR 003	-4,208	0	-4,208
16	ARK SO SETT-433	OMPOPMS 001AR	-156,311	0	-156,311
17	GS DEFERRED - MC	OMPOPMR 001M	-2,700	-2,700	0
18	OTHER EXPENSE - DEMAND	OMPOPD 001	13,769	365	13,404
19	OTHER EXPENSE - ENERGY	OMPOPDE 001	5,160	163	4,992
20	TOTAL OTHER PROD EXP & CR	OMPOPTO 001	-177,156	-2,167	-174,989
21	TOTAL PRODUCTION EXPENSE	OMPTO	730,481	31,339	705,092
	TRANSMISSION EXPENSE	T034			
	SUBSTATION EXPENSE	T035			
22	STEP UP	OMTSSU 001	250	7	243
23	POWER SUPPLY	OMTSPS 002	1,986	41	1,945
24	TOTAL SUBSTATION EXPENSE	OMTSTO 002	2,236	47	2,189
25	TOTAL LINE EXPENSE	OMTLTO 002	3,467	71	3,396
26	MISCELLANEOUS EXPENSE	OMTMISC 002SLTO	344	7	337
27	TOTAL TRANSMISSION EXPENSE	OMTTO	6,047	125	5,921

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1955
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	OPERATION & MAINTENANCE			
	DISTRIBUTION EXPENSE			
	SUBSTATION EXPENSE			
1	DIRECT-AR	569	0	569
2	DIRECT-MO	7	0	7
3	DIRECT	576	0	576
4	RETAIL GENERAL-AR	4,340	0	4,340
5	RETAIL GENERAL-MO	167	167	0
6	RETAIL GENERAL	4,507	167	4,340
7	TOTAL SUBSTATION EXPENSE	5,083	167	4,916
	LINE EXPENSE			
8	DIRECT-AR	64	0	64
9	DIRECT-MO	8	0	8
10	DIRECT	72	0	72
	RETAIL GENERAL			
11	PRIMARY DEMAND-AR	4,095	0	4,095
12	PRIMARY DEMAND-MO	204	204	0
13	PRIMARY DEMAND	4,299	204	4,095
14	PRIMARY CUSTOMER-AR	5,447	0	5,447
15	PRIMARY CUSTOMER-MO	336	336	0
16	PRIMARY CUSTOMER	5,783	336	5,447
17	SECONDARY DEMAND-AR	775	0	775
18	SECONDARY DEMAND-MO	32	32	0
19	SECONDARY DEMAND	807	32	775
20	SECONDARY CUSTOMER-AR	3,282	0	3,282
21	SECONDARY CUSTOMER-MO	155	155	0
22	SECONDARY CUSTOMER	3,437	155	3,282
23	RETAIL GENERAL	15,326	727	14,599
24	TOTAL LINE EXPENSE	15,393	727	14,666
	LINE TRANSFORMER EXPENSE			
25	DIRECT-AR	2	0	2
26	DIRECT-MO	0	0	0
27	DIRECT	2	0	2
	RETAIL GENERAL			
28	DEMAND-AR	498	0	498
29	DEMAND-MO	3	3	0
30	DEMAND	501	3	498
31	CUSTOMER-AR	546	0	546
32	CUSTOMER-MO	3	3	0
33	CUSTOMER	549	3	546
34	RETAIL GENERAL	1,150	0	1,144
35	TOTAL LINE TRANSFORMER EXP	1,152	6	1,146

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1966
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	OPERATION & MAINTENANCE	T031			
	DISTRIBUTION EXPENSE	T037			
	METER EXPENSE	T039			
1	DIRECT-AR	OMDMDA PLOMDA	10	0	10
2	DIRECT-MO	OMDMOM PLODMOM	1	0	1
3	DIRECT	OMDMO	11	0	11
4	RETAIL GENERAL-CUST-AR	OMDMRGCA C370A	4,729	0	4,729
5	RETAIL GENERAL-CUST-MO	OMDMRGCM C370M	202	202	0
6	RETAIL GENERAL-CUST	OMDMRGC	4,931	202	4,729
7	TOTAL METER EXPENSE	OMDMTC	4,942	202	4,740
	STREET LIGHT EXPENSE	T107			
8	ARKANSAS	OMDSLTOA S01A	583	0	583
9	MISSOURI	OMDSLTO M S01M	71	71	0
10	TOTAL STREET LIGHT EXPENSE	OMDSLTO	954	71	583
11	TOTAL CUST INST EXPENSE	OMDCPTC D01	706	19	687
	RENT EXPENSE	T108			
12	ARKANSAS	OMDRTOA PLOLTOA	1,565	0	1,565
13	MISSOURI	OMDRTO M PLOLTO M	19	19	0
14	TOTAL RENT EXPENSE	OMDRTO	1,584	19	1,565
	MISCELLANEOUS EXPENSE	T109			
15	ARKANSAS	OMMISTOA OMSLTMA	2,440	0	2,440
16	MISSOURI	OMMISTOM OMSLTMM	105	104	1
17	TOTAL MISCELLANEOUS EXPENSE	OMMISTO	2,545	104	2,441
18	TOTAL DISTRIBUTION EXPENSE	OMDT0	32,364	1,314	31,050

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1966
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	****EXPENSES****	T030			
	OPERATION & MAINTENANCE	T031			
	CUSTOMER ACCOUNTING EXPENSE	T040			
1	METER READING-AR	OMCAMRA CA902A	4,117	0	4,117
2	METER READING-MO	OMCAMRM CA902M	246	245	1
3	METER READING	OMCAMR	4,363	245	4,118
4	CUST RECORDS & COLLECTS-AR	OMCACRA CA903A	9,689	0	9,689
5	CUST RECORDS & COLLECTS-MO	OMCACRM CA903M	324	322	2
6	CUST RECORDS & COLLECTIONS	OMCACR	10,013	322	9,691
7	UNCOLLECTIBLE ACCTS-AR	OMCAUAA CA904A	4,355	0	4,355
8	UNCOLLECTIBLE ACCTS-MO	OMCAUAM CA904M	65	65	0
9	UNCOLLECTIBLE ACCOUNTS	OMCAUA	4,920	65	4,855
10	MISC CUST ACCTS EXP-AR	OCAMISCA OMCAMCUA	273	0	273
11	MISC CUST ACCTS EXP-MO	OCAMISCM OMCAMCUM	11	11	0
12	MISC CUSTOMER ACCOUNTING	OMCAMISC	284	11	273
13	TOTAL CUSTOMER ACCT EXP	OMCATO	19,580	643	18,937
	CUSTOMER SERVICES EXPENSE	T041			
14	CUST ASSIST EXP-AR	OMCSCAA CS908A	3,552	0	3,552
15	CUST ASSIST EXP-MO	OMCSCAM CS908M	40	40	0
16	CUSTOMER ASSISTANCE EXPENSE	OMCSCA	3,592	40	3,552
17	INFORM & INSTRUCT EXP-AR	OMCSINF A CS909A	226	0	226
18	INFORM & INSTRUCT EXP-MO	OMCSINF M CS909M	0	0	0
19	INFORMATION & INSTRUCTION EXP	OMCSINF	226	0	226
20	MISC CUST SERVICES-AR	OCSCMISCA OMCSCAIA	336	0	336
21	MISC CUST SERVICES-MO	OCSCMISCM OMCSCAIM	32	32	0
22	MISC CUSTOMER SERVICES	OMCSMISC	368	32	336
23	TOTAL CUSTOMER SVCS EXP	OMCSTO	4,186	72	4,114
24	TOTAL SALES EXP	OMSTO D01	2,119	56	2,063

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES				
	OPERATION & MAINTENANCE	T030 T031			
	ADMINISTRATIVE & GENERAL EXPENSE	T042			
1	LABOR	OMAGL LOMTOA	54,369	1,800	52,569
2	PRODUCTION RELATED	OMAG1A D01	8,035	213	7,822
3	TRANSMISSION & DISTRIBUTION	OMAG1B PLTDT0A	4,128	142	3,986
4	LABOR RELATED	OMAG1C LOMTOA	2	0	2
5	GENERAL PLANT RELATED	OMAG1D PLGECM	13	0	13
6	TOTAL PLANT RELATED	OMAG1E PLTOA	733	22	711
7	INSURANCE	OMAG1	12,911	377	12,534
8	REG COMM EXP-ARKANSAS	RTPE2A RSRDAA	207	0	207
9	REG COMM EXP-MISSOURI	RTPE2M RSRDMA	456	456	0
10	REGULATORY EXP RETAIL GENERAL	OMAGREAG	883	450	207
11	REGULATORY EXP WHSE GENERAL	OMAGREWG RSWTOA	185	0	185
12	SEE MEMBERSHIP	OMAGGR1 PLTOR	3,484	110	3,368
13	LOCAL RESEARCH & OTHER	OMAGGR2 PLTCA	4	0	4
14	EXPER & GEN RESEARCH	OMAGGR	3,488	110	3,372
15	PRODUCTION	OMAGPLP D01	-1,674	-44	-1,630
16	GENERAL	OMAGG PLGECM	2,210	71	2,145
17	TOTAL PLANT	OMAGTPL PLTOA	22,033	654	21,384
18	ENERGY	OMAGEN E01	-1,281	-42	-1,239
19	CUSTOMER SERVICES	OMAGCS OMCST0A	595	10	585
20	TOTAL ADMIN & GENERAL	OMAGTO	93,510	3,400	90,110
21	TOTAL O & M EXPENSE	OMTO	894,287	37,000	857,287

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	OPERATION & MAINTENANCE			
	T030			
	T031			
1	TOTAL O & M EXPENSE	CMTO	894,287	37,000
				857,287
2	ADJUST-DEFERRED FUEL	PF010PDF E02	2,866	0
				2,866
3	-NUCL REFUELING RES	PF010PNR E03	4,208	0
				4,208
4	-TOTAL OTHER PRODUCTION	PF010PTO	7,074	0
				7,074
5	ADJUST-TOTAL PROD O&M	CMPTOAdj	7,074	0
				7,074
6	ADJUST-CONSTACT PWR	PF014GCP E01	94	3
				91
7	ADJUST-TOTAL ASS O&M	OMAGAdj	94	3
				91
8	ADJUST-TOTAL O&M	OMTOAdj	7,163	3
				7,165
9	TOTAL O & M EXPENSE ADJUSTED	OMTGA	901,455	37,003
				864,452

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	OPERATION & MAINTENANCE			
	O & M SUMMARY			
	PRODUCTION EXPENSE			
1	TOTAL OPERATION ADJUSTED	77,716	2,059	75,657
2	TOTAL MAINTENANCE ADJUSTED	46,983	1,527	45,456
3	TOTAL FUEL ADJUSTED	331,993	10,791	321,202
	PURCHASED POWER			
4	USE DEMAND	329,234	5,725	320,509
5	USE DEMAND	3,706	3,706	0
6	OTHER DEMAND	4,534	120	4,414
7	TOTAL DEMAND ADJUSTED	337,474	12,551	324,923
8	USE ENERGY	16,271	529	15,742
9	USE ENERGY	2,552	2,552	0
10	OTHER ENERGY	97,961	3,194	94,777
11	TOTAL ENERGY ADJUSTED	117,084	2,565	110,519
12	TOTAL PURCHASED POWER ADJ'D	454,558	19,116	435,442
13	TOTAL LOAD DISPATCH ADJ'D	2,327	53	2,274
	OTHER PROD EXP & CR			
14	TOTAL DEFERRED FUEL	0	0	0
15	TOTAL NUCLEAR RESERVE	0	0	0
16	TOTAL AFR 55 SETT - 453	-126,311	0	-126,311
17	TOTAL 55 DEFERRAL - MO	-2,700	-2,700	0
18	TOTAL OTHER EXPENSE - DEMAND	13,769	363	13,406
19	TOTAL OTHER EXPENSE - ENERGY	5,160	163	4,997
20	TOT OTHER PROD EXP & CR ADJ'D	-170,082	-2,167	-167,915
21	TOTAL PRODUCTION ADJUSTED	743,555	31,389	712,166
22	TOTAL TRANSMISSION ADJUSTED	6,047	126	5,921
23	TOTAL DISTRIBUTION ADJUSTED	32,364	1,314	31,050
24	TOTAL CUSTOMER ACCOUNTING ADJ'D	19,580	643	18,937
25	TOTAL CUSTOMER SERVICES ADJ'D	4,186	72	4,114
26	TOTAL SALES EXP ADJUSTED	2,113	56	2,057
27	TOTAL ADMIN & GENERAL ADJUSTED	13,634	3,433	10,201
28	TOTAL O & M EXPENSE ADJUSTED	961,455	57,003	904,452

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES				
	DEPRECIATION EXPENSE	T030 T043			
1	TOTAL PRODUCTION EXPENSE	DXPT0 D01	67,745	1,795	65,950
	TRANSMISSION EXPENSE	T034			
	SUBSTATION EXPENSE	T035			
2	STEP UP	DXTSSU D01	552	15	537
3	POWER SUPPLY	DXTSPS D02	4,374	90	4,284
4	TOTAL SUBSTATION EXPENSE	DXTST0	4,926	104	4,822
5	TOTAL LINE EXPENSE	DXTLT0 D02	9,019	185	8,834
6	TOTAL TRANSMISSION EXPENSE	DXTT0	13,945	289	13,656

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	TC30			
	DEPRECIATION EXPENSE	TC43			
	DISTRIBUTION EXPENSE	TC37			
	SUBSTATION EXPENSE	TC35			
1	DIRECT-AR	DXDSDA PLSDA	419	0	419
2	DIRECT-MO	DXDSOM PLSDM	8	0	8
3	DIRECT	DXDSO	427	0	427
4	RETAIL GENERAL-AR	DXDSRGA DO3A	3,199	0	3,199
5	RETAIL GENERAL-MO	DXDSRGM DO3M	191	191	0
6	RETAIL GENERAL	DXDSRG	3,390	191	3,199
7	TOTAL SUBSTATION EXPENSE	DXCSTO	3,817	191	3,626
	LINE EXPENSE	TC36			
8	DIRECT-AR	DXDLGA PLDLA	49	0	49
9	DIRECT-MO	DXDLGM PLDLM	6	0	6
10	DIRECT	DXDLC	55	0	55
	RETAIL GENERAL	TC09			
11	PRIMARY DEMAND-AR	DXLRGPA DO4A	3,243	0	3,243
12	PRIMARY DEMAND-MO	DXLRGPM DO4M	149	149	0
13	PRIMARY DEMAND	DXLRGPD	3,392	149	3,243
14	PRIMARY CUSTOMER-AR	DXLRGPCA CO3A	5,039	0	5,039
15	PRIMARY CUSTOMER-MO	DXLRGPCM CO3M	265	265	0
16	PRIMARY CUSTOMER	DXLRGPC	5,304	265	5,039
17	SECONDARY DEMAND-AR	DXLRGSDA DO5A	640	0	640
18	SECONDARY DEMAND-MO	DXLRGSDM DO5M	25	25	0
19	SECONDARY DEMAND	DXLRGSD	665	25	640
20	SECONDARY CUSTOMER-AR	DXLRGSCA CO4A	2,629	0	2,629
21	SECONDARY CUSTOMER-MO	DXLRGSCM CO4M	124	124	0
22	SECONDARY CUSTOMER	DXLRGSC	2,753	124	2,629
23	RETAIL GENERAL	DXDLG	12,114	563	11,551
24	TOTAL LINE EXPENSE	DXDLTO	12,159	563	11,596
	LINE TRANSFORMER EXPENSE	TC38			
25	DIRECT-AR	DXDTGA PLDTGA	7	0	7
26	DIRECT-MO	DXDTGM PLDTGM	1	0	1
27	DIRECT	DXDTG	8	0	8
	RETAIL GENERAL	TC09			
28	DEMAND-AR	DXDTRGDA DO7A	2,177	0	2,177
29	DEMAND-MO	DXDTRGDM DO7M	74	74	0
30	DEMAND	DXDTRGD	2,251	74	2,177
31	CUSTOMER-AR	DXDTRGCA CO4A	2,322	0	2,322
32	CUSTOMER-MO	DXDTRGCM CO4M	97	97	0
33	CUSTOMER	DXDTRGC	2,419	97	2,322
34	RETAIL GENERAL	DXDTRG	5,170	171	4,999
35	TOTAL LINE TRANSFORMER EXPENSE	DXDTTO	5,178	171	5,007

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1996
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	TC30			
	D=DEPRECIATION EXPENSE	TO43			
	DISTRIBUTION EXPENSE	TO37			
	SERVICE EXPENSE	TC44			
1	RET GENL-CUSTOMER-AK	DXSERGCA C369A	2,030	0	2,030
2	RET GENL-CUSTOMER-MO	DXSERGCM C369M	64	64	0
3	RETAIL GENERAL-CUSTOMER	DXDSERG	2,094	64	2,030
4	TOTAL SERVICES EXPENSE	DXDSETO	2,094	64	2,030
	METER EXPENSE	TC39			
5	DIRECT-AK	DXDMOA PLOMOA	3	0	3
6	DIRECT-MO	DXDMOM PLOMOM	1	0	1
7	DIRECT	DXDMO	4	0	4
8	RET GENL-CUSTOMER-AK	DXDMRGCA C370A	1,640	0	1,640
9	RET GENL-CUSTOMER-MO	DXDMRGCM C370M	62	62	0
10	RETAIL GENERAL-CUSTOMER	DXDMRG	1,702	62	1,640
11	TOTAL METER EXPENSE	DXDMTO	1,706	62	1,644
12	TOTAL INST COST PREMISE	DXDCPTO 001	422	11	411
	STREET LIGHT EXPENSE	T107			
13	ARKANSAS	DXDSL A S01A	712	0	712
14	MISSOURI	DXDSL M S01M	67	67	0
15	TOTAL STREET LIGHTS	DXDSLTO	779	67	712
16	TOTAL DISTRIBUTION EXPENSE	DXDOTO	25,165	1,129	25,036

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEPRECIATION EXPENSE			
	GENERAL EXPENSE			
1	LABOR	1,051	35	1,016
2	PRODUCTION	247	7	240
3	TRANSMISSION	316	7	309
4	DISTRIBUTION	329	15	314
5	CUSTOMER SERVICES	5	0	5
6	STORES	22	1	21
7	TOTAL GENERAL EXPENSE	1,970	63	1,907
	AMORTIZATION EXP-INTANGIBLES			
8	MISC-353 COMPUTER SOFTWARE	1,210	36	1,174
9	MISC-353 S SYNCHRONIZATION	467	0	467
10	MISC-42-314-02 60 MO.	375	11	367
11	MISC-455 COMP S/W CMS	321	9	312
12	MISC-41220 S/W COST	135	3	132
13	MISC-3244 GEN CL PROC	319	27	292
14	MISC-42-314-02 45 MO.	457	14	443
15	TOTAL AMORTIZATION INTANG	3,737	99	3,638
16	TOTAL DEPRECIATION EXPENSE	113,612	3,376	110,236
17	ADJUST-DEP EXP PROD-DECOM INT	1,710	45	1,665
18	ADJUST-TOTAL PRODUCTION EXP	1,710	45	1,665
19	ADJUSTMENT-TOTAL DEPR EXPENSE	1,710	45	1,665
20	TOTAL DEPRECIATION EXP ADJUSTED	115,322	3,421	111,901
	DEPREC EXPENSE SUMMARY			
21	TOTAL PRODUCTION ADJUSTED	69,455	1,341	67,614
22	TOTAL TRANSMISSION ADJUSTED	13,245	22	13,250
23	TOTAL DISTRIBUTION ADJUSTED	26,155	1,129	25,036
24	TOTAL GENERAL ADJUSTED	1,970	63	1,907
25	TOTAL AMORTIZATION EXP-INTANG	3,737	99	3,638
26	TOTAL DEPRECIATION EXP ADJUSTED	115,322	3,421	111,901

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	TAXES OTHER THAN INCOME	T040			
	FEDERAL	T047			
1	FICA	TCFFIC LOMTOA	7,542	250	7,292
2	UNEMPLOYMENT	TCFUE LOMTOA	213	7	206
3	TOTAL FEDERAL	TCFT0	7,755	257	7,498
	STATE OF ARKANSAS	T048			
4	UNEMPLOYMENT	T0SAUE LOMTOA	295	10	285
5	CAPITAL STOCK FRANCHISE	T0SACSF PLTOA	997	30	967
6	REGULATORY COMMISSION	T0SARC ASRDAA	2,585	0	2,585
7	GROSS RECEIPTS	T0SAGF PLTOAEXI	25	1	25
8	TOTAL STATE OF ARKANSAS	T0SAT0	3,903	40	3,863
	STATE OF MISSOURI	T049			
9	UNEMPLOYMENT	T0SMUE LOMTOA	2	0	2
10	CAPITAL STOCK FRANCHISE	T0SACSF PLTOA	19	1	18
11	REGULATORY COMMISSION	T0SMRC RSRDMA	67	67	0
12	TOTAL STATE OF MISSOURI	T0SMTO	88	68	20
13	TOTAL STATE	T0SAM	2,991	108	3,083
	LOCAL	T050			
14	REAL & PERSONAL	TCLRP PLTOA	26,553	739	25,769
15	TOTAL LOCAL	TCLT0	26,553	739	25,769
16	TOTAL OTHER	T00T0 PLTOA	10	0	10
17	TOTAL TAXES OTHER THAN INCOME	T0T0	35,314	1,153	37,161
18	TOTAL TAXES OTHER THAN INC ADJ	T0T01	35,314	1,153	37,161

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	EXPENSES				
	INCOME TAX CALCULATIONS				
	T030				
	T051				
1	TOTAL REVENUES ADJUSTED	RT08	1,348,885	47,549	1,301,336
2	TOTAL U S M EXPENSE ADJUSTED	OMT04	901,455	37,003	864,452
3	TOTAL DEPRECIATION EXP ADJUSTED	DXTO4	115,322	3,421	111,901
4	TOTAL TAXES OTHER THAN INC ADJ	TC04A	38,314	1,153	37,161
5	NET INCOME BEFORE INCOME TAXES	AINBIT	293,794	5,972	287,822

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	INCOME TAX CALCULATIONS	T051			
	ADJUSTMENTS TO NET INCOME	T052			
1	UNBILLED REVENUE	SJUR	SF03 2,378	49	2,329
2	NUCLEAR FUEL EXPENSE	SJNFE	E01 47,501	1,544	45,957
3	PPRA-DEPREC EXP EX INTANG	SJPRRAA	DXTOAEXI 109,225	3,277	106,545
4	PPRA-TRANSPORTATION EQUIP	SJPRKAB	PLGECM 57	2	55
5	PROPERTY RET RESERVE APP	SJPRPA		3,279	106,603
6	TAX DEPREC-PRODUCTION	SJDTXP	001 -98,874	-2,620	-96,254
7	TAX DEPREC-TRANSMISSION	SJDTXT	PLTTOA -18,519	-384	-18,135
8	TAX DEPREC-TRANS & DISTR	SJDTXTD	PLDT0A -19,613	-675	-18,938
9	TAX DEPREC-DISTRIBUTION	SJDTXD	PLDT0A -19,415	-356	-18,559
10	TAX DEPREC-GENERAL PLANT	SJDTXG	PLGECM -1,279	-41	-1,238
11	TAX DEPREC-LABOR RELATED	SJDTCLR	L0MTOA -2,362	-78	-2,284
12	TAX DEPREC-TOT PLT EX INTANG	SJDTXTP	PLTOAEXI -12,001	-376	-12,225
13	TAX DEPREC-ENERGY RELATED	SJDTXER	E01 -50,834	-1,652	-49,152
14	DEPREC FOR TAX PURPOSES	SJDTX	-223,497	-6,683	-216,814
15	SALE OF VEHICLE I.T.C.	SJITC	PLGECM -1	-3	-1
16	OTHER TAX CHGD-PROD PLANT	SJOTCPP	001 -83	-2	-81
17	OTHER TAX CHGD-TRANS PLANT	SJOTCTP	PLTTOA -7	-0	-7
18	OTHER TAX CHGD-DISTR PLANT	SJOTCDP	PLDT0A -5	-0	-5
19	OTHER TAX CHGD-GENERAL PLT	SJOTCGP	PLGECM 0	0	0
20	OTH TAX CHGD-TOT PLT	SJOTCPT	PLTOA 0	0	0
21	OTHER TAX CHGD-PLNT ACCT	SJOTCPL	-95	-3	-92
22	PPPT-PRODUCTION	SJRPPTXP	001 -94	-2	-92
23	PPPT-TRANSMISSION	SJRPPTXT	PLTTOA -3	-0	-3
24	PPPT-DISTRIBUTION	SJRPPTXD	PLDT0A -2	-0	-2
25	PPPT-GENERAL	SJRPPTXG	PLGECM 0	0	0
26	PPPT-TOTAL PLANT	SJRPPITP	PLTCA 0	0	0
27	REVAL S PER PA TX CHG WOS	SJRPP	-104	-3	-101
28	PENSIONS-PRODUCTION	SJPPDA	LPT0A -22	-1	-21
29	PENSIONS-TRANSMISSION	SJPPDB	LTT0A -5	-0	-5
30	PENSIONS-DISTRIBUTION	SJPPDC	LDT0A -3	-0	-3
31	PENSIONS-GENERAL	SJPPDG	LAST0A 0	0	0
32	PENSIONS-TOTAL LABOR	SJPPDE	L0MTOA 0	0	0
33	PENS PLAN DED FOR TX PUR	SJPPD	-30	-1	-29
34	INTEREST ON NUCLEAR FUEL	SJINF	E01 -4,147	-135	-4,012

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	INCOME TAX CALCULATIONS			
	T030			
	T051			
	ADJUSTMENTS TO NET INCOME			
1	INC IN RES-INJUR & DAMAGES	SJICREA LOMTOA 19	1	16
2	INC IN RES-PROP INSURANCE	SJICREB PLTDTOA 3,429	112	3,311
3	INC IN RES-PENS & BENEFITS	SJICREC LOMTOA 496	16	480
4	INC IN RES-VEHICLE INSUR	SJICRED PLGECH 194	6	188
5	INC IN RES-TOTAL PLANT	SJICREE PLTOA 0	0	0
6	INCREASE IN RESERVES	SJICRE 4,138	141	3,997
7	INTEREST ON TAX DEFICIT	SJITD NINBIT 5,422	110	5,312
8	INTEREST ON NUCLEAR RES	SJINR E03 695	0	695
9	NUCLEAR RESERVE EXPENSE	SJNRE E03 -4,203	0	-4,203
10	RESERVED REVENUES	SJRR RSADWTOA 3,057	112	2,945
11	DEFERRED FUEL COSTS	SJDPC E02 -2,866	0	-2,866
12	DEFERRED DIRECTORS' FEES	SJDCA LOMTOA -38	-1	-37
13	ALL FOR FUNDS OUR CONST	SJNAF PLTOA -1,390	-41	-1,349
14	AMORT OF ON-EDGE SALE	SJOSSP LOMTOA -217	-7	-210
15	AND SHUTDOWN EXPENSE	SJAHOSD D01 -582	-15	-567
16	LEASE COST CAP ON CH	SJLCCCH D01 93	2	91
17	REMOVAL EXPENSES	SJREME SF02 -5,386	-432	-4,954
18	COMPUTER SOFTWARE CAP	SJCS PLTOAEXI -2,991	-89	-2,902
19	INT CHGS-DECOMMISS	SJTICD D01 -1,710	-45	-1,665
20	INT CHGS-OTHER	SJTICD RYTOA -149,160	-4,395	-144,765
21	INT CHGS-DFDC	SJINAF PLTOA 4,360	124	4,231
22	TOTAL INT CHARGES	SJTIC -146,510	-4,311	-142,199
23	AMORT OF INTANG PLT-ISES	SJAIP1 D01AW 467	0	467
24	AMORT OF INT PLT-32-314-U	SJAIP2 PLTOAEXI 335	25	310
25	CONSTRUCTION POWER-APPL	SJCPMPL E01 -29	-1	-28
26	INTERCO SALES	SJIS PLTOA 363	11	352
27	MISC INTANG PLANT	SJIMP PLTOAEXI -604	-12	-591
28	ACRS RETIREMENT LOSSES	SJARL PLTOA -462	-21	-447
29	INTEREST ON DECOMMISS	SJIOD D01 1,710	45	1,665
30	AMORT OF COMPUTER SW	SJACS PLTOAEXI 1,666	50	1,616
31	AMORT BK GAINS-WEAT KMM	SJABGM SFWMSC -5	-0	-5
32	AMORT BK GAINS-AND PLOGS	SJABGMC D01 -62	-2	-60
33	INTEREST ON PC	SJIOPCB D01 17	0	17
34	BOOK DEPR ON ACC MINING EQ	SJDOVACC E01 1,362	44	1,318
35	NUCL REFUEL MAINT-AND 2	SJARM E01 -4,426	-144	-4,282
36	TMI ACCRUAL	SJTMI D01 -349	-9	-340
37	AMORT OF STEAM GEN DEV	SJASSD E01 319	27	292

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	INCOME TAX CALCULATIONS			
	T030			
	T051			
	ADJUSTMENTS TO NET INCOME			
1	ARK WHSL ER-E1-577	SJAW81 S81577	-900	-900
2	GG1 COST OVER/UNDER RECOV	SJSGOUR 001	3,089	3,007
3	INVENTORY DEFERRED GG1 SETTLE	SJID335 001	3,421	3,330
4	GG1 RESERVE EQUAL CR	SJSGREC 001	2,550	2,462
5	RESERVE FOR CONTINGENCIES	SJRFC 001	13,978	13,503
6	STEAM GEN PROC DEV	SJSGPD 001	-25	-24
7	INVENTORY SHARE DEF-GG1 SET	SJISDGG 001	-115,581	-115,731
8	CURRENT RECOV SHARE DEF-GG1	SJCRSOGS 001	-95,321	-95,715
9	GG1 - DEF ARK WHSL	SJSG9AW SDCW	3,457	3,457
10	GG1 - DEF MO RETAIL	SJSGGMR 001M	-2,700	-2,700
11	ACT 310 SUR REF REV	SJACT310 001AR	905	905
12	ALLOWANCE FOR UNCOLLECTIBLES	SJALLFUN OMCAUA	2,145	2,117
13	DISC 1 & 2	SJDIGBY RSTOA	17,526	17,010
14	UNCOLLECTIBLE ACCOUNTS	SJUNCAC OMCAUA	-70	-69
15	FMS REDEMPTION COSTS	SJFMARC RSTOA	-3,562	-3,463
16	TOTAL ADJUSTMENTS TO NET INCOME	SJANITO	-395,021	-391,136

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1936
(THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	INCOME TAX CALCULATIONS	T051			
1	ADJUST-INTEREST CHARGES	PF05SJTI SJTIC	146,510	4,311	142,199
2	-ANY INT ADJ TO RATE BASE	PF05SJAI	-110,957	-3,270	-107,687
3	-INCREASE IN RESERVES	PF07SJIR SJICRE	-4,135	-141	-3,997
4	-INT ON DECOMMISSIONING	PF07SJIS 001	-1,710	-45	-1,665
5	-UNSKILLED REVENUE	PF07SJUR SF03	-2,378	-49	-2,329
6	-INT ON TAX DEFICIT	PF07SJIT NINBIT	-5,422	-110	-5,312
7	-NUCL RESERVE EXPENSE	PF07SJNR E03	4,208	0	4,208
8	-INT ON NUCL RESERVE	PF07SJIN E03	-695	0	-695
9	-DEF DIRECTORS' FEES	PF07SJDF LOMT04	38	1	37
10	-RESERVED REVENUES	PF07SJRA RSPDWT04	-3,057	-112	-2,945
11	-AMORT OF INTAN PLT-ISES	PF07SJAI 001AR	-467	0	-467
12	-LEASE COST AB CHE	PF07SJCH 001	-93	-2	-91
13	-APR WASH ER31-577	PF07SJ31 S31577	900	0	900
14	-SALE OF VEHICLE I.T.C.	PF07SJSV PLGFCM	1	0	1
15	-WLT 310 SCA PFF REV	PF07SJ31 001AR	-905	0	-905
16	-INTERCO SALES	PF07SJIS PLT04	-353	-11	-352
17	-INT ON PCE'S	PF07SJCB 001	-17	-0	-17
18	-NUCL REFUEL MNT-AN02	PF07SJRM E01	4,425	144	4,282
19	-331 RES EQUAL CR	PF07SJRE 001	-2,550	-65	-2,485
20	-331 COST OVER/UNDER REC	PF07SJCO 001	-3,069	-32	-3,007
21	-INVENT DEF 331 SETTLE	PF07SJCX 001	-3,421	-41	-3,380
22	-RESERVE FOR CONTING	PF07SJRC 001	-13,973	-370	-13,603
23	-ALLOW FOR UNCOLLECTIBLES	PF07SJAU 0MCAUA	-2,145	-26	-2,117
24	-DISBY 1 & 2	PF07SJDG PAT04	-17,525	-516	-17,010
25	-WFOC	PF07SJAF PLT04	1,390	41	1,349
26	-JTH TX CHGD-PLT 4/C	PF07SJCT SJOTCPL	95	3	92
27	-PENS PLAN CSD FOR TX	PF07SJPE SJPPC	30	1	29
28	-REMOVAL EXPENSES	PF07SJRV SF02	5,385	432	4,953
29	-RSP TXS CHGD W0'S	PF07SJRP SJRPPT	104	3	101
30	-DEFERRED FUEL COSTS	PF07SJFC E02	2,366	0	2,366
31	-ANY SHUT DOWN EXP	PF07SJAN 001	582	15	567

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	INCOME TAX CALCULATIONS	T030 T051		
	ADJUSTMENTS TO NET INCOME	T052		
1	ADJUST-AMORT SV ON SL-BLDG	PF07SJAG LOMTOA 217	7	210
2	-AMORT BK GN-WMSC	PF07SJAM SFWMSC 5	0	5
3	-AMORT BK GN-AND BLDG	PF07SJAB 001 22	2	80
4	-COMPUTER SOFTWARE	PF07SJCS PLTCAEXI 2,991	69	2,902
5	-MISC INTANG PLT	PF07SJMI PLTCAEXI 609	13	591
6	-STEAM GEN PROC DEV	PF07SJSG E01 25	1	24
7	-INV SHARE DEF-GG1 SETTLE	PF07SJSD 001 116,581	3,150	115,731
8	-CUR REC SHARE DEF-GG1	PF07SJCR 001 98,321	2,636	95,713
9	-GG1-DEF ARK WHSLE	PF07SJJW SDOW -3,457	0	-3,457
10	-TIME ACCURAL	PF07SJTM 001 349	9	340
11	-UNCOLLECT ACCTS	PF07SJUA CMCAUA 70	1	69
12	-PMB REDEMP COSTS	PF07SJFM RBTCA 3,508	105	3,463
13	-CONSTRUCT PAR	PF07SJCP E01 29	1	28
14	-ACKS RETIRE LOSSES	PF07SJAC PLDTOA 408	21	447
15	-NUCL FUEL INT CAP	PF07SJNF E01 4,147	135	4,012
16	-PRDP RET RES DECOM INT	PF13SJPR 001 1,710	45	1,665
17	TOTAL PROP-CAPA ADJ TO NET INC	SJANITOA 221,642	6,245	215,397
18	TAXABLE INCOME	SJTITO 120,415	-1,067	122,032

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	INCOME TAX CALCULATIONS			
	STATE INCOME TAX			
1	TAXABLE INCOME			
2	TOTAL STATE TAXABLE INCOME			
3	STATE INCOME TAX SEE ADJ(3.35%)			
4	ARKANSAS TAX RATE			
5	INTEREST ON CHIP			
6	VEHICLE I.T.C.			
7	PRIO- YR ADJUSTMENT			
8	ADJUST-INT ON CHIP STATE			
9	TAX RATE			
10	VEHICLE ITC			
11	PRIO- YR ADJUST			
12	TOTAL STATE INCOME TAX			

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	INCOME TAX CALCULATIONS			
	FEDERAL INCOME TAX			
1	TAXABLE INCOME	120,415	-1,667	122,082
2	STATE INCOME TAX	-4,046	50	-4,102
3	PREFERRED DIVIDENDS PAID	-135	-4	-131
4	TOT FED TAXABLE INCOME	116,234	-1,615	117,849
5	FED INC TAX BEF ADJ(34%)	39,520	-549	40,069
6	ARKANSAS TAX RATE	62	2	60
7	INVESTMENT TAX CREDIT	-11,693	-349	-11,344
8	PROV FOR CONTINGENCIES	300	6	294
9	INTEREST ON CHIP	1,193	35	1,158
10	VEHICLE I.T.C.	0	0	0
11	PRIOR YEAR ADJUSTMENT	-37,780	-1,122	-36,658
12	ADJUST-INT ON CHIP FEDERAL	-1,193	-35	-1,158
13	-VEHICLE ITC	-62	-2	-60
14	-PROV FOR CONTING	0	0	0
15	-PRICE YR ADJUST	-300	-6	-294
16	-PRIOR YR ADJ-ITC	37,780	1,122	36,658
17	-ITC	185	0	179
18	TOTAL FEDERAL INCOME TAX	11,508	343	11,165
19	TOTAL INCOME TAX	39,520	-549	40,069
20	TOTAL INCOME TAX	43,566	-605	44,171

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	EXPENSES				
	DEFERRED ITEMS	T030 T025			
	PROVISION FOR DEF INCOME TAX-DR	T056			
	551 OVER/UNDER RECOV	T117			
1	FEDERAL	ITDTOURF 001	805	21	784
2	STATE	ITDTOURS 001	111	3	108
3	TOTAL 551 OVER/UNDER RECOV	ITDTOUR	916	24	892
	551 NLR OVER/UNDER RECOV	T119			
4	FEDERAL	ITDTNLOF SDOH	76	0	76
5	STATE	ITDTNLOS SDOH	10	0	10
6	TOTAL NLR OVER/UNDER RECOV	ITDTNLO	86	0	86
	551 BENTON OVER/UNDER RECOV	T120			
7	FEDERAL	ITDTBDF SDOH	15	0	15
8	STATE	ITDTBDS SDOH	2	0	2
9	TOTAL BENTON OVER/UNDER RECOV	ITDTB0	17	0	17
	551 PARAGOULD OVER/UNDER RECOV	T121			
10	FEDERAL	ITDTPAOF SDOH	33	0	33
11	STATE	ITDTPAOS SDOH	4	0	4
12	TOTAL PARAGOULD O/U RECOVERY	ITDTPAD	37	0	37
	551 PRESCOTT OVER/UNDER RECOV	T122			
13	FEDERAL	ITDTPROF SDOH	2	0	2
14	STATE	ITDTPROS SDOH	1	0	1
15	TOTAL PRESCOTT O/U RECOVERY	ITDTPR0	3	0	3
	551 NO ARK OVER/UNDER RECOV	T123			
16	FEDERAL	ITDTNAOF SDOH	41	0	41
17	STATE	ITDTNAOS SDOH	5	0	5
18	TOTAL NO ARK O/U RECOVERY	ITDTNA0	46	0	46
	NUCLEAR RESERVE & INTEREST	T076			
19	FEDERAL	ITDTHRIF E03	6,254	0	6,254
20	STATE	ITDTHRIS E03	261	0	261
21	TOTAL NUCL RES & INTEREST	ITDTHRIT	7,115	0	7,115
	COAL HANDLING EQUIP SALE	T071			
22	FEDERAL	ITDTCESE 001	63	2	65
23	STATE	ITDTCESS 001	10	0	10
24	TOTAL COAL HANDL EQ SALE	ITDTCEST	78	2	76
	TAX GAIN-AND BLDG SALE	T081			
25	FEDERAL	ITDTANOF 001	42	1	41
26	STATE	ITDTANOS 001	5	0	5
27	TOTAL TAX GAIN-AND BLDG	ITDTANOT	47	1	46

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1936
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-OR	T056		
	REMOVAL COST	T075		
1	FEDERAL	ITDTRCF SF02	54	4
2	STATE	ITDTRCS SF02	7	1
3	TOTAL REMOVAL COST	ITDTRCT	61	5
	UNBILLED REVENUE	T057		
4	FEDERAL	ITDTURF SF03	6,076	125
5	STATE	ITDTURS SF03	838	17
6	TOTAL UNBILLED REVENUE	ITDTURT	6,914	142
	BUILDING SALE/LEASEBACK	T058		
7	FEDERAL	ITDTBSF LOMTOA	55	2
8	STATE	ITDTBSS LOMTOA	14	3
9	TOTAL BLDG SALE/LEASEBACK	ITDTBST	69	2
	TAX GAIN ON SALE-W. MARKHAM	T074		
10	FEDERAL	ITDTTGSF SFWMSC	4	0
11	STATE	ITDTTGSS SFWMSC	1	0
12	TOTAL TAX GN ON SALE-W MAR	ITDTTGST	5	0
	DIRECTORS FEES	T113		
13	FEDERAL	ITDIDIRF LOMTOA	7	0
14	STATE	ITDIDIRS LOMTOA	1	0
15	TOTAL DIRECTORS FEES	ITDIDIR	8	0
	RETAIL REV ADJUNT	T097		
16	FEDERAL	ITDTPPAF RSRDWTCA	389	14
17	STATE	ITDTPRAS RSRDWTCA	54	2
18	TOTAL RETAIL REV ADJUNT	ITDTPPAT	443	16
	REC JONESBORO	T131		
19	FEDERAL	ITDTFEJF SOWH	511	0
20	STATE	ITDTFEJS SOWH	71	0
21	TOTAL REC JONESBORO	ITDTFEJ	582	0
	UNIT PURCHASED POWER	T142		
22	FEDERAL	ITDTUPPF D01	1,121	30
23	STATE	ITDTUPPS D01	154	4
24	TOTAL UNIT PURCHASED PAR	ITDTUPP	1,275	34
	RES CONT PASS S	T132		
25	FEDERAL	ITDTRCFF D01	15,213	403
26	STATE	ITDTRCFS D01	2,096	55
27	TOTAL RES CONT PASS S	ITDTRCSF	17,309	458

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	EXPENSES				
	DEPRECIATED ITEMS	T030 T025			
	PROVISION FOR DEF INCOME TAX-DR	T056			
	LIBERALIZED DEPRECIATION	T023			
1	FEDERAL-PRODUCTION	ITDTLDFA D01	23,746	535	23,311
2	-TRANS & DISTR	ITDTLDFA PLTDTOA	1,951	67	1,884
3	-ENERGY RELATED	ITDTLDFA E01	3,820	124	3,696
4	-LABOR RELATED	ITDTLDFA LOMTOA	656	22	634
5	-GENERAL PLANT	ITDTLDFA PLGECM	329	11	318
6	-TOTAL PLT EX INTANG	ITDTLDFA PLTDAEXI	0	0	0
7	-TRANSMISSION	ITDTLDFA PLTTOA	6,276	130	6,146
8	-DISTRIBUTION	ITDTLDFA PLOTDA	5,525	244	5,281
9	FEDERAL	ITDTLDFA	42,503	1,232	41,271
10	STATE-PRODUCTION	ITDTLDFA D01	2,195	55	2,137
11	-TRANS & DISTR	ITDTLDFA PLTDTOA	1,482	51	1,431
12	-ENERGY RELATED	ITDTLDFA E01	426	14	412
13	-LABOR RELATED	ITDTLDFA LOMTOA	47	2	45
14	-GENERAL PLANT	ITDTLDFA PLGECM	1	0	1
15	-TOTAL PLT EX INTANG	ITDTLDFA PLTDAEXI	0	0	0
16	-TRANSMISSION	ITDTLDFA PLTTOA	64	1	63
17	-DISTRIBUTION	ITDTLDFA PLOTDA	72	3	69
18	STATE	ITDTLDFA	4,287	129	4,158
19	TOTAL LIBERALIZED DEPREC	ITDTLOT	46,790	1,361	45,429
	NUCLEAR FUEL NORMALIZATION	T073			
20	FEDERAL	ITDTNFNF E01	39	1	38
21	STATE	ITDTNFNS E01	0	0	0
22	TOTAL NUCLEAR FUEL NORM	ITDTNFNT	39	1	38
	TAXES & PENSIONS CAPITALIZED	T068			
23	FEDERAL-PRODUCTION	ITDTTPFA D01	72	2	70
24	-TRANSMISSION	ITDTTPFA PLTTOA	-17	-0	-17
25	-DISTRIBUTION	ITDTTPFA PLOTDA	4	0	4
26	-GENERAL	ITDTTPFA PLGECM	-1	-0	-1
27	-TOTAL PLANT	ITDTTPFA PLTDA	0	0	0
28	FEDERAL	ITDTTPFA	58	2	56
29	STATE-PRODUCTION	ITDTTPSA D01	10	0	10
30	-TRANSMISSION	ITDTTPSA PLTTOA	-3	-0	-3
31	-DISTRIBUTION	ITDTTPSA PLOTDA	1	0	1
32	-GENERAL	ITDTTPSA PLGECM	0	0	0
33	-TOTAL PLANT	ITDTTPSA PLTDA	0	0	0
34	STATE	ITDTTPSA	8	0	8
35	TOTAL TAXES & PENSIONS CAP	ITDTTPCT	60	2	58

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	DEFERRED ITEMS	T025			
	PROVISION FOR DEF INCOME TAX-DR	T056			
	DEF REV & INT (DIGBY)	T143			
1	FEDERAL	ITDTJIGF P9TOA	19,781	553	15,228
2	STATE	ITDTJIGS R9TOA	2,589	76	2,513
3	TOTAL DEF REV & INT (DIGBY)	ITDTJIG	21,370	630	20,740
	FMS REDEMPTION COSTS	T144			
4	FEDERAL	ITDTFMBF R9TOA	1,543	45	1,498
5	STATE	ITDTFMBS R9TOA	213	6	207
6	TOTAL FMS REDEMPTION COSTS	ITDTFMS	1,756	52	1,704
	INTANG PLY 82-3140	T089			
7	FEDERAL	ITDTIPF PLTOAEXI	264	8	256
8	STATE	ITDTIPS PLTOAEXI	35	1	35
9	TOTAL INTANG PLY 82-3140	ITDTIPT	300	9	291
	551 PHASE-IN CURRENT	T124			
10	FEDERAL	ITDTPICF 001	42,532	1,127	41,405
11	STATE	ITDTPICS 001	5,360	155	5,205
12	TOTAL 551 PHASE-IN	ITDTPIC	48,392	1,282	47,110
	551 INVENTORY DEFERRAL	T125			
13	FEDERAL	ITDTGIDF 001	48,843	1,294	47,549
14	STATE	ITDTGIDS 001	5,730	178	5,552
15	TOTAL 551 INVENTORY DEF	ITDTGID	55,573	1,473	54,100
	551 EXCESS CAPACITY	T126			
16	FEDERAL	ITDTECF 001	15,348	354	14,994
17	STATE	ITDTECS 001	1,339	49	1,290
18	TOTAL 551 EXCESS CAPACITY	ITDTEC	15,185	402	14,783
	551 PARASOULD PHASE-IN	T127			
19	FEDERAL	ITDTPAPF S00W	-82	0	-82
20	STATE	ITDTPAPS S00W	-12	0	-12
21	TOTAL 551 PARASOULD PHASE-IN	ITDTPAP	-94	0	-94
	551 PARASOULD INV DEF	T123			
22	FEDERAL	ITDTPAIF S00W	-90	0	-90
23	STATE	ITDTPAIS S00W	-12	0	-12
24	TOTAL 551 PARASOULD INV DEF	ITDTPAI	-102	0	-102

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	DEFERRED ITEMS	T025			
	PROVISION FOR DEF INCOME TAX-DR	T056			
	551-PRESCOTT PHASE-IN	T129			
1	FEDERAL	ITDTPRPF SDOOW	73	0	73
2	STATE	ITDTPRPS SDOOW	10	0	10
3	TOTAL 551-PRESCOTT PHASE-IN	ITDTPRP	83	0	83
	551-PRESCOTT INV DEF	T130			
4	FEDERAL	ITDTPRIF SDOOW	90	0	90
5	STATE	ITDTPRIS SDOOW	12	0	12
6	TOTAL 551-PRESCOTT INV DEF	ITDTPRI	102	0	102
	551-MO RETAIL	T113			
7	FEDERAL	ITDTGMRP 001M	1,220	1,220	0
8	STATE	ITDTGMRS 001M	163	163	0
9	TOTAL 551-MO RETAIL	ITDTGMR	1,383	1,383	0
	551-MO APK PHASE-IN	T143			
10	FEDERAL	ITDTNAPF SDOOW	19	0	19
11	STATE	ITDTNAPS SDOOW	3	0	3
12	TOTAL 551-MO APK PHASE-IN	ITDTNAP	22	0	22
	551-MO APK INV DEF	T146			
13	FEDERAL	ITDTNAIF SDOOW	22	0	22
14	STATE	ITDTNAIS SDOOW	3	0	3
15	TOTAL 551-MO APK INV DEF	ITDTNAI	25	0	25
	551-NLR PHASE-IN	T147			
16	FEDERAL	ITDTNLPF SDOOW	-673	0	-673
17	STATE	ITDTNLPS SDOOW	-93	0	-93
18	TOTAL 551-NLR PHASE-IN	ITDTNLP	-766	0	-766
	551-NLR INV DEF	T148			
19	FEDERAL	ITDTNLIF SDOOW	-723	0	-723
20	STATE	ITDTNLIS SDOOW	-100	0	-100
21	TOTAL 551-NLR INV DEF	ITDTNLI	-823	0	-823

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-DR	T056		
	551-BENTON PHASE-IN	T149		
1	FEDERAL	ITDTBEPF SDOH	-113	0
2	STATE	ITDTBEPF SDOH	-16	0
3	TOTAL 551-BENTON PHASE-IN	ITDTBEP	-129	0
	551-BENTON INV DEF	T150		
4	FEDERAL	ITDTBEIF SDOH	-122	0
5	STATE	ITDTBEIS SDOH	-17	0
6	TOTAL 551-BENTON INV DEF	ITDTBEI	-139	0
	DEFERRED FUEL	T059		
7	FEDERAL	ITDTDFP E02	-17,153	0
8	STATE	ITDTDFP E02	-2,363	0
9	TOTAL DEFERRED FUEL	ITDTDFP	-19,516	0
	COMPUTER SOFTWARE CAP	T091		
10	FEDERAL	ITDTCSCF PLTOAEXI	1,294	39
11	STATE	ITDTCSCS PLTOAEXI	173	5
12	TOTAL COMP SOFTWARE CAP	ITDTCSCF	1,472	44
	STEAM GEN PROCESS	T114		
13	FEDERAL	ITDTS6PF E01	11	0
14	STATE	ITDTS6PS E01	1	0
15	TOTAL STEAM GEN PROCESS	ITDTS6P	12	0
	PROV FOR DEFERRED INC TAX	T023		
16	FEDERAL	ITDTFTO	182,440	5,479
17	STATE	ITDTFTO	23,569	552
18	TOTAL PROV FOR DEF INC TAX	ITDTFTO	206,017	7,331

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE	TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES			
DEFERRED ITEMS	T030 T025		
PROVISION FOR DEF INCOME TAX-OR	T056		
ADJUSTMENTS - FEDERAL:	T139		
1 551 OVER/UND RECOV	PF07FE0U D01		
2 551 NLR O/U RECOV	PF07FENL SDOV	-305	-21
3 551 BENTON O/U REC	PF07FE8 SDOV	-76	0
4 551 PARAGOULD O/U REC	PF07FE8 SDOV	-15	0
5 551 PRESCOTT O/U RECOV	PF07FEPO SDOV	-33	0
6 551 NO ARK O/U RECOV	PF07FEPR SDOV	-2	0
7 NUCLEAR RESERVE	PF07FENA SDOV	-41	0
8 COAL HANDL EQ SALE	PF07FENR E03	-6,254	0
9 TX GAIN-AND BLOSS SALE	PF07FECH D01	-68	-2
10 REMOVAL COST	PF07FEAN D01	-42	-1
11 UNBILLED REV	PF07FERC SF02	-54	-4
12 BLOSS SALE	PF07FEUR SF03	-6,076	-125
13 WEST MARKHAM SC	PF07FEBS LOMTOA	-55	-2
14 DIRECTORS FEES	PF07FEWM SFAMSC	-4	-3
15 RETAIL REV ADJUNT	PF07FE0I LOMTOA	-7	-0
16 REC JONESBORO	PF07FEER RSROWTOA	-384	-14
17 UNIT PURCHASED PHR	PF07FEFE SDOV	-511	0
18 RES CONT PASS S	PF07FEUP D01	-1,121	-30
19 DEF REV & INT(DIGBY)	PF07FERE D01	-15,213	-403
20 PHR REDEMT COSTS	PF07FE0G RETOA	-15,781	-553
21 PR YR ADJ LIS DEPREC	PF07FEFM R3TOA	-1,543	-45
22 MO ST TX CHS LIDER DEPREC	PF07FPLD ITOTLDF	-5,776	-167
23 MO ST TX EFF NORM NF	PF07FMLD ITOTLDF	902	26
24 TX & PHNS CAPITAL	PF07FENN E01	-39	-1
25 INT PLT 32-314U	PF07FETP ITOTTPCF	-58	-2
26 551 PHASE-IN CURR	PF07FEIP PLTOAEXI	-264	-3
27 551 INVENT DEF	PF07FEPI D01	-42,532	-1,127
28 551 EXCESS CAPACITY	PF07FEID D01	-48,843	-1,294
29 551 PARAGOULD PH-IN	PF07FEED D01	-13,346	-354
30 551 PARAGOULD INV DEF	PF07FEPP SDOV	82	0
31 551 PRESCOTT PH-IN	PF07FEPA SDOV	90	0
32 551 PRESCOTT INV DEF	PF07FEPS SDOV	-78	0
33 551 NO ARK PH-IN	PF07FEPO SDOV	-90	0
34 551 NO ARK INV DEF	PF07FENP SDOV	-19	0
35 551 NLR PH-IN	PF07FENI SDOV	-22	0
36 551 NLR INV DEF	PF07FEPN SDOV	673	0
37 551 BENTON PH-IN	PF07FEIN SDOV	723	0
38 551 BENTON INV DEF	PF07FE8P SDOV	113	0
39 MO ST TX RT-551 MO RET	PF07FERI SDOV	122	0
	PF07FEMR D01M	41	0

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1956
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-DR	T056		
	ADJUSTMENTS - FEDERAL:	T139		
1	DEFERRED FUEL	PF07FE0F E02	17,153	0
2	COMPUTER S/A CAPIT	PF07FECS PLTOAEXI	-1,294	-39
3	STEAM GEN PROCESS	PF07FE55 E01	-11	-0
4	L13 DEPR CHG IN FED TX RT	PF07FL34 ITDTLDF	-9,816	-285
5	551 MO RET FED TX RT	PF07FG34 D01M	-329	-329
6	L13 DEPR FD EF ST TX CHG	PF07FLST ITDTLDF	-172	-5
7	551 MO RET FD EFF ST TX CHG	PF07FGST D01M	-6	-6
8	ADJUST-DEF INC TAXES FEDERAL	PF07DTFN	-153,881	-4,752
				-148,129

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	EXPENSES	T030			
	DEFERRED ITEMS	T025			
	PROVISION FOR DEF INCOME TAX-OR	T050			
	ADJUSTMENTS - STATE:	T140			
1	001 O/U RECOV	PF07SE0U 001	-111	-3	-108
2	001 NLR O/U RECOV	PF07SENL S00W	-10	0	-10
3	001 BENTON O/U RECOV	PF07SEB S00W	-2	0	-2
4	001 PARAGOULD O/U RECOV	PF07SEPO S00W	-4	0	-4
5	001 PRESCOTT O/U REC	PF07SEPR S00W	-1	0	-1
6	001 NO ARK O/U RECOV	PF07SENA S00W	-5	0	-5
7	NUCLEAR RESERVE	PF07SENR 003	-361	0	-361
8	COAL HANDL EL SALE	PF07SECH 001	-10	-0	-10
9	TX GR-AND BLDG SALE	PF07SEAN 001	-5	-0	-5
10	REMOVAL COST	PF07SERC SF02	-7	-1	-6
11	UNBILLED REV	PF07SEUR SF03	-338	-17	-321
12	BLDG SALE	PF07SESS LOMTOA	-14	-0	-14
13	WEST MARKHAM SC	PF07SEWM SFWMSC	-1	-0	-1
14	DIRECTORS FEES	PF07SEDI LOMTOA	-1	-0	-1
15	RETAIL REV ADJMN	PF07SERR RSROWTOA	-54	-2	-52
16	FEC JONESBORO	PF07SEFE S00W	-71	0	-71
17	UNIT PURCHASE PWR	PF07SEUP 001	-154	-4	-150
18	FES CONT FASCS S	PF07SEFE 001	-2,096	-56	-2,152
19	DEF REV & INT(DISSY)	PF07SEOG R8TOA	-2,589	-76	-2,665
20	FMS RECEIPT COSTS	PF07SEFM R8TOA	-213	-6	-207
21	LIS DEPREC	PF07SELD ITOTLDS	-4,095	-123	-3,972
22	PR YR ADJ LIS DEPREC	PF07SELD ITOTLDS	-24	-1	-23
23	NO ST TX CHG LIBER DEPREC	PF07SELD ITOTLDS	2,153	65	2,218
24	TX & PENS CAPITAL	PF07SETP ITOTTPCS	-8	-0	-8
25	INT PLT-22-3140	PF07SEIP PLTCAEXI	-35	-1	-35
26	001 PHASE-IN CURK	PF07SEPI 001	-5,860	-153	-6,013
27	001 INVENT DEF	PF07SEID 001	-6,730	-173	-6,903
28	001 EXCESS CAPACITY	PF07SEEC 001	-1,339	-49	-1,388
29	001 PARAGOULD PH-IN	PF07SEPP S00W	12	0	12
30	001 PARAGOULD INV	PF07SEPA S00W	12	0	12
31	001 PRESCOTT PH-IN	PF07SEPS S00W	-10	0	-10
32	001 PRESCOTT INV	PF07SEPD S00W	-12	0	-12
33	001 NO ARK PH-IN	PF07SENP S00W	-3	0	-3
34	001 NO ARK INV DEF	PF07SENI S00W	-3	0	-3
35	001 NLR PH-IN	PF07SEPN S00W	93	0	93
36	001 NLR INV JLF	PF07SEIN S00W	100	0	100
37	001 BENTON PH-IN	PF07SEBP S00W	16	0	16
38	001 BENTON INV DEF	PF07SEBI S00W	17	0	17
39	001 NO RETAIL	PF07SEMR 001M	-162	-162	0

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-DR	T056		
	ADJUSTMENTS - STATE:	T140		
1	MO ST TX RT-551 MO RET	PF07SMR D014	72	0
2	DEFERRED FUEL	PF07SEDF E02	2,363	0
3	COMPUTER S/W CAPIT	PF07SECS PLTOAEX1	-178	-5
4	STEAM GEN PROCESS	PF07SESG E01	-1	-0
5	LIS DEPREC ST TX 2.36%	PF07SL33 ITOTLOS	505	15
6	551 MO RET ST TX 5.36%	PF07S333 D014	17	17
7	ADJUST-DEF INC TAXES STATE	PF07DTSN	-20,643	-672
				-10,971

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-DR	T05c		
1	ADJUSTMENT-DEF INC TAX-FED	ITDTFAD	-153,881	-4,752
2	ADJUSTMENT-DEF INC TAX-STATE	ITDTSAD	-20,643	-672
3	ADJUSTMENT-TOT DEF TAX	ITDTAD	-174,524	-5,423
				-149,129
				-19,971
				-169,101
	PROVISION FOR DEF INCOME TAX-OR	T056		
4	FEDERAL	ITDTFTOA	28,567	1,727
5	STATE	ITDTSOA	2,926	180
6	TOTAL PROVISION DEF INC TAX ADJ	ITDTTOA	31,493	1,908
				26,840
				2,746
				29,585

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1985
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	EXPENSES				
	DEFERRED ITEMS	T030 T025			
	PROVISION FOR DEF INCOME TAX-CR	T061			
	INTEREST ON TAX DEFICIT	T092			
1	FEDERAL	ITOTCITF NINBIT	-2,345	-48	-2,297
2	STATE	ITOTCITS NINBIT	-323	-7	-316
3	TOTAL INTEREST ON TAX DEF	ITOTCITT	-2,668	-54	-2,614
	551 OVER/UNDER RECOV	T117			
4	FEDERAL	ITOTCOUF 001	-2,141	-57	-2,084
5	STATE	ITOTCOUS 001	-295	-8	-287
6	TOTAL 551 O/U RECOVERY	ITOTCOU	-2,436	-65	-2,371
	551 PARAGOULD OVER/UNDER RECOV	T121			
7	FEDERAL	ITOTCPAF S00W	-21	0	-21
8	STATE	ITOTCPAS S00W	-3	0	-3
9	TOTAL 551 PARAGOULD O/U REC	ITOTCPA	-24	0	-24
	551 PRESCOTT OVER/UNDER RECOV	T122			
10	FEDERAL	ITOTCPRF S00W	-6	0	-6
11	STATE	ITOTCPRS S00W	-1	0	-1
12	TOTAL 551 PRESCOTT O/U RECOVERY	ITOTCPR	-7	0	-7
	551 NO ARK OVER/UNDER RECOV	T123			
13	FEDERAL	ITOTCNAF S00W	-35	0	-35
14	STATE	ITOTCNAS S00W	-4	0	-4
15	TOTAL 551 NO ARK O/U RECOVERY	ITOTCNA	-39	0	-39
	NUCLEAR RESERVE & INTEREST	T076			
16	FEDERAL	ITOTCNRF E03	-4,734	0	-4,734
17	STATE	ITOTCNRS E03	-553	0	-553
18	TOTAL NUCL RESERVE & INTEREST	ITOTCNRT	-5,287	0	-5,287
	DECOMMISSIONING EXPENSE	T077			
19	FEDERAL	ITOTCDEF 001	-1,644	-44	-1,689
20	STATE	ITOTCDES 001	-227	-6	-221
21	TOTAL DECOMMISSIONING EXP	ITOTCDET	-1,871	-50	-1,821
	UNBILLED REVENUE	T057			
22	FEDERAL	ITOTCURF SF03	-8,460	-174	-8,634
23	STATE	ITOTCURS SF03	-1,156	-24	-1,180
24	TOTAL UNBILLED REVENUE	ITOTCURT	-9,616	-198	-9,814
	RETAIL REV ADJUNT	T087			
25	FEDERAL	ITOTCRRF RSROWTOA	-392	-14	-406
26	STATE	ITOTCRRS RSRDWT0A	-54	-2	-56
27	TOTAL RETAIL REV ADJUNT	ITOTCRRT	-446	-16	-462

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-CR	T051		
	REC JONESBORO	T131		
1	FEDERAL	ITOTCFER SDWH	-513	0
2	STATE	ITOTCFES SDWH	-70	0
3	TOTAL REC JONESBORO	ITOTCFE	-583	0
	UNIT PURCHASED POWER	T142		
4	FEDERAL	ITOTCUPF 001	-2,409	-64
5	STATE	ITOTCUPS 001	-332	-9
6	TOTAL UNIT PURCHASED PWR	ITOTCUPT	-2,741	-73
	MAINT COST-OUTAGE	T100		
7	FEDERAL	ITOTCMNC 001	1,914	62
8	STATE	ITOTCSMC 001	264	9
9	TOTAL MAINT COST-OUTAGE	ITOTCMCT	2,178	71
	RES CONT PASS S	T152		
10	FEDERAL	ITOTCRCF 001	-8,690	-330
11	STATE	ITOTCRCS 001	-1,197	-32
12	TOTAL RES CONT PASS S	ITOTCRC	-9,887	-362
	DEF REV & INT (01859)	T143		
13	FEDERAL	ITOTCDSF RBYCA	-7,582	-223
14	STATE	ITOTCDSS RBYCA	-1,044	-31
15	TOTAL DEF REV & INT (01859)	ITOTCDG	-8,626	-254
	W-IT ON SALE OF GAS PROPERTY	T079		
16	FEDERAL	ITOTCDSF PLTCARENZ	-27	-1
17	STATE	ITOTCDSS PLTCARENZ	-1	0
18	TOTAL SALE ON GAS PROP	ITOTCUST	-28	-1
	DEFENSE PROPERTY	T054		
19	FEDERAL	ITOTDEFF SPDTAATC	-458	-12
20	STATE	ITOTDEFS SPDTAATC	0	0
21	TOTAL DEFENSE PROPERTY	ITOTDEFT	-458	-12
	INTEREST CAP ON NUCLEAR FUEL	T050		
22	FEDERAL	ITOTCICF 001	-472	-15
23	STATE	ITOTCICS 001	-50	-2
24	TOTAL INT CAP ON NUCL FUEL	ITOTCICIT	-522	-17
	RECC COST OF MONEY	T092		
25	FEDERAL	ITOTCAEF 001	-135	-4
26	STATE	ITOTCAES 001	-13	0
27	TOTAL RECC COST OF MONEY	ITOTCAET	-153	-4

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS			
	PROVISION FOR DEF INCOME TAX-CR			
	NUCLEAR FUEL NORMALIZATION			
1	FEDERAL			
2	STATE			
3	TOTAL NORM OF NUCL FUEL			
	LIBERALIZED DEPRECIATION			
4	FEDERAL-PRODUCTION			
5	-TRANS & DISTR			
6	-ENERGY RELATED			
7	-LABOR RELATED			
8	-GENERAL PLANT			
9	-TOT PLT EX INTANG			
10	-TRANSMISSION			
11	-DISTRIBUTION			
12	FEDERAL			
13	STATE-PRODUCTION			
14	-TRANS & DISTR			
15	-ENERGY RELATED			
16	-LABOR RELATED			
17	-GENERAL PLANT			
18	-TOT PLT EX INTANG			
19	-TRANSMISSION			
20	-DISTRIBUTION			
21	STATE			
22	TOTAL LIBERALIZED DEPREC			
	TAXES & PENSIONS CAPITALIZED			
23	FEDERAL-PRODUCTION			
24	-TRANSMISSION			
25	-DISTRIBUTION			
26	-GENERAL			
27	-TOTAL PLANT			
28	FEDERAL			
29	STATE-PRODUCTION			
30	-TRANSMISSION			
31	-DISTRIBUTION			
32	-GENERAL			
33	-TOTAL PLANT			
34	STATE			
35	TOTAL TAXES & PENS CAP			

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS	T030 T025		
	PROVISION FOR DEF INCOME TAX-CR	T061		
	POLLUTION CONTROL BONDS	T104		
1	FEDERAL	ITDTCFPC D01	-7	-7
2	STATE	ITDTCSPC D01	-1	-1
3	TOT POLLUTION CONTROL BONDS	ITDTCPC	-8	-8
	INTANG PLT 82-5140	T089		
4	FEDERAL	ITDTCIPF PLTOAEXI	-397	-385
5	STATE	ITDTCIPS PLTOAEXI	-55	-53
6	TOTAL INTANG PLT 82-5140	ITDTCIPT	-452	-439
	INTEREST ON DEFERRED PAYABLE	T073		
7	FEDERAL	ITDTCIDF D01	-102	-99
8	STATE	ITDTCIDS D01	-14	-14
9	TOTAL INT ON DEFERRED PAYABLES	ITDTCIDT	-116	-113
	CONSTRUCTION POWER	T072		
10	FEDERAL	ITDTCCPF E01	-6	-6
11	STATE	ITDTCGPS E01	-1	-1
12	TOTAL CONSTRUCTION POWER	ITDTCCT	-7	-7
	1985 BOOK DEP CAP	T090		
13	FEDERAL	ITDTCIBF D01AW	-75	-75
14	STATE	ITDTCIBS D01AW	-10	-10
15	TOTAL 1985 BOOK DEPR CAP	ITDTCIBT	-85	-85
	551-CITY OF PRESCOTT	T152		
16	FEDERAL	ITDTCFPR SGOW	-32	-32
17	STATE	ITDTCSPR SGOW	-5	-5
18	TOTAL 551-CITY OF PRESCOTT	ITDTCFPR	-37	-37
	551 FARM/JONESBORO	T133		
19	FEDERAL	ITDTCFJF SOJF	50	40
20	STATE	ITDTCFJS SOJF	-30	-40
21	TOTAL 551 FARM/JONESBORO	ITDTCFJ	0	0

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEFERRED ITEMS T030			
	T025			
	PROVISION FOR DEF INCOME TAX-CR T001			
	DEFERRED FUEL T059			
1	FEDERAL ITOTCOFF E02	18,393	0	18,393
2	STATE ITOTCOFS E02	2,534	0	2,534
3	TOTAL DEFERRED FUEL ITOTCOFT	20,927	0	20,927
	COMPUTER SOFTWARE CAP T091			
4	FEDERAL ITOTCFCS PLTCAEXI	-696	-21	-675
5	STATE ITOTCSS PLTCAEXI	-97	-3	-94
6	TOTAL COMPUTER S/W CAP ITOTCCST	-793	-24	-769
	STEAM GEN PROCESS T114			
7	FEDERAL ITOTCSGF E01	-281	-9	-272
8	STATE ITOTCSGS E01	-39	-1	-38
9	TOTAL STEAM GEN PROCESS ITOTCSG	-320	-10	-310
	MIS DIT REFUND T153			
10	FEDERAL ITOTCM3F R8TOA	-3,954	-117	-3,837
11	STATE ITOTCM3S R8TOA	0	0	0
12	TOTAL MIS DIT REFUND ITOTCM3	-3,954	-117	-3,837
	PROVISION FOR DEF INCOME TAX-CR TC61			
13	FEDERAL ITOTCFTO	-24,731	-1,114	-23,617
14	STATE ITOTCSTO	-4,445	-170	-4,275
15	TOTAL INCOME TAX DEFERRED-CREDIT ITOTCTO	-34,375	-1,285	-33,091

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1936
(THOUSANDS OF DOLLARS)

LINE	T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES	T030		
DEFERRED ITEMS	T025		
PROVISION FOR DEF INCOME TAX-CR	T061		
ADJUSTMENTS - FEDERAL:	T139		
1 INT ON TAX DEFICIT	PF07FE12 NINBIT	2,345	48
2 501 OVER/UNDER RECOV	PF07CF0U D01	2,141	57
3 501 PARAGOULD O/U RECOV	PF07CFPA SDOW	21	0
4 501 PRESCOTT O/U RECOV	PF07CFPR SDOW	6	0
5 501 MO ARK O/U RECOV	PF07CFNA SDOW	35	0
6 NUCLEAR RESERVE	PF07FEN2 E03	4,734	0
7 DECOMMISS EXP	PF07FEDE D01	1,544	44
8 UNBILLED REVENUE	PF07FEU2 SF03	3,460	174
9 RETAIL REV ADJUNT	PF07FER2 RSROWTOA	392	14
10 REC JONESBORO	PF07FEFJ SDOW	513	0
11 UNIT PURCH PWR	PF07FEU3 D01	2,409	64
12 MAINT COST OUTAGE	PF07FEMC E01	-1,914	-62
13 RES CONTING PASS S	PF07CFRC D01	8,690	230
14 DEF REV S INT(DISLAY)	PF07CFD3 RBTOA	7,582	223
15 GAIN ON GAS PROPERTY	PF07FEGP PLTOAEXI	27	1
16 DEFENSE PROPERTY	PF07CFDP SFOTAATO	453	12
17 MO ST TX CHG INT NF	PF07CMNF E01	-16	-1
18 ABCC COST OF MONEY	PF07CFAE D01	135	4
19 PR YR ADJ LIDER DEPREC	PF07CFLD ITDTCLDF	116	3
20 MO ST TX CHG LIDER DEPREC	PF07CMLD ITDTCLDF	-563	-16
21 TX S PENS CAPITAL	PF07CFTP ITDTCTPF	760	23
22 POLL CONTR DOWNS	PF07FEP2 D01	7	0
23 INTANG PLT 52-314-U	PF07CFIP PLTOAEXI	397	12
24 INT ON CRR PAYABLES	PF07CFID D01	102	3
25 CONSTR POWER	PF07CFCP E01	6	0
26 1563 SDOCK DEPR	PF07CFIS D01AW	75	0
27 501 CITY OF PRESCOTT	PF07CFP2 SDOW	32	0
28 501 PARK/JONESBORO	PF07FEJF SDJF	-90	0
29 DEFERRED FUEL	PF07FED2 E02	-13,393	0
30 COMPUTER SW	PF07CFCS PLTOAEXI	696	21
31 STEAM GEN PROCESS	PF07CFSS E01	241	9
32 450 JIT REFUND	PF07CF33 RBTOA	3,954	117
33 INT CAP NF CHG FD TX RT	PF07FCI3 E01	127	4
34 INT CAP NF FD EFF ST TX CHG	PF07FCIT E01	2	0
35 ADJUST-DEF INC TAXES CR FEDERAL	PF07DCFN	25,196	983

24,213

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER	
	EXPENSES	T030			
	DEFERRED ITEMS	T025			
	PROVISION FOR DEF INCOME TAX-CR	T061			
	ADJUSTMENTS - STATE:	T140			
1	INT ON TX DEFICIT	PF07SEI2 NINBIT	323	7	316
2	SS1 OVER/UNDER RECOV	PF07CSOU D01	295	8	287
3	SS1 PARASOULD O/U RECOV	PF07CSPA SDOW	3	0	3
4	SS1 PRESCOTT O/U RECOV	PF07CSPR SDCW	1	0	1
5	SS1 NO ARK O/U RECOV	PF07CSNA SDOW	4	0	4
6	NUCLEAR RESERVE	PF07SEN2 E03	653	0	653
7	DECOMMISS EXP	PF07SEDE D01	227	6	221
8	UNBILLED REVENUE	PF07SEU2 SF03	1,166	24	1,142
9	RETAIL REV ADJMT	PF07SER2 RSRDOWA	54	2	52
10	REC JONESBORO	PF07SEFJ SDOW	70	0	70
11	UNIT PURCH PWR	PF07SEU3 D01	332	9	323
12	MAINT COST OUTAGE	PF07SEMC E01	-264	-9	-255
13	RES CONTING FASB 5	PF07CSRC D01	1,197	32	1,165
14	DEF REV & INT(DIGBY)	PF07CSOS RSTOA	1,044	31	1,013
15	GAIN ON GAS PROP	PF07SESP PLTCAEXI	1	0	1
16	MO ST TX CHG INT NF	PF07MSNF E01	35	1	34
17	MECC COST OF MONEY	PF07CSAE D01	18	0	18
18	NUCL FUEL NORM	PF07CSNN E01	50	3	33
19	LIBER DEPREC	PF07SEL2 ITDTCLOS	1,499	47	1,452
20	PR YR ADJ LIBER DEPREC	PF07CSLO ITDTCLOS	1	0	1
21	MO ST TX CHG LIBER DEPREC	PF07MSLD ITDTCLOS	-265	-3	-257
22	TX & PENS CAPITAL	PF07CSTP ITDTCPS	107	3	104
23	PULL CONTR BONDS	PF07SEP2 D01	1	0	1
24	INTANG PLT 52-514-U	PF07CSIP PLTCAEXI	55	2	53
25	INT ON DEF PAYABLES	PF07CSID D01	14	0	14
26	CONSTR PWR	PF07CSCP E01	1	0	1
27	ISBS BOOK DEPR	PF07CSIS D01AW	10	0	10
28	SS1 PRESCOTT	PF07CSP2 SDOW	5	0	5
29	SS1 FARM/JONESBORO	PF07SEJF SDJF	80	0	80
30	DEFERRED FUEL	PF07SEDE E02	-2,534	0	-2,534
31	COMPUTER SW	PF07CSOS PLTCAEXI	97	3	94
32	STEAM GEN PROCESS	PF07CSSS E01	39	1	38
33	INT CAP NF ST TX 3.36%	PF07CSN3 E01	-5	-0	-5
34	ADJUST-DEF INC TAXES CR STATE	PF07DCSN	4,350	161	4,189

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED DECEMBER 31, 1986
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	****EXPENSES****	TG30			
	DEFERRED ITEMS	TG25			
	PROVISION FOR DEF INCOME TAX-CR	TG51			
1	ADJUSTMENT-DEF TAX CR-FED	ITOTCFB	25,196	983	24,213
2	ADJUSTMENT-DEF TAX CR STATE	ITOTCSA	4,350	161	4,189
3	ADJUSTMENT-TOT DEF TAX CREDIT	ITOTCA	29,546	1,144	28,402
	PROVISION FOR DEF INCOME TAX-CR	TG61			
4	FEDERAL	ITOTCFB	-4,535	-131	-4,404
5	STATE	ITOTCSTA	-295	-9	-286
6	TOTAL INCOME TAX DEF-CREDIT ADJ	ITOTCTOA	-4,830	-141	-4,689
	INVESTMENT TAX CREDIT - FEDERAL	TG26			
7	INVEST TAX CREDIT PROVISION	ITITCPRV PLTOAEXI	11,509	343	11,165
8	ALLOCATION TO CURRENT YEAR INC	ITITCACY PLTOAEXI	-1,387	-41	-1,346
9	TOTAL INVESTMENT TAX CREDIT	ITITCTO	10,121	302	9,819
10	ADJUST-ITC AMORTIZATION	PF07ITC PLTOAEXI	-11,508	-343	-11,165
11	TOTAL INVEST TAX CREDIT ADJ	ITITCTOA	-1,387	-41	-1,346
12	TOTAL OPER EXPENSES ADJUSTED OPEXTA		1,123,933	42,697	1,081,235

LIST OF ADJUSTMENTS

<u>PRO FORMA NUMBER</u>	<u>DESCRIPTION</u>
1	ELIMINATE CERTAIN TIMING DIFFERENCE ITEMS RELATED TO ARKANSAS RETAIL RATES
5	INTEREST SYNCHRONIZATION
7	ADJUST INCOME TAXES TO REFLECT MISSOURI TREATMENT
8	INCLUDE INVESTMENT IN SYSTEM FUELS, INC.
13	ADJUST DEPRECIATION EXPENSE RELATED TO ANO DECOMMISSIONING

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PER BOOK
RATE BASE
(\$000's)

Rate Case 12/86 MRRCAt 12/31/86Prepared By Revenue RequirementsDate Prepared 4/10/87

Description of Adjustment:

STRING
NAME

RATE BASE

PT	PLANT IN SERVICE-----	\$ <u>3,515,909</u>
DR	DEPRECIATION RESERVES-----	<u>(942,392)</u>
PAA	PLANT ACQ. ADJUSTMENT-----	<u>590</u>
FI	FUEL INVENTORY-----	<u>22,832</u>
MS	MATERIALS & SUPPLIES-----	<u>37,204</u>
PPMT	PREPAYMENTS-----	<u>6,370</u>
WC	WORKING CASH-----	<u> </u>
SFI	INVESTMENT IN SYSTEM FUELS-----	<u> </u>
ADTLB	ACCUM DEF TX - LIB DEPREC-----	<u>(512,282)</u>
ADTO	ACCUM DEF TX - OTHER-----	<u>42,398</u>
ADTITC	ACCUM DEF INVEST TX CR - 3%-----	<u>(3,505)</u>
	TOTAL-----	<u>\$2,167,124</u>

() = DECREASE TO RATE BASE

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PER BOOK
INCOME AND EXPENSE
(\$000's)

STRING
NAME

REVENUES

12 Mos. Ending 12/31/86

Date Prepared 4/10/87

REV1	SALES TO ULTIMATE CUSTOMERS-----	\$ 907,671
REV2	SALES FOR RESALE-----	16,753
REV3	MSPP & SYSTEM SALES-----	389,129
REV4	OTHER ELECTRIC REVENUE-----	31,863
	TOTAL OPERATING REVENUE-----	\$ 1,345,416

EXPENSES

OPERATION & MAINTENANCE

PRODUCTION

OMP1	OPERATION (EX. FUEL & PURCH. PWR)----	\$ 77,716
OMP2	MAINTENANCE-----	46,983
OMP3	FUEL-----	331,993
OMP4	PURCHASED POWER-----	454,558
OMP5	SYSTEM CONTROL-----	2,387
OMP6	OTHER PROD. EXP. & CREDITS-----	(177,156)
	TOTAL PRODUCTION-----	736,481
OMT	TRANSMISSION-----	6,047
OMD	DISTRIBUTION-----	32,364
OMCA	CUSTOMER ACCOUNTING-----	19,580
OMCS	CUSTOMER SERVICES-----	4,186
OMSE	SALES EXPENSE-----	2,119
OMAG	ADMINISTRATIVE & GENERAL-----	93,510
	TOTAL OPER. & MAINT.-----	894,287
DX	DEPRECIATION-----	113,612
OTAX	TAXES OTHER THAN INCOME-----	38,314
STAX	INCOME TAXES - STATE-----5%	(9,181)
FTAX	INCOME TAXES - FEDERAL-----46%	(89,853)
DTDRS	PROV. DEFERRED INC. TAX - STATE-----	23,569
DTDRF	PROV. DEFERRED INC. TAX - FEDERAL-----	182,443
DTCRS	PROV. DEF. INC. TAX CREDIT - STATE-----	(4,645)
DTCRF	PROV. DEF. INC. TAX CREDIT - FEDERAL-----	(29,731)
ITC	INVESTMENT TAX CREDIT ADJ.-----	10,121

	TOTAL UTILITY OPERATING EXP.-----	\$ 1,128,941
	NET UTILITY OPERATING INCOME-----	\$ 216,475

ARKANSAS POWER & LIGHT COMPANY
 TEST YEAR PER BOOK
 ADJUSTMENTS TO TAXABLE INCOME
 (000's)

12 Mos. Ending 12/31/86Date Prepared 4/10/87STRING
NAME

REVENUE

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INCOME:

A01	UNBILLED REVENUE-----	\$ 2,378
A02	INCREASE IN RESERVES-----	4,138
A03	PROP RET RESERVE APPROP-----	109,882
A04	RESERVED REVENUES-----	3,057
A05	INTEREST ON TAX DEFICIT-----	5,422
A06	NUCLEAR FUEL EXPENSE-----	47,501
A07	INTEREST ON NUCLEAR RESERVES-----	695
A08	BOOK DEPRECIATION ON NACC CME-----	1,362
A09	INTEREST - DOE LIABILITY-----	
A010	CONSTRUCTION POWER-----	(29)
A011	MISSOURI FUEL TRUE-UP-----	
A012	ACRS RETIREMENTS-----	(468)
A013	OTHER TAXES CHARGED -- PLANT ACCTS-----	(95)
A014	DEPR FOR TAX PURPOSES-----	(223,497)
A015	REMOVAL EXPENSES-----	(5,388)
A016	PENSION PLAN DED FOR TAXES-----	(30)
A017	REAL & PERSONAL PROP TAXES-----	(104)
A018	DEFERRED FUEL COSTS-----	(2,866)
A019	NUCLEAR REFUELING MAINTENANCE-----	(4,426)
A020	ANO SHUTDOWN EXPENSE-----	(582)
A021	INT ON NUCLEAR FUEL-----	(4,147)
A022	ALLOW FOR FUNDS DUR CONST-----	(1,390)
A023	NUCLEAR RESERVE EXP-----	(4,208)
A024	INTERCOMPANY SALES-----	363
A025	OTHER GAIN SALE OF PROPERTY-----	
A026	SALE VEHICLE ITC-- -----	(1)
A027	DEFERRED DIRECTORS FEES-----	(38)
A028	MISCELLANEOUS INTANGIBLE PLANT-----	(609)
A029	LEASE COST CAP ON COAL HDLNG EQPT-----	93
A030	TMI ACCRUED-----	(349)
A031	TAX DEFICIT INTEREST PAYMENTS-----	
A032	INTEREST ON DECOMMISSIONING-----	1,710
A033	COMPUTER SOFTWARE CAPITALIZED-----	(2,991)
A034	AMORT OF INTANG PLANT - DOCKET #82-314-U-----	835
A035	AMORT OF INTANG PLANT - ISES-----	467
A036	AMORT OF COMPUTER SOFTWARE-----	1,666
A037	AMORT OF BOOK GAIN ON SALE OF ANO BLDG-----	(82)
A038	AMORT OF BOOK GAIN ON SALE OF WEST MKHM SC----	(5)

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PER BOOK
ADJUSTMENTS TO TAXABLE INCOME
(\$000's)

12 Mos. Ending 12/31/86

Date Prepared 4/10/87

[illegible]

() = DECREASE TO UTILITY OPERATING INCOME

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PER BOOK
STATE/FEDERAL TAX ADJUSTMENTS
(000's)

12 Mos. Ending 12/31/86Date Prepared 4/10/87

STRING
NAME

STATE BEFORE TAX ADJUSTMENTS

DEPADJ	ADJ FOR DEPRECIATION-----	\$	_____
INTERAL	INTERCOMPANY SALES-----		_____
ACRS	ACRS RETIREMENT LOSSES-----		_____
SCP	CONSTRUCTION POWER-----		_____
	_____		_____
	_____		_____

STATE AFTER TAX ADJUSTMENTS

MOTADJS	MISSOURI TAX RATE ADJUSTMENT-----	\$	_____
SPYADJ	STATE TAX ASSOC W/PRIOR YR ADJ-----		(4,422)
SCWIP	INTEREST ON CWIP-----		164
VITCS	VEHICLE ITC - NET OF TAX-----		_____
ARTADJS	ARKANSAS TAX RATE ADJUSTMENT-----		(132)
	_____		_____
	_____		_____
	_____		_____

FEDERAL BEFORE TAX ADJUSTMENTS

F02	PREFERRED DIVIDENDS PAID-----	\$	(135)
	_____		_____
	_____		_____
	_____		_____

FEDERAL AFTER TAX ADJUSTMENTS

FCWIP	INTEREST ON CWIP-----	\$	1,193
STAD	VARIOUS TAX RATES-----		_____
FITC	INVESTMENT TAX CREDIT-----		(11,693)
FPYADJ	FED TAX ASSOC W/PRIOR YR ADJ-----		(37,780)
VITCF	VEHICLE ITC - NET OF TAX-----		_____
F05	PROV FOR CONTINGENCIES-----		300
MOTADJF	MISSOURI TAX RATE ADJUSTMENT-----		_____
ARTADJF	ARKANSAS TAX RATE ADJUSTMENT-----		62
PYAITC	PRIOR YR ADJUST - ITC-----		_____
	_____		_____
	_____		_____

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
RATE BASE
(\$000's)

Rate Case 12/86 MRRCPro Forma # 1Prepared By Rate Research & Dev./Rev. Rqmts.Date Prepared 4/10/87

Description of Adjustment:

Adjust O&M Account 557 for Removal of Deferred Fuel & Nuclear RefuelingReserve. Remove Construction Power from A&G, A/C929.STRING
NAME

RATE BASE

PT	PLANT IN SERVICE-----	\$	_____
DR	DEPRECIATION RESERVES-----		_____
PAA	PLANT ACQ. ADJUSTMENT-----		_____
FI	FUEL INVENTORY-----		_____
MS	MATERIALS & SUPPLIES-----		_____
PPMT	PREPAYMENTS-----		_____
WC	WORKING CASH-----		_____
SFI	INVESTMENT IN SYSTEM FUELS-----		_____
	TOTAL-----	\$	<u>-0-</u>

() = DECREASE TO RATE BASE

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
INCOME AND EXPENSE
(\$000's)

Pro Forma # 1

STRING
NAME

REVENUESDate Prepared 4/10/87

REV1	SALES TO ULTIMATE CUSTOMERS-----	\$	_____
REV2	SALES FOR RESALE-----		_____
REV3	MSPP & SYSTEM SALES-----		_____
REV4	OTHER ELECTRIC REVENUE-----		_____
	TOTAL OPERATING REVENUE-----	\$	_____

EXPENSESOPERATION & MAINTENANCEPRODUCTION

OMP1	OPERATION (EX. FUEL & PURCH. PWR)----	\$	_____
OMP2	MAINTENANCE-----		_____
OMP3	FUEL-----		_____
OMP4	PURCHASED POWER-----		_____
OMP5	SYSTEM CONTROL-----		_____
OMP6	OTHER PROD. EXP. & CREDITS-----		7,074
	TOTAL PRODUCTION-----		7,074
OMT	TRANSMISSION-----		_____
OMD	DISTRIBUTION-----		_____
OMCA	CUSTOMER ACCOUNTING-----		_____
OMCS	CUSTOMER SERVICES-----		_____
OMSE	SALES EXPENSE-----		_____
OMAG	ADMINISTRATIVE & GENERAL-----		94
	TOTAL OPER. & MAINT.-----		7,168
DX	DEPRECIATION-----		_____
OTAX	TAXES OTHER THAN INCOME-----		_____
STAX	INCOME TAXES - STATE-----	2.76%	(198)
FTAX	INCOME TAXES - FEDERAL-----	46%	(3,206)
DTDRS	PROV. DEFERRED INC. TAX - STATE-----		_____
DTDRF	PROV. DEFERRED INC. TAX - FEDERAL-----		_____
DTCRS	PROV. DEF. INC. TAX CREDIT - STATE-----		_____
DTCRF	PROV. DEF. INC. TAX CREDIT - FEDERAL-----		_____
ITC	INVESTMENT TAX CREDIT ADJ.-----		_____

TOTAL UTILITY OPERATING EXP.-----	\$	3,764
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NET UTILITY OPERATING INCOME-----	\$	(3,764)
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ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(000's)

Pro Forma # 1Date Prepared 4/10/87

STRING
NAME

REVENUE

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INCOME:

AO1	UNBILLED REVENUE-----	\$	_____
AO2	INCREASE IN RESERVES-----		_____
AO3	PROP RET RESERVE APPROP-----		_____
AO4	RESERVED REVENUES-----		_____
AO5	INTEREST ON TAX DEFICIT-----		_____
AO6	NUCLEAR FUEL EXPENSE-----		_____
AO7	INTEREST ON NUCLEAR RESERVES-----		_____
AO8	BOOK DEPRECIATION ON NACC CME-----		_____
AO9	INTEREST - DOE LIABILITY-----		_____
AO10	CONSTRUCTION POWER-----		_____
AO11	MISSOURI FUEL TRUE-UP-----		_____
AO12	ACRS RETIREMENTS-----		_____
AO13	OTHER TAXES CHARGED - PLANT ACCTS-----		_____
AO14	DEPR FOR TAX PURPOSES-----		_____
AO15	REMOVAL EXPENSES-----		_____
AO16	PENSION PLAN DED FOR TAXES-----		_____
AO17	REAL & PERSONAL PROP TAXES-----		_____
AO18	DEFERRED FUEL COSTS-----		_____
AO19	NUCLEAR REFUELING MAINTENANCE-----		_____
AO20	ANO SHUTDOWN EXPENSE-----		_____
AO21	INT ON NUCLEAR FUEL-----		_____
AO22	ALLOW FOR FUNDS DUR CONST-----		_____
AO23	NUCLEAR RESERVE EXP-----		_____
AO24	INTERCOMPANY SALES-----		_____
AO25	OTHER GAIN SALE OF PROPERTY-----		_____
AO26	SALE VEHICLE ITC-----		_____
AO27	DEFERRED DIRECTORS FEES-----		_____
AO28	MISCELLANEOUS INTANGIBLE PLANT-----		_____
AO29	LEASE COST CAP ON COAL HDLNG EQPT-----		_____
AO30	TMI ACCRUED-----		_____
AO31	TAX DEFICIT INTEREST PAYMENTS-----		_____
AO32	INTEREST ON DECOMMISSIONING-----		_____
AO33	COMPUTER SOFTWARE CAPITALIZED-----		_____
AO34	AMORT OF INTANG PLANT - DOCKET #82-314-U-----		_____
AO35	AMORT OF INTANG PLANT - ISES-----		_____
AO36	AMORT OF COMPUTER SOFTWARE-----		_____
AO37	AMORT OF BOOK GAIN ON SALE OF ANO BLDG-----		_____
AO38	AMORT OF BOOK GAIN ON SALE OF WEST MKHM SC-----		_____

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(\$000's)

Pro Forma # 1

Date Prepared 4/10/87

STRING
NAME

REVENUE

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INC. (cont'd):

AO39	INTEREST ON PCB-----	\$
AO40	AMORT OF STEAM GEN PROC DEVELOPMENT-----	
AO41	AMORT OF GAIN ON SALE OF BLDGS-----	
AO42	STEAM GEN PROC DEVELOPMENT-----	
AO43	ARK WHSLE ER81-577-----	
AO44	PENSION PMNT 1985-86-----	
AO45	RESERVE FOR CONTINGENCIES-----	
AO46	INVENTORY DEFERRAL GG1 SETTLEMENT-----	
AO47	GG1 COST OVER/UNDER RECOVERY-----	
AO48	GG1 RESERVE - FARMERS-----	
AO49	INVENTORY SHARE DEF - GG1 SETTLEMENT-----	
AO50	GG1 - DEF MISSOURI RETAIL-----	
AO51	GG1 - DEF ARKANSAS WHSLE-----	
AO52	CURRENT RECOVERY SHARE DEF - GG1-----	
AO53	GG1 RESERVE EQUAL CREDIT-----	
AO54	ANNUALIZE INTEREST ON ADJUSTED RATE BASE-----	
INT	TOTAL INTEREST CHARGES-----	

TOTAL ADJUSTMENTS TO UTILITY OPERATING INCOME \$	-0-
--	-----

() = DECREASE TO UTILITY OPERATING INCOME

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
STATE/FEDERAL TAX ADJUSTMENTS
(000's)

Pro Forma # 1Date Prepared 4/10/87

STRING
NAME

STATE BEFORE TAX ADJUSTMENTS

DEPADJ	ADJ FOR DEPRECIATION-----	\$	_____
INTERSAL	INTERCOMPANY SALES-----		_____
ACRS	ACRS RETIREMENT LOSSES-----		_____
SCP	CONSTRUCTION POWER-----		_____
	_____		_____
	_____		_____

STATE AFTER TAX ADJUSTMENTS

MOTADJS	MISSOURI TAX RATE ADJUSTMENT-----	\$	_____
SPYADJ	STATE TAX ASSOC W/PRIOR YR ADJ-----		_____
SCWIP	INTEREST ON CWIP-----		_____
VITCS	VEHICLE ITC - NET OF TAX-----		_____
ARTADJS	ARKANSAS TAX RATE ADJUSTMENT-----		_____
	_____		_____
	_____		_____

FEDERAL BEFORE TAX ADJUSTMENTS

FO2	PREFERRED DIVIDENDS PAID-----	\$	_____
	_____		_____
	_____		_____

FEDERAL AFTER TAX ADJUSTMENTS

FCWIP	INTEREST ON CWIP-----	\$	_____
STAD	VARIOUS TAX RATES-----		_____
FITC	INVESTMENT TAX CREDIT-----		_____
FPYADJ	FED TAX ASSOC W/PRIOR YR ADJ-----		_____
VITCF	VEHICLE ITC - NET OF TAX-----		_____
FO5	PROV FOR CONTINGENCIES-----		_____
MOTADJF	MISSOURI TAX RATE ADJUSTMENT-----		_____
ARTADJF	ARKANSAS TAX RATE ADJUSTMENT-----		_____
PYAIRC	PRIOR YR ADJUST - ITC-----		_____
	_____		_____
	_____		_____

MD 12/86

ARKANSAS POWER & LIGHT COMPANY
PRO FORMA #1
ADJUSTMENTS TO REVENUE

SCHEDULE 1
PAGE 1 OF 2
02-Apr-87

Line =====		PER BOOKS =====	PRO FORMA =====	ADJUSTMENT =====
	RETAIL			
	ARKANSAS			
1	RES	369,628,582	369,628,582	0
2	SGS	185,843,580	185,843,580	0
3	LGS (NON-TOU)	149,527,234	149,527,234	0
4	LGS (TOU)	125,932,344	125,932,344	0
5	LPSC	25,226,290	25,226,290	0
6	LIGHTING	13,831,792	13,831,792	0
7	TOTAL ARKANSAS	869,989,821	869,989,821	0
	MISSOURI			
8	RES	14,451,310	14,451,310	0
9	SGS	7,589,336	7,589,336	0
10	LGS	2,496,515	2,496,515	0
11	LPS	12,193,654	12,193,654	0
12	LIGHTING	950,265	950,265	0
13	TOTAL MISSOURI	37,681,079	37,681,079	0
14	TOTAL RETAIL	907,670,900	907,670,900	0
	PARTIAL REQUIREMENTS FORMULA			
15	CONWAY	5,338,179	5,338,179	0
16	OSCEOLA	4,674,319	4,674,319	0
17	WEST MEMPHIS	9,749,152	9,749,152	0
18	CAMPBELL	564,095	564,095	0
19	THAYER	484,333	484,333	0
20	TOTAL PARTIAL REQ.	20,810,078	20,810,078	0
	WHEELING			
21	AECC	37,243,211	37,243,211	0
22	JONESBORO	2,708,970	2,708,970	0
23	HOPE	787,086	787,086	0
24	CAJUN	811,160	811,160	0
25	RUSTON-AECC	451,980	451,980	0
26	LEPA	224,840	224,840	0
27	TOTAL WHEELING	42,227,247	42,227,247	0
	OTHER			
28	NORTH LITTLE ROCK	40,068,127	40,068,127	0
29	FARMERS ELEC COOP	2,472,607	2,472,607	0
30	PARAGOULD	884,506	884,506	0
31	PRESCOTT	1,309,988	1,309,988	0
32	BENTON	7,585,878	7,585,878	0
33	NORTH ARKANSAS	252,828	252,828	0
34	ARBYRD	1,141,271	1,141,271	0
35	UNION ELECTRIC	712	712	0
36	TOTAL OTHER	53,715,917	53,715,917	0
37	TOTAL RESALE	116,753,242	116,753,242	0

ARKANSAS POWER & LIGHT COMPANY
PRO FORMA #1
ADJUSTMENTS TO REVENUE

SCHEDULE 1
PAGE 2 OF 2
02-Apr-87

Line ----		PER BOOKS -----	PRO FORMA -----	ADJUSTMENT -----
	MSPP & SYSTEM			
	MSPP			
1	RES. EQ. (MSS-1)	16,914,446	16,914,446	0
	UNIT POWER PURCHASE (MSS-4)			
2	CAPACITY	36,880,580	36,880,580	0
3	ENERGY	25,582,949	25,582,949	0
4	TOTAL UNIT POWER PURCHASE	62,463,529	62,463,529	0
5	SALES TO EXCHANGE (MSS-3)	140,583,648	140,583,648	0
6	TOTAL MSPP	219,961,623	219,961,623	0
	SYSTEM SALES			
7	SYSTEM SALES	64,668,777	64,668,777	0
8	NET MARGIN	4,497,933	4,497,933	0
9	TOTAL SYSTEM SALES	69,166,710	69,166,710	0
10	TOTAL MSPP & SYSTEM	289,128,333	289,128,333	0
11	TOTAL SALES REVENUE	1,313,552,475	1,313,552,475	0
	OTHER ELECTRIC REVENUE			
12	TRANSMISSION EQ. (MSS-2)	25,338,183	25,338,183	0
13	TRANS. FACIL. RECPT.	1,241,095	1,241,095	0
14	OTHER	5,283,826	5,283,826	0
15	TOTAL OTHER REVENUE	31,863,104	31,863,104	0
16	TOTAL REVENUE	1,345,415,579	1,345,415,579	0

ARKANSAS POWER & LIGHT COMPANY
PRO FORMA #1
FUEL & PURCHASED POWER EXPENSE

SCHEDULE 2
3-26-87
02-Apr-87

Line ----		PER BOOKS -----	PRO FORMA -----	ADJUSTMENT -----
	FUEL			
1	NUCLEAR	-	-	-
2	COAL	-	-	-
3	GAS	-	-	-
4	OIL	-	-	-
5	TOTAL FUEL	331,992,652	331,992,652	0
	PURCHASED POWER DEMAND			
6	RES. EQ. (MSS-1)	-	-	-
7	MSE DEMAND	329,233,593	329,233,593	0
	OTHER DEMAND			
8	NEW MADRID	4,459,269	4,459,269	0
9	UNION ELECTRIC	3,706,378	3,706,378	0
10	OTHER (1)	74,907	74,907	0
11	TOTAL OTHER DEMAND	8,240,554	8,240,554	0
12	TOTAL DEMAND	337,474,147	337,474,147	0
	ENERGY			
13	MSE ENERGY	16,271,705	16,271,705	0
	OTHER ENERGY			
14	NON ASSOC CO (2)	9,675,731	9,675,731	0
15	ASSOC CO (3)	16,717,692	16,717,692	0
16	OTHER (4)	74,418,839	74,418,839	0
17	TOTAL OTHER ENERGY	100,812,262	100,812,262	0
18	TOTAL ENERGY	117,083,967	117,083,967	0
19	TOTAL PURCHASED POWER	454,558,114	454,558,114	0
	OTHER PROD EXP & CR			
20	DEFERRED FUEL	(2,865,848)	0	2,865,848
21	NUCLEAR REFUEL RES	(4,207,584)	0	4,207,584
22	OTHER EXPENSE - DEMAND	13,769,130	13,769,130	0
23	OTHER EXPENSE - ENERGY	5,159,606	5,159,606	0
24	MO GRAND GULF DEFERRAL	(2,699,648)	(2,699,648)	0
25	AR GRAND GULF SETT. M33	(186,311,496)	(186,311,496)	0
26	TOTAL OTHER PROD EXP & CR	(177,155,840)	(170,082,408)	7,073,432
27	TOTAL PRODUCTION EXPENSE	609,394,926	616,468,358	7,073,432
28	CUST. ACCT. (UNCOLL. ACCOUNTS)	4,920,465	4,920,465	0
29	ADM & GEN EXPENSE (CONST PWR)	(94,339)	0	94,339

(1) PER BOOKS - BENTON 67,095 PRESCOTT 7,812

(2) ECONOMY

(3) MSPP: EXCHANGE, PGC GAS, SFI GAS

(4) AECC, UE ENERGY, NEW MADRID ENERGY, TVA DIVERSITY, WHOLESALE CO-OWNER,
CO-GENERATION (U.E. OF \$2,851,573 PER BOOK)

12/84 M.P.R.C

Initials	Date
Prepared By	
Approved By	

APLL

PRO-FORMA ADJUSTMENTS - ADJUST. #1

Remove Deferred Fuel & Nucl Refuel Res From A/C 557. Remove Construct Powr From A/C 929.

	(\$000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
EXPENSE ADJUSTMENTS				
1) Adjust To O&M Expenses				
Production				
Adjust - Deferred Fuel	2866	PFO1OPDF	E02	2865848
- Nucl Refuel Res	4208	PFO1OPNR	E03	4207584
A&G				
Adjust - Constr Power	94	PFO1AGCP	E01	94339

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
RATE BASE
(\$000's)

Rate Case 12/86 MRRCPro Forma # 5Prepared By Revenue RequirementsDate Prepared 4/16/87

Description of Adjustment:

Synchronize Test Year Interest Expense.STRING
NAME

RATE BASE

PT	PLANT IN SERVICE-----	\$	_____
DR	DEPRECIATION RESERVES-----		_____
PAA	PLANT ACQ. ADJUSTMENT-----		_____
FI	FUEL INVENTORY-----		_____
MS	MATERIALS & SUPPLIES-----		_____
PPMT	PREPAYMENTS-----		_____
WC	WORKING CASH-----		_____
SFI	INVESTMENT IN SYSTEM FUELS-----		_____
	TOTAL-----	\$	<u>-0-</u>

() = DECREASE TO RATE BASE

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
INCOME AND EXPENSE
(\$000's)

Pro Forma # 5STRING
NAMEREVENUESDate Prepared 4/16/87

REV1	SALES TO ULTIMATE CUSTOMERS-----	\$	_____
REV2	SALES FOR RESALE-----		_____
REV3	MSPP & SYSTEM SALES-----		_____
REV4	OTHER ELECTRIC REVENUE-----		_____
	TOTAL OPERATING REVENUE-----	\$	_____

EXPENSESOPERATION & MAINTENANCEPRODUCTION

OMP1	OPERATION (EX. FUEL & PURCH. PWR)----	\$	_____
OMP2	MAINTENANCE-----		_____
OMP3	FUEL-----		_____
OMP4	PURCHASED POWER-----		_____
OMP5	SYSTEM CONTROL-----		_____
OMP6	OTHER PROD. EXP. & CREDITS-----		_____
	TOTAL PRODUCTION-----		_____
OMT	TRANSMISSION-----		_____
OMD	DISTRIBUTION-----		_____
OMCA	CUSTOMER ACCOUNTING-----		_____
OMCS	CUSTOMER SERVICES-----		_____
OMSE	SALES EXPENSE-----		_____
OMAG	ADMINISTRATIVE & GENERAL-----		_____
	TOTAL OPER. & MAINT.-----		_____
DX	DEPRECIATION-----		_____
OTAX	TAXES OTHER THAN INCOME-----		_____
STAX	INCOME TAXES - STATE-----	2.76%	818
FTAX	INCOME TAXES - FEDERAL-----	46%	14,720
DTDRS	PROV. DEFERRED INC. TAX - STATE-----		_____
DTDRE	PROV. DEFERRED INC. TAX - FEDERAL-----		_____
DTCRS	PROV. DEF. INC. TAX CREDIT - STATE-----		_____
DTCRF	PROV. DEF. INC. TAX CREDIT - FEDERAL-----		_____
ITC	INVESTMENT TAX CREDIT ADJ.-----		_____

TOTAL UTILITY OPERATING EXP.-----	\$	15,538
-----------------------------------	----	--------

NET UTILITY OPERATING INCOME-----	\$	(15,538)
-----------------------------------	----	----------

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(000's)

Pro Forma # 5Date Prepared 4/16/87STRING
NAME

REVENUE

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INCOME:

A01	UNBILLED REVENUE-----	\$	_____
A02	INCREASE IN RESERVES-----		_____
A03	PROP RET RESERVE APPROP-----		_____
A04	RESERVED REVENUES-----		_____
A05	INTEREST ON TAX DEFICIT-----		_____
A06	NUCLEAR FUEL EXPENSE-----		_____
A07	INTEREST ON NUCLEAR RESERVES-----		_____
A08	BOOK DEPRECIATION ON NACC CME-----		_____
A09	INTEREST - DOE LIABILITY-----		_____
A010	CONSTRUCTION POWER-----		_____
A011	MISSOURI FUEL TRUE-UP-----		_____
A012	ACRS RETIREMENTS-----		_____
A013	OTHER TAXES CHARGED - PLANT ACCTS-----		_____
A014	DEPR FOR TAX PURPOSES-----		_____
A015	REMOVAL EXPENSES-----		_____
A016	PENSION PLAN DED FOR TAXES-----		_____
A017	REAL & PERSONAL PROP TAXES-----		_____
A018	DEFERRED FUEL COSTS-----		_____
A019	NUCLEAR REFUELING MAINTENANCE-----		_____
A020	ANO SHUTDOWN EXPENSE-----		_____
A021	INT ON NUCLEAR FUEL-----		_____
A022	ALLOW FOR FUNDS DUR CONST-----		_____
A023	NUCLEAR RESERVE EXP-----		_____
A024	INTERCOMPANY SALES-----		_____
A025	OTHER GAIN SALE OF PROPERTY-----		_____
A026	SALE VEHICLE ITC-----		_____
A027	DEFERRED DIRECTORS FEES-----		_____
A028	MISCELLANEOUS INTANGIBLE PLANT-----		_____
A029	LEASE COST CAP ON COAL HDLNG EQPT-----		_____
A030	TMI ACCRUED-----		_____
A031	TAX DEFICIT INTEREST PAYMENTS-----		_____
A032	INTEREST ON DECOMMISSIONING-----		_____
A033	COMPUTER SOFTWARE CAPITALIZED-----		_____
A034	AMORT OF INTANG PLANT - DOCKET #82-314-U-----		_____
A035	AMORT OF INTANG PLANT - ISES-----		_____
A036	AMORT OF COMPUTER SOFTWARE-----		_____
A037	AMORT OF BOOK GAIN ON SALE OF ANO BLDG-----		_____
A038	AMORT OF BOOK GAIN ON SALE OF WEST MKHM SC-----		_____

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
STATE/FEDERAL TAX ADJUSTMENTS
(000's)

Pro Forma # 5

STRING
NAME

Date Prepared 4/16/87STATE BEFORE TAX ADJUSTMENTS

DEPADJ	ADJ FOR DEPRECIATION-----	\$	_____
INTERAL	INTERCOMPANY SALES-----		_____
ACRS	ACRS RETIREMENT LOSSES-----		_____
SCP	CONSTRUCTION POWER-----		_____
	_____		_____
	_____		_____

STATE AFTER TAX ADJUSTMENTS

MOTADJS	MISSOURI TAX RATE ADJUSTMENT-----	\$	_____
SPYADJ	STATE TAX ASSOC W/PRIOR YR ADJ-----		_____
SCWIP	INTEREST ON CWIP-----		(164)
VITCS	VEHICLE ITC - NET OF TAX-----		_____
ARTADJS	ARKANSAS TAX RATE ADJUSTMENT-----		_____
	_____		_____
	_____		_____

FEDERAL BEFORE TAX ADJUSTMENTS

FO2	PREFERRED DIVIDENDS PAID-----	\$	_____
	_____		_____
	_____		_____

FEDERAL AFTER TAX ADJUSTMENTS

FCWIP	INTEREST ON CWIP-----	\$	(1,193)
STAD	VARIOUS TAX RATES-----		_____
FITC	INVESTMENT TAX CREDIT-----		_____
FPYADJ	FED TAX ASSOC W/PRIOR YR ADJ-----		_____
VITCF	VEHICLE ITC - NET OF TAX-----		_____
FO5	PROV FOR CONTINGENCIES-----		_____
MOTADJF	MISSOURI TAX RATE ADJUSTMENT-----		_____
ARTADJF	ARKANSAS TAX RATE ADJUSTMENT-----		_____
PYAITC	PRIOR YR ADJUST - ITC-----		_____
	_____		_____
	_____		_____



45-804 ERM-Ease
45-904 20 CC Buff
Made in USA

APCL

SUMMARY OF COST OF CAPITAL

12/31/86

	1	2	3	4
	AMOUNT	PROPORTION	RATE	COST
Long-Term Debt	1,136,613,493	.4760	9.4328%	4.49%
Preferred Stock	331,847,554	.1390	9.0330%	1.26%
Common Equity	845,911,843 *	.3543	14.25%	5.05%
Customer Deposits - Arkansas	500,8280	.0021	8.00%	.02%
- Missouri	166,9427	.0007	9.00%	.01%
DOE Obligation	46,728,590	.0279	6.065%	.17%
Total	2,387,779,187	1.0000		11.00%

* Common Stock	487,252,450
Prem. On Capital Stock (Common)	38,197,68
Gain On Cancel. Of Recog. Cap. Stock	382,2499
Capital Stock Exp. (Common)	(45,553)
Retained Earnings	149,142,144
Unappr. Undis. Subsid. Earnings	192,0535
	845,911,843

12/86 MARC

Initials	Date
Prepared By	
Approved By	



45-804 Eve-Ease
45-904 20-20 Buff
Made in USA

APLL

PRO-FORMA ADJUSTMENTS-ADJUST. #5

	1	2	3	4
Adjustment To Synchronize Test Year Interest Expense.				
	(\$000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
<u>EXPENSE ADJUSTMENTS</u>				
1) Adjust To Operating Inc Bef Taxes				
Adjust-Total Interest Charges	146510	PFO5SJTI	SJTIC	146509726
- Ann Int Adj To Rate Base	(110935)	PFO5SJAL	*	(110934821)
2) Adjust To Operating Inc Aft Taxes				
Adjust-Int on CWIP State	(164)	PFO5SJST	PLTOA	(164428)
-Int on CWIP Federal	(1193)	PFO5SJFD	PLTOA	(1193421)
* Allocated In COS-Total Rate Base Adjusted @ 345,347,989 X Int. On Long-Term Debt (4.49% + .17% DOE + .03% Cust. Depos.) 4.69% = 110,934,821				

46% TAX ADJ

Page 1 of 5

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
RATE BASE
(\$000's)

Rate Case 12/86 MRRC

Pro Forma # 7

Prepared By Taxes and Special Studies

Date Prepared 3/27/87

Description of Adjustment:

Current and Deferred Income Taxes Adjusted for MRRC Comprehending
Final Order in Docket ER-85-265. Includes Adjusting State Income
Tax Rate for Federal Deduction for State.(2.76% Effective State Rate)

STRING
NAME

RATE BASE

PT	PLANT IN SERVICE-----	\$	_____
DR	DEPRECIATION RESERVES-----		_____
PAA	PLANT ACQ. ADJUSTMENT-----		_____
FI	FUEL INVENTOPY-----		_____
MS	MATERIALS & SUPPLIES-----		_____
PPMT	PREPAYMENTS-----		_____
WC	WORKING CASH-----		_____
SFI	INVESTMENT IN SYSTEM FUELS-----		_____
ADTLB	ACCUM DEF TX - LIB DEPREC-----		200,039
ADTO	ACCUM DEF TX - OTHER-----		(42,398)
ADTITC	ACCUM DEF INVEST TX CR - 3%-----		_____
	TOTAL		157,641

() = DECREASE TO RATE BASE

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
INCOME AND EXPENSE
(\$000's)

Pro Forma # 7STRING
NAMEREVENUESDate Prepared 3/27/87

REV1	SALES TO ULTIMATE CUSTOMERS-----	\$	_____
REV2	SALES FOR RESALE-----		_____
REV3	MSPP & SYSTEM SALES-----		_____
REV4	OTHER ELECTRIC REVENUE-----		_____
	TOTAL OPERATING REVENUE-----	\$	_____

EXPENSES

OPERATION & MAINTENANCE

PRODUCTION

OMP1	OPERATION (EX. FUEL & PURCH. PWR)----	\$	_____
OMP2	MAINTENANCE-----		_____
OMP3	FUEL-----		_____
OMP4	PURCHASED POWER-----		_____
OMP5	SYSTEM CONTROL-----		_____
OMP6	OTHER PROD. EXP. & CREDITS-----		_____
	TOTAL PRODUCTION-----		_____
OMT	TRANSMISSION-----		_____
OMD	DISTRIBUTION-----		_____
OMCA	CUSTOMER ACCOUNTING-----		_____
OMCS	CUSTOMER SERVICES-----		_____
OMSE	SALES EXPENSE-----		_____
OMAG	ADMINISTRATIVE & GENERAL-----		_____
	TOTAL OPER. & MAINT.-----		_____
DX	DEPRECIATION-----		_____
OTAX	TAXES OTHER THAN INCOME-----		_____
STAX	INCOME TAXES - STATE-----2.76%		11,675
FTAX	INCOME TAXES - FEDERAL-----46%		117,235
DTDRS	PROV. DEFERRED INC. TAX - STATE-----		(21,165)
DTDRF	PROV. DEFERRED INC. TAX - FEDERAL-----		(143,558)
DTCRS	PROV. DEF. INC. TAX CREDIT - STATE-----		4,355
DTCRF	PROV. DEF. INC. TAX CREDIT - FEDERAL-----		25,067
ITC	INVESTMENT TAX CREDIT ADJ.-----		_____

TOTAL UTILITY OPERATING EXP.-----	\$	(6,391)
-----------------------------------	----	---------

NET UTILITY OPERATING INCOME-----	\$	6,391
-----------------------------------	----	-------

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(000's)

Pro Forma # 7Date Prepared 3/27/87STRING
NAMEREVENUE

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INCOME:

A01	UNBILLED REVENUE-----	\$ (2,378)
A02	INCREASE IN RESERVES-----	(4,138)
A03	PROP RET RESERVE APPROP-----	
A04	RESERVED REVENUES-----	(3,057)
A05	INTEREST ON TAX DEFICIT-----	(5,422)
A06	NUCLEAR FUEL EXPENSE-----	
A07	INTEREST ON NUCLEAR RESERVES-----	(695)
A08	BOOK DEPRECIATION ON NACC CME-----	
A09	INTEREST - DOE LIABILITY-----	
A010	CONSTRUCTION POWER-----	29
A011	MISSOURI FUEL TRUE-UP-----	
A012	ACRS RETIREMENTS-----	468
A013	OTHER TAXES CHARGED - PLANT ACCTS-----	95
A014	DEPR FOR TAX PURPOSES-----	
A015	REMOVAL EXPENSES-----	5,388
A016	PENSION PLAN DED FOR TAXES-----	30
A017	REAL & PERSONAL PROP TAXES-----	104
A018	DEFERRED FUEL COSTS-----	2,866
A019	NUCLEAR REFUELING MAINTENANCE-----	4,426
A020	ANO SHUTDOWN EXPENSE-----	582
A021	INT ON NUCLEAR FUEL-----	
A022	ALLOW FOR FUNDS DUR CONST-----	1,390
A023	NUCLEAR RESERVE EXP-----	4,208
A024	INTERCOMPANY SALES-----	(363)
A025	OTHER GAIN SALE OF PROPERTY-----	
A026	SALE VEHICLE ITC-----	1
A027	DEFERRED DIRECTORS FEES-----	38
A028	MISCELLANEOUS INTANGIBLE PLANT-----	609
A029	LEASE COST CAP ON COAL HDLNG EQPT-----	(93)
A030	TMI ACCRUED-----	349
A031	TAX DEFICIT INTEREST PAYMENTS-----	
A032	INTEREST ON DECOMMISSIONING-----	(1,710)
A033	COMPUTER SOFTWARE CAPITALIZED-----	2,991
A034	AMORT OF INTANG PLANT - DOCKET #82-314-U-----	
A035	AMORT OF INTANG PLANT - ISES-----	(467)
A036	AMORT OF COMPUTER SOFTWARE-----	
A037	AMORT OF BOOK GAIN ON SALE OF ANO BLDG-----	82
A038	AMORT OF BOOK GAIN ON SALE OF WEST MKHM SC-----	5

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(\$000's)

Pro Forma # 7

STRING
NAME

REVENUE

Date Prepared 3/27/87

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INC. (cont'd):

A039	INTEREST ON PCB-----	\$	(17)
A040	AMORT OF STEAM GEN PROC DEVELOPMENT-----		
A041	AMORT OF GAIN ON SALE OF BLDGS-----		217
A042	STEAM GEN PROC DEVELOPMENT-----		25
A043	ARK WHSLE ER81-577-----		900
A044	PENSION PMNT 1985-86-----		
A045	RESERVE FOR CONTINGENCIES-----		(13,978)
A046	INVENTORY DEFERRAL GG1 SETTLEMENT-----		(3,421)
A047	GG1 COST OVER/UNDER RECOVERY-----		(3,089)
A048	GG1 RESERVE - FARMERS-----		
A049	INVENTORY SHARE DEF - GG1 SETTLEMENT-----		118,881
A050	GG1 - DEF MISSOURI RETAIL-----		
A051	GG1 - DEF ARKANSAS WHSLE-----		(3,457)
A052	CURRENT RECOVERY SHARE DEF - GG1-----		98,321
A053	GG1 RESERVE EQUAL CREDIT-----		(2,550)
A054	ANNUALIZE INTEREST ON ADJUSTED RATE BASE-----		
INT	TOTAL INTEREST CHARGES-----		
A055	ACT 310 SUR REFUND REV-----		(905)
A056	ALLOWANCE FOR UNCOLLECTIBLES-----		(2,145)
A057	DIGBY 1 & 2-----		(17,526)
A058	UNCOLLECTIBLE ACCOUNTS-----		70
A059	FMB REDEMPTION COSTS-----		3,568

() = DECREASE TO UTILITY OPERATING INCOME

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
STATE/FEDERAL TAX ADJUSTMENTS
(000's)

Pro Forma # 7

STRING
NAME

Date Prepared 3/27/87STATE BEFORE TAX ADJUSTMENTS

DEPADJ	ADJ FOR DEPRECIATION-----	\$	_____
INTERSAL	INTERCOMPANY SALES-----		_____
ACRS	ACRS RETIREMENT LOSSES-----		_____
SCP	CONSTRUCTION POWER-----		_____
	_____		_____
	_____		_____

STATE AFTER TAX ADJUSTMENTS

MOTADJS	MISSOURI TAX RATE ADJUSTMENT <u>TO 2.76%</u> -----	\$	2,146*
SPYADJ	STATE TAX ASSOC W/PRIOR YR ADJ-----		4,422
SCWIP	INTEREST ON CWIP-----		_____
VITCS	VEHICLE ITC - NET OF TAX-----		_____
ARTADJS	ARKANSAS TAX RATE ADJUSTMENT-----		132
	_____		_____
	_____		_____

FEDERAL BEFORE TAX ADJUSTMENTS

FO2	PREFERRED DIVIDENDS PAID-----	\$	_____
	_____		_____
	_____		_____

FEDERAL AFTER TAX ADJUSTMENTS

FCWIP	INTEREST ON CWIP-----	\$	_____
STAD	VARIOUS TAX RATES-----		_____
FITC	INVESTMENT TAX CREDIT-----		_____
FPYADJ	FED TAX ASSOC W/PRIOR YR ADJ-----		37,780
VITCF	VEHICLE ITC - NET OF TAX-----		_____
FO5	PROV FOR CONTINGENCIES-----		(300)
MOTADJF	MISSOURI TAX RATE ADJUSTMENT <u>TO 2.76%-FED EFF</u> -----		(987)*
ARTADJF	ARKANSAS TAX RATE ADJUSTMENT-----		(62)
PYAITC	PRIOR YR ADJUST - ITC-----		185
	_____		_____
	_____		_____

* Not Input into COS (Taxes Calculated Within Program at 2.76%)

ARKANSAS POWER & LIGHT COMPANY
PROFORMA ADJUSTMENT #7

MRRC-12/85A
PF #7
SUMMARY SCHED

SCH/PAGE REFERENCE	DESCRIPTION	CURRENT INCOME TAXES STATE	CURRENT INCOME TAXES FEDERAL	PROV-DEF INC TAXES-DR STATE	PROV-DEF INC TAXES-DR FEDERAL	PROV-DEF INC TAXES-CR STATE	PROV-DEF INC TAXES-CR FEDERAL	INVESTMENT TAX CREDIT ADJUSTMENT	TAX DEPRECIATION	STATEMENT J NUCLEAR FUEL EXP-NON LED	OTHER ITEMS	EXCESS DEPRECIATION STATE	RATE BASE ACC DEFERRED INCOME TAXES
1/1 1,04c	Adjust Fed Income Tax Provision			(21,165,290)	(143,558,298)	4,355,092	25,067,340						
2/1	Adjust Utility Operating Income	4,974,416	80,618,700								180,232,459		
2/1	Adjust Acc Def Income Taxes												(157,641,406)
2/1	Eliminate Current Tax Items	6,761,059	36,615,917										
		11,675,475	117,234,617	(21,165,290)	(143,558,298)	4,355,092	25,067,340	0	0	0	180,232,459	0	(157,641,406)

ARKANSAS POWER & LIGHT COMPANY
DEFERRED INCOME TAXES
FEDERAL

APAC-12/86A
PF #7
SCHEM 1
PAGE 14

ITEM-FEDERAL	PROV FOR DEF INC TAX		PROV FOR NET PROVISION		ADJUSTMENT TO 2.76%		NET PROVISION		DR-PROVISION		CR-PROVISION		PROVISION FOR DEFERRED INCOME TAXES-FEDERAL	
	DR.	CR.	DR. (CR.)	DR.	CR.	DR. (CR.)	DR. (CR.)	(DR)	(CR)	DR.	(CR)	DR.	(CR)	
190 INTEREST ON TAX DEF	0	(2,344,767)	(2,344,767)			(2,344,767)			0 a	2,344,767 a		0	0	
INT AND GAN RES	0	0	0			0			0 a	0 a		0	0	
PROF INS RESERVE	0	0	0			0			0 a	0 a		0	0	
CGI OVR/UND RECOVER	970,969	(2,203,399)	(1,232,430)			(1,232,430)			(970,969) a	2,203,399 a		0	0	
MAINT COST-OUTAGE	0	1,914,434	1,914,434			1,914,434			0 a	(1,914,434) a		0	0	
NUCLEAR RESERVE	6,253,868	(4,734,278)	1,519,590			1,519,590			(6,253,868) a	4,734,278 a		0	0	
DECOMMISSIONING-ANG	0	(1,644,456)	(1,644,456)			(1,644,456)			0 a	1,644,456 a		0	0	
SALE OF CNE	68,172	0	68,172			68,172			(68,172) a	0 a		0	0	
AND PLNG RESERVE	41,532	0	41,532			41,532			(41,532) a	0 a		0	0	
CONT IN AID-AMP	0	0	0			0			0 a	0 a		0	0	
REMOVAL COST	53,346	0	53,346			53,346			(53,346) a	0 a		0	0	
UNBILLED REVENUE	6,076,199	(8,460,488)	(2,384,289)			(2,384,289)			(6,076,199) a	8,460,488 a		0	0	
PLNG S/L-TAX GAIN	55,500	0	55,500			55,500			(55,500) a	0 a		0	0	
TAX GAIN W. MARKAN	4,272	0	4,272			4,272			(4,272) a	0 a		0	0	
RETAIL REVENUE ADJ	389,414	(391,787)	(2,373)			(2,373)			(389,414) a	391,787 a		0	0	
ACT 319 REFUND #34	0	0	0			0			0 a	0 a		0	0	
RES CONT FASD 5	15,213,370	(8,689,634)	6,523,736			6,523,736			(15,213,370) a	8,689,634 a		0	0	
DIRECTORS FEES	7,194	0	7,194			7,194			(7,194) a	0 a		0	0	
FFC-JUNECDAD	511,299	(512,557)	(1,258)			(1,258)			(511,299) a	512,557 a		0	0	
UNIT PURCHASE PWR	1,120,720	(2,409,514)	(1,288,794)			(1,288,794)			(1,120,720) a	2,409,514 a		0	0	
DEF REV & INT	18,781,382	(7,581,706)	11,199,676			11,199,676			(18,781,382) a	7,581,706 a		0	0	
PWR REDEMT COSTS	1,543,458	0	1,543,458			1,543,458			(1,543,458) a	0 a		0	0	
281 ACCEL AMORT PROP	0	(457,924)	(457,924)			(457,924)			0 a	457,924 a		0	0	
282 LIBERALIZED DEPR	42,502,970	(3,723,758)	38,779,212	901,813	(567,952)	39,113,073		269,207 b	(6,045,272) b	115,971 b		37,628,718	(4,175,739)	
INT CAP MUC FUEL	0	(471,700)	(471,700)		(16,215)	(487,915)			0 a	0 a		0	(487,915)	
REC'D COST OF MONEY	0	(134,772)	(134,772)			(134,772)			0 a	134,772 a		0	0	
MORN OF MUC FUEL	39,480	0	39,480			39,480			(39,480) a	0 a		0	0	
TAX & PEN CAP	57,801	(780,524)	(722,723)			(722,723)			(57,801) a	780,524 a		0	0	
POLL CNTL BONDS	0	(7,209)	(7,209)			(7,209)			0 a	7,209 a		0	0	
INTANG PLANT 82314U	263,488	(397,087)	(133,599)			(133,599)			(263,488) a	397,087 a		0	0	
INT ON DEF PAYABLES	0	(101,676)	(101,676)			(101,676)			0 a	101,676 a		0	0	
CONST. POWER	0	(6,127)	(6,127)			(6,127)			0 a	6,127 a		0	0	
ISEC BOOR DEPR CAP	0	(74,346)	(74,346)			(74,346)			0 a	74,346 a		0	0	
CGI PHASE IN	103,122,099	47,383	103,169,482			103,169,482			(103,122,099) a	(47,383) a		0	0	
CGI NO RETAIL	1,219,651	0	1,219,651	41,584		1,261,235						1,261,225	0	
283 DEFERRED FUEL	(17,152,826)	18,392,965	1,240,139			1,240,139		17,152,826 a		(18,392,965) a		0	0	
COMPUTER SOFTWARE	1,293,937	(695,744)	598,193			598,193			(1,293,937) a	695,744 a		0	0	
STEAM GEN PROCESS	10,956	(281,084)	(270,128)			(270,128)			(10,956) a	281,084 a		0	0	
MOR BIT REFUND	0	(3,953,835)	(3,953,835)			(3,953,835)			0 a	3,953,835 a		0	0	
253 GAIN ON GAS PROPERTY	0	(27,404)	(27,404)			(27,404)			0 a	27,404 a		0	0	
TOTALS	182,448,251	(29,730,994)	152,717,257	943,397	(584,167)	155,421,254		17,422,033	(161,923,728)	44,044,472	(18,392,965)	38,889,953	(4,663,654)	

a-ELIMINATE ITEMS FROM RATE CASE
b-PRIOR YEAR ADJUSTMENTS
c-MISSOURI TAX RATE

ARKANSAS POWER & LIGHT COMPANY
DEFERRED INCOME TAXES
ARKANSAS

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PAGE 2A

ITEM-ARKANSAS	PROV FOR DEF INC TAX		PROV FOR DEF INC TAX		NET PROVISION		ADJUSTMENT TO 2.74Z		NET PROVISION		DR-PROVISION		CR-PROVISION		PROVISION FOR DEFERRED INCOME TAXES-ARKANSAS	
	DR.	(CR)	DR.	(CR)	DR.	(CR)	DR.	(CR)	DR.	(CR)	DR.	(CR)	DR.	(CR)	DR.	(CR)
190 INTEREST ON TAX DEF	0	(312,241)		(312,241)					(312,241)		0 a		312,241 a		0	0
INJ & DAM RES	0	0		0		0		0	0		0 a		0 a		0	0
PROP INS RESERVE	0	0		0		0		0	0		0 a		0 a		0	0
CGI OVR/UND RECOVERY	128,624	(293,249)		(164,616)		(164,616)		(164,616)	(128,624) a		293,249 a		0		0	0
MAINT COST-OUTAGE	0	254,933		254,933		254,933		254,933	0 a		(254,933) a		0		0	0
NUCLEAR RESERVE	832,796	(630,440)		202,356		202,356		(832,796) a	630,440 a		0		0		0	0
DECOMMISSIONING-AND	0	(218,988)		(218,988)		(218,988)		0 a	218,988 a		0		0		0	0
SALE OF CNE	9,516	0		9,516		9,516		(9,516) a	0 a		0		0		0	0
AND BLDG RESERVE	5,472	0		5,472		5,472		(5,472) a	0 a		0		0		0	0
CONT IN AID-AMP	0	0		0		0		0 a	0 a		0		0		0	0
REMOVAL COST	7,151	0		7,151		7,151		(7,151) a	0 a		0		0		0	0
UNREPLIED REVENUE	810,836	(1,127,015)		(316,179)		(316,179)		(810,836) a	1,127,015 a		0		0		0	0
BLDG S/L-TAX GAIN	13,620	0		13,620		13,620		(13,620) a	0 a		0		0		0	0
TAX GAIN W. MARKAN	588	0		588		588		(588) a	0 a		0		0		0	0
RETAIL REVENUE ADJ	51,856	(52,171)		(315)		(315)		(51,856) a	52,171 a		0		0		0	0
ACT 310 REFUND#34	0	0		0		0		0 a	0 a		0		0		0	0
RES PASD 5	2,028,681	(1,157,150)		871,531		871,531		(2,028,681) a	1,157,150 a		0		0		0	0
DIRECTORS FEES	979	0		979		979		(979) a	0 a		0		0		0	0
FEC-JONESBORO	68,086	(68,253)		(167)		(167)		(68,086) a	68,253 a		0		0		0	0
UNIT PURCHASE PUR	149,239	(320,860)		(171,621)		(171,621)		(149,239) a	320,860 a		0		0		0	0
DEF REV & INT	2,506,274	(1,009,613)		1,496,661		1,496,661		(2,506,274) a	1,009,613 a		0		0		0	0
FMD REDEMPT COSTS	205,534	0		205,534		205,534		(205,534) a	0 a		0		0		0	0
291 ACCFL AMORT PROP	0	0		0		0		0 a	0 a		0		0		0	0
282 LIBERALIZED DEPR	4,094,770	(1,498,878)		2,595,892		2,595,892		(4,094,770) a	1,498,878 a		0		0		0	0
INT CAP MUC FUEL	0	(58,304)		(58,304)		0		0	0		0		0		0	0
42CC COST OF MONEY	0	(17,796)		(17,796)		(17,796)		0 a	17,796 a		0		0		0	0
NORM OF MUC FUEL	0	(85,832)		(85,832)		(85,832)		0 a	85,832 a		0		0		0	0
TAXES & PENSIONS CAP	7,688	(104,958)		(97,270)		(97,270)		(7,688) a	104,958 a		0		0		0	0
POLL CNTL BONDS	0	(960)		(960)		(960)		0 a	960 a		0		0		0	0
INTANG PLANT 82314U	35,087	(52,564)		(17,477)		(17,477)		(35,087) a	52,564 a		0		0		0	0
INT ON DEF PAYABLES	0	(13,944)		(13,944)		(13,944)		0 a	13,944 a		0		0		0	0
COMET. POWER	0	(839)		(839)		(839)		0 a	839 a		0		0		0	0
ISES BOOK DEPR CAP	0	(9,813)		(9,813)		(9,813)		0 a	9,813 a		0		0		0	0
CGI PHASE IN	13,731,574	(81,481)		13,650,093		13,650,093		(13,731,574) a	81,481 a		0		0		0	0
CGI MO RETAIL	162,414	0		162,414		0		0	0		0		0		0	0
283 DEFERRED FUEL	(2,254,145)	2,443,900		159,755		159,755		2,284,145 a			(172,306) a		92,557 a		(2,443,900) a	0
COMPUTER SOFTWARE	172,306	(92,557)		79,749		79,749					(172,306) a		92,557 a		0	0
STEAM GEN PROCESS	1,458	(37,509)		(36,051)		(36,051)					(1,458) a		37,509 a		0	0
253 GAIN ON GAS PROPERTY	0	0		0		0					0 a		0 a		0	0
TOTALS	22,740,404	(4,546,573)		18,193,831		18,089,721		(11,447,429)	(11,130,561)		6,850,688		(2,362,419)		0	0

a-ELIMINATE ITEMS FROM RATE CASE
b-PRIOR YEAR ADJUSTMENTS
c-MISSOURI TAX RATE

ARKANSAS POWER & LIGHT COMPANY
DEFERRED INCOME TAXES
MISSOURI

NRRC-12/84A
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PAGE 1C

ITEM-MISSOURI	PROV FOR		NET PROVISION DR (CR)	ADJUSTMENT TO 2.74%		NET PROVISION DR (CR)	-----DR-PROVISION-----		-----CR-PROVISION-----		PROVISION FOR DEFERRED INCOME TAXES-MISSOURI	
	DEF INC TAX DR.	DEF INC TAX CR.		DR.	CR.		DR.	(CR)	DR.	(CR)	DR.	(CR)
190 INTEREST ON TAX DEF	0	(10,821)	(10,821)			(10,821)	0 a		10,821 a		0	0
INT & DAM RES	0	0	0			0	0 a		0 a		0	0
PROP INS RESERVE	0	0	0			0	0 a		0 a		0	0
GGI OVR/UND RECOVERY	4,433	(10,149)	(5,727)			(5,727)	(4,433) a		10,149 a		0	0
MAINT COST-OUTAGE	0	8,833	8,833			8,833	0 a		(8,833) a		0	0
NUCLEAR RESERVE	28,857	(21,851)	7,006			7,006	(28,857) a		21,851 a		0	0
DECOMMISSIONING-AND	0	(7,592)	(7,592)			(7,592)	0 a		7,592 a		0	0
SALE OF CNE	36	0	36			36	(36) a		0 a		0	0
AND BLDG RESERVE	252	0	252			252	(252) a		0 a		0	0
CONT IN AID-AMP	0	0	0			0	0 a		0 a		0	0
REMOVAL COST	202	0	202			202	(202) a		0 a		0	0
UNBILLED REVENUE	26,633	(38,726)	(12,093)			(12,093)	(26,633) a		38,726 a		0	0
BLDG S/L-TAX GAIN	0	0	0			0	0 a		0 a		0	0
TAX GAIN W. MARRAM	0	0	0			0	0 a		0 a		0	0
RETAIL REVENUE ADJ	1,797	(1,808)	(11)			(11)	(1,797) a		1,808 a		0	0
ACT 310 REFUND#34	0	0	0			0	0 a		0 a		0	0
RES FASR 5	67,379	(40,097)	27,282			27,282	(67,379) a		40,097 a		0	0
DIRECTORS FEES	23	0	23			23	(23) a		0 a		0	0
FEC-JONESBORO	2,358	(2,364)	(6)			(6)	(2,358) a		2,364 a		0	0
UNIT PURCHASE PWR	5,171	(11,118)	(5,947)			(5,947)	(5,171) a		11,118 a		0	0
DEF REV & INT	82,323	(34,984)	47,339			47,339	(82,323) a		34,984 a		0	0
PWD REDEMPT COSTS	7,122	0	7,122			7,122	(7,122) a		0 a		0	0
281 ACCEL AMORT PROP	0	0	0			0	0 a		0 a		0	0
282 LIBERALIZED DEPR	192,004	(1,305)	190,699	2,158,030	(264,748)	2,083,981	1,293 b	(25,017) b	549 b		2,326,310	(265,504)
INT CAP NUC FUEL	0	(1,801)	(1,801)		(23,053)	(24,854)					0	(24,854)
ACCL COST OF MONEY	0	(744)	(744)			(744)	0 a		744 a		0	0
NORM OF NUC FUEL	0	0	0			0	0 a		0 a		0	0
TAXES & PENSIONS CAP	274	(1,855)	(1,579)			(1,579)	(276) a		1,855 a		0	0
FULL CNTL BONDS	0	(33)	(33)			(33)	0 a		33 a		0	0
INTANG PLANT 82314U	1,215	(2,631)	(1,416)			(1,416)	(1,215) a		2,631 a		0	0
INT ON DEF PAYABLES	0	0	0			0	0 a		0 a		0	0
CONST. POWER	0	(10)	(10)			(10)	0 a		10 a		0	0
ISES MOOX DEFR CAP	0	(430)	(430)			(430)	0 a		430 a		0	0
GGI PHASE IM	474,255	(2,823)	473,432			473,432	(476,255) a		2,823 a		0	0
GGI MD RETAIL	5,626	0	5,626	72,013		77,639					77,639	0
283 DEFERRED FUEL	(79,148)	89,857	10,709			10,709	79,148 a			(89,857) a	0	0
COMPUTER SOFTWARE	5,971	(4,418)	1,553			1,553	(5,971) a		4,418 a		0	0
STEAM GEN PROCESS	50	(1,232)	(1,182)			(1,182)	(50) a		1,232 a		0	0
GAIN ON GAS PROPERTY	0	(744)	(744)			(744)	0 a		744 a		0	0
TOTALS	828,835	(98,877)	729,958	2,230,043	(287,801)	2,672,200	80,441	(735,370)	186,177	(89,857)	2,403,949	(290,358)

a-ELIMINATE ITEMS FROM RATE CASE

b-PRIOR YEAR ADJUSTMENTS

c-MISSOURI TAX RATE

ARKANSAS POWER & LIGHT COMPANY
MISCELLANEOUS ADJUSTMENTS

MMRC-12/86A
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ADJUSTMENTS TO UTILITY OPERATING INCOME:

ITEM	AMOUNT
Increase in Reserves	(4,137,595)
Interest on Decommissioning	(1,709,773)
Unbilled Revenue	(2,378,575)
Interest on Tax Deficit	(5,421,703)
Nuclear Reserve Expense	4,207,584
Nuclear Reserve Interest Expense	(694,767)
Deferred Directors Fee	37,628
Reserved Revenues	(3,057,137)
Amort. Intang. Plant.-ISES	(466,801)
WB CHE Lease Cost Cap.	(93,485)
Ark. Wholesale ER-81-577	900,205
Sale of Vehicle ITC	578
Act 310 Sur. Refund Rev.	(905,121)
Intercompany Sales-Ex ISES	(362,915)
Interest on PCB's	(16,666)
Nuclear Refueling Maint-AND 2	4,425,585
GG-1 Reserve Equalization Credit	(2,549,703)
GG-1 Costs-Over/Under Recovery	(3,089,041)
Inventory Share Deferral-GG1 Settlement	(3,420,741)
Reserve for Contingencies-FASB 5	(13,977,631)
Allowance for Uncollectables	(2,145,000)
Digby 1 & 2	(17,526,566)
AFDC	-1,389,827
Other Taxes Charged to Plant	95,354
Pensions Charged to Plant	23,650
Removal	5,387,803
R&P Taxes Charged to Plant	103,992
Deferred Fuel Expense	2,865,848
Shutdown Expense - AND	582,299
Amort. of Gain on Sale of Bldgs.	217,274
Amort. Book Gain on Sale W. Markham	5,312
Amort. Book Gain on Sale AND Bldgs.	92,048
Computer Software Cap.	2,931,184
Misc. Intang. Plant	609,101
Steam Gen Proc Development	25,326
Inventory Share Def.-GG1 Settlement	118,880,301
Current Recovery Share Def.-GG1	98,321,316
GG1-Deferral Arkansas Wholesale	(3,457,363)
3-Mile Island Commitment	349,358
Uncollectible Accounts	70,000
FMB Redemption Costs	3,568,000
Const. Power Sold to MP&L	28,631
ACRS Retirements	468,184
Schedule M Adjustment	180,232,459
State Current Taxes @ 2.76% eff. rate	4,974,416
Federal Current Taxes @ 46%	80,618,700

ADJUST ACC DEF INCOME TAXES:

ITEM	AMOUNT DR./ (CR.)
Interest on Tax Deficiency	7,909,516
Inj. and Dam. Reserve	3,691
GG-1 Ovr/Und Recovery	2,068,783
Nuclear Reserve	1,243,921
Decommissioning-AND	8,624,706
Sale of CHE	1,480,419
AND Building Sale	1,383,725
Removal Cost	2,506,643
Unbilled Revenue	8,084,213
Building S/L Tax Gain	1,347,749
Tax Gain W Markham	92,976
Retail Revenue Adjustment	3,162,461
Maint. Cost Outage	5,869,431
Res. Cont. FASB 5	19,629,479
Def. Rev & Int	(12,743,676)
FMB Redempt. Costs	(1,756,114)
Poll Control Bonds	47,565
Taxes and Pensions Cap	(22,809,563)
Intangible Plant 82-314-U	(855,072)
Interest on Def. Payable	(3,046,893)
Norm. Prod. Plants	(9,463,372)
Construction Power	(190,500)
ISES Book Depr Cap	(2,046,610)
GG-1 Phase-In	(161,672,827)
Deferred Fuel	2,700,843
Comp Software Cap	(6,613,375)
Steam Gen Process	(962,573)
Gain on Gas prop	3,027
ISES Corp Sale	(884,603)
ISES Sale to MP&L	(4,701,211)
M38 DIT Refund	3,953,835
Acc Def Income Taxes	(157,641,406)

AK 190
42,707,923

AK 282
(200,031,272)

AK 283
(4,510,057)

ITEM	STATE	FEDERAL
Adjust for State Tax Rate	132,224	(61,534)
Eliminate Vehicle ITC (net of tax)	(34)	(250)
Eliminate Provision for Contingencies		(300,000)
Prior Period Adjustment	4,422,527	37,780,170
Prior Period ITC Adjustment		184,848
Adj. for MD Rate [95,818,828*(5%-2.76%)]	2,146,342	(987,317)
Total Adjustment to Current Taxes	6,701,059	36,615,917

12/86 MARC

Prepared By	Initials	Date
Approved By		

Pg 1/9

45-804 EYE EASE
45-904 20/20 BUFF
NATIONAL

APLL

PRO-FORMA ADJUSTMENTS-ADJUST.#7

	1	2	3	4
1	Adjust Income Taxes (Current & Deferred) For Eliminations, Final Order In Docket ER-85-265, Prior Yr Adjust, Ark Tx Rate & Includes Fed Deduction For State.			
2				
3		COMPUTER	ALLOCATION	
4	(5000's)	CODE	FACTOR	AMOUNT
5	RATE BASE ADJUSTMENTS			
6	1) Adjust-Accum Def Inc Tx-Lib Deprec			
7	Adjust-Liberal Deprec	200039	PLTOAEXI	200039272
8	2) Adjust-Accum Def Inc Tx-Other			
9	Adjust-Acc Def Tx-Other	(42398)	PLTOAEXI	(42397866)
10				
11	EXPENSE ADJUSTMENTS			
12	1) Adjust To Operating Inc Before Taxes			
13	Adjust-Increase In Reserves	(4138)	PF07SJIA	SJICAE (4137595)
14	- Int On Decommissioning	(1710)	PF07SJID	DOI (1709779)
15	- Unbilled Revenue	(2378)	PF07SJIU	SFO3 (2378575)
16	- Int On Tx Deficit	(5422)	PF07SJIT	NINBIT (5421733)
17	- Nucl Reserve Expense	4208	PF07SJNA	EO3 4207584
18	- Int On Nucl Reserves	(695)	PF07SJIN	EO3 (694767)
19	- Def Directors Fees	38	PF07SJDF	LOMTOA 37628
20	- Reserved Revenues	(3057)	PF07SJAR	RSADWTOA (3057137)
21	- Amort Of Intang PIt-ISES	(467)	PF07SJAI	DOI1AW (466801)
22	- Lease Cost WB CHE	(93)	PF07SJCH	DOI (93425)
23	- Ark Whole EAB1-577	900	PF07SJ81	S81577 900205
24	- Sale Of Vehicle ITC	1	PF07SJSV	PLGECM 578
25	- Act 310 Sur Ref Rev	(905)	PF07SJ31	DOI1AR (905121)
26	- Interco Sales	(363)	PF07SJIS	PLTOR (362915)
27	- Int On PCB's	(17)	PF07SJCB	DOI (16666)
28	- Nucl Refuel Mnt-AN02	4426	PF07SJAM	EO1 4425585
29				
30				
31				
32	Cont'd			
33				

12/86 MRAC

Initials	Date
Prepared By	
Approved By	

Pg 2/9

15-004 EYE SAFE
15-004 307.0 BUFF
NATIONAL

APLL

PRO-FORMA ADJUSTMENTS-ADJUST.#7

		1	2	3	4
		(\$000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	D) Adjust To Operating Inc Before Taxes (Contd)				
3	Adjust- GGI Res Equal Cr	(2550)	PF07SJRE	DO1	(2549703)
4	- GGI Cost Over/Under Rec	(3089)	PF07SJCO	DO1	(3089041)
5	- Invent Def GGI Settle	(3421)	PF07SJDI	DO1	(3420741)
6	- Res For Conting	(13978)	PF07SJAC	DO1	(13977631)
7	- Allow For Uncollectibles	(2145)	PF07SJAU	OMCAUA	(2145000)
8	- Digby 1 & 2	(17526)	PF07SJAG	ABTOA	(17526566)
9	- AFDC	1390	PF07SJAF	PLTOA	1389887
10	- Oth Tx Chgd-Plt AIC	95	PF07SJOT	SJOTCPL	95354
11	- Pens Plan Ded For Tx	30	PF07SJPE	SJPPD	29650
12	- Removal Expenses	5388	PF07SJRV	SFOA	5387803
13	- Rd P Tx Chgd WO's	104	PF07SJAP	SJRPPT	103992
14	- Def Fuel Costs	2866	PF07SJFC	EO2	2865848
15	- AND Shutdown Exp	582	PF07SJAN	DO1	582299
16	- Amort Gn On SI-Bldgs	217	PF07SJAG	LONTDA	217274
17	- Amort BK Gn-WMSC	5	PF07SJWM	SFWMSC	5312
18	- Amort BK Gn-AND Bldg	82	PF07SJAB	DO1	82048
19	- Computer Software	2991	PF07SJCS	PLTOAEXI	2991184
20	- Misc Intang Plt	609	PF07SJMI	PLTOAEXI	609101
21	- Steam Gen Proc Dev	25	PF07SJSG	EO1	25326
22	- Inv Share Def-GGI Settle	118881	PF07SJSD	DO1	118880901
23	- Cur Rec Share Def-GGI	98321	PF07SJCR	DO1	98321316
24	- GGI-Def Ark whsle	(3457)	PF07SJAW	SDDW	(3457363)
25	- TMI Accrual	349	PF07SJTM	DO1	349358
26	- Uncollect Accts	70	PF07SJUA	OMCAUA	70000
27	- FMB Redempt Costs	3568	PF07SJFM	ABTOA	3568000
28	- Construct Pwr	29	PF07SJCP	EO1	28631
29	- ACRS Retire Losses	468	PF07SJAC	PLDTOA	468184

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45-804 Eye-Ease
45-904 20 20 Buff
Made in USA

APLL

PRO-FORMA ADJUSTMENTS - ADJUST. #7

			1	2	3	4
		(8000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT	
EXPENSE ADJUSTMENTS						
a) Adjust To State After Tax						
Adjust- Ark Tx Rt	132	PFO7SJSA	PLTOA	132224		
- Vehicle ITC	0	PFO7SJVS	PLGECM	(34)		
- Prior Yr Adjust	4422	PFO7SJPS	PLTOA	4422527		
3) Adjust To Federal After Tax						
Adjust- Ark Tx Rt	(62)	PFO7SJFA	PLTOA	(61534)		
- Vehicle ITC	0	PFO7SJVF	PLGECM	(250)		
- Prov For Conting	(300)	PFO7SJPC	NINBIT	(300000)		
- Prior Yr Adjust	37780	PFO7SJPF	PLTOA	37780170		
- Prior Yr Adj-ITC	185	PFO7SJPI	PLTOAEXI	184848		
4) Adjust To Prov For Def Inc Taxes Federal						
Adjust-GG1 Over/Und Recov	(805)	PFO7FE0U	DO1	(804742)		
- GG1 NLR O/U Recov	(76)	PFO7FENL	SDOW	(75319)		
- GG1 Benton O/U Recov	(15)	PFO7FEB	SDOW	(14898)		
- GG1 Paragould O/U Recov	(33)	PFO7FEPO	SDOW	(32790)		
- GG1 Prescott O/U Recov	(2)	PFO7FEPR	SDOW	(2312)		
- GG1 No Ark O/U Recov	(41)	PFO7FENA	SDOW	(40888)		
- Nuclear Reserve	(6254)	PFO7FENR	EO3	(6253868)		
- Coal Hndl Eq. Sale	(68)	PFO7FECH	DO1	(68172)		
- Tx Gn-ANO Bldg Sale	(42)	PFO7FEAN	DO1	(41532)		
- Removal Cost	(54)	PFO7FEAC	SFO2	(53346)		
- Unbilled Rev	(6076)	PFO7FEUR	SFO3	(6076199)		
- Bldg Sale	(55)	PFO7FEBS	LOMTOA	(55500)		
- West Markham SC	(4)	PFO7FEWM	SFWMSC	(4272)		
- Directors Fees	(7)	PFO7FEDI	LOMTOA	(7194)		
- Retain Rev Adjmnt	(389)	PFO7FERA	RSADWTOA	(389414)		
- FEC Jonesboro	(511)	PFO7FEFE	SDWH	(511299)		

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12/84 MRR C

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45-804 Eye-Ease
45-904 20/20 Buff
Made in USA

APLL

PRO-FOAMA ADJUSTMENTS-ADJUST. #7

			1	2	3	4
				COMPUTER	ALLOCATION	
			(\$000's)	CODE	FACTOR	AMOUNT
1	<u>EXPENSE ADJUSTMENTS</u>					
2	4) Adjust To Prov For Def Inc Taxes					
3	Federal (Cont'd)					
4	Adjust - Unit Purchased Pwr	(1121)		PF07FEUP	DOI	(1120720)
5	- Res Cont FASB 5	(15213)		PF07FERE	DOI	(15213370)
6	- Def Rev & Int (Digby)	(18781)		PF07FEDG	RBTDA	(18781382)
7	- FMB Redempt Costs	(1543)		PF07FEFM	RBTDA	(1543458)
8	- P/Yr Adj Lib Deprec	(5776)		PF07FPLD	ITDTLOF	(5776065)
9	- Mo St Tx R+ Lib Deprec	902		PF07FMLD	ITDTLOF	901813
10	- Nucl Fuel Normal	(39)		PF07FENN	EOI	(39480)
11	- Tx & Pens Capital	(58)		PF07FETP	ITDTTPCF	(57801)
12	- Int Plt 82-314-U	(264)		PF07FEIP	PLTOAEXI	(263488)
13	- GGI Phase-In Curr	(42532)		PF07FEPI	DOI	(42532192)
14	- GGI Invent Def	(48843)		PF07FEID	DOI	(48843211)
15	- GGI Excess Capacity	(13346)		PF07FEED	DOI	(13346076)
16	- GGI Paragould Ph-In	82		PF07FEAP	SDOW	82336
17	- GGI Paragould Inv Def	90		PF07FEAP	SDOW	89845
18	- GGI Prescott Ph-In	(78)		PF07FEAS	SDOW	(77780)
19	- GGI Prescott Inv Def	(90)		PF07FEAD	SDOW	(89636)
20	- GGI No Ark Ph-In	(19)		PF07FENP	SDOW	(19443)
21	- GGI No Ark Inv Def	(22)		PF07FENI	SDOW	(22019)
22	- GGI NLR Ph-In	673		PF07FEPN	SDOW	672968
23	- GGI NLR Inv Def	728		PF07FEIN	SDOW	727845
24	- GGI Benton Ph-In	113		PF07FEBP	SDOW	113422
25	- GGI Benton Inv Def	122		PF07FEBI	SDOW	121842
26	- Mo St Tx R+ GGI Mo Ret	41		PF07FMNR	DOIM	41584
27	- Deferred Fuel	17153		PF07FEDF	EO2	17152826
28	- Computer S/W Capit	(1294)		PF07FECS	PLTOAEXI	(1293937)
29	- Steam Gen Process	(11)		PF07FESG	EOI	(10956)
30						
31						
32						
33						

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Initials Date

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Approved By

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45-904 Eye-Ease
45-904 20 20 Bull
Made in USA

APOL

PRO-FORMA ADJUSTMENTS-ADJUST.#7

		1	2	3	4
		(3000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	4) Adjust To Prov For Def Inc Taxes (Contd)				
3	State				
4	Adjust-GG1 Over/Und Recov	(111)	PFO7SEOU	DOI	(110880)
5	-GG1 NLB Olu Recov	(10)	PFO7SENL	SDOW	(10381)
6	-GG1 Benton Olu Recov	(2)	PFO7SEB	SDOW	(2053)
7	-GG1 Paragould Olu Recov	(4)	PFO7SEPO	SDOW	(4520)
8	-GG1 Prescott Olu Recov	(1)	PFO7SEPA	SDOW	(319)
9	-GG1 No Ark Olu Recov	(5)	PFO7SENA	SDOW	(4904)
10	-Nuclear Reserve	(861)	PFO7SENR	EO3	(861253)
11	-Coal Hndi Eq Sale	(10)	PFO7SECH	DOI	(9552)
12	-Tx Gn-AND Bldg Sale	(5)	PFO7SEAN	DOI	(5724)
13	-Removal Cost	(7)	PFO7SERC	SFO2	(7353)
14	-Unbilled Rev	(838)	PFO7SEUR	SFO3	(837469)
15	-Bldg Sale	(14)	PFO7SEBS	LOMTOA	(13620)
16	-West Markham SC	(1)	PFO7SENM	SFWMSC	(588)
17	-Directors Fees	(1)	PFO7SEDI	LOMTOA	(1002)
18	-Retail Rev Adjmnt	(54)	PFO7SEAR	RSRDWTOA	(53253)
19	-FEC Jonesboro	(71)	PFO7SEFE	SDWH	(70444)
20	-Unit Purchased Pwr	(154)	PFO7SEUR	DOI	(154410)
21	-Res Cont FASB S	(2094)	PFO7SEAE	DOI	(2094060)
22	-Def Rev & Int (Dgbr)	(2589)	PFO7SEDG	R8TOA	(2588597)
23	-FMB Redempt Costs	(213)	PFO7SEFM	R8TOA	(212656)
24	-Lib Deprec	(4095)	PFO7SELD	ITDTLDS	(4094770)
25	-Pr Yr Adj Lib Deprec	(24)	PFO7SEPLD	ITDTLDS	(23724)
26	-Mo StTx Rt Lib Deprec	2158	PFO7SELD	ITDTLDS	2158030
27	-Tx L Pens Capital	(8)	PFO7SETP	ITDTTPCS	(7964)
28	-Int Plt 82-314-U	(36)	PFO7SEIP	PLTOAEXI	(36302)
29					
30					
31					
32					
33					

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45-804 Eye-Ease
45-904 20-20 Buff
Made in USA

AP4L

PRO-FORMA ADJUSTMENTS - ADJUST. # 7

			1	2	3	4
				COMPUTER	ALLOCATION	
			(\$000's)	CODE	FACTOR	AMOUNT
<u>EXPENSE ADJUSTMENTS</u>						
4) Adjust To Prov For Def Inc Taxes						
State (Cont'd)						
Adjust-GG1 Phase-In Curr	(5860)	PFO7SEPI	DO1	(5860032)		
-GG1 Invent Def	(6730)	PFO7SEID	DO1	(6739554)		
-GG1 Excess Capacity	(1839)	PFO7SEEC	DO1	(1838808)		
-GG1 Paragould Ph-In	12	PFO7SEPP	SDOW	11348		
-GG1 Paragould Inv Def	12	PFO7SEPA	SDOW	12383		
-GG1 Prescott Ph-In	(10)	PFO7SEPS	SDOW	(10716)		
-GG1 Prescott Inv Def	(12)	PFO7SEPD	SDOW	(12349)		
-GG1 No Ark Ph-In	(3)	PFO7SENP	SDOW	(2679)		
-GG1 No Ark Inv Def	(3)	PFO7SENI	SDOW	(2918)		
-GG1 NLR Ph-In	93	PFO7SEPN	SDOW	92754		
-GG1 NLR Inv Def	100	PFO7SEIN	SDOW	100317		
-GG1 Benton Ph-In	16	PFO7SEBP	SDOW	15632		
-GG1 Benton Inv Def	17	PFO7SEBI	SDOW	16793		
-GG1 Mo Retail	(162)	PFO7SEMA	DO1M	(162414)		
-Mo St Tx Rt-GG1 Mo Ret	72	PFO7SMMA	DO1M	72013		
-Deferred Fuel	2363	PFO7SEDF	EO2	2343293		
-Computer SW CapIt	(178)	PFO7SECS	PLTDAEXT	(178277)		
-Steam Gen Process	(1)	PFO7SESG	EO1	(1508)		

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45-804 Eye-Ease
45-904 20-20 Buff
Made in USA

AP42

PRO-FORMA ADJUSTMENTS - ADJUST. #7

		1	2	3	4
			COMPUTER	ALLOCATION	
		(\$000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	5) Adjust To Inc Tx Def Cr				
3	Federal				
4	Adjust- Int On Tx Deficit	2345	PF07FEI2	NINBIT	2344767
5	- GG1 Over/Under Recov	2141	PF07CF04	DO1	2141031
6	- GG1 Paragould Olu Recov	21	PF07CFPA	SDOW	21339
7	- GG1 Prescott Olu Recov	6	PF07CFPR	SDOW	6286
8	- GG1 No Ark Olu Recov	35	PF07CFNA	SDOW	34743
9	- Nuclear Reserve	4734	PF07FEN2	E03	4734278
10	- Decommiss Exp	1644	PF07FEDE	DO1	1644456
11	- Unbilled Rev	8460	PF07FEU2	SF03	8460488
12	- Retail Rev Adjmnt	392	PF07FER2	RSRDWTOA	391787
13	- FEC Jonesboro	513	PF07FEF3	SDWH	512557
14	- Unit Purch Pwr	2409	PF07FEU3	DO1	2409514
15	- Maint Cost Outage	(1914)	PF07FEMC	E01	(1914434)
16	- Res Conting FASB 5	8690	PF07CFRC	DO1	8689634
17	- Def Rev & Int (Digby)	7582	PF07CFDG	RBTOA	7581706
18	- Gain On Gas Prop	27	PF07FEGP	PLTOAEXI	27404
19	- Defense Property	458	PF07CFDP	SFDTAATO	457964
20	- Mo St Tx Chg Int NF	(16)	PF07CMNF	E01	(16215)
21	- AECC Cost Of Money	135	PF07CFAE	DO1	134772
22	- P1Yr Adj Liber Deprec	116	PF07CFLD	ITDTCLDF	115971
23	- Mo St Tx At Liber Deprec	(568)	PF07CMLD	ITDTCLDF	(567952)
24	- Tx & Pens Capital	780	PF07CFTP	ITDTCTPF	780524
25	- Poll Contr Bonds	7	PF07FEP2	DO1	7209
26	- Intang Plt 82-314-U	397	PF07CFIP	PLTOAEXI	397087
27	- Int On Def Payables	102	PF07CFID	DO1	101676
28	- Constr Power	6	PF07CFCP	E01	6127
29					
30					
31					
32					
33					

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15-804 Eye-Ease
45-904 20/20 Sight
Made in USA

APCL

PRO-FORMA ADJUSTMENTS - ADJUST. #7

		1	2	3	4
		(\$000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	<u>EXPENSE ADJUSTMENTS</u>				
2	5) Adjust To Inc Tx Def Cr				
3	Federal (Contd)				
4	Adjust - ISES Book Depr	75	PF07CFIS	DOI BW	74346
5	- GGI City of Prescott	32	PF07CFP2	SDOW	32450
6	- GGI Farm/Jonesboro	(80)	PF07FEJF	SDJF	(79833)
7	- Deferred Fuel	(18393)	PF07FEDA	EO2	(18392965)
8	- Computer SIN	696	PF07CFCS	PLTOAEXI	695744
9	- Steam Gen Process	281	PF07CFSG	EO1	281084
10	- M38 DIT Refund	3954	PF07CF38	RBTDA	3953835
11					
12					
13					
14					
15	State				
16	Adjust - Int On Tx Deficit	323	PF07SEI2	NINBIT	323062
17	- GGI Over/Under Recov	295	PF07CSOU	DOI	294989
18	- GGI Paragould Olu Recov	3	PF07CSPA	SDOW	2942
19	- GGI Prescott Olu Recov	1	PF07CSPR	SDOW	864
20	- GGI No Ark Olu Recov	4	PF07CSNA	SDOW	4605
21	- Nuclear Reserve	653	PF07SENA	EO3	652291
22	- Decommiss Exp	227	PF07SEDE	DOI	226580
23	- Unbilled Rev	1166	PF07SEU2	SFO3	1165741
24	- Retail Rev Adjmnt	54	PF07SER2	RSRDNTDA	53979
25	- FEC Jonesboro	70	PF07SEFJ	SDWH	70617
26	- Unit Purch Pwr	332	PF07SEU3	DOI	331978
27	- Maint Cost Outage	(264)	PF07SEMC	EO1	(263766)
28	- Res Conting FASB S	1197	PF07CSAC	DOI	1197247
29					
30					
31					
32					
33					

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Initials	Date
Prepared By	
Approved By	

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45-904 Eye-Ease
45-904 20-20 Buff
Made in USA

APL

PRO-FORMA ADJUSTMENTS - ADJUST. #7

			1	2	3	4
				COMPUTER	ALLOCATION	
			(\$000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS					
2	5) Adjust To IncTx Def Cr					
3	State (Contd)					
4	Adjust-Def Revd Int (Digby)	1044		PFO7CSDG	RBTOA	1044597
5	- Gain On Gas Prop	1		PFO7SEGA	PLTOAEXI	764
6	- Mo St Tx Chng Int NF	35		PFO7MSNF	EOI	35251
7	- AECC Cost of Money	18		PFO7CSAE	DOI	18540
8	- Nucl Fuel Norm	86		PFO7CSNN	EOI	85832
9	- Liber Deprec	1499		PFO7SEL2	ITDTCLOS	1498878
10	- Pr Yr Adj Liber Deprec	1		PFO7CSLD	ITDTCLOS	549
11	- Mo St Tx Chng Lib Deprec	(265)		PFO7MSLD	ITDTCLOS	(264748)
12	- Tx & Pens Capital	107		PFO7CSTA	ITDTCPS	106213
13	- Pol Contr Bonds	1		PFO7SEPA	DOI	993
14	- Intang Plt 82-314-U	55		PFO7CSIA	PLTOAEXI	55195
15	- Int On Def Payables	14		PFO7CSID	DOI	13944
16	- Constr Pwr	1		PFO7CSCP	EOI	849
17	- ISES Book Depr	10		PFO7CSIS	DOI AW	10243
18	- GGI City of Prescott	5		PFO7CSPA	SDOW	4471
19	- GGI Farm/Jonesboro	80		PFO7SEJF	SDJF	79833
20	- Deferred Fuel	(2534)		PFO7SEDA	EOA	(2533757)
21	- Computer SIW	97		PFO7CSCS	PLTOAEXI	96975
22	- Steam Gen Process	39		PFO7CSSG	EOI	38741
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						

ARKANSAS POWER & LIGHT COMPANY
 TEST YEAR PRO-FORMA ADJUSTMENT
 RATE BASE
 (\$000's)

Rate Case 12/86 MRRCPro Forma # 8Prepared By Taxes & Special StudiesDate Prepared 4/13/87

Description of Adjustment:

To Include AP&L Investment in SFI for the Test Year in Rate Base and
to Include SFI Income in the Income Statement.

STRING
 NAME

RATE BASE

PT	PLANT IN SERVICE-----	\$ _____
DR	DEPRECIATION RESERVES-----	_____
PAA	PLANT ACQ. ADJUSTMENT-----	_____
FI	FUEL INVENTORY-----	_____
MS	MATERIALS & SUPPLIES-----	_____
PPMT	PREPAYMENTS-----	_____
WC	WORKING CASH-----	_____
SFI	INVESTMENT IN SYSTEM FUELS-----	40,583
	TOTAL-----	\$ 40,583

() = DECREASE TO RATE BASE

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
INCOME AND EXPENSE
(\$000's)

Pro Forma # 8STRING
NAMEREVENUESDate Prepared 4/13/87

REV1	SALES TO ULTIMATE CUSTOMERS-----	\$	
REV2	SALES FOR RESALE-----		
REV3	MSPP & SYSTEM SALES-----		
REV4	OTHER ELECTRIC REVENUE-----		3,469
	TOTAL OPERATING REVENUE-----	\$	3,469

EXPENSESOPERATION & MAINTENANCEPRODUCTION

OMP1	OPERATION (EX. FUEL & PURCH. PWR)----	\$	
OMP2	MAINTENANCE-----		
OMP3	FUEL-----		
OMP4	PURCHASED POWER-----		
OMP5	SYSTEM CONTROL-----		
OMP6	OTHER PROD. EXP. & CREDITS-----		
	TOTAL PRODUCTION-----		
OMT	TRANSMISSION-----		
OMD	DISTRIBUTION-----		
OMCA	CUSTOMER ACCOUNTING-----		
OMCS	CUSTOMER SERVICES-----		
OMSE	SALES EXPENSE-----		
OMAG	ADMINISTRATIVE & GENERAL-----		
	TOTAL OPER. & MAINT.-----		
DX	DEPRECIATION-----		
OTAX	TAXES OTHER THAN INCOME-----		
STAX	INCOME TAXES - STATE-----	2.76%	96
FTAX	INCOME TAXES - FEDERAL-----	46%	1,552
DTDRS	PROV. DEFERRED INC. TAX - STATE-----		
DTDRF	PROV. DEFERRED INC. TAX - FEDERAL-----		
DTCRS	PROV. DEF. INC. TAX CREDIT - STATE-----		
DTCRF	PROV. DEF. INC. TAX CREDIT - FEDERAL-----		
ITC	INVESTMENT TAX CREDIT ADJ.-----		

TOTAL UTILITY OPERATING EXP.-----\$ 1,648

NET UTILITY OPERATING INCOME-----\$ 1,821

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(000's)

Pro Forma # 8Date Prepared 4/13/87STRING
NAMEREVENUE

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INCOME:

AO1	UNBILLED REVENUE-----	\$	_____
AO2	INCREASE IN RESERVES-----		_____
AO3	PROP RET RESERVE APPROP-----		_____
AO4	RESERVED REVENUES-----		_____
AO5	INTEREST ON TAX DEFICIT-----		_____
AO6	NUCLEAR FUEL EXPENSE-----		_____
AO7	INTEREST ON NUCLEAR RESERVES-----		_____
AO8	BOOK DEPRECIATION ON NACC CME-----		_____
AO9	INTEREST - DOE LIABILITY-----		_____
AO10	CONSTRUCTION POWER-----		_____
AO11	MISSOURI FUEL TRUE-UP-----		_____
AO12	ACRS RETIREMENTS-----		_____
AO13	OTHER TAXES CHARGED - PLANT ACCTS-----		_____
AO14	DEPR FOR TAX PURPOSES-----		_____
AO15	REMOVAL EXPENSES-----		_____
AO16	PENSION PLAN DED FOR TAXES-----		_____
AO17	REAL & PERSONAL PROP TAXES-----		_____
AO18	DEFERRED FUEL COSTS-----		_____
AO19	NUCLEAR REFUELING MAINTENANCE-----		_____
AO20	ANO SHUTDOWN EXPENSE-----		_____
AO21	INT ON NUCLEAR FUEL-----		_____
AO22	ALLOW FOR FUNDS DUR CONST-----		_____
AO23	NUCLEAR RESERVE EXP-----		_____
AO24	INTERCOMPANY SALES-----		_____
AO25	OTHER GAIN SALE OF PROPERTY-----		_____
AO26	SALE VEHICLE ITC-----		_____
AO27	DEFERRED DIRECTORS FEES-----		_____
AO28	MISCELLANEOUS INTANGIBLE PLANT-----		_____
AO29	LEASE COST CAP ON COAL HDLNG EQPT-----		_____
AO30	TMI ACCRUED-----		_____
AO31	TAX DEFICIT INTEREST PAYMENTS-----		_____
AO32	INTEREST ON DECOMMISSIONING-----		_____
AO33	COMPUTER SOFTWARE CAPITALIZED-----		_____
AO34	AMORT OF INTANG PLANT - DOCKET #82-314-U-----		_____
AO35	AMORT OF INTANG PLANT - ISES-----		_____
AO36	AMORT OF COMPUTER SOFTWARE-----		_____
AO37	AMORT OF BOOK GAIN ON SALE OF ANO BLDG-----		_____
AO38	AMORT OF BOOK GAIN ON SALE OF WEST MKHM SC-----		_____

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(\$000's)

Pro Forma # 8

STRING
NAME

REVENUE

Date Prepared 4/13/87

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INC. (cont'd):

AO39	INTEREST ON PCB-----S
AO40	AMORT OF STEAM GEN PROC DEVELOPMENT-----
AO41	AMORT OF GAIN ON SALE OF BLDGS-----
AO42	STEAM GEN PROC DEVELOPMENT-----
AO43	ARK WHSLE ER81-577-----
AO44	PENSION PMNT 1985-86-----
AO45	RESERVE FOR CONTINGENCIES-----
AO46	INVENTORY DEFERRAL GG1 SETTLEMENT-----
AO47	GG1 COST OVER/UNDER RECOVERY-----
AO48	GG1 RESERVE - FARMERS-----
AO49	INVENTORY SHARE DEF - GG1 SETTLEMENT-----
AO50	GG1 - DEF MISSOURI RETAIL-----
AO51	GG1 - DEF ARKANSAS WHSLE-----
AO52	CURRENT RECOVERY SHARE DEF - GG1-----
AO53	GG1 RESERVE EQUAL CREDIT-----
AO54	ANNUALIZE INTEREST ON ADJUSTED RATE BASE-----
INT	TOTAL INTEREST CHARGES-----

TOTAL ADJUSTMENTS TO UTILITY OPERATING INCOME \$

-0-

() = DECREASE TO UTILITY OPERATING INCOME

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
STATE/FEDERAL TAX ADJUSTMENTS
(000's)

Pro Forma # 8Date Prepared 4/13/87STRING
NAMESTATE BEFORE TAX ADJUSTMENTS

DEPADJ	ADJ FOR DEPRECIATION-----	\$	_____
INTERSAL	INTERCOMPANY SALES-----		_____
ACRS	ACRS RETIREMENT LOSSES-----		_____
SCP	CONSTRUCTION POWER-----		_____
	_____		_____
	_____		_____

STATE AFTER TAX ADJUSTMENTS

MOTADJS	MISSOURI TAX RATE ADJUSTMENT-----	\$	_____
SPYADJ	STATE TAX ASSOC W/PRIOR YR ADJ-----		_____
SCWIP	INTEREST ON CWIP-----		_____
VITCS	VEHICLE ITC - NET OF TAX-----		_____
ARTADJS	ARKANSAS TAX RATE ADJUSTMENT-----		_____
	_____		_____
	_____		_____

FEDERAL BEFORE TAX ADJUSTMENTS

FO2.	PREFERRED DIVIDENDS PAID-----	\$	_____
	_____		_____
	_____		_____

FEDERAL AFTER TAX ADJUSTMENTS

FCWIP	INTEREST ON CWIP-----	\$	_____
STAD	VARIOUS TAX RATES-----		_____
FITC	INVESTMENT TAX CREDIT-----		_____
FPYADJ	FED TAX ASSOC W/PRIOR YR ADJ-----		_____
VITCF	VEHICLE ITC - NET OF TAX-----		_____
FOS	PROV FOR CONTINGENCIES-----		_____
MOTADJF	MISSOURI TAX RATE ADJUSTMENT-----		_____
ARTADJF	ARKANSAS TAX RATE ADJUSTMENT-----		_____
PYAITC	PRIOR YR ADJUST - ITC-----		_____
	_____		_____
	_____		_____

ARKANSAS POWER & LIGHT COMPANY

INVESTMENT IN SFI NOTES

13 MONTHS ENDED 12/31/86

		A/C 123.17	A/C 123.16	A/C 419.21
1985	DECEMBER	41,148,000	7,000	-
1986	JANUARY	41,148,000	7,000	336,613
1986	FEBRUARY	41,148,000	7,000	304,038
1986	MARCH	41,148,000	7,000	336,614
1986	APRIL	41,148,000	7,000	308,610
1986	MAY	41,148,000	7,000	301,181
1986	JUNE	41,148,000	7,000	291,465
1986	JULY	41,148,000	7,000	301,180
1986	AUGUST	41,148,000	7,000	283,464
1986	SEPTEMBER	41,148,000	7,000	257,175
1986	OCTOBER	38,668,000	7,000	256,964
1986	NOVEMBER	38,668,000	7,000	241,675
1986	DECEMBER	<u>38,668,000</u>	<u>7,000</u>	<u>249,731</u>
	TOTALS	527,484,000	91,000	\$3,468,710
		<u>/13</u>	<u>/13</u>	
	AVG. BALANCE	<u>\$40,575,692</u>	<u>\$7,000</u>	
	TAX:			
	FEDERAL		44.73%	1,551,568
	STATE		2.76%	<u>95,736</u>
	NET INCOME:			<u>\$1,821,406</u>

	Initials	Date
Prepared By		
Approved By		



45-804 Eye-Ease
45-904 20/20 Buff
Made in USA

APCL

PRO-FORMA ADJUSTMENTS - ADJUST. #8

Adjustment To Include SFI Investment In Rate Base & Int Income Assoc w/SFI In Income Statement		COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
RATE BASE ADJUSTMENTS				
1) Adjust To Invest In Sys Fuels Inc				
Adjust - Invest In Sys Fuels	40583	PF08ISFI	EO1	40582692
REVENUE ADJUSTMENTS				
1) Adjust To Oth Elec Revenues				
Adjust - Int Inc On SFI Inv	3469	PF08ROII	EO1	3468710

ARKANSAS POWER & LIGHT COMPANY
 TEST YEAR PRO-FORMA ADJUSTMENT
 RATE BASE
 (\$000's)

Rate Case 12/86 MRRCPro Forma # 13Prepared By Taxes and Special StudiesDate Prepared 4/13/87

Description of Adjustment:

To Reflect as Depreciation Expense the Portion of NuclearDecommissioning that is Recorded on the Books as Interest Expense.

STRING

<u>NAME</u>	<u>RATE BASE</u>	
PT	PLANT IN SERVICE-----	\$ _____
DR	DEPRECIATION RESERVES-----	_____
PAA	PLANT ACQ. ADJUSTMENT-----	_____
FI	FUEL INVENTORY-----	_____
MS	MATERIALS & SUPPLIES-----	_____
PPMT	PREPAYMENTS-----	_____
WC	WORKING CASH-----	_____
SFI	INVESTMENT IN SYSTEM FUELS-----	_____
	TOTAL-----	\$ -0-

() = DECREASE TO RATE BASE

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
INCOME AND EXPENSE
(\$000's)

Pro Forma # 13STRING
NAMEREVENUESDate Prepared 4/13/87

REV1	SALES TO ULTIMATE CUSTOMERS-----	\$	_____
REV2	SALES FOR RESALE-----		_____
REV3	MSPP & SYSTEM SALES-----		_____
REV4	OTHER ELECTRIC REVENUE-----		_____
	TOTAL OPERATING REVENUE-----	\$	_____

EXPENSES

OPERATION & MAINTENANCE

PRODUCTION

OMP1	OPERATION (EX. FUEL & PURCH. PWR)----	\$	_____
OMP2	MAINTENANCE-----		_____
OMP3	FUEL-----		_____
OMP4	PURCHASED POWER-----		_____
OMP5	SYSTEM CONTROL-----		_____
OMP6	OTHER PROD. EXP. & CREDITS-----		_____
	TOTAL PRODUCTION-----		_____
OMT	TRANSMISSION-----		_____
OMD	DISTRIBUTION-----		_____
OMCA	CUSTOMER ACCOUNTING-----		_____
OMCS	CUSTOMER SERVICES-----		_____
OMSE	SALES EXPENSE-----		_____
OMAG	ADMINISTRATIVE & GENERAL-----		_____
	TOTAL OPER. & MAINT.-----		_____
DX	DEPRECIATION-----		1,710
OTAX	TAXES OTHER THAN INCOME-----		_____
STAX	INCOME TAXES - STATE-----	2.76%	_____
FTAX	INCOME TAXES - FEDERAL-----	46%	_____
DTDRS	PROV. DEFERRED INC. TAX - STATE-----		_____
DTDRF	PROV. DEFERRED INC. TAX - FEDERAL-----		_____
DTCRS	PROV. DEF. INC. TAX CREDIT - STATE-----		_____
DTCRF	PROV. DEF. INC. TAX CREDIT - FEDERAL-----		_____
ITC	INVESTMENT TAX CREDIT ADJ.-----		_____

TOTAL UTILITY OPERATING EXP.-----	\$	1,710
-----------------------------------	----	-------

NET UTILITY OPERATING INCOME-----	\$	(1,710)
-----------------------------------	----	---------

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(000's)

Pro Forma # 13Date Prepared 4/13/87STRING
NAMEREVENUE

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INCOME:

A01	UNBILLED REVENUE-----	\$	
A02	INCREASE IN RESERVES-----		
A03	PROP RET RESERVE APPROP-----		1,710
A04	RESERVED REVENUES-----		
A05	INTEREST ON TAX DEFICIT-----		
A06	NUCLEAR FUEL EXPENSE-----		
A07	INTEREST ON NUCLEAR RESERVES-----		
A08	BOOK DEPRECIATION ON NACC CME-----		
A09	INTEREST - DOE LIABILITY-----		
A010	CONSTRUCTION POWER-----		
A011	MISSOURI FUEL TRUE-UP-----		
A012	ACRS RETIREMENTS-----		
A013	OTHER TAXES CHARGED - PLANT ACCTS-----		
A014	DEPR FOR TAX PURPOSES-----		
A015	REMOVAL EXPENSES-----		
A016	PENSION PLAN DED FOR TAXES-----		
A017	REAL & PERSONAL PROP TAXES-----		
A018	DEFERRED FUEL COSTS-----		
A019	NUCLEAR REFUELING MAINTENANCE-----		
A020	ANO SHUTDOWN EXPENSE-----		
A021	INT ON NUCLEAR FUEL-----		
A022	ALLOW FOR FUNDS DUR CONST-----		
A023	NUCLEAR RESERVE EXP-----		
A024	INTERCOMPANY SALES-----		
A025	OTHER GAIN SALE OF PROPERTY-----		
A026	SALE VEHICLE ITC-----		
A027	DEFERRED DIRECTORS FEES-----		
A028	MISCELLANEOUS INTANGIBLE PLANT-----		
A029	LEASE COST CAP ON COAL HDLNG EQPT-----		
A030	TMI ACCRUED-----		
A031	TAX DEFICIT INTEREST PAYMENTS-----		
A032	INTEREST ON DECOMMISSIONING-----		
A033	COMPUTER SOFTWARE CAPITALIZED-----		
A034	AMORT OF INTANG PLANT - DOCKET #82-314-U-----		
A035	AMORT OF INTANG PLANT - ISES-----		
A036	AMORT OF COMPUTER SOFTWARE-----		
A037	AMORT OF BOOK GAIN ON SALE OF ANO BLDG-----		
A038	AMORT OF BOOK GAIN ON SALE OF WEST MKHM SC-----		

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(\$000's)

Pro Forma # 13

Date Prepared 4/13/87

**STRING
NAME**

REVENUE

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INC. (cont'd):

AO39	INTEREST ON PCB-----	\$
AO40	AMORT OF STEAM GEN PROC DEVELOPMENT-----	
AO41	AMORT OF GAIN ON SALE OF BLDGS-----	
AO42	STEAM GEN PROC DEVELOPMENT-----	
AO43	ARK WHSLE ER81-577-----	
AO44	PENSION PMNT 1985-86-----	
AO45	RESERVE FOR CONTINGENCIES-----	
AO46	INVENTORY DEFERRAL GG1 SETTLEMENT-----	
AO47	GG1 COST OVER/UNDER RECOVERY-----	
AO48	GG1 RESERVE - FARMERS-----	
AO49	INVENTORY SHARE DEF - GG1 SETTLEMENT-----	
AO50	GG1 - DEF MISSOURI RETAIL-----	
AO51	GG1 - DEF ARKANSAS WHSLE-----	
AO52	CURRENT RECOVERY SHARE DEF - GG1-----	
AO53	GG1 RESERVE EQUAL CREDIT-----	
AO54	ANNUALIZE INTEREST ON ADJUSTED RATE BASE-----	
INT	TOTAL INTEREST CHARGES-----	

TOTAL ADJUSTMENTS TO UTILITY OPERATING INCOME \$	1.710
--	-------

() = DECREASE TO UTILITY OPERATING INCOME

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
STATE/FEDERAL TAX ADJUSTMENTS
(000's)

STRING NAME		Pro Forma # 13
	Date Prepared	4/13/87
	<u>STATE BEFORE TAX ADJUSTMENTS</u>	
DEPADJ	ADJ FOR DEPRECIATION-----	\$ _____
INTERJAL	INTERCOMPANY SALES-----	_____
ACRS	ACRS RETIREMENT LOSSES-----	_____
SCP	CONSTRUCTION POWER-----	_____
	_____	_____
	_____	_____
	<u>STATE AFTER TAX ADJUSTMENTS</u>	
MOTADJS	MISSOURI TAX RATE ADJUSTMENT-----	\$ _____
SPYADJ	STATE TAX ASSOC W/PRIOR YR ADJ-----	_____
SCWIP	INTEREST ON CWIP-----	_____
VITCS	VEHICLE ITC - NET OF TAX-----	_____
ARTADJS	ARKANSAS TAX RATE ADJUSTMENT-----	_____
	_____	_____
	_____	_____
	<u>FEDERAL BEFORE TAX ADJUSTMENTS</u>	
FO2	PREFERRED DIVIDENDS PAID-----	\$ _____
	_____	_____
	_____	_____
	<u>FEDERAL AFTER TAX ADJUSTMENTS</u>	
FCWIP	INTEREST ON CWIP-----	\$ _____
STAD	VARIOUS TAX RATES-----	_____
FITC	INVESTMENT TAX CREDIT-----	_____
FPYADJ	FED TAX ASSOC W/PRIOR YR ADJ-----	_____
VITCF	VEHICLE ITC - NET OF TAX-----	_____
FO5	PROV FOR CONTINGENCIES-----	_____
MOTADJF	MISSOURI TAX RATE ADJUSTMENT-----	_____
ARTADJF	ARKANSAS TAX RATE ADJUSTMENT-----	_____
PYAITC	PRIOR YR ADJUST - ITC-----	_____
	_____	_____
	_____	_____

ARKANSAS POWER & LIGHT COMPANY
DECOMMISSIONING EXPENSE TO BOOKS
FOR THE 12 MONTHS ENDED 12/31/86

		AND 1	AND 2	AND 1	AND 2
		INTEREST EXPENSE	INTEREST EXPENSE	DEPRECIATION EXPENSE	DEPRECIATION EXPENSE
		A/C 431.96	A/C 431.97	A/C 403	A/C 403
1986	JANUARY	85,131.58	39,928.26	75,686.86	89,691.53
1986	FEBRUARY	85,131.58	39,928.26	75,686.86	89,691.53
1986	MARCH	85,131.58	39,928.26	75,686.86	89,691.53
1986	APRIL	85,131.58	39,928.26	75,686.86	89,691.53
1986	MAY	99,550.24	51,642.16	81,817.45	96,956.48
1986	JUNE	99,550.24	51,642.16	81,817.45	96,956.48
1986	JULY	99,550.24	51,642.16	81,817.45	96,956.48
1986	AUGUST	99,550.24	51,642.16	81,817.45	96,956.48
1986	SEPTEMBER	99,550.24	51,642.16	81,817.45	96,956.48
1986	OCTOBER	99,550.24	51,642.16	81,817.45	96,956.48
1986	NOVEMBER	99,550.24	51,642.16	81,817.45	96,956.48
1986	DECEMBER	99,550.24	51,642.16	81,817.45	96,956.48

TOTALS	1,136,928.24	572,850.32	957,287.04	1,134,417.96
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TOTAL DECOMMISSIONING	3,801,483.56
LESS: INTEREST	1,709,778.56
REVENUE REQUIREMENT	2,091,705.00
	=====

AND # 1	AND # 2	
DECOMMISSIONING	DECOMMISSIONING	
A/C 108.142	A/C 108.144	TOTAL
14,560,939.28	7,694,471.08	22,255,410.36

12/86 MRAC

	Initials	Date
Prepared By		
Approved By		



45-804 Eye-Ease
45-904 20/20 Buff
Made in USA

APLL

PRO-FORMA ADJUSTMENTS - ADJUST. #13

To Reflect As Depreciation Expense The Portion Of Nuclear Decommissioning That Is Recorded On The Books As Interest Expense.

	1	2	3	4
	(\$000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
EXPENSE ADJUSTMENTS				
1) Adjust To Depreciation Expense				
Adjust- Dep Exp Prod-Decom Int	1710	PF13DXP	DO1	1709779
2) Adjust To Operating Inc Before Taxes				
Adjust- Prop Ret Res Decom Int	1710	PF13SJP	DO1	1709779

40% TAX ADJ

Page 1 of 5

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
RATE BASE
(\$000's)

Rate Case 12/86 MRRC

Pro Forma # 7

Prepared By Taxes and Special Studies

Date Prepared 3/27/87

Description of Adjustment:

Current and Deferred Income Taxes Adjusted for MRRC Comprehending
Final Order in Docket ER-85-265. Includes Adjusting State Income
Tax Rate for Federal Deduction for State. (3.06% Effective State
Rate) Adjust for Federal Tax Rate Decrease to 40%. Eliminate
Schedule M Deduction for Interest Capitalized on Nuclear Fuel.

<u>STRING</u> <u>NAME</u>	<u>RATE BASE</u>	
PT	PLANT IN SERVICE-----	\$ _____
DR	DEPRECIATION RESERVES-----	_____
PAA	PLANT ACQ. ADJUSTMENT-----	_____
FI	FUEL INVENTORY-----	_____
MS	MATERIALS & SUPPLIES-----	_____
PPMT	PREPAYMENTS-----	_____
WC	WORKING CASH-----	_____
SFI	INVESTMENT IN SYSTEM FUELS-----	_____
ADTLB	ACCUM DEF TX - LIB DEPREC-----	<u>200,308</u>
ADTO	ACCUM DEF TX - OTHER-----	<u>(42,398)</u>
ADTITC	ACCUM DEF INVEST TX CR - 3%-----	_____
	TOTAL-----	<u>157,910</u>

() = DECREASE TO RATE BASE

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
INCOME AND EXPENSE
(\$000's)

Pro Forma # 7STRING
NAMEREVENUESDate Prepared 3/27/87

REV1	SALES TO ULTIMATE CUSTOMERS-----	\$	_____
REV2	SALES FOR RESALE-----		_____
REV3	MSPP & SYSTEM SALES-----		_____
REV4	OTHER ELECTRIC REVENUE-----		_____
	TOTAL OPERATING REVENUE-----	\$	_____

EXPENSESOPERATION & MAINTENANCEPRODUCTION

OMP1	OPERATION (EX. FUEL & PURCH. PWR)----	\$	_____
OMP2	MAINTENANCE-----		_____
OMP3	FUEL-----		_____
OMP4	PURCHASED POWER-----		_____
OMP5	SYSTEM CONTROL-----		_____
OMP6	OTHER PROD. EXP. & CREDITS-----		_____
	TOTAL PRODUCTION-----		_____
OMT	TRANSMISSION-----		_____
OMD	DISTRIBUTION-----		_____
OMCA	CUSTOMER ACCOUNTING-----		_____
OMCS	CUSTOMER SERVICES-----		_____
OMSE	SALES EXPENSE-----		_____
OMAG	ADMINISTRATIVE & GENERAL-----		_____
	TOTAL OPER. & MAINT.-----		_____
DX	DEPRECIATION-----		_____
OTAX	TAXES OTHER THAN INCOME-----		_____
STAX	INCOME TAXES - STATE-----	3,068	12,056
FTAX	INCOME TAXES - FEDERAL-----	408	125,332
DTDRS	PROV. DEFERRED INC. TAX - STATE-----		(20,904)
DTDRF	PROV. DEFERRED INC. TAX - FEDERAL-----		(148,735)
DTCRS	PROV. DEF. INC. TAX CREDIT - STATE-----		4,352
DTCRF	PROV. DEF. INC. TAX CREDIT - FEDERAL-----		25,132
ITC	INVESTMENT TAX CREDIT ADJ.-----		(11,508)

TOTAL UTILITY OPERATING EXP.-----	\$	(14,275)
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NET UTILITY OPERATING INCOME-----	\$	14,275
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ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(000's)

Pro Forma # 7Date Prepared 3/27/87STRING
NAMEREVENUE

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INCOME:

AO1	UNBILLED REVENUE-----	\$ (2,378)
AO2	INCREASE IN RESERVES-----	(4,138)
AO3	PROP RET RESERVE APPROP-----	
AO4	RESERVED REVENUES-----	(3,057)
AO5	INTEREST ON TAX DEFICIT-----	(5,422)
AO6	NUCLEAR FUEL EXPENSE-----	
AO7	INTEREST ON NUCLEAR RESERVES-----	(695)
AO8	BOOK DEPRECIATION ON NACC CME-----	
AO9	INTEREST - DOE LIABILITY-----	
AO10	CONSTRUCTION POWER-----	29
AO11	MISSOURI FUEL TRUE-UP-----	
AO12	ACRS RETIREMENTS-----	468
AO13	OTHER TAXES CHARGED - PLANT ACCTS-----	95
AO14	DEPR FOR TAX PURPOSES-----	
AO15	REMOVAL EXPENSES-----	5,388
AO16	PENSION PLAN DED FOR TAXES-----	30
AO17	REAL & PERSONAL PROP TAXES-----	104
AO18	DEFERRED FUEL COSTS-----	2,866
AO19	NUCLEAR REFUELING MAINTENANCE-----	4,426
AO20	ANO SHUTDOWN EXPENSE-----	582
AO21	INT ON NUCLEAR FUEL-----	4,147
AO22	ALLOW FOR FUNDS DUR CONST-----	1,390
AO23	NUCLEAR RESERVE EXP-----	4,208
AO24	INTERCOMPANY SALES-----	(363)
AO25	OTHER GAIN SALE OF PROPERTY-----	
AO26	SALE VEHICLE ITC-----	1
AO27	DEFERRED DIRECTORS FEES-----	38
AO28	MISCELLANEOUS INTANGIBLE PLANT-----	609
AO29	LEASE COST CAP ON COAL HDLNG EQPT-----	(93)
AO30	TMI ACCRUED-----	349
AO31	TAX DEFICIT INTEREST PAYMENTS-----	
AO32	INTEREST ON DECOMMISSIONING-----	(1,710)
AO33	COMPUTER SOFTWARE CAPITALIZED-----	2,991
AO34	AMORT OF INTANG PLANT - DOCKET #82-314-U-----	
AO35	AMORT OF INTANG PLANT - ISES-----	(467)
AO36	AMORT OF COMPUTER SOFTWARE-----	
AO37	AMORT OF BOOK GAIN ON SALE OF ANO BLDG-----	82
AO38	AMORT OF BOOK GAIN ON SALE OF WEST MKHM SC-----	5

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(\$000's)

Pro Forma # 7STRING
NAMEREVENUEDate Prepared 3/27/87

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INC. (cont'd):

A039	INTEREST ON PCB-----	\$ (17)
A040	AMORT OF STEAM GEN PROC DEVELOPMENT-----	
A041	AMORT OF GAIN ON SALE OF BLDGS-----	217
A042	STEAM GEN PROC DEVELOPMENT-----	25
A043	ARK WHSLE ER81-577-----	900
A044	PENSION PMNT 1985-86-----	
A045	RESERVE FOR CONTINGENCIES-----	(13,978)
A046	INVENTORY DEFERRAL GG1 SETTLEMENT-----	(3,421)
A047	GG1 COST OVER/UNDER RECOVERY-----	(3,089)
A048	GG1 RESERVE - FARMERS-----	
A049	INVENTORY SHARE DEF - GG1 SETTLEMENT-----	118,881
A050	GG1 - DEF MISSOURI RETAIL-----	
A051	GG1 - DEF ARKANSAS WHSLE-----	(3,457)
A052	CURRENT RECOVERY SHARE DEF - GG1-----	98,321
A053	GG1 RESERVE EQUAL CREDIT-----	(2,550)
A054	ANNUALIZE INTEREST ON ADJUSTED RATE BASE-----	
INT	TOTAL INTEREST CHARGES-----	
A055	ACT 310 SUR REFUND REV-----	(905)
A056	ALLOWANCE FOR UNCOLLECTIBLES-----	(2,145)
A057	DIGBY 1 and 2-----	(17,526)
A058	UNCOLLECTIBLE ACCOUNTS-----	70
A059	FMB REDEMPTION COSTS-----	3,568

	TOTAL ADJUSTMENTS TO UTILITY OPERATING INCOME \$	184,379

() = DECREASE TO UTILITY OPERATING INCOME

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
STATE/FEDERAL TAX ADJUSTMENTS
(000's)

Pro Forma # 7STRING
NAMEDate Prepared 3/27/87STATE BEFORE TAX ADJUSTMENTS

DEPADJ	ADJ FOR DEPRECIATION-----	\$	_____
INTERSAL	INTERCOMPANY SALES-----		_____
ACRS	ACRS RETIREMENT LOSSES-----		_____
SCP	CONSTRUCTION POWER-----		_____
	_____		_____
	_____		_____

STATE AFTER TAX ADJUSTMENTS

MOTADJS	MISSOURI TAX RATE ADJUSTMENT-TO 2.76%-----	\$	2,146*
SPYADJ	STATE TAX ASSOC W/PRIOR YR ADJ-----		4,422
SCWIP	INTEREST ON CWIP-----		_____
VITCS	VEHICLE ITC - NET OF TAX-----		_____
ARTADJS	ARKANSAS TAX RATE ADJUSTMENT-----		132
MOTXADS	MISSOURI TAX RATE ADJ. TO 3.06%-----		(287)*
	_____		_____
	_____		_____

FEDERAL BEFORE TAX ADJUSTMENTS

FO2	PREFERRED DIVIDENDS PAID-----	\$	_____
	_____		_____
	_____		_____
	_____		_____

FEDERAL AFTER TAX ADJUSTMENTS

FCWIP	INTEREST ON CWIP-----	\$	_____
STAD	VARIOUS TAX RATES-----		_____
FITC	INVESTMENT TAX CREDIT-----		11,508
FPYADJ	FED TAX ASSOC W/PRIOR YR ADJ-----		37,780
VITCF	VEHICLE ITC - NET OF TAX-----		_____
FO5	PROV FOR CONTINGENCIES-----		(300)
MOTADJF	MISSOURI TAX RATE ADJUSTMENT-TO 2.76% -FED EFF-----		(859)*
ARTADJF	ARKANSAS TAX RATE ADJUSTMENT-----		(62)
PYAITC	PRIOR YR ADJUST - ITC-----		185
MOTXADF	MISSOURI TAX RATE ADJ. TO 3.06%-----		115 *
FTXRT	FEDERAL TAX RATE TO 40%-----		5,470 *

* Not Input Into COS (St. Tx. Calculated Within
Program at 3.06%, Fed. Tx. At 40%).

ARKANSAS POWER & LIGHT COMPANY
PROFORMA ADJUSTMENT #7

WFC-12/846
PF #7 (402)
SUMMARY SCHED

SCH/PAGE REFERENCE	DESCRIPTION	CURRENT INCOME TAXES STATE	CURRENT INCOME TAXES FEDERAL	PROV-DEF INC TAXES-DR STATE	PROV-DEF INC TAXES-DR FEDERAL	PROV-DEF INC TAXES-CR STATE	PROV-DEF INC TAXES-CR FEDERAL	INVESTMENT TAX CREDIT ADJUSTMENT	TAX DEPRECIATION	STATEMENT J NUCLEAR FUEL EXP-WON DED	OTHER ITEMS	EXCESS DEPRECIATION STATE	RATE BASE ACC DEFERRED INCOME TAXES
1/1 a,b,c	Adjust Def Income Tax Provision			(20,903,991)	(148,735,421)	4,352,390	25,132,062						
2/1	Adjust Utility Operating Income	5,642,009	71,494,944								184,379,368		(157,910,139)
2/1	Adjust Acc Def Income Taxes							(11,507,445)					
2/1	Eliminate Current Tax Items	6,413,603	53,837,105										
		12,055,612	125,332,049	(20,903,991)	(148,735,421)	4,352,390	25,132,962	+	0	0	184,379,368	0	(157,910,139)
								(11,507,445)					

ARKANSAS POWER & LIGHT COMPANY
DEFERRED INCOME TAXES
FEDERAL

NRRC-12/04A
PT 07 (40Z)
SCHED 1
PAGE 1A

ITEM-FEDERAL	PROV FOR DEF INC TAX		NET PROVISION		ADJUSTMENT TO 2.76Z		NET PROVISION		DR-PROVISION		CR-PROVISION		PROVISION FOR DEFERRED INCOME TAXES-FEDERAL	
	DR.	CR.	DR	(CR)	DR.	CR.	DR.	(CR.)	(DR)	(CR)	DR.	(CR)	DR.	(CR)
190 INTEREST ON TAX DEF	0	(2,344,767)	(2,344,767)				(2,344,767)		0 a	2,344,767 a	0	0	0	0
IMJ AND DAN RES	0	0	0				0		0 a	0 a	0	0	0	0
PROP IMS RESERVE	0	0	0				0		0 a	0 a	0	0	0	0
CGI OVR/UND RECOVERY	970,969	(2,203,399)	(1,232,430)				(1,232,430)		(970,969) a	2,203,399 a	0	0	0	0
MAINT COST-OUTAGE	0	1,914,434	1,914,434				1,914,434		0 a	(1,914,434) a	0	0	0	0
NUCLEAR RESERVE	4,253,868	(4,734,278)	1,519,590				1,519,590		(4,253,868) a	4,734,278 a	0	0	0	0
DECOMMISSIONING-AND	0	(1,644,456)	(1,644,456)				(1,644,456)		0 a	1,644,456 a	0	0	0	0
SALE OF CHE	68,172	0	68,172				68,172		(68,172) a	0 a	0	0	0	0
AND DLNG RESERVE	41,532	0	41,532				41,532		(41,532) a	0 a	0	0	0	0
CONT IN AID-AMP	0	0	0				0		0 a	0 a	0	0	0	0
REMOVAL COST	53,346	0	53,346				53,346		(53,346) a	0 a	0	0	0	0
UNBILLED REVENUE	6,076,199	(8,460,488)	(2,384,289)				(2,384,289)		(6,076,199) a	8,460,488 a	0	0	0	0
DLNG S/L-TAX GAIN	55,500	0	55,500				55,500		(55,500) a	0 a	0	0	0	0
TAX GAIN V. MARGAM	4,272	0	4,272				4,272		(4,272) a	0 a	0	0	0	0
RETAIL REVENUE ADJ	389,414	(391,787)	(2,373)				(2,373)		(389,414) a	391,787 a	0	0	0	0
ACT 310 REFUND #34	0	0	0				0		0 a	0 a	0	0	0	0
PES CONT FASH 5	15,213,370	(8,689,634)	6,523,736				6,523,736		(15,213,370) a	8,689,634 a	0	0	0	0
DIRECTORS FEES	7,194	0	7,194				7,194		(7,194) a	0 a	0	0	0	0
FEC-JAMESDORO	511,299	(512,557)	(1,258)				(1,258)		(511,299) a	512,557 a	0	0	0	0
UNIT PURCHASE PUR	1,120,720	(2,409,514)	(1,288,794)				(1,288,794)		(1,120,720) a	2,409,514 a	0	0	0	0
DEF P&V & INT	18,781,382	(7,581,706)	11,199,676				11,199,676		(18,781,382) a	7,581,706 a	0	0	0	0
FND RESEMT COSTS	1,543,458	0	1,543,458				1,543,458		(1,543,458) a	0 a	0	0	0	0
281 ACCEL AMORT PROP	0	(457,924)	(457,924)				(457,924)		0 a	457,924 a	0	0	0	0
282 LIBERALIZED DEPR	42,502,970	(5,723,758)	38,779,212	901,813	(567,952)		39,113,073		269,207 b	(6,945,272) b	115,971 b	37,628,718	(4,175,739)	
INT CAP NUC FUEL	0	(471,700)	(471,700)		(16,215)		(487,915)		0 a	0 a	0	0	(487,915)	
ATCC COST OF MONEY	0	(134,772)	(134,772)				(134,772)		0 a	134,772 a	0	0	0	0
WORN OF NUC FUEL	39,480	0	39,480				39,480		(39,480) a	0 a	0	0	0	0
TAX & PEN CAP	57,801	(780,524)	(722,723)				(722,723)		(57,801) a	780,524 a	0	0	0	0
POLL CMTL BONDS	0	(7,209)	(7,209)				(7,209)		0 a	7,209 a	0	0	0	0
INTANG PLANT 82314U	263,488	(397,087)	(133,599)				(133,599)		(263,488) a	397,087 a	0	0	0	0
INT ON DEF PAYABLES	0	(101,676)	(101,676)				(101,676)		0 a	101,676 a	0	0	0	0
COMST. POWER	0	(6,127)	(6,127)				(6,127)		0 a	6,127 a	0	0	0	0
ISES BOND DEPR CAP	0	(74,346)	(74,346)				(74,346)		0 a	74,346 a	0	0	0	0
CGI PHASE IN	193,122,099	47,383	193,169,482				193,169,482		(193,122,099) a	(47,383) a	0	0	0	0
CGI NO RETAIL	1,219,651	0	1,219,651	41,584			1,261,235					1,261,235	0	0
283 DEFERRED FUEL	(17,152,826)	18,392,965	1,240,139				1,240,139		17,152,826 a	(18,392,965) a	0	0	0	0
COMPUTER SOFTWARE	1,293,937	(695,744)	598,193				598,193		(1,293,937) a	695,744 a	0	0	0	0
STEAM GEN PROCESS	10,956	(281,084)	(270,128)				(270,128)		(10,956) a	281,084 a	0	0	0	0
N38 BIT REFUND	0	(3,953,835)	(3,953,835)				(3,953,835)		0 a	3,953,835 a	0	0	0	0
253 GAIN ON GAS PROPERTY	0	(27,404)	(27,404)				(27,404)		0 a	27,404 a	0	0	0	0
TOTALS	182,448,251	(29,730,994)	152,717,257	943,397	(584,167)		155,421,254		17,422,033	(161,923,728)	44,044,472	(10,392,965)	38,889,953	(4,663,654)

ITEM-FEDERAL	PROVISION FOR DEFERRED INCOME TAXES-FEDERAL		ADJUST FEDERAL RATE 46Z TO 40Z		FEDERAL EFFECT OF STATE CHANGE		PROVISION FOR DEFERRED INCOME TAXES-FEDERAL		DR.		(CR.)		DR.	
282 LIBERALIZED DEPR	37,628,718	(4,175,739)	(4,908,094)		(101,144)	0	32,619,480		37,628,718		(4,175,739)		32,619,480	(4,175,739)
INT CAP NUC FUEL	0	(487,915)		63,641	0	1,081	0		0		(487,915)		0	(423,193)
CGI NO RETAIL	1,261,235	0	(144,509)		(3,376)	0	1,093,350		1,261,235		0		1,093,350	0
TOTALS	38,889,953	(4,663,654)	(5,072,603)	63,641	(104,520)	1,081	33,712,830		38,889,953		(4,663,654)		33,712,830	(4,598,932)

a-ELIMINATE ITEMS FROM RATE CASE b-PRIOR YEARS ADJUSTMENT c-MISSOURI TAX RATE

ARKANSAS POWER & LIGHT COMPANY
DEFERRED INCOME TAXES
ARKANSAS

NRRC-12/86A
PF #7 (402)
SCHED 1
PAGE 18

ITEM-ARKANSAS	PROV FOR DEF INC TAX DR.	PROV FOR DEF INC TAX (CR)	NET PROVISION DR (CR)	ADJUSTMENT TO 2.762 DR.	NET PROVISION DR (CR)	-----DR-PROVISION----- DR. (CR)	-----CR-PROVISION----- DR. (CR)	PROVISION FOR DEFERRED INCOME TAXES-ARKANSAS DR. (CR)
190 INTEREST ON TAX DEF	0	(312,241)	(312,241)		(312,241)	0 a	312,241 a	0 0
INJ & DAN RES	0	0	0		0	0 a	0 a	0 0
PROP INS RESERVE	0	0	0		0	0 a	0 a	0 0
SGI 100%UND RECOVERY	128,624	(293,240)	(164,616)		(164,616)	(128,624) a	293,240 a	0 0
MAINT COST-OUTAGE	0	254,933	254,933		254,933	0 a	(254,933) a	0 0
NUCLEAR RESERVE	832,796	(630,440)	202,356		202,356	(832,796) a	630,440 a	0 0
DECOMMISSIONING-AND	0	(218,988)	(218,988)		(218,988)	0 a	218,988 a	0 0
SALE OF CME	9,516	0	9,516		9,516	(9,516) a	0 a	0 0
AND BLDG RESERVE	5,472	0	5,472		5,472	(5,472) a	0 a	0 0
CONT IN AID-AMP	0	0	0		0	0 a	0 a	0 0
REMOVAL COST	7,151	0	7,151		7,151	(7,151) a	0 a	0 0
UNPAID REVENUE	810,836	(1,127,015)	(316,179)		(316,179)	(810,836) a	1,127,015 a	0 0
BLDG S/L-TAX GAIN	13,620	0	13,620		13,620	(13,620) a	0 a	0 0
TAX GAIN V. HANNAH	588	0	588		588	(588) a	0 a	0 0
RETAIL REVENUE ADJ	51,856	(52,171)	(315)		(315)	(51,856) a	52,171 a	0 0
ACT 310 REFUND=34	0	0	0		0	0 a	0 a	0 0
RES FASH 5	2,028,681	(1,157,150)	871,531		871,531	(2,028,681) a	1,157,150 a	0 0
DIRECTORS FEES	979	0	979		979	(979) a	0 a	0 0
FEC-JONESBORO	68,086	(68,253)	(167)		(167)	(68,086) a	68,253 a	0 0
UNIT PURCHASE PWR	149,239	(320,860)	(171,621)		(171,621)	(149,239) a	320,860 a	0 0
EFF REV & INT	2,506,274	(1,009,613)	1,496,661		1,496,661	(2,506,274) a	1,009,613 a	0 0
FMS REDEMPT COSTS	205,534	0	205,534		205,534	(205,534) a	0 a	0 0
281 ACCEL AMORT PROP	0	0	0		0	0 a	0 a	0 0
282 LIBERALIZED DEPR	4,094,770	(1,498,876)	2,595,892		2,595,892	(4,094,770) a	1,498,876 a	0 0
INT CAP MUC FUEL	0	(58,304)	(58,304)	58,304	0	0 a	17,796 a	0 0
AECC COST OF MONEY	0	(17,796)	(17,796)	58,304	(17,796)	0 a	85,832 a	0 0
MURK OF MUC FUEL	0	(85,832)	(85,832)		(85,832)	0 a	104,958 a	0 0
TAXES & PENSIONS CAP	7,688	(104,958)	(97,270)		(97,270)	(7,688) a	960 a	0 0
POLL CNTL BONDS	0	(960)	(960)		(960)	0 a	52,564 a	0 0
INTANG PLANT 82314U	35,087	(52,564)	(17,477)		(17,477)	(35,087) a	13,944 a	0 0
INT ON DEP PAYABLES	0	(13,944)	(13,944)		(13,944)	0 a	839 a	0 0
CONST. POWER	0	(839)	(839)		(839)	0 a	9,813 a	0 0
ISES BOOK DEPR CAP	0	(9,813)	(9,813)		(9,813)	0 a	81,461 a	0 0
SGI PHASE IN	13,731,574	(81,461)	13,650,093		13,650,093	(13,731,574) a	0	0 0
SGI MO RETAIL	162,414	0	162,414	(162,414)	(162,414)	0	0	0 0
283 DEFERRED FUEL	(2,284,145)	2,443,900	159,755		159,755	2,284,145 a	(2,443,900) a	0 0
COMPUTER SOFTWARE	172,306	(92,557)	79,749		79,749	(172,306) a	92,557 a	0 0
STEAM GEN PROCESS	1,458	(37,509)	(36,051)		(36,051)	(1,458) a	37,509 a	0 0
253 GAIN ON GAS PROPERTY	0	0	0		0	0 a	0 a	0 0
TOTALS	22,740,404	(4,546,573)	18,193,831	58,304	18,089,721	(11,447,429)	6,850,688	0 0
				(162,414)	58,304	*****	*****	*****

a-ELIMINATE ITEMS FROM RATE CASE
b-PRIOR YEAR ADJUSTMENTS
c-MISSOURI TAX RATE

ARKANSAS POWER & LIGHT COMPANY
DEFERRED INCOME TAXES
MISSOURI

NRRC-12/86A
PF #7 (40Z)
SCH# 1
PAGE 1C

ITEM-MISSOURI	PROV FOR	PROV FOR	NET	ADJUSTMENT TO 2.76Z		NET	-----DR-PROVISION-----		-----CR-PROVISION-----		PROVISION FOR DEFERRED	
	DEF INC TAX DR.	DEF INC TAX CR.	DEF (CR)	DR.	CR.	PROVISION DR (CR)	DR.	(CR)	DR.	(CR)	INCOME TAXES-MISSOURI DR.	(CR)
190 INTEREST ON TAX DEF	0	(10,821)	(10,821)			(10,821)		0 a	10,821 a		0	0
INT J & DAN RES	0	0	0			0		0 a	0 a		0	0
PROP INS RESERVE	0	0	0			0		0 a	0 a		0	0
CGI OVR/UND RECOVERY	4,433	(10,140)	(5,727)			(5,727)		(4,433) a	10,140 a		0	0
MAINT COST-OUTAGE	0	8,833	8,833			8,833		0 a	(8,833) a		0	0
NUCLEAR RESERVE	28,857	(21,851)	7,006			7,006		(28,857) a	21,851 a		0	0
DECOMMISSIONING-AND	0	(7,592)	(7,592)			(7,592)		0 a	7,592 a		0	0
SALE OF CME	36	0	36			36		(36) a	0 a		0	0
ANG BLDG RESERVE	252	0	252			252		(252) a	0 a		0	0
CONT IN AID-AMP	0	0	0			0		0 a	0 a		0	0
REMOVAL COST	202	0	202			202		(202) a	0 a		0	0
UNBILLED REVENUE	26,633	(38,726)	(12,093)			(12,093)		(26,633) a	38,726 a		0	0
BLDG S/L-TAX GAIN	0	0	0			0		0 a	0 a		0	0
TAX GAIN U. MARIAM	0	0	0			0		0 a	0 a		0	0
RETAIL REVENUE ADJ	1,797	(1,808)	(11)			(11)		(1,797) a	1,808 a		0	0
ACT 310 REFUND-34	0	0	0			0		0 a	0 a		0	0
RES FASH 5	67,379	(40,097)	27,282			27,282		(67,379) a	40,097 a		0	0
DIRECTORS FEES	23	0	23			23		(23) a	0 a		0	0
PEC-JONESBORO	2,358	(2,364)	(6)			(6)		(2,358) a	2,364 a		0	0
UNIT PURCHASE PUR	5,171	(11,118)	(5,947)			(5,947)		(5,171) a	11,118 a		0	0
DEF REV & INT	82,323	(34,984)	47,339			47,339		(82,323) a	34,984 a		0	0
PNB RESEPT COSTS	7,122	0	7,122			7,122		(7,122) a	0 a		0	0
201 ACCEL AMORT PROP	0	0	0			0		0 a	0 a		0	0
202 LIBERALIZED DEPR	192,004	(1,305)	190,699	2,158,030	(244,748)	2,083,981	1,293 b	(25,017) b	549 b		2,326,310	(245,504)
INT CAP NUC FUEL	0	(1,801)	(1,801)		(23,053)	(24,854)					0	(24,854)
AECC COST OF MONEY	0	(744)	(744)			(744)		0 a	744 a		0	0
MORN OF NUC FUEL	0	0	0			0		0 a	0 a		0	0
TAXES & PENSIONS CAP	276	(1,855)	(1,579)			(1,579)		(276) a	1,855 a		0	0
POL. CNIL BONDS	0	(33)	(33)			(33)		0 a	33 a		0	0
INTANG PLANT 82314U	1,215	(2,631)	(1,416)			(1,416)		(1,215) a	2,631 a		0	0
INT ON DEP PAYABLES	0	0	0			0		0 a	0 a		0	0
CONST. POWER	0	(10)	(10)			(10)		0 a	10 a		0	0
ISRS BOOK DEPR CAP	0	(430)	(430)			(430)		0 a	430 a		0	0
CGI PHASE IN	476,255	(2,823)	473,432			473,432		(476,255) a	2,823 a		0	0
CGI MO RETAIL	5,626	0	5,626	72,013		77,639					77,639	0
293 DEFERRED FUEL	(79,148)	89,857	10,709			10,709	79,148 a			(89,857) a	0	0
COMPUTER SOFTWARE	5,971	(4,418)	1,553			1,553		(5,971) a	4,418 a		0	0
STEAM GEN PROCESS	50	(1,232)	(1,182)			(1,182)		(50) a	1,232 a		0	0
GAIN ON CAS PROPERTY	0	(764)	(764)			(764)		0 a	764 a		0	0
TOTALS	828,835	(98,877)	729,958	2,230,043	(287,801)	2,672,200	80,441	(735,370)	186,177	(89,857)	2,403,949	(290,358)
ITEM-FEDERAL	PROVISION FOR DEFERRED INCOME TAXES-STATE DR.	ADJUST STATE RATE 2.76Z TO 3.06Z (CR.)									PROVISION FOR DEFERRED INCOME TAXES-FEDERAL DR.	(CR)
202 LIBERALIZED DEPR	2,326,310	(245,504)	252,800								2,579,170	(245,504)
INT CAP NUC FUEL	0	(24,854)									0	(27,356)
CGI MO RETAIL	77,639	0	8,439								86,078	0
TOTALS	2,403,949	(290,358)	261,299								2,665,248	(293,060)

a-ELIMINATE ITEMS FROM RATE CASE b-PRIOR YEARS ADJUSTMENT c-MISSOURI TAX RATE

ARKANSAS POWER & LIGHT COMPANY
MISCELLANEOUS ADJUSTMENTS

MMRC-12/86A
PF 87 (40%)
SCHED 2

ADJUSTMENTS TO UTILITY OPERATING INCOME:

ITEM	AMOUNT
Increase in Reserves	(4,137,595)
Interest on Decommissioning	(1,709,779)
Unbilled Revenue	(2,378,575)
Interest on Tax Deficit	(5,421,703)
Nuclear Reserve Expense	4,207,584
Nuclear Reserve Interest Expense	(694,767)
Deferred Directors Fee	37,628
Reserved Revenues	(3,057,137)
Amort. Intang. Plant.-ISES	(466,801)
WB CHE Lease Cost Cap.	(93,485)
Ark. Wholesale ER-81-577	900,205
Sale of Vehicle ITC	578
Act 310 Sur. Refund Rev.	(905,121)
Intercompany Sales-Ex ISES	(362,915)
Interest on PCB's	(16,666)
Nuclear Refueling Maint.-AND 2	4,425,585
GG-1 Reserve Equalization Credit	(2,549,703)
GG-1 Costs-Over/Under Recovery	(3,083,041)
Inventory Share Deferral-GG1 Settlement	(3,420,741)
Reserve for Contingencies-FASB 5	(13,977,631)
Allowance for Uncollectables	(2,145,000)
Digby 1 & 2	(17,526,566)
AFDC	1,389,887
Other Taxes Charged to Plant	35,354
Pensions Charged to Plant	29,650
Removal	5,387,803
R&P Taxes Charged to Plant	103,992
Deferred Fuel Expense	2,365,843
Shutdown Expense - AND	582,299
Amort. of Gain on Sale of Bldgs.	217,274
Amort. Book Gain on Sale W. Markham	5,312
Amort. Book Gain on Sale AND Bldgs.	82,048
Computer Software Cap.	2,391,184
Misc. Intang. Plant	609,101
Steam Gen Proc Development	25,326
Inventory Share Def.-GG1 Settlement	118,880,901
Current Recovery Share Def.-GG1	38,321,316
GG1-Deferral Arkansas Wholesale	(3,457,363)
3-Mile Island Commitment	349,358
Uncollectible Accounts	70,000
FMB Redemption Costs	3,568,000
Const. Power Sold to MP&L	28,631
ACRS Retirements	468,184
Nuclear Fuel Interest Capitalized	4,146,309
Schedule M Adjustment	184,379,368
State Current Taxes @ 3.06%	5,642,009
Federal Current Taxes @ 40%	71,494,944

ADJUST ACC DEF INCOME TAXES:

ITEM	AMOUNT DR. / (CR.)	
Interest on Tax Deficiency	7,909,516	
Inj. and Dam. Reserve	3,631	
GG-1 Ovr/Und Recovery	2,068,783	
Nuclear Reserve	1,243,921	
Decommissioning-AND	8,624,706	
Sale of CHE	1,480,419	
AND Building Sale	1,383,725	
Removal Cost	2,506,643	
Unbilled Revenue	8,084,213	
Building S/L Tax Gain	1,347,749	
Tax Gain W Markham	92,976	
Retail Revenue Adjustment	3,162,461	
Maint. Cost Outage	5,869,431	
Res. Cont. FASB 5	13,629,479	
Def. Rev & Int	(12,743,676)	
FMB Redempt. Costs	(1,756,114)	
Poll Control Bonds	47,565	
Taxes and Pensions Cap	(22,809,563)	
Intangible Plant 82-314-U	(855,072)	
Interest on Def. Payable	(3,046,893)	
Norm. Prod. Plants	(9,465,372)	
Construction Power	(190,500)	
ISES Book Depr Cap	(2,046,610)	
GG-1 Phase-In	(161,672,827)	
Deferred Fuel	2,700,843	
Comp Software Cap	(6,619,375)	
Steam Gen Process	(962,373)	
Gain on Gas prop	3,027	
ISES Corp Sale	(884,603)	
ISES Sale to MP&L	(4,701,211)	
M38 DIT Refund	3,953,835	
Interest Cap. Nuclear Fuel (46%-40%)	(60,664)	
GG-1 Mo Retail Def (46%-40%)	(208,069)	
Acc Def Income Taxes	(157,910,139)	

ITEM	STATE	FEDERAL
Adjust for State Tax Rate	132,224	(61,534)
Eliminate Vehicle ITC (net of tax)	(34)	(250)
Eliminate Provision for Contingencies		(300,000)
Prior Period Adjustment	4,422,527	37,760,170
Prior Period ITC Adjustment		184,848
Adj. for MO Rate (95,818,828*(5%-2.76%))	2,146,942	(858,937)
Adj. for Federal Rate Change-		
MO State Effect (95,818,828*(.0276-.0306))	(287,456)	114,982
Federal Effect (91,162,678*(.45-.40))		5,469,761
Eliminate Investment Tax Credit		11,507,665
Total Adjustment to Current Taxes	6,413,603	59,937,105

AK 170
48,907,923

AK 282
(200,039,272)

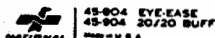
AK 283
(4,510,057)

AK 282
(248,733)

12/26 MARC

	Initials	Date
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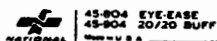
PRO-FORMA ADJUSTMENTS-ADJUST.#7

	1	2	3	4
Adjust Income Taxes (Current & Deferred) For Eliminations, Final Order In Docket ER-85-265, Prior Yr Adjust, Ark Tx Rate & Includes Fed Deduction For State.				
		COMPUTER	ALLOCATION	
		CODE	FACTOR	AMOUNT
RATE BASE ADJUSTMENTS				
1) Adjust-Accum Def Inc Tx-Lib Deprec				200308205
Adjust-Liberal Deprec	200339	PF07ADLB	PLTOREXI	200339276
2) Adjust-Accum Def Inc Tx-Other	200308			
Adjust-Acc Def Tx-Other	(42398)	PF07ADTO	PLTOREXI	(42397866)
EXPENSE ADJUSTMENTS				
1) Adjust To Operating Inc Before Taxes				
Adjust-Increase In Reserves	(4138)	PF07SJIR	SJICAE	(4137595)
- Int On Decommissioning	(1710)	PF07SJID	DO1	(1709779)
- Unbilled Revenue	(2378)	PF07SJR	SFO3	(2378575)
- Int On Tx Deficit	(5422)	PF07SJIT	NINBIT	(5421703)
- Nucl Reserve Expense	4208	PF07SJNR	E03	4207584
- Int On Nucl Reserves	(695)	PF07SJIN	E03	(694767)
- Def Directors Fees	38	PF07SJDF	LONTOR	37638
- Reserved Revenues	(3057)	PF07SJAR	ASADWTOA	(3057137)
- Amort Of Intang PIt-ISES	(467)	PF07SJAI	DO1AW	(466801)
- Lease Cost WB CHE	(93)	PF07SJCH	DO1	(93485)
- Ark Whole EARL-577	900	PF07SJ81	S81577	900205
- Sale Of Vehicle ITC	1	PF07SJSV	PLGECM	578
- Act 310 Sur Raf Rev	(905)	PF07SJ31	DO1AA	(905121)
- Interco Sales	(363)	PF07SJIS	PLTOR	(362915)
- Int On PCB's	(17)	PF07SJCB	DO1	(16666)
- Nucl Retirel Mnt-ANOD	4426	PF07SJAR	EO1	4425585
Contd				

12/86 MARC

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PRO-FORMA ADJUSTMENTS-ADJUST.#7

		1	2	3	4
			COMPUTER	ALLOCATION	
		(\$000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	1) Adjust To Operating Inc Before Taxes (Cont'd)				
3	Adjust- GGI Res Equal Cr	(2550)	PF07SJAE	DO1	(2549703)
4	- GGI Cost Over/Under Rec	(3089)	PF07SJCO	DO1	(3089041)
5	- Invent Def GGI Settle	(3421)	PF07SJDI	DO1	(3420741)
6	- Res For Conting	(13978)	PF07SJAC	DO1	(13977631)
7	- Allow For Uncollectibles	(2145)	PF07SJAU	OMCAUA	(2145000)
8	- Digby 1 & 2	(17526)	PF07SJAG	ABTOA	(17526566)
9	- AFDC	1390	PF07SJAF	PLTOA	1389887
10	- Oth Tx Chgd-PIAIC	95	PF07SJOT	SJOTCPL	95354
11	- Pens Plan Ded For Tx	30	PF07SJPE	SJPPD	29650
12	- Removal Expenses	5388	PF07SJRV	SFO2	5387803
13	- R & P Tx's Chgd WO's	104	PF07SJAP	SJRPPT	103992
14	- Def Fuel Costs	2866	PF07SJFC	EO2	2865848
15	- ANO Shutdown Exp	582	PF07SJAN	DO1	582299
16	- Amort Gn On Sl-Bldgs	217	PF07SJAG	LOMTOA	217274
17	- Amort BK Gn-WMSC	5	PF07SJWM	SFWMSC	5312
18	- Amort BK Gn-ANO Bldg	82	PF07SJAB	DO1	82048
19	- Computer Software	2991	PF07SJCS	PLTOAREXI	2991184
20	- Misc Intang PIt	609	PF07SJM1	PLTOAREXI	609101
21	- Steam Gen Proc Dev	25	PF07SJSG	EO1	25326
22	- Inv Share Def-GGI Settle	118881	PF07SJSD	DO1	118880901
23	- Cur Rec Share Def-GGI	98321	PF07SJCR	DO1	98321316
24	- GGI-Def Ark Whse	(3457)	PF07SJAW	SDOW	(3457363)
25	- TMI Accrual	349	PF07SJTM	DO1	349358
26	- Uncollect Accts	70	PF07SJUA	OMCAUA	70000
27	- FMB Redempt Costs	3568	PF07SJFM	ABTOA	3568000
28	- Construct Pwr	29	PF07SJCP	EO1	28631
29	- AGRS Retire Losses	468	PF07SJAC	PLDORA	468184
30	- Nuc1 Fuel Int Cgd	4147	PF07SJNF	EO1	4146909

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45-884 Eye-Ease
45-884 20/20 Buff
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PRO-FORMA ADJUSTMENTS - ADJUST. #7

		1	2	3	4
		(5000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	2) Adjust To State After Tax				
3	Adjust- Ark Tx Rt	132	PFO7SJSA	PLTORA	132224
4	- Vehicle ITC	0	PFO7SJVS	PLGECM	(34)
5	- Prior Yr Adjust	4422	PFO7SJPS	PLTORA	4422527
6	3) Adjust To Federal After Tax				
7	Adjust- Ark Tx Rt	(62)	PFO7SJFA	PLTORA	(61534)
8	- Vehicle ITC	0	PFO7SJVF	PLGECM	(250)
9	- Prov For Conting	(300)	PFO7SJAC	NINBIT	(300000)
10	- Prior Yr Adjust	37780	PFO7SJPF	PLTORA	37780170
11	- Prior Yr Adj-ITC	185	PFO7SJPI	PLTOAEXI	184848
12	4) Adjust To Prov For Def Inc Taxes	11508	PFO7SJFI	PLTOAEXI	11507665
13	Federal				
14	Adjust-GG1 Over/Und Recov	(805)	PFO7FE0U	DO1	(804762)
15	- GG1 NLR Olu Recov	(72)	PFO7FENL	SDOW	(75319)
16	- GG1 Benton Olu Recov	(15)	PFO7FEB	SDOW	(14898)
17	- GG1 Paragould Olu Recov	(33)	PFO7FEPO	SDOW	(32790)
18	- GG1 Prescott Olu Recov	(2)	PFO7FEPR	SDOW	(2312)
19	- GG1 No Ark Olu Recov	(41)	PFO7FENA	SDOW	(40888)
20	- Nuclear Reserve	(6254)	PFO7FENA	EO3	(6253868)
21	- Coal Hadl Eq Sale	(68)	PFO7FECH	DO1	(68172)
22	- Tx Gn-ANO Bldg Sale	(42)	PFO7FEAN	DO1	(41532)
23	- Removal Cost	(54)	PFO7FERC	SFO2	(53344)
24	- Unbilled Rev	(6076)	PFO7FEUR	SFO3	(6074199)
25	- Bldg Sale	(55)	PFO7FEBS	LOMTOA	(55500)
26	- West Markham SC	(4)	PFO7FEWH	SFWMSC	(4272)
27	- Directors Fees	(7)	PFO7FEDI	LOMTOA	(7194)
28	- Retail Rev Adjust	(389)	PFO7FERA	RSADWTOA	(389414)
29	- FEC Jonesboro	(511)	PFO7FEFE	SDWH	(511299)
30					
31					
32					
33					

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45-004 Eye-Ease
45-004 20/20 Buff
Made in USA

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PRO-FORMA ADJUSTMENTS-ADJUST. #7

		1	2	3	4
		(3000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	4) Adjust To Prov For Def Inc Taxes				
3	Federal (Contd)				
4	Adjust - Unit Purchased Pwr	(1121)	PF07FEUA	DO1	(1120720)
5	- Res Cont FASB 5	(15213)	PF07FERE	DO1	(15213370)
6	- Def Rev & Int (Digby)	(18781)	PF07FEDG	R8TOA	(18781382)
7	- FMB Redempt Costs	(1543)	PF07FEFM	R8TOA	(1543458)
8	- P/Yr Adj Lib Deprec	(5776)	PF07FPLD	ITDTLDF	(5776065)
9	- Mo StTx R+ Lib Deprec	902	PF07FMLD	ITDTLDF	901813
10	- Nucl Fuel Normal	(39)	PF07FENN	EO1	(39480)
11	- Tx & Pens Capital	(58)	PF07FETA	ITDTTACF	(57801)
12	- Int Pkt 82-314-4	(264)	PF07FEIP	PLTOAEXI	(263488)
13	- GGI Phase-In Curr	(42532)	PF07FEPI	DO1	(42532192)
14	- GGI Invent Def	(48843)	PF07FEIN	DO1	(48843211)
15	- GGI Excess Capacity	(13346)	PF07FEEC	DO1	(13346076)
16	- GGI Paragould Ph-In	82	PF07FEPP	SDOW	82336
17	- GGI Paragould Inv Def	90	PF07FEPA	SDOW	89845
18	- GGI Prescott Ph-In	(78)	PF07FEPS	SDOW	(77780)
19	- GGI Prescott Inv Def	(90)	PF07FEPN	SDOW	(89636)
20	- GGI No Ark Ph-In	(19)	PF07FENP	SDOW	(19443)
21	- GGI No Ark Inv Def	(22)	PF07FENI	SDOW	(22019)
22	- GGI NLR Ph-In	673	PF07FEPP	SDOW	672968
23	- GGI NLR Inv Def	728	PF07FEIN	SDOW	727845
24	- GGI Benton Ph-In	113	PF07FEBP	SDOW	113422
25	- GGI Benton Inv Def	122	PF07FEBI	SDOW	121842
26	- Mo StTx R+ GGI Mo Ret	41	PF07FMMA	DO1M	41584
27	- Deferred Fuel	17153	PF07FEDF	EO2	17152826
28	- Computer SW Cap	(1294)	PF07FECS	PLTOAEXI	(1293937)
29	- Steam Gen Process	(11)	PF07FESG	EO1	(10956)
30	- Lib Depr Chg In Fed Tax	(4902)	PF07FL40	ITDTLDF	(4902099)
31	- GGI Mo Ret Fed Tx R+	(165)	PF07FG40	DO1M	(164509)
32	- Lib Depr Fed ER StTx Chg	(1011)	PF07FLST	ITDTLDF	(1011144)
33	- GGI Mo Ret Fed ER StTx Chg	(33)	PF07FGST	DO1M	(33376)

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45-804 Eye-Ease
45-804 20/20 Buff
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PRO-FORMA ADJUSTMENTS-ADJUST.#7

		1	2	3	4
		(3000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	4) Adjust To Prov For Def Inc Taxes (Contd)				
3	State				
4	Adjust-GG1 Over/Und Recov	(1111)	PF07SEOU	DO1	(110880)
5	- GG1 NLA O/U Recov	(10)	PF07SENL	SDOW	(10381)
6	- GG1 Benton O/U Recov	(2)	PF07SEB	SDOW	(2053)
7	- GG1 Paragould O/U Recov	(4)	PF07SEPC	SDOW	(4520)
8	- GG1 Prescott O/U Recov	(11)	PF07SEPR	SDOW	(3119)
9	- GG1 No Ark O/U Recov	(5)	PF07SENA	SDOW	(4904)
10	- Nuclear Reserve	(861)	PF07SENR	E03	(861253)
11	- Coal Hndl-Eq Sale	(10)	PF07SECH	DO1	(9552)
12	- Tx Gn-AND Bldg Sale	(5)	PF07SEAN	DO1	(5724)
13	- Removal Cost	(7)	PF07SERC	SFO2	(7353)
14	- Unbilled Rev	(838)	PF07SEUR	SFO3	(837469)
15	- Bldg Sale	(14)	PF07SEBS	LDMTOA	(13420)
16	- West Markham SC	(1)	PF07SENM	SFWMSC	(588)
17	- Directors Fees	(1)	PF07SEDI	LDMTOA	(1002)
18	- Retail Rev Adjmnt	(54)	PF07SEAR	RSRDWTOA	(53653)
19	- FEC Jonesboro	(71)	PF07SEFE	SDWH	(70444)
20	- Unit Purchased Pwr	(154)	PF07SEUR	DO1	(154410)
21	- Res Cont FASB 5	(2096)	PF07SEAE	DO1	(2096040)
22	- Def Rev & Int (Digby)	(2589)	PF07SEOG	RBTTOA	(2588597)
23	- FMB Redempt Costs	(213)	PF07SEFM	RBTTOA	(212656)
24	- Lib Deprec	(4095)	PF07SELD	ITOTLDS	(4094770)
25	- Pr Yr Adj Lib Deprec	(24)	PF07SPLD	ITOTLDS	(23724)
26	- Mo StTx Rt Lib Deprec	2158	PF07SMLD	ITOTLDS	2158030
27	- Tx L Pers Capital	(8)	PF07SETP	ITATTACS	(7964)
28	- Int Plt 82-314-U	(36)	PF07SEIP	PLTOAEXT	(32302)
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45-004 Eye-Ease
45-004 20/20 Buff
Made in USA

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PRO-FORMA ADJUSTMENTS-ADJUST.# 7

		1	2	3	4
		(\$000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	4) Adjust To Prov For Def Inc Taxes				
3	State (Contd)				
4	Adjust- GG) Phase-In Curr	(5860)	PF07SEPI	DO1	(5860032)
5	- GG) Invent Def	(4730)	PF07SEID	DO1	(4729554)
6	- GG) Excess Capacity	(1839)	PF07SEEC	DO1	(1838808)
7	- GG) Paragould Ph-In	12	PF07SEPP	SDOW	11348
8	- GG) Paragould Inv Def	12	PF07SEPA	SDOW	12383
9	- GG) Prescott Ph-In	(10)	PF07SEPS	SDOW	(10716)
10	- GG) Prescott Inv Def	(12)	PF07SEPN	SDOW	(12349)
11	- GG) No Ark Ph-In	(3)	PF07SENP	SDOW	(2479)
12	- GG) No Ark Inv Def	(3)	PF07SENI	SDOW	(2918)
13	- GG) NLR Ph-In	93	PF07SEPN	SDOW	92754
14	- GG) NLR Inv Def	100	PF07SEIN	SDOW	100317
15	- GG) Benton Ph-In	16	PF07SEBP	SDOW	15632
16	- GG) Benton Inv Def	17	PF07SEBI	SDOW	16793
17	- GG) Mo Retail	(162)	PF07SEMA	DO1M	(162414)
18	- Mo St Tx Rt-GG) Mo Ret	72	PF07SMMA	DO1M	72013
19	- Deferred Fuel	2363	PF07SEDF	EO2	2343293
20	- Computer SW CapIt	(178)	PF07SECS	PJTDAXE	(178277)
21	- Steam Gen Process	(1)	PF07SESG	EO1	(1508)
22	- Lib Deprec St Tx 3.06%	253	PF07SL30	ITNTLDS	252860
23	- GG) Mo Ret St Tx 3.06%	8	PF07SG30	DO1M	8439
24					
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45-884 Eye-Care
45-884 20/20 Buft
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PRO-FORMA ADJUSTMENTS - ADJUST. #7

		1	2	3	4
		(3000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	5) Adjust To Inc Tx Def Cr				
3	Federal				
4	Adjust-Int On Tx Deficit	2345	PFO7FEI2	NINBIT	2344767
5	- GG1 Over/Under Recov	2141	PFO7CFOU	DO1	2141031
6	- GG1 Paragould Olu Recov	21	PFO7CFPA	SDOW	21339
7	- GG1 Prescott Olu Recov	6	PFO7CFPR	SDOW	6286
8	- GG1 No Ark Olu Recov	35	PFO7CFNA	SDOW	34743
9	- Nuclear Reserve	4734	PFO7FEN2	E03	4734278
10	- Decommiss Exp	1644	PFO7FEDE	DO1	1644456
11	- Unbilled Rev	8460	PFO7FEU3	SF03	8460488
12	- Retail Rev Adjmat	392	PFO7FER2	RSROWTOA	391787
13	- FEC Jonesboro	513	PFO7FEF3	SDWA	512557
14	- Unit Purch Pwr	2409	PFO7FEU3	DO1	2409514
15	- Maint Cost Outage	(11914)	PFO7FFMC	E01	(11914434)
16	- Res Conting FASB 5	8690	PFO7CFRC	DO1	8689634
17	- Def Rev & Int (Disby)	7582	PFO7CFDG	RBT0A	7581706
18	- Gain On Gas Prop	27	PFO7FEGP	PLTOAEXI	27404
19	- Defense Property	458	PFO7CFDA	SFDTAATO	457924
20	- Mo St Tx Chg Int NF	(16)	PFO7CMNF	E01	(16215)
21	- AECC Cost Of Money	135	PFO7CFAE	DO1	134772
22	- Pri Yr Adj Liber Deprec	116	PFO7CFLD	ITDTCLDF	115971
23	- Mo St Tx At Liber Deprec	(568)	PFO7CMLD	ITDTCLDF	(567952)
24	- Tx & Pens Capital	780	PFO7CFTP	ITDTCTPF	780524
25	- Poll Contr Bonds	7	PFO7FEP2	DO1	7209
26	- Intang Plt 82-314-11	397	PFO7CFIP	PLTOAEXI	397087
27	- Int On Def Payables	102	PFO7CFID	DO1	101676
28	- Constr Power	6	PFO7CFCP	E01	6127
29					
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Approved By		

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45-804 Eye-Ease
45-804 20/20 Buff
Made in USA

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PRO-FORMA ADJUSTMENTS - ADJUST. #7

		1	2	3	4
		(5000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	5) Adjust To Inc Tx Def Cr				
3	Federal (Contd)				
4	Adjust - ISES Book Depr	75	PF07CFIS	DOIAW	74346
5	- GGI City of Prescott	32	PF07CFPA	SDOW	32450
6	- GGI Farm/Jonesboro	(80)	PF07FEJF	SDJF	(79833)
7	- Deferred Fuel	(18393)	PF07FED3	E02	(18392965)
8	- Computer SIN	696	PF07CFCS	PLTORAXI	695744
9	- Steam Gen Process	281	PF07CFSG	E01	281084
10	- M38 DIT Refund	3954	PF07CF38	R8TOA	3953835
11	- Int Cap NF Chg Ed Tx Rt	64	PF07FCI4	E01	63641
12	- Int Cap NF Fed Eff St Tax	1	PF07FCIT	E01	1081
13					
14					
15	State				
16	Adjust - Int On Tx Deficit	323	PF07SEI2	NINBIT	323062
17	- GGI Over/Under Recov	295	PF07CSOU	DO1	294989
18	- GGI Paragould Olu Recov	3	PF07CSPA	SDOW	2942
19	- GGI Prescott Olu Recov	1	PF07CSPR	SDOW	864
20	- GGI No Ark Olu Recov	4	PF07CSNA	SDOW	4605
21	- Nuclear Reserve	653	PF07SENA	E03	652391
22	- Decommiss Exp	227	PF07SEDE	DO1	226580
23	- Unbilled Rev	1166	PF07SEU2	SFO3	1165741
24	- Retail Rev Adjmnt	54	PF07SEAR	RSRONT0A	53979
25	- FEC Jonesboro	70	PF07SEFJ	SDWH	70617
26	- Unit Purch Pwr	332	PF07SEU3	DO1	331978
27	- Maint Cost Outage	(264)	PF07SEMC	E01	(263766)
28	- Res Conting FASB S	1197	PF07CSAC	DO1	1197247
29					
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45-804 Eye-Ease
45-904 20/20 Buff
Made in USA

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PRO-FORMA ADJUSTMENTS - ADJUST. #7

			1	2	3	4
				COMPUTER	ALLOCATION	
			(\$000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS					
2	5) Adjust To Inc Tx Def Cr					
3	State (Contd)					
4	Adjust - Def Revd Int (Digby)	1044		PFO7CSDG	RRTOR	1044597
5	- Gain On Gas Prop	1		PFO7SEGP	PLTOAEXI	764
6	- Mo St Tx Chng Int NF	35		PFO7MSNF	EOI	35251
7	- AECC Cost of Money	18		PFO7CSAE	DOI	18540
8	- Nucl Fuel Norm	86		PFO7CSNN	EOI	85832
9	- Liber Deprec	1499		PFO7SELD	ITNTCLDS	1498878
10	- Pr Yr Adj Liber Deprec	1		PFO7CSLD	ITNTCLDS	549
11	- Mo St Tx Chng Lib Deprec	(225)		PFO7MSLD	ITNTCLDS	(224748)
12	- Tx & Pens Capital	107		PFO7CSTP	ITDGTAS	106813
13	- Pol Contr Bonds	1		PFO7SEPA	DOI	993
14	- Intang Plt 82-314-U	55		PFO7CSIP	PLTOAEXI	55195
15	- Int On Def Payables	14		PFO7CSIN	DOI	13944
16	- Constr Pwr	1		PFO7CSCP	EOI	849
17	- ISES Book Depr	10		PFO7CSIS	DOI AW	10243
18	- GGI City Of Prescott	5		PFO7CSPA	SDOW	4471
19	- GGI Farm/ Jonesboro	80		PFO7SEJF	SOJF	79833
20	- Deferred Fuel	(2534)		PFO7SEDA	EO2	(2533757)
21	- Computer SIW	97		PFO7CSCS	PLTOAEXI	96975
22	- Steam Gen Process	39		PFO7CSSG	EOI	38741
23	- Int Cap NF St Tx 3.06%	(3)		PFO7CSN3	EOI	(2702)
24						
25						
26	6) Adjust To Invest Tx Cr - Net					
27	Adjust - ITC Provision	(11508)		PFO7ITC	PLTOAEXI	(11507645)
28						
29						
30						
31						
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34% TAX ADJ

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ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
RATE BASE
(\$000's)

Rate Case 12/86 MRRC

Pro Forma # 7

Prepared By Taxes and Special Studies

Date Prepared 3/27/87

Description of Adjustment:

Current and Deferred Income Taxes Adjusted for MRRC Comprehending
Final Order in Docket ER-85-265. Includes Adjusting State Income
Tax Rate for Federal Deduction for State. (3.36% Effective State
Rate) Adjust for Federal Rate Decrease to 34%. Eliminate Schedule
M Deduction for Interest Capitalized on Nuclear Fuel.

STRING
NAME

RATE BASE

PT	PLANT IN SERVICE-----	\$ _____
DR	DEPRECIATION RESERVES-----	_____
PAA	PLANT ACQ. ADJUSTMENT-----	_____
FI	FUEL INVENTORY-----	_____
MS	MATERIALS & SUPPLIES-----	_____
PPMT	PREPAYMENTS-----	_____
WC	WORKING CASH-----	_____
SFI	INVESTMENT IN SYSTEM FUELS-----	_____
ADTLB	ACCUM DEF TX - LIB DEPREC-----	200,513
ADTO	ACCUM DEF TX - OTHER-----	(42,398)
ADTITC	ACCUM DEF INVEST TX CR - 3%-----	_____
	TOTAL-----	158,115

() = DECREASE TO RATE BASE

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
INCOME AND EXPENSE
(\$000's)

Pro Forma # 7

STRING
NAME

REVENUESDate Prepared 3/27/87

REV1	SALES TO ULTIMATE CUSTOMERS-----	\$	_____
REV2	SALES FOR RESALE-----		_____
REV3	MSPP & SYSTEM SALES-----		_____
REV4	OTHER ELECTRIC REVENUE-----		_____
	TOTAL OPERATING REVENUE-----	\$	_____

EXPENSESOPERATION & MAINTENANCE

	<u>PRODUCTION</u>		
OMP1	OPERATION (EX. FUEL & PURCH. PWR)----	\$	_____
OMP2	MAINTENANCE-----		_____
OMP3	FUEL-----		_____
OMP4	PURCHASED POWER-----		_____
OMP5	SYSTEM CONTROL-----		_____
OMP6	OTHER PROD. EXP. & CREDITS-----		_____
	TOTAL PRODUCTION-----		_____
OMT	TRANSMISSION-----		_____
OMD	DISTRIBUTION-----		_____
OMCA	CUSTOMER ACCOUNTING-----		_____
OMCS	CUSTOMER SERVICES-----		_____
OMSE	SALES EXPENSE-----		_____
OMAG	ADMINISTRATIVE & GENERAL-----		_____
	TOTAL OPER. & MAINT.-----		_____
DX	DEPRECIATION-----		_____
OTAX	TAXES OTHER THAN INCOME-----		_____
STAX	INCOME TAXES - STATE-----	3.36%	12,321
FTAX	INCOME TAXES - FEDERAL-----	34%	120,099
DTDRS	PROV. DEFERRED INC. TAX - STATE-----		(20,643)
DTDRF	PROV. DEFERRED INC. TAX - FEDERAL-----		(153,881)
DTCRS	PROV. DEF. INC. TAX CREDIT - STATE-----		4,350
DTCRF	PROV. DEF. INC. TAX CREDIT - FEDERAL-----		25,196
ITC	INVESTMENT TAX CREDIT ADJ.-----		(11,508)
	TOTAL UTILITY OPERATING EXP.-----	\$	(24,066)
	NET UTILITY OPERATING INCOME-----	\$	24,066

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(000's)

Pro Forma # 7Date Prepared 3/27/87STRING
NAMEREVENUE

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INCOME:

A01	UNBILLED REVENUE-----	\$ (2,378)
A02	INCREASE IN RESERVES-----	(4,138)
A03	PROP RET RESERVE APPROP-----	
A04	RESERVED REVENUES-----	(3,057)
A05	INTEREST ON TAX DEFICIT-----	(5,422)
A06	NUCLEAR FUEL EXPENSE-----	
A07	INTEREST ON NUCLEAR RESERVES-----	(695)
A08	BOOK DEPRECIATION ON NACC CME-----	
A09	INTEREST - DOE LIABILITY-----	
A010	CONSTRUCTION POWER-----	29
A011	MISSOURI FUEL TRUE-UP-----	
A012	ACRS RETIREMENTS-----	468
A013	OTHER TAXES CHARGED - PLANT ACCTS-----	95
A014	DEPR FOR TAX PURPOSES-----	
A015	REMOVAL EXPENSES-----	5,388
A016	PENSION PLAN DED FOR TAXES-----	30
A017	REAL & PERSONAL PROP TAXES-----	104
A018	DEFERRED FUEL COSTS-----	2,866
A019	NUCLEAR REFUELING MAINTENANCE-----	4,426
A020	ANO SHUTDOWN EXPENSE-----	582
A021	INT ON NUCLEAR FUEL-----	4,147
A022	ALLOW FOR FUNDS DUR CONST-----	1,390
A023	NUCLEAR RESERVE EXP-----	4,208
A024	INTERCOMPANY SALES-----	(363)
A025	OTHER GAIN SALE OF PROPERTY-----	
A026	SALE VEHICLE ITC-----	1
A027	DEFERRED DIRECTORS FEES-----	38
A028	MISCELLANEOUS INTANGIBLE PLANT-----	609
A029	LEASE COST CAP ON COAL HDLNG EQPT-----	(93)
A030	TMI ACCRUED-----	349
A031	TAX DEFICIT INTEREST PAYMENTS-----	
A032	INTEREST ON DECOMMISSIONING-----	(1,710)
A033	COMPUTER SOFTWARE CAPITALIZED-----	2,991
A034	AMORT OF INTANG PLANT - DOCKET #82-314-U-----	
A035	AMORT OF INTANG PLANT - ISES-----	(467)
A036	AMORT OF COMPUTER SOFTWARE-----	
A037	AMORT OF BOOK GAIN ON SALE OF ANO BLDG-----	82
A038	AMORT OF BOOK GAIN ON SALE OF WEST MKHM SC-----	5

STRING
NAME

REVENUE

Date Prepared 3/27/87

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INC. (cont'd):

[illegible]

() = DECREASE TO UTILITY OPERATING INCOME

ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
STATE/FEDERAL TAX ADJUSTMENTS
(000's)

Pro Forma # 7Date Prepared 3/27/87

STRING
NAME

<u>STATE BEFORE TAX ADJUSTMENTS</u>		
DEPADJ	ADJ FOR DEPRECIATION-----	\$ _____
INTERAL	INTERCOMPANY SALES-----	_____
ACRS	ACRS RETIREMENT LOSSES-----	_____
SCP	CONSTRUCTION POWER-----	_____

<u>STATE AFTER TAX ADJUSTMENTS</u>		
MOTADJS	MISSOURI TAX RATE ADJUSTMENT-- <u>TO 2.76%</u> -----	\$ 2,146*
SPYADJ	STATE TAX ASSOC W/PRIOR YR ADJ-----	4,422
SCWIP	INTEREST ON CWIP-----	_____
VITCS	VEHICLE ITC - NET OF TAX-----	_____
ARTADJS	ARKANSAS TAX RATE ADJUSTMENT-----	132
MOTXADS	MISSOURI TAX RATE ADJ. TO 3.36%-----	(575)*

<u>FEDERAL BEFORE TAX ADJUSTMENTS</u>		
FO2	PREFERRED DIVIDENDS PAID-----	\$ _____

<u>FEDERAL AFTER TAX ADJUSTMENTS</u>		
FCWIP	INTEREST ON CWIP-----	\$ _____
STAD	VARIOUS TAX RATES-----	_____
FITC	INVESTMENT TAX CREDIT-----	11,508
FPYADJ	FED TAX ASSOC W/PRIOR YR ADJ-----	37,780
VITCF	VEHICLE ITC - NET OF TAX-----	_____
FO5	PROV FOR CONTINGENCIES-----	(300)
MOTADJF	MISSOURI TAX RATE ADJUSTMENT-- <u>TO 2.76%-FED EFF</u> -----	(730)*
ARTADJF	ARKANSAS TAX RATE ADJUSTMENT-----	(62)
PYAIRC	PRIOR YR ADJUST - ITC-----	185
MOTXADF	MISSOURI TAX RATE ADJ. TO 3.36%-----	195*
FTXRT	FEDERAL TAX RATE TO 34%-----	10,940*

* Not Input Into COS (ST. Tax Calculated Within Program
at 3.36%, Fed. Tx. at 34%).

ARKANSAS POWER & LIGHT COMPANY
PROFORMA ADJUSTMENT #7

NRRC-12/866
PF #7 (34X)
SUMMARY SCHED

SCH/PAGE REFERENCE	DESCRIPTION	CURRENT INCOME TAXES STATE	CURRENT INCOME TAXES FEDERAL	PROV-DEF INC TAXES-DR STATE	PROV-DEF INC TAXES-DR FEDERAL	PROV-DEF INC TAXES-CR STATE	PROV-DEF INC TAXES-CR FEDERAL	INVESTMENT TAX CREDIT ADJUSTMENT	TAX DEPRECIATION	STATEMENT J NUCLEAR FUEL EXP-NON DED	OTHER ITEMS	EXCESS DEPRECIATION STATE	RATE BASE ACC DEFERRED INCOME TAXES
1/1 a,b,c	Adjust Def Income Tax Provision			(20,642,692)	(153,881,187)	4,349,689	25,196,459						
2/1	Adjust Utility Operating Income	6,195,147	60,582,635								184,379,348		(158,114,763)
2/1	Adjust Acc Def Income Taxes												
2/1	Eliminate Current Tax Items	6,126,146	59,514,134					(11,507,445)					
		12,321,293	120,098,769	(20,642,692)	(153,881,187)	4,349,689	25,196,459	0	0	0	184,379,348	0	(158,114,763)
								(11,507,445)					

ARKANSAS POWER & LIGHT COMPANY
DEFERRED INCOME TAXES
FEDERAL

NRRC-12/864
PF #7 (342)
SCHED 1
PAGE 1A

ITEM-FEDERAL	PROV FOR DEF INC TAX		NET PROVISION BP (CR)	ADJUSTMENT TO 2.762		NET PROVISION DR. (CR.)	DR-PROVISION		CR-PROVISION		PROVISION FOR DEFERRED INCOME TAXES-FEDERAL	
	DR.	CR.		DR.	CR.		(DR)	(CR)	DR.	(CR)	DR.	(CR)
190 INTEREST ON TAX DEF	0	(2,344,767)	(2,344,767)			(2,344,767)						
INTJ AND SAN RES	0	0	0			0						
PROP INS RESERVE	0	0	0			0						
GGI OVR/UND RECOVERY	970,969	(2,203,399)	(1,232,430)			(1,232,430)						
MAINT COST-OUTAGE	0	1,914,434	1,914,434			1,914,434						
NUCLEAR RESERVE	6,253,868	(4,734,278)	1,519,590			1,519,590						
DECOMMISSIONING-AMO	0	(1,644,456)	(1,644,456)			(1,644,456)						
SALE OF CNE	68,172	0	68,172			68,172						
AND PLUG RESERVE	41,532	0	41,532			41,532						
COMT IN AID-AMP	0	0	0			0						
REMOVAL COST	53,346	0	53,346			53,346						
UNPAID REVENUE	6,076,199	(8,460,488)	(2,384,289)			(2,384,289)						
BLDG S/L-TAX GAIN	55,500	0	55,500			55,500						
TAX GAIN U. NARRAM	4,272	0	4,272			4,272						
RETAIL REVENUE ADJ	389,414	(391,787)	(2,373)			(2,373)						
ACT 310 REFUND #34	0	0	0			0						
RES COMT FASD 5	15,213,370	(8,689,634)	6,523,736			6,523,736						
DIRECTORS FEES	7,194	0	7,194			7,194						
FEC-JONESBORO	511,299	(512,557)	(1,258)			(1,258)						
UNIT PURCHASE PUR	1,120,720	(2,409,514)	(1,288,794)			(1,288,794)						
DEF REV & INT	18,781,382	(7,581,706)	11,199,676			11,199,676						
FND REDEMPT COSTS	1,543,458	0	1,543,458			1,543,458						
201 ACCEL AMORT PRDP	0	(457,924)	(457,924)			(457,924)						
202 LIBERALIZED DEPR	42,582,970	(3,723,758)	38,779,212	901,813	(567,952)	39,113,073	269,207 b	(6,045,272) b	115,971 b		37,628,718	(4,175,739)
INT CAP MUC FUEL	0	(471,700)	(471,700)		(16,215)	(487,915)						(487,915)
RECC COST OF HOMET	0	(134,772)	(134,772)			(134,772)						
WEPH OF MUC FUEL	39,480	0	39,480			39,480						
TAX & PEN CAP	57,801	(780,524)	(722,723)			(722,723)						
POLL CMTL BOMPS	0	(7,209)	(7,209)			(7,209)						
INTANG PLANT 82314U	263,488	(397,087)	(133,599)			(133,599)						
INT ON DEF PAYABLES	0	(101,676)	(101,676)			(101,676)						
COMST. POWER	0	(6,127)	(6,127)			(6,127)						
ISGS BOOK DEPR CAP	0	(74,346)	(74,346)			(74,346)						
GGI PHASE IN	103,122,099	47,383	103,169,482			103,169,482						
GGI NO RETAIL	1,219,651	0	1,219,651	41,584		1,261,235					1,261,235	
203 DEFERRED FUEL	(17,152,826)	18,392,965	1,240,139			1,240,139	17,152,826 a		(18,392,965) a		0	
COMPUTER SOFTWARE	1,293,937	(695,744)	598,193			598,193						
STEAM GEN PROCESS	10,956	(281,084)	(270,128)			(270,128)						
N30 BIT REFUND	0	(3,953,835)	(3,953,835)			(3,953,835)						
253 GAIN ON GAS PROPERTY	0	(27,404)	(27,404)			(27,404)						
TOTALS	182,448,251	(29,730,994)	152,717,257	943,397	(584,167)	155,421,254	17,422,033	(161,923,728)	44,044,472	(18,392,965)	38,889,953	(4,663,654)
ITEM-FEDERAL	PROVISION FOR DEFERRED INCOME TAXES-FEDERAL		ADJUST FEDERAL RATE 462 TO 342	FEDERAL EFFECT OF STATE CHANGE			PROVISION FOR DEFERRED INCOME TAXES-FEDERAL					
	DR.	(CR.)		DR.	(CR.)		DR.	(CR.)				
202 LIBERALIZED DEPR	37,628,718	(4,175,739)	(9,816,187)		(171,945)	0					27,640,586	(4,175,739)
INT CAP MUC FUEL	0	(487,915)		127,282	0	1,837					0	(358,794)
GGI NO RETAIL	1,261,235	0	(329,018)		(5,739)	0					926,478	0
TOTALS	38,889,953	(4,663,654)	(10,145,205)	127,282	(177,684)	1,837					28,567,044	(4,534,525)

a-ELIMINATE ITEMS FROM RATE CASE b-PRIOR YEARS ADJUSTMENT c-MISSOURI TAX RATE

ARKANSAS POWER & LIGHT COMPANY
DEFERRED INCOME TAXES
ARKANSAS

NRRC-12/86A
PF #7 (34Z)
SCHWD 1
PAGE 18

ITEM-ARKANSAS	PROV FOR DEF INC TAX		PROV FOR DEF INC TAX		NET PROVISION		ADJUSTMENT TO 2.76Z		NET PROVISION		DR-PROVISION		CR-PROVISION		PROVISION FOR DEFERRED INCOME TAXES-ARKANSAS	
	DR.	(CR)	DR.	(CR)	DR (CR)	(CR)	DR.	CR.	DR (CR)	(CR)	DR.	(CR)	DR.	(CR)	DR.	(CR)
190 INTEREST ON TAX DEF	0	(312,241)			(312,241)				(312,241)		0 a		312,241 a		0	0
INT & DAM RES	0	0			0				0		0 a		0 a		0	0
PROP INS RESERVE	0	0			0				0		0 a		0 a		0	0
GS1 OVR/UND RECOVERY	120,624	(293,240)			(164,616)				(164,616)		(120,624) a		293,240 a		0	0
MATNT COST-OUTAGE	0	254,933			254,933				254,933		0 a		(254,933) a		0	0
NUCLEAR RESERVE	832,796	(630,440)			202,356				202,356		(832,796) a		630,440 a		0	0
DECOMMISSIONING-AND	0	(218,988)			(218,988)				(218,988)		0 a		218,988 a		0	0
SALE OF CME	9,516	0			9,516				9,516		(9,516) a		0 a		0	0
AND PLDG RESERVE	5,472	0			5,472				5,472		(5,472) a		0 a		0	0
CONT IN AID-AMP	0	0			0				0		0 a		0 a		0	0
REMOVAL COST	7,151	0			7,151				7,151		(7,151) a		0 a		0	0
UNBILLED REVENUE	810,836	(1,127,015)			(316,179)				(316,179)		(810,836) a		1,127,015 a		0	0
BLDG S/L-TAX GAIN	13,620	0			13,620				13,620		(13,620) a		0 a		0	0
TAX GAIN V. MARKAH	588	0			588				588		(588) a		0 a		0	0
RETAIL REVENUE ADJ	51,856	(52,171)			(315)				(315)		(51,856) a		52,171 a		0	0
ACT 319 REFUND-34	0	0			0				0		0 a		0 a		0	0
RES PASD S	2,020,681	(1,157,150)			871,531				871,531		(2,020,681) a		1,157,150 a		0	0
DIRECTORS FEES	979	0			979				979		(979) a		0 a		0	0
FEC-JONESBORO	68,086	(68,253)			(167)				(167)		(68,086) a		68,253 a		0	0
UNIT PURCHASE PUR	149,239	(320,860)			(171,621)				(171,621)		(149,239) a		320,860 a		0	0
DEF REV & INT	2,506,274	(1,009,613)			1,496,661				1,496,661		(2,506,274) a		1,009,613 a		0	0
FMS REDEMT COSTS	205,534	0			205,534				205,534		(205,534) a		0 a		0	0
201 ACCEL AMORT PROP	0	0			0				0		0 a		0 a		0	0
202 LIBERALIZED DEPR	4,094,770	(1,498,878)			2,595,892				2,595,892		(4,094,770) a		1,498,878 a		0	0
INT CAP MUC FUEL	0	(58,304)			(58,304)		58,304	58,304	0		0 a		17,796 a		0	0
AECG COST OF MONEY	0	(17,796)			(17,796)				(17,796)		0 a		85,832 a		0	0
MORN OF MUC FUEL	0	(85,832)			(85,832)				(85,832)		0 a		104,958 a		0	0
TAXES & PENSIONS CAP	7,688	(104,958)			(97,270)				(97,270)		(7,688) a		960 a		0	0
POLL CNTL BONDS	0	(960)			(960)				(960)		0 a		52,564 a		0	0
INTANG PLANT 92314U	35,087	(52,564)			(17,477)				(17,477)		(35,087) a		13,944 a		0	0
INT ON DEF PAYABLES	0	(13,944)			(13,944)				(13,944)		0 a		839 a		0	0
CONST. POWER	0	(839)			(839)				(839)		0 a		9,813 a		0	0
ISCS BOOK DEPR CAP	0	(9,813)			(9,813)				(9,813)		0 a				0	0
CG1 PHASE IN	13,731,574	(81,481)			13,650,093				13,650,093	(13,731,574) a			81,481 a		0	0
CG1 MD RETAIL	162,414	0			162,414				162,414						0	0
203 DEFERRED FUEL	(2,284,145)	2,443,900			159,755				159,755	2,284,145 a			(2,443,900) a		0	0
COMPUTER SOFTWARE	172,306	(92,557)			79,749				79,749		(172,306) a		92,557 a		0	0
STEAM GEN PROCESS	1,458	(37,509)			(36,051)				(36,051)		(1,458) a		37,509 a		0	0
253 GAIN ON GAS PROPERTY	0	0			0				0		0 a		0 a		0	0
TOTALS	22,740,404	(4,546,573)			18,193,831				18,089,721	(11,447,429)	(11,130,561)		6,850,688	(2,362,419)	0	0

a-ELIMINATE ITEMS FROM RATE CASE
b-PRIOR YEAR ADJUSTMENTS
c-MISSOURI TAX RATE

ARKANSAS POWER & LIGHT COMPANY
DEFERRED INCOME TAXES
ARKANSAS

NRRC-12/84A
PF #7 (34Z)
SCHED 1
PAGE 18

ITEM-ARKANSAS	PROV FOR DEF INC TAX		PROV FOR DEF INC TAX		NET PROVISION		ADJUSTMENT TO 2.76Z		NET PROVISION		-----DR-PROVISION-----		-----CR-PROVISION-----		PROVISION FOR DEFERRED INCOME TAXES-ARKANSAS	
	DR.	(CR)	DR.	(CR)	DR.	(CR)	DR.	CR.	DR.	(CR)	DR.	(CR)	DR.	(CR)	DR.	(CR)
190 INTEREST ON TAX DEF	0	(312,241)		(312,241)		(312,241)					0 a	312,241 a		0	0	0
INT & DMR RES	0	0		0		0					0 a	0 a		0	0	0
PROP INS RESERVE	0	0		0		0					0 a	0 a		0	0	0
CS1 OVR/UND RECOVERY	128,624	(293,240)		(164,616)		(164,616)					(128,624) a	293,240 a		0	0	0
MAINT COST-OUTAGE	0	254,933		254,933		254,933					0 a	(254,933) a		0	0	0
NUCLEAR RESERVE	832,796	(630,440)		202,356		202,356					(832,796) a	630,440 a		0	0	0
DECOMMISSIONING-AND	0	(218,988)		(218,988)		(218,988)					0 a	218,988 a		0	0	0
SALE OF CME	9,516	0		9,516		9,516					(9,516) a	0 a		0	0	0
AND PLBG RESERVE	5,472	0		5,472		5,472					(5,472) a	0 a		0	0	0
CONT IN AID-AMP	0	0		0		0					0 a	0 a		0	0	0
PERMANENT COST	7,151	0		7,151		7,151					(7,151) a	0 a		0	0	0
UNBILLED REVENUE	810,836	(1,127,015)		(316,179)		(316,179)					(810,836) a	1,127,015 a		0	0	0
BLDG S/L-TAX GAIN	13,620	0		13,620		13,620					(13,620) a	0 a		0	0	0
TAX GAIN U. MARKAM	588	0		588		588					(588) a	0 a		0	0	0
RETAIL REVENUE ADJ	51,856	(52,171)		(315)		(315)					(51,856) a	52,171 a		0	0	0
ACT 319 REFUND-34	0	0		0		0					0 a	0 a		0	0	0
RES FASD 5	2,028,681	(1,157,150)		871,531		871,531					(2,028,681) a	1,157,150 a		0	0	0
DIRECTORS FEES	979	0		979		979					(979) a	0 a		0	0	0
FEC-JONESBORO	68,086	(68,253)		(167)		(167)					(68,086) a	68,253 a		0	0	0
UNIT PURCHASE PUR	149,239	(320,860)		(171,621)		(171,621)					(149,239) a	320,860 a		0	0	0
DEF REV & INT	2,506,274	(1,009,613)		1,496,661		1,496,661					(2,506,274) a	1,009,613 a		0	0	0
FIN REDEMPT COSTS	205,534	0		205,534		205,534					(205,534) a	0 a		0	0	0
281 ACCEL AMORT PROP	0	0		0		0					0 a	0 a		0	0	0
282 LIBERALIZED DEPR	4,094,770	(1,498,878)		2,595,892		2,595,892					(4,094,770) a	1,498,878 a		0	0	0
INT CAP MUC FUEL	0	(58,304)		(58,304)		0					0 a	58,304 a		0	0	0
RECC COST OF MONEY	0	(17,796)		(17,796)		(17,796)					0 a	17,796 a		0	0	0
MORN OF MUC FUEL	0	(85,832)		(85,832)		(85,832)					0 a	85,832 a		0	0	0
TAXES & PENSIONS CAP	7,688	(104,958)		(97,270)		(97,270)					(7,688) a	104,958 a		0	0	0
POLL ENTL BONDS	0	(960)		(960)		(960)					0 a	960 a		0	0	0
INTANG PLANT 82314U	35,087	(52,564)		(17,477)		(17,477)					(35,087) a	52,564 a		0	0	0
INT ON DEF PAYABLES	0	(13,944)		(13,944)		(13,944)					0 a	13,944 a		0	0	0
CONST. POWER	0	(839)		(839)		(839)					0 a	839 a		0	0	0
13ES BOOK DEPR CAP	0	(9,813)		(9,813)		(9,813)					0 a	9,813 a		0	0	0
EEI PHASE IN	13,731,574	(81,481)		13,650,093		13,650,093					0 a	81,481 a		0	0	0
CS1 MO RETAIL	162,414	0		162,414		0									0	0
283 DEFERRED FUEL	(2,284,145)	2,443,900		159,755		159,755					2,284,145 a		(2,443,900) a		0	0
COMPUTER SOFTWARE	172,306	(92,557)		79,749		79,749					(172,306) a	92,557 a		0	0	0
STEAM GEN PROCESS	1,458	(37,509)		(36,051)		(36,051)					(1,458) a	37,509 a		0	0	0
253 GAIN ON GAS PROPERTY	0	0		0		0					0 a	0 a		0	0	0
TOTALS	22,740,404	(4,546,573)		18,193,831		18,089,721					(11,130,561)	6,850,688		(2,362,419)	0	0

a-ELIMINATE ITEMS FROM RATE CASE
b-PRIOR YEAR ADJUSTMENTS
c-MISSOURI TAX RATE

ARKANSAS POWER & LIGHT COMPANY
DEFERRED INCOME TAXES
MISSOURI

NRRC-12/86A
PF #7 (34Z)
SCHEG 1
PAGE 1C

ITEM-MISSOURI	PROV FOR	PROV FOR	NET	ADJUSTMENT TO 2.76Z		NET	-----DR-PROVISION-----		-----CR-PROVISION-----		PROVISION FOR DEFERRED	
	DEF INC TAX	DEF INC TAX	PROVISION	DR.	CR.	PROVISION	DR.	(CR)	DR.	(CR)	INCOME TAXES-MISSOURI	(CR)
	DR.	CR.	DR (CR)			DR (CR)					DR.	(CR)
190 INTEREST ON TAX DEF	0	(10,821)	(10,821)			(10,821)		0 a	10,821 a		0	0
INT & DAN RES	0	0	0			0		0 a	0 a		0	0
PROP INC RESERVE	0	0	0			0		0 a	0 a		0	0
CGI OVR/UND RECOVERY	4,433	(10,160)	(5,727)			(5,727)		(4,433) a	10,160 a		0	0
MAINT COST-OUTAGE	0	8,833	8,833			8,833		0 a	(8,833) a		0	0
NUCLEAR RESERVE	28,857	(21,851)	7,006			7,006		(28,857) a	21,851 a		0	0
DECOMMISSIONING-AND	0	(7,592)	(7,592)			(7,592)		0 a	7,592 a		0	0
SALE OF CHE	36	0	36			36		(36) a	0 a		0	0
AND BLDG RESERVE	252	0	252			252		(252) a	0 a		0	0
CONT IN AID-AMP	0	0	0			0		0 a	0 a		0	0
REMOVAL COST	202	0	202			202		(202) a	0 a		0	0
UNBILLED REVENUE	26,633	(38,726)	(12,093)			(12,093)		(26,633) a	38,726 a		0	0
BLDG S/L-TAX GAIN	0	0	0			0		0 a	0 a		0	0
TAX GAIN U. MARKAN	0	0	0			0		0 a	0 a		0	0
RETAIL REVENUE ADJ	1,797	(1,808)	(11)			(11)		(1,797) a	1,808 a		0	0
ACT 310 REFUND-34	0	0	0			0		0 a	0 a		0	0
RES FASR 5	47,379	(40,097)	27,282			27,282		(47,379) a	40,097 a		0	0
DIRECTORS FEES	23	0	23			23		(23) a	0 a		0	0
FEC-JONESBORO	2,358	(2,364)	(6)			(6)		(2,358) a	2,364 a		0	0
UNIT PURCHASE PUR	5,171	(11,118)	(5,947)			(5,947)		(5,171) a	11,118 a		0	0
DEF REV & INT	82,323	(34,984)	47,339			47,339		(82,323) a	34,984 a		0	0
FMD REDEMPT COSTS	7,122	0	7,122			7,122		(7,122) a	0 a		0	0
281 ACCEL AMORT PROP	0	0	0			0		0 a	0 a		0	0
282 LIBERALIZED DEPR	192,004	(1,305)	190,699	2,158,030	(264,748)	2,083,981	1,293 b	(25,017) b	549 b		2,326,310	(265,504)
INT CAP MUC FUEL	0	(1,801)	(1,801)		(23,053)	(24,854)					0	(24,854)
AECC COST OF MONEY	0	(744)	(744)			(744)		0 a	744 a		0	0
WORK OF MUC FUEL	0	0	0			0		0 a	0 a		0	0
TAXES & PENSIONS CAP	276	(1,855)	(1,579)			(1,579)		(276) a	1,855 a		0	0
FOLI CNTL BONDS	0	(33)	(33)			(33)		0 a	33 a		0	0
INTANG PLANT 42314U	1,215	(2,631)	(1,416)			(1,416)		(1,215) a	2,631 a		0	0
INT ON DEP PAYABLES	0	0	0			0		0 a	0 a		0	0
CONST. POWER	0	(10)	(10)			(10)		0 a	10 a		0	0
ISES BOOK DEPR CAP	0	(430)	(430)			(430)		0 a	430 a		0	0
CGI PHASE IN	476,255	(2,823)	473,432			473,432		(476,255) a	2,823 a		0	0
CGI MD RETAIL	5,626	0	5,626	72,013		77,639					77,639	0
283 DEFERRED FUEL	(79,146)	89,857	10,709			10,709	79,146 a		(89,857) a		0	0
COMPUTER SOFTWARE	5,971	(4,418)	1,553			1,553		(5,971) a	4,418 a		0	0
STEAM GEN PROCESS	50	(1,232)	(1,182)			(1,182)		(50) a	1,232 a		0	0
GAIN ON GAS PROPERTY	0	(764)	(764)			(764)		0 a	764 a		0	0
TOTALS	828,835	(98,877)	729,958	2,230,043	(287,801)	2,672,200	80,441	(735,370)	186,177	(89,857)	2,403,949	(290,358)
ITEM-FEDERAL	PROVISION FOR DEFERRED	ADJUST STATE RATE									PROVISION FOR DEFERRED	
	INCOME TAXES-STATE	2.76Z TO 3.36Z	DR.	(CR.)	DR.	(CR.)	DR.	(CR)	DR.	(CR)	INCOME TAXES-FEDERAL	(CR)
282 LIBERALIZED DEPR	2,326,310	(265,504)			505,720						2,832,030	(265,504)
INT CAP MUC FUEL	0	(24,854)			(5,403)						0	(30,257)
CGI MD RETAIL	77,639	0			16,876						94,517	0
TOTALS	2,403,949	(290,358)			522,598	(5,403)					2,926,547	(295,761)

a-ELIMINATE ITEMS FROM RATE CASE b-PRIOR YEARS ADJUSTMENT c-MISSOURI TAX RATE

ARKANSAS POWER & LIGHT COMPANY
MISCELLANEOUS ADJUSTMENTS

MMRC-12/86A
PF #7 (34%)
SCHD 2

ADJUSTMENTS TO UTILITY OPERATING INCOME:

ITEM	AMOUNT
Increase in Reserves	(4,137,595)
Interest on Decommissioning	(1,709,779)
Unbilled Revenue	(2,378,575)
Interest on Tax Deficit	(5,421,703)
Nuclear Reserve Expense	4,207,584
Nuclear Reserve Interest Expense	(634,767)
Deferred Directors Fee	37,628
Reserved Revenues	(3,957,137)
Amort. Intang. Plant.-ISES	(466,801)
WB CHE Lease Cost Cap.	(93,485)
Ark. Wholesale ER-81-577	900,205
Sale of Vehicle ITC	578
Act 310 Sur. Refund Rev.	(905,121)
Intercompany Sales-Ex ISES	(362,915)
Interest on FCB's	(16,666)
Nuclear Refueling Maint-AND 2	4,425,585
GG-1 Reserve Equalization Credit	(2,549,703)
GG-1 Costs-Over/Under Recovery	(3,089,041)
Inventory Share Deferral-GG1 Settlement	(3,420,741)
Reserve for Contingencies-FASB 5	(13,377,631)
Allowance for Uncollectables	(2,145,000)
Digby 1 & 2	(17,526,566)
AFDC	1,389,887
Other Taxes Charged to Plant	35,354
Pensions Charged to Plant	29,650
Removal	5,387,809
R&P Taxes Charged to Plant	103,932
Deferred Fuel Expense	2,865,848
Shutdown Expense - AND	582,299
Amort. of Gain on Sale of Bldgs.	217,274
Amort. Book Gain on Sale W. Markham	5,312
Amort. Book Gain on Sale AND Bldgs.	82,048
Computer Software Cap.	2,991,184
Misc. Intang. Plant	609,101
Steam Gen Proc Development	25,326
Inventory Share Def.-GG1 Settlement	118,880,901
Current Recovery Share Def.-GG1	98,321,316
GG1-Deferral Arkansas Wholesale	(3,457,363)
3-Mile Island Commitment	349,358
Uncollectible Accounts	70,000
FMB Redemption Costs	3,568,000
Const. Power Sold to MP&L	28,631
ACRS Retirements	468,184
Nuclear Fuel Interest Capitalized	4,146,903
Schedule M Adjustment	184,379,368
State Current Taxes @ 3.36%	6,195,147
Federal Current Taxes @ 34%	50,582,635

ADJUST ACC DEF INCOME TAXES:

ITEM	AMOUNT DR. / (CR.)	
Interest on Tax Deficiency	7,909,515	
Inj. and Dam. Reserve	3,691	
GG-1 Ovr/Und Recovery	2,068,783	
Nuclear Reserve	1,243,921	
Decommissioning-AND	8,624,705	
Sale of CHE	1,480,419	
AND Building Sale	1,383,725	
Removal Cost	2,506,643	
Unbilled Revenue	8,084,213	
Building S/L Tax Gain	1,347,749	
Tax Gain W Markham	92,976	
Retail Revenue Adjustment	3,162,461	
Maint. Cost Outage	5,869,431	
Res. Cont. FASB 5	13,629,479	
Def. Rev & Int	(12,743,676)	
FMB Redempt. Costs	(1,756,114)	
Polli Control Bonds	47,565	
Taxes and Pensions Cap	(22,809,569)	
Intangible Plant 82-314-U	(855,072)	
Interest on Def. Payable	(3,046,893)	
Norm. Prod. Plants	(9,465,372)	
Construction Power	(190,500)	
ISES Book Depr Cap	(2,046,610)	
GG-1 Phase-In	(161,672,827)	
Deferred Fuel	2,700,843	
Comp Software Cap	(6,619,375)	
Steam Gen Process	(962,573)	
Gain on Gas Prop	3,027	
ISES Corp Sale	(884,603)	
ISES Sale to MP&L	(4,701,211)	
M&B DIT Refund	3,953,835	
Interest Cap. Nuclear Fuel (46%-34%)	(106,360)	
GG-1 Mo Retail Def (46%-34%)	(366,517)	
Acc Def Income Taxes	(158,114,783)	
	=====	
ITEM	STATE	FEDERAL
Adjust for State Tax Rate	132,224	(61,534)
Eliminate Vehicle ITC (net of tax)	(34)	(250)
Eliminate Provision for Contingencies		(300,000)
Prior Period Adjustment	4,422,527	37,780,170
Prior Period ITC Adjustment		184,848
Adj. for MO Rate [95,818,828*(5%-2.76%)]	2,146,342	(729,756)
Adj. for Federal Rate Change-		
MO State Effect [95,818,828*(1.0276-.0336)]	(574,913)	193,470
Federal Effect [91,162,678*(.46-.34)]		10,939,521
Eliminate Investment Tax Credit		11,507,655
Total Adjustment to Current Taxes	6,125,146	59,516,134
	=====	=====

A/C 190
48,907,923

A/C 282
(200,039,272)

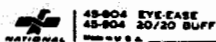
A/C 283
(4,510,057)

A/C 282
(473,377)

12/26 MARC

Prepared By	Initials	Date
Approved By		

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APCL

PRO-FORMA ADJUSTMENTS-ADJUST.#7

Adjust Income Taxes (Current & Deferred) For Eliminations, Final Order In Packet ER-85-265, Prior Yr Adjust, Ark Tx Rate & Includes Fed Deduction For State.

	(S000s)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
RATE BASE ADJUSTMENTS				
1) Adjust-Accum Def Inc Tx-Lib Deprec				000512449
Adjust-Liberal Deprec	200039	PF07ADLB	PLTOAREXI	200039270
2) Adjust-Accum Def Inc Tx-Other	200513			
Adjust-Acc Def Tx-Other	(42398)	PF07ADTO	PLTOAREXI	(42397866)

EXPENSE ADJUSTMENTS

1) Adjust To Operating Inc Before Taxes

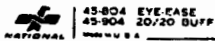
Adjust-Increase In Reserves	(4138)	PF07SJIR	SJICRE	(4137595)
- Int On Decommissioning	(1710)	PF07SJID	DOI	(1709777)
- Unbilled Revenue	(2378)	PF07SJUR	SFO3	(2378575)
- Int On Tx Deficit	(5422)	PF07SJIT	NINBIT	(5421703)
- Nucl Reserve Expense	4208	PF07SJNR	EO3	4207584
- Int On Nucl Reserves	(695)	PF07SJIN	EO3	(694767)
- Def Directors Fees	38	PF07SJDF	LOMTOA	37628
- Reserved Revenues	(3057)	PF07SJAR	RSADWTOA	(3057137)
- Amort Of Intang PIt-ISES	(467)	PF07SJAI	DOI AW	(466801)
- Lease Cost WB CHE	(93)	PF07SJCH	DOI	(93485)
- Ark Whole ER21-577	900	PF07SJ81	S81577	900205
- Sale Of Vehicle ITC	1	PF07SJSV	PLGECM	578
- Act 310 Sur Ref Rev	(905)	PF07SJ31	DOI AR	(905121)
- Interco Sales	(363)	PF07SJIS	PLTOR	(362915)
- Int On PCB's	(17)	PF07SJCB	DOI	(16666)
- Nucl Refuel Mnt-AN02	4426	PF07SSRM	EO1	4425585

Contd

12/86 MARC

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APLL

PRO-FORMA ADJUSTMENTS-ADJUST. #7

		1	2	3	4
			COMPUTER	ALLOCATION	
		(\$000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	1) Adjust To Operating Inc Before Taxes (Cont'd)				
3	Adjust- GGI Res Equal Cr	(2550)	PF07SJRE	DO1	(2549703)
4	- GGI Cost Over/Under Rec	(3089)	PF07SJCO	DO1	(3089041)
5	- Invent Def GGI Settle	(3421)	PF07SJDI	DO1	(3420741)
6	- Res For Conting	(13978)	PF07SJAC	DO1	(13977631)
7	- Allow For Uncollectibles	(2145)	PF07SJAU	OMCAUA	(2145000)
8	- Digby 1 & 2	(17526)	PF07SJAG	ABTOA	(17526566)
9	- AFDC	1390	PF07SJAF	PLTOA	1389887
10	- Oth Tx Chgd- PIAIC	95	PF07SJOT	SJOTCPL	95354
11	- Pens Plan Ded For Tx	30	PF07SJPE	SJPPD	29650
12	- Removal Expenses	5388	PF07SJRV	SFO2	5387803
13	- R & P Tx Chgd WO's	104	PF07SJAP	SJRPT	103992
14	- Def Fuel Costs	2866	PF07SJFC	EO2	2865848
15	- ANO Shutdown Exp	582	PF07SJJAN	DO1	582299
16	- Amort Gn On Sl- Bldgs	217	PF07SJJAG	LOMTOA	217274
17	- Amort BK Gn-WMSC	5	PF07SJJWM	SFWMSC	5312
18	- Amort BK Gn- ANO Bldg	82	PF07SJJAB	DO1	82048
19	- Computer Software	2991	PF07SJCS	PLTOAREXI	2991184
20	- Misc Intang PIt	609	PF07SJJMI	PLTOAREXI	609101
21	- Steam Gen Proc Dev	25	PF07SJSJG	EO1	25326
22	- Inv Share Def-GGI Settle	118881	PF07SJSJSD	DO1	118880901
23	- Cur Rec Share Def-GGI	98321	PF07SJSJCA	DO1	98321316
24	- GGI-Def Ark Whse	(3457)	PF07SJJAW	SDDW	(3457363)
25	- TMI Accrual	349	PF07SJSJTH	DO1	349358
26	- Uncollect Accts	70	PF07SJSJUH	OMCAUA	70000
27	- FMB Redempt Costs	3568	PF07SJSJFM	ABTOA	3568000
28	- Construct Pwr	29	PF07SJSJCP	EO1	28631
29	- ACRS Retire Losses	468	PF07SJSJAC	PLDTOA	468184
30	- Nuclear Fuel Ini Cap	4147	PF07SJSJNF	EO1	4146909

12/86 MARC

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45-804 Eye-Ease
45-804 20/20 Bull
Made in USA

APL

PRO-FORMA ADJUSTMENTS - ADJUST. #7

		1	2	3	4
			COMPUTER	ALLOCATION	
		(\$000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	2) Adjust To State After Tax				
3	Adjust - Ark Tx Rt	132	PFO7SJSF	PLTOA	132224
4	- Vehicle ITC	0	PFO7SJVS	PLGECM	(34)
5	- Prior Yr Adjust	4422	PFO7SJPS	PLTOA	4422527
6	3) Adjust To Federal After Tax				
7	Adjust - Ark Tx Rt	(62)	PFO7SJFA	PLTOA	(61534)
8	- Vehicle ITC	0	PFO7SJVF	PLGECM	(250)
9	- Prov For Conting	(300)	PFO7SJPC	NINBIT	(300000)
10	- Prior Yr Adjust	37780	PFO7SJPF	PLTOA	37780170
11	- Prior Yr Adj - ITC	185	PFO7SJPI	PLTOAEXI	184848
12	4) Adjust To Prov For Def Inc Taxes	11502	PFO7SJFI	ALTOAEXI	11507465
13	Federal				
14	Adjust - GGI Over/Und Recov	(805)	PFO7FE0U	DO1	(804743)
15	- GGI NLR Olu Recov	(76)	PFO7FENL	SDOW	(75319)
16	- GGI Benton Olu Recov	(15)	PFO7FEB	SDOW	(14898)
17	- GGI Paragould Olu Recov	(33)	PFO7FEPO	SDOW	(32790)
18	- GGI Prescott Olu Recov	(2)	PFO7FEPR	SDOW	(2312)
19	- GGI No Ark Olu Recov	(41)	PFO7FENA	SDOW	(40888)
20	- Nuclear Reserve	(6254)	PFO7FENR	EO3	(6253848)
21	- Coal Hndl Eq Sale	(68)	PFO7FECH	DO1	(68172)
22	- Tx Gn - ANO Bldg Sale	(42)	PFO7FEAN	DO1	(41532)
23	- Removal Cost	(54)	PFO7FERC	SFO2	(53344)
24	- Unbilled Rev	(6076)	PFO7FEUR	SFO3	(6076199)
25	- Bldg Sale	(55)	PFO7FEBS	LDMTOA	(55500)
26	- West Markham SC	(4)	PFO7FENH	SFWMSC	(4272)
27	-- Directors Fees	(7)	PFO7FEDI	LDMTOA	(7194)
28	- Retail Rev Adjust	(389)	PFO7FERA	RSADWTOA	(389414)
29	- FEC Jonesboro	(511)	PFO7FEFE	SDWH	(511299)
30					
31					
32					
33					

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12/86 MARC

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45-004 Eye-Ease
45-004 20/20 Buff
Made in USA

APL

PRO-FORMA ADJUSTMENTS-ADJUST. #7

			1	2	3	4
			(1000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS					
2	4) Adjust To Prov For Def Inc Taxes					
3	Federal (Contd)					
4	Adjust- Unit Purchased Pwr	(1121)	PF07FEUP	DO1	(1120720)	
5	- Res Cont FASB 5	(15213)	PF07FERE	DO1	(15213370)	
6	- Def Rev & Int (Digby)	(18781)	PF07FEDG	RBT0A	(18781382)	
7	- FMB Redempt Costs	(1543)	PF07FEFM	RBT0A	(1543458)	
8	- P.Yr Adj Lib Deprec	(5772)	PF07FPLD	ITNTLDF	(5772065)	
9	- Mo St Tx Rt Lib Deprec	902	PF07FMLD	ITNTLDF	901813	
10	- Nucl Fuel Normal	(39)	PF07FENN	EO1	(39480)	
11	- Tx & Pens Capital	(58)	PF07FETR	ITNTTPCF	(57801)	
12	- Int PIt 82-314-U	(264)	PF07FEIP	PLTOAEXI	(263488)	
13	- GGI Phase-In Curr	(42532)	PF07FEPI	DO1	(42532192)	
14	- GGI Invent Def	(48843)	PF07FEIN	DO1	(48843211)	
15	- GGI Excess Capacity	(13342)	PF07FEED	DO1	(13342076)	
16	- GGI Paragould Ph-In	82	PF07FEAP	SDOW	82336	
17	- GGI Paragould Inv Def	90	PF07FEPA	SDOW	89845	
18	- GGI Prescott Ph-In	(78)	PF07FEPS	SDOW	(77780)	
19	- GGI Prescott Inv Def	(90)	PF07FEAN	SDOW	(89636)	
20	- GGI No Ark Ph-In	(19)	PF07FENP	SDOW	(19443)	
21	- GGI No Ark Inv Def	(22)	PF07FENI	SDOW	(22019)	
22	- GGI NLR Ph-In	673	PF07FEPN	SDOW	672968	
23	- GGI NLR Inv Def	728	PF07FEIN	SDOW	727845	
24	- GGI Benton Ph-In	113	PF07FEBP	SDOW	113422	
25	- GGI Benton Inv Def	122	PF07FEBI	SDOW	121842	
26	- Mo St Tx Rt - GGI Mo Ret	41	PF07FMTR	DOIM	41584	
27	- Deferred Fuel	17153	PF07FEDF	EO2	17152826	
28	- Computer S/W Capit	(1294)	PF07FECS	PLTOAEXI	(1293937)	
29	- Steam Gen Process	(11)	PF07FESG	EO1	(10956)	
30	- Lib Deprec Chg In Fed Tx Rt	(98116)	PF07FL34	ITNTLDF	(98116187)	
	- GGI Mo Ret Fed Tx Rt	(3291)	PF07FG34	DOIM	(329018)	
31	- Lib Deprec Fed E&C StTx Chg	(1712)	PF07FALST	ITNTLDF	(1711945)	
	- GGI Mo Ret Fed E&C StTx Chg	(6)	PF07FGST	DOIM	(5739)	

12/86 MARC

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45-004 Eye-Ease
45-004 20:20 Buff
Made in USA

APOL

PRO-FORMA ADJUSTMENTS-ADJUST.#7

		1	2	3	4
		(3000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	4) Adjust To Prov For Def Inc Taxes (Contd)				
3	State				
4	Adjust-GG1 Over/Und Recov	(1111)	PF07SEOU	DO1	(110880)
5	-GG1 NLA O/U Recov	(10)	PF07SENU	SNOW	(10381)
6	-GG1 Benton O/U Recov	(2)	PF07SEB	SNOW	(2053)
7	-GG1 Paragould O/U Recov	(4)	PF07SEPO	SNOW	(4520)
8	-GG1 Prescott O/U Recov	(1)	PF07SEPA	SNOW	(319)
9	-GG1 No A/K O/U Recov	(5)	PF07SENA	SNOW	(4904)
10	- Nuclear Reserve	(861)	PF07SENA	E03	(861653)
11	- Coal Hndl Eq Sale	(10)	PF07SECH	DO1	(9552)
12	- Tx Gn-ANO Bldg Sale	(5)	PF07SEAN	DO1	(5724)
13	- Removal Cost	(7)	PF07SEAC	SFO2	(7353)
14	- Unbilled Rev	(838)	PF07SEUR	SFO3	(837469)
15	- Bldg Sale	(14)	PF07SEBS	LOMTOA	(13620)
16	- West Markham SC	(1)	PF07SENM	SFWMSC	(588)
17	- Directors Fees	(1)	PF07SEDI	LOMTOA	(1002)
18	- Retail Rev Adjmnt	(54)	PF07SEAR	RSROWTOA	(53653)
19	- FEC Jonesboro	(71)	PF07SEFE	SNWH	(70444)
20	- Unit Purchased Pwr	(154)	PF07SEUR	DO1	(154410)
21	- Res Cont FASB S	(2094)	PF07SEAE	DO1	(2096040)
22	- Def Rev & Int (Digby)	(2589)	PF07SENG	RBTGA	(2588597)
23	- FMB Redempt Costs	(213)	PF07SEFM	RATOA	(212456)
24	- Lib Deprec	(4095)	PF07SELD	ITOTLDS	(4094770)
25	- Pr Yr Adj Lib Deprec	(24)	PF07SPLD	ITOTLDS	(23724)
26	- Mo S+Tx Rt Lib Deprec	2158	PF07SMLD	ITOTLDS	2158030
27	- Tx L Pens Capital	(8)	PF07SETP	ITATTACS	(7964)
28	- Int Pft 82-314-U	(36)	PF07SEIP	PLTOAEXT	(36302)
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45-884 Eye-Ease
45-904 20/20 Buff
Made in USA

APOL

PRO-FORMA ADJUSTMENTS-ADJUST.# 7

			1	2	3	4
				COMPUTER	ALLOCATION	
			(\$000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS					
2	4) Adjust To Prov For Def Inc Taxes					
3	State (Contd)					
4	Adjust-GG) Phase-In Curr	(5860)		PF07SEPI	DO)	(5860032)
5	-GGI Invent Def	(4730)		PF07SEID	DO)	(4729554)
6	-GGI Excess Capacity	(1839)		PF07SEEC	DO)	(1838808)
7	-GGI Paragould Ph-In	12		PF07SEPP	SDOW	11348
8	-GGI Paragould Inv Def	12		PF07SEPA	SDOW	12383
9	-GGI Prescott Ph-In	(10)		PF07SEPS	SDOW	(10716)
10	-GGI Prescott Inv Def	(12)		PF07SEPN	SDOW	(12349)
11	-GGI No Ark Ph-In	(3)		PF07SENP	SDOW	(2679)
12	-GGI No Ark Inv Def	(3)		PF07SENI	SDOW	(2918)
13	-GGI NLR Ph-In	93		PF07SEPN	SDOW	92754
14	-GGI NLR Inv Def	100		PF07SEIN	SDOW	100317
15	-GGI Benton Ph-In	16		PF07SEBP	SDOW	15632
16	-GGI Benton Inv Def	17		PF07SEBI	SDOW	16793
17	-GGI Mo Retail	(162)		PF07SEMA	DOIM	(162414)
18	-Mo St Tx Rt-GGI Mo Ret	72		PF07SMMA	DOIM	72013
19	-Deferred Fuel	2363		PF07SEDF	FO2	2343293
20	-Computer SW CapIt	(1178)		PF07SECS	PLTDREXT	(1178277)
21	-Steam Gen Process	(1)		PF07SESG	EOI	(1508)
22	-Lib Deprec St Tx 3.36%	505		PF07SL33	ITNTLDS	505720
23	-GGI Mo Ret St Tx 3.36%	17		PF07SG33	DOIM	16878
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Approved By		

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 45-004 Eye-Ease
 45-004 20/20 Buff
 Made in USA

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PRO-FORMA ADJUSTMENTS - ADJUST. #7

		1	2	3	4
		(000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	5) Adjust To Inc Tx Def Cr				
3	Federal				
4	Adjust-Int On Tx Deficit	2345	PFO7FEI2	NINBIT	2344767
5	- GG1 Over/Under Recov	2141	PFO7CF0U	DO1	2141031
6	- GG1 Paragould Olu Recov	21	PFO7CFPA	SDOW	21339
7	- GG1 Prescott Olu Recov	6	PFO7CFPR	SDOW	6286
8	- GG1 No Ark Olu Recov	35	PFO7CFNR	SDOW	34743
9	- Nuclear Reserve	4734	PFO7FEN2	E03	4734278
10	- Decommis Exp	1644	PFO7FEDE	DO1	1644456
11	- Unbilled Rev	8460	PFO7FEU3	SFO3	8460488
12	- Retail Rev Adjmnt	392	PFO7FER2	RSRDWTOA	391787
13	- FEC Jonesboro	513	PFO7FEF3	SDWA	512557
14	- Unit Purch Pwr	2409	PFO7FEU3	DO1	2409514
15	- Maint Cost Outage	(1914)	PFO7FFMC	EO1	(1914434)
16	- Res Conting FASB 5	8690	PFO7CFRC	DO1	8689634
17	- Def Rev & Int (Digby)	7582	PFO7CFDG	RATO A	7581706
18	- Gain On Gas Prop	27	PFO7FEGR	PLTOAEXI	27404
19	- Defense Property	458	PFO7CFDA	SFOAATC	457924
20	- Mo St Tx Chg Int NF	(16)	PFO7CMNA	EO1	(16215)
21	- RECC Cost Of Money	135	PFO7CFAE	DO1	134772
22	- Pri Yr Adj Liber Deprec	116	PFO7CFLN	ITOTCLOF	115971
23	- Mo St Tx At Liber Deprec	(568)	PFO7CMLD	ITOTCLOF	(567952)
24	- Tx & Pens Capital	780	PFO7CFTP	ITOTCTPF	780524
25	- Poll Contr Bonds	7	PFO7FEP2	DO1	7209
26	- Intang Plt 82-314-U	397	PFO7CFIP	PLTOAEXI	397087
27	- Int On Def Payables	102	PFO7CFID	DO1	101676
28	- Constr Power	6	PFO7CFCP	EO1	6127
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45-904 Eye-Ease
48-904 20/20 Buff
Made in USA

AP&L

PRO-FORMA ADJUSTMENTS - ADJUST. #7

		1	2	3	4
			COMPUTER	ALLOCATION	
		(\$000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	5) Adjust To Inc Tx Def Cr				
3	Federal (Contd)				
4	Adjust - ISES Book Depr	75	PF07CFIS	DOIAW	74346
5	- GGI City of Prescott	32	PF07CFPA	SDOW	32450
6	- GGI Farm/Jonesboro	(80)	PF07FEJF	SDJF	(79833)
7	- Deferred Fuel	(18393)	PF07FEDG	EO2	(18392965)
8	- Computer SIN	696	PF07CFCS	PLTOMEXI	695744
9	- Steam Gen Process	281	PF07CFSG	EO1	281084
10	- M 38 DIT Refund	3954	PF07CF38	RBTDA	3953835
11	- Int Cap NF Chng Fd Tx Rpt	127	PF07FCI3	EO1	127282
12	- Int Cap NF Fd Eff St Tx Chng	2	PF07FCIT	EO1	1837
13					
14					
15	State				
16	Adjust - Int On Tx Deficit	323	PF07SEI2	NINBIT	323062
17	- GGI Over/Under Recov	295	PF07CSOU	DO1	294989
18	- GGI Paragould Olu Recov	3	PF07CSPA	SDOW	2942
19	- GGI Prescott Olu Recov	1	PF07CSPR	SDOW	864
20	- GGI No Ark Olu Recov	4	PF07CSNA	SDOW	4605
21	- Nuclear Reserve	653	PF07SENA	EO3	652391
22	- Decommiss Exp	227	PF07SEDE	DO1	226580
23	- Unbilled Rev	1166	PF07SEU2	SFO3	1165741
24	- Retail Rev Adjmnt	54	PF07SER2	RSRDNTDA	53979
25	- FEC Jonesboro	70	PF07SEFJ	SDWH	70617
26	- Unit Purch Pwr	332	PF07SEU3	DO1	331978
27	- Maint Cost Outage	(264)	PF07SEMC	EO1	(263766)
28	- Res Conting FASBS	1197	PF07CSAC	DO1	1197247
29					
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45-904 Eye-Ease
45-904 20/20 Buff
Made in USA

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PRO-FORMA ADJUSTMENTS - ADJUST. # 7

		1	2	3	4
		(5000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	5) Adjust To IncTx Def Cr				
3	State-(Contd)				
4	Adjust-Def Rev & Int (Digby)	1044	PFO7CSDG	RBT0A	1044597
5	- Gain On Gas Prop	1	PFO7SEGR	PLTOAEXI	764
6	- Mo St Tx Chng Int NF	35	PFO7MSNF	EO1	35251
7	- AFCC Cost of Money	18	PFO7CSAE	DO1	18540
8	- Nucl Fuel Norm	86	PFO7CSNN	EO1	85832
9	- Liber Deprec	1499	PFO7SELD	ITDTCLOS	1498878
10	- Pr Yr Adj Liber Deprec	1	PFO7CSLD	ITDTCLOS	549
11	- Mo St Tx Chng Lib Deprec	(245)	PFO7MSLD	ITDTCLOS	(244748)
12	- Tx & Pens Capital	107	PFO7CSTP	ITDCTPS	106813
13	- Pol Contr Bonds	1	PFO7SEPA	DO1	993
14	- Intang Plt & 314-U	55	PFO7CSIP	PLTOAEXI	55195
15	- Int On Def Payables	14	PFO7CSIN	DO1	13944
16	- Constr Pwr	1	PFO7CSCP	EO1	849
17	- ISES Book Depr	10	PFO7CSIS	DO1AW	10243
18	- GGI City of Prescott	5	PFO7CSPA	SDOW	4471
19	- GGI Farm/Jonesboro	80	PFO7SEJF	SDJF	79833
20	- Deferred Fuel	(2534)	PFO7SE02	EO2	(2533757)
21	- Computer SW	97	PFO7CSCS	PLTOAEXI	96975
22	- Steam Gen Process	39	PFO7CSSG	EO1	38741
23	- Int Cap NF St Tx 3.36%	(5)	PFO7CSN3	EO1	(5403)
24					
25					
26	6) Adjust To Invest Tx Cr-Net				
27	Adjust- ITC Provision	(11)508	PFO7ITC	PLTOAEXI	(11)507665
28					
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ARKANSAS POWER & LIGHT COMPANY
 NON-DEPRECIATION RELATED ACCUMULATED DEFERRED INCOME TAX(*)
 SUBJECT TO POSSIBLE REFUND DUE TO DECREASE IN FEDERAL TAX RATE(**)

ACCT #	DESCRIPTION	12-31-86 BALANCE @ 47.49% BALANCE	BALANCE REQUIRED AT 41.84% TAX RATE	DEFERRED TAX TO BE TURNED AROUND	REFUND AMOUNT REVENUE CONV. @1.7194	MISSOURI ALLOCATION	MISSOURI REFUND AMOUNT
282.101	INTEREST CAP. ON NUCLEAR FUEL	363,657	320,392	43,265	74,390	0.0325	2,418
282.860	GG1 - MISSOURI RETAIL	1,338,916	1,179,622	159,294	273,890	1.0000	273,890
		1,702,573	1,500,014	202,559	348,280		276,308
		=====					=====

ACCT #	DESCRIPTION	12-31-87 ESTIMATED BALANCE @ 41.84% BALANCE	BALANCE REQUIRED AT 36.22% TAX RATE	DEFERRED TAX TO BE TURNED AROUND	REFUND AMOUNT REVENUE CONV. @1.5679	MISSOURI ALLOCATION	MISSOURI REFUND AMOUNT
282.101	INTEREST CAP. ON NUCLEAR FUEL	0	0	0	0	0.0325	0
282.860	GG1 - MISSOURI RETAIL	2,698,954	2,336,427	362,527	568,406	1.0000	568,406
		2,698,954	2,336,427	362,527	568,406		568,406
		=====					=====
		TOTAL REFUND				916,686	844,714
		=====					=====

(*) MISSOURI NORMALIZED ITEMS ONLY.

(**) DECREASE IN FEDERAL TAX RATE RESULTS IN AN INCREASE IN
 THE STATE TAX RATE - OVERALL EFFECTIVE RATES ARE USED.