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December 15, 1986

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

Re: Docket No. AO-87-48

Dear Mr. Hubbs:

Enclosed for filing please find three copies of the response of Arkansas Power & Light Company as directed by the order of the Missouri Public Service Commission issued in the referenced docket on November 3, 1986.

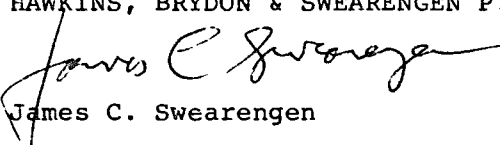
Please enter the appearance of the undersigned as counsel for Arkansas Power & Light Company in this docket.

Thank you very much.

Very truly yours,

HAWKINS, BRYDON & SWEARENGEN P. C.

By:


James C. Swearengen

JCS/rg
Enclosures

cc: Office of Public Counsel
Mr. Ralph Teed

FILED

DEC 15 1986

PUBLIC SERVICE COMMISSION



ARKANSAS POWER & LIGHT COMPANY

POST OFFICE BOX 551 LITTLE ROCK, ARKANSAS 72203 (501) 371-4000

December 15, 1986

FILED

DEC 15 1986

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

PUBLIC SERVICE COMMISSION

Re: November 3, 1986 Order in
Case No. AO-87-46

Dear Mr. Hubbs:

Please find attached Arkansas Power & Light Company's submittal of data in compliance with the Commission's above-referenced order. Three copies of the following documents are attached:

- 1) Per book cost of service studies showing the Missouri jurisdictional revenue requirement under a) the current federal tax law reflecting a corporate income tax rate of 46%, b) the new tax law including the 40% tax rate effective for 1987, and c) the new tax law including the 34% tax rate effective for 1988 and beyond.
- 2) Workpapers showing 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.

TABLE 1
(\$000)

	CURRENT LAW	NEW LAW	
		40%	34%
Missouri Retail Revenue Rqmt.	49,327	48,463	47,677
Tax Savings	0	864	1,650
Excess Deferred Tax Balance	0	273	840

The attached cost of service studies contain the rate base, income statement and income tax calculations required by the Commission's order. The Commission's order states that the data is to be unadjusted. The Company interprets this requirement to mean unadjusted for changes in cost levels. Correspondingly, the Company did include certain "ratemaking" adjustments such as interest synchronization that are routinely made for ratemaking purposes. However, no adjustments have been made to reflect adjustments to the general level of costs applicable to the Missouri retail jurisdiction.

To the extent practicable the attached cost studies have been prepared in a manner consistent with the Commission's Report and Order in Case No. ER-85-265 except for the allocation of production demand costs, which have been allocated by the Average and Peak method. AP&L used this method because the appropriate allocation method remains unsettled due to AP&L's appeal of the Commission's order on this issue. It should be noted that this approach produces a somewhat greater tax savings than would use of the LCP method ordered by the Commission in Case ER-85-265. The other two issues included in AP&L's appeal (revenue level and fuel expense level) are rendered moot by the requirement in the Commission's order that unadjusted test year data be utilized.

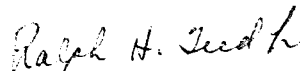
The Commission's order in the referenced docket requires that the data for calendar year 1985 be submitted by December 15, 1986 and the data for calendar year 1986 be submitted by February 28, 1987. The Company would have had great difficulty providing a cost study for a calendar 1985 test year by the December 15, 1986 deadline, which would have essentially required the preparation and submission of a rate case in six weeks. Because the Company had previously prepared cost of service data for the twelve months ending June 1986, this more current cost data was used to prepare the attached cost of service studies. There have been no significant cost changes between December 1985 and June 1986 which would impact the level of the tax savings. The Company feels the more current June 1986 data is superior to the calendar 1985 data in terms of evaluating the prospective impact of the new tax law.

By the same token, there will be no cost changes between June 1986 and December 1986 which could significantly change the estimated tax savings. Accordingly, the Company feels the preparation of a second set of three cost studies using calendar 1986 data would be redundant as well as expensive and unduly burdensome to the Company and would therefore request to be relieved of the obligation to make the February 18, 1987 filing of 1986 data.

The Company also notes that any future change in its Missouri retail rates to reflect the new federal tax law would probably involve a test year different than either calendar 1985 or calendar 1986, and, in any event, such a test year would reflect numerous adjustments to the test year cost level. Thus, even if the Company provided calendar 1985 data and calendar 1986 data, as ordered by the Commission, the test year that will ultimately define the actual tax savings for rate purposes will produce a different result.

Regarding the Commission's directive to explain any plans or proposal the Company has for reflecting the impact of the new tax law upon its Missouri jurisdictional operations, the Company expects to adjust its rates to reflect the new federal tax law together with any and all other changes in the Company's costs in an appropriate rate proceeding conducted in accordance with Missouri law at some point in the future after resolution of those matters being considered in the appeal of the Commission's Order in Case No. ER-85-265.

Sincerely yours,



Ralph H. Teed, Jr.
Director of Rates & Research

RHTJr/tj

Attachments

cc: Mr. Mike Bemis
Mr. Jim Swearengen
Mr. Jerry D. Jackson

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE	TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
RATE BASE			
1 PLANT IN SERVICE	3,440,335	111,109	3,329,226
2 DEPRECIATION RESERVES	-893,242	-29,445	-863,797
3 ELEC PLT ACQUIS'N ADJUS'MT	617	36	581
4 FUEL INVENTORY	27,640	1,017	26,623
5 MATERIALS & SUPPLIES	37,423	1,296	36,127
6 PREPAYMENTS	6,851	189	6,662
7 ACCUM DEF TAXES-ACCEL AMORT	-229	-7	-222
3 LIBERALIZED DEPRECIATION	-280,765	-9,104	-271,661
9 ACCUM DEF INC TAX-OTHER	0	0	0
10 INVEST TAX CREDIT - 3X	-3,647	-118	-3,529
11 INVESTMENT IN SPI	41,155	1,514	39,641
12 TOTAL RATE BASE	2,376,138	76,487	2,299,651
REVENUES			
13 RATE SCHEDULE	988,471	37,309	951,162
14 MSU POWER POOL SALES	260,431	9,223	251,208
15 SYSTEM SALES	49,111	1,806	47,305
16 OTHER REVENUES	39,817	870	38,947
17 MSPP/SYSTEM/OTHER REV	349,359	11,899	337,460
18 TOTAL REVENUES ADJUSTED	1,337,830	49,208	1,288,622
EXPENSES			
19 O & M EXPENSE	928,306	42,991	885,315
20 DEPRECIATION EXPENSE	113,310	3,682	109,628
21 TAXES OTHER THAN INCOME	37,352	1,213	36,139
22 INCOME TAX-FED	36,051	-2,271	38,323
23 INCOME TAX-ST	2,420	-134	2,554
24 PROV DEF INCOME TAX-DR-FED	25,514	1,233	24,281
25 PROV DEF INCOME TAX-DR-ST	1,862	116	1,746
26 PROV DEF INCOME TAX-CR-FED	-6,224	-215	-6,009
27 PROV DEF INCOME TAX-CR-ST	-730	-24	-706
28 INVESTMENT TAX CREDIT-NET	1,720	56	1,664
29 TOTAL OPER EXPENSES ADJUSTED	1,139,581	46,647	1,092,934
30 OPERATING INCOME ADJUSTED	198,249	2,561	195,688
31 RATE OF RETURN	8.34	3.35	8.51
REVENUE REQUIREMENTS			
32 REQUIRED RATE OF RETURN	11.5900	11.5900	11.5900
33 REQUIRED OPER INCOME(L12XL32)	275,394	8,865	266,530
34 OPER INC DEFICIENCY(L33-L30)	77,146	6,304	70,842
35 REVENUE CONVERSION FACTOR	1.9097	1.9064	1.9100
36 REVENUE DEFICIENCY(L34XL35)	147,323	12,018	135,305
37 % INCREASE (L36/L13)	14.90	32.21	14.23
38 PROP RATE SCHED REV(L13+L36)	1,135,794	49,327	1,086,467

PUBLIC SERVICE COMMISSION

DEC 15 1986

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ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
1	TOTAL PRODUCTION PLANT	PLPTO D01	1,985,229	61,542	1,923,687
	TRANSMISSION PLANT	T003			
	TRANSMISSION SUBSTATIONS	T004			
2	STEP UP	PLTSSU D01	22,720	704	22,016
3	POWER SUPPLY	PLTSPS 002	177,156	3,392	173,764
4	TOTAL SUBSTATIONS	PLTSTP	199,876	4,097	195,779
5	TOTAL LINES	PLTLTO D02	360,126	6,896	353,230
6	TOTAL TRANSMISSION PLANT	PLTTO	560,002	10,993	549,009

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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	T006		
	DISTRIBUTION SUBSTATIONS	T007		
1	DIRECT-AR	PLDSDA	13,080	0
2	DIRECT-MO	PLDSOM	400	0
3	DIRECT	PLDSO	13,480	0
4	RETAIL GENERAL-AR	PLDSRGA D03A	96,760	0
5	RETAIL GENERAL-MO	PLDSRGM D03M	7,858	7,858
6	RETAIL GENERAL	PLDSRG	104,618	7,858
7	TOTAL SUBSTATIONS	PLDSTP	118,098	7,858
	DISTRIBUTION LINES	T008		
8	DIRECT-AR	PLDLDA	1,653	0
9	DIRECT-MO	PLDLDM	99	0
10	DIRECT	PLDLD	1,752	0
	RETAIL GENERAL	T009		
11	PRIMARY DEMAND-AR	DLRGPA D04A	100,040	0
12	PRIMARY DEMAND-MO	DLRGPM D04M	4,958	4,958
13	PRIMARY DEMAND	PLDLRGPD	104,998	4,958
14	PRIMARY CUSTOMER-AR	DLRGPCA C03A	147,705	0
15	PRIMARY CUSTOMER-MO	DLRGPCM C03M	7,493	7,493
16	PRIMARY CUSTOMER	PLDLRGPC	155,198	7,493
17	SECONDARY DEMAND-AR	DLRGSA D05A	19,344	0
18	SECONDARY DEMAND-MO	DLRGSM D05M	773	773
19	SECONDARY DEMAND	PLDLRGSD	20,117	773
20	SECONDARY CUSTOMER-AR	DLRGSCA C04A	77,445	0
21	SECONDARY CUSTOMER-MO	DLRGSCM C04M	3,545	3,545
22	SECONDARY CUSTOMER	PLDLRGSC	80,990	3,545
23	RETAIL GENERAL	PLDLRG	361,303	16,769
24	TOTAL LINES	PLDLTO	363,055	16,769
	LINE TRANSFORMERS	T010		
25	DIRECT-AR	PLDTDA	228	0
26	DIRECT-MO	PLDTDM	16	0
27	DIRECT	PLDTD	244	0
	RETAIL GENERAL	T009		
28	DEMAND-AR	PLDTRGDA D07A	64,270	0
29	DEMAND-MO	PLDTRGDM D07M	2,217	2,217
30	DEMAND	PLDTRGD	66,487	2,217
31	CUSTOMER-AR	PLDTRGCA C04A	85,460	0
32	CUSTOMER-MO	PLDTRGCM C04M	2,947	2,947
33	CUSTOMER	PLDTRGC	88,407	2,947
34	RETAIL GENERAL	PLDTRG	154,894	5,164
35	TOTAL LINE TRANSFORMERS	PLDTTO	155,138	5,164

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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 SERVICES	T006 T011			
1	RETAIL GENERAL-CUST-AR	DSERGCA C369A	60,661	0	60,661
2	RETAIL GENERAL-CUST-MO	DSERGCM C369M	1,960	1,960	0
3	RETAIL GENERAL-CUST	PLOSERGC	62,621	1,960	60,661
4	TOTAL SERVICES	PLOSETO	62,621	1,960	60,661
	METERS	T012			
5	DIRECT-AR	PLOMDA	110	0	110
6	DIRECT-MO	PLOMDM	12	0	12
7	DIRECT	PLOMD	122	0	122
8	RETAIL GENERAL-CUST-AR	PLOMRGCA C370A	49,226	0	49,226
9	RETAIL GENERAL-CUST-MO	PLOMRGCM C370M	1,907	1,907	0
10	RETAIL GENERAL-CUST	PLOMRGC	51,133	1,907	49,226
11	TOTAL METERS	PLOMTO	51,255	1,907	49,348
12	TOTAL INST CUST PREM	PLOCPTO 001	12,649	392	12,257
	STREET LIGHTS	T106			
13	ARKANSAS	PLDSL A S01A	21,335	0	21,335
14	MISSOURI	PLDSL M S01M	1,185	1,185	0
15	TOTAL STREET LIGHTS	PLDSL TO	22,520	1,185	21,335
16	TOTAL DISTRIBUTION PLANT	PLOTO	785,336	35,235	750,101

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	GENERAL PLANT	T013			
1	LABOR	PLGL LOMTOA	26,887	960	25,927
2	PRODUCTION	PLGP D01	6,146	191	5,955
3	TRANSMISSION	PLGT PLTTOA	7,657	150	7,507
4	DISTRIBUTION	PLGD PLOTOA	9,456	424	9,032
5	CUSTOMER SERVICES	PLGCS OMCSTOA	114	2	112
6	STORES	PLGST MSTOA	518	18	500
7	ENERGY	PLGE E01	28,565	1,051	27,514
8	TOTAL GENERAL PLANT	PLGTO	79,343	2,795	76,548
	INTANGIBLE PLANT	T014			
9	ORGANIZATION	PLIOR C01	34	2	32
10	FRANCHISE	PLIFR C02	58	3	55
11	MISC INTANG-COMP SOFTWARE	PLIMISCC C01	223	10	213
12	MISC INTANG-TRANS SOFTWARE	PLIMISLR D01	29	1	28
13	MISC INTANG-ISES I SYNCHRON	PLIMISIS D01AW	14,004	0	14,004
14	MISC INTANG-82-314-U, 60 MOS	PLIMISMS PLTOAEXI	1,883	61	1,822
15	MISC INTANG-MSS COMP SOFTWARE	PLIMIMSS PLTOAEXI	5,992	194	5,798
16	MISC MSS COMP S/W-CMS	PLIMCSM D01	1,603	50	1,553
17	MISC MISTEC S/W COST	PLIMMSTC PLTTOA	676	13	663
18	MISC STEAM GEN CL PROCESS	PLIMSGCP E01	4,097	151	3,946
19	MISC 82-314-U, 48 MOS	PLIM48M PLTOAEXI	1,826	59	1,767
20	TOTAL INTANGIBLE PLANT	PLITO	30,425	544	29,881
21	TOTAL PLANT IN SERVICE	PLTO	3,440,335	111,109	3,329,226

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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			
1	TOTAL PLANT IN SERVICE	PLTO	3,440,335	111,109	3,329,226
2	TOTAL PLANT IN SERVICE ADJUSTED	PLTOA	3,440,335	111,109	3,329,226
	PLANT SUMMARY	T093			
3	TOTAL PRODUCTION ADJUSTED	PLPTOA	1,985,229	61,542	1,923,687
4	TOTAL TRANSMISSION ADJUSTED	PLTTOA	560,002	10,993	549,009
5	TOTAL DISTRIBUTION ADJUSTED	PLTOA	785,336	35,235	750,101
6	TOTAL GENERAL ADJUSTED	PLGTOA	79,343	2,795	76,548
7	TOTAL INTANGIBLE ADJUSTED	PLITOA	30,425	544	29,881
8	TOTAL PLANT IN SERVICE ADJUSTED	PLTOA	3,440,335	111,109	3,329,226

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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			
1	TOTAL PRODUCTION	DRPT0 D01	-493,856	-15,310	-478,546
	TRANSMISSION PLANT	T003			
	TRANSMISSION SUBSTATIONS	T004			
2	STEP UP	DRTSSU D01	-4,722	-146	-4,576
3	POWER SUPPLY	DRTSPS D02	-36,321	-696	-35,625
4	TOTAL SUBSTATIONS	DRTST0	-41,043	-842	-40,201
5	TOTAL LINES	DRTLT0 D02	-77,524	-1,484	-76,040
6	TOTAL TRANSMISSION	DRTTO	-118,567	-2,326	-116,241

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MD RETAIL	ALL OTHER
	RATE BASE			
	RESERVE FOR DEPRECIATION	T030 T015		
	DISTRIBUTION PLANT	T006		
	DISTRIBUTION SUBSTATIONS	T007		
1	DIRECT-AR	DRDSDA PLOSOA -5,140	0	-5,140
2	DIRECT-MO	DRDSDM PLDSOM -79	0	-79
3	DIRECT	DRDSD -5,219	0	-5,219
4	RETAIL GENERAL-AR	DRDSRGA D03A -38,135	0	-38,135
5	RETAIL GENERAL-MO	DRDSRGM D03M -1,518	-1,518	0
6	RETAIL GENERAL	DRDSRG -39,653	-1,518	-38,135
7	TOTAL SUBSTATIONS	DRDSTO -44,872	-1,518	-43,354
	DISTRIBUTION LINES	T008		
8	DIRECT-AR	DRDLDA PLDLDA -565	0	-565
9	DIRECT-MO	DRDLDM PLDLDM -24	0	-24
10	DIRECT	DRDLO -589	0	-589
	RETAIL GENERAL	T009		
11	PRIMARY DEMAND-AR	DDLRGPA D04A -32,907	0	-32,907
12	PRIMARY DEMAND-MO	DDLRGPM D04M -1,105	-1,105	0
13	PRIMARY DEMAND	DDLRGPD -34,012	-1,105	-32,907
14	PRIMARY CUSTOMER-AR	DDLRGPCA C03A -52,180	0	-52,180
15	PRIMARY CUSTOMER-MO	DDLRGPCM C03M -1,839	-1,839	0
16	PRIMARY CUSTOMER	ORDLRGPC -54,019	-1,839	-52,180
17	SECONDARY DEMAND-AR	ODLRGSDA D05A -6,147	0	-6,147
18	SECONDARY DEMAND-MO	ODLRGSDM D05M -171	-171	0
19	SECONDARY DEMAND	ORDLRGSD -6,318	-171	-6,147
20	SECONDARY CUSTOMER-AR	ODLRGSCA C04A -26,368	0	-26,368
21	SECONDARY CUSTOMER-MO	ODLRGSCM C04M -849	-849	0
22	SECONDARY CUSTOMER	ORDLRGSC -27,217	-849	-26,368
23	RETAIL GENERAL	DRDLRG -121,566	-3,964	-117,602
24	TOTAL LINES	DRDLTO -122,155	-3,964	-118,191
	LINE TRANSFORMERS	T010		
25	DIRECT-AR	DRDTPA PLDTPA -64	0	-64
26	DIRECT-MO	DRDTPM PLDTPM -10	0	-10
27	DIRECT	DRDTP -74	0	-74
	RETAIL GENERAL	T009		
28	DEMAND-AR	DRDTRGDA D07A -17,866	0	-17,866
29	DEMAND-MO	DRDTRGDM D07M -1,451	-1,451	0
30	DEMAND	DRDTRGD -19,317	-1,451	-17,866
31	CUSTOMER-AR	DRDTRGCA C04A -23,757	0	-23,757
32	CUSTOMER-MO	DRDTRGCM C04M -1,930	-1,930	0
33	CUSTOMER	DRDTRGC -25,687	-1,930	-23,757
34	RETAIL GENERAL	DRDTRG -45,004	-3,381	-41,623
35	TOTAL LINE TRANSFORMERS	DRDTRTO -45,078	-3,381	-41,697

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(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	DDSERGCA C369A	-22,072	0
2	RETAIL GENERAL-CUST-MO	DDSERGCM C369M	-728	-728
3	RETAIL GENERAL-CUST	DDSERGCG	-22,800	-728
4	TOTAL SERVICES	DDOSETO	-22,800	-728
	METERS	T012		
5	DIRECT-AR	DRDMOA PLDMOA	-33	0
6	DIRECT-MO	OROHDM PLOHDM	-6	0
7	DIRECT	DRDMO	-39	0
8	RETAIL GENERAL-CUST-AR	DRDMRGCA C370A	-14,677	0
9	RETAIL GENERAL-CUST-MO	DRDMRGCM C370M	-1,046	-1,046
10	RETAIL GENERAL-CUST	DRDMRGCG	-15,723	-1,046
11	TOTAL METERS	DRDMTO	-15,762	-1,046
12	TOTAL INST CUST PREM	DRDCPTO D01	-470	-15
	STREET LIGHTS	T106		
13	ARKANSAS	ORDSLA S01A	-7,720	0
14	MISSOURI	ORDSLM S01M	-460	-460
15	TOTAL STREET LIGHTS	ORDSLTO	-8,180	-460
16	TOTAL DISTRIBUTION	ORDTO	-259,317	-11,112

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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 T015			
	GENERAL PLANT	T013			
1	LABOR	DRGL LOMTOA	-5,117	-183	-4,934
2	PRODUCTION	DRGP DO1	-1,477	-46	-1,431
3	TRANSMISSION	DRGT PLTTOA	-2,120	-42	-2,078
4	DISTRIBUTION	DRGD PLOTOA	-3,328	-149	-3,179
5	CUSTOMER SERVICES	DRGCS OMCSTOA	-50	-1	-49
6	STORES	DRGST MSTOA	-370	-13	-357
7	ENERGY	DRGE EO1	-2,563	-94	-2,469
8	TOTAL GENERAL	DRGTO	-15,025	-527	-14,498
	ACCOUNT 111-	T066			
	ACCUM AMORT OF INTANG	T067			
9	FRANCHISE	DRAAF CO2	-4	-0	-4
10	MISC-COMPUTER SOFTWARE-AMP	DRAAC CO1	-223	-10	-213
11	MISC-TRANSLATOR SOFTWARE	DRAALR DO1	-29	-1	-28
12	MISC-ISES SYNCHRONIZATION	DRAAISES DO1AW	-1,323	0	-1,323
13	MISC-82-314-U/60 MOS	DRAAMSS PLTOAEXI	-679	-22	-657
14	MISC-MSS COMPUTER SOFTWARE	DRAACS PLTOAEXI	-1,542	-50	-1,492
15	MISC-MSS COMP S/W-CMS	DRAACMS DO1	-508	-16	-492
16	MISC-MISTEC S/W COST	DRAAMSTC PLTTOA	-199	-4	-195
17	MISC-STEAM GEN CL PROCESS	DRAASGCP EO1	-677	-25	-652
18	MISC-82-314-U/48 MOS	DRAAMS48 PLTOAEXI	-1,293	-42	-1,251
19	TOTAL ACC AMORT OF INTANG	DRAATO	-6,477	-170	-6,307
20	TOTAL RES FOR DEPRECIATION	DRTO	-893,242	-29,445	-863,797
21	TOTAL DEPREC'N RESERVES ADJUST	ORTOA	-893,242	-29,445	-863,797
	DEPREC RES SUMMARY	T094			
22	TOTAL PRODUCTION ADJUSTED	DRPTOA	-493,856	-15,310	-478,546
23	TOTAL TRANSMISSION ADJUSTED	DRTTOA	-118,567	-2,326	-116,241
24	TOTAL DISTRIBUTION ADJUSTED	DRDTOA	-259,317	-11,112	-248,205
25	TOTAL GENERAL ADJUSTED	DRGTOA	-15,025	-527	-14,498
26	TOTAL ACC AMORT OF INTANG ADJ	DRAATO	-6,477	-170	-6,307
27	TOTAL DEPREC'N RESERVES ADJUST	ORTOA	-893,242	-29,445	-863,797

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	AAGPP DO1	35	1	34
2	TRANSMISSION PLANT	AAGTP PLTTQA	87	2	85
3	DISTRIBUTION-AR	AAGDPA PLDTQAA	181	0	181
4	DISTRIBUTION-MO	AAGDPM PLDTQAM	24	24	0
5	DISTRIBUTION-BOTH STATES	AAGDPB PLDTQA	294	13	281
6	DISTRIBUTION PLANT	AAGOP	499	37	462
7	GENERAL PLANT	AAGGP PLGECM	23	1	22
8	TOTAL ACQUISITION ADJMT	AAGTO	644	40	604
	AMORTIZATION OF ACQUISITION ADJ	T018			
9	PRODUCTION PLANT-CREDIT	AACPP DO1	-1	-0	-1
10	TRANSMISSION PLANT-CREDIT	AACTP PLTTQA	-2	-0	-2
11	DISTRIBUTION-CREDIT-AR	AACOPA PLDTQAA	-10	0	-10
12	DISTRIBUTION-CREDIT-MO	AACOPM PLDTQAM	-4	-4	-0
13	DISTRIBUTION-CR-BOTH STATES	AACDPB PLDTQA	-9	-0	-9
14	DISTRIBUTION PLANT-CREDIT	AACOP	-23	-4	-19
15	GENERAL PLANT-CREDIT	AACGP PLGECM	-1	-0	-1
16	TOTAL AMORTIZN - ACQ ADJ	AACTO	-27	-4	-23
17	NET ELECTRIC PLANT ACQUISITION ADJ	AANTO	617	36	581

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	FUEL INVENTORY	T065			
1	FUEL INVENTORY	FI	E01 27,640	1,017	26,623
2	TOTAL FUEL INVENTORY	FITO	27,640	1,017	26,623
3	TOTAL FUEL INVENTORY ADJ	FITOA	27,640	1,017	26,623
	TOTAL MATERIAL & SUPPLIES	T019			
4	TRANSMISSION SUBSTATIONS	MSTS	PLTSTOA 883	18	865
5	TRANSMISSION LINES	MSTL	PLTLTOA 5,336	102	5,234
6	DISTRIBUTION SUBSTATIONS	MSDS	PLDSTO 184	12	172
7	DISTRIBUTION LINES	MSOL	PLOLTO 2,806	130	2,676
8	METERS	MSDM	PLDMTO 283	11	272
9	STREET LIGHTS	MSDSL	PLDSLTO 334	18	316
10	OFFICE SUPPLIES	MSOS	LOMTOA 249	9	240
11	ENERGY	MSE	E01 25,373	933	24,440
12	OTHER	MSO	PLPTOTOA 1,975	64	1,911
13	TOTAL MATERIALS & SUPPLIES	MSTO	37,423	1,296	36,127
14	TOTAL MAT'LS & SUPPLIES ADJUSTED	MSTOA	37,423	1,296	36,127

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 1986
 (THOUSANDS OF DOLLARS)

LINE			TOTAL 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	224	7	217
2	REGULATORY CCMSSION-AR	WCPTRCA RSRDAA	996	0	996
3	REGULATORY COMMISSION-MO	WCPTRCM RSRDMA	6	6	0
4	OTHER	WCPTOTH PLTOA	1	0	1
5	TOTAL PREPAID TAXES	WCPTTO	1,227	13	1,214
	PREPAID INSURANCE	T022			
6	PRODUCTION	WCPPI 001	2,920	91	2,829
7	GENERAL	WCPIG PLGECH	28	1	27
8	TOTAL PLANT	WCPITP PLTOA	422	14	408
9	LABOR RELATED	WCPIL LOMTOA	103	4	99
10	TOTAL PREPAID INSURANCE	WCPITO	3,473	109	3,364
	MISCELLANEOUS PREPAYMENTS	T023			
11	PRODUCTION	WCPMP 001	2,014	62	1,952
12	TRANSMISSION	WCPMT PLTTOA	29	1	28
13	DISTRIBUTION	WCPMD PLDIOA	4	0	4
14	EEI	WCPME PLTOR	94	3	91
15	ENERGY	WCPMEE E01	10	0	10
16	TOTAL MISC PREPAYMENTS	WCPMTO	2,151	67	2,084
17	TOTAL PREPAYMENTS	WCPTO	6,851	189	6,662
18	TOTAL PREPAYMENTS ADJUSTED	WCPTOA	6,851	189	6,662

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 1986
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	TOTAL ACC DEF TAXES-ACCEL AMORT	T141			
1	PRODUCTION	DTAAP	-182	-6	-176
2	TRANSMISSION	DTAAT	-47	-1	-46
3	TOT ACC DEF TAXES-ACCEL AMORT	DTAATO	-229	-7	-222
4	LIBERALIZED DEPRECIATION	DTLDTO	-426,094	-13,816	-412,278
5	ADJUST-LIBERAL DEPR	PFO7ADLB	145,329	4,712	140,617
6	ADJUSTED LIBERALIZED DEPR	DTLDTOA	-280,765	-9,104	-271,661
7	ACCUM DEF INC TX-OTHER	DTOTO	66,158	2,145	64,013
8	ADJUST-ACC DEF TX OTHER	PFO7ADTO	-66,158	-2,145	-64,013
9	ADJUSTED ACC DEF INC TX-OTHER	DTOTOA	0	0	0
10	INVEST TAX CREDIT - 3%	DTITC	-3,647	-118	-3,529

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 1986
 (THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL NO RETAIL	ALL OTHER
	RATE BASE			
	T000			
	INVESTMENT IN S F I			
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 PF08ISFI E01	41,155	1,514	39,641
4	TOTAL INVEST SYS FUEL INC ADJ SF10A	41,155	1,514	39,641
5	TOTAL RATE BASE RBT0	2,255,812	72,406	2,183,406
6	TOTAL ADJUSTMENTS TO RATE BASE R0ADJMT	120,526	4,081	116,245
7	TOTAL RATE BASE ADJUSTED RBT0A	2,376,138	76,437	2,299,651

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	REVENUES			
	T110			
	SALES REVENUES			
1	RETAIL SALES	886,709	37,309	849,399
2	WHOLESALE SALES	101,763	0	101,763
3	TOTAL RATE SCHEDULE REV	988,471	37,309	951,162
	MSU POWR POOL			
	T137			
4	ENERGY - EXCHANGE	169,436	6,231	163,205
5	ENERGY - UNIT POWER PURCH	29,575	1,088	28,487
6	TOTAL MSPP ENERGY	199,011	7,319	191,692
7	DEMAND - RESERVE EQUAL	14,751	457	14,294
8	DEMAND - UNIT PWR PURCH	46,669	1,447	45,222
9	TOTAL MSPP DEMAND	61,420	1,904	59,516
10	TOT MSU PWR POOL SALES	260,431	9,223	251,208
	SYSTEM SALES TO OTHERS			
11	RSSSTO E01	49,111	1,806	47,305
12	TOTAL SALES REVENUES	1,298,013	48,338	1,249,675
	RSTO			

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	T029			
1	OTH ELEC REV-TRANS EQ RCPTS	ROTE 002	29,149	558	28,591
2	OTH ELEC REV-TRANS FACIL RCPT	ROTEHV 002	1,198	23	1,175
	OTH ELEC REV - OTHER	T136			
3	RETAIL REV-AR	RORRAS RSRDAA	593	0	593
4	RETAIL REV-MO	RORRMS RSRDMA	7	7	0
5	RETAIL REVENUE	RORRA	600	7	593
6	DISTRIBUTION LINES - AR	RODLA PLDLTOA	2,251	0	2,251
7	DISTRIBUTION LINES - MO	RODLH PLDLTOH	68	68	0
8	DISTRIBUTION LINES	RODL	2,319	68	2,251
9	TRANSMISSION LINES	ROTL PLTLTOA	632	12	620
10	SALES TAX COMM-AR	ROSTCA RSRDAA	665	0	665
11	SALES TAX COMM-MO	ROSTCM RSRDMA	16	16	0
12	SALES TAX COMMISSION	ROSTC	681	16	665
13	TRANSMISSION SVC CHARGE	ROT 002	38	1	37
14	PRODUCTION	ROP 001	116	4	112
15	MISCELLANEOUS	ROMISC PLTOA	1,084	35	1,049
16	DIRECT WHOLESALE	RODH SORWH	0	0	0
17	LABOR	ROL LOHTOA	124	4	120
18	OTH ELEC REV-OTHER	ROERO	5,594	146	5,448
19	TOTAL OTHER ELECTRIC REVS	ROTO	35,941	728	35,213
20	TOTAL REVENUES	RT0	1,333,954	49,066	1,284,888
21	ADJUSTMENT-INT INC ON SFI INV	PF08ROII E01	3,876	143	3,733
22	ADJUSTMENT-TOTAL OTHER REVENUES	ROTOADJ	3,876	143	3,733
23	TOTAL REVENUES ADJUSYD	RTOA	1,337,830	49,208	1,288,622

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	RSRDTOA	986,708	37,309	849,399
2	TOTAL WHOLESALE	RSWTOA	101,763	0	101,763
3	TOTAL RATE SCHEDULE REV	RSRDWTOA	988,471	37,309	951,162
	MSU POWR POOL	T137			
4	ENERGY - EXCHANGE	RSMSEEA	169,436	6,231	163,205
5	ENERGY - UNIT PWR PURCH	RSMSEUPA	29,575	1,088	28,487
6	TOT MSPP-ENERGY	RSMSPTA	199,011	7,319	191,692
7	DEMAND - RESERVE EQUAL	RSMSOREA	14,751	457	14,294
8	DEMAND - UNIT PWR PURCH	RSMSOUPA	46,669	1,447	45,222
9	TOTAL MSPP DEMAND	RSMSPTDA	61,420	1,904	59,516
10	TOT MSU POWER POOL SALES	RSMSPTT	260,431	9,223	251,208
11	TOTAL SYSTEM SALES	RSSSTOA	49,111	1,806	47,305
12	TOTAL SALES REVENUES ADJS'D	RSTOA	1,298,013	48,338	1,249,675
	OTHER ELEC REV	T138			
13	OTH ELEC REV-TRANS EQ RECPTS	ROTTERA	29,149	556	28,591
14	OTH ELEC REV-TRANS FACIL REC	ROTTFRA	1,195	23	1,175
15	OTH ELEC REV-OTHER	ROTODA	9,470	289	9,181
16	TOTAL OTHER REVENUE ADJUSTED	ROTOA	39,817	870	38,947
17	TOTAL MSPP/SYSTEM/OTHER REV	ROTHSOR	349,359	11,899	337,460
18	TOTAL REVENUES ADJUSTED	RTOA	1,337,830	49,208	1,288,622

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	PRODUCTION EXPENSE	T032			
1	OPERATION	OMPO D01	65,624	2,034	63,590
2	MAINTENANCE	OMPM E01	49,392	1,817	47,575
3	FUEL	OMPF E01	329,366	12,113	317,253
	PURCHASED POWER	T033			
4	MSE DEMAND	OMPPMD D01	346,225	10,733	335,492
5	UE DEMAND	OMPPUED D01M	3,637	3,637	0
6	OTHER DEMAND	OMPPOD 001	4,885	151	4,734
7	TOTAL DEMAND	OMPPPTD	354,747	14,521	340,226
8	MSE ENERGY	OMPPME E01	22,607	831	21,776
9	UE ENERGY	OMPPUEE E01M	2,661	2,661	0
10	OTHER ENERGY	OMPPPOE E01	77,994	2,808	75,126
11	TOTAL ENERGY	OMPPPE	103,262	6,361	96,901
12	TOTAL PURCHASED POWER	OMPPPTO	458,009	20,882	437,127
13	LOAD DISPATCHING	OMPLO D01	2,249	70	2,179
	OTHER PROD EXP & CR	T096			
14	DEFERRED FUEL	OMPOPOF E02	2,257	0	2,257
15	NUCLEAR RESERVE	OMPOPNR E03	8,191	0	8,191
16	ARK GG SETT-M33	OMPOPMS D01AR	-173,158	0	-173,158
17	GG DEFERL - MO	OMPOPMD D01M	-968	-968	0
18	OTHER EXPENSE - DEMAND	OMPOPD D01	55,723	1,727	53,996
19	OTHER EXPENSE - ENERGY	OMCPPOE E01	-2,254	-83	-2,171
20	TOTAL OTHER PROD EXP & CR	OMPOPTO	-110,209	677	-110,886
21	TOTAL PRODUCTION EXPENSE	OMPTO	794,431	37,593	756,838
	TRANSMISSION EXPENSE	T034			
	SUBSTATION EXPENSE	T035			
22	STEP UP	OMTSSU D01	270	8	262
23	POWER SUPPLY	OMTSPS D02	2,075	40	2,035
24	TOTAL SUBSTATION EXPENSE	OMTSTO	2,345	48	2,297
25	TOTAL LINE EXPENSE	OMTLTO D02	3,196	61	3,135
26	MISCELLANEOUS EXPENSE	OMTMISC OMTSLTO	325	6	319
27	TOTAL TRANSMISSION EXPENSE	OMTTO	5,866	116	5,750

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	OPERATION & MAINTENANCE			
	DISTRIBUTION EXPENSE			
	SUBSTATION EXPENSE			
1	DIRECT-AR	576	0	576
2	DIRECT-MO	8	0	8
3	DIRECT	584	0	584
4	RETAIL GENERAL-AR	4,276	0	4,276
5	RETAIL GENERAL-MO	162	162	0
6	RETAIL GENERAL	4,438	162	4,276
7	TOTAL SUBSTATION EXPENSE	5,022	162	4,860
	LINE EXPENSE			
8	DIRECT-AR	61	0	61
9	DIRECT-MO	3	0	3
10	DIRECT	64	0	64
	RETAIL GENERAL			
11	PRIMARY DEMAND-AR	3,629	0	3,629
12	PRIMARY DEMAND-MO	182	182	0
13	PRIMARY DEMAND	3,811	182	3,629
14	PRIMARY CUSTOMER-AR	5,417	0	5,417
15	PRIMARY CUSTOMER-MO	278	278	0
16	PRIMARY CUSTOMER	5,695	278	5,417
17	SECONDARY DEMAND-AR	687	0	687
18	SECONDARY DEMAND-MO	28	28	0
19	SECONDARY DEMAND	715	28	687
20	SECONDARY CUSTOMER-AR	2,804	0	2,804
21	SECONDARY CUSTOMER-MO	130	130	0
22	SECONDARY CUSTOMER	2,934	130	2,804
23	RETAIL GENERAL	13,155	618	12,537
24	TOTAL LINE EXPENSE	13,219	618	12,601
	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	466	0	466
29	DEMAND-MO	2	2	0
30	DEMAND	468	2	466
31	CUSTOMER-AR	619	0	619
32	CUSTOMER-MO	4	4	0
33	CUSTOMER	623	4	619
34	RETAIL GENERAL	1,091	6	1,085
35	TOTAL LINE TRANSFORMER EXP	1,093	6	1,087

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL 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	4,654	0	4,654
5	RETAIL GENERAL-CUST-MO	194	194	0
6	RETAIL GENERAL-CUST	4,848	194	4,654
7	TOTAL METER EXPENSE	4,859	194	4,665
	STREET LIGHT EXPENSE			
8	ARKANSAS	871	0	871
9	MISSOURI	68	68	0
10	TOTAL STREET LIGHT EXPENSE	939	68	871
11	TOTAL CUST INST EXPENSE	658	20	638
	RENT EXPENSE			
12	ARKANSAS	1,579	0	1,579
13	MISSOURI	19	19	0
14	TOTAL RENT EXPENSE	1,598	19	1,579
	MISCELLANEOUS EXPENSE			
15	ARKANSAS	2,487	0	2,487
16	MISSOURI	108	107	1
17	TOTAL MISCELLANEOUS EXPENSE	2,595	107	2,488
18	TOTAL DISTRIBUTION EXPENSE	29,983	1,194	28,789

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	CUSTOMER ACCOUNTING EXPENSE	T040			
1	METER READING-AR	OMCAMRA CA902A	4,027	0	4,027
2	METER READING-MO	OMCAMRM CA902M	243	247	1
3	METER READING	OMCAMR	4,275	247	4,028
4	CUST RECORDS & COLLECTS-AR	OMCACRA CA903A	9,956	0	9,956
5	CUST RECORDS & COLLECTS-MO	OMCACRM CA903M	339	337	2
6	CUST RECORDS & COLLECTIONS	OMCACR	10,295	337	9,958
7	UNCOLLECTIBLE ACCTS-AR	OMCAUAA CA904A	2,049	0	2,049
8	UNCOLLECTIBLE ACCTS-MO	OMCAUAM CA904M	55	55	0
9	UNCOLLECTIBLE ACCOUNTS	OMCAUA	2,104	55	2,049
10	MISC CUST ACCTG EXP-AR	OCAMISCA OMCAMCUA	235	0	235
11	MISC CUST ACCTG EXP-MO	OCAMISCM OMCAMCUM	11	11	0
12	MISC CUSTOMER ACCOUNTING	OMCAMISC	246	11	235
13	TOTAL CUSTOMER ACCT EXP	OMCATO	16,920	650	16,270
	CUSTOMER SERVICES EXPENSE	T041			
14	CUST ASSIST EXP-AR	OMCSCAA CS908A	3,402	0	3,402
15	CUST ASSIST EXP-MO	OMCSCAM CS908M	38	38	0
16	CUSTOMER ASSISTANCE EXPENSE	OMCSCA	3,440	38	3,402
17	INFORM & INSTRUCT EXP-AR	OMCSINFA CS909A	291	0	291
18	INFORM & INSTRUCT EXP-MO	OMCSINFM CS909M	0	0	0
19	INFORMATION & INSTRUCTION EXP	OMCSINF	291	0	291
20	MISC CUST SERVICES-AR	OCSMISCA OMCSCAIA	310	0	310
21	MISC CUST SERVICES-MO	OCSMISCM OMCSCAIM	22	22	0
22	MISC CUSTOMER SERVICES	OMCSMISC	332	22	310
23	TOTAL CUSTOMER SVCS EXP	OMCSTO	4,063	60	4,003
24	TOTAL SALES EXP	OMSTO 001	1,394	43	1,351

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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			
	ADMINISTRATIVE & GENERAL EXPENSE	T042			
1	LABOR	OMAGL LOMTOA	47,995	1,714	46,281
2	PRODUCTION RELATED	OMAGIA DO1	8,217	255	7,962
3	TRANSMISSION RELATED	OMAGIB PLTTOA	-3	-0	-3
4	TRANSMISSION & DISTRIBUTION	OMAGIC PLTDTOA	2,129	73	2,056
5	LABOR RELATED	OMAGID LOMTOA	1	0	1
6	GENERAL PLANT RELATED	OMAGIE PLGECM	12	0	12
7	TOTAL PLANT RELATED	OMAGIF PLTOA	805	26	779
8	INSURANCE	OMAGI	11,161	354	10,807
9	REG COMM EXP-ARKANSAS	RTREGA RSRDAA	1,606	0	1,606
10	REG COMM EXP-MISSOURI	RTREGM RSROMA	468	468	0
11	REGULATORY EXP RETAIL GENERAL	OMAGRERG	2,074	468	1,606
12	REGULATORY EXP WHSE GENERAL	OMAGREWG RSWTOA	190	0	190
13	EET MEMBERSHIP	OMAGEGR1 PLTOR	2,541	91	2,450
14	LOCAL RESEARCH & OTHER	OMAGEGR2 PLTOA	232	7	225
15	EXPER & GEN RESEARCH	OMAGEGR	2,773	99	2,674
16	PRODUCTION	OMAGPLP DO1	-1,347	-42	-1,305
17	GENERAL	OMAGG PLGECM	2,167	74	2,093
18	TOTAL PLANT	OMAGTPL PLTOA	20,388	658	19,730
19	ENERGY	OMAGEN EO1	-1,524	-56	-1,468
20	CUSTOMER SERVICES	OMAGCS OMCSTOA	595	9	596
21	OTH EXP & GEN RESEARCH	OMAGOEGR SFOEGR	1,471	52	1,419
22	TOTAL ADMIN & GENERAL	OMAGTO	85,943	3,330	82,613
23	TOTAL O & M EXPENSE	OMTO	938,600	42,986	895,614

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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	938,600	42,996	895,614
	OMTO			
2	ADJUST-DEFERRED FUEL	-2,257	0	-2,257
	PF010PDF E02			
3	-NUCL REFUELING RES	-8,191	0	-8,191
	PF010PNR E03			
4	-TOTAL OTHER PRODUCTION	-10,448	0	-10,448
	PF010PTO			
5	ADJUST-TOTAL PROD O&M	-10,448	0	-10,448
	OMPTOAJ			
6	ADJUST-CONSTRUCT PWR	154	6	148
	PF01AGCP E01			
7	ADJUST-TOTAL A&G O&M	154	6	148
	OMAGADJ			
8	ADJUST-TOTAL O&M	-10,294	6	-10,300
	OMTOADJ			
9	TOTAL O & M EXPENSE ADJUSTED	928,306	42,991	885,315
	OMTGA			

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	OPERATION & MAINTENANCE	T030 T031		
	O & M SUMMARY	T097		
	PRODUCTION EXPENSE	T032		
1	TOTAL OPERATION ADJUSTED	OMPOTOA 65,624	2,034	63,590
2	TOTAL MAINTENANCE ADJUSTED	OMPMTGA 49,392	1,817	47,575
3	TOTAL FUEL ADJUSTED	OMPFTOA 329,366	12,113	317,253
	PURCHASED POWER	T033		
4	MSE DEMAND	OMPPPHOA 346,225	10,733	335,492
5	UE DEMAND	OMPPPUOA 3,637	3,637	0
6	OTHER DEMAND	OMPPPOOA 4,885	151	4,734
7	TOTAL DEMAND ADJUSTED	OMPPPOOT 354,747	14,521	340,226
8	MSE ENERGY	OMPPPMOA 22,607	831	21,776
9	UE ENERGY	OMPPPUOA 2,661	2,661	0
10	OTHER ENERGY	OMPPPOEA 77,994	2,868	75,126
11	TOTAL ENERGY ADJUSTED	OMPPPOET 103,262	6,361	96,901
12	TOTAL PURCHASED POWER ADJ'D	OMPPPTOA 458,009	20,882	437,127
13	TOTAL LOAD DISPATCH ADJ'D	OMPLOTOA 2,249	70	2,179
	OTHER PROD EXP & CR	T096		
14	TOTAL DEFERRED FUEL	OMPOPDFT 0	0	0
15	TOTAL NUCLEAR RESERVE	OMPOPNRT 0	0	0
16	TOTAL ARK GG SETT - M33	OMPOPMST -173,158	0	-173,158
17	TOTAL GG DEFERRAL - MD	OMPOPMRT -968	-968	0
18	TOTAL OTHER EXPENSE - DEMAND	OMPOPOOT 55,723	1,727	53,996
19	TOTAL OTHER EXPENSE - ENERGY	OMPOPOET -2,254	-83	-2,171
20	TOT OTHER PROD EXP & CR ADJ'D	OMPOPTOA -118,403	759	-119,162
21	TOTAL PRODUCTION ADJUSTED	OMPTOA 783,983	37,593	746,390
22	TOTAL TRANSMISSION ADJUSTED	OMTTOA 5,866	116	5,750
23	TOTAL DISTRIBUTION ADJUSTED	OMOTOA 29,983	1,194	28,789
24	TOTAL CUSTOMER ACCOUNTING ADJ'D	OMCATADJ 16,920	650	16,270
25	TOTAL CUSTOMER SERVICES ADJ'D	OMCSTOA 4,063	60	4,003
26	TOTAL SALES EXP ADJUSTED	OMSTOA 1,394	43	1,351
27	TOTAL ADMIN & GENERAL ADJUSTED	OMAGTOA 86,097	3,336	82,761
28	TOTAL O & M EXPENSE ADJUSTED	OMTOA 928,306	42,991	885,315

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 1986
 (THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	DEPRECIATION EXPENSE	T043			
1	TOTAL PRODUCTION EXPENSE	DXPT0 001	67,114	2,081	65,033
	TRANSMISSION EXPENSE	T034			
	SUBSTATION EXPENSE	T035			
2	STEP UP	DXTSSU 001	559	17	542
3	POWER SUPPLY	DXTSPS 002	4,291	82	4,209
4	TOTAL SUBSTATION EXPENSE	DXTSTO	4,850	99	4,751
5	TOTAL LINE EXPENSE	DXTLTO 002	8,861	170	8,691
6	TOTAL TRANSMISSION EXPENSE	DXTTO	13,711	269	13,442

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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		
	DISTRIBUTION EXPENSE	T037		
	SUBSTATION EXPENSE	T035		
1	DIRECT-AR	DX0SDA PL0SDA 428	0	428
2	DIRECT-MO	DX0SDM PL0SDM 9	0	9
3	DIRECT	DX0SD 437	0	437
4	RETAIL GENERAL-AR	DX0SRGA D03A 3,177	0	3,177
5	RETAIL GENERAL-MO	DX0SRGM D03M 190	190	0
6	RETAIL GENERAL	DX0SRG 3,367	190	3,177
7	TOTAL SUBSTATION EXPENSE	DXDSTO 3,804	190	3,614
	LINE EXPENSE	T036		
8	DIRECT-AR	DX0LDA PL0LDA 54	0	54
9	DIRECT-MO	DX0LDM PL0LDM 3	0	3
10	DIRECT	DX0LD 57	0	57
	RETAIL GENERAL	T0D9		
11	PRIMARY DEMAND-AR	DXLRGPD A 004A 3,261	0	3,261
12	PRIMARY DEMAND-MO	DXLRGPD M 004M 150	150	0
13	PRIMARY DEMAND	DXDLRGPO 3,411	150	3,261
14	PRIMARY CUSTOMER-AR	DXLRGP C A 003A 4,824	0	4,824
15	PRIMARY CUSTOMER-MO	DXLRGP C M 003M 252	252	0
16	PRIMARY CUSTOMER	DXDLRGPC 5,076	252	4,824
17	SECONDARY DEMAND-AR	DXLRGSD A 005A 631	0	631
18	SECONDARY DEMAND-MO	DXLRGSD M 005M 24	24	0
19	SECONDARY DEMAND	DXDLRGSD 655	24	631
20	SECONDARY CUSTOMER-AR	DXLRGSC A 004A 2,528	0	2,528
21	SECONDARY CUSTOMER-MO	DXLRGSC M 004M 118	118	0
22	SECONDARY CUSTOMER	DXDLRGSC 2,646	118	2,528
23	RETAIL GENERAL	DXDLRG 11,788	544	11,244
24	TOTAL LINE EXPENSE	DXDLTO 11,845	544	11,301
	LINE TRANSFORMER EXPENSE	T038		
25	DIRECT-AR	DX0TDA PL0TDA 7	0	7
26	DIRECT-MO	DX0TDM PL0TDM 1	0	1
27	DIRECT	DX0TD 8	0	8
	RETAIL GENERAL	T0D9		
28	DEMAND-AR	DX0TRGDA D07A 2,079	0	2,079
29	DEMAND-MO	DX0TRGDM D07M 77	77	0
30	DEMAND	DX0TRGD 2,156	77	2,079
31	CUSTOMER-AR	DX0TRGCA C04A 2,764	0	2,764
32	CUSTOMER-MO	DX0TRGCM C04M 104	104	0
33	CUSTOMER	DX0TRGC 2,868	104	2,764
34	RETAIL GENERAL	DX0TRG 5,024	181	4,843
35	TOTAL LINE TRANSFORMER EXPENSE	DXDITO 5,032	181	4,851

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEPRECIATION EXPENSE			
		T030		
		T043		
	DISTRIBUTION EXPENSE			
	SERVICE EXPENSE			
		T037		
		T044		
1	RET GENL-CUSTOMER-AR	DXSERGCA C369A	1,977	0
2	RET GENL-CUSTOMER-MO	DXSERGCM C369M	63	63
3	RETAIL GENERAL-CUSTOMER	DXDSERGC	2,040	63
4	TOTAL SERVICES EXPENSE	DXOSETO	2,040	63
	METER EXPENSE			
		T039		
5	DIRECT-AR	DXDMAA PLDMAA	4	0
6	DIRECT-MO	DXDMOM PLDMOM	0	0
7	DIRECT	DXDMO	4	0
8	RET GENL-CUSTOMER-AR	DXDMRGCA C370A	1,583	0
9	RET GENL-CUSTOMER-MO	DXDMRGCM C370M	65	65
10	RETAIL GENERAL-CUSTOMER	DXDMRGCC	1,648	65
11	TOTAL METER EXPENSE	DXDMTO	1,652	65
12	TOTAL INST CUST PREMISE	DXDCPTO 001	418	13
	STREET LIGHT EXPENSE			
		T107		
13	ARKANSAS	DXDSL A S01A	694	0
14	MISSOURI	DXDSL M S01M	65	65
15	TOTAL STREET LIGHTS	DXDSLTO	759	65
16	TOTAL DISTRIBUTION EXPENSE	DXDTO	25,550	1,121
				24,429

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MD RETAIL	ALL OTHER
EXPENSES				
DEPRECIATION EXPENSE	T030 T043			
GENERAL EXPENSE	T045			
1 LABOR	DXGL LOMTOA	1,031	37	994
2 PRODUCTION	DXGP D01	241	7	234
3 TRANSMISSION	DXGT PLTTOA	281	6	275
4 DISTRIBUTION	DXGD PLOTOA	321	14	307
5 CUSTOMER SERVICES	DXGCS OMCSTOA	5	0	5
6 STORES	DXGST MSTOA	21	1	20
7 TOTAL GENERAL EXPENSE	DXGTO	1,900	65	1,835
AMORTIZATION EXP-INTANGIBLES	T080			
8 MISC-MSS COMPUTER SOFTWARE	DXAEC PLTOAEXI	1,079	35	1,044
9 MISC-ISES I SYNCHRONIZATION	DXAEISES D01AW	467	0	467
10 MISC-82-314-U, 60 MO.	DXAEMSS PLTOAEXI	118	4	114
11 MISC-MSS COMP S/W CMS	DXACHS D01	321	10	311
12 MISC-MISTEC S/W COST	DXAMIST PLTTOA	135	3	132
13 MISC-STEAM GEN CL PROC	DXASGCP E01	677	25	652
14 MISC-82-314-U, 48 MO.	DXA48M PLTOAEXI	685	22	663
15 TOTAL AMORTIZATION INTANG	DXAATO	3,482	99	3,383
16 TOTAL DEPRECIATION EXPENSE	DXTO	111,757	3,634	108,123
17 ADJUST-DEP EXP PROD-DECOM INT	PF13DXP 001	1,553	48	1,505
18 ADJUST-TOTAL PRODUCTION EXP	DXPTOAJ	1,553	48	1,505
19 ADJUSTMENT-TOTAL DEPR EXPENSE	DXTOADJ	1,553	48	1,505
20 TOTAL DEPRECIATION EXP ADJUSTED	DXTOA	113,310	3,682	109,628
DEPREC EXPENSE SUMMARY T098				
21 TOTAL PRODUCTION ADJUSTED	DXPTOA	68,667	2,129	66,538
22 TOTAL TRANSMISSION ADJUSTED	DXTTOA	13,711	269	13,442
23 TOTAL DISTRIBUTION ADJUSTED	DXDTOA	25,550	1,121	24,429
24 TOTAL GENERAL ADJUSTED	DXGTOA	1,900	65	1,835
25 TOTAL AMORTIZATION EXP-INTANG	DXAATO	3,482	99	3,383
26 TOTAL DEPRECIATION EXP ADJUSTED	DXTOA	113,310	3,682	109,628

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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	T046				
	FEDERAL	T047				
1	FICA	TOFFIC	LOMTOA	7,312	261	7,051
2	UNEMPLOYMENT	TOFUE	LOMTOA	209	7	202
3	TOTAL FEDERAL	TOFTO		7,521	269	7,252
	STATE OF ARKANSAS	T048				
4	UNEMPLOYMENT	T0SAUE	LOMTOA	290	10	280
5	CAPITAL STOCK FRANCHISE	T0SACSF	PLTOA	1,003	32	971
6	REGULATORY COMMISSION	T0SARC	RSRDAA	2,826	0	2,826
7	GROSS RECEIPTS	T0SAGR	PLTOAEXI	25	1	24
8	TOTAL STATE OF ARKANSAS	T0SATO		4,144	44	4,100
	STATE OF MISSOURI	T049				
9	UNEMPLOYMENT	T0SMUE	LOMTOA	2	0	2
10	CAPITAL STOCK FRANCHISE	T0SMCSF	PLTOA	19	1	18
11	REGULATORY COMMISSION	T0SMRC	RSRDMA	74	74	0
12	TOTAL STATE OF MISSOURI	T0SMTO		95	75	20
13	TOTAL STATE	T0SAM		4,239	118	4,121
	LOCAL	T050				
14	REAL & PERSONAL	T0LRP	PLTOA	25,581	826	24,755
15	TOTAL LOCAL	T0LTO		25,581	826	24,755
16	TOTAL OTHER	T0OTO	PLTOA	11	0	11
17	TOTAL TAXES OTHER THAN INCOME	TOTO		37,352	1,213	36,139
18	TOTAL TAXES OTHER THAN INC ADJ	TOTOA		37,352	1,213	36,139

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	INCOME TAX CALCULATIONS			
	T030			
	T051			
1	TOTAL REVENUES ADJUSTED	1,337,830	49,208	1,288,622
2	TOTAL O & M EXPENSE ADJUSTED	928,306	42,991	885,315
3	TOTAL DEPRECIATION EXP ADJUSTED	113,310	3,682	109,628
4	TOTAL TAXES OTHER THAN INC ADJ	37,352	1,213	36,139
5	NET INCOME BEFORE INCOME TAXES	258,862	1,321	257,541

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 1986
 (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			
	ADJUSTMENTS TO NET INCOME	T052			
1	UNBILLED REVENUE	SJUR RSRDOWTOA	3,211	121	3,090
2	NUCLEAR FUEL EXPENSE	SJNFE E01	61,201	2,251	58,950
3	PRRA-DEPREC EXP EX INTANG	SJPRRAA OXTOAEXI	108,276	3,536	104,740
4	PRRA-TRANSPORTATION EQUIP	SJPRRAB PLGECM	56	2	54
5	PROPERTY RET RESERVE APP	SJPRRA	108,332	3,538	104,794
6	TAX DEPREC-PRODUCTION	SJDTXP D01	0	0	0
7	TAX DEPREC-TRANSMISSION	SJDTXT PLTTOA	0	0	0
8	TAX DEPREC-TRANS & DISTR	SJDTXTD PLTDTOA	0	0	0
9	TAX DEPREC-DISTRIBUTION	SJDTXD PLDTOA	0	0	0
10	TAX DEPREC-GENERAL PLANT	SJDTXG PLGECM	0	0	0
11	TAX DEPREC-LABOR RELATED	SJDTXLR LOMTOA	0	0	0
12	TAX DEPREC-TOT PLT EX INTANG	SJDTXTP PLTOAEXI	-202,219	-6,557	-195,662
13	TAX DEPREC-NUCL FUEL ASSEM	SJDTXNF E01	0	0	0
14	DEPREC FOR TAX PURPOSES	SJDTX	-202,219	-6,557	-195,662
15	SALE OF VEHICLE I.T.C.	SJITC PLGECM	1	0	1
16	OTHER TXS CHGD-PROD PLANT	SJOTCPP D01	0	0	0
17	OTHER TXS CHGD-PROD LABOR	SJOTCPLA LPTOA	0	0	0
18	OTHER TXS CHGD-TRANS PLANT	SJOTCTP PLTTOA	0	0	0
19	OTHER TXS CHGD-TRANS LABOR	SJOTCTL LTTOA	0	0	0
20	OTHER TXS CHGD-DISTR PLANT	SJOTCDP PLDTOA	0	0	0
21	OTHER TXS CHGD-DISTR LABOR	SJOTCDL LDTOA	0	0	0
22	OTHER TXS CHGD-GENERAL PLT	SJOTCGP PLGECM	0	0	0
23	OTHER TXS CHGD-A&G LABOR	SJOTCGL LAGTOA	0	0	0
24	OTH TXS CHGD-TOT PLT	SJOTCPT PLTOA	-179	-6	-173
25	OTHER TXS CHGD-PLT ACCT	SJOTCPL	-179	-6	-173
26	RPPT-PRODUCTION	SJRPPTXP D01	0	0	0
27	RPPT-TRANSMISSION	SJRPPTXT PLTTOA	0	0	0
28	RPPT-DISTRIBUTION	SJRPPTXD PLDTOA	0	0	0
29	RPPT-GENERAL	SJRPPTXG PLGECM	0	0	0
30	RPPT-TOTAL PLANT	SJRPPTTP PLTOA	-105	-3	-102
31	REAL & PER PR TX CHG MOS	SJRPPT	-105	-3	-102
32	PENSIONS-PRODUCTION	SJPPDA LPTOA	0	0	0
33	PENSIONS-TRANSMISSION	SJPPDB LTTOA	0	0	0
34	PENSIONS-DISTRIBUTION	SJPPDC LDTOA	0	0	0
35	PENSIONS-GENERAL	SJPPDD LAGTOA	0	0	0
36	PENSIONS-TOTAL LABOR	SJPPDE LOMTOA	-38	-1	-37
37	PENS PLAN OED FOR TX PUR	SJPPD	-38	-1	-37
38	INTEREST ON NUCLEAR FUEL	SJINF E01	-2,937	-108	-2,829

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	INC IN RES-INJUR & DAMAGES			
2	INC IN RES-PROP INSURANCE			
3	INC IN RES-PENS & BENEFITS			
4	INC IN RES-NUCLEAR MAINT			
5	INC IN RES-TOTAL PLANT			
6	INCREASE IN RESERVES			
7	INTEREST ON TAX DEFICIT			
8	INTEREST ON NUCLEAR RES			
9	NUCLEAR RESERVE EXPENSE			
10	RES REVS-ALT 310 SURCHG			
11	RES REVS-AR WHSE			
12	RES REVS-MO WHSE			
13	RES REVS-TOTAL RATE SCH			
14	RESERVED REVENUES			
15	DEFERRED FUEL COSTS			
16	DEFERRED DIRECTORS' FEES			
17	ALL FOR FUNDS DUR CONST			
18	OTHER GAIN ON SALE PROP			
19	ANO SHUTDOWN EXPENSE			
20	LEASE COST CAP ON CHE			
21	REMOVAL EXPENSES			
22	COMPUTER SOFTWARE CAP			
23	INT CHGS-DECOMMISS			
24	INT CHGS-OTHER			
25	INT CHGS-AFOC			
26	TOTAL INT CHARGES			
27	AMORT OF INTANG PLT-ISES			
28	AMOR OF INT PLT-82-314-U			
29	CONSTRUCTION POWER-MP&L			
30	INTERCO SALES-LABOR			
31	INTERCO SALES-GENERAL			
32	INTERCO SALES-DIST METERS			
33	INTERCO SALES-ENERGY			
34	INTERCO SALES-TOTAL PLANT			
35	INTERCO SALES			

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(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			
	ADJUSTMENTS TO NET INCOME	T052			
1	MISC INTANG PLANT	SJMIP PLTOAEXI	-491	-16	-475
2	ACRS RETIREMENT LOSSES	SJARL PLTOA	-514	-23	-491
3	INTEREST ON DECOMMISS	SJIOD 001	1,553	48	1,505
4	AMORT OF COMPUTER S/W	SJACS PLTOAEXI	1,535	50	1,485
5	AMORT BK GAINS-WEST MKHM	SJABGWM SFWMSC	-5	-0	-5
6	AMORT BK GAINS-ANO BLOGS	SJABGANO 001	-82	-3	-79
7	INTEREST-GOE LIABILITY	SJIDOEL E01	-11,328	-417	-10,911
8	TX DEFICIT INT PYMTS	SJTOIP 001	-11	-0	-11
9	INTEREST ON PCB	SJIOPCB 001	21	1	20
10	BOOK DEPR ON NACC MINING EQ	SJBONACC E01	1,274	47	1,227
11	NUCL REFUEL MAINT-ANO 2	SJNRH E01	19,546	719	18,827
12	TMI ACCURAL	SJTMI 001	-349	-11	-338
13	AMORT OF STEAM GEN DEV	SJASGD E01	677	25	652
14	ARK WMSLE ER-81-577	SJAWB1 SDMC	-941	0	-941
15	MO FUEL TRUE-UP	SJMFTU E01M	-273	-273	0
16	PENSION PMNT 1985-86	SJPPB596 LOMTOA	7,605	272	7,333
17	GG1 COST OVER/UNDER RECOV	SJGGOUR 001	2,707	84	2,623
18	INVENTORY DEFERRAL GG1 SETTLE	SJIOGGS 001	3,444	107	3,337
19	GG1 RESERVE EQUAL CR	SJGGREC 001	2,152	67	2,085
20	RESERVE-FARMERS	SJRF SDOW	661	0	661
21	RESERVE FOR CONTINGENCIES	SJRFC 001	55,723	1,727	53,996
22	AMORT OF GAIN ON SALE BLOGS	SJAGSB LOMTOA	-109	-4	-105
23	STEAM GEN PROC DEV	SJSGPO E01	-1,312	-48	-1,264
24	INVENTORY SHARE DEF-GG1 SET	SJISOGG 001	-101,462	-3,145	-98,317
25	CURRENT RECOV SHARE DEF-GG1	SJCKSDGG 001	-89,718	-2,781	-86,937
26	GG1 - DEF ARK WMSL	SJGGOAW SDMC	-1,296	0	-1,296
27	GG1 - DEF MO RETAIL	SJGGOMR 001M	-968	-968	0
28	TOTAL ADJUSTMENTS TO NET INCOME	SJANITO	-279,173	-10,025	-269,148

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(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			
1	ADJUST-INTEREST CHARGES-OTHER	PF05SJIO RBTOA	149,206	4,803	144,403
2	-INTEREST CHARGES-AFDC	PF05SJIA PLTOA	-4,524	-146	-4,378
3	-INTEREST CHARGES-DECOM	PF05SJIO D01	1,553	48	1,505
4	-ANN INT ADJ TO RATE BASE	PF05SJA1	-140,430	-4,520	-135,909
5	-INT ON DECOMMISSIONING	PF07SJIO D01	-1,553	-48	-1,505
6	-UNBILLED REVENUE	PF07SJUR RSRDOWTOA	-3,211	-121	-3,090
7	-INT ON TAX DEFICIT	PF07SJIT NINBIT	-891	-5	-886
8	-NUCL RESERVE EXPENSE	PF07SJNR E03	-8,191	0	-8,191
9	-INT ON NUCL RESERVE	PF07SJIN E03	-558	0	-558
10	-DEF DIRECTORS' FEES	PF07SJD0 LOMTOA	37	1	36
11	-RESERVED REVENUES	PF07SJRR RSRDOWTOA	-1,692	-64	-1,628
12	-ARK WMSL ER81-577	PF07SJB1 SDMC	941	0	941
13	-INT-00E LIABILITY	PF07SJD0 E01	11,328	417	10,911
14	-SALE OF VEHICLE I.T.C.	PF07SJSV PLGECM	-1	-0	-1
15	-MO FUEL TRUE-UP	PF07SJM0 E01M	273	273	0
16	-NUCL REFUEL MNT-ANO2	PF07SJRM E01	-19,546	-719	-18,827
17	-PENSION PMNT 1985-86	PF07SJPP LOMTOA	-7,605	-272	-7,333
18	-GG1 COST OVER/UNDER REC	PF07SJC0 D01	-2,707	-84	-2,623
19	-INVENT DEF GG1 SETTLE	PF07SJD1 D01	-3,444	-107	-3,337
20	-GG1 RES EQUAL CR	PF07SJRE D01	-2,152	-67	-2,085
21	-RESERVE-FARMERS	PF07SJRF SDOW	-661	0	-661
22	-RESERVE FOR CONTING	PF07SJRC D01	-55,723	-1,727	-53,996
23	-AFDC	PF07SJAF PLTOA	1,440	47	1,393
24	-DEFERRED FUEL COSTS	PF07SJFC E02	-2,257	0	-2,257
25	-GAIN ON SALE OF PROP	PF07SJGS LOMTOA	109	4	105
26	-ANO SHUT DOWN EXP	PF07SJAN D01	-2,483	-77	-2,406
27	-TX DEF INT PAYMENTS	PF07SJIP D01	11	0	11
28	-COMPUTER SOFTWARE	PF07SJCS PLTOAEXI	3,917	127	3,790
29	-MISC INTANG PLT	PF07SJMI PLTOAEXI	491	16	475
30	-STEAM GEN PROC OEV	PF07SJS0 E01	1,312	48	1,264
31	-INV SHARE DEF-GG1 SETTLE	PF07SJSD D01	101,462	3,145	98,317
32	-CUR REC SHARE DEF-GG1	PF07SJCR D01	89,718	2,781	86,937
33	-GG1-DEF ARK WMSLE	PF07SJAW SDMC	1,296	0	1,296

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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-TMI ACCURAL	PF07SJTH D01 349	11	338
2	-INTERCO SALES	PF07SJIS PLTOA -372	-12	-360
3	-CONSTRUCT PWR	PF07SJCP E01 34	1	33
4	-ACRS RETIRE LOSSES	PF07SJAC PLDIOA 514	23	491
5	-INCREASE IN RESERVES	PF07SJIR PLTOA -4,287	-138	-4,149
6	-AMORT OF INTAN PLT-ISES	PF07SJA1 D01AW -467	0	-467
7	-LEASE COST WB CHE	PF07SJCH 001 -93	-3	-90
8	-INT ON PCB'S	PF07SJCB 001 -21	-1	-20
9	-OTH TX CHGD-PLT A/C	PF07SJOT PLTOA 179	6	173
10	-R&P TXS CHGD WO'S	PF07SJRP PLTOA 105	3	102
11	-PENS PLAN DED FOR TX	PF07SJPE LOMTOA 38	1	37
12	-REMOVAL EXPENSES	PF07SJRV PLTOA 4,801	155	4,646
13	-AMORT BK GN-WMSC	PF07SJWM SFWMSC 5	0	5
14	-AMORT BK GN-ANO BLDG	PF07SJAB 001 52	3	79
15	-AMORT GN ON SL-BLDG	PF07SJAG LOMTOA 109	4	105
16	-PROP RET RES DECOM INT	PF13SJPR 001 1,553	48	1,505
17	TOTAL PROFORMA ADJ TO NET INC	SJANITOA 107,994	3,855	104,139
18	TAXABLE INCOME	SJTITO 87,683	-4,848	92,531

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 1986
 (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	T053			
1	TAXABLE INCOME	SJTITO	87,683	-4,843	92,531
2	TOTAL STATE TAXABLE INCOME	SJSTTITO	87,683	-4,843	92,531
3	STATE INCOME TAX BEF ADJ(2.76%)	ITST	2,420	-134	2,554
4	ARKANSAS TAX RATE	SJATR PLTOA	-439	-14	-425
5	INTEREST ON CWIP	SJSTICH PLTOA	171	6	165
6	VEHICLE I.T.C.	SJVITCS PLGECM	0	0	0
7	PRIOR YR ADJUSTMENT	SJSPYA PLTOA	233	8	225
8	ADJUST-INT ON CWIP STATE	PF05SJST PLTOA	-171	-6	-165
9	-AA TR RT	PF07SJSA PLTOA	439	14	425
10	-VEHICLE ITC	PF07SJVS PLGECM	0	0	0
11	-PRIOR YR ADJUST	PF07SJPS PLTOA	-233	-8	-225
12	TOTAL STATE INCOME TAX	ITSTTO	2,420	-134	2,554

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 1986
 (THOUSANDS OF DOLLARS)

LINE		TOTAL 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	87,683	92,531
2	STATE INCOME TAX	ITSTFTC	-2,420	-2,554
3	PREFERRED DIVIDENDS PAID	SJFTPOP R8TOA	-134	-130
4	TOT FED TAXABLE INCOME	SJFTTOI	85,129	89,847
5	FED INC TAX BEF ADJ(46X)	SJFTTXO	39,159	41,330
6	ARKANSAS TAX RATE	SJATRF PLTOA	202	195
7	INVESTMENT TAX CREDIT	SJITCF PLTOAEXI	-3,108	-3,007
8	PROV FOR CONTINGENCIES	SJFTPC NINBIT	300	298
9	INTEREST ON CHIP	SJFTICW PLTOA	1,239	1,199
10	VEHICLE I.T.C.	SJVITCF PLGECM	0	0
11	PRIOR YEAR ADJUSTMENT	SJFPYA PLTOA	4,463	4,319
12	PRIOR YR ADJUST-ITC	SJFPYITC PLTOAEXI	-458	-443
13	ADJUST-INT ON CHIP FEDERAL	PF05SJFO PLTOA	-1,239	-1,199
14	-AR TX RT	PF07SJFA PLTOA	-202	-195
15	-PROV FOR CONTING FED	PF07SJPC NINBIT	-300	-298
16	-VEHICLE I.T.C. FED	PF07SJVF PLGECM	0	0
17	-PRIOR YR ADJUST FED	PF07SJPF PLTOA	-4,463	-4,319
18	-PRIOR YR ADJ-ITC	PF07SJPI PLTOAEXI	458	443
19	TOTAL FEDERAL INCOME TAX	ITFTTO	36,051	38,323
20	TOTAL INCOME TAX	ITTO	38,471	40,876

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	INTEREST ON TAX DEFICIT	T092			
1	FEDERAL	IT0TITDF NINBIT	2,037	10	2,027
2	STATE	IT0TITDS NINBIT	281	1	280
3	TOTAL INT ON TAX DEFICIT	IT0TITOT	2,318	12	2,306
	INJURY & DAMAGE RESERVE	T070			
4	FEDERAL	IT0TIDRF LOMTOA	5	0	5
5	STATE	IT0TIDRS LOMTOA	1	0	1
6	TOTAL INJURY & DAMAGES RES	IT0TIDRT	6	0	6
	NUCLEAR REFUELING RES & INT	T076			
7	FEDERAL	IT0TNRIF E03	1,478	0	1,478
8	STATE	IT0TNRIS E03	213	0	213
9	TOTAL NUCL RES & INTEREST	IT0TNRIT	1,691	0	1,691
	COAL HANDLING EQUIP SALE	T071			
10	FEDERAL	IT0TCESF 001	68	2	66
11	STATE	IT0TCES5 001	10	0	10
12	TOTAL COAL HANDL EQ SALE	IT0TCEST	78	2	76
	TAX GAIN-ANO BLDG SALE	T081			
13	FEDERAL	IT0TANOF 001	42	1	41
14	STATE	IT0TANOS 001	5	0	5
15	TOTAL TAX GAIN-ANO BLDG	IT0TANOT	47	1	46
	REMOVAL COST	T075			
16	FEDERAL	IT0TRCF PLTOA	55	2	53
17	STATE	IT0TRCS PLTOA	8	0	8
18	TOTAL REMOVAL COST	IT0TRCT	63	2	61
	UNBILLED REVENUE	T057			
19	FEDERAL	IT0TURF RSRDOWTOA	4,980	188	4,792
20	STATE	IT0TURS RSRDOWTOA	666	26	660
21	TOTAL UNBILLED REVENUE	IT0TURT	5,666	214	5,452
	BUILDING SALE/LEASEBACK	T058			
22	FEDERAL	IT0TB5F LOMTOA	56	2	54
23	STATE	IT0TB55 LOMTOA	13	0	13
24	TOTAL BLDG SALE/LEASEBACK	IT0TB5T	69	2	67

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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-DR			
	TAX GAIN ON SALE-M. MARKHAM			
1	FEDERAL	4	0	4
2	STATE	1	0	1
3	TOTAL TAX GN ON SALE-M MAR	5	0	5
	RETAIL REV ADJMNT			
4	FEDERAL	1,109	42	1,067
5	STATE	152	6	146
6	TOTAL RETAIL REV ADJMNT	1,261	48	1,213
	LIBERALIZED DEPRECIATION			
7	FEDERAL-PRODUCTION	0	0	0
8	-TRANS & DISTR	0	0	0
9	-NUCLEAR FUEL ASSEM	0	0	0
10	-LABOR RELATED	0	0	0
11	-GENERAL PLANT	0	0	0
12	-TOTAL PLT EX INTANG	25,870	839	25,031
13	-TRANSMISSION	0	0	0
14	-DISTRIBUTION	0	0	0
15	FEDERAL	25,870	839	25,031
16	STATE-PRODUCTION	0	0	0
17	-TRANS & DISTR	0	0	0
18	-NUCLEAR FUEL ASSEM	0	0	0
19	-LABOR RELATED	0	0	0
20	-GENERAL PLANT	0	0	0
21	-TOTAL PLT EX INTANG	4,060	132	3,928
22	-TRANSMISSION	0	0	0
23	-DISTRIBUTION	0	0	0
24	STATE	4,060	132	3,928
25	TOTAL LIBERALIZED DEPREC	29,930	970	28,960
	NUCLEAR FUEL NORMALIZATION			
26	FEDERAL	-1,779	-65	-1,714
27	STATE	-92	-3	-89
28	TOTAL NUCLEAR FUEL NORM	-1,871	-69	-1,802

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	T056		
	TAXES & PENSIONS CAPITALIZED	T068		
1	FEDERAL-PRODUCTION	ITOTTPFA D01 0	0	0
2	-TRANSMISSION	ITOTTPFB PLTTOA 0	0	0
3	-DISTRIBUTION	ITOTTPFC PLOTOA 0	0	0
4	-GENERAL	ITOTTPFD PLGECM 0	0	0
5	-TOTAL PLANT	ITOTTPFE PLTOA 69	2	67
6	FEDERAL	ITOTTPCF 69	2	67
7	STATE-PRODUCTION	ITOTTPSA 001 0	0	0
8	-TRANSMISSION	ITOTTPSB PLTTOA 0	0	0
9	-DISTRIBUTION	ITOTTPSC PLOTOA 0	0	0
10	-GENERAL	ITOTTPSD PLGECM 0	0	0
11	-TOTAL PLANT	ITOTTPSE PLTOA 10	0	10
12	STATE	ITOTTPCS 10	0	10
13	TOTAL TAXES & PENSIONS CAP	ITOTTPCT 79	3	76
	INTANG PLT 82-314U	T089		
14	FEDERAL	ITDTIPF PLTOAEXI 212	7	205
15	STATE	ITDTIPS PLTOAEXI 29	1	28
16	TOTAL INTANG PLT 82-314U	ITDTIPT 241	8	233
	DEFERRED FUEL	T059		
17	FEDERAL	ITDTDFE E02 -23,618	0	-23,618
18	STATE	ITDTDFS E02 -3,253	0	-3,253
19	TOTAL DEFERRED FUEL	ITDTDFT -26,871	0	-26,871
	COMPUTER SOFTWARE CAP	T091		
20	FEDERAL	ITDTCSCF PLTOAEXI 1,792	58	1,734
21	STATE	ITDTCSS PLTOAEXI 247	8	239
22	TOTAL COMP SOFTWARE CAP	ITDTCST 2,039	66	1,973

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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		
	DIRECTORS FEES	T113		
1	FEDERAL	ITDIDRF LOMTOA	7	0
2	STATE	ITDIDRS LOMTOA	1	0
3	TOTAL DIRECTORS FEES	ITDIDR	8	0
	STEAM GEN PROCESS	T114		
4	FEDERAL	ITDTSGPF E01	1,222	45
5	STATE	ITDTSGPS E01	168	6
6	TOTAL STEAM GEN PROCESS	ITDTSGP	1,390	51
	REF ORD #34,82-314-U AP&L	T115		
7	FEDERAL	ITDTROF LPAR	0	0
8	STATE	ITDTROS LPAR	0	0
9	TOTAL REF ORD #34, 82-314U	ITDTRO	0	0
	REV ADJ MO FUEL	T116		
10	FEDERAL	ITDTMFF E01M	0	0
11	STATE	ITDTMFS E01M	0	0
12	TOTAL REV ADJ MOR FUEL	ITDTMF	0	0
	GG1 OVER/UNDER RECOV	T117		
13	FEDERAL	ITDTOURF D01	2,217	69
14	STATE	ITDTOURS D01	306	9
15	TOTAL GG1 OVER/UNDER RECOV	ITDTOUR	2,523	78
	GG1 MO RETAIL	T118		
16	FEDERAL	ITDTGMRF D01M	427	427
17	STATE	ITDTGMRS D01M	58	58
18	TOTAL GG1 MO RETAIL	ITDTGMR	485	485
	GG1 NLR OVER/UNDER RECOV	T119		
19	FEDERAL	ITDTNLOF SDOW	75	0
20	STATE	ITDTNLOS SDOW	11	0
21	TOTAL NLR OVER/UNDER RECOV	ITDTNLO	86	0
	GG1 BENTON OVER/UNDER RECOV	T120		
22	FEDERAL	ITDTBOF SOMC	15	0
23	STATE	ITDTBOS SOMC	2	0
24	TOTAL BENTON OVER/UNDER RECOVER	ITDTBO	17	0

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	T056		
	GG1 PARAGOULD OVER/UNDER RECOV	T121		
1	FEDERAL	ITOTPAOF SDOW	2	0
2	STATE	ITOTPAOS SDOW	0	0
3	TOTAL PARAGOULD O/U RECOVERY	ITOTPAO	2	0
	GG1 PRESCOTT OVER/UNDER RECOV	T122		
4	FEDERAL	ITOTPROF SDC	1	0
5	STATE	ITOTPROS SDC	0	0
6	TOTAL PRESCOTT O/U RECOVERY	ITOTPRO	1	0
	GG1 NO ARK OVER/UNDER RECOV	T123		
7	FEDERAL	ITOTNAOF SDC	4	0
8	STATE	ITOTNAOS SDC	1	0
9	TOTAL NO ARK O/U RECOVERY	ITOTNAO	5	0
	GG1 PHASE-IN CURRENT	T124		
10	FEDERAL	ITOTPICF D01	38,810	1,203
11	STATE	ITOTPICS D01	5,348	166
12	TOTAL GG1 PHASE-IN	ITOTPIC	44,158	1,369
	GG1 INVENTORY DEFERRAL	T125		
13	FEDERAL	ITDTGIDF D01	41,470	1,286
14	STATE	ITDTGIDS D01	5,714	177
15	TOTAL GG1 INVENTORY DEF	ITDTGID	47,184	1,463
	GG1 EXCESS CAPACITY	T126		
16	FEDERAL	ITOTECF D01	12,719	394
17	STATE	ITOTEC S D01	1,753	54
18	TOTAL GG1 EXCESS CAPACITY	ITOTEC	14,472	449
	GG1 PARAGOULD PHASE-IN	T127		
19	FEDERAL	ITDTPAPF SDOW	215	0
20	STATE	ITDTPAPS SDOW	29	0
21	TOTAL GG1 PARAGOULD PHASE-IN	ITDTPAP	244	0
	GG1 PARAGOULD INV DEF	T128		
22	FEDERAL	ITOTPAIF SDOW	232	0
23	STATE	ITOTPAIS SDOW	32	0
24	TOTAL GG1 PARAGOULD INV DEF	ITOTPAI	264	0

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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-DR	T056			
	GG1 PRESCOTT PHASE-IN	T129			
1	FEDERAL	ITOTPRPF SMC	71	0	71
2	STATE	ITOTPRPS SMC	10	0	10
3	TOTAL GG1 PRESCOTT PHASE-IN	ITOTPRP	81	0	81
	GG1 PESCOTT INV DEF	T130			
4	FEDERAL	ITOTPRIF SMC	76	0	76
5	STATE	ITOTPRIS SMC	11	0	11
6	TOTAL GG1 PRESCOTT INV DEF	ITOTPRI	87	0	87
	PROV FOR DEFERRED INC TAX	T083			
7	FEDERAL	ITDTFTO	109,943	4,512	105,431
8	STATE	ITDTSTO	15,815	643	15,172
9	TOTAL PROV FOR DEF INC TAX	ITDTTTO	125,758	5,155	120,603

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	T056			
	ADJUSTMENTS - FEDERAL:	T139			
1	INT ON TAX DEFICIT	PF07FEIT NINBIT	-2,037	-10	-2,027
2	INJ & DAMAGES	PF07FAID LOMTOA	-5	-0	-5
3	GG1 OVER/UND RECOV	PF07FE0U 001	-2,217	-69	-2,148
4	GG1 NLR O/U RECOV	PF07FENL S00W	-75	0	-75
5	GG1 BENTON O/U REC	PF07FEB SDMC	-15	0	-15
6	GG1 PARAGOULD O/U REC	PF07FEPO SDOW	-2	0	-2
7	GG1 PRESCOTT O/U RECOV	PF07FEPR SDMC	-1	0	-1
8	GG1 NO ARK O/U RECOV	PF07FENA SDMC	-4	0	-4
9	NUCLEAR RESERVE	PF07FENR E03	-1,478	0	-1,478
10	COAL HNDL EQ SALE	PF07FECH D01	-68	-2	-66
11	TX GAIN-AND BLDG SALE	PF07FEAN D01	-42	-1	-41
12	REMOVAL COST	PF07FARC PLTOA	-55	-2	-53
13	UNBILLED REV	PF07FEUR RSRDHTOA	-4,980	-188	-4,792
14	BLDG SALE	PF07FEBS LOMTOA	-56	-2	-54
15	WEST MARKHAM SC	PF07FEWM SFWMSC	-4	-0	-4
16	DIRECTORS FEES	PF07FE0I LOMTOA	-7	-0	-7
17	RETAIL REV ADJMT	PF07FERR RSRDHTOA	-1,109	-42	-1,067
18	REF ORD #34, 82-314U	PF07FERO LPAR	0	0	0
19	REV ADJ MO FUEL	PF07FENF E01H	0	0	0
20	AR TX RT LIBER DEPREC	PF07FALD PLTOAEXI	-10	-0	-10
21	MO ST TX CHG LIBER DEPREC	PF07FMLD PLTOAEXI	1,014	33	981
22	AR TX RT NORM NUCL FUEL	PF07FANN E01	1	0	1
23	MO ST TX EFF NORM NF	PF07FMNN E01	-23	-1	-22
24	TX & PENS CAPITAL	PF07FETP PLTOA	-69	-2	-67
25	INT PLT 82-314U	PF07FEIP PLTOAEXI	-212	-7	-205
26	GG1 PHASE-IN CURR	PF07FEPI D01	-39,810	-1,203	-37,607
27	GG1 INVENT DEF	PF07FEID D01	-41,470	-1,296	-40,184
28	GG1 EXCESS CAPACITY	PF07FEED D01	-12,719	-394	-12,325
29	GG1 PARAGOULD PH-IN	PF07FEPP SDOW	-215	0	-215
30	GG1 PARAGOULD INV DEF	PF07FEPA SDOW	-232	0	-232
31	GG1 PRESCOTT PH-IN	PF07FEPS SDMC	-71	0	-71
32	GG1 PRESCOTT INV DEF	PF07FEPD SDMC	-76	0	-76
33	MO ST TX EFF GG1 DEF	PF07FMGD D01	14	0	14
34	DEFERRED FUEL	PF07FEDF E02	23,618	0	23,618
35	COMPUTER S/W CAPIT	PF07FECS PLTOAEXI	-1,792	-58	-1,734
36	STEAM GEN PROCESS	PF07FESG E01	-1,222	-45	-1,177
37	ADJUST-DEF INC TAXES FEDERAL	PF07DTFN	-84,429	-3,280	-81,149

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	T056		
ADJUSTMENTS - STATE:	T140		
1 INT IN TX DEFICIT	PF07SEIT NINBIT -281	-1	-280
2 INJ & DAMAGES	PF07SEID LOMTOA -1	-0	-1
3 GG1 O/U RECOV	PF07SEOU D01 -306	-9	-297
4 GG1 MLR O/U RECOV	PF07SENL SDOH -11	0	-11
5 GG1 BENTON O/U RECOV	PF07SEB SDMC -2	0	-2
6 GG1 PARAGOULD O/U RECOV	PF07SEPO SDOH 0	0	0
7 GG1 PRESCOTT O/U REC	PF07SEPR SDMC 0	0	0
8 GG1 NO ARK O/U RECOV	PF07SENA SDMC -1	0	-1
9 NUCLEAR RESERVE	PF07SENR E03 -213	0	-213
10 COAL MNOL EJ SALE	PF07SECH D01 -10	-0	-10
11 TX GN-AND BLOG SALE	PF07SEAN D01 -5	-0	-5
12 REMOVAL COST	PF07SARC PLTOA -8	-0	-8
13 UNBILLED REV	PF07SEUR RSRDOWTOA -686	-26	-660
14 BLOG SALE	PF07SE8S LOMTOA -13	-0	-13
15 WEST MARKHAM SC	PF07SEWM SFWMSC -1	-0	-1
16 DIRECTORS FEES	PF07SEOI LOMTOA -1	-0	-1
17 RETAIL REV ADJMT	PF07SERR RSRDOWTOA -152	-6	-146
18 REF ORD #34,82-314U	PF07SERO LPAR 0	0	0
19 REV ADJ MO FUEL	PF07SEMF E01H 0	0	0
20 AR TX RT LIBER DEPREC	PF07SALO PLTOAEXI 23	1	22
21 MO ST TX CHG LIBER DEPREC	PF07SMLD PLTOAEXI -2,204	-71	-2,133
22 MO ST TX CHG GG1 DEF	PF07SMGD D01 -32	-1	-31
23 AR TX RT NORM NUCL FUEL	PF07SANN E01 -1	-0	-1
24 MO ST TX CHG NORM NF	PF07SMNN E01 50	2	48
25 TX & PENS CAPTIAL	PF07SETP PLTOA -10	-0	-10
26 INT PLT-82-314U	PF07SEIP PLTOAEXI -29	-1	-28
27 GG1 PHASE-IN CURR	PF07SEPI D01 -5,348	-166	-5,182
28 GG1 INVENT DEF	PF07SEIN D01 -5,714	-177	-5,537
29 GG1 EXCESS CAPACITY	PF07SEEC D01 -1,753	-54	-1,699
30 GG1 PARAGOULD PH-IN	PF07SEPP SDOH -29	0	-29
31 GG1 PARAGOULD INV	PF07SEPA SDOH -32	0	-32
32 GG1 PRESCOTT PH-IN	PF07SEPS SDMC -10	0	-10
33 GG1 PRESCOTT INV	PF07SEPD SDMC -11	0	-11
34 DEFERRED FUEL	PF07SEDF E02 3,253	0	3,253
35 COMPUTER S/W CAPIT	PF07SECS PLTOAEXI -247	-8	-239
36 STEAM GEN PROCESS	PF07SESG E01 -168	-6	-162
37 ADJUST-DEF INC TAXES STATE	PF07OTSN -13,953	-526	-13,427

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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		
1	ADJUSTMENT-DEF INC TAX-FED	ITDTFAD		
2	ADJUSTMENT-DEF INC TAX-STATE	ITDTSAD		
3	ADJUSTMENT-TOT DEF TAX	ITOTAD		
		-84,429	-3,280	-81,149
		-13,953	-526	-13,427
		-98,382	-3,806	-94,576
	PROVISION FOR DEF INCOME TAX-DR	T056		
4	FEDERAL	ITDTFTOA		
5	STATE	ITDTSTOA		
6	TOTAL PROVISION DEF INC TAX ADJ	ITDTTOA		
		25,514	1,233	24,281
		1,862	116	1,746
		27,376	1,349	26,027

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MD RETAIL	ALL OTHER	
	EXPENSES				
	DEFERRED ITEMS	T030 T025			
	PROVISION FOR DEF INCOME TAX-CR	T061			
	INTEREST ON TAX DEFICIT	T092			
1	FEDERAL	ITOTCITF NIN8IT	-2,419	-12	-2,406
2	STATE	ITOTCIYS NIN8IT	-333	-2	-331
3	TOTAL INTEREST ON TAX DEF	ITOTCITT	-2,751	-14	-2,737
	NUCLEAR REFUELING RES & INT	T076			
4	FEDERAL	ITOTCNRF E03	-5,262	0	-5,262
5	STATE	ITOTCNRS E03	-736	0	-736
6	TOTAL NUCL REFUELING RESERVE	ITOTCNRT	-5,998	0	-5,998
	DECOMMISSIONING EXPENSE	T077			
7	FEDERAL	ITOTCDEF D01	-1,542	-48	-1,494
8	STATE	ITOTCDES D01	-212	-7	-205
9	TOTAL DECOMMISSIONING EXP	ITOTCDET	-1,754	-54	-1,700
	UNBILLED REVENUE	T057			
10	FEDERAL	ITOTCURF RSRDWOA	-4,462	-168	-4,294
11	STATE	ITOTCURS RSRDWOA	-615	-23	-592
12	TOTAL UNBILLED REVENUE	ITOTCURT	-5,077	-192	-4,885
	RETAIL REV ADJMNT	T087			
13	FEDERAL	ITOTCRRF RSRDWOA	-1,565	-59	-1,506
14	STATE	ITOTCRRS RSRDWOA	-216	-8	-208
15	TOTAL RETAIL REV ADJMNT	ITOTCRRT	-1,781	-67	-1,714
	DOCKET 82-314U REFUND #34	T103			
16	FEDERAL	ITOTCF34 LPAR	132	0	132
17	STATE	ITOTCS34 LPAR	18	0	18
18	TOT DOCK 82-314U REF #34	ITOTC34T	150	0	150
	MO FUEL TRUE-UP	T134			
19	FEDERAL	ITOTCFMF E01M	112	112	0
20	STATE	ITOTCSMF E01M	16	16	0
21	TOTAL MO FUEL TRUE-UP	ITOTCTMF	128	128	0
	MAINT COST-OUTAGE	T100			
22	FEDERAL	ITOTCFMC E01	-8,455	-311	-8,144
23	STATE	ITOTCSMC E01	-1,165	-43	-1,122
24	TOTAL MAINT COST-OUTAGE	ITOTCMCT	-9,620	-354	-9,266

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	DEFENSE PROPERTY	T084			
1	FEDERAL	ITDTEFF SFDTAATO	-452	-13	-439
2	STATE	ITDTEFS SFDTAATO	0	0	0
3	TOTAL DEFENSE PROPERTY	ITDTEFT	-452	-13	-439
	TAXES & PENSIONS CAPITALIZED	T065			
4	FEDERAL-PRODUCTION	ITDITXFP D01	0	0	0
5	-TRANSMISSION	ITDITXFT PLTTOA	0	0	0
6	-DISTRIBUTION	ITDITXFD PLOTOA	0	0	0
7	-GENERAL	ITDITXFG PLGECH	0	0	0
8	-TOTAL PLANT	ITDCTPF PLTOA	-650	-21	-629
9	FEDERAL	ITDCTPF	-650	-21	-629
10	STATE-PRODUCTION	ITDITXSP D01	0	0	0
11	-TRANSMISSION	ITDITXST PLTTOA	0	0	0
12	-DISTRIBUTION	ITDITXSD PLOTOA	0	0	0
13	-GENERAL	ITDITXSG PLGECH	0	0	0
14	-TOTAL PLANT	ITDCTPS PLTOA	-89	-3	-86
15	STATE	ITDCTPS	-89	-3	-86
16	TOTAL TAXES & PENS CAP	ITDCTPT	-739	-24	-715
	INTEREST CAP ON NUCLEAR FUEL	T060			
17	FEDERAL	ITDTCICF E01	-535	-20	-515
18	STATE	ITDTCICS E01	-63	-2	-61
19	TOTAL INT CAP ON NUCL FUEL	ITDTCICT	-598	-22	-576
	AECC COST OF MONEY	T082			
20	FEDERAL	ITDCAEF D01	-131	-4	-127
21	STATE	ITDCAES D01	-18	-1	-17
22	TOTAL AECC COST OF MONEY	ITDCAET	-149	-5	-144

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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-CR	T061			
	NUCLEAR FUEL NORMALIZATION	T073			
1	FEDERAL	ITDTCNFF E01	-2,334	-88	-2,296
2	STATE	ITDTCNFS E01	-293	-11	-282
3	TOTAL NORM OF NUCL FUEL	ITDTCNFT	-2,677	-98	-2,579
	POLLUTION CONTROL BONDS	T104			
4	FEDERAL	ITDTCFPC D01	-10	-0	-10
5	STATE	ITDTCSPC D01	-1	-0	-1
6	TOT POLLUTION CONTROL BONDS	ITDTCPC T	-11	-0	-11
	INTANG PLT 82-314U	T089			
7	FEDERAL	ITDTCIPF PLTOAEXI	-354	-11	-343
8	STATE	ITDTCIPS PLTOAEXI	-49	-2	-47
9	TOTAL INTANG PLT 82-314U	ITDTCIPT	-403	-13	-390
	INTEREST ON DEFERRED PAYABLE	T078			
10	FEDERAL	ITDTCIDF 001	-103	-3	-100
11	STATE	ITDTCIOS 001	-14	-0	-14
12	TOTAL INT ON DEFERRED PAYABLES	ITDTCIDT	-117	-4	-113
	CONSTRUCTION POWER	T072			
13	FEDERAL	ITDTCCPF E01	-6	-0	-6
14	STATE	ITDTCAPS E01	-1	-0	-1
15	TOTAL CONSTRUCTION POWER	ITDTCPT	-7	-0	-7
	ISES BOOK DEP CAP	T090			
16	FEDERAL	ITDTCIBF D01AW	-85	0	-85
17	STATE	ITDTCIBS D01AW	-12	0	-12
18	TOTAL ISES BOOK DEPR CAP	ITDTCIBT	-97	0	-97
	DEFERRED FUEL	T059			
19	FEDERAL	ITDTCOFF E02	22,642	0	22,642
20	STATE	ITDTCDFS E02	3,119	0	3,119
21	TOTAL DEFERRED FUEL	ITDTCOFT	25,761	0	25,761

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	GAIN ON SALE OF GAS PROPERTY	T079			
1	FEDERAL	ITDTCGGF PLTOAEXI	-29	-1	-28
2	STATE	ITDTCGGS PLTOAEXI	-1	-0	-1
3	TOTAL GAIN ON GAS PROP	ITDTCGGT	-30	-1	-29
	LIBERALIZED DEPRECIATION	T088			
4	FEDERAL-PRODUCTION	ITDCLDFA D01	0	0	0
5	-NUCLEAR FUEL	ITDCLDFB E01	0	0	0
6	-LABOR RELATED	ITDCLDFC LOMTOA	0	0	0
7	-GENERAL PLANT	ITDCLDFD PLGECM	0	0	0
8	-TOT PLT EX INTANG	ITDCLDFE PLTOAEXI	-3,335	-108	-3,227
9	-DISTRIBUTION	ITDCLDFF PLOTOA	0	0	0
10	FEDERAL	ITDTCLOF	-3,335	-108	-3,227
11	STATE-NUCLEAR FUEL	ITDCLDFA E01	0	0	0
12	-LABOR RELATED	ITDCLDSB LOMTOA	0	0	0
13	-GENERAL PLANT	ITDCLDSC PLGECM	0	0	0
14	-TOT PLT EX INTANG	ITDCLDSD PLTOAEXI	-1,289	-42	-1,247
15	-DISTRIBUTION	ITDCLDSE PLOTOA	0	0	0
16	STATE	ITDTCLOS	-1,289	-42	-1,247
17	TOTAL LIBERALIZED DEPREC	ITDTCLOT	-4,624	-150	-4,474

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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-CR	T061			
	COMPUTER SOFTWARE CAP	T101			
1	FEDERAL	ITDTCFCS PLTOAEXI	-682	-22	-660
2	STATE	ITDTCSCS PLTOAEXI	-94	-3	-91
3	TOTAL COMPUTER S/W CAP	ITDTCST	-776	-25	-751
	GG1 OVER/UNDER RECOV	T117			
4	FEDERAL	ITDTCOUF D01	-3,388	-105	-3,283
5	STATE	ITDTCOUS D01	-467	-14	-453
6	TOTAL GG1 O/U RECOVERY	ITDTCOU	-3,855	-120	-3,735
	GG1 NLR OVER/UNDER RECOV	T119			
7	FEDERAL	ITDTCNLF SDOW	-75	0	-75
8	STATE	ITDTCNLS SDOW	-11	0	-11
9	TOTAL GG1 NLR O/U REC	ITDTCNL	-86	0	-86
	GG1 BENTON OVER/UNDER RECOV	T120			
10	FEDERAL	ITDTCBF SDMC	-15	0	-15
11	STATE	ITDTCBS SDMC	-2	0	-2
12	TOTAL GG1 BENTON O/U RECOVERY	ITDTCB	-17	0	-17

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	GG1 PARAGOULD OVER/UNDER RECOV	T121			
1	FEDERAL	ITDTCPAF SDOW	-22	0	-22
2	STATE	ITDTCPAS SDOW	-3	0	-3
3	TOTAL GG1 PARAGOULD O/U REC	ITDTCPA	-25	0	-25
	GG1 PRESCOTT OVER/UNDER RECOV	T122			
4	FEDERAL	ITDTCPRF SDMC	-7	0	-7
5	STATE	ITDTCPRS SDMC	-1	0	-1
6	TOTAL GG1 PRESCOTT O/U RECOVERY	ITDTCPR	-8	0	-8
	GG1 NO ARK OVER/UNDER RECOV	T123			
7	FEDERAL	ITDTCNAF SDMC	-11	0	-11
8	STATE	ITDTCNAS SDMC	-1	0	-1
9	TOTAL GG1 NO ARK O/U RECOVERY	ITDTCNA	-12	0	-12
	FEC JONESBORO	T131			
10	FEDERAL	ITDTCFEF SDWH	-112	0	-112
11	STATE	ITDTCFES SDWH	-15	0	-15
12	TOTAL FEC JONESBORO	ITDTCFE	-127	0	-127
	RES CONT FASB 5	T132			
13	FEDERAL	ITDTCRCF D01	-24,105	-747	-23,358
14	STATE	ITDTCRCS D01	-3,322	-103	-3,219
15	TOTAL RES CON FASB5	ITDTCRC	-27,427	-850	-26,577
	GG1 FARM/JONESBORO	T133			
16	FEDERAL	ITDTCFJF SDJF	-174	0	-174
17	STATE	ITDTCFJS SDJF	-24	0	-24
18	TOTAL GG1 FARM/JONESBORO	ITDTCFJ	-198	0	-198
	STEAM GEN PROCESS	T114			
19	FEDERAL	ITDTCSGF E01	-238	-9	-229
20	STATE	ITDTCSGS E01	-33	-1	-32
21	TOTAL STEAM GEN PROCESS	ITDTCSG	-271	-10	-261
	PROVISION FOR DEF INCOME TAX-CR	T061			
22	FEDERAL	ITDTCFTO	-37,721	-1,639	-36,082
23	STATE	ITDTCSTO	-5,927	-249	-5,678
24	TOTAL INCOME TAX DEFERRED-CREDIT	ITDTCSTO	-43,648	-1,888	-41,760

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE	TOTAL COMPANY	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	PF07FEI2 NINBIT	2,418	12	2,406
2 GG1 OVER/UNDER RECOV	PF07CF0U D01	3,388	105	3,283
3 GG1 NLR O/U RECOV	PF07CFNL SD0W	75	0	75
4 GG1 BENTON O/U RECOV	PF07CFB S0MC	15	0	15
5 GG1 PARAGGULD O/U RECOV	PF07CFPA SD0W	22	0	22
6 GG1 PRESCOTT O/U RECOV	PF07CFPR SDMC	7	0	7
7 GG1 NO ARK O/U RECOV	PF07CFNA S0MC	11	0	11
8 NUCLEAR RESERVE	PF07FEN2 E03	5,262	0	5,262
9 DECDMNISS EXP	PF07FEDE D01	1,542	48	1,494
10 UNBILLED REVENUE	PF07FEU2 RSRDWT0A	4,462	168	4,294
11 RETAIL REV ADJMT	PF07FER2 RSRDWT0A	1,565	59	1,506
12 82-314U REF #34	PF07FE34 LPAR	-132	0	-132
13 MO FUEL TRUE-UP	PF07FEM2 E01M	-112	-112	0
14 FEC JONESBORO	PF07FEFJ S0WH	112	0	112
15 MAINT COST OUTAGE	PF07FEMC E01	8,455	311	8,144
16 DEFENSE PROPERTY	PF07CFDP SF0TAAT0	452	13	439
17 RES CONTING FASB 5	PF07CFRC D01	24,105	747	23,358
18 PR YR ADJ LIBER DEPREC	PF07CFLO PLTOAEXI	423	14	409
19 MO ST TX CHG LIBER DEPREC	PF07CMLD PLTOAEXI	-305	-10	-295
20 MO ST TX CHG INT NF	PF07CMNF E01	-16	-1	-15
21 AECC COST OF MONEY	PF07CFAE D01	131	4	127
22 AR TX RT NUCL FUEL NORM	PF07FCAN E01	1	0	1
23 MO ST TX CHG NF NORM	PF07CMNN E01	-73	-3	-70
24 POLL CONTR BONDS	PF07FEP2 D01	10	0	10
25 TX & PENS CAPITAL	PF07CFTP PLTOA	650	21	629
26 INTANG PLT 82-314-U	PF07CFIP PLTOAEXI	354	11	343
27 INT ON ORF PAYABLES	PF07CFID D01	103	3	100
28 CONSTR POWER	PF07CFCP E01	6	0	6
29 ISES BOOK DEPR	PF07CFIS D01AW	85	0	85
30 GG1 FARM/JONESBORO	PF07FEJF SDJF	174	0	174
31 DEFERRED FUEL	PF07FED2 E02	-22,642	0	-22,642
32 COMPUTER S/W	PF07CFCS PLTOAEXI	682	22	660
33 STEAM GEN PROCESS	PF07CFSG E01	238	9	229
34 GAIN ON GAS PROPERTY	PF07FEGP PLTOAEXI	29	1	28
35 ADJUST-DEF INC TAXES CR FEDERAL	PF07OCFN	31,497	1,424	30,073

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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		
	ADJUSTMENTS - STATE:	T140		
1	INT ON TX DEFICIT	PF07SE12 MINBIT 333	2	331
2	GG1 OVER/UNDER RECOV	PF07CSOU D01 467	14	453
3	GG1 NLR O/U RECOV	PF07CSNL SDOW 11	0	11
4	GG1 BENTON O/U RECOV	PF07CSB SDMC 2	0	2
5	GG1 PARAGOULD O/U RECOV	PF07CSPA SDOW 3	0	3
6	GG1 PRESCOTT O/U RECOV	PF07CSPR SDMC 1	0	1
7	GG1 NO ARK O/U RECOV	PF07CSNA SDMC 1	0	1
8	NUCLEAR RESERVE	PF07SEN2 E03 736	0	736
9	DECOMMISS EXP	PF07SEDE D01 212	7	205
10	UNBILLED REVENUE	PF07SEU2 RSROWTOA 615	23	592
11	RETAIL REV ADJMT	PF07SER2 RSRDOWTOA 216	8	208
12	82-314U REF #34	PF07SE34 LPAR -18	0	-18
13	MO FUEL TRUE-UP	PF07SEM2 E01M -16	-16	0
14	FEC JONESBORO	PF07SEFJ SDWH 15	0	15
15	MAINT COST OUTAGE	PF07SEMC E01 1,165	43	1,122
16	RES CONTING FASB S	PF07CSRC D01 3,322	103	3,219
17	PR YR ADJ LIBER OEPREC	PF07CSLD PLTOAEXI 61	2	59
18	MO ST TX CHG LIBER DEPREC	PF07MSLD PLTOAEXI 663	21	642
19	AR TX RT INT CAP NUCL FUEL	PF07SAIC E01 -1	-0	-1
20	MO ST TX CHG INT NF	PF07MSNF E01 34	1	33
21	AECC COST OF MONEY	PF07CSAE D01 18	1	17
22	AR TX RT NUCL FUEL NORM	PF07SCAN E01 -2	-0	-2
23	MO ST TX CHG NF NORM	PF07MSNN E01 160	6	154
24	POLL CONTR BONDS	PF07SEP2 D01 1	0	1
25	TX & PENS CAPITAL	PF07CSTP PLTOA 89	3	86
26	INTANG PLT 82-314-U	PF07CSIP PLTOAEXI 49	2	47
27	INT ON ORF PAYABLES	PF07CSID D01 14	0	14
28	CONSTR PHR	PF07CSCP E01 1	0	1
29	ISES BOOK DEPR	PF07CSIS D01AW 12	0	12
30	GG1 FARM/JONESBORO	PF07SEJF SDJF 24	0	24
31	DEFERRED FUEL	PF07SED2 E02 -3,119	0	-3,119
32	COMPUTER S/W	PF07CSCS PLTOAEXI 94	3	91
33	STEAM GEN PROCESS	PF07CSSG E01 33	1	32
34	GAIN ON GAS PROP	PF07SEGP PLTOAEXI 1	0	1
35	ADJUST-DEF INC TAXES CR STATE	PF07DCSN 5,197	224	4,973

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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-CR	T061			
1	ADJUSTMENT-DEF TAX CR-FED	ITDTCFA	31,497	1,424	30,073
2	ADJUSTMENT-DEF TAX CR STATE	ITDTCSA	5,197	224	4,973
3	ADJUSTMENT-TOT DEF TAX CREDIT	ITDTC A	36,694	1,649	35,045
	PROVISION FOR DEF INCOME TAX-CR	T061			
4	FEDERAL	ITDTCFTA	-6,224	-215	-6,009
5	STATE	ITDTCSTA	-730	-24	-706
6	TOTAL INCOME TAX DEF-CREDIT ADJ	ITDTC TOA	-6,954	-239	-6,715
	INVESTMENT TAX CREDIT - FEDERAL	T026			
7	INVEST TAX CREDIT PROVISION	ITITCPRV PLTOAEXI	3,109	101	3,007
8	ALLOCATION TO CURRENT YEAR INC	ITITCACY PLTOAEXI	-1,388	-45	-1,343
9	TOTAL INVESTMENT TAX CREDIT	ITITCTO	1,720	56	1,664
10	TOTAL INVEST TAX CREDIT ADJ	ITITCTOA	1,720	56	1,664
11	TOTAL OPER EXPENSES ADJUSTED OPEXTA		1,139,581	46,647	1,092,934

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	3,440,335	111,109	3,329,226
2 DEPRECIATION RESERVES	-893,242	-29,445	-863,797
3 ELEC PLT ACQUIS'N ADJUS'MT	617	36	581
4 FUEL INVENTORY	27,640	1,017	26,623
5 MATERIALS & SUPPLIES	37,423	1,296	36,127
6 PREPAYMENTS	6,851	189	6,662
7 ACCUM DEF TAXES-ACCEL AMORT	-229	-7	-222
8 LIBERALIZED DEPRECIATION	-280,611	-9,099	-271,512
9 ACCUM DEF INC TAX-OTHER	0	0	0
10 INVEST TAX CREDIT - 3%	-3,647	-118	-3,529
11 INVESTMENT IN SFI	41,155	1,514	39,641
12 TOTAL RATE BASE	2,376,292	76,492	2,299,800
REVENUES			
13 RATE SCHEDULE	988,471	37,309	951,162
14 MSU POWER POOL SALES	260,431	9,223	251,208
15 SYSTEM SALES	49,111	1,806	47,305
16 OTHER REVENUES	39,817	870	38,947
17 MSPP/SYSTEM/OTHER REV	349,359	11,899	337,460
18 TOTAL REVENUES ADJUSTED	1,337,830	49,208	1,288,622
EXPENSES			
19 O & M EXPENSE	928,306	42,991	885,315
20 DEPRECIATION EXPENSE	113,310	3,682	109,628
21 TAXES OTHER THAN INCOME	37,352	1,213	36,139
22 INCOME TAX-FED	35,082	-1,840	36,921
23 INCOME TAX-ST	2,773	-145	2,918
24 PROV DEF INCOME TAX-OR-FED	22,105	1,066	21,039
25 PROV DEF INCOME TAX-OR-ST	2,064	126	1,938
26 PROV DEF INCOME TAX-CR-FED	-5,824	-200	-5,624
27 PROV DEF INCOME TAX-CR-ST	-748	-25	-723
28 INVESTMENT TAX CREDIT-NET	-1,388	-45	-1,343
29 TOTAL OPER EXPENSES ADJUSTED	1,133,031	46,824	1,086,208
30 OPERATING INCOME ADJUSTED	204,799	2,385	202,414
31 RATE OF RETURN	8.62	3.12	8.80
REVENUE REQUIREMENTS			
32 REQUIRED RATE OF RETURN	11.5900	11.5900	11.5900
33 REQUIRED OPER INCOME(L12XL32)	275,412	8,865	266,547
34 OPER INC DEFICIENCY(L33-L30)	70,614	6,481	64,133
35 REVENUE CONVERSION FACTOR	1.7242	1.7211	1.7245
36 REVENUE DEFICIENCY(L34XL35)	121,754	11,154	110,600
37 % INCREASE (L36/L13)	12.32	29.90	11.63
38 PROP RATE SCHED REV(L13+L36)	1,110,225	48,463	1,061,762

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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			
1	TOTAL PRODUCTION PLANT	PLPTO 001	1,985,229	61,542	1,923,687
	TRANSMISSION PLANT	T003			
	TRANSMISSION SUBSTATIONS	T004			
2	STEP UP	PLTSSU 001	22,720	704	22,016
3	POWER SUPPLY	PLTSPS 002	177,156	3,392	173,764
4	TOTAL SUBSTATIONS	PLTSTO	199,876	4,097	195,779
5	TOTAL LINES	PLTLTO 002	360,126	6,896	353,230
6	TOTAL TRANSMISSION PLANT	PLTTO	560,002	10,993	549,009

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	T090 T001		
	DISTRIBUTION PLANT	T006		
	DISTRIBUTION SUBSTATIONS	T007		
1	DIRECT-AR	PL0SDA 13,080	0	13,080
2	DIRECT-MO	PL0SDM 400	0	400
3	DIRECT	PL0SD 13,480	0	13,480
4	RETAIL GENERAL-AR	PL0SRGA 003A 96,760	0	96,760
5	RETAIL GENERAL-MO	PL0SRGM 003M 7,858	7,858	0
6	RETAIL GENERAL	PL0SRG 104,618	7,858	96,760
7	TOTAL SUBSTATIONS	PL0STO 118,098	7,858	110,240
	DISTRIBUTION LINES	T008		
8	DIRECT-AR	PL0LDA 1,653	0	1,653
9	DIRECT-MO	PL0LOM 99	0	99
10	DIRECT	PL0LO 1,752	0	1,752
	RETAIL GENERAL	T009		
11	PRIMARY DEMAND-AR	DLRGPA 004A 100,040	0	100,040
12	PRIMARY DEMAND-MO	DLRGPM 004M 4,958	4,958	0
13	PRIMARY DEMAND	PL0LRGP 104,998	4,958	100,040
14	PRIMARY CUSTOMER-AR	DLRGPA 003A 147,705	0	147,705
15	PRIMARY CUSTOMER-MO	DLRGPM 003M 7,493	7,493	0
16	PRIMARY CUSTOMER	PL0LRGP 155,198	7,493	147,705
17	SECONDARY DEMAND-AR	DLRGSA 005A 19,344	0	19,344
18	SECONDARY DEMAND-MO	DLRGSM 005M 773	773	0
19	SECONDARY DEMAND	PL0LRGS 20,117	773	19,344
20	SECONDARY CUSTOMER-AR	DLRGSA 004A 77,445	0	77,445
21	SECONDARY CUSTOMER-MO	DLRGSM 004M 3,545	3,545	0
22	SECONDARY CUSTOMER	PL0LRGS 80,990	3,545	77,445
23	RETAIL GENERAL	PL0LRG 361,303	16,769	344,534
24	TOTAL LINES	PL0LTO 363,055	16,769	346,286
	LINE TRANSFORMERS	T010		
25	DIRECT-AR	PL0TDA 228	0	228
26	DIRECT-MO	PL0TDM 16	0	16
27	DIRECT	PL0TD 244	0	244
	RETAIL GENERAL	T009		
28	DEMAND-AR	PL0TRGDA 007A 64,270	0	64,270
29	DEMAND-MO	PL0TRGDM 007M 2,217	2,217	0
30	DEMAND	PL0TRGD 66,487	2,217	64,270
31	CUSTOMER-AR	PL0TRGCA 004A 85,460	0	85,460
32	CUSTOMER-MO	PL0TRGCM 004M 2,947	2,947	0
33	CUSTOMER	PL0TRGC 88,407	2,947	85,460
34	RETAIL GENERAL	PL0TRG 154,894	5,164	149,730
35	TOTAL LINE TRANSFORMERS	PL0TTO 155,138	5,164	149,974

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	T006		
	SERVICES	T011		
1	RETAIL GENERAL-CUST-AR	DSERGCA C369A	60,661	0
2	RETAIL GENERAL-CUST-MO	DSERGCM C369M	1,960	0
3	RETAIL GENERAL-CUST	PLOSERGC	62,621	1,960
4	TOTAL SERVICES	PLOSETO	62,621	1,960
	METERS	T012		
5	DIRECT-AR	PLDMA	110	0
6	DIRECT-MO	PLMDM	12	0
7	DIRECT	PLMD	122	0
8	RETAIL GENERAL-CUST-AR	PLMRGCA C370A	49,226	0
9	RETAIL GENERAL-CUST-MO	PLMRGCM C370M	1,907	0
10	RETAIL GENERAL-CUST	PLMRGC	51,133	1,907
11	TOTAL METERS	PLMTO	51,255	1,907
12	TOTAL INST CUST PREM	PLDCPTO 001	12,649	392
	STREET LIGHTS	T106		
13	ARKANSAS	PLSLA S01A	21,335	0
14	MISSOURI	PLSLM S01M	1,185	0
15	TOTAL STREET LIGHTS	PLSLTO	22,520	1,185
16	TOTAL DISTRIBUTION PLANT	PLDIO	785,336	35,235

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	GENERAL PLANT	T013			
1	LABOR	PLGL LOMTOA	26,887	960	25,927
2	PRODUCTION	PLGP 001	6,146	191	5,955
3	TRANSMISSION	PLGT PLTTOA	7,657	150	7,507
4	DISTRIBUTION	PLGD PLDTOA	9,456	424	9,032
5	CUSTOMER SERVICES	PLGCS OMCSTOA	114	2	112
6	STORES	PLGST MSTOA	518	18	500
7	ENERGY	PLGE E01	28,565	1,051	27,514
8	TOTAL GENERAL PLANT	PLGTO	79,343	2,795	76,548
	INTANGIBLE PLANT	T014			
9	ORGANIZATION	PLIOR C01	34	2	32
10	FRANCHISE	PLIFR C02	58	3	55
11	MISC INTANG-COMP SOFTWARE	PLIMISCC C01	223	10	213
12	MISC INTANG-TRANS SOFTWARE	PLIMISLR D01	29	1	28
13	MISC INTANG-ISES I SYNCHRON	PLIMISIS D01AW	14,004	0	14,004
14	MISC INTANG-82-314-U, 60 MOS	PLIMISMS PLTOAEXI	1,883	61	1,822
15	MISC INTANG-MSS COMP SOFTWARE	PLIMIMSS PLTOAEXI	5,992	194	5,798
16	MISC MSS COMP S/W-CMS	PLINCSM D01	1,603	50	1,553
17	MISC MISTEC S/W COST	PLIMMSTC PLTTOA	676	13	663
18	MISC STEAM GEN CL PROCESS	PLIMSGCP E01	4,097	151	3,946
19	MISC 82-314-U, 48 MOS	PLIM48M PLTOAEXI	1,826	59	1,767
20	TOTAL INTANGIBLE PLANT	PLITO	30,425	544	29,881
21	TOTAL PLANT IN SERVICE	PLTO	3,440,335	111,109	3,329,226

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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	3,440,335	111,109	3,329,226
2	TOTAL PLANT IN SERVICE ADJUSTED	PLTOA	3,440,335	111,109	3,329,226
	PLANT SUMMARY	T093			
3	TOTAL PRODUCTION ADJUSTED	PLP70A	1,985,229	61,542	1,923,687
4	TOTAL TRANSMISSION ADJUSTED	PLTTOA	560,002	10,993	549,009
5	TOTAL DISTRIBUTION ADJUSTED	PLD70A	785,336	35,235	750,101
6	TOTAL GENERAL ADJUSTED	PLG70A	79,343	2,795	76,548
7	TOTAL INTANGIBLE ADJUSTED	PLITOA	30,425	544	29,881
8	TOTAL PLANT IN SERVICE ADJUSTED	PLTOA	3,440,335	111,109	3,329,226

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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			
1	TOTAL PRODUCTION	DRPT0 001	-493,856	-15,310	-478,546
	TRANSMISSION PLANT	T003			
	TRANSMISSION SUBSTATIONS	T004			
2	STEP UP	DRTSSU 001	-4,722	-146	-4,576
3	POWER SUPPLY	DRTSPS 002	-36,321	-696	-35,625
4	TOTAL SUBSTATIONS	DRTST0	-41,043	-842	-40,201
5	TOTAL LINES	DRTLTO 002	-77,524	-1,484	-76,040
6	TOTAL TRANSMISSION	DRTTO	-118,567	-2,326	-116,241

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	DISTRIBUTION PLANT	T006			
	DISTRIBUTION SUBSTATIONS	T007			
1	DIRECT-AR	ORDSOA PLDSOA	-5,140	0	-5,140
2	DIRECT-MO	ORDSDM PLDSOM	-79	0	-79
3	DIRECT	ORDSO	-5,219	0	-5,219
4	RETAIL GENERAL-AR	ORDSRGA 003A	-38,135	0	-38,135
5	RETAIL GENERAL-MO	ORDSRGM 003M	-1,518	-1,518	0
6	RETAIL GENERAL	ORDSRG	-39,653	-1,518	-38,135
7	TOTAL SUBSTATIONS	ORDSTO	-44,872	-1,518	-43,354
	DISTRIBUTION LINES	T008			
8	DIRECT-AR	ORDLOA PLDLOA	-565	0	-565
9	DIRECT-MO	ORDLOM PLDLOM	-24	0	-24
10	DIRECT	ORDLO	-589	0	-589
	RETAIL GENERAL	T009			
11	PRIMARY DEMAND-AR	DDLRGPA 004A	-32,907	0	-32,907
12	PRIMARY DEMAND-MO	DDLRGPM 004M	-1,105	-1,105	0
13	PRIMARY DEMAND	DDLRGPD	-34,012	-1,105	-32,907
14	PRIMARY CUSTOMER-AR	DDLRGPCA 003A	-52,180	0	-52,180
15	PRIMARY CUSTOMER-MO	DDLRGPCM 003M	-1,839	-1,839	0
16	PRIMARY CUSTOMER	DDLRGPC	-54,019	-1,839	-52,180
17	SECONDARY DEMAND-AR	DDLRGSA 005A	-6,147	0	-6,147
18	SECONDARY DEMAND-MO	DDLRGSDM 005M	-171	-171	0
19	SECONDARY DEMAND	DDLRGSD	-6,318	-171	-6,147
20	SECONDARY CUSTOMER-AR	DDLRGSCA 004A	-26,368	0	-26,368
21	SECONDARY CUSTOMER-MO	DDLRGSCM 004M	-849	-849	0
22	SECONDARY CUSTOMER	DDLRGSC	-27,217	-849	-26,368
23	RETAIL GENERAL	DDLRG	-121,566	-3,964	-117,602
24	TOTAL LINES	ORDLTO	-122,155	-3,964	-118,191
	LINE TRANSFORMERS	T010			
25	DIRECT-AR	ORDTOA PLDTOA	-64	0	-64
26	DIRECT-MO	ORDTOM PLDTOM	-10	0	-10
27	DIRECT	ORDTO	-74	0	-74
	RETAIL GENERAL	T009			
28	DEMAND-AR	ORDTRGA 007A	-17,866	0	-17,866
29	DEMAND-MO	ORDTRGM 007M	-1,451	-1,451	0
30	DEMAND	ORDTRGD	-19,317	-1,451	-17,866
31	CUSTOMER-AR	ORDTRGCA 004A	-23,757	0	-23,757
32	CUSTOMER-MO	ORDTRGCM 004M	-1,930	-1,930	0
33	CUSTOMER	ORDTRGC	-25,687	-1,930	-23,757
34	RETAIL GENERAL	ORDTRG	-45,004	-3,381	-41,623
35	TOTAL LINE TRANSFORMERS	ORDTTO	-45,078	-3,381	-41,697

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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		
	DISTRIBUTION PLANT	T006		
	SERVICES	Y011		
1	RETAIL GENERAL-CUST-AR	DJSERGCA C369A	-22,072	0
2	RETAIL GENERAL-CUST-MO	D0SERGCM C369M	-723	-728
3	RETAIL GENERAL-CUST	DRDSEGGC	-22,800	-728
4	TOTAL SERVICES	DRDSETO	-22,800	-728
	METERS	T012		
5	DIRECT-AR	DRDMQA PLDMQA	-33	0
6	DIRECT-MO	ORDMOM PLDMOM	-6	0
7	DIRECT	DRDMO	-39	0
8	RETAIL GENERAL-CUST-AR	DRDMRGCA C370A	-14,677	0
9	RETAIL GENERAL-CUST-MO	DRDMRGCM C370M	-1,046	-1,046
10	RETAIL GENERAL-CUST	DRDMRGCC	-15,723	-1,046
11	TOTAL METERS	DRDMTO	-15,762	-1,046
12	TOTAL INST CUST PREM	DRDCPTO D01	-470	-15
	STREET LIGHTS	T106		
13	ARKANSAS	DROSLA S01A	-7,720	0
14	MISSOURI	DRDSLH S01M	-460	-460
15	TOTAL STREET LIGHTS	DRDSLTO	-8,180	-460
16	TOTAL OISTRIBUTION	DRDTO	-259,317	-11,112

-248,205

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	ORGL LOMTOA	-5,117	-183	-4,934
2	PRODUCTION	ORGP 001	-1,477	-46	-1,431
3	TRANSMISSION	DRGT PLTTOA	-2,120	-42	-2,078
4	DISTRIBUTION	DRGD PLDTOA	-3,328	-149	-3,179
5	CUSTOMER SERVICES	DRGCS OMCSTOA	-50	-1	-49
6	STORES	DRGST MSTOA	-370	-13	-357
7	ENERGY	DRGE E01	-2,563	-94	-2,469
8	TOTAL GENERAL	ORGT0	-15,025	-527	-14,498
	ACCOUNT 111-	T066			
	ACCUM AMORT OF INTANG	T067			
9	FRANCHISE	ORAAF 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 001AH	-1,323	0	-1,323
13	MISC-82-314-U,60 MOS	DRAAHSS PLTOAEXI	-679	-22	-657
14	MISC-MSS COMPUTER SOFTWARE	ORAACS PLTOAEXI	-1,542	-50	-1,492
15	MISC-MSS COMP S/W-CMS	DRAACMS 001	-508	-16	-492
16	MISC-MISTEC S/W COST	DRAAMSTC PLTTOA	-199	-4	-195
17	MISC-STEAM GEN CL PROCESS	DRAASGCP E01	-677	-25	-652
18	MISC-82-314-U,48 MOS	DRAAMS48 PLTOAEXI	-1,293	-42	-1,251
19	TOTAL ACC AMORT OF INTANG	DRAATO	-6,477	-170	-6,307
20	TOTAL RES FOR DEPRECIATION	ORTO	-893,242	-29,445	-863,797
21	TOTAL DEPREC'N RESERVES ADJUST	ORTOA	-893,242	-29,445	-863,797
	DEPREC RES SUMMARY	T094			
22	TOTAL PRODUCTION ADJUSTED	DRPTOA	-493,856	-15,310	-478,546
23	TOTAL TRANSMISSION ADJUSTED	DRTTOA	-118,567	-2,326	-116,241
24	TOTAL DISTRIBUTION ADJUSTED	DRDTOA	-259,317	-11,112	-248,205
25	TOTAL GENERAL ADJUSTED	DRGTOA	-15,025	-527	-14,498
26	TOTAL ACC AMORT OF INTANG ADJ	ORAATO	-6,477	-170	-6,307
27	TOTAL DEPREC'N RESERVES ADJUST	ORTOA	-893,242	-29,445	-863,797

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	ACQUISITION ADJUSTMENT	T016			
	ELECTRIC PLANT ACQUIST'N ADJ	T017			
1	PRODUCTION PLANT	AAGPP D01	35	1	34
2	TRANSMISSION PLANT	AAGTP PLTTOA	87	2	85
3	DISTRIBUTION-AR	AAGDPA PLDT0AA	181	0	181
4	DISTRIBUTION-MO	AAGDPH PLDT0AM	24	24	0
5	DISTRIBUTION-BOTH STATES	AAGDPB PLDT0A	294	13	281
6	DISTRIBUTION PLANT	AAGDP	499	37	462
7	GENERAL PLANT	AAGGP PLGECM	23	1	22
8	TOTAL ACQUISITION ADJMNT	AAGTO	644	40	604
	AMORTIZATION OF ACQUIST'N ADJ	T018			
9	PRODUCTION PLANT-CREDIT	AACPP D01	-1	-0	-1
10	TRANSMISSION PLANT-CREDIT	AACTP PLTTOA	-2	-0	-2
11	DISTRIBUTION-CREDIT-AR	AACDPA PLDT0AA	-10	0	-10
12	DISTRIBUTION-CREDIT-MO	AACDPH PLDT0AM	-4	-4	-0
13	DISTRIBUTION-CR-BOTH STATES	AACDPB PLDT0A	-9	-0	-9
14	DISTRIBUTION PLANT-CREDIT	AACDP	-23	-4	-19
15	GENERAL PLANT-CREDIT	AACGP PLGECM	-1	-0	-1
16	TOTAL AMORT'ZN - ACQ ADJ	AAC TO	-27	-4	-23
17	NET ELECTRIC PLANT ACQUIS'N ADJ	AANTO	617	36	581

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL NO RETAIL	ALL OTHER
	RATE BASE	T000			
	FUEL INVENTORY	T065			
1	FUEL INVENTORY	FI	E01 27,640	1,017	26,623
2	TOTAL FUEL INVENTORY	FITO	27,640	1,017	26,623
3	TOTAL FUEL INVENTORY ADJ	FITOA	27,640	1,017	26,623
	TOTAL MATERIAL & SUPPLIES	T019			
4	TRANSMISSION SUBSTATIONS	MSTS	PLTSTOA 893	18	865
5	TRANSMISSION LINES	MSTL	PLTLTDA 5,336	102	5,234
6	DISTRIBUTION SUBSTATIONS	MSOS	PLDSTO 184	12	172
7	DISTRIBUTION LINES	MSDL	PLDLTO 2,906	130	2,676
8	METERS	MSDM	PLDMTO 283	11	272
9	STREET LIGHTS	MSDSL	PLDSLTO 334	18	316
10	OFFICE SUPPLIES	MSOS	LOMTOA 249	9	240
11	ENERGY	MSE	E01 25,373	933	24,440
12	OTHER	MSD	PLPTDOA 1,975	64	1,911
13	TOTAL MATERIALS & SUPPLIES	MSTO	37,423	1,296	36,127
14	TOTAL MAT'LS & SUPPLIES ADJUSTED	MSTOA	37,423	1,296	36,127

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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			
	PREPAYMENTS	T020			
	PREPAID TAXES	T021			
1	CAPITAL STOCK - FRANCHISE	WCPTCSF PLTOA	224	7	217
2	REGULATORY COMMISSION-AR	WCPTRCA RSRDAA	996	0	996
3	REGULATORY COMMISSION-MO	WCPTRCM RSRDMA	6	6	0
4	OTHER	WCPTOTM PLTOA	1	0	1
5	TOTAL PREPAID TAXES	WCPTTO	1,227	13	1,214
	PREPAID INSURANCE	T022			
6	PRODUCTION	WCPIP D01	2,920	91	2,829
7	GENERAL	WCPIG PLGECM	28	1	27
8	TOTAL PLANT	WCPIP PLTOA	422	14	408
9	LABOR RELATED	WCPIIL LOMTOA	103	4	99
10	TOTAL PREPAID INSURANCE	WCPILO	3,473	109	3,364
	MISCELLANEOUS PREPAYMENTS	T023			
11	PRODUCTION	WCPMP D01	2,014	62	1,952
12	TRANSMISSION	WCPMT PLTTOA	29	1	28
13	DISTRIBUTION	WCPMD PLDIOA	4	0	4
14	EEI	WCPME PLTOR	94	3	91
15	ENERGY	WCPMEE E01	10	0	10
16	TOTAL MISC PREPAYMENTS	WCPMTO	2,151	67	2,084
17	TOTAL PREPAYMENTS	WCPTD	6,351	189	6,662
18	TOTAL PREPAYMENTS ADJUSTED	WCPTOA	6,851	189	6,662

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 1986
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	TOTAL ACC DEF TAXES-ACCEL AMORT	T141			
1	PRODUCTION	DTAAP D01	-182	-6	-176
2	TRANSMISSION	DTAAT PLTTOA	-47	-1	-46
3	TOT ACC DEF TAXES-ACCEL AMORT	DTAATO	-229	-7	-222
4	LIBERALIZED DEPRECIAION	OTLDTO PLTOAEXI	-426,094	-13,810	-412,278
5	ADJUST-LIBERAL DEPR	PF07AOLB PLTOAEXI	145,483	4,717	140,766
6	ADJUSTED LIBERALIZED DEPR	OTLDTOA	-280,611	-9,099	-271,512
7	ACCUM DEF INC TX-OTHER	OTOTO PLTOAEXI	66,158	2,145	64,013
8	ADJUST-ACC DEF TX OTHER	PF07ADTO PLTOAEXI	-66,158	-2,145	-64,013
9	ADJUSTED ACC DEF INC TX-OTHER	OTOTOA	0	0	0
10	INVEST TAX CREDIT - 3X	DTITC PLTOAEXI	-3,647	-118	-3,529

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 1986
 (THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE	TQ30			
	INVESTMENT IN S F I	TQ24			
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	PF08ISFI E01	41,155	1,514	39,641
4	TOTAL INVEST SYS FUEL INC ADJ	SFTDA	41,155	1,514	39,641
5	TOTAL RATE BASE	RBTO	2,255,812	72,406	2,183,406
6	TOTAL ADJUSTMENTS TO RATE BASE	RBADJMT	120,480	4,080	116,394
7	TOTAL RATE BASE ADJUSTED	RBTOA	2,376,292	76,492	2,299,800

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MD RETAIL	ALL OTHER
	REVENUES	T110			
	SALES REVENUES	T111			
1	RETAIL SALES	RSRO	886,708	37,309	849,399
2	WHOLESALE SALES	RSWO	101,763	0	101,763
3	TOTAL RATE SCHEOULE REV	RSRDWTO	988,471	37,309	951,162
	MSU POWR POOL	T137			
4	ENERGY - EXCHANGE	RSMSPTOE E01	169,436	6,231	163,205
5	ENERGY - UNIT POWER PURCH	RSMSPTUE E01	29,575	1,088	28,487
6	TOTAL MSPP ENERGY	RSMSPTE	199,011	7,319	191,692
7	DEMAND - RESERVE EQUAL	RSMSPTOD D01	14,751	457	14,294
8	DEMAND - UNIT PWR PURCH	RSMSPTOU D01	46,669	1,447	45,222
9	TOTAL MSPP DEMAND	RSMSPTD	61,420	1,904	59,516
10	TOT MSU PWR POOL SALES	RSMSPPTO	260,431	9,223	251,208
11	SYSTEM SALES TO OTHERS	RSSSTO E01	49,111	1,806	47,305
12	TOTAL SALES REVENUES	RSTO	1,298,013	48,338	1,249,675

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	TO2B			
1	OTH ELEC REV-TRANS EQ RCPTS	ROTE 002	29,149	558	28,591
2	OTH ELEC REV-TRANS FACIL RCPT	ROTEHV 002	1,198	23	1,175
	OTH ELEC REV - OTHER	T136			
3	RETAIL REV-AR	RORRAS RSROAA	593	0	593
4	RETAIL REV-MO	RORRMS RSROMA	7	7	0
5	RETAIL REVENUE	RORRA	600	7	593
6	DISTRIBUTION LINES - AR	RODLA PLDLTOA	2,251	0	2,251
7	DISTRIBUTION LINES - MO	RODLM PLDLTOM	68	68	0
8	DISTRIBUTION LINES	RODL	2,319	68	2,251
9	TRANSMISSION LINES	ROTL PLTLTOA	632	12	620
10	SALES TAX COMM-AR	ROSTCA RSROAA	665	0	665
11	SALES TAX COMM-MO	ROSTCM RSROMA	16	16	0
12	SALES TAX COMMISSION	ROSTC	661	16	665
13	TRANSMISSION SVC CHARGE	ROT 002	38	1	37
14	PRODUCTION	ROP 001	116	4	112
15	MISCELLANEOUS	ROMISC PLTOA	1,084	35	1,049
16	DIRECT WHOLESALE	RODW SORWH	0	0	0
17	LABOR	ROL LOHTOA	124	4	120
18	OTH ELEC REV-OTHER	ROERO	5,594	146	5,448
19	TOTAL OTHER ELECTRIC REVS	ROTO	35,941	728	35,213
20	TOTAL REVENUES	RT0	1,333,954	49,066	1,284,888
21	ADJUSTMENT-INT INC ON SFI INV	PF08ROII E01	3,876	143	3,733
22	ADJUSTMENT-TOTAL OTHER REVENUES	RO70ADJ	3,876	143	3,733
23	TOTAL REVENUES ADJUSTED	RTOA	1,337,830	49,208	1,288,622

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	RSRDTOA 886,708	37,309	849,399
2	TOTAL WHOLESALE	RSWTOA 101,763	0	101,763
3	TOTAL RATE SCHEDULE REV	RSROWTOA 988,471	37,309	951,162
	MSU POWR POOL	T137		
4	ENERGY - EXCHANGE	RSMSSEA 169,436	6,231	163,205
5	ENERGY - UNIT PWR PURCH	RSMSUPA 29,575	1,088	28,487
6	TOT MSPP-ENERGY	RSMSPTA 199,011	7,319	191,692
7	DEMAND - RESERVE EQUAL	RSMSOREA 14,751	457	14,294
8	DEMAND - UNIT PWR PURCH	RSMSDUPA 46,669	1,447	45,222
9	TOTAL MSPP DEMAND	RSMSPTDA 61,420	1,904	59,516
10	TOT MSU POWER POOL SALES	RSMSPTT 260,431	9,223	251,208
11	TOTAL SYSTEM SALES	RSSTDA 49,111	1,806	47,305
12	TOTAL SALES REVENUES ADJS'D	RSTOA 1,298,013	48,338	1,249,675
	OTHER ELEC REV	T138		
13	OTH ELEC REV-TRANS EQ RECPTS	ROTTERA 29,149	558	28,591
14	OTH ELEC REV-TRANS FACIL RECP	ROTTFRA 1,199	23	1,175
15	OTH ELEC REV-OTHER	ROTOOA 9,470	289	9,181
16	TOTAL OTHER REVENUE ADJUSTED	ROTOA 39,817	870	38,947
17	TOTAL MSPP/SYSTEM/OTHER REV	ROTHSOR 349,359	11,899	337,460
18	TOTAL REVENUES ADJUSTED	RTOA 1,337,830	49,208	1,288,622

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE	***EXPENSES***	TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	OPERATION & MAINTENANCE	T030 T031		
1	PRODUCTION EXPENSE	T032		
2	OPERATION	OMPO D01		
3	MAINTENANCE	OMPM E01	65,624	2,034
4	FUEL	OMPF E01	49,392	1,817
5	PURCHASED POWER	T033	329,366	12,113
6	MSE DEMAND	OMPPMD D01		317,253
7	UE DEMAND	OMPPUED D01M	346,225	10,733
8	OTHER DEMAND	OMPPDD D01	3,637	335,492
9	TOTAL DEMAND	OMPPTD	4,885	0
10	MSE ENERGY	OMPPME E01	354,747	14,521
11	UE ENERGY	OMPPUEE E01M	22,607	831
12	OTHER ENERGY	OMPPOE E01	2,661	21,776
13	TOTAL ENERGY	OMPPTE	77,994	0
14	TOTAL PURCHASED POWER	OMPPPTD	103,262	75,126
15	LOAD DISPATCHING	OMPPPTO	458,009	6,361
16	OTHER PROD EXP & CR	OMPLO D01	2,249	20,892
17	DEFERRED FUEL	T096		70
18	NUCLEAR RESERVE	OMPOPOF E02	2,257	2,179
19	ARK GG SETT-M33	OMPOPNR E03	8,191	0
20	GG DEFERL - MO	OMPOPHS D01AR	-173,158	0
21	OTHER EXPENSE - DEMAND	OMPOPHR D01M	-968	-173,158
22	OTHER EXPENSE - ENERGY	OMPOPOD D01	55,723	-968
23	TOTAL OTHER PROD EXP & CR	OMPOPOE E01	-2,254	1,727
24	TOTAL PRODUCTION EXPENSE	OMPOPTO	-110,209	53,996
			794,431	-2,171
				-110,886
				756,838
	TRANSMISSION EXPENSE	T034		
25	SUBSTATION EXPENSE	T035		
26	STEP UP	OMTSSU D01	270	8
27	POWER SUPPLY	OMTSPS D02	2,075	40
28	TOTAL SUBSTATION EXPENSE	OMTSTO	2,345	48
29	TOTAL LINE EXPENSE	OMTLTO D02	3,196	61
30	MISCELLANEOUS EXPENSE	OMTMISC OMTSLTO	325	0
31	TOTAL TRANSMISSION EXPENSE	OMTTD	5,866	116
				5,750

35 TOTAL LINE TRANSMISSION EXP.

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	OPERATION & MAINTENANCE			
	DISTRIBUTION EXPENSE			
	SUBSTATION EXPENSE			
1	DIRECT-AR	576	0	576
2	DIRECT-MO	8	0	8
3	DIRECT	584	0	584
4	RETAIL GENERAL-AR	4,276	0	4,276
5	RETAIL GENERAL-MO	162	162	0
6	RETAIL GENERAL	4,438	162	4,276
7	TOTAL SUBSTATION EXPENSE	5,022	162	4,860
	LINE EXPENSE			
8	DIRECT-AR	61	0	61
9	DIRECT-MO	3	0	3
10	DIRECT	64	0	64
	RETAIL GENERAL			
11	PRIMARY DEMAND-AR	3,629	0	3,629
12	PRIMARY DEMAND-MO	182	182	0
13	PRIMARY DEMAND	3,811	182	3,629
14	PRIMARY CUSTOMER-AR	5,417	0	5,417
15	PRIMARY CUSTOMER-MO	278	278	0
16	PRIMARY CUSTOMER	5,695	278	5,417
17	SECONDARY DEMAND-AR	687	0	687
18	SECONDARY DEMAND-MO	28	28	0
19	SECONDARY DEMAND	715	28	687
20	SECONDARY CUSTOMER-AR	2,804	0	2,804
21	SECONDARY CUSTOMER-MO	130	130	0
22	SECONDARY CUSTOMER	2,934	130	2,804
23	RETAIL GENERAL	13,155	618	12,537
24	TOTAL LINE EXPENSE	13,219	618	12,601
	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	466	0	466
29	DEMAND-MO	2	2	0
30	DEMAND	468	2	466
31	CUSTOMER-AR	619	0	619
32	CUSTOMER-MO	4	4	0
33	CUSTOMER	623	4	619
34	RETAIL GENERAL	1,091	6	1,085
35	TOTAL LINE TRANSFORMER EXP	1,093	6	1,087

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL 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	11	0	11
3	DIRECT	4,654	0	4,654
4	RETAIL GENERAL-CUST-AR	194	194	0
5	RETAIL GENERAL-CUST-MO	4,848	194	4,654
6	RETAIL GENERAL-CUST	4,859	194	4,665
7	TOTAL METER EXPENSE			
	STREET LIGHT EXPENSE			
8	ARKANSAS	871	0	871
9	MISSOURI	68	68	0
10	TOTAL STREET LIGHT EXPENSE	939	68	871
	TOTAL CUST INST EXPENSE	658	20	638
	RENT EXPENSE			
12	ARKANSAS	1,579	0	1,579
13	MISSOURI	19	19	0
14	TOTAL RENT EXPENSE	1,598	19	1,579
	MISCELLANEOUS EXPENSE			
15	ARKANSAS	2,487	0	2,487
16	MISSOURI	108	107	1
17	TOTAL MISCELLANEOUS EXPENSE	2,595	107	2,488
18	TOTAL DISTRIBUTION EXPENSE	29,983	1,194	28,789

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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			
	CUSTOMER ACCOUNTING EXPENSE	T040			
1	METER READING-AR	OMCAMRA CA902A	4,027	0	4,027
2	METER READING-MO	OMCAMRM CA902M	248	247	1
3	METER READING	OMCAHR	4,275	247	4,028
4	CUST RECORDS & COLLECTS-AR	OMCACRA CA903A	9,956	0	9,956
5	CUST RECORDS & COLLECTS-MO	OMCACRM CA903M	339	337	2
6	CUST RECORDS & COLLECTIONS	OMCACR	10,295	337	9,958
7	UNCOLLECTIBLE ACCTS-AR	OMCAUAA CA904A	2,049	0	2,049
8	UNCOLLECTIBLE ACCTS-MO	OMCAUAM CA904M	55	55	0
9	UNCOLLECTIBLE ACCOUNTS	OMCAUA	2,104	55	2,049
10	MISC CUST ACCTG EXP-AR	OCAMISCA OMCAMCUA	235	0	235
11	MISC CUST ACCTG EXP-MO	OCAMISCM OMCAMCUM	11	11	0
12	MISC CUSTOMER ACCOUNTING	OMCAMISC	246	11	235
13	TOTAL CUSTOMER ACCT EXP	OMCATO	16,920	650	16,270
	CUSTOMER SERVICES EXPENSE	T041			
14	CUST ASSIST EXP-AR	OMCSCAA CS908A	3,402	0	3,402
15	CUST ASSIST EXP-MO	OMCSCAM CS908M	38	38	0
16	CUSTOMER ASSISTANCE EXPENSE	OMCSCA	3,440	38	3,402
17	INFORM & INSTRUCT EXP-AR	OMCSINFA CS909A	291	0	291
18	INFORM & INSTRUCT EXP-MO	OMCSINFM CS909M	0	0	0
19	INFORMATION & INSTRUCTION EXP	OMCSINF	291	0	291
20	MISC CUST SERVICES-AR	OCSMISCA OMCSCAIA	310	0	310
21	MISC CUST SERVICES-MO	OCSMISCM OMCSCAIM	22	22	0
22	MISC CUSTOMER SERVICES	OCSMISC	332	22	310
23	TOTAL CUSTOMER SVCS EXP	OMCSTO	4,063	60	4,003
24	TOTAL SALES EXP	OMSTO 001	1,394	43	1,351

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MD RETAIL	ALL OTHER
	EXPENSES	T030			
	OPERATION & MAINTENANCE	T031			
	ADMINISTRATIVE & GENERAL EXPENSE	T042			
1	LABOR	OMAGL LOMTOA	47,995	1,714	46,281
2	PRODUCTION RELATED	OMAGIA D01	8,217	255	7,962
3	TRANSMISSION RELATED	OMAGIB PLTTOA	-3	-0	-3
4	TRANSMISSION & DISTRIBUTION	OMAGIC PLTOTOA	2,129	73	2,056
5	LABOR RELATED	OMAGID LOMTOA	1	0	1
6	GENERAL PLANT RELATED	OMAGIE PLGECH	12	0	12
7	TOTAL PLANT RELATED	OMAGIF PLTOA	805	26	779
8	INSURANCE	OMAGI	11,161	354	10,807
9	REG COMM EXP-ARKANSAS	RTREGA RSRDAA	1,606	0	1,606
10	REG COMM EXP-MISSOURI	RTREGM RSRDMA	468	468	0
11	REGULATORY EXP RETAIL GENERAL	OMAGRERG	2,074	468	1,606
12	REGULATORY EXP WHSE GENERAL	OMAGREWG RSKTOA	190	0	190
13	EEI MEMBERSHIP	OMAGEGR1 PLTOR	2,541	91	2,450
14	LOCAL RESEARCH & OTHER	OMAGEGR2 PLTOA	232	7	225
15	EXPER & GEN RESEARCH	OMAGEGR	2,773	99	2,674
16	PRODUCTION	OMAGPLP D01	-1,347	-42	-1,305
17	GENERAL	OMAGG PLGECH	2,167	74	2,093
18	TOTAL PLANT	OMAGTPL PLTOA	20,388	658	19,730
19	ENERGY	OMAGEN E01	-1,524	-56	-1,468
20	CUSTOMER SERVICES	OMAGCS OMCSTOA	595	9	586
21	OTH EXP & GEN RESEARCH	OMAGOEGR SFOEGR	1,471	52	1,419
22	TOTAL ADMIN & GENERAL	OMAGTO	35,943	3,330	32,613
23	TOTAL O & M EXPENSE	OMTO	938,600	42,986	895,614

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 1986
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MD RETAIL	ALL OTHER
	EXPENSES	T030			
	OPERATION & MAINTENANCE	T031			
1	TOTAL O & M EXPENSE	OMTO	938,600	42,986	895,614
2	ADJUST-DEFERRED FUEL	PF01OPDF E02	-2,257	0	-2,257
3	-NUCL REFUELING RES	PF01OPNR E03	-8,191	0	-8,191
4	-TOTAL OTHER PRODUCTION	PF01OPTO	-10,448	0	-10,448
5	ADJUST-TOTAL PROD O&M	OMPTOAJ	-10,448	0	-10,448
6	ADJUST-CONSTRUCT PWR	PF01AGCP E01	154	6	148
7	ADJUST-TOTAL ASG O&M	OMAGADJ	154	6	148
8	ADJUST-TOTAL O&M	OMTOADJ	-10,294	6	-10,300
9	TOTAL O & M EXPENSE ADJUSTED	OMTOA	928,306	42,991	885,315

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(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	T032		
1	TOTAL OPERATION ADJUSTED	OMPOTOA	65,624	2,034
2	TOTAL MAINTENANCE ADJUSTED	OMPHTOA	49,392	1,817
3	TOTAL FUEL ADJUSTED	OMPFTOA	329,366	12,113
	PURCHASED POWER	T033		
4	MSE DEMAND	OMPPPMDA	346,225	10,733
5	UE DEMAND	OMPPPUA	3,637	335,492
6	OTHER DEMAND	OMPPPODA	4,885	151
7	TOTAL DEMAND ADJUSTED	OMPPPODT	354,747	14,521
8	MSE ENERGY	OMPPPMEA	22,607	831
9	UE ENERGY	OMPPPUA	2,661	2,661
10	OTHER ENERGY	OMPPPOEA	77,994	2,868
11	TOTAL ENERGY ADJUSTED	OMPPPOET	103,262	6,361
12	TOTAL PURCHASED POWER ADJ'D	OMPPPTOA	458,009	20,882
13	TOTAL LOAD DISPATCH ADJ'D	OMPLOTOA	2,249	70
	OTHER PROD EXP & CR	T096		
14	TOTAL DEFERRED FUEL	OMPOPOFT	0	0
15	TOTAL NUCLEAR RESERVE	OMPOPNRT	0	0
16	TOTAL ARK GG SETT - M33	OMPOPMST	-173,158	0
17	TOTAL GG DEFERRAL - MO	OMPOPMRT	-968	-968
18	TOTAL OTHER EXPENSE - DEMAND	OMPOPODT	55,723	1,727
19	TOTAL OTHER EXPENSE - ENERGY	OMPOPOET	-2,254	-83
20	TOT OTHER PROD EXP & CR ADJ'D	OMPOPTOA	-118,403	759
21	TOTAL PRODUCTION ADJUSTED	OMPTOA	783,983	37,593
22	TOTAL TRANSMISSION ADJUSTED	OMTTOA	5,866	116
23	TOTAL DISTRIBUTION ADJUSTED	OMDTOA	29,983	1,194
24	TOTAL CUSTOMER ACCOUNTING ADJ'D	OMCATADJ	16,920	650
25	TOTAL CUSTOMER SERVICES ADJ'D	OMCSTOA	4,063	60
26	TOTAL SALES EXP ADJUSTED	OMSTOA	1,394	43
27	TOTAL ADMIN & GENERAL ADJUSTED	OMAGTOA	86,097	3,336
28	TOTAL O & M EXPENSE ADJUSTED	OMTOA	928,306	42,991
				885,315

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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 001	67,114	2,081	65,033
	TRANSMISSION EXPENSE	T034			
	SUBSTATION EXPENSE	T035			
2	STEP UP	OXTSSU 001	559	17	542
3	POWER SUPPLY	OXTSPS 002	4,291	82	4,209
4	TOTAL SUBSTATION EXPENSE	OXTSTO	4,850	99	4,751
5	TOTAL LINE EXPENSE	DXTLTO 002	8,861	170	8,691
6	TOTAL TRANSMISSION EXPENSE	DXTTO	13,711	269	13,442

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
DISTRIBUTION EXPENSE				
SUBSTATION EXPENSE				
1	DIRECT-AR	DXOSDA PLOSDA 428	0	428
2	DIRECT-MO	DXOSDM PLDSM 9	0	9
3	DIRECT	DXOSD 437	0	437
4	RETAIL GENERAL-AR	DXOSRGA D03A 3,177	0	3,177
5	RETAIL GENERAL-MO	DXDSRGM D03M 190	190	0
6	RETAIL GENERAL	DXOSRG 3,367	190	3,177
7	TOTAL SUBSTATION EXPENSE	DXOSTO 3,804	190	3,614
LINE EXPENSE				
8	DIRECT-AR	DXOLDA PLOLDA 54	0	54
9	DIRECT-MO	DXOLDM PLOLDM 3	0	3
10	DIRECT	DXOLD 57	0	57
RETAIL GENERAL				
11	PRIMARY DEMAND-AR	DXLRGPD A DC4A 3,261	0	3,261
12	PRIMARY DEMAND-MO	DXLRGPD M D04M 150	150	0
13	PRIMARY DEMAND	DXDLRGP D 3,411	150	3,261
14	PRIMARY CUSTOMER-AR	DXLRGP C A C03A 4,824	0	4,824
15	PRIMARY CUSTOMER-MO	DXLRGP C M C03M 252	252	0
16	PRIMARY CUSTOMER	DXDLRGP C 5,076	252	4,824
17	SECONDARY DEMAND-AR	DXLRGSD A D05A 631	0	631
18	SECONDARY DEMAND-MO	DXLRGSD M D05M 24	24	0
19	SECONDARY DEMAND	DXDLRGS D 655	24	631
20	SECONDARY CUSTOMER-AR	DXLRGSC A C04A 2,528	0	2,528
21	SECONDARY CUSTOMER-MO	DXLRGSC M C04M 118	118	0
22	SECONDARY CUSTOMER	DXDLRGS C 2,646	118	2,528
23	RETAIL GENERAL	DXDLRG 11,788	544	11,244
24	TOTAL LINE EXPENSE	DXDLTO 11,845	544	11,301
LINE TRANSFORMER EXPENSE				
25	DIRECT-AR	DXDTDA PLDTDA 7	0	7
26	DIRECT-MO	DXDTDM PLDTDM 1	0	1
27	DIRECT	DXDTO 8	0	8
RETAIL GENERAL				
28	DEMAND-AR	DXDTRGD A D07A 2,079	0	2,079
29	DEMAND-MO	DXDTRGD M D07M 77	77	0
30	DEMAND	DXDTRGD 2,156	77	2,079
31	CUSTOMER-AR	DXDTRGC A C04A 2,764	0	2,764
32	CUSTOMER-MO	DXDTRGC M C04M 104	104	0
33	CUSTOMER	DXDTRGC 2,868	104	2,764
34	RETAIL GENERAL	DXDTRG 5,024	181	4,843
35	TOTAL LINE TRANSFORMER EXPENSE	DXDTTO 5,032	181	4,851

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	DEPRECIATION EXPENSE	T030 T043		
	DISTRIBUTION EXPENSE	T037		
	SERVICE EXPENSE	T044		
1	RET GENL-CUSTOMER-AR	DXSERGCA C369A	1,977	0
2	RET GENL-CUSTOMER-MO	DXSERGCM C369M	63	63
3	RETAIL GENERAL-CUSTOMER	DXDSEGC	2,040	63
4	TOTAL SERVICES EXPENSE	DXDSETO	2,040	63
	METER EXPENSE	T039		
5	DIRECT-AR	DXDMA PLDMCA	4	0
6	DIRECT-MO	DXDMOM PLDMOM	0	0
7	DIRECT	DXDMO	4	0
8	RET GENL-CUSTOMER-AR	DXDMRGCA C370A	1,583	0
9	RET GENL-CUSTOMER-MO	DXDMRGCM C370M	65	65
10	RETAIL GENERAL-CUSTOMER	DXDMRGC	1,648	65
11	TOTAL METER EXPENSE	DXDMTO	1,652	65
12	TOTAL INST CUST PREMISE	DXDCPTO 001	418	13
	STREET LIGHT EXPENSE	T107		
13	ARKANSAS	DXDSL A S01A	694	0
14	MISSOURI	DXDSL M S01M	65	65
15	TOTAL STREET LIGHTS	DXDSLTO	759	65
16	TOTAL DISTRIBUTION EXPENSE	DXD TO	25,550	1,121
				24,429

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030		
	DEPRECIATION EXPENSE	T043		
	GENERAL EXPENSE	T045		
1	LABOR	OXGL LOMTOA 1,031	37	994
2	PRODUCTION	OXGP 001 241	7	234
3	TRANSMISSION	OXGT PLTTOA 281	6	275
4	DISTRIBUTION	OXGD PLDTOA 321	14	307
5	CUSTOMER SERVICES	DXGCS 0MCSTOA 5	0	5
6	STORES	OXGST MSTOA 21	1	20
7	TOTAL GENERAL EXPENSE	OXGTO 1,900	65	1,835
	AMORTIZATION EXP-INTANGIBLES	T080		
8	MISC-MSS COMPUTER SOFTWARE	DXAEC PLTOAEXI 1,079	35	1,044
9	MISC-ISES I SYNCHRONIZATION	DXAEISES 001AW 467	0	467
10	MISC-82-314-U, 60 MO.	DXAEMSS PLTOAEXI 118	4	114
11	MISC-MSS COMP S/W CMS	DXACMS 001 321	10	311
12	MISC-MISTEC S/W COST	DXAMIST PLTTOA 135	3	132
13	MISC-STEAM GEN CL PROC	DXASGCP E01 677	25	652
14	MISC-82-314-U, 48 MO.	DXA48H PLTOAEXI 685	22	663
15	TOTAL AMORTIZATION INTANG	DXAATO 3,482	99	3,383
16	TOTAL DEPRECIATION EXPENSE	DXTO 111,757	3,634	108,123
17	ADJUST-DEP EXP PROD-DECOM INT	PF13DXP 001 1,553	48	1,505
18	ADJUST-TOTAL PRODUCTION EXP	DXPTOAJ 1,553	48	1,505
19	ADJUSTMENT-TOTAL DEPR EXPENSE	DXTOAJ 1,553	48	1,505
20	TOTAL DEPRECIATION EXP ADJUSTED	DXTOA 113,310	3,682	109,628
	DEPREC EXPENSE SUMMARY	T098		
21	TOTAL PRODUCTION ADJUSTED	DXPTOA 68,667	2,129	66,538
22	TOTAL TRANSMISSION ADJUSTED	DXTTOA 13,711	269	13,442
23	TOTAL DISTRIBUTION ADJUSTED	DXOTOA 25,550	1,121	24,429
24	TOTAL GENERAL ADJUSTED	DXGTOA 1,900	65	1,835
25	TOTAL AMORTIZATION EXP-INTANG	DXAATO 3,482	99	3,383
26	TOTAL DEPRECIATION EXP ADJUSTED	DXTOA 113,310	3,682	109,628

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
		T046			
	FEDERAL	T047			
1	FICA	TOFFIC LOMTOA	7,312	261	7,051
2	UNEMPLOYMENT	TOFUE LOMTOA	209	7	202
3	TOTAL FEDERAL	TOFTD	7,521	269	7,252
	STATE OF ARKANSAS	T048			
4	UNEMPLOYMENT	T0SAUE LOMTOA	290	10	280
5	CAPITAL STOCK FRANCHISE	T0SACSF PLTOA	1,003	32	971
6	REGULATORY COMMISSION	T0SARC RSRDAA	2,826	0	2,826
7	GROSS RECEIPTS	T0SAGR PLTOAEXI	25	1	24
8	TOTAL STATE OF ARKANSAS	T0SATO	4,144	44	4,100
	STATE OF MISSOURI	T049			
9	UNEMPLOYMENT	T0SMUE LOMTOA	2	0	2
10	CAPITAL STOCK FRANCHISE	T0SMCSF PLTOA	19	1	18
11	REGULATORY COMMISSION	T0SMRC RSRDMA	74	74	0
12	TOTAL STATE OF MISSOURI	T0SMTO	95	75	20
13	TOTAL STATE	T0SAM	4,239	118	4,121
	LOCAL	T050			
14	REAL & PERSONAL	TCLRP PLTOA	25,581	826	24,755
15	TOTAL LOCAL	TCLTD	25,581	826	24,755
16	TOTAL OTHER	T00TO PLTOA	11	0	11
17	TOTAL TAXES OTHER THAN INCOME	TOTO	37,352	1,213	36,139
18	TOTAL TAXES OTHER THAN INC ADJ	TOTOA	37,352	1,213	36,139

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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	1,337,930	49,208	1,288,622
	RT08			
2	TOTAL O & M EXPENSE ADJUSTED	928,306	42,991	885,315
	OMTOA			
3	TOTAL DEPRECIATION EXP ADJUSTED	113,310	3,662	109,628
	OXTOA			
4	TOTAL TAXES OTHER THAN INC ADJ	37,352	1,213	36,139
	TOTOA			
5	NET INCOME BEFORE INCOME TAXES	258,862	1,321	257,541
	NINBIT			

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE			TOTAL COMPANY	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	T030			
	INCOME TAX CALCULATIONS	T051			
	ADJUSTMENTS TO NET INCOME	T052			
1	UNSKILLED REVENUE	SJUR RSRDHTOA	3,211	121	3,090
2	NUCLEAR FUEL EXPENSE	SJNFE E01	61,201	2,251	58,950
3	PRRA-DEPREC EXP EX INTANG	SJPRRAA DXTOAEXI	108,276	3,536	104,740
4	PRRA-TRANSPORTATION EQUIP	SJPRRAB PLGECM	56	2	54
5	PROPERTY RET RESERVE APP	SJPRRA	108,332	3,538	104,794
6	TAX DEPREC-PRODUCTION	SJDTXP OD1	0	0	0
7	TAX DEPREC-TRANSMISSION	SJDTXT PLTTOA	0	0	0
8	TAX DEPREC-TRANS & DISTR	SJDTXTD PLDTTOA	0	0	0
9	TAX DEPREC-DISTRIBUTION	SJDTXD PLDTOA	0	0	0
10	TAX DEPREC-GENERAL PLANT	SJDTXG PLGECM	0	0	0
11	TAX DEPREC-LABOR RELATED	SJOTXLR LOMTOA	0	0	0
12	TAX DEPREC-TOT PLT EX INTANG	SJOTXTP PLTOAEXI	-202,219	-6,557	-195,662
13	TAX DEPREC-NUCL FUEL ASSEM	SJOTXNF E01	0	0	0
14	DEPREC FOR TAX PURPOSES	SJDTX	-202,219	-6,557	-195,662
15	SALE OF VEHICLE I.T.C.	SJITC PLGECM	1	0	1
16	OTHER TXS CHGD-PROD PLANT	SJOTCPP OD1	0	0	0
17	OTHER TXS CHGD-PROD LABOR	SJOTCPLA LPTOA	0	0	0
18	OTHER TXS CHGD-TRANS PLANT	SJOTCTP PLTTOA	0	0	0
19	OTHER TXS CHGD-TRANS LABOR	SJOTCTL LTTOA	0	0	0
20	OTHER TXS CHGD-DISTR PLANT	SJOTCDP PLDTOA	0	0	0
21	OTHER TXS CHGD-DISTR LABOR	SJOTCOL LDTOA	0	0	0
22	OTHER TXS CHGD-GENERAL PLT	SJOTCGP PLGECM	0	0	0
23	OTHER TXS CHGD-A&G LABOR	SJOTCGL LAGTOA	0	0	0
24	OTH TXS CHGD-TOT PLT	SJOTCPT PLTOA	-179	-6	-173
25	OTHER TXS CHGD-PLT ACCT	SJOTCPL	-179	-6	-173
26	RPPT-PRODUCTION	SJRPPTXP OD1	0	0	0
27	RPPT-TRANSMISSION	SJRPPTXT PLTTOA	0	0	0
28	RPPT-DISTRIBUTION	SJRPPTXD PLDTOA	0	0	0
29	RPPT-GENERAL	SJRPPTXG PLGECM	0	0	0
30	RPPT-TOTAL PLANT	SJRPPTTP PLTOA	-105	-3	-102
31	REAL & PER PR TX CHG WOS	SJRPPPT	-105	-3	-102
32	PENSIONS-PRODUCTION	SJPPDA LPTOA	0	0	0
33	PENSIONS-TRANSMISSION	SJPPDB LTTOA	0	0	0
34	PENSIONS-DISTRIBUTION	SJPPDC LDTOA	0	0	0
35	PENSIONS-GENERAL	SJPPDO LAGTOA	0	0	0
36	PENSIONS-TOTAL LABOR	SJPPOE LOMTOA	-33	-1	-37
37	PENS PLAN DED FOR TX PUR	SJPPD	-38	-1	-37
38	INTEREST ON NUCLEAR FUEL	SJINF E01	-2,937	-108	-2,929

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
2	INC IN RES-PROP INSURANCE			
3	INC IN RES-PENS & BENEFITS			
4	INC IN RES-NUCLEAR MAINT			
5	INC IN RES-TOTAL PLANT			
6	INCREASE IN RESERVES			
7	INTEREST ON TAX DEFICIT			
8	INTEREST ON NUCLEAR RES			
9	NUCLEAR RESERVE EXPENSE			
10	RES REVS-ACT 310 SURCHG			
11	RES REVS-AR WHSE			
12	RES REVS-MO WHSE			
13	RES REVS-TOTAL RATE SCH			
14	RESERVED REVENUES			
15	DEFERRED FUEL COSTS			
16	DEFERRED DIRECTORS' FEES			
17	ALL FOR FUNDS DUR CONST			
18	OTHER GAIN ON SALE PROP			
19	ANO SHUTDOWN EXPENSE			
20	LEASE COST CAP ON CHE			
21	REMOVAL EXPENSES			
22	COMPUTER SOFTWARE CAP			
23	INT CHGS-DECOMMISS			
24	INT CHGS-OTHER			
25	INT CHGS-AFOC			
26	TOTAL INT CHARGES			
27	AMORT OF INTANG PLT-ISES			
28	AMOR OF INT PLT-B2-314-U			
29	CONSTRUCTION POWER-MP&L			
30	INTERCO SALES-LABOR			
31	INTERCO SALES-GENERAL			
32	INTERCO SALES-DIST METERS			
33	INTERCO SALES-ENERGY			
34	INTERCO SALES-TOTAL PLANT			
35	INTERCO SALES			

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(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			
	ADJUSTMENTS TO NET INCOME	T052			
1	MISC INTANG PLANT	SJMIP PLTOAEXI	-491	-16	-475
2	ACRS RETIREMENT LOSSES	SJARL PLTOA	-514	-23	-491
3	INTEREST ON DECOMMISS	SJIOD D01	1,553	48	1,505
4	AMORT OF COMPUTEK S/W	SJACS PLTOAEXI	1,535	50	1,485
5	AMORT BK GAINS-WEST MKHM	SJABGWM SFWMSC	-5	-0	-5
6	AMORT BK GAINS-AND BLDGS	SJABGANO D01	-82	-3	-79
7	INTEREST-DOE LIABILITY	SJIDDEL E01	-11,328	-417	-10,911
8	TX DEFICIT INT PYMTS	SJTOIP D01	-11	-0	-11
9	INTEREST ON PCB	SJIOPCB D01	21	1	20
10	BOOK DEPR ON MACC MINING EQ	SJBONACC E01	1,274	47	1,227
11	NUCL REFUEL MAINT-AND 2	SJHRM E01	19,546	719	18,827
12	TMI ACCURAL	SJTHI D01	-349	-11	-338
13	AMORT OF STEAM GEN DEV	SJASGO E01	677	25	652
14	ARK WMSLE ER-81-577	SJAW81 SDMC	-941	0	-941
15	MO FUEL TRUE-UP	SJMFTU E01M	-273	-273	0
16	PENSION PMNT 1985-86	SJPP8586 LOMTOA	7,605	272	7,333
17	GG1 COST OVER/UNDER RECOV	SJGGOUR D01	2,707	84	2,623
18	INVENTORY DEFERRAL GG1 SETTLE	SJIDGGS D01	3,444	107	3,337
19	GG1 RESERVE EQUAL CR	SJGGREC D01	2,152	67	2,085
20	RESERVE-FARMERS	SJRF SDOW	661	0	661
21	RESERVE FOR CONTINGENCIES	SJRFC D01	55,723	1,727	53,996
22	AMORT OF GAIN ON SALE BLDGS	SJAGSB LOMTOA	-109	-4	-105
23	STEAM GEN PROC DEV	SJSGPU E01	-1,312	-48	-1,264
24	INVENTORY SHARE DEF-GG1 SET	SJISDGG D01	-101,462	-3,145	-98,317
25	CURRENT RECOV SHARE DEF-GG1	SJCRSOGG D01	-89,718	-2,781	-86,937
26	GG1 - DEF ARK WMSL	SJGGDAW SDMC	-1,296	0	-1,296
27	GG1 - DEF MO RETAIL	SJGGDMR D01M	-968	-968	0
28	TOTAL ADJUSTMENTS TO NET INCOME	SJANITO	-279,173	-10,025	-269,148

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(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-OTHER	PF05SJIO RSTOA	149,206	4,803	144,403
2	-INTEREST CHARGES-AFDC	PF05SJIA PLTOA	-4,524	-146	-4,378
3	-INTEREST CHARGES-DECOM	PF05SJID D01	1,553	48	1,505
4	-ANN INT AOJ TO RATE BASE	PF05SJAI	-140,439	-4,521	-135,918
5	-INT ON DECOMMISSIONING	PF07SJIO D01	-1,553	-49	-1,505
6	-UNBILLED REVENUE	PF07SJUR RSRDWT0A	-3,211	-121	-3,090
7	-INT ON TAX DEFICIT	PF07SJIT NINBIT	-891	-5	-886
8	-NUCL RESERVE EXPENSE	PF07SJNR E03	-8,191	0	-8,191
9	-INT ON NUCL RESERVE	PF07SJIN E03	-558	0	-558
10	-DEF DIRECTORS' FEES	PF07SJOE LOMTOA	37	1	36
11	-RESERVED REVENUES	PF07SJRR RSRDWT0A	-1,692	-64	-1,628
12	-ARK WHSL ER81-577	PF07SJB1 SDMC	941	0	941
13	-INT-00E LIABILITY	PF07SJ00 E01	11,329	417	10,911
14	-SALE OF VEHICLE I.T.C.	PF07SJSV PLGECM	-1	-0	-1
15	-MO FUEL TRUE-UP	PF07SJM6 E01M	273	273	0
16	-NUCL REFUEL MNT-ANO2	PF07SJRM E01	-19,546	-719	-18,827
17	-PENSION PMNT 1935-86	PF07SJPP LOMTOA	-7,605	-272	-7,333
18	-GG1 COST OVER/UNDER REC	PF07SJC0 D01	-2,707	-84	-2,623
19	-INVENT DEF GG1 SETTLE	PF07SJD1 D01	-3,444	-107	-3,337
20	-GG1 RES EQUAL CR	PF07SJRE D01	-2,152	-67	-2,085
21	-RESERVE-FARMERS	PF07SJR6 SDOW	-661	0	-661
22	-RESERVE FOR CONTING	PF07SJRC D01	-55,723	-1,727	-53,996
23	-AFDC	PF07SJAF PLTOA	1,440	47	1,393
24	-DEFERRED FUEL COSTS	PF07SJFC E02	-2,257	0	-2,257
25	-GAIN ON SALE OF PROP	PF07SJGS LOMTOA	109	4	105
26	-ANO SHUT DOWN EXP	PF07SJJAN D01	-2,482	-77	-2,406
27	-TX DEF INT PAYMENTS	PF07SJJIP D01	11	0	11
28	-COMPUTER SOFTWARE	PF07SJC5 PLTOAEXI	3,917	127	3,790
29	-MISC INTANG PLT	PF07SJMI PLTOAEXI	491	16	475
30	-STEAM GEN PROC OEV	PF07SJS6 E01	1,312	48	1,264
31	-INV SHARE DEF-GG1 SETTLE	PF07SJS0 D01	101,462	3,145	98,317
32	-CUR REC SHARE DEF-GG1	PF07SJC6 D01	89,718	2,781	86,937
33	-GG1-DEF ARK WHSL	PF07SJJAN SDMC	1,296	0	1,296

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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-TMI ACCURAL	PF07SJTH D01	349	11
2	-INTERCO SALES	PF07SJIS PLTOA	-372	-12
3	-CONSTRUCT PHR	PF07SJCP E01	34	1
4	-ACRS RETIRE LOSSES	PF07SJAC PLDTOA	514	23
5	-INCREASE IN RESERVES	PF07SJIR PLTOA	-4,287	-138
6	-AMORT OF INTAN PLT-ISES	PF07SJAI D01AW	-467	0
7	-LEASE COST WB CHE	PF07SJCH D01	-93	-3
8	-INT ON PCB'S	PF07SJCB D01	-21	-1
9	-OTH TX CHGD-PLT A/C	PF07SJQT PLTOA	179	6
10	-R&P TXS CHGD WO'S	PF07SJRP PLTOA	105	3
11	-PENS PLAN DED FOR TX	PF07SJPE LOMTOA	38	1
12	-REMOVAL EXPENSES	PF07SJRV PLTOA	4,801	155
13	-AMORT BK GN-WMSC	PF07SJWH SFWMSC	5	0
14	-AMORT BK GN-ANO BLDG	PF07SJAB D01	82	3
15	-AMORT GN ON SL-BLDG	PF07SJAG LOMTOA	109	4
16	-NUCL FUEL INT CAPITAL	PF07SJNF E01	2,937	108
17	-PROP RET RES DECOM INT	PF13SJPR D01	1,553	48
18	TOTAL PROFORMA ADJ TO NET INC	SJANITOA	110,922	3,963
19	TAXABLE INCOME	SJTITO	90,611	-4,740
				106,959
				95,351

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	INCOME TAX CALCULATIONS			
	STATE INCOME TAX			
1	TAXABLE INCOME	90,611	-4,740	95,351
2	TOTAL STATE TAXABLE INCOME	90,611	-4,740	95,351
3	STATE INCOME TAX BEF ADJ(3.06%)	2,773	-145	2,918
4	ARKANSAS TAX RATE	-439	-14	-425
5	INTEREST ON CHIP	171	6	165
6	VEHICLE I.T.C.	0	0	0
7	PRIOR YR ADJUSTMENT	233	8	225
8	ADJUST-INT ON CHIP STATE	-171	-6	-165
9	-AR TX RT	439	14	425
10	-VEHICLE ITC	0	0	0
11	-PRIOR YR ADJUST	-233	-8	-225
12	TOTAL STATE INCOME TAX	2,773	-145	2,918

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL 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	SJTITO 90,611	-4,740	95,351
2	STATE INCOME TAX	ITSTFTC -2,773	145	-2,918
3	PREFERRED DIVIDENDS PAID	SJFTPOP R8TOA -134	-4	-130
4	TOT FED TAXABLE INCOME	SJFTTOI 87,704	-4,599	92,304
5	FED INC TAX BEF ADJ(40X)	SJFTTXO 35,082	-1,840	36,921
6	ARKANSAS TAX RATE	SJATRF PLTOA 202	7	195
7	INVESTMENT TAX CREDIT	SJITCF PLTOAEXI -3,108	-101	-3,007
8	PROV FOR CONTINGENCIES	SJFTPC NINBIT 300	2	298
9	INTEREST ON CWIP	SJFTICW PLTOA 1,239	40	1,199
10	VEHICLE I.T.C.	SJVITCF PLGECM 0	0	0
11	PRIOR YEAR ADJUSTMENT	SJFPYA PLTOA 4,463	144	4,319
12	PRIOR YR ADJUST-ITC	SJFPYITC PLTOAEXI -458	-15	-443
13	ADJUST-INT ON CWIP FEDERAL	PF05SJFD PLTOA -1,239	-40	-1,199
14	-AR TX RT	PF07SJFA PLTOA -202	-7	-195
15	-ITC	PF07SJFI PLTOAEXI 3,108	101	3,007
16	-PROV FOR CONTING FED	PF07SJPC NINBIT -300	-2	-298
17	-VEHICLE I.T.C. FED	PF07SJVF PLGECM 0	0	0
18	-PRIOR YR ADJUST FED	PF07SJPF PLTOA -4,463	-144	-4,319
19	-PRIOR YR ADJ-ITC	PF07SJPI PLTOAEXI 458	15	443
20	TOTAL FEDERAL INCOME TAX	ITFTTO 35,082	-1,840	36,921
21	TOTAL INCOME TAX	ITTO 37,854	-1,985	39,839

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	INTEREST ON TAX DEFICIT	T092			
1	FEDERAL	ITDTITDF NINBIT	2,037	10	2,027
2	STATE	ITDTITDS NINBIT	281	1	280
3	TOTAL INT ON TAX DEFICIT	ITDTITDT	2,318	12	2,306
	INJURY & DAMAGE RESERVE	T070			
4	FEDERAL	ITDTIDRF LOMTOA	5	0	5
5	STATE	ITDTIDRS LOMTOA	1	0	1
6	TOTAL INJURY & DAMAGES RES	ITDTIDRT	6	0	6
	NUCLEAR REFUELING RES & INT	T076			
7	FEDERAL	ITDTNRIF E03	1,478	0	1,478
8	STATE	ITDTNRIS E03	213	0	213
9	TOTAL NUCL RES & INTEREST	ITDTNRIT	1,691	0	1,691
	COAL HANDLING EQUIP SALE	T071			
10	FEDERAL	ITDTCESF D01	68	2	66
11	STATE	ITDTCESS D01	10	0	10
12	TOTAL COAL HANDL EQ SALE	ITDTCEST	78	2	76
	TAX GAIN-ANO BLDG SALE	T081			
13	FEDERAL	ITDTANOF D01	42	1	41
14	STATE	ITDTANOS D01	5	0	5
15	TOTAL TAX GAIN-ANO BLDG	ITDTANOT	47	1	46
	REMOVAL COST	T075			
16	FEDERAL	ITDTRCF PLTOA	55	2	53
17	STATE	ITDTRCS PLTOA	8	0	8
18	TOTAL REMDVAL COST	ITDTRCT	63	2	61
	UNBILLED REVENUE	T057			
19	FEDERAL	ITDTURF RSRDOWTOA	4,980	188	4,792
20	STATE	ITDTURS RSRDOWTOA	686	26	660
21	TOTAL UNBILLED REVENUE	ITDTURT	5,666	214	5,452
	BUILDING SALE/LEASEBACK	T058			
22	FEDERAL	ITDTBSF LOMTOA	56	2	54
23	STATE	ITDTBSS LOMTOA	13	0	13
24	TOTAL BLDG SALE/LEASEBACK	ITDTBST	69	2	67

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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		
	TAX GAIN ON SALE-W. MARKHAM	T074		
1	FEDERAL	ITDTTGSF SFWMSC	4	4
2	STATE	ITDTTGSS SFWMSC	1	1
3	TOTAL TAX GN ON SALE-W MAR	ITDTTGST	5	5
	RETAIL REV ADJMNT	T087		
4	FEDERAL	ITDTRRAF RSROWTOA	1,109	1,067
5	STATE	ITDTRRAS RSROWTOA	152	146
6	TOTAL RETAIL REV ADJMNT	ITDTRRAT	1,261	1,213
	LIBERALIZED DEPRECIATION	T088		
7	FEDERAL-PRODUCTION	ITDTL DFA D01	0	0
8	-TRANS & DISTR	ITDTL DFB PLTDTOA	0	0
9	-NUCLEAR FUEL ASSEM	ITDTL DFC E01	0	0
10	-LABOR RELATED	ITDTL DFD LOMTOA	0	0
11	-GENERAL PLANT	ITDTL DFE PLGECM	0	0
12	-TOTAL PLT EX INTANG	ITDTL DFF PLTOAEXI	25,870	25,031
13	-TRANSMISSION	ITDTL DFG PLTTOA	0	0
14	-DISTRIBUTION	ITDTL DFH PLDTOA	0	0
15	FEDERAL	ITDTL DF	25,870	25,031
16	STATE-PRODUCTION	ITDTL DSA D01	0	0
17	-TRANS & DISTR	ITDTL DSB PLTDTOA	0	0
18	-NUCLEAR FUEL ASSEM	ITDTL DSC E01	0	0
19	-LABOR RELATED	ITDTL DSD LOMTOA	0	0
20	-GENERAL PLANT	ITDTL DSE PLGECM	0	0
21	-TOTAL PLT EX INTANG	ITDTL DSF PLTOAEXI	4,060	3,928
22	-TRANSMISSION	ITDTL DSG PLTTOA	0	0
23	-DISTRIBUTION	ITDTL DSH PLDTOA	0	0
24	STATE	ITDTL DS	4,060	3,928
25	TOTAL LIBERALIZED DEPREC	ITDTL DT	29,930	28,960
	NUCLEAR FUEL NORMALIZATION	T073		
26	FEDERAL	ITDTNFNF E01	-1,779	-1,714
27	STATE	ITDTNFNS E01	-92	-89
28	TOTAL NUCLEAR FUEL NORM	ITDTNFNT	-1,871	-1,802

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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-DR			
	TAXES & PENSIONS CAPITALIZED			
1	FEDERAL-PRODUCTION	0	0	0
2	-TRANSMISSION	0	0	0
3	-DISTRIBUTION	0	0	0
4	-GENERAL	0	0	0
5	-TOTAL PLANT	69	2	67
6	FEDERAL	69	2	67
7	STATE-PRODUCTION	0	0	0
8	-TRANSMISSION	0	0	0
9	-DISTRIBUTION	0	0	0
10	-GENERAL	0	0	0
11	-TOTAL PLANT	10	0	10
12	STATE	10	0	10
13	TOTAL TAXES & PENSIONS CAP	79	3	76
	INTANG PLT 82-314U			
14	FEDERAL	212	7	205
15	STATE	29	1	28
16	TOTAL INTANG PLT 82-314U	241	8	233
	DEFERRED FUEL			
17	FEDERAL	-23,618	0	-23,618
18	STATE	-3,253	0	-3,253
19	TOTAL DEFERRED FUEL	-26,871	0	-26,871
	COMPUTER SOFTWARE CAP			
20	FEDERAL	1,792	58	1,734
21	STATE	247	8	239
22	TOTAL COMP SOFTWARE CAP	2,039	66	1,973

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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-DR	T056			
	DIRECTORS FEES	T113			
1	FEDERAL	ITDIDIRF LOMTOA	7	0	7
2	STATE	ITDIDIRS LOMTOA	1	0	1
3	TOTAL DIRECTORS FEES	ITDIDIR	8	0	8
	STEAM GEN PROCESS	T114			
4	FEDERAL	ITDTSQPF E01	1,222	45	1,177
5	STATE	ITDTSQPS E01	169	6	162
6	TOTAL STEAM GEN PROCESS	ITDTSQP	1,390	51	1,339
	REF ORD #34,82-314-U AP&L	T115			
7	FEDERAL	ITDITROF LPAR	0	0	0
8	STATE	ITDITROS LPAR	0	0	0
9	TOTAL REF ORD #34, 82-314U	ITDITRO	0	0	0
	REV ADJ MO FUEL	T116			
10	FEDERAL	ITDTMFF E01M	0	0	0
11	STATE	ITDTMFS E01M	0	0	0
12	TOTAL REV ADJ MO FUEL	ITDTMF	0	0	0
	GG1 OVER/UNDER RECOV	T117			
13	FEDERAL	ITDTOURF 001	2,217	69	2,148
14	STATE	ITDTOURS 001	306	9	297
15	TOTAL GG1 OVER/UNDER RECOV	ITDTOUR	2,523	78	2,445
	GG1 MO RETAIL	T118			
16	FEDERAL	ITDTGHRF 001M	427	427	0
17	STATE	ITDTGHRS 001M	58	58	0
18	TOTAL GG1 MO RETAIL	ITDTGHR	485	485	0
	GG1 NLR OVER/UNDER RECOV	T119			
19	FEDERAL	ITDTNLOF SDOO	75	0	75
20	STATE	ITDTNLOS SDOO	11	0	11
21	TOTAL NLR OVER/UNDER RECOV	ITDTNLO	86	0	86
	GG1 BENTON OVER/UNDER RECOV	T120			
22	FEDERAL	ITDTBOF SDMC	15	0	15
23	STATE	ITDTBOS SDMC	2	0	2
24	TOTAL BENTON OVER/UNDER RECOVER	ITDTBO	17	0	17

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	GG1 PARAGOULD OVER/UNDER RECOV	T121			
1	FEDERAL	ITOTPAOF SOOW	2	0	2
2	STATE	ITOTPAOS SOOW	0	0	0
3	TOTAL PARAGOULD O/U RECOVERY	ITOTPAO	2	0	2
	GG1 PRESCOTT OVER/UNDER RECOV	T122			
4	FEDERAL	ITOTPROF SOMC	1	0	1
5	STATE	ITOTPROS SOMC	0	0	0
6	TOTAL PRESCOTT O/U RECOVERY	ITOTPRO	1	0	1
	GG1 NO ARK OVER/UNDER RECOV	T123			
7	FEDERAL	ITOTNAOF SOMC	4	0	4
8	STATE	ITOTNAOS SOMC	1	0	1
9	TOTAL NO ARK O/U RECOVERY	ITOTNAO	5	0	5
	GG1 PHASE-IN CURRENT	T124			
10	FEDERAL	ITOTPICF D01	38,810	1,203	37,607
11	STATE	ITOTPIC S D01	5,348	166	5,182
12	TOTAL GG1 PHASE-IN	ITOTPIC	44,158	1,369	42,789
	GG1 INVENTORY DEFERRAL	T125			
13	FEDERAL	ITOTGIDF D01	41,470	1,236	40,184
14	STATE	ITOTGIDS D01	5,714	177	5,537
15	TOTAL GG1 INVENTORY DEF	ITOTGID	47,184	1,463	45,721
	GG1 EXCESS CAPACITY	T126			
16	FEDERAL	ITOTECF D01	12,719	394	12,325
17	STATE	ITOTEC S D01	1,753	54	1,699
18	TOTAL GG1 EXCESS CAPACITY	ITOTEC	14,472	449	14,023
	GG1 PARAGOULD PHASE-IN	T127			
19	FEDERAL	ITOTPAOF SOOW	215	0	215
20	STATE	ITOTPA S SOOW	29	0	29
21	TOTAL GG1 PARAGOULD PHASE-IN	ITOTPA	244	0	244
	GG1 PARAGOULD INV DEF	T128			
22	FEDERAL	ITOTPAIF SOOW	232	0	232
23	STATE	ITOTPAIS SOOW	32	0	32
24	TOTAL GG1 PARAGOULD INV DEF	ITOTPAI	264	0	264

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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			
	GG1 PRESCOTT PHASE-IN	T129			
1	FEDERAL	ITDTPRPF SDMC	71	0	71
2	STATE	ITDTPRPS SDMC	10	0	10
3	TOTAL GG1 PRESCOTT PHASE-IN	ITDTPRP	81	0	81
	GG1 PESCOTT INV DEF	T130			
4	FEDERAL	ITDTPRIF SDMC	76	0	76
5	STATE	ITDTPRIS SDMC	11	0	11
6	TOTAL GG1 PRESCOTT INV DEF	ITDTPRI	87	0	87
	PROV FOR DEFERRED INC TAX	T083			
7	FEDERAL	ITDTFTO	109,943	4,512	105,431
8	STATE	ITDTSTO	15,815	643	15,172
9	TOTAL PROV FOR DEF INC TAX	ITDTTO	125,758	5,155	120,603

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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 - FEDERAL:	T139		
1 INT ON TAX DEFICIT	PF07FEIT NINBIT -2,037	-10	-2,027
2 INJ & DAMAGES	PF07FAID LOMTOA -5	-0	-5
3 GG1 OVER/UND RECOV	PF07FE0U D01 -2,217	-69	-2,148
4 GG1 NLR O/U RECOV	PF07FENL SDOW -75	0	-75
5 GG1 BENTON O/U REC	PF07FES SDMC -15	0	-15
6 GG1 PARAGOULD O/U REC	PF07FEPO SDOW -2	0	-2
7 GG1 PRESCOTT O/U RECOV	PF07FEPR SDMC -1	0	-1
8 GG1 NO ARK O/U RECOV	PF07FENA SDMC -4	0	-4
9 NUCLEAR RESERVE	PF07FENR E03 -1,478	0	-1,478
10 COAL HNDL EQ SALE	PF07FECH D01 -68	-2	-66
11 TX GAIN-ANO BLOG SALE	PF07FEAN D01 -42	-1	-41
12 REMOVAL COST	PF07FARC PLTOA -55	-2	-53
13 UNBILLED REV	PF07FEUR RSRDOWTOA -4,980	-188	-4,792
14 BLOG SALE	PF07FEBS LOMTOA -56	-2	-54
15 WEST MARKHAM SC	PF07FEWM SFWMSC -4	-0	-4
16 OIRECTORS FEES	PF07FEDI LOMTOA -7	-0	-7
17 RETAIL REV ADJMNT	PF07FERR RSRDOWTOA -1,109	-42	-1,067
18 REF ORD #34, 82-314U	PF07FERO LPAR 0	0	0
19 REV ADJ MO FUEL	PF07FEMF E01M 0	0	0
20 AR TX RT LIBER DEPREC	PF07FALD PLTOAEXI -10	-0	-10
21 MO ST TX CHG LIER DEPREC	PF07FMLO PLTOAEXI 1,014	33	981
22 AR TX RT NORM NUCL FUEL	PF07FANN E01 1	0	1
23 MO ST TX EFF NORM NF	PF07FMNN E01 -23	-1	-22
24 TX & PENS CAPITAL	PF07FETP PLTOA -69	-2	-67
25 INT PLT 82-314U	PF07FEIP PLTOAEXI -212	-7	-205
26 GG1 PHASE-IN CURR	PF07FEPI D01 -38,810	-1,203	-37,607
27 GG1 INVENT DEF	PF07FEID D01 -41,470	-1,286	-40,184
28 GG1 EXCESS CAPACITY	PF07FEED D01 -12,719	-394	-12,325
29 GG1 PARAGOULD PH-IN	PF07FEPP SDOW -215	0	-215
30 GG1 PARAGOULD INV DEF	PF07FEPA SDOW -232	0	-232
31 GG1 PRESCOTT PH-IN	PF07FEPS SDMC -71	0	-71
32 GG1 PRESCOTT INV DEF	PF07FEPO SDMC -76	0	-76
33 MO ST TX EFF GG1 DEF	PF07FMGD D01 14	0	14
34 DEFERRED FUEL	PF07FE0F E02 23,618	0	23,618
35 COMPUTER S/W CAPIT	PF07FECS PLTOAEXI -1,792	-58	-1,734
36 STEAM GEN PROCESS	PF07FE5G E01 -1,222	-45	-1,177
37 LIBER DEPR CHG IN FED TX RT	PF07FL40 PLTOAEXI -3,505	-114	-3,391
38 NORM NF CHG IN FEO TX RT	PF07FN40 E01 235	9	226
39 GG1 DEF NO RET FO TX RT	PF07FG40 D01M -58	-58	0
40 LIA DEPR FED EFF OF ST TX CHG	PF07FLST PLTOAEXI -82	-3	-79
41 NORM NF FED EFF OF ST TX CHG	PF07FNST E01 2	0	2
42 GG1 DEF MO RET FED EFF ST TX C	PF07FGST D01M -1	-1	0
43 ADJUST-DEF INC TAXES FEDERAL	PF07DTFN -87,838	-3,446	-84,392

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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-OR	T056		
ADJUSTMENTS - STATE:	T140		
1 INT IN TX DEFICIT	PF07SEIT NINBIT -281	-1	-290
2 INJ & DAMAGES	PF07SEIO LOMTOA -1	-0	-1
3 GG1 O/U RECOV	PF07SEOU D01 -306	-9	-297
4 GG1 NLR O/U RECOV	PF07SENL SDOW -11	0	-11
5 GG1 BENTON O/U RECOV	PF07SEB SDMC -2	0	-2
6 GG1 PARAGOULD O/U RECOV	PF07SEPO SDOW 0	0	0
7 GG1 PRESCOTT O/U REC	PF07SEPR SDMC 0	0	0
8 GG1 NO ARK O/U RECOV	PF07SENA SDMC -1	0	-1
9 NUCLEAR RESERVE	PF07SENR E03 -213	0	-213
10 COAL MNDL EJ SALE	PF07SECH D01 -10	-0	-10
11 TX GN-AND BLDG SALE	PF07SEAN D01 -5	-0	-5
12 REMOVAL COST	PF07SARC PLTOA -8	-0	-8
13 UNBILLED REV	PF07SEUR RSRDOWTOA -686	-26	-660
14 BLDG SALE	PF07SEBS LOMTOA -13	-0	-13
15 WEST MARKHAM SC	PF07SEWH SFWMSC -1	-0	-1
16 DIRECTORS FEES	PF07SEOI LOMTOA -1	-0	-1
17 RETAIL REV ADJMNT	PF07SERR RSRDOWTOA -152	-6	-146
18 REF ORD #34,82-314U	PF07SERO LPAR 0	0	0
19 REV ADJ MO FUEL	PF07SEMF E01M 0	0	0
20 AR TX RT LIGER DEPREC	PF07SALD PLTOAEXI 23	1	22
21 MO ST TX CHG LIGER DEPREC	PF07SMLD PLTOAEXI -2,204	-71	-2,133
22 MO ST TX CHG GG1 DEF	PF07SMGO D01 -32	-1	-31
23 AR TX RT NORM NUCL FUEL	PF07SANN E01 -1	-0	-1
24 MO ST TX CHG NORM NF	PF07SMNN E01 50	2	48
25 TX & PENS CAPTIAL	PF07SETP PLTOA -10	-0	-10
26 INT PLT-82-314U	PF07SEIP PLTOAEXI -29	-1	-28
27 GG1 PHASE-IN CURR	PF07SEPI D01 -5,348	-166	-5,182
28 GG1 INVENT DEF	PF07SEIN D01 -5,714	-177	-5,537
29 GG1 EXCESS CAPACITY	PF07SEEC D01 -1,753	-54	-1,699
30 GG1 PARAGOULD PH-IN	PF07SEPP SDOW -29	0	-29
31 GG1 PARAGOULD INV	PF07SEPA SDOW -32	0	-32
32 GG1 PRESCOTT PH-IN	PF07SEPS SDMC -10	0	-10
33 GG1 PRESCOTT INV	PF07SEPD SDMC -11	0	-11
34 DEFERRED FUEL	PF07SEDF E02 3,253	0	3,253
35 COMPUTER S/W CAPIT	PF07SECS PLTOAEXI -247	-6	-239
36 STEAM GEN PROCESS	PF07SESG E01 -168	-6	-162
37 LIG DEPR CHG IN FED TX RT	PF07SL40 PLTOAEXI 204	7	197
38 NORM NF CHG IN FED TX RT	PF07SN40 E01 -5	-0	-5
39 GG1 DEF-MO RET FD TX RT	PF07SG40 D01M 3	3	0
40 ADJUST-DEF INC TAXES STATE	PF07DTSN -13,751	-517	-13,234

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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-DR	T056		
1	ADJUSTMENT-DEF INC TAX-FED	ITOTFAO	-87,838	-3,446
2	ADJUSTMENT-DEF INC TAX-STATE	ITDTSAD	-13,751	-517
3	ADJUSTMENT-TOT DEF TAX	ITOTAD	-101,589	-3,963
	PROVISION FOR DEF INCOME TAX-OR	T056		
4	FEDERAL	ITDTFTOA	22,105	1,000
5	STATE	ITDTSTOA	2,064	126
6	TOTAL PROVISION DEF INC TAX ADJ	ITDTTOA	24,169	1,192

-84,392
 -13,234
 -97,626

21,039
 1,938
 22,977

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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		
	INTEREST ON TAX DEFICIT	T092		
1	FEDERAL	ITOTCITF NINBIT	-2,418	-12
2	STATE	ITOTCITS NINBIT	-333	-2
3	TOTAL INTEREST ON TAX DEF	ITOTCITT	-2,751	-14
	NUCLEAR REFUELING RES & INT	T076		
4	FEDERAL	ITOTCNRF E03	-5,262	0
5	STATE	ITOTCNRS E03	-736	0
6	TOTAL NUCL REFUELING RESERVE	ITOTCNRT	-5,998	0
	DECOMMISSIONING EXPENSE	T077		
7	FEDERAL	ITOTCDEF E01	-1,542	-48
8	STATE	ITOTCDES E01	-212	-7
9	TOTAL DECOMMISSIONING EXP	ITOTCOET	-1,754	-54
	UNBILLED REVENUE	T057		
10	FEDERAL	ITOTCURF RSRDOWTOA	-4,462	-168
11	STATE	ITOTCURS RSRDOWTOA	-615	-23
12	TOTAL UNBILLED REVENUE	ITOTCURT	-5,077	-192
	RETAIL REV ADJMNT	T087		
13	FEDERAL	ITOTCRRF RSRDOWTOA	-1,565	-59
14	STATE	ITOTCRRS RSRDOWTOA	-216	-8
15	TOTAL RETAIL REV ADJMNT	ITOTCRRT	-1,781	-67
	DOCKET 82-314U REFUND #34	T103		
16	FEDERAL	ITOTCF34 LPAR	132	0
17	STATE	ITOTCS34 LPAR	18	0
18	TOT DOCK 82-314U REF #34	ITOTC34T	150	0
	MO FUEL TRUE-UP	T134		
19	FEDERAL	ITOTCFMF E01M	112	112
20	STATE	ITOTCSMF E01M	16	16
21	TOTAL MO FUEL TRUE-UP	ITOTCTMF	128	128
	MAINT COST-OUTAGE	T100		
22	FEDERAL	ITOTCFMC E01	-8,455	-311
23	STATE	ITOTCSMC E01	-1,165	-43
24	TOTAL MAINT COST-OUTAGE	ITOTCMCT	-9,620	-354

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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			
	DEFENSE PROPERTY	T094			
1	FEDERAL	ITDTDEFF SFOTAATO	-452	-13	-439
2	STATE	ITDTDEFS SFOTAATO	0	0	0
3	TOTAL DEFENSE PROPERTY	ITDTDEFT	-452	-13	-439
	TAXES & PENSIONS CAPITALIZED	T068			
4	FEDERAL-PRODUCTION	ITDTTXFP D01	0	0	0
5	-TRANSMISSION	ITDTTXFT PLTTOA	0	0	0
6	-DISTRIBUTION	ITDTTXFD PLTOA	0	0	0
7	-GENERAL	ITDTTXFG PLGECM	0	0	0
8	-TOTAL PLANT	ITDCTPF PLTOA	-650	-21	-629
9	FEDERAL	ITDTCTPF	-650	-21	-629
10	STATE-PRODUCTION	ITDTTXSP D01	0	0	0
11	-TRANSMISSION	ITDTTXST PLTTOA	0	0	0
12	-DISTRIBUTION	ITDTTXSD PLTOA	0	0	0
13	-GENERAL	ITDTTXSG PLGECM	0	0	0
14	-TOTAL PLANT	ITDCTPS PLTOA	-89	-3	-86
15	STATE	ITDTCTPS	-89	-3	-86
16	TOTAL TAXES & PENS CAP	ITDTCTPT	-739	-24	-715
	INTEREST CAP ON NUCLEAR FUEL	T060			
17	FEDERAL	ITDTCICF E01	-535	-20	-515
18	STATE	ITDTCICS E01	-63	-2	-61
19	TOTAL INT CAP ON NUCL FUEL	ITDTCICT	-598	-22	-576
	AECC COST OF MONEY	T092			
20	FEDERAL	ITOTCAEF D01	-131	-4	-127
21	STATE	ITOTCAES D01	-18	-1	-17
22	TOTAL AECC COST OF MONEY	ITDTCAET	-149	-5	-144

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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		
	NUCLEAR FUEL NORMALIZATION	T073		
1	FEDERAL	ITDTCNFF E01	-2,384	-86
2	STATE	ITDTCNFS E01	-293	-11
3	TOTAL NORM OF NUCL FUEL	ITDTCNFT	-2,677	-98
	POLLUTION CONTROL BONDS	T104		
4	FEDERAL	ITDTCFPC D01	-10	-0
5	STATE	ITDTCSPC D01	-1	-0
6	TOT POLLUTION CONTROL BONDS	ITDTCPCCT	-11	-0
	INTANG PLT 82-314U	T089		
7	FEDERAL	ITDTCIPF PLTOAEXI	-354	-11
8	STATE	ITDTCIPS PLTOAEXI	-49	-2
9	TOTAL INTANG PLT 82-314U	ITDTCIPT	-403	-13
	INTEREST ON DEFERRED PAYABLE	T078		
10	FEDERAL	ITDTCIDF D01	-103	-3
11	STATE	ITDTCIDS D01	-14	-0
12	TOTAL INT ON DEFERRED PAYABLES	ITDTCIDT	-117	-4
	CONSTRUCTION POWER	T072		
13	FEDERAL	ITDTCCPF E01	-6	-0
14	STATE	ITDTCAPS E01	-1	-0
15	TOTAL CONSTRUCTION POWER	ITDTCAPT	-7	-0
	ISES BDDK DEP CAP	T090		
16	FEDERAL	ITDTCIBF D01AW	-85	0
17	STATE	ITDTCIBS D01AW	-12	0
18	TOTAL ISES BDDK DEPR CAP	ITDTCIBT	-97	0
	DEFERRED FUEL	T059		
19	FEDERAL	ITDTCOFF E02	22,642	0
20	STATE	ITDTCOFS E02	3,119	0
21	TOTAL DEFERRED FUEL	ITDTCOFT	25,761	0

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	GAIN ON SALE OF GAS PROPERTY	T079			
1	FEDERAL	ITOTCGGF PLTOAEXI	-29	-1	-28
2	STATE	ITOTCGGS PLTOAEXI	-1	-0	-1
3	TOTAL GAIN ON GAS PROP	ITOTCGGT	-30	-1	-29
	LIBERALIZED DEPRECIATION	T088			
4	FEDERAL-PRODUCTION	ITOCLOFA D01	0	0	0
5	-NUCLEAR FUEL	ITOCLOFB E01	0	0	0
6	-LABOR RELATED	ITOCLOFC LOMTOA	0	0	0
7	-GENERAL PLANT	ITOCLOFO PLGECM	0	0	0
8	-TOT PLT EX INTANG	ITOCLOFE PLTOAEXI	-3,335	-108	-3,227
9	-DISTRIBUTION	ITOCLOFF PLOTOA	0	0	0
10	FEDERAL	ITOTCLOF	-3,335	-108	-3,227
11	STATE-NUCLEAR FUEL	ITOCLOSA E01	0	0	0
12	-LABOR RELATED	ITOCLOSB LOMTOA	0	0	0
13	-GENERAL PLANT	ITOCLOSC PLGECM	0	0	0
14	-TOT PLT EX INTANG	ITOCLOSD PLTOAEXI	-1,289	-42	-1,247
15	-DISTRIBUTION	ITOCLOSE PLOTOA	0	0	0
16	STATE	ITOTCLOS	-1,289	-42	-1,247
17	TOTAL LIBERALIZED DEPREC	ITOTCLOT	-4,624	-150	-4,474

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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		
	COMPUTER SOFTWARE CAP	T101		
1	FEDERAL	ITOTCFCS PLTOAEXI	-632	-22
2	STATE	ITOTCSCS PLTOAEXI	-94	-3
3	TOTAL COMPUTER S/W CAP	ITOTCCST	-776	-25
	GG1 OVER/UNDER RECOV	T117		
4	FEDERAL	ITOTCOUF D01	-3,388	-105
5	STATE	ITOTCOUS D01	-467	-14
6	TOTAL GG1 O/U RECOVERY	ITOTCOU	-3,855	-120
	GG1 NLR OVER/UNDER RECOV	T119		
7	FEDERAL	ITOTCNLF SDOW	-75	0
8	STATE	ITOTCNLS SDOW	-11	0
9	TOTAL GG1 NLR O/U REC	ITOTCNL	-86	0
	GG1 BENTON OVER/UNDER RECOV	T120		
10	FEDERAL	ITOTCBF SDMC	-15	0
11	STATE	ITOTCBS SDMC	-2	0
12	TOTAL GG1 BENTON O/U RECOVERY	ITOTCB	-17	0

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	GG1 PARAGOULD OVER/UNDER RECOV T121			
1	FEDERAL ITOTCPAF SDOW	-22	0	-22
2	STATE ITOTCPAS SDOW	-3	0	-3
3	TOTAL GG1 PARAGOULD O/U REC ITOTCPA	-25	0	-25
	GG1 PRESCOTT OVER/UNDER RECOV T122			
4	FEDERAL ITOTCPRF SOMC	-7	0	-7
5	STATE ITOTCPRS SOMC	-1	0	-1
6	TOTAL GG1 PRESCOTT O/U RECOVERY ITOTCPR	-8	0	-8
	GG1 NO ARK OVER/UNDER RECOV T123			
7	FEDERAL ITOTCNAF SOMC	-11	0	-11
8	STATE ITOTCNAS SOMC	-1	0	-1
9	TOTAL GG1 NO ARK O/U RECOVERY ITOTCNA	-12	0	-12
	FEC JONESBORO T131			
10	FEDERAL ITOTCFEF SDWH	-112	0	-112
11	STATE ITOTCFES SDWH	-15	0	-15
12	TOTAL FEC JONESBORO ITOTCFE	-127	0	-127
	RES CONT FASB 5 T132			
13	FEDERAL ITOTCRCF D01	-24,105	-747	-23,358
14	STATE ITOTCRCS D01	-3,322	-103	-3,219
15	TOTAL RES CON FASB5 ITOTCRC	-27,427	-850	-26,577
	GG1 FARM/JONESBORO T133			
16	FEDERAL ITOTCFJF SOJF	-174	0	-174
17	STATE ITOTCFJS SOJF	-24	0	-24
18	TOTAL GG1 FARM/JONESBORO ITOTCFJ	-198	0	-198
	STEAM GEN PROCESS T114			
19	FEDERAL ITOTCSGF E01	-239	-9	-229
20	STATE ITOTCSGS E01	-33	-1	-32
21	TOTAL STEAM GEN PROCESS ITOTCSG	-271	-10	-261
	PROVISION FOR DEF INCOME TAX-CR T061			
22	FEDERAL ITOTCFIO	-37,721	-1,639	-36,082
23	STATE ITOTCSTO	-5,927	-249	-5,678
24	TOTAL INCOME TAX DEFERRED-CREDIT ITOTCTD	-43,648	-1,888	-41,760

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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 - FEDERAL:	T139		
1 INT ON TAX DEFICIT	PF07FEI2 NINBIT 2,418	12	2,406
2 GG1 OVER/UNDER RECOV	PF07CF0U D01 3,388	105	3,283
3 GG1 NLR O/U RECOV	PF07CFNL SDOW 75	0	75
4 GG1 BENTON O/U RECOV	PF07CFB SDMC 15	0	15
5 GG1 PARAGOULD O/U RECOV	PF07CFPA SDOW 22	0	22
6 GG1 PRESCOTT O/U RECOV	PF07CFPR SDMC 7	0	7
7 GG1 NO ARK O/U RECOV	PF07CFNA SDMC 11	0	11
8 NUCLEAR RESERVE	PF07FEN2 E03 5,262	0	5,262
9 DECOMMISS EXP	PF07FEDE D01 1,542	48	1,494
10 UNBILLED REVENUE	PF07FEU2 RSRDOWTA 4,462	168	4,294
11 RETAIL REV ADJMNT	PF07FER2 RSRDOWTA 1,565	59	1,506
12 82-314U REF #34	PF07FE34 LPAR -132	0	-132
13 NO FUEL TRUE-UP	PF07FEM2 E01M -112	-112	0
14 FEC JONESBORO	PF07FEFJ SDWH 112	0	112
15 MAINT COST OUTAGE	PF07FEMC E01 8,455	311	8,144
16 DEFENSE PROPERTY	PF07CFOP SFDTAATO 452	13	439
17 RES CONTING FASB S	PF07CFRC D01 24,105	747	23,358
18 PR YR ADJ LIBER DEPREC	PF07CFLD PLTOAEXI 423	14	409
19 MO ST TX CHG LIBER DEPREC	PF07CHLD PLTOAEXI -305	-10	-295
20 MO ST TX CHG INT NF	PF07CMNF E01 -16	-1	-15
21 AECC COST OF MONEY	PF07CFAE D01 131	4	127
22 AR TX RT NUCL FUEL NORM	PF07FCAN E01 1	0	1
23 MO ST TX CHG NF NORM	PF07CMNN E01 -73	-3	-70
24 POLL CONTR BONDS	PF07FEP2 D01 10	0	10
25 TX 3 PENS CAPITAL	PF07CFTP PLTOA 650	21	629
26 INTANG PLT 82-314-U	PF07CFIP PLTOAEXI 354	11	343
27 INT ON ORF PAYABLES	PF07CFID D01 103	3	100
28 CONSTR POWER	PF07CFCP E01 6	0	6
29 ISES BOOK DEPR	PF07CFIS D01AW 85	0	85
30 GG1 FARM/JONESBORO	PF07FEJF SDJF 174	0	174
31 DEFERRED FUEL	PF07FED2 E02 -22,642	0	-22,642
32 COMPUTER S/W	PF07CFCS PLTOAEXI 682	22	660
33 STEAM GEN PROCESS	PF07CFSG E01 238	9	229
34 GAIN ON GAS PROPERTY	PF07FEGP PLTOAEXI 29	1	28
35 INT CAP NF CHG FED TX RT	PF07FCI4 E01 72	3	69
36 NORM NF CHG FED TX RT	PF07FCN4 E01 321	12	309
37 INT CAP NF FED EFF ST TX CHG	PF07FCIT E01 1	0	1
38 NORM NF FED EFF ST TX CHG	PF07FCNT E01 6	0	6
39 ADJUST-DEF INC TAXES CR FEDERAL	PF07DCFN 31,897	1,439	30,458

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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 333	2	331
2	GG1 OVER/UNDER RECOV	PF07CSOU D01 467	14	453
3	GG1 NLR O/U RECOV	PF07CSNL S00W 11	0	11
4	GG1 BENTON O/U RECOV	PF07CSB S0MC 2	0	2
5	GG1 PARAGOULD O/U RECOV	PF07CSPA S0OW 3	0	3
6	GG1 PRESCOTT O/U RECOV	PF07CSPR S0MC 1	0	1
7	GG1 NO ARK O/U RECOV	PF07CSNA S0MC 1	0	1
8	NUCLEAR RESERVE	PF07SEN2 E03 736	0	736
9	DECOMMISS EXP	PF07SEDE D01 212	7	205
10	UNBILLED REVENUE	PF07SEU2 RSRDWT0A 615	23	592
11	RETAIL REV ADJMNT	PF07SER2 RSROWTOA 216	8	208
12	82-314U REF #34	PF07SE34 LPAR -18	0	-18
13	MO FUEL TRUE-UP	PF07SEM2 E01M -16	-16	0
14	F&C JONESBORO	PF07SEFJ S0WH 15	0	15
15	MAINT COST OUTAGE	PF07SEMC E01 1,165	43	1,122
16	RES CONTING FASB 5	PF07CSRC D01 3,322	103	3,219
17	PR YR ADJ LIBER DEPREC	PF07CSLD PLTOAEXI 61	2	59
18	MO ST TX CHG LIBER DEPREC	PF07MSLD PLTOAEXI 663	21	642
19	AR TX RT INT CAP NUCL FUEL	PF07SAIC E01 -1	-0	-1
20	MO ST TX CHG INT NF	PF07MSNF E01 34	1	33
21	AECC COST OF MONEY	PF07CSAE D01 18	1	17
22	AR TX RT NUCL FUEL NORM	PF07SCAN E01 -2	-0	-2
23	MO ST TX CHG NF NORM	PF07MSNN E01 160	6	154
24	POLL CONTR BONDS	PF07SEP2 D01 1	0	1
25	TX & PENS CAPITAL	PF07CSTP PLTOA 89	3	86
26	INTANG PLT 82-314-U	PF07CSIP PLTOAEXI 49	2	47
27	INT ON DRF PAYABLES	PF07CSID D01 14	0	14
28	CONSTR PWR	PF07CSCP E01 1	0	1
29	ISES BOOK DEPR	PF07CSIS D01AW 12	0	12
30	GG1 FARM/JONESBORO	PF07SEJF S0JF 24	0	24
31	DEFERRED FUEL	PF07SED2 E02 -3,119	0	-3,119
32	COMPUTER S/W	PF07CSCS PLTOAEXI 94	3	91
33	STEAM GEN PROCESS	PF07CSSG E01 33	1	32
34	GAIN ON GAS PRDP	PF07SEGP PLTOAEXI 1	0	1
35	INT CAP NF CHG FED TX RT	PF07SCI4 E01 -3	-0	-3
36	NORM NF CHG FED TX RT	PF07SCN4 E01 -15	-1	-14
37	ADJUST-DEF INC TAXES CR STATE	PF07DCSH 5,179	224	4,955

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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	ITDTCFA	31,897	1,439
2	ADJUSTMENT-DEF TAX CR STATE	ITDTCSA	5,179	224
3	ADJUSTMENT-TOT DEF TAX CREDIT	ITDTCA	37,076	1,663
	PROVISION FOR DEF INCOME TAX-CR	T061		
4	FEDERAL	ITDTCFTA	-5,824	-200
5	STATE	ITDTCSTA	-743	-25
6	TOTAL INCOME TAX DEF-CREDIT ADJ	ITDTCIOA	-6,572	-225
	INVESTMENT TAX CREDIT - FEDERAL	T026		
7	INVEST TAX CREDIT PROVISION	ITITCPRV PLTOAEXI	3,108	101
8	ALLOCATION TO CURRENT YEAR INC	ITITCACY PLTOAEXI	-1,388	-45
9	TOTAL INVESTMENT TAX CREDIT	ITITCTO	1,720	56
10	ADJUST-ITC AMORTIZATION	PF07ITC PLTOAEXI	-3,108	-101
11	TOTAL INVEST TAX CREDIT ADJ	ITITCTOA	-1,388	-45
12	TOTAL OPER EXPENSES ADJUSTED OPEXTA		1,133,031	46,824
				1,086,208

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	3,440,335	111,109	3,329,226
2 DEPRECIATION RESERVES	-893,242	-29,445	-863,797
3 ELEC PLT ACQUIS'N ADJUS'NT	617	36	581
4 FUEL INVENTORY	27,040	1,017	25,623
5 MATERIALS & SUPPLIES	37,423	1,296	36,127
6 PREPAYMENTS	6,851	189	6,662
7 ACCUM DEF TAXES-ACCEL AMORT	-229	-7	-222
8 LIBERALIZED DEPRECIATION	-280,493	-9,095	-271,398
9 ACCUM DEF INC TAX-OTHER	0	0	0
10 INVEST TAX CREDIT - 3%	-3,647	-118	-3,529
11 INVESTMENT IN SFI	41,155	1,514	39,641
12 TOTAL RATE BASE	2,376,410	76,496	2,299,914
REVENUES			
13 RATE SCHEDULE	983,471	37,309	951,162
14 MSU POWER POOL SALES	260,431	9,223	251,208
15 SYSTEM SALES	49,111	1,806	47,305
16 OTHER REVENUES	39,817	870	38,947
17 MSPP/SYSTEM/OTHER REV	349,359	11,899	337,460
18 TOTAL REVENUES ADJUSTED	1,337,830	49,208	1,288,622
EXPENSES			
19 O & M EXPENSE	928,306	42,991	885,315
20 DEPRECIATION EXPENSE	113,310	3,682	109,628
21 TAXES OTHER THAN INCOME	37,352	1,213	36,139
22 INCOME TAX-FED	29,725	-1,559	31,284
23 INCOME TAX-ST	3,044	-159	3,204
24 PROV DEF INCOME TAX-DR-FED	18,720	901	17,819
25 PROV DEF INCOME TAX-DR-ST	2,267	135	2,132
26 PROV DEF INCOME TAX-CR-FED	-5,427	-186	-5,241
27 PROV DEF INCOME TAX-CR-ST	-766	-26	-740
28 INVESTMENT TAX CREDIT-NET	-1,388	-45	-1,343
29 TOTAL OPER EXPENSES ADJUSTED	1,125,143	46,949	1,078,194
30 OPERATING INCOME ADJUSTED	212,687	2,260	210,427
31 RATE OF RETURN	8.95	2.95	9.15
REVENUE REQUIREMENTS			
32 REQUIRED RATE OF RETURN	11.5900	11.5900	11.5900
33 REQUIRED OPER INCOME(L12XL32)	275,426	8,866	266,560
34 OPER INC DEFICIENCY(L33-L30)	62,739	6,606	56,133
35 REVENUE CONVERSION FACTOR	1.5726	1.5694	1.5730
36 REVENUE EFFICIENCY(L34XL35)	98.663	10.368	88.295
37 % INCREASE (L36/L13)	9.98	27.79	9.28
38 PROP RATE SCHED REV(L13+L36)	1,087,134	47,677	1,039,457

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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	1,985,229	61,542	1,923,687
	TRANSMISSION PLANT	T003			
	TRANSMISSION SUBSTATIONS	T004			
2	STEP UP	PLTSSU 001	22,720	704	22,016
3	POWER SUPPLY	PLTSPS 002	177,156	3,392	173,764
4	TOTAL SUBSTATIONS	PLTST0	199,876	4,097	195,779
5	TOTAL LINES	PLTLT0 002	360,126	6,896	353,230
6	TOTAL TRANSMISSION PLANT	PLTT0	560,002	10,993	549,009

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	T006		
	DISTRIBUTION SUBSTATIONS	T007		
1	DIRECT-AR	PL0SDA 13,080	0	13,080
2	DIRECT-MO	PL0SDM 400	0	400
3	DIRECT	PL0SD 13,480	0	13,480
4	RETAIL GENERAL-AR	PL0SRGA D03A 96,760	0	96,760
5	RETAIL GENERAL-MO	PL0SRGM D03M 7,858	7,858	0
6	RETAIL GENERAL	PL0SRG 104,618	7,858	96,760
7	TOTAL SUBSTATIONS	PL0STO 118,098	7,858	110,240
	DISTRIBUTION LINES	T008		
8	DIRECT-AR	PL0LDA 1,653	0	1,653
9	DIRECT-MO	PL0LDM 99	0	99
10	DIRECT	PL0LD 1,752	0	1,752
	RETAIL GENERAL	T009		
11	PRIMARY DEMAND-AR	DLRGDA D04A 100,040	0	100,040
12	PRIMARY DEMAND-MO	DLRGDM D04M 4,958	4,958	0
13	PRIMARY DEMAND	PLDLRGPD 104,998	4,958	100,040
14	PRIMARY CUSTOMER-AR	DLRGPCA C03A 147,705	0	147,705
15	PRIMARY CUSTOMER-MO	DLRGPCM C03M 7,493	7,493	0
16	PRIMARY CUSTOMER	PLDLRGPC 155,198	7,493	147,705
17	SECONDARY DEMAND-AR	DLRGDA D05A 19,344	0	19,344
18	SECONDARY DEMAND-MO	DLRGDM D05M 773	773	0
19	SECONDARY DEMAND	PLDLRGSD 20,117	773	19,344
20	SECONDARY CUSTOMER-AR	DLRGSCA C04A 77,445	0	77,445
21	SECONDARY CUSTOMER-MO	DLRGSCM C04M 3,545	3,545	0
22	SECONDARY CUSTOMER	PLDLRGSC 80,990	3,545	77,445
23	RETAIL GENERAL	PLDLRG 361,303	16,769	344,534
24	TOTAL LINES	PLDLTO 363,055	16,769	346,286
	LINE TRANSFORMERS	T010		
25	DIRECT-AR	PL0TDA 228	0	228
26	DIRECT-MO	PL0TDM 16	0	16
27	DIRECT	PL0TD 244	0	244
	RETAIL GENERAL	T009		
28	DEMAND-AR	PL0TRGDA D07A 64,270	0	64,270
29	DEMAND-MO	PL0TRGDM D07M 2,217	2,217	0
30	DEMAND	PL0TRGD 66,487	2,217	64,270
31	CUSTOMER-AR	PL0TRGCA C04A 85,460	0	85,460
32	CUSTOMER-MO	PL0TRGCM C04M 2,947	2,947	0
33	CUSTOMER	PL0TRGC 88,407	2,947	85,460
34	RETAIL GENERAL	PL0TRG 154,894	5,164	149,730
35	TOTAL LINE TRANSFORMERS	PL0TTO 155,138	5,164	149,974

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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 60,661	0	60,661
2	RETAIL GENERAL-CUST-MO	DSERGCM C369M 1,960	1,960	0
3	RETAIL GENERAL-CUST	PLDSERGC 62,621	1,960	60,661
4	TOTAL SERVICES	PLDSETO 62,621	1,960	60,661
	METERS	T012		
5	DIRECT-AR	PLOMDA 110	0	110
6	DIRECT-MO	PLOMDM 12	0	12
7	DIRECT	PLOMD 122	0	122
8	RETAIL GENERAL-CUST-AR	PLDMRGCA C370A 49,226	0	49,226
9	RETAIL GENERAL-CUST-MO	PLDMRGCM C370M 1,907	1,907	0
10	RETAIL GENERAL-CUST	PLDMRGC 51,133	1,907	49,226
11	TOTAL METERS	PLOMTO 51,255	1,907	49,348
12	TOTAL INST CUST PREM	PLOCPTO D01 12,649	392	12,257
	STREET LIGHTS	T106		
13	ARKANSAS	PLDSL A S01A 21,335	0	21,335
14	MISSOURI	PLDSL M S01M 1,185	1,185	0
15	TOTAL STREET LIGHTS	PLDSLTO 22,520	1,185	21,335
16	TOTAL DISTRIBUTION PLANT	PLOTO 785,336	35,235	750,101

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	GENERAL PLANT	T013			
1	LABOR	PLGL LOMTOA	26,887	960	25,927
2	PRODUCTION	PLGP D01	6,146	191	5,955
3	TRANSMISSION	PLGT PLTTOA	7,657	150	7,507
4	DISTRIBUTION	PLGD PLDIOA	9,456	424	9,032
5	CUSTOMER SERVICES	PLGCS OMCSTOA	114	2	112
6	STORES	PLGST MSTOA	518	18	500
7	ENERGY	PLGE E01	28,505	1,051	27,514
8	TOTAL GENERAL PLANT	PLGTO	79,343	2,795	76,548
	INTANGIBLE PLANT	T014			
9	ORGANIZATION	PLIOR C01	34	2	32
10	FRANCHISE	PLIFR C02	58	3	55
11	MISC INTANG-COMP SOFTWARE	PLIMISCC C01	223	10	213
12	MISC INTANG-TRANS SOFTWARE	PLIMISLR D01	29	1	28
13	MISC INTANG-ISES I SYNCHRON	PLIMISIS D01AW	14,004	0	14,004
14	MISC INTANG-32-314-U, 60 MOS	PLIMISMS PLTCAEXI	1,883	61	1,822
15	MISC INTANG-MSS COMP SOFTWARE	PLIMIMSS PLTOAEXI	5,992	194	5,798
16	MISC MSS COMP S/W-CMS	PLINCSM D01	1,603	50	1,553
17	MISC MISTEC S/W COST	PLIMMSTC PLTTOA	676	13	663
18	MISC STEAM GEN CL PROCESS	PLINSGCP E01	4,097	151	3,946
19	MISC 32-314-U, 48 MOS	PLIN48M PLTOAEXI	1,826	59	1,767
20	TOTAL INTANGIBLE PLANT	PLITO	30,425	544	29,881
21	TOTAL PLANT IN SERVICE	PLTO	3,440,335	111,109	3,329,226

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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			
1	TOTAL PLANT IN SERVICE	3,440,335	111,109	3,329,226
2	TOTAL PLANT IN SERVICE ADJUSTED	3,440,335	111,109	3,329,226
	PLANT SUMMARY			
	T093			
3	TOTAL PRODUCTION ADJUSTED	1,985,229	61,542	1,923,687
4	TOTAL TRANSMISSION ADJUSTED	560,002	10,993	549,009
5	TOTAL DISTRIBUTION ADJUSTED	785,336	35,235	750,101
6	TOTAL GENERAL ADJUSTED	79,343	2,795	76,548
7	TOTAL INTANGIBLE ADJUSTED	30,425	544	29,881
8	TOTAL PLANT IN SERVICE ADJUSTED	3,440,335	111,109	3,329,226

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	RATE BASE				
	RESERVE FOR DEPRECIATION	T000 T015			
1	TOTAL PRODUCTION	DRPT0 001	-493,856	-15,310	-478,546
	TRANSMISSION PLANT	T003			
	TRANSMISSION SUBSTATIONS	T004			
2	STEP UP	DRTSSU 001	-4,722	-146	-4,576
3	POWER SUPPLY	DRTSPS 002	-36,321	-696	-35,625
4	TOTAL SUBSTATIONS	DRTSTO	-41,043	-842	-40,201
5	TOTAL LINES	DRTLTO 002	-77,524	-1,484	-76,040
6	TOTAL TRANSMISSION	DRTTO	-115,567	-2,326	-116,241

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	DISTRIBUTION PLANT	T006			
	DISTRIBUTION SUBSTATIONS	T007			
1	DIRECT-AR	DRDSOA PLOSDA	-5,140	0	-5,140
2	DIRECT-MO	DRDSOM PLOSDM	-79	0	-79
3	DIRECT	DRDSO	-5,219	0	-5,219
4	RETAIL GENERAL-AR	DRDSRGA D03A	-38,135	0	-38,135
5	RETAIL GENERAL-MO	DRDSRGM D03M	-1,518	-1,518	0
6	RETAIL GENERAL	DRDSRG	-39,653	-1,518	-38,135
7	TOTAL SUBSTATIONS	DRDSTO	-44,872	-1,518	-43,354
	DISTRIBUTION LINES	T008			
8	DIRECT-AR	DRDLDA PLDLDA	-565	0	-565
9	DIRECT-MO	DRDLOM PLDLDM	-24	0	-24
10	DIRECT	DRDLD	-589	0	-589
	RETAIL GENERAL	T009			
11	PRIMARY DEMAND-AR	DDLRGPA D04A	-32,907	0	-32,907
12	PRIMARY DEMAND-MO	DDLRGPM D04M	-1,105	-1,105	0
13	PRIMARY DEMAND	DDLRGPD	-34,012	-1,105	-32,907
14	PRIMARY CUSTOMER-AR	DDLRGPCA C03A	-52,180	0	-52,180
15	PRIMARY CUSTOMER-MO	DDLRGPCM C03M	-1,839	-1,839	0
16	PRIMARY CUSTOMER	DDLRGPC	-54,019	-1,839	-52,180
17	SECONDARY DEMAND-AR	DDLRGSDA D05A	-6,147	0	-6,147
18	SECONDARY DEMAND-MO	DDLRGSDM D05M	-171	-171	0
19	SECONDARY DEMAND	DDLRGSD	-6,318	-171	-6,147
20	SECONDARY CUSTOMER-AR	DDLRGSCA C04A	-26,368	0	-26,368
21	SECONDARY CUSTOMER-MO	DDLRGSCM C04M	-849	-849	0
22	SECONDARY CUSTOMER	DDLRGSC	-27,217	-849	-26,368
23	RETAIL GENERAL	DRDLRG	-121,566	-3,964	-117,602
24	TOTAL LINES	DRDLTO	-122,155	-3,964	-118,191
	LINE TRANSFORMERS	T010			
25	DIRECT-AR	DRDTDA PLDTDA	-64	0	-64
26	DIRECT-MO	DRDTDM PLDTDM	-10	0	-10
27	DIRECT	DRDTD	-74	0	-74
	RETAIL GENERAL	T009			
28	DEMAND-AR	DRDTRGDA D07A	-17,866	0	-17,866
29	DEMAND-MO	DRDTRGDM D07M	-1,451	-1,451	0
30	DEMAND	DRDTRGD	-19,317	-1,451	-17,866
31	CUSTOMER-AR	DRDTRGCA C04A	-23,757	0	-23,757
32	CUSTOMER-MO	DRDTRGCM C04M	-1,930	-1,930	0
33	CUSTOMER	DRDTRGC	-25,687	-1,930	-23,757
34	RETAIL GENERAL	DRDTRG	-45,004	-3,381	-41,623
35	TOTAL LINE TRANSFORMERS	DRDTTO	-45,078	-3,381	-41,697

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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			
	DISTRIBUTION PLANT	TG06			
	SERVICES	T011			
1	RETAIL GENERAL-CUST-AR	DDSERGCA C369A	-22,072	0	-22,072
2	RETAIL GENERAL-CUST-MO	DDSERGCM C369M	-728	-728	0
3	RETAIL GENERAL-CUST	DDSERGC	-22,800	-728	-22,072
4	TOTAL SERVICES	DDSETO	-22,800	-728	-22,072
	METERS	T012			
5	DIRECT-AR	DDMDA PLMDA	-33	0	-33
6	DIRECT-MO	DDMDM PLMDM	-6	0	-6
7	DIRECT	DDMD	-39	0	-39
8	RETAIL GENERAL-CUST-AR	DDMRGCA C370A	-14,677	0	-14,677
9	RETAIL GENERAL-CUST-MO	DDMRGCM C370M	-1,046	-1,046	0
10	RETAIL GENERAL-CUST	DDMRGC	-15,723	-1,046	-14,677
11	TOTAL METERS	DDMTO	-15,762	-1,046	-14,716
12	TOTAL INST CUST PREM	DDCPTO D01	-470	-15	-455
	STREET LIGHTS	T106			
13	ARKANSAS	DDSLA S01A	-7,720	0	-7,720
14	MISSOURI	DDSLM S01M	-460	-460	0
15	TOTAL STREET LIGHTS	DDSLTO	-8,180	-460	-7,720
16	TOTAL DISTRIBUTION	DDTO	-259,317	-11,112	-248,205

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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	-5,117	-183	-4,934
2	PRODUCTION	DRGP 001	-1,477	-46	-1,431
3	TRANSMISSION	DRGT PLTTOA	-2,120	-42	-2,078
4	DISTRIBUTION	DRGD PL0TOA	-3,328	-149	-3,179
5	CUSTOMER SERVICES	DRGCS OMCSTOA	-50	-1	-49
6	STORES	DRGST MSTOA	-370	-13	-357
7	ENERGY	DRGE E01	-2,563	-94	-2,469
8	TOTAL GENERAL	DRGTO	-15,025	-527	-14,498
	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 001AW	-1,323	0	-1,323
13	MISC-92-314-U,60 MOS	DRAAMSS PLTOAEXI	-679	-22	-657
14	MISC-MSS COMPUTER SOFTWARE	DRAACS PLTOAEXI	-1,542	-50	-1,492
15	MISC-MSS COMP S/W-CMS	DRAACMS 001	-508	-16	-492
16	MISC-MISTEC S/W COST	DRAAMSTC PLYTOA	-199	-4	-195
17	MISC-STEAM GEN CL PROCESS	DRAASGCP E01	-677	-25	-652
18	MISC-82-314-U,48 MOS	DRAAMS48 PLTOAEXI	-1,293	-42	-1,251
19	TOTAL ACC AMORT OF INTANG	DRAATO	-6,477	-170	-6,307
20	TOTAL RES FOR DEPRECIATION	ORTO	-893,242	-29,445	-863,797
21	TOTAL DEPREC'N RESERVES ADJUST	ORTOA	-893,242	-29,445	-863,797
	DEPREC RES SUMMARY	T094			
22	TOTAL PRODUCTION ADJUSTED	DRPTOA	-493,856	-15,310	-478,546
23	TOTAL TRANSMISSION ADJUSTED	DRITOA	-118,567	-2,326	-116,241
24	TOTAL DISTRIBUTION ADJUSTED	DR0TOA	-259,317	-11,112	-248,205
25	TOTAL GENERAL ADJUSTED	DRGTOA	-15,025	-527	-14,498
26	TOTAL ACC AMORT OF INTANG ADJ	DRAATOA	-6,477	-170	-6,307
27	TOTAL DEPREC'N RESERVES ADJUST	ORTOA	-893,242	-29,445	-863,797

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	AAGPP D01	35	1	34
2	TRANSMISSION PLANT	AAGTP PLTTOA	97	2	85
3	DISTRIBUTION-AR	AAGDPA PLDT0AA	181	0	181
4	DISTRIBUTION-MO	AAGDPH PLDT0AM	24	24	0
5	DISTRIBUTION-BOTH STATES	AAGDPB PLDT0A	294	13	281
6	DISTRIBUTION PLANT	AAGDP	499	37	462
7	GENERAL PLANT	AAGGP PLGECM	23	1	22
8	TOTAL ACQUISITION ADJMT	AAGTO	644	40	604
	AMORTIZATION OF ACQUISITION ADJ	T018			
9	PRODUCTION PLANT-CREDIT	AACPP D01	-1	-0	-1
10	TRANSMISSION PLANT-CREDIT	AACTP PLTTOA	-2	-0	-2
11	DISTRIBUTION-CREDIT-AR	AACOPA PLDT0AA	-10	0	-10
12	DISTRIBUTION-CREDIT-MO	AACOPH PLDT0AM	-4	-4	-0
13	DISTRIBUTION-CR-BOTH STATES	AACDPB PLDT0A	-9	-0	-9
14	DISTRIBUTION PLANT-CREDIT	AACDP	-23	-4	-19
15	GENERAL PLANT-CREDIT	AACGP PLGECM	-1	-0	-1
16	TOTAL AMORTIZATION - ACQ ADJ	AAC TO	-27	-4	-23
17	NET ELECTRIC PLANT ACQUISITION ADJ	AANTO	617	36	581

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	FUEL INVENTORY	T065			
1	FUEL INVENTORY	FI E01	27,640	1,017	26,623
2	TOTAL FUEL INVENTORY	FITO	27,640	1,017	26,623
3	TOTAL FUEL INVENTORY ADJ	FITOA	27,640	1,017	26,623
	TOTAL MATERIAL & SUPPLIES	T019			
4	TRANSMISSION SUBSTATIONS	MSTS PLTSTOA	883	18	865
5	TRANSMISSION LINES	MSTL PLTLTOA	5,336	102	5,234
6	DISTRIBUTION SUBSTATIONS	MSDS PLDSTO	184	12	172
7	DISTRIBUTION LINES	MSDL PLCLTO	2,806	130	2,676
8	METERS	MSDM PLCMTO	283	11	272
9	STREET LIGHTS	MSOSL PLDSLTO	334	18	316
10	OFFICE SUPPLIES	MSOS LOMTOA	249	9	240
11	ENERGY	MSE E01	25,373	933	24,440
12	OTHER	MSO PLPTDTOA	1,975	64	1,911
13	TOTAL MATERIALS & SUPPLIES	MSTO	37,423	1,296	36,127
14	TOTAL MAT'LS & SUPPLIES ADJUSTED	MSTOA	37,423	1,296	36,127

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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	224	7	217
2	REGULATORY COMMISSION-AR	WCPTRCA RSRDAA	996	0	996
3	REGULATORY COMMISSION-MO	WCPTRCM RSRDAA	6	6	0
4	OTHER	WCPTOTH PLTOA	1	0	1
5	TOTAL PREPAID TAXES	WCPTTO	1,227	13	1,214
	PREPAID INSURANCE	T022			
6	PRODUCTION	WCPIP 001	2,920	91	2,829
7	GENERAL	WCPIG PLGECH	28	1	27
8	TOTAL PLANT	WCPIP PLTOA	422	14	408
9	LABOR RELATED	WCPII LOMTOA	103	4	99
10	TOTAL PREPAID INSURANCE	WCPIIO	3,473	109	3,364
	MISCELLANEOUS PREPAYMENTS	T023			
11	PRODUCTION	WCPMP 001	2,014	62	1,952
12	TRANSMISSION	WCPMT PLTTOA	29	1	28
13	DISTRIBUTION	WCPMD PLOTOA	4	0	4
14	EEI	WCPME PLTOR	94	3	91
15	ENERGY	WCPHEE E01	10	0	10
16	TOTAL MISC PREPAYMENTS	WCPMTO	2,151	67	2,084
17	TOTAL PREPAYMENTS	WCPTO	6,851	189	6,662
18	TOTAL PREPAYMENTS ADJUSTED	WCPTOA	6,851	189	6,662

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 1986
 (THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	TOTAL ACC DEF TAXES-ACCEL AMORT	T141			
1	PRDUCTION	OTAAP DC1	-192	-6	-176
2	TRANSMISSION	OTAAT PLTTDA	-47	-1	-46
3	TOT ACC DEF TAXES-ACCEL AMORT	OTAATO	-229	-7	-222
4	LIBERALIZED DEPRECIATION	DTLDTO PLTOAEXI	-426,094	-13,816	-412,278
5	ADJUST-LIBERAL DEPR	PF07ADLB PLTOAEXI	145,601	4,721	140,880
6	ADJUSTED LIBERALIZED DEPR	DTLDTOA	-280,493	-9,095	-271,398
7	ACCUM DEF INC TX-OTHER	DTOTO PLTOAEXI	66,158	2,145	64,013
8	ADJUST-ACC DEF TX OTHER	PF07ADTO PLTOAEXI	-66,158	-2,145	-64,013
9	ADJUSTED ACC DEF INC TX-OTHER	DTOTOA	0	0	0
10	INVEST TAX CREDIT - 3%	OTITC PLTOAEXI	-3,647	-118	-3,529

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 1986
 (THOUSANDS OF DOLLARS)

LINE			TOTAL 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	PF06ISFI E01	41,155	1,514	39,641
4	TOTAL INVEST SYS FUEL INC ADJ	SFTOA	41,155	1,514	39,641
5	TOTAL RATE BASE	R8TO	2,255,812	72,406	2,183,406
6	TOTAL ADJUSTMENTS TO RATE BASE	R8ADJMT	120,598	4,089	116,509
7	TOTAL RATE BASE ADJUSTED	R8TOA	2,376,410	76,496	2,299,914

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 1986
 (THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	REVENUES			
	T110			
	SALES REVENUES			
	T111			
1	RETAIL SALES	RSRD	886,708	37,309
2	WHOLESALE SALES	RSWD	101,763	0
3	TOTAL RATE SCHEOULE REV	RSRDWTO	988,471	37,309
				849,399
				101,763
				951,162
	MSU POWR POOL			
	T137			
4	ENERGY - EXCHANGE	RSMSPTOE E01	169,436	6,231
5	ENERGY - UNIT POWER PURCH	RSMSPTUE E01	29,575	1,088
6	TOTAL MSPP ENERGY	RSMSPT E	199,011	7,319
7	DEMAND - RESERVE EQUAL	RSMSPTOD D01	14,751	457
8	DEMAND - UNIT PWR PURCH	RSMSPTOU D01	46,669	1,447
9	TOTAL MSPP DEMAND	RSMSPTD	61,420	1,904
10	TOT MSU PWR POOL SALES	RSMSPPTO	260,431	9,223
				163,205
				28,487
				191,692
				14,294
				45,222
				59,516
				251,208
11	SYSTEM SALES TO OTHERS	RSSSTO E01	49,111	1,806
				47,305
12	TOTAL SALES REVENUES	RSTO	1,298,013	48,338
				1,249,675

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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	T028			
1	OTH ELEC REV-TRANS EQ RCPTS	ROTE	002 29,149	558	29,591
2	OTH ELEC REV-TRANS FACIL RCPT	ROTEHV	002 1,198	23	1,175
	OTH ELEC REV - OTHER	T136			
3	RETAIL REV-AR	RORRAS	RSRDAA 593	0	593
4	RETAIL REV-MO	RORRMS	RSRDMA 7	7	0
5	RETAIL REVENUE	RORRA	600	7	593
6	DISTRIBUTION LINES - AR	RODLA	PLDLTOA 2,251	0	2,251
7	DISTRIBUTION LINES - MO	ROOLM	PLOLTOM 68	68	0
8	DISTRIBUTION LINES	ROOL	2,319	68	2,251
9	TRANSMISSION LINES	ROTL	PLTLTOA 632	12	620
10	SALES TAX COMM-AR	ROSTCA	RSRDAA 665	0	665
11	SALES TAX COMM-MO	ROSTCM	RSRDMA 16	16	0
12	SALES TAX COMMISSION	ROSTC	681	16	665
13	TRANSMISSION SVC CHARGE	ROT	002 38	1	37
14	PRODUCTION	ROP	001 116	4	112
15	MISCELLANEOUS	ROMISC	PLTOA 1,084	35	1,049
16	DIRECT WHOLESALE	RODW	SORWH 0	0	0
17	LABOR	RDL	LOMTOA 124	4	120
18	OTH ELEC REV-OTHER	ROERO	5,594	146	5,448
19	TOTAL OTHER ELECTRIC REVS	RDT0	35,941	728	35,213
20	TOTAL REVENUES	RTO	1,333,954	49,066	1,284,888
21	ADJUSTMENT-INT INC ON SFI INV	PFQ8ROII	E01 3,876	143	3,733
22	ADJUSTMENT-TOTAL OTHER REVENUES	ROTDADJ	3,876	143	3,733
23	TOTAL REVENUES ADJUSTED	RTOA	1,337,830	49,208	1,288,622

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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			
1	TOTAL RETAIL DIRECT	886,708	37,309	849,399
2	TOTAL WHOLESALE	101,763	0	101,763
3	TOTAL RATE SCHEDULE REV	988,471	37,309	951,162
	MSU POWER POOL			
	T137			
4	ENERGY - EXCHANGE	169,436	6,231	163,205
5	ENERGY - UNIT PUR PURCH	29,575	1,083	28,487
6	TOT MSPP-ENERGY	199,011	7,319	191,692
7	DEMAND - RESERVE EQUAL	14,751	457	14,294
8	DEMAND - UNIT PUR PURCH	46,669	1,447	45,222
9	TOTAL MSPP DEMAND	61,420	1,904	59,516
10	TOT MSU POWER POOL SALES	260,431	9,223	251,208
11	TOTAL SYSTEM SALES	49,111	1,806	47,305
12	TOTAL SALES REVENUES ADJS'D	1,298,013	48,338	1,249,675
	OTHER ELEC REV			
	T138			
13	OTH ELEC REV-TRANS EQ RECPTS	27,149	558	28,591
14	OTH ELEC REV-TRANS FACIL RECP	1,198	23	1,175
15	OTH ELEC REV-OTHER	7,470	289	9,181
16	TOTAL OTHER REVENUE ADJUSTED	39,817	870	38,947
17	TOTAL MSPP/SYSTEM/OTHER REV	349,359	11,899	337,460
18	TOTAL REVENUES ADJUSTED	1,337,830	49,208	1,288,622

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	PRODUCTION EXPENSE	T032			
1	OPERATION	OMPO 001	65,624	2,034	63,590
2	MAINTENANCE	OMPM E01	49,392	1,817	47,575
3	FUEL	OMPF E01	329,366	12,113	317,253
	PURCHASED POWER	T033			
4	MSE DEMAND	OMPPPMO 001	346,225	10,733	335,492
5	UE DEMAND	OMPPPUED 001M	3,637	3,637	0
6	OTHER DEMAND	OMPPPOD 001	4,885	151	4,734
7	TOTAL DEMAND	OMPPPTD	354,747	14,521	340,226
8	MSE ENERGY	OMPPPME E01	22,607	831	21,776
9	UE ENERGY	OMPPPUUE E01M	2,661	2,661	0
10	OTHER ENERGY	OMPPPOE E01	77,994	2,868	75,126
11	TOTAL ENERGY	OMPPPTE	103,262	6,361	96,901
12	TOTAL PURCHASED POWER	OMPPPTO	458,009	20,882	437,127
13	LOAD DISPATCHING	OMPLD 001	2,249	70	2,179
	OTHER PROD EXP & CR	T096			
14	DEFERRED FUEL	OMPOPDF E02	2,257	0	2,257
15	NUCLEAR RESERVE	OMPOPNR E03	8,191	0	8,191
16	ARK GG SETT-M33	OMPOPMS 001AR	-173,158	0	-173,158
17	GG DEFERL - MO	OMPOPMR 001M	-968	-968	0
18	OTHER EXPENSE - DEMAND	OMPOPOD 001	55,723	1,727	53,996
19	OTHER EXPENSE - ENERGY	OMPOPOE E01	-2,254	-83	-2,171
20	TOTAL OTHER PROD EXP & CR	OMPOPTO	-110,209	677	-110,886
21	TOTAL PRODUCTION EXPENSE	OMPTO	794,431	37,593	756,838
	TRANSMISSION EXPENSE	T034			
	SUBSTATION EXPENSE	T035			
22	STEP UP	OMTSSU 001	270	8	262
23	POWER SUPPLY	OMTSPS 002	2,075	40	2,035
24	TOTAL SUBSTATION EXPENSE	OMTSTO	2,345	48	2,297
25	TOTAL LINE EXPENSE	OMTLTO 002	3,196	61	3,135
26	MISCELLANEOUS EXPENSE	OMTMISC OMTSLTO	325	6	319
27	TOTAL TRANSMISSION EXPENSE	OMTTO	5,866	116	5,750

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	DISTRIBUTION EXPENSE			
	SUBSTATION EXPENSE			
1	DIRECT-AR	576	0	576
2	DIRECT-MO	9	0	9
3	DIRECT	584	0	584
4	RETAIL GENERAL-AR	4,276	0	4,276
5	RETAIL GENERAL-MO	162	162	0
6	RETAIL GENERAL	4,438	162	4,276
7	TOTAL SUBSTATION EXPENSE	5,022	162	4,860
	LINE EXPENSE			
8	DIRECT-AR	61	0	61
9	DIRECT-MO	3	0	3
10	DIRECT	64	0	64
	RETAIL GENERAL			
11	PRIMARY DEMAND-AR	3,629	0	3,629
12	PRIMARY DEMAND-MO	182	182	0
13	PRIMARY DEMAND	3,811	182	3,629
14	PRIMARY CUSTOMER-AR	5,417	0	5,417
15	PRIMARY CUSTOMER-MO	278	278	0
16	PRIMARY CUSTOMER	5,695	278	5,417
17	SECONDARY DEMAND-AR	687	0	687
18	SECONDARY DEMAND-MO	28	28	0
19	SECONDARY DEMAND	715	28	687
20	SECONDARY CUSTOMER-AR	2,804	0	2,804
21	SECONDARY CUSTOMER-MO	130	130	0
22	SECONDARY CUSTOMER	2,934	130	2,804
23	RETAIL GENERAL	13,155	618	12,537
24	TOTAL LINE EXPENSE	13,219	618	12,601
	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	466	0	466
29	DEMAND-MO	2	2	0
30	DEMAND	468	2	466
31	CUSTOMER-AR	619	0	619
32	CUSTOMER-MO	4	4	0
33	CUSTOMER	623	4	619
34	RETAIL GENERAL	1,091	0	1,085
35	TOTAL LINE TRANSFORMER EXP	1,093	6	1,087

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	DISTRIBUTION EXPENSE	T037			
	METER EXPENSE	T039			
1	DIRECT-AR	OMDMOA PLDMOA	10	0	10
2	DIRECT-MO	OMDMOM PLDMOM	1	0	1
3	DIRECT	OMDMO	11	0	11
4	RETAIL GENERAL-CUST-AR	OMDMRGCA C370A	4,654	0	4,654
5	RETAIL GENERAL-CUST-MO	OMDMRGCM C370M	194	194	0
6	RETAIL GENERAL-CUST	OMDMRGC	4,848	194	4,654
7	TOTAL METER EXPENSE	OMDMTO	4,859	194	4,665
	STREET LIGHT EXPENSE	T107			
8	ARKANSAS	OMDSLTOA S01A	871	0	871
9	MISSOURI	OMDSLTOH S01M	68	68	0
10	TOTAL STREET LIGHT EXPENSE	OMDSLTO	939	68	871
11	TOTAL CUST INST EXPENSE	OMDCPTO D01	658	20	638
	RENT EXPENSE	T108			
12	ARKANSAS	OMDRTOA PLDLTOA	1,579	0	1,579
13	MISSOURI	OMORTOM PLDLTOM	19	19	0
14	TOTAL RENT EXPENSE	OMDRTO	1,598	19	1,579
	MISCELLANEOUS EXPENSE	T109			
15	ARKANSAS	ODMISTOA OMDSLTMA	2,487	0	2,487
16	MISSOURI	ODMISTOM OMDSLTHM	108	107	1
17	TOTAL MISCELLANEOUS EXPENSE	ODMISTO	2,595	107	2,488
18	TOTAL DISTRIBUTION EXPENSE	OMDIO	29,983	1,194	28,789

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	CUSTOMER ACCOUNTING EXPENSE	T040			
1	METER READING-AR	OMCAMRA CA902A	4,027	0	4,027
2	METER READING-MO	OMCAMRM CA902M	248	247	1
3	METER READING	OMCAMR	4,275	247	4,028
4	CUST RECORDS & COLLECTS-AR	OMCACRA CA903A	9,956	0	9,956
5	CUST RECORDS & COLLECTS-MO	OMCACRM CA903M	339	337	2
6	CUST RECORDS & COLLECTIONS	OMCACR	10,295	337	9,958
7	UNCOLLECTIBLE ACCTS-AR	OMCAUAA CA904A	2,049	0	2,049
8	UNCOLLECTIBLE ACCTS-MO	OMCAUAM CA904M	55	55	0
9	UNCOLLECTIBLE ACCOUNTS	OMCAUA	2,104	55	2,049
10	MISC CUST ACCTG EXP-AR	OCAMISCA OMCAMCUA	235	0	235
11	MISC CUST ACCTG EXP-MO	OCAMISCM OMCAMCUM	11	11	0
12	MISC CUSTOMER ACCOUNTING	OMCAMISC	246	11	235
13	TOTAL CUSTOMER ACCT EXP	OMCATO	16,920	650	16,270
	CUSTOMER SERVICES EXPENSE	T041			
14	CUST ASSIST EXP-AR	OMCSCAA CS908A	3,402	0	3,402
15	CUST ASSIST EXP-MO	OMCSCAM CS908M	38	38	0
16	CUSTOMER ASSISTANCE EXPENSE	OMCSCA	3,440	38	3,402
17	INFORM & INSTRUCT EXP-AR	OMCSINFA CS909A	291	0	291
18	INFORM & INSTRUCT EXP-MO	OMCSINFM CS909M	0	0	0
19	INFORMATION & INSTRUCTION EXP	OMCSINF	291	0	291
20	MISC CUST SERVICES-AR	OCSMISCA OMCSCAIA	310	0	310
21	MISC CUST SERVICES-MO	OCSMISCM OMCSCAIM	22	22	0
22	MISC CUSTOMER SERVICES	OMCSMISC	332	22	310
23	TOTAL CUSTOMER SVCS EXP	OMCSTO	4,063	60	4,003
24	TOTAL SALES EXP	OMSTO D01	1,394	43	1,351

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	OMAGL LOMTOA	47,995	1,714	45,281
2	PRODUCTION RELATED	OMAGIA 001	8,217	255	7,962
3	TRANSMISSION RELATED	OMAGIB PLTTOA	-3	-0	-3
4	TRANSMISSION & DISTRIBUTION	OMAGIC PLTTOA	2,129	73	2,056
5	LABOR RELATED	OMAGIO LOMTOA	1	0	1
6	GENERAL PLANT RELATED	OMAGIE PLGECH	12	0	12
7	TOTAL PLANT RELATED	OMAGIF PLTOA	805	26	779
8	INSURANCE	OMAGI	11,161	354	10,807
9	REG COMM EXP-ARKANSAS	RTREGA RSROAA	1,606	0	1,606
10	REG COMM EXP-MISSOURI	RTREGM RSROAA	468	468	0
11	REGULATORY EXP RETAIL GENERAL	OMAGRERG	2,074	468	1,606
12	REGULATORY EXP WHSE GENERAL	OMAGREWG RSHTOA	190	0	190
13	EEI MEMBERSHIP	OMAGEGR1 PLTOR	2,541	91	2,450
14	LOCAL RESEARCH & OTHER	OMAGEGR2 PLTOA	232	7	225
15	EXPER & GEN RESEARCH	OMAGEGR	2,773	99	2,674
16	PRODUCTION	OMAGPLP 001	-1,347	-42	-1,305
17	GENERAL	OMAGG PLGECH	2,167	74	2,093
18	TOTAL PLANT	OMAGTPL PLTOA	20,388	658	19,730
19	ENERGY	OMAGEN E01	-1,524	-56	-1,468
20	CUSTOMER SERVICES	OMAGCS OMCSTOA	595	9	586
21	OTH EXP & GEN RESEARCH	OMAGOEGR SFOEGR	1,471	52	1,419
22	TOTAL ADMIN & GENERAL	OMAGTO	85,943	3,330	82,613
23	TOTAL O & M EXPENSE	OMTO	938,600	42,986	895,614

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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			
1	TOTAL O & M EXPENSE	OMT0	938,600	42,986	895,614
2	ADJUST-DEFERRED FUEL	PF01OPDF E02	-2,257	0	-2,257
3	-NUCL REFUELING RES	PF01OPNR E03	-8,191	0	-8,191
4	-TOTAL OTHER PRODUCTION	PF01OPT0	-10,448	0	-10,448
5	ADJUST-TOTAL PROD O&M	OMPTOAJ	-10,448	0	-10,448
6	ADJUST-CONSTRUCT PWR	PF01AGCP E01	154	6	148
7	ADJUST-TOTAL A&G O&M	OMAGADJ	154	6	148
8	ADJUST-TOTAL O&M	OMTOAJ	-10,294	6	-10,300
9	TOTAL O & M EXPENSE ADJUSTED	OMTOA	928,306	42,991	885,315

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL COMPANY	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	OPERATION & MAINTENANCE			
	O & M SUMMARY			
	PRODUCTION EXPENSE			
1	TOTAL OPERATION ADJUSTED	65,624	2,034	63,590
2	TOTAL MAINTENANCE ADJUSTED	49,392	1,817	47,575
3	TOTAL FUEL ADJUSTED	329,306	12,113	317,253
	PURCHASED POWER			
4	MSE DEMAND	340,225	10,733	335,492
5	UE DEMAND	3,637	3,637	0
6	OTHER DEMAND	4,885	151	4,734
7	TOTAL DEMAND ADJUSTED	354,747	14,521	340,226
8	MSE ENERGY	22,607	831	21,776
9	UE ENERGY	2,661	2,661	0
10	OTHER ENERGY	77,994	2,868	75,126
11	TOTAL ENERGY ADJUSTED	103,262	6,361	96,901
12	TOTAL PURCHASED POWER ADJ'D	458,009	20,882	437,127
13	TOTAL LOAD DISPATCH ADJ'D	2,249	70	2,179
	OTHER PROD EXP & CR			
14	TOTAL DEFERRED FUEL	0	0	0
15	TOTAL NUCLEAR RESERVE	0	0	0
16	TOTAL ARK GG SETT - M33	-173,158	0	-173,158
17	TOTAL GG DEFERRAL - MO	-968	-968	0
18	TOTAL OTHER EXPENSE - DEMAND	55,723	1,727	53,996
19	TOTAL OTHER EXPENSE - ENERGY	-2,254	-83	-2,171
20	TOT OTHER PROD EXP & CR ADJ'D	-118,403	759	-119,162
21	TOTAL PRODUCTION ADJUSTED	783,983	37,593	746,390
22	TOTAL TRANSMISSION ADJUSTED	5,666	116	5,750
23	TOTAL DISTRIBUTION ADJUSTED	29,983	1,194	28,789
24	TOTAL CUSTOMER ACCOUNTING ADJ'D	16,920	650	16,270
25	TOTAL CUSTOMER SERVICES ADJ'D	4,063	60	4,003
26	TOTAL SALES EXP ADJUSTED	1,394	43	1,351
27	TOTAL ADMIN & GENERAL ADJUSTED	86,097	3,330	82,767
28	TOTAL O & M EXPENSE ADJUSTED	928,306	42,991	885,315

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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 001	67,114	2,081	65,033
	TRANSMISSION EXPENSE	T034			
	SUBSTATION EXPENSE	T035			
2	STEP UP	DXTSSU 001	559	17	542
3	POWER SUPPLY	DXTSPS 002	4,291	82	4,209
4	TOTAL SUBSTATION EXPENSE	DXTST0	4,850	99	4,751
5	TOTAL LINE EXPENSE	OXTLT0 002	8,861	170	8,691
6	TOTAL TRANSMISSION EXPENSE	OXTT0	13,711	269	13,442

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
EXPENSES				
DEPRECIATION EXPENSE	T030 T043			
DISTRIBUTION EXPENSE				
SUBSTATION EXPENSE				
1	DIRECT-AR	OXOSDA PLOSDA 428	0	428
2	DIRECT-MO	OXOSDM PLOSDM 9	0	9
3	DIRECT	OXOSO 437	0	437
4	RETAIL GENERAL-AR	OXOSRGA D03A 3,177	0	3,177
5	RETAIL GENERAL-MO	OXOSRGM D03M 190	190	0
6	RETAIL GENERAL	OXOSRG 3,367	190	3,177
7	TOTAL SUBSTATION EXPENSE	OXOSTO 3,804	190	3,614
LINE EXPENSE				
8	DIRECT-AR	OXDLDA PLOLDA 54	0	54
9	DIRECT-MO	OXOLDM PLOLOM 3	0	3
10	DIRECT	OXOLO 57	0	57
RETAIL GENERAL				
11	PRIMARY DEMAND-AR	DXLRGPD D04A 3,261	0	3,261
12	PRIMARY DEMAND-MO	DXLRGPM D04M 150	150	0
13	PRIMARY DEMAND	DXDLRGPD 3,411	150	3,261
14	PRIMARY CUSTOMER-AR	DXLRGPCA C03A 4,824	0	4,824
15	PRIMARY CUSTOMER-MO	DXLRGPCM C03M 252	252	0
16	PRIMARY CUSTOMER	DXDLRGPC 5,076	252	4,824
17	SECONDARY DEMAND-AR	DXLRGSDA D05A 631	0	631
18	SECONDARY DEMAND-MO	DXLRGSDM D05M 24	24	0
19	SECONDARY DEMAND	DXDLRGSD 655	24	631
20	SECONDARY CUSTOMER-AR	DXLRGSCA C04A 2,528	0	2,528
21	SECONDARY CUSTOMER-MO	DXLRGSCM C04M 118	118	0
22	SECONDARY CUSTOMER	DXDLRGSC 2,646	118	2,528
23	RETAIL GENERAL	DXDLRG 11,788	544	11,244
24	TOTAL LINE EXPENSE	DXOLTO 11,845	544	11,301
LINE TRANSFORMER EXPENSE				
25	DIRECT-AR	OXOTDA PLOTDA 7	0	7
26	DIRECT-MO	OXOTDM PLOTDM 1	0	1
27	DIRECT	OXOTO 8	0	8
RETAIL GENERAL				
28	DEMAND-AR	OXOTRGA D07A 2,079	0	2,079
29	DEMAND-MO	OXOTRGM D07M 77	77	0
30	DEMAND	OXOTRGO 2,156	77	2,079
31	CUSTOMER-AR	OXOTRGCA C04A 2,764	0	2,764
32	CUSTOMER-MO	OXOTRGCM C04M 104	104	0
33	CUSTOMER	OXOTRGC 2,868	104	2,764
34	RETAIL GENERAL	OXOTRG 5,024	181	4,843
35	TOTAL LINE TRANSFORMER EXPENSE	OXOTTO 5,032	181	4,851

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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		
	DISTRIBUTION EXPENSE	T037		
	SERVICE EXPENSE	T044		
1	RET GENL-CUSTOMER-AR	DXSERGCA C369A	1,977	0
2	RET GENL-CUSTOMER-MO	DXSERGCM C369M	63	63
3	RETAIL GENERAL-CUSTOMER	OXOSERGC	2,040	63
4	TOTAL SERVICES EXPENSE	OXOSETO	2,040	63
	METER EXPENSE	T039		
5	DIRECT-AR	OXDMDA PLDMDA	4	0
6	DIRECT-MO	OXDMDM PLDMDM	0	0
7	DIRECT	OXDMD	4	0
8	RET GENL-CUSTOMER-AR	OXDMRGCA C370A	1,583	0
9	RET GENL-CUSTOMER-MO	OXDMRGCM C370M	65	65
10	RETAIL GENERAL-CUSTOMER	OXDMRGC	1,648	65
11	TOTAL METER EXPENSE	OXDMTO	1,652	65
12	TOTAL INST CUST PREMISE	DXOCP TO D01	418	13
	STREET LIGHT EXPENSE	T107		
13	ARKANSAS	OXDSL A S01A	694	0
14	MISSOURI	OXDSL M S01M	65	65
15	TOTAL STREET LIGHTS	OXDSL TO	759	65
16	TOTAL DISTRIBUTION EXPENSE	OXD TO	25,550	1,121
				24,429

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	GENERAL EXPENSE	T045			
1	LABOR	DXGL LOMTOA	1,031	37	994
2	PRODUCTION	DXGP 001	241	7	234
3	TRANSMISSION	DXGT PLTTOA	281	6	275
4	DISTRIBUTION	DXGD PLDTOA	321	14	307
5	CUSTOMER SERVICES	DXGCS OMCSTOA	5	0	5
6	STORES	DXGST MSTOA	21	1	20
7	TOTAL GENERAL EXPENSE	DXGTO	1,900	65	1,835
	AMORTIZATION EXP-INTANGIBLES	T080			
8	MISC-MSS COMPUTER SOFTWARE	DXAEC PLTOAEXI	1,079	35	1,044
9	MISC-ISES I SYNCHRONIZATION	DXAEISES D01AW	467	0	467
10	MISC-82-314-U, 60 MO.	DXAEMSS PLTOAEXI	118	4	114
11	MISC-MSS COMP S/W CMS	DXACHS 001	321	10	311
12	MISC-MISTEC S/W COST	DXAMIST PLTTOA	135	3	132
13	MISC-STEAM GEN CL PROC	DXASGCP E01	677	25	652
14	MISC-82-314-U, 48 MO.	DXA48H PLTOAEXI	685	22	663
15	TOTAL AMORTIZATION INTANG	DXAATO	3,482	99	3,383
16	TOTAL DEPRECIATION EXPENSE	DXTO	111,757	3,634	108,123
17	ADJUST-DEP EXP PROD-DECOM INT	PF13DXP 001	1,553	48	1,505
18	ADJUST-TOTAL PRODUCTION EXP	DXPTOAJ	1,553	48	1,505
19	ADJUSTMENT-TOTAL DEPR EXPENSE	DXTOADJ	1,553	48	1,505
20	TOTAL DEPRECIATION EXP ADJUSTED	DXTOA	113,310	3,682	109,628
	DEPREC EXPENSE SUMMARY	T098			
21	TOTAL PRODUCTION ADJUSTED	DXPTOA	69,667	2,129	66,538
22	TOTAL TRANSMISSION ADJUSTED	DXTTOA	13,711	269	13,442
23	TOTAL DISTRIBUTION ADJUSTED	DXOTOA	25,550	1,121	24,429
24	TOTAL GENERAL ADJUSTED	DXGTOA	1,900	65	1,835
25	TOTAL AMORTIZATION EXP-INTANG	DXAATO	3,482	99	3,383
26	TOTAL DEPRECIATION EXP ADJUSTED	DXTOA	113,310	3,682	109,628

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 1986
 (THOUSANDS OF DOLLARS)

LINE			T O T A L C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	TU30			
	TAXES OTHER THAN INCOME	T046			
	FEDERAL	T047			
1	FICA	TOFFIC LOMTOA	7,312	261	7,051
2	UNEMPLOYMENT	TOFUE LOMTOA	209	7	202
3	TOTAL FEDERAL	TOFTO	7,521	269	7,252
	STATE OF ARKANSAS	T048			
4	UNEMPLOYMENT	T0SAUE LOMTOA	290	10	280
5	CAPITAL STOCK FRANCHISE	T0SACSF PLTOA	1,003	32	971
6	REGULATORY COMMISSION	T0SARC RSRDAA	2,826	0	2,826
7	GROSS RECEIPTS	T0SAGR PLTOAEXI	25	1	24
8	TOTAL STATE OF ARKANSAS	T0SATO	4,144	44	4,100
	STATE OF MISSOURI	T049			
9	UNEMPLOYMENT	T0SMUE LOMTOA	2	0	2
10	CAPITAL STOCK FRANCHISE	T0SMCSF PLTOA	19	1	18
11	REGULATORY COMMISSION	T0SMRC RSRDMA	74	74	0
12	TOTAL STATE OF MISSOURI	T0SMTO	95	75	20
13	TOTAL STATE	T0SAM	4,239	118	4,121
	LOCAL	T050			
14	REAL & PERSONAL	T0LRP PLTOA	25,581	826	24,755
15	TOTAL LOCAL	T0LTO	25,581	826	24,755
16	TOTAL OTHER	T0OTO PLTOA	11	0	11
17	TOTAL TAXES OTHER THAN INCOME	YOTG	37,352	1,213	36,139
18	TOTAL TAXES OTHER THAN INC ADJ	TOTOA	37,352	1,213	36,139

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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	1,337,830	49,208	1,288,622
2	TOTAL O & M EXPENSE ADJUSTED	928,306	42,991	885,315
3	TOTAL DEPRECIATION EXP ADJUSTED	113,310	3,682	109,628
4	TOTAL TAXES OTHER THAN INC ADJ	37,352	1,213	36,139
5	NET INCOME BEFORE INCOME TAXES	258,862	1,321	257,541

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE			TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES	1030			
	INCOME TAX CALCULATIONS	T051			
	ADJUSTMENTS TO NET INCOME	T052			
1	UNBILLED REVENUE	SJUR RSRDWT0A	3,211	121	3,090
2	NUCLEAR FUEL EXPENSE	SJNFE E01	61,201	2,251	58,950
3	PRRA-DEPREC EXP EX INTANG	SJPRRAA DXT0AEXI	108,276	3,536	104,740
4	PRRA-TRANSPORTATION EQUIP	SJPRRAB PLGECM	56	2	54
5	PROPERTY RET RESERVE APP	SJPRRA	108,332	3,538	104,794
6	TAX DEPREC-PRODUCTION	SJDTXP 001	0	0	0
7	TAX DEPREC-TRANSMISSION	SJDTXT PLTTOA	0	0	0
8	TAX DEPREC-TRANS & DISTR	SJDTXTD PLTDT0A	0	0	0
9	TAX DEPREC-DISTRIBUTION	SJDTXD PLDT0A	0	0	0
10	TAX DEPREC-GENERAL PLANT	SJDTXG PLGECM	0	0	0
11	TAX DEPREC-LABOR RELATED	SJDTXLR LOMTOA	0	0	0
12	TAX DEPREC-TOT PLT EX INTANG	SJDTXTP PLT0AEXI	-202,219	-6,557	-195,662
13	TAX DEPREC-NUCL FUEL ASSEM	SJDTXNF E01	0	0	0
14	DEPREC FOR TAX PURPOSES	SJDTX	-202,219	-6,557	-195,662
15	SALE OF VEHICLE I.T.C.	SJITC PLGECM	1	0	1
16	OTHER TXS CHGD-PROD PLANT	SJOTCPP 001	0	0	0
17	OTHER TXS CHGD-PROD LABOR	SJOTCPLA LPT0A	0	0	0
18	OTHER TXS CHGD-TRANS PLANT	SJOTCTP PLTTOA	0	0	0
19	OTHER TXS CHGD-TRANS LABOR	SJOTCTL LTTOA	0	0	0
20	OTHER TXS CHGD-DISTR PLANT	SJOTCDP PLDT0A	0	0	0
21	OTHER TXS CHGD-DISTR LABOR	SJOTCOL LOT0A	0	0	0
22	OTHER TXS CHGD-GENERAL PLT	SJOTCGP PLGECM	0	0	0
23	OTHER TXS CHGD-ASG LABOR	SJOTCGL LAGTOA	0	0	0
24	OTH TXS CHGD-TOT PLT	SJOTCPT PLT0A	-179	-6	-173
25	OTHER TXS CHGD-PLT ACCT	SJOTCPL	-179	-6	-173
26	RPPT-PRODUCTION	SJRPPTXP 001	0	0	0
27	RPPT-TRANSMISSION	SJRPPTXT PLTTOA	0	0	0
28	RPPT-DISTRIBUTION	SJRPPTXD PLDT0A	0	0	0
29	RPPT-GENERAL	SJRPPTXG PLGECM	0	0	0
30	RPPT-TOTAL PLANT	SJRPPTP PLT0A	-105	-3	-102
31	REAL & PER PR TX CHG NOS	SJRPPT	-105	-3	-102
32	PENSIONS-PRODUCTION	SJPP0A LPT0A	0	0	0
33	PENSIONS-TRANSMISSION	SJPP0B LTTOA	0	0	0
34	PENSIONS-DISTRIBUTION	SJPP0C LOT0A	0	0	0
35	PENSIONS-GENERAL	SJPP0D LAGTOA	0	0	0
36	PENSIONS-TOTAL LABOR	SJPPDE LOMTOA	-38	-1	-37
37	PENS PLAN DED FOR TX PUR	SJPP0	-38	-1	-37
38	INTEREST ON NUCLEAR FUEL	SJINF E01	-2,937	-108	-2,829

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
2	INC IN RES-PROP INSURANCE			
3	INC IN RES-PENS & BENEFITS			
4	INC IN RES-NUCLEAR MAINT			
5	INC IN RES-TOTAL PLANT			
6	INCREASE IN RESERVES			
7	INTEREST ON TAX DEFICIT			
8	INTEREST ON NUCLEAR RES			
9	NUCLEAR RESERVE EXPENSE			
10	RES REVS-ACT 310 SURCHG			
11	RES REVS-AR WMSE			
12	RES REVS-MO WMSE			
13	RES REVS-TOTAL RATE SCH			
14	RESERVED REVENUES			
15	DEFERRED FUEL COSTS			
16	DEFERRED DIRECTORS' FEES			
17	ALL FOR FUNDS CUR CONST			
18	OTHER GAIN ON SALE PROP			
19	ANO SHUTDOWN EXPENSE			
20	LEASE COST CAP ON CME			
21	REMOVAL EXPENSES			
22	COMPUTER SOFTWARE CAP			
23	INT CHGS-DECOMMISS			
24	INT CHGS-OTHER			
25	INT CHGS-AFDC			
26	TOTAL INT CHARGES			
27	AMORT OF INTANG PLT-ISES			
28	AMOR OF INT PLT-B2-314-U			
29	CONSTRUCTION POWER-MP&L			
30	INTERCO SALES-LABOR			
31	INTERCO SALES-GENERAL			
32	INTERCO SALES-DIST METERS			
33	INTERCO SALES-ENERGY			
34	INTERCO SALES-TOTAL PLANT			
35	INTERCO SALES			

T030
T051

T052

SJICREA
SJICREB
SJICREC
SJICRED
SJICREE
SJICRE
SJITO
SJINR
SJNRE
SJRRR
SJRRB
SJRRR
SJRRD
SJRR
SJDPC
SJDDE
SJNAF
SJOJGP
SJANOSD
SJLCCCH
SJREME
SJCSC
SJTICD
SJTICO
SJINAF
SJTIC
SJAIP1
SJAIPB2
SJCMPPL
SJISL
SJISG
SJISDM
SJISE
SJISTP
SJIS

LOMTOA
PLTDTOA
LOMTOA
EO1
PLTOA
NINBIT
EO3
EO3
OO1AR
RWREFAW
RWREFMW
RSRDWTOA
EO2
LOMTOA
PLTOA
LOMTOA
DO1
DO1
PLTOA
PLTOAEXI
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RBT0A
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-1,440
-109
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-4,801
-3,917
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-149,206
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-146,235
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-1,393
-105
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-4,646
-3,790
-1,505
-144,403
4,378
-141,530
467
777
-33
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0
360
360

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	MISC INTANG PLANT	-491	-16	-475
2	ACRS RETIREMENT LOSSES	-514	-23	-491
3	INTEREST ON DECOMMISS	1,553	48	1,505
4	AMORT OF COMPUTER S/W	1,535	50	1,485
5	AMORT BK GAINS-WEST MKHM	-5	-0	-5
6	AMORT BK GAINS-AND BLDGS	-82	-3	-79
7	INTEREST-DOE LIABILITY	-11,328	-417	-10,911
8	TX DEFICIT INT PYMTS	-11	-0	-11
9	INTEREST ON PCB	21	1	20
10	BOOK DEPR ON NACC MINING EQ	1,274	47	1,227
11	NUCL REFUEL MAINT-AND 2	19,546	719	18,827
12	THI ACCURAL	-349	-11	-338
13	AMORT OF STEAM GEN DEV	677	25	652
14	ARK WMSLE ER-81-577	-941	0	-941
15	MO FUEL TRUE-UP	-273	-273	0
16	PENSION PMNT 1985-86	7,605	272	7,333
17	GG1 COST OVER/UNDER RECOV	2,707	84	2,623
18	INVENTORY DEFERRAL GG1 SETTLE	3,444	107	3,337
19	GG1 RESERVE EQUAL CR	2,152	67	2,085
20	RESERVE-FARMERS	561	0	561
21	RESERVE FOR CONTINGENCIES	55,723	1,727	53,996
22	AMORT OF GAIN ON SALE BLDGS	-109	-4	-105
23	STEAM GEN PROC DEV	-1,312	-46	-1,266
24	INVENTRY SHARE DEF-GG1 SET	-101,462	-3,145	-98,317
25	CURRENT RECOV SHARE DEF-GG1	-89,718	-2,781	-86,937
26	GG1 - DEF ARK WMSL	-1,296	0	-1,296
27	GG1 - DEF MO RETAIL	-968	-968	0
26	TOTAL ADJUSTMENTS TO NET INCOME	-279,173	-10,025	-269,148

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(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			
1	ADJUST-INTEREST CHARGES-OTHER	PF05SJIO RBTOA	149,206	4,803	144,403
2	-INTEREST CHARGES-AFOC	PF05SJIA PLTOA	-4,524	-146	-4,378
3	-INTEREST CHARGES-DECOM	PF05SJID D01	1,553	48	1,505
4	-ANN INT ADJ TO RATE BASE	PF05SJAI	-140,446	-4,521	-135,925
5	-INT ON DECOMMISSIONING	PF07SJID D01	-1,553	-48	-1,505
6	-UMBILICO REVENUE	PF07SJUR RSRDHTOA	-3,211	-121	-3,090
7	-INT ON TAX DEFICIT	PF07SJIT NINBIT	-891	-5	-886
8	-NUCL RESERVE EXPENSE	PF07SJNR E03	-8,191	0	-8,191
9	-INT ON NUCL RESERVE	PF07SJIN E03	-558	0	-558
10	-DEF DIRECTORS' FEES	PF07SJDJ LOMTOA	37	1	36
11	-RESERVED REVENUES	PF07SJRR RSRDHTOA	-1,692	-64	-1,628
12	-ARK WHSL ER81-577	PF07SJB1 SOMC	941	0	941
13	-INT-DOE LIABILITY	PF07SJDO E01	11,328	417	10,911
14	-SALE OF VEHICLE I.T.C.	PF07SJSV PLGECM	-1	-0	-1
15	-MD FUEL TRUE-UP	PF07SJM F E01M	273	273	0
16	-NUCL REFUEL MNT-ANO2	PF07SJRM E01	-19,546	-719	-18,827
17	-PENSION PMNT 1985-86	PF07SJPP LOMTOA	-7,605	-272	-7,333
18	-GG1 COST OVER/UNDER REC	PF07SJCD D01	-2,707	-84	-2,623
19	-INVENT DEF GG1 SETTLE	PF07SJDI D01	-3,444	-107	-3,337
20	-GG1 RES EQUAL CR	PF07SJRE D01	-2,152	-67	-2,085
21	-RESERVE-FARMERS	PF07SJRF SDOW	-661	0	-661
22	-RESERVE FOR CONTING	PF07SJRC D01	-55,723	-1,727	-53,996
23	-AFOC	PF07SJA F PLTOA	1,440	47	1,393
24	-DEFERRED FUEL COSTS	PF07SJFC E02	-2,257	0	-2,257
25	-GAIN ON SALE OF PROP	PF07SJGS LOMTOA	109	4	105
26	-ANO SHUT DOWN EXP	PF07SJJAN D01	-2,483	-77	-2,406
27	-TX DEF INT PAYMENTS	PF07SJJIP D01	11	0	11
28	-COMPUTER SOFTWARE	PF07SJCS PLTOAEXI	3,917	127	3,790
29	-MISC INTANG PLT	PF07SJMI PLTOAEXI	491	16	475
30	-STEAM GEN PROC DEV	PF07SJSJ E01	1,312	48	1,264
31	-INV SHARE DEF-GG1 SETTLE	PF07SJSJ D01	101,462	3,145	98,317
32	-CUR REC SHARE DEF-GG1	PF07SJC R D01	89,718	2,781	86,937
33	-GG1-DEF ARK WHSL E	PF07SJJAW SOMC	1,296	0	1,296

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 1986
(THOUSANDS OF DOLLARS)

LINE		T O T A L C O M P A N Y	TOTAL MD RETAIL	ALL OTHER
	EXPENSES			
	INCOME TAX CALCULATIONS			
		T030		
		T051		
	ADJUSTMENTS TO NET INCOME	T052		
1	ADJUST-THI ACCURAL	PF07SJTH D01 349	11	338
2	-INTERCO SALES	PF07SJIS PLTOA -372	-12	-360
3	-CONSTRUCT PWR	PF07SJCP E01 34	1	33
4	-ACRS RETIRE LOSSES	PF07SJAC PLTOA 514	23	491
5	-INCREASE IN RESERVES	PF07SJIR PLTOA -4,287	-138	-4,149
6	-AMORT OF INTAN PLT-ISES	PF07SJAI D01AM -467	0	-467
7	-LEASE COST WB CHE	PF07SJCH D01 -93	-3	-90
8	-INT ON PCB'S	PF07SJCB D01 -21	-1	-20
9	-OTH TX CHGD-PLT A/C	PF07SJOT PLTOA 179	6	173
10	-R&P TXS CHGD WO'S	PF07SJRP PLTOA 105	3	102
11	-PENS PLAN DED FOR TX	PF07SJPE LOMTOA 38	1	37
12	-REMOVAL EXPENSES	PF07SJRV PLTOA 4,801	155	4,646
13	-AMORT BK GN-WMSC	PF07SJWM SFWMSC 5	0	5
14	-AMORT BK GN-AND BLOG	PF07SJAB D01 82	3	79
15	-AMORT GN ON SL-BLOG	PF07SJAG LOMTOA 109	4	105
16	-NUCL FUEL INT CAPITAL	PF07SJNF E01 2,937	108	2,829
17	-PROP RET RES DECOM INT	PF13SJPR D01 1,553	48	1,505
18	TOTAL PROFORMA ADJ TO NET INC	SJANITOA 110,915	3,963	106,952
19	TAXABLE INCOME	SJTITO 90,604	-4,740	95,344

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 1986
 (THOUSANDS OF DOLLARS)

LINE		TOTAL C O M P A N Y	TOTAL MO RETAIL	ALL OTHER
	EXPENSES			
	INCOME TAX CALCULATIONS			
	STATE INCOME TAX			
1	TAXABLE INCOME	90,604	-4,740	95,344
2	TOTAL STATE TAXABLE INCOME	90,604	-4,740	95,344
3	STATE INCOME TAX BEF ADJ(3.36%)	3,044	-159	3,204
4	ARKANSAS TAX RATE	-439	-14	-425
5	INTEREST ON CHIP	171	6	165
6	VEHICLE I.T.C.	0	0	0
7	PRIOR YR ADJUSTMENT	233	8	225
8	ADJUST-INT ON CHIP STATE	-171	-6	-165
9	-AR TX RT	439	14	425
10	-VEHICLE ITC	0	0	0
11	-PRIOR YR ADJUST	-233	-8	-225
12	TOTAL STATE INCOME TAX	3,044	-159	3,204

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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	90,604	-4,740	95,344
2	STATE INCOME TAX	-3,044	159	-3,204
3	PREFERRED DIVIDENDS PAID	-134	-4	-130
4	TOT FED TAXABLE INCOME	87,426	-4,585	92,011
5	FED INC TAX BEF ADJ(34%)	29,725	-1,559	31,284
6	ARKANSAS TAX RATE	202	7	195
7	INVESTMENT TAX CREDIT	-3,108	-101	-3,007
8	PROV FOR CONTINGENCIES	300	2	298
9	INTEREST ON CWIP	1,239	40	1,199
10	VEHICLE I.T.C.	0	0	0
11	PRIOR YEAR ADJUSTMENT	4,463	144	4,319
12	PRIOR YR ADJUST-ITC	-458	-15	-443
13	ADJUST-INT ON CWIP FEDERAL	-1,239	-40	-1,199
14	-AR TX RT	-202	-7	-195
15	-ITC	3,108	101	3,007
16	-PROV FOR CONTING FED	-300	-2	-298
17	-VEHICLE I.T.C. FED	0	0	0
18	-PRIOR YR ADJUST FED	-4,463	-144	-4,319
19	-PRIOR YR ADJ-ITC	458	15	443
20	TOTAL FEDERAL INCOME TAX	29,725	-1,559	31,284
21	TOTAL INCOME TAX	32,769	-1,718	34,487

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	PROVISION FOR DEF INCOME TAX-OR			
	INTEREST ON TAX DEFICIT			
1	FEDERAL	2,037	10	2,027
2	STATE	281	1	280
3	TOTAL INT ON TAX DEFICIT	2,318	12	2,306
	INJURY & DAMAGE RESERVE			
4	FEDERAL	5	0	5
5	STATE	.1	0	1
6	TOTAL INJURY & DAMAGES RES	6	0	6
	NUCLEAR REFUELING RES & INT			
7	FEDERAL	1,478	0	1,478
8	STATE	213	0	213
9	TOTAL NUCL RES & INTEREST	1,691	0	1,691
	COAL HANDLING EQUIP SALE			
10	FEDERAL	68	2	66
11	STATE	10	0	10
12	TOTAL COAL HANDL EQ SALE	78	2	76
	TAX GAIN-AND BLOG SALE			
13	FEDERAL	42	1	41
14	STATE	5	0	5
15	TOTAL TAX GAIN-AND BLOG	47	1	46
	REMOVAL COST			
16	FEDERAL	55	2	53
17	STATE	8	0	8
18	TOTAL REMOVAL COST	63	2	61
	UNBILLED REVENUE			
19	FEDERAL	4,980	188	4,792
20	STATE	686	26	660
21	TOTAL UNBILLED REVENUE	5,666	214	5,452
	BUILDING SALE/LEASEBACK			
22	FEDERAL	56	2	54
23	STATE	13	0	13
24	TOTAL BLOG SALE/LEASEBACK	69	2	67

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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		
	TAX GAIN ON SALE-W. MARKHAM	T074		
1	FEDERAL	ITDTTGSF SFWMSC	4	4
2	STATE	ITDTTGSS SFWMSC	1	1
3	TOTAL TAX GN ON SALE-W MAR	ITDTTGST	5	5
	RETAIL REV ADJMNT	T087		
4	FEDERAL	ITDTRRAF RSRWTOA	1,109	1,067
5	STATE	ITDTRRAS RSRWTOA	152	146
6	TOTAL RETAIL REV ADJMNT	ITDTRRAT	1,261	1,213
	LIBERALIZED DEPRECIATION	T088		
7	FEDERAL-PRODUCTION	ITDTL DFA 001	0	0
8	-TRANS & OISTR	ITDTL DFB PLTDTOA	0	0
9	-NUCLEAR FUEL ASSEM	ITDTL DFC E01	0	0
10	-LABOR RELATED	ITDTL DFD LOMTOA	0	0
11	-GENERAL PLANT	ITDTL DFE PLGECM	0	0
12	-TOTAL PLT EX INTANG	ITDTL DFF PLTOAEXI	25,870	25,031
13	-TRANSMISSION	ITDTL DFG PLTTOA	0	0
14	-DISTRIBUTION	ITDTL DFH PLDTOA	0	0
15	FEDERAL	ITDTL DF	25,870	25,031
16	STATE-PRODUCTION	ITDTL DSA 001	0	0
17	-TRANS & DISTR	ITDTL DSB PLTDTOA	0	0
18	-NUCLEAR FUEL ASSEM	ITDTL DSC E01	0	0
19	-LABOR RELATED	ITDTL DSD LOMTOA	0	0
20	-GENERAL PLANT	ITDTL DSE PLGECM	0	0
21	-TOTAL PLT EX INTANG	ITDTL DSF PLTOAEXI	4,060	3,928
22	-TRANSMISSION	ITDTL DSG PLTTOA	0	0
23	-DISTRIBUTION	ITDTL DSH PLDTOA	0	0
24	STATE	ITDTL DS	4,060	3,928
25	TOTAL LIBERALIZED DEPREC	ITDTL DT	29,930	28,960
	NUCLEAR FUEL NORMALIZATION	T073		
26	FEDERAL	ITDTN FNF E01	-1,779	-1,714
27	STATE	ITDTN FNS E01	-92	-89
28	TOTAL NUCLEAR FUEL NORM	ITDTN FNT	-1,871	-1,802

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	TAXES & PENSIONS CAPITALIZED	T069			
1	FEDERAL-PRODUCTION	IT0TTPFA 001	0	0	0
2	-TRANSMISSION	IT0TTPFB PLTTOA	0	0	0
3	-DISTRIBUTION	IT0TTPFC PLTOA	0	0	0
4	-GENERAL	IT0TTPFD PLGECM	0	0	0
5	-TOTAL PLANT	IT0TTPFE PLTOA	69	2	67
6	FEDERAL	IT0TTPCF	69	2	67
7	STATE-PRODUCTION	IT0TTPSA 001	0	0	0
8	-TRANSMISSION	IT0TTPSB PLTTOA	0	0	0
9	-DISTRIBUTION	IT0TTPSC PLTOA	0	0	0
10	-GENERAL	IT0TTPSD PLGECM	0	0	0
11	-TOTAL PLANT	IT0TTPSE PLTOA	10	0	10
12	STATE	IT0TTPCS	10	0	10
13	TOTAL TAXES & PENSIONS CAP	IT0TTPCT	79	3	76
	INTANG PLT 82-314U	T089			
14	FEDERAL	IT0TIPF PLTOAEXI	212	7	205
15	STATE	IT0TIPS PLTOAEXI	29	1	28
16	TOTAL INTANG PLT 82-314U	IT0TIPT	241	8	233
	DEFERRED FUEL	T059			
17	FEDERAL	IT0TOFF E02	-23,613	0	-23,618
18	STATE	IT0TOFS E02	-3,253	0	-3,253
19	TOTAL DEFERRED FUEL	IT0TOFT	-26,871	0	-26,871
	COMPUTER SOFTWARE CAP	T091			
20	FEDERAL	IT0TCSCF PLTOAEXI	1,792	58	1,734
21	STATE	IT0TCSS PLTOAEXI	247	8	239
22	TOTAL COMP SOFTWARE CAP	IT0TCST	2,039	66	1,973

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	T056		
	DIRECTORS FEES	T113		
1	FEDERAL	ITDIDIRF LOMTOA	7	7
2	STATE	ITDIDIRS LOMTOA	1	1
3	TOTAL DIRECTORS FEES	ITDIDIR	8	8
	STEAM GEN PROCESS	T114		
4	FEDERAL	ITDTSGBP E01	1,222	1,177
5	STATE	ITDTSGPS E01	168	162
6	TOTAL STEAM GEN PROCESS	ITDTSGP	1,390	1,339
	REF ORD #34,82-314-U AP&L	T115		
7	FEDERAL	ITDTROF LPAR	0	0
8	STATE	ITDTROS LPAR	0	0
9	TOTAL REF ORD #34, 82-314U	ITDTRO	0	0
	REV ADJ MO FUEL	T116		
10	FEDERAL	ITDTMFF E01M	0	0
11	STATE	ITDTMFS E01M	0	0
12	TOTAL REV ADJ MOR FUEL	ITDTMF	0	0
	GG1 OVER/UNDER RECOV	T117		
13	FEDERAL	ITDTOURF 001	2,217	2,148
14	STATE	ITDTOURS 001	306	297
15	TOTAL GG1 OVER/UNDER RECOV	ITDTOUR	2,523	2,445
	GG1 MO RETAIL	T118		
16	FEDERAL	ITDTGMRF D01M	427	0
17	STATE	ITDTGMRS D01M	58	0
18	TOTAL GG1 MO RETAIL	ITDTGMR	485	0
	GG1 NLR OVER/UNDER RECOV	T119		
19	FEDERAL	ITDTNLOF SDOW	75	75
20	STATE	ITDTNLOS SDOW	11	11
21	TOTAL NLR OVER/UNDER RECOV	ITDTNLO	86	86
	GG1 BENTON OVER/UNDER RECOV	T120		
22	FEDERAL	ITDT80F SDMC	15	15
23	STATE	ITDT80S SDMC	2	2
24	TOTAL BENTON OVER/UNDER RECOVER	ITDT80	17	17

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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		
	GG1 PARAGOULD OVER/UNDER RECOV	T121		
1	FEDERAL	ITOTPAOF SDOW	2	0
2	STATE	ITOTPAOS SDOW	0	0
3	TOTAL PARAGOULD O/U RECOVERY	ITOTPAO	2	0
	GG1 PRESCOTT OVER/UNDER RECOV	T122		
4	FEDERAL	ITOTPROF SDMC	1	0
5	STATE	ITOTPROS SDMC	0	0
6	TOTAL PRESCOTT O/U RECOVERY	ITOTPRO	1	0
	GG1 NO ARK OVER/UNDER RECOV	T123		
7	FEDERAL	ITOTNAOF SDMC	4	0
8	STATE	ITOTNAOS SDMC	1	0
9	TOTAL NO ARK O/U RECOVERY	ITOTNAO	5	0
	GG1 PHASE-IN CURRENT	T124		
10	FEDERAL	ITDTPICF 001	38,810	1,203
11	STATE	ITDTPICS 001	5,348	166
12	TOTAL GG1 PHASE-IN	ITDTPIC	44,158	1,369
	GG1 INVENTORY DEFERRAL	T125		
13	FEDERAL	ITDTGIDF 001	41,470	1,286
14	STATE	ITDTGIDS 001	5,714	177
15	TOTAL GG1 INVENTORY DEF	ITDTGID	47,184	1,463
	GG1 EXCESS CAPACITY	T126		
16	FEDERAL	ITDTECF 001	12,719	394
17	STATE	ITDTECS 001	1,753	54
18	TOTAL GG1 EXCESS CAPACITY	ITDTEC	14,472	449
	GG1 PARAGOULD PHASE-IN	T127		
19	FEDERAL	ITDTPAPF SDOW	215	0
20	STATE	ITDTPAPS SDOW	29	0
21	TOTAL GG1 PARAGOULD PHASE-IN	ITDTPAP	244	0
	GG1 PARAGOULD INV DEF	T128		
22	FEDERAL	ITDTPAIF SDOW	232	0
23	STATE	ITDTPAIS SDOW	32	0
24	TOTAL GG1 PARAGOULD INV DEF	ITDTPAI	264	0

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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			
	PROVISION FOR DEF INCOME TAX-DR			
	GG1 PRESCOTT PHASE-IN			
1	FEDERAL	71	0	71
2	STATE	10	0	10
3	TOTAL GG1 PRESCOTT PHASE-IN	81	0	81
	GG1 PESCOTT INV DEF			
4	FEDERAL	76	0	76
5	STATE	11	0	11
6	TOTAL GG1 PRESCOTT INV DEF	87	0	87
	PROV FOR DEFERRED INC TAX			
7	FEDERAL	109,943	4,512	105,431
8	STATE	15,815	643	15,172
9	TOTAL PROV FOR DEF INC TAX	125,758	5,155	120,603

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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-OR	T056			
ADJUSTMENTS - FEDERAL:	T139			
1 INT ON TAX DEFICIT	PF07FEIT NINBIT	-2,037	-10	-2,027
2 INJ & DAMAGES	PF07FAIO LOMTOA	-5	-0	-5
3 GG1 OVER/UND RECOV	PF07FEQU D01	-2,217	-69	-2,148
4 GG1 NLR O/U RECOV	PF07FENL SDOH	-75	0	-75
5 GG1 BENTON O/U REC	PF07FE8 SDMC	-15	0	-15
6 GG1 PARAGOULD O/U REC	PF07FEPO SDOH	-2	0	-2
7 GG1 PRESCOTT O/U RECOV	PF07FEPR SDMC	-1	0	-1
8 GG1 NO ARK O/U RECOV	PF07FENA SDMC	-4	0	-4
9 NUCLEAR RESERVE	PF07FENR E03	-1,478	0	-1,478
10 COAL MMOL EQ SALE	PF07FECH D01	-68	-2	-66
11 TX GAIN-AND BLDG SALE	PF07FEAN D01	-42	-1	-41
12 REMOVAL COST	PF07FARC PLTOA	-55	-2	-53
13 UNBILLED REV	PF07FEUR RSROWTOA	-4,980	-188	-4,792
14 BLDG SALE	PF07FE8S LOMTOA	-56	-2	-54
15 WEST MARKHAM SC	PF07FEWH SFWMSC	-4	-0	-4
16 DIRECTORS FEES	PF07FEDI LOMTOA	-7	-0	-7
17 RETAIL REV ADJHNT	PF07FERR RSROWTOA	-1,109	-42	-1,067
18 REF ORD #34, 82-314U	PF07FERO LPAR	0	0	0
19 REV ADJ MO FUEL	PF07FEMF E01M	0	0	0
20 AR TX RT LIBER DEPREC	PF07FALD PLTOAEXI	-10	-0	-10
21 MO ST TX CHG LIBER DEPREC	PF07FMLD PLTOAEXI	1,014	33	981
22 AR TX RT NORM NUCL FUEL	PF07FANN E01	1	0	1
23 MO ST TX EFF NORM NF	PF07FMNH E01	-23	-1	-22
24 TX & PENS CAPITAL	PF07FETP PLTOA	-69	-2	-67
25 INT PLT 82-314U	PF07FEIP PLTOAEXI	-212	-7	-205
26 GG1 PHASE-IN CURR	PF07FEPI D01	-39,810	-1,203	-37,607
27 GG1 INVENT DEF	PF07FEID D01	-41,470	-1,286	-40,184
28 GG1 EXCESS CAPACITY	PF07FEED D01	-12,719	-394	-12,325
29 GG1 PARAGOULD PH-IN	PF07FEPP SDOH	-215	0	-215
30 GG1 PARAGOULD INV DEF	PF07FEPA SDOH	-232	0	-232
31 GG1 PRESCOTT PH-IN	PF07FEPS SDMC	-71	0	-71
32 GG1 PRESCOTT INV DEF	PF07FEPO SDMC	-76	0	-76
33 MO ST TX EFF GG1 DEF	PF07FMGD D01	14	0	14
34 DEFERRED FUEL	PF07FEDF E02	23,613	0	23,613
35 COMPUTER S/W CAPIT	PF07FECS PLTOAEXI	-1,792	-58	-1,734
36 STEAM GEN PROCESS	PF07FESG E01	-1,222	-45	-1,177
37 LIBER DEPR CHG IN FED TX RT	PF07FL34 PLTOAEXI	-7,011	-227	-6,784
38 NORM NF CHG IN FED TX RT	PF07FN34 E01	470	17	453
39 GG1 DEF NO RET FO TX RT	PF07FG34 D01M	-115	-115	0
40 LIB DEPR FED EFF OF ST TX CHG	PF07FLST PLTOAEXI	-139	-5	-134
41 NORM NF FED EFF OF ST TX CHG	PF07FNST E01	3	0	3
42 GG1 DEF MO RET FED EFF ST TX C	PF07FGST D01M	-2	-2	0
43 ADJUST-DEF INC TAXES FEDERAL	PF07DTFN	-91,223	-3,611	-87,612

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	ADJUSTMENTS - STATE:	T140			
1	INT IN TX DEFICIT	PF07SEIT NIN8IT	-281	-1	-280
2	INJ & DAMAGES	PF07SEID LOMTOA	-1	-0	-1
3	GG1 O/U RECOV	PF07SEOU D01	-306	-9	-297
4	GG1 NLR O/U RECOV	PF07SENL SDCW	-11	0	-11
5	GG1 BENTON O/U RECOV	PF07SE9 SOMC	-2	0	-2
6	GG1 PARAGOULO O/U RECOV	PF07SEPO SDCW	0	0	0
7	GG1 PRESCOTT O/U REC	PF07SEPR SDCM	0	0	0
8	GG1 NO ARK O/U RECOV	PF07SENA SDCM	-1	0	-1
9	NUCLEAR RESERVE	PF07SENR E03	-213	0	-213
10	COAL HNDL EQ SALE	PF07SECH D01	-10	-0	-10
11	TX GN-AND BLOG SALE	PF07SEAN D01	-5	-0	-5
12	REMOVAL COST	PF07SARC PLTOA	-8	-0	-8
13	UNBILLED REV	PF07SEUR RSRDWT0A	-626	-26	-660
14	BLDG SALE	PF07SEBS LOMTOA	-13	-0	-13
15	WEST MARKHAM SC	PF07SEWM SFWMSC	-1	-0	-1
16	DIRECTORS FEES	PF07SEDI LOMTOA	-1	-0	-1
17	RETAIL REV ADJMNT	PF07SERR RSRDWT0A	-152	-6	-146
18	REF ORO #34,82-314U	PF07SERO LPAR	0	0	0
19	REV ADJ MO FUEL	PF07SEMF E01M	0	0	0
20	AR TX RT LIBER DEPREC	PF07SALD PLTOAEXI	23	1	22
21	MO ST TX CHG LIBER DEPREC	PF07SMLO PLTOAEXI	-2,204	-71	-2,133
22	MO ST TX CHG GG1 DEF	PF07SHGD D01	-32	-1	-31
23	AR TX RT NORM NUCL FUEL	PF07SANN E01	-1	-0	-1
24	MO ST TX CHG NORM NF	PF07SMNN E01	50	2	48
25	TX & PENS CAPTIAL	PF07SETP PLTCA	-10	-0	-10
26	INT PLT-32-314U	PF07SEIP PLTOAEXI	-29	-1	-28
27	GG1 PHASE-IN CURR	PF07SEPI D01	-5,348	-166	-5,182
28	GG1 INVENT DEF	PF07SEIN D01	-5,714	-177	-5,537
29	GG1 EXCESS CAPACITY	PF07SEEC D01	-1,753	-54	-1,699
30	GG1 PARAGOULO PH-IN	PF07SEPP SDCW	-29	0	-29
31	GG1 PARAGOULO INV	PF07SEPA SDCW	-32	0	-32
32	GG1 PRESCOTT PH-IN	PF07SEPS SDCM	-10	0	-10
33	GG1 PRESCOTT INV	PF07SEPD SDCM	-11	0	-11
34	DEFERRED FUEL	PF07SEDF E02	3,253	0	3,253
35	COMPUTER S/W CAPIT	PF07SECS PLTOAEXI	-247	-8	-239
36	STEAM GEN PROCESS	PF07SESG E01	-168	-6	-162
37	LIB DEPR CHG IN FED TX RT	PF07SL34 PLTOAEXI	408	13	395
38	NORM NF CHG IN FED TX RT	PF07SN34 E01	-9	-0	-9
39	GG1 DEF-MO RET FD TX RT	PF07SG34 D01M	6	6	0
40	ADJUST-DEF INC TAXES STATE	PF07DTSN	-13,548	-508	-13,040

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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-DR			
	1 ADJUSTMENT-DEF INC TAX-FED			
	2 ADJUSTMENT-DEF INC TAX-STATE			
	3 ADJUSTMENT-TOT DEF TAX			
	PROVISION FOR DEF INCOME TAX-DR			
	4 FEDERAL			
	5 STATE			
	6 TOTAL PROVISION DEF INC TAX ADJ			

T030
T025

T056

ITDTFAD

ITDTSAD

ITDTAD

T05c

ITDTFTOA

ITDTSTOA

ITDTTOA

-91,223

-13,548

-104,771

-3,011

-508

-4,119

-87,612

-13,040

-100,652

18,720

2,267

20,987

901

135

1,030

17,819

2,132

19,951

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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-CR	T061			
	INTEREST ON TAX DEFICIT	T092			
1	FEDERAL	ITDTCITF NINBIT	-2,418	-12	-2,406
2	STATE	ITDTCITS NINBIT	-333	-2	-331
3	TOTAL INTEREST ON TAX DEF	ITDTCITT	-2,751	-14	-2,737
	NUCLEAR REFUELING RES & INT	T074			
4	FEDERAL	ITDTCNRF E03	-5,262	0	-5,262
5	STATE	ITDTCNRS E03	-736	0	-736
6	TOTAL NUCL REFUELING RESERVE	ITDTCNRT	-5,998	0	-5,998
	DECOMMISSIONING EXPENSE	T077			
7	FEDERAL	ITDTCDEF 001	-1,542	-48	-1,494
8	STATE	ITDTCDES 001	-212	-7	-205
9	TOTAL DECOMMISSIONING EXP	ITDTCDET	-1,754	-54	-1,700
	UNBILLED REVENUE	T057			
10	FEDERAL	ITDTCURF RSRDHTOA	-4,462	-168	-4,294
11	STATE	ITDTCURS RSRDHTOA	-615	-23	-592
12	TOTAL UNBILLED REVENUE	ITDTCURT	-5,077	-192	-4,885
	RETAIL REV ADJMT	T037			
13	FEDERAL	ITDTCRRF RSRDHTOA	-1,565	-59	-1,506
14	STATE	ITDTCRRS RSRDHTOA	-216	-8	-208
15	TOTAL RETAIL REV ADJMT	ITDTCRRT	-1,781	-67	-1,714
	DOCKET 82-314U REFUND #34	T103			
16	FEDERAL	ITDTCF34 LPAR	132	0	132
17	STATE	ITDTC34 LPAR	18	0	18
18	TOT DOCK 82-314U REF #34	ITDTC34T	150	0	150
	MO FUEL TRUE-UP	T134			
19	FEDERAL	ITDTCFMF E01M	112	112	0
20	STATE	ITDTCSMF E01M	16	16	0
21	TOTAL MO FUEL TRUE-UP	ITDTCMTF	128	128	0
	MAINT COST-OUTAGE	T100			
22	FEDERAL	ITDTCFMC E01	-8,455	-311	-8,144
23	STATE	ITDTCSMC E01	-1,165	-43	-1,122
24	TOTAL MAINT COST-OUTAGE	ITDTCMCT	-9,620	-354	-9,266

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	DEFENSE PROPERTY	T094			
1	FEDERAL	ITDT0EFF SFDTAATO	-452	-13	-439
2	STATE	ITDT0EFS SFDTAATO	0	0	0
3	TOTAL DEFENSE PROPERTY	ITDT0EFT	-452	-13	-439
	TAXES & PENSIONS CAPITALIZED	T068			
4	FEDERAL-PRODUCTION	ITDTTXFP D01	0	0	0
5	-TRANSMISSION	ITDTTXFT PLTTOA	0	0	0
6	-DISTRIBUTION	ITDTTXFO PLDTQA	0	0	0
7	-GENERAL	ITDTTXFG PLGECM	0	0	0
8	-TOTAL PLANT	ITDCTPF PLTOA	-650	-21	-629
9	FEDERAL	ITDCTPF	-650	-21	-629
10	STATE-PRODUCTION	ITDTTXSP D01	0	0	0
11	-TRANSMISSION	ITDTTXST PLTTOA	0	0	0
12	-DISTRIBUTION	ITDTTXSD PLDTQA	0	0	0
13	-GENERAL	ITDTTXSG PLGECM	0	0	0
14	-TOTAL PLANT	ITDCTPS PLTOA	-89	-3	-86
15	STATE	ITDCTPS	-89	-3	-86
16	TOTAL TAXES & PENS CAP	ITDTCTPT	-739	-24	-715
	INTEREST CAP ON NUCLEAR FUEL	T060			
17	FEDERAL	ITDTCICF E01	-535	-20	-515
18	STATE	ITDTCICS E01	-63	-2	-61
19	TOTAL INT CAP ON NUCL FUEL	ITDTCICT	-598	-22	-576
	AECC COST OF MONEY	T082			
20	FEDERAL	ITDTCAEF D01	-131	-4	-127
21	STATE	ITDTCAES D01	-18	-1	-17
22	TOTAL AECC COST OF MONEY	ITDTCAET	-149	-5	-144

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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	-2,384	-88	-2,296
2	STATE	-293	-11	-282
3	TOTAL NORM OF NUCL FUEL	-2,677	-98	-2,579
	POLLUTION CONTROL BONDS			
4	FEDERAL	-10	-0	-10
5	STATE	-1	-0	-1
6	TOT POLLUTION CONTROL BONDS	-11	-0	-11
	INTANG PLT 82-314U			
7	FEDERAL	-354	-11	-343
8	STATE	-49	-2	-47
9	TOTAL INTANG PLT 82-314U	-403	-13	-390
	INTEREST ON DEFERRED PAYABLE			
10	FEDERAL	-103	-3	-100
11	STATE	-14	-0	-14
12	TOTAL INT ON DEFERRED PAYABLES	-117	-4	-113
	CONSTRUCTION POWER			
13	FEDERAL	-6	-0	-6
14	STATE	-1	-0	-1
15	TOTAL CONSTRUCTION POWER	-7	-0	-7
	ISES BOOK DEP CAP			
16	FEDERAL	-85	0	-85
17	STATE	-12	0	-12
18	TOTAL ISES BOOK DEPR CAP	-97	0	-97
	DEFERRED FUEL			
19	FEDERAL	22,642	0	22,642
20	STATE	3,119	0	3,119
21	TOTAL DEFERRED FUEL	25,761	0	25,761

ARKANSAS POWER AND LIGHT COMPANY
 CGST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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		
	GAIN ON SALE OF GAS PROPERTY	T079		
1	FEDERAL	ITOTCGGF PLTOAEXI	-29	-1
2	STATE	ITOTCGGS PLTOAEXI	-1	-0
3	TOTAL GAIN ON GAS PROP	ITOTCGGT	-30	-1
	LIBERALIZED DEPRECIATION	T088		
4	FEDERAL-PRODUCTION	ITDCLDFA D01	0	0
5	-NUCLEAR FUEL	ITDCLDFB E01	0	0
6	-LABOR RELATED	ITDCLDFC LOMTOA	0	0
7	-GENERAL PLANT	ITDCLDFD PLGECM	0	0
8	-TOT PLT EX INTANG	ITDCLDFE PLTOAEXI	-3,335	-108
9	-DISTRIBUTION	ITDCLDFF PLDTOA	0	0
10	FEDERAL	ITDTCLDF	-3,335	-108
11	STATE-NUCLEAR FUEL	ITDCLDSA E01	0	0
12	-LABOR RELATED	ITDCLDSB LOMTOA	0	0
13	-GENERAL PLANT	ITDCLDSC PLGECM	0	0
14	-TOT PLT EX INTANG	ITDCLDSO PLTOAEXI	-1,289	-42
15	-DISTRIBUTION	ITDCLDSE PLDTOA	0	0
16	STATE	IYDTCLOS	-1,289	-42
17	TOTAL LIBERALIZED DEPREC	ITDTCLDT	-4,624	-150

ARKANSAS POWER AND LIGHT COMPANY
 COST OF SERVICE STUDY
 12 MONTHS ENDED JUNE 30, 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-CR	T061			
	COMPUTER SOFTWARE CAP	T101			
1	FEDERAL	ITDTCFCS PLTOAEXI	-632	-22	-660
2	STATE	ITDTCSCS PLTOAEXI	-94	-3	-91
3	TOTAL COMPUTER S/W CAP	ITDTCST	-776	-25	-751
	GG1 OVER/UNDER RECOV	T117			
4	FEDERAL	ITDTCOUF D01	-3,388	-105	-3,283
5	STATE	ITDTCOUS D01	-467	-14	-453
6	TOTAL GG1 O/U RECOVERY	ITDTCOU	-3,855	-120	-3,735
	GG1 NLR OVER/UNDER RECOV	T119			
7	FEDERAL	ITDTCNLF SDOW	-75	0	-75
8	STATE	ITDTCNLS SDOW	-11	0	-11
9	TOTAL GG1 NLR O/U REC	ITDTCNL	-86	0	-86
	GG1 BENTON OVER/UNDER RECOV	T120			
10	FEDERAL	ITDTCBF SDMC	-15	0	-15
11	STATE	ITDTCBS SDMC	-2	0	-2
12	TOTAL GG1 BENTON O/U RECOVERY	ITDTCB	-17	0	-17

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
	PROVISION FOR DEF INCOME TAX-CR			
	GG1 PARAGOULDO OVER/UNDER RECOV			
1	FEDERAL	-22	0	-22
2	STATE	-3	0	-3
3	TOTAL GG1 PARAGOULDO O/U REC	-25	0	-25
	GG1 PRESCOTT OVER/UNDER RECOV			
4	FEDERAL	-7	0	-7
5	STATE	-1	0	-1
6	TOTAL GG1 PRESCOTT O/U RECOVERY	-8	0	-8
	GG1 NO ARK OVER/UNDER RECOV			
7	FEDERAL	-11	0	-11
8	STATE	-1	0	-1
9	TOTAL GG1 NO ARK O/U RECOVERY	-12	0	-12
	FEC JONESBORO			
10	FEDERAL	-112	0	-112
11	STATE	-15	0	-15
12	TOTAL FEC JONESBORO	-127	0	-127
	RES CONT FASB 5			
13	FEDERAL	-24,105	-747	-23,358
14	STATE	-3,322	-103	-3,219
15	TOTAL RES CON FASB5	-27,427	-850	-26,577
	GG1 FARM/JONESBORO			
16	FEDERAL	-174	0	-174
17	STATE	-24	0	-24
18	TOTAL GG1 FARM/JONESBORO	-198	0	-198
	STEAM GEN PROCESS			
19	FEDERAL	-238	-9	-229
20	STATE	-33	-1	-32
21	TOTAL STEAM GEN PROCESS	-271	-10	-261
	PROVISION FOR DEF INCOME TAX-CR			
22	FEDERAL	-37,721	-1,639	-36,082
23	STATE	-5,927	-249	-5,678
24	TOTAL INCOME TAX DEFERRED-CREDIT	-43,648	-1,888	-41,760

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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 - FEDERAL:	T139		
1 INT ON TAX DEFICIT	PF07FE12 NINBIT	2,418	12
2 GG1 OVER/UNDER RECOV	PF07CF0U D01	3,388	105
3 GG1 NLR O/U RECOV	PF07CFNL SDOW	75	0
4 GG1 BENTON O/U RECOV	PF07CFB SOMC	15	0
5 GG1 PARAGOULD O/U RECOV	PF07CFPA SDOW	22	0
6 GG1 PRESCOTT O/U RECOV	PF07CFPR SDMC	7	0
7 GG1 MO ARK O/U RECOV	PF07CFNA SDMC	11	0
8 NUCLEAR RESERVE	PF07FEN2 E03	5,262	0
9 DECOMMISS EXP	PF07FEDE D01	1,542	48
10 UNBILLED REVENUE	PF07FEU2 RSRWTOA	4,462	168
11 RETAIL REV ADJMT	PF07FER2 RSRWTOA	1,565	59
12 32-314U REF #34	PF07FE34 LPAR	-132	0
13 MO FUEL TRUE-UP	PF07FEM2 E01M	-112	-112
14 FEC JONESBORO	PF07FEFJ SDWH	112	0
15 MAINT COST OUTAGE	PF07FEMC E01	8,455	311
16 DEFENSE PROPERTY	PF07CFDP SFOTAATO	452	13
17 RES CONTING FASB 5	PF07CFRC D01	24,105	747
18 PR YR ADJ LIBER DEPREC	PF07CFLD PLTOAEXI	423	14
19 MO ST TX CHG LIBER DEPREC	PF07CHLD PLTOAEXI	-305	-10
20 MO ST TX CHG INT NF	PF07CHNF E01	-16	-1
21 AECC COST OF MONEY	PF07CFAE D01	131	4
22 AR TX RT NUCL FUEL NORM	PF07FCAN E01	1	0
23 MO ST TX CHG NF NORM	PF07CHNN E01	-73	-3
24 POLL CONTR BONDS	PF07FEP2 D01	10	0
25 TX & PENS CAPITAL	PF07CFTP PLTOA	650	21
26 INTANG PLT 82-314-U	PF07CFIP PLTOAEXI	354	11
27 INT ON DRF PAYABLES	PF07CFID D01	103	3
28 CONSTR POWER	PF07CFCP E01	6	0
29 ISES BOOK DEPR	PF07CFIS D01AW	85	0
30 GG1 FARM/JONESBORO	PF07FEJF SQJF	174	0
31 DEFERRED FUEL	PF07FED2 E02	-22,642	0
32 COMPUTER S/W	PF07CFCS PLTOAEXI	682	22
33 STEAM GEN PROCESS	PF07CFSG E01	238	9
34 GAIN ON GAS PROPERTY	PF07FEGP PLTOAEXI	29	1
35 INT CAP NF CHG FED TX RT	PF07FCI3 E01	144	5
36 NORM NF CHG FED TX RT	PF07FCN3 E01	641	24
37 INT CAP NF FED EFF ST TX CHG	PF07FCIT E01	2	0
38 NORM NF FED EFF ST TX CHG	PF07FCNT E01	10	0
39 ADJUST-DEF INC TAXES CR FEDERAL	PF07DCFN	32,294	1,454
			30,840

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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		
	ADJUSTMENTS - STATE:	T140		
1	INT ON TX DEFICIT	PF07SE12 NINBIT 333	2	331
2	GG1 CVER/UNDER RECOV	PF07CSOU D01 467	14	453
3	GG1 NLR O/U RECOV	PF07CSNL S00W 11	0	11
4	GG1 BENTON O/U RECOV	PF07CSB S0MC 2	0	2
5	GG1 PARAGOULD O/U RECOV	PF07CSPA S00W 3	0	3
6	GG1 PRESCOTT O/U RECOV	PF07CSPR S0MC 1	0	1
7	GG1 NO ARK O/U RECOV	PF07CSNA S0MC 1	0	1
8	NUCLEAR RESERVE	PF07SEN2 E03 736	0	736
9	DECOMMISS EXP	PF07SEDE D01 212	7	205
10	UNBILLED REVENUE	PF07SEU2 RSRDWTQA 615	23	592
11	RETAIL REV ADJMNT	PF07SER2 RSRDWTQA 216	8	208
12	82-314U REF #34	PF07SE34 LPAR -18	0	-18
13	MO FUEL TRUE-UP	PF07SEM2 E01M -16	-16	0
14	FEC JONESBORO	PF07SEFJ S0WH 15	0	15
15	MAINT COST OUTAGE	PF07SEMC E01 1,165	43	1,122
16	RES CONTING FASB 5	PF07CSRC D01 3,322	103	3,219
17	PR YR ADJ LIBER DEPREC	PF07CSLD PLTOAEXI 61	2	59
18	MO ST TX CHG LIBER DEPREC	PF07MSLD PLTOAEXI 663	21	642
19	AR TX RT INT CAP NUCL FUEL	PF07SATC E01 -1	-0	-1
20	MO ST TX CHG INT NF	PF07MSNF E01 34	1	33
21	AEGC COST OF MONEY	PF07CSAE D01 18	1	17
22	AR TX RT NUCL FUEL NORM	PF07SCAN E01 -2	-0	-2
23	MO ST TX CHG NF NORM	PF07MSNN E01 160	6	154
24	POLL CONTR BONDS	PF07SEP2 D01 1	0	1
25	TX & PENS CAPITAL	PF07CSTP PLTOA 89	3	86
26	INTANG PLT 82-314-U	PF07CSIP PLTOAEXI 49	2	47
27	INT ON DRF PAYABLES	PF07CSID D01 14	0	14
28	CONSTR PWR	PF07CSCP E01 1	0	1
29	ISES BOOK DEPR	PF07CSIS D01AW 12	0	12
30	GG1 FARM/JONESBORO	PF07SEJF S0JF 24	0	24
31	DEFERRED FUEL	PF07SED2 E02 -3,119	0	-3,119
32	COMPUTER S/W	PF07CSCS PLTOAEXI 94	3	91
33	STEAM GEN PROCESS	PF07CSSG E01 33	1	32
34	GAIN ON GAS PROP	PF07SEGP PLTOAEXI 1	0	1
35	INT CAP NF CHG FED TX RT	PF07SCI3 E01 -6	-0	-6
36	NORM NF CHG FED TX RT	PF07SCN3 E01 -30	-1	-29
37	ADJUST-DEF INC TAXES CR STATE	PF07DCSN 5,161	223	4,938

ARKANSAS POWER AND LIGHT COMPANY
COST OF SERVICE STUDY
12 MONTHS ENDED JUNE 30, 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			
1	ADJUSTMENT-DEF TAX CR-FED	ITDTCFA	32,294	1,454	30,840
2	ADJUSTMENT-DEF TAX CR STATE	ITDTCSA	5,161	223	4,938
3	ADJUSTMENT-TOT DEF TAX CREDIT	ITDTCA	37,455	1,677	35,778
	PROVISION FOR DEF INCOME TAX-CR	T061			
4	FEDERAL	ITDTCFTA	-5,427	-186	-5,241
5	STATE	ITDTCSTA	-766	-26	-740
6	TOTAL INCOME TAX DEF-CREDIT ADJ	ITDTCOA	-6,193	-211	-5,982
	INVESTMENT TAX CREDIT - FEDERAL	T026			
7	INVEST TAX CREDIT PROVISION	ITITCPRV PLTOAEXI	3,108	101	3,007
8	ALLOCATION TO CURRENT YEAR INC	ITITCACY PLTOAEXI	-1,388	-45	-1,343
9	TOTAL INVESTMENT TAX CREDIT	ITITCTO	1,720	56	1,664
10	ADJUST-ITC AMORTIZATION	PF07ITC PLTOAEXI	-3,108	-101	-3,007
11	TOTAL INVEST TAX CREDIT ADJ	ITITCTOA	-1,388	-45	-1,343
12	TOTAL OPER EXPENSES ADJUSTED OPEXTA		1,125,143	46,949	1,078,194

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 6/86 MRRCAt 6/30/86Prepared By Revenue RequirementsDate Prepared 12/02/86

Description of Adjustment:

<u>STRING NAME</u>	<u>RATE BASE</u>	
PT	PLANT IN SERVICE-----	\$ <u>3,440,335</u>
DR	DEPRECIATION RESERVES-----	<u>(893,242)</u>
PAA	PLANT ACQ. ADJUSTMENT-----	<u>617</u>
FI	FUEL INVENTORY-----	<u>27,640</u>
MS	MATERIALS & SUPPLIES-----	<u>37,423</u>
PPMT	PREPAYMENTS-----	<u>6,851</u>
WC	WORKING CASH-----	<u> </u>
SFI	INVESTMENT IN SYSTEM FUELS-----	<u> </u>
ADTAA	ACCUM DEF. TX - ACCEL AMORT-----	<u>(229)</u>
ADTLB	ACCUM DEF TX - LIB DEPREC-----	<u>(426,094)</u>
ADTO	ACCUM DEF TX - OTHER-----	<u>66,158</u>
ADTITC	ACCUM DEF INVEST TX CR - 3%-----	<u>(3,647)</u>
	TOTAL-----	<u>2,255,812</u>
 () = DECREASE TO RATE BASE		

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

STRING NAME		12 Mos. Ending 6/30/86 Date Prepared 12/03/86
<u>REVENUES</u>		
REV1	SALES TO ULTIMATE CUSTOMERS-----	\$ 886,708
REV2	SALES FOR RESALE-----	101,763
REV3	MSPP & SYSTEM SALES-----	309,542
REV4	OTHER ELECTRIC REVENUE-----	35,941
	TOTAL OPERATING REVENUE-----	\$ 1,333,954
<u>EXPENSES</u>		
OPERATION & MAINTENANCE		
PRODUCTION		
OMP1	OPERATION (EX. FUEL & PURCH. PWR)-----	\$ 65,624
OMP2	MAINTENANCE-----	49,392
OMP3	FUEL-----	329,366
OMP4	PURCHASED POWER-----	458,009
OMP5	SYSTEM CONTROL-----	2,249
OMP6	OTHER PROD. EXP. & CREDITS-----	(110,209)
	TOTAL PRODUCTION-----	794,431
OMT	TRANSMISSION-----	5,866
OMD	DISTRIBUTION-----	29,983
OMCA	CUSTOMER ACCOUNTING-----	16,920
OMCS	CUSTOMER SERVICES-----	4,063
OMSE	SALES EXPENSE-----	1,394
OMAG	ADMINISTRATIVE & GENERAL-----	85,943
	TOTAL OPER. & MAINT.-----	938,600
DX	DEPRECIATION-----	111,757
OTAX	TAXES OTHER THAN INCOME-----	37,352
STAX	INCOME TAXES - STATE 5%-----	(1,681)
FTAX	INCOME TAXES - FEDERAL 46%-----	(11,813)
DTDRS	PROV. DEFERRED INC. TAX - STATE-----	15,815
DTDRF	PROV. DEFERRED INC. TAX - FEDERAL-----	109,943
DTCRS	PROV. DEF. INC. TAX CREDIT - STATE-----	(5,927)
DTCRF	PROV. DEF. INC. TAX CREDIT - FEDERAL-----	(37,721)
ITC	INVESTMENT TAX CREDIT ADJ.-----	1,720
	TOTAL UTILITY OPERATING EXP.-----	\$ 1,158,045
	NET UTILITY OPERATING INCOME-----	\$ 175,909

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

12 Mos. Ending 6/30/86Date Prepared 12/03/86STRING
NAMEREVENUE

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INCOME:

A01	UNBILLED REVENUE-----	\$ 3,211
A02	INCREASE IN RESERVES-----	4,287
A03	PROP RET RESERVE APPROP-----	108,332
A04	RESERVED REVENUES-----	1,692
A05	INTEREST ON TAX DEFICIT-----	891
A06	NUCLEAR FUEL EXPENSE-----	61,201
A07	INTEREST ON NUCLEAR RESERVES-----	558
A08	BOOK DEPRECIATION ON NACC CME-----	1,274
A09	INTEREST - DOE LIABILITY-----	(11,328)
A010	CONSTRUCTION POWER-----	(34)
A011	MISSOURI FUEL TRUE-UP-----	(273)
A012	ACRS RETIREMENTS-----	(514)
A013	OTHER TAXES CHARGED - PLANT ACCTS-----	(179)
A014	DEPR FOR TAX PURPOSES-----	(202,219)
A015	REMOVAL EXPENSES-----	(4,801)
A016	PENSION PLAN DED FOR TAXES-----	(38)
A017	REAL & PERSONAL PROP TAXES-----	(105)
A018	DEFERRED FUEL COSTS-----	2,257
A019	NUCLEAR REFUELING MAINTENANCE-----	19,546
A020	ANO SHUTDOWN EXPENSE-----	2,483
A021	INT ON NUCLEAR FUEL-----	(2,937)
A022	ALLOW FOR FUNDS DUR CONST-----	(1,440)
A023	NUCLEAR RESERVE EXP-----	8,191
A024	INTERCOMPANY SALES-----	372
A025	OTHER GAIN SALE OF PROPERTY-----	(109)
A026	SALE VEHICLE ITC-----	1
A027	DEFERRED DIRECTORS FEES-----	(37)
A028	MISCELLANEOUS INTANGIBLE PLANT-----	(491)
A029	LEASE COST CAP ON COAL HDLNG EQPT-----	93
A030	TMI ACCRUED-----	(349)
A031	TAX DEFICIT INTEREST PAYMENTS-----	(11)
A032	INTEREST ON DECOMMISSIONING-----	1,553
A033	COMPUTER SOFTWARE CAPITALIZED-----	(3,917)
A034	AMORT OF INTANG PLANT - DOCKET #82-314-U-----	803
A035	AMORT OF INTANG PLANT - ISES-----	467
A036	AMORT OF COMPUTER SOFTWARE-----	1,535
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 6/30/86STRING
NAMEREVENUEDate Prepared 12/30/86

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

A039	INTEREST ON PCB-----	\$ 21
A040	AMORT OF STEAM GEN PROC DEVELOPMENT-----	677
A041	AMORT OF GAIN ON SALE OF BLDGS-----	(109)
A042	STEAM GEN PROC DEVELOPMENT-----	(1,312)
A043	ARK WHSLE ER81-577-----	(941)
A044	PENSION PMNT 1985-86-----	7,605
A045	RESERVE FOR CONTINGENCIES-----	55,723
A046	INVENTORY DEFERRAL GG1 SETTLEMENT-----	3,444
A047	GG1 COST OVER/UNDER RECOVERY-----	2,707
A048	GG1 RESERVE - FARMERS-----	661
A049	INVENTORY SHARE DEF - GG1 SETTLEMENT-----	(101,462)
A050	GG1 - DEF MISSOURI RETAIL-----	(968)
A051	GG1 - DEF ARKANSAS WHSLE-----	(1,296)
A052	CURRENT RECOVERY SHARE DEF - GG1-----	(89,718)
A053	GG1 RESERVE EQUAL CREDIT-----	2,152
A054	ANNUALIZE INTEREST ON ADJUSTED RATE BASE-----	
INT	TOTAL INTEREST CHARGES-----	(146,235)

TOTAL ADJUSTMENTS TO UTILITY OPERATING INCOME \$ (279,173)

() = DECREASE TO UTILITY OPERATING INCOME

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

		12 Mos. Ending <u>6/30/86</u>
<u>STRING</u>		
<u>NAME</u>		Date Prepared <u>12/03/86</u>
 <u>STATE BEFORE TAX ADJUSTMENTS</u>		
DEPADJ	ADJ FOR DEPRECIATION-----	\$ _____
INTERSAL	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-----	_____ 233
SCWIP	INTEREST ON CWIP-----	_____ 171
VITCS	VEHICLE ITC - NET OF TAX-----	_____
ARTADJS	ARKANSAS TAX RATE ADJUSTMENT-----	_____ (439)
	_____	_____
	_____	_____
	_____	_____
 <u>FEDERAL BEFORE TAX ADJUSTMENTS</u>		
F02	PREFERRED DIVIDENDS PAID-----	\$ _____ (134)
	_____	_____
	_____	_____
	_____	_____
 <u>FEDERAL AFTER TAX ADJUSTMENTS</u>		
FCWIP	INTEREST ON CWIP-----	\$ _____ 1,239
STAD	VARIOUS TAX RATES-----	_____
FITC	INVESTMENT TAX CREDIT-----	_____ (3,108)
FPYADJ	FED TAX ASSOC W/PRIOR YR ADJ-----	_____ 4,463
VITCF	VEHICLE ITC - NET OF TAX-----	_____
F05	PROV FOR CONTINGENCIES-----	_____ 300
MOTADJF	MISSOURI TAX RATE ADJUSTMENT-----	_____
ARTADJF	ARKANSAS TAX RATE ADJUSTMENT-----	_____ 202
PYAITC	PRIOR YR ADJUST - ITC-----	_____ (458)
	_____	_____
	_____	_____

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

Rate Case 6/86 MRRCPro Forma # 1Prepared By Rate Research & Dev/Rev. RqmtsDate Prepared 12/03/86

Description of Adjustment:

Adjust O & M Account 557 For Removal of Defueled Fuel, Nuclear Refuel ng
Reserve. Remove Construction Power From A & G A/C 929.

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-----	\$ -0-

() = DECREASE TO RATE BASE

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

Pro Forma # 1STRING
NAMEREVENUESDate Prepared 12/03/86

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-----		(10,448)
	TOTAL PRODUCTION-----		(10,448)
OMT	TRANSMISSION-----		_____
OMD	DISTRIBUTION-----		_____
OMCA	CUSTOMER ACCOUNTING-----		_____
OMCS	CUSTOMER SERVICES-----		_____
OMSE	SALES EXPENSE-----		_____
OMAG	ADMINISTRATIVE & GENERAL-----		154
	TOTAL OPER. & MAINT.-----		(10,294)
DX	DEPRECIATION-----		_____
OTAX	TAXES OTHER THAN INCOME-----		_____
STAX	INCOME TAXES - STATE-----	2.76%	284
FTAX	INCOME TAXES - FEDERAL-----	46%	4,605
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.-----	\$	(5,405)
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NET UTILITY OPERATING INCOME-----	\$	5,405
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ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(000's)

Pro Forma # 1Date Prepared 12/03/86STRING
NAMEREVENUE

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-----		_____

**STRING
NAME**

REVENUE

Date Prepared 12/03/86

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

A039	INTEREST ON PCB-----
A040	AMORT OF STEAM GEN PROC DEVELOPMENT-----
A041	AMORT OF GAIN ON SALE OF BLDGS-----
A042	STEAM GEN PROC DEVELOPMENT-----
A043	ARK WHSLE ER81-577-----
A044	PENSION PMNT 1985-86-----
A045	RESERVE FOR CONTINGENCIES-----
A046	INVENTORY DEFERRAL GG1 SETTLEMENT-----
A047	GG1 COST OVER/UNDER RECOVERY-----
A048	GG1 RESERVE - FARMERS-----
A049	INVENTORY SHARE DEF - GG1 SETTLEMENT-----
A050	GG1 - DEF MISSOURI RETAIL-----
A051	GG1 - DEF ARKANSAS WHSLE-----
A052	CURRENT RECOVERY SHARE DEF - GG1-----
A053	GG1 RESERVE EQUAL CREDIT-----
A054	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 # 1

STRING
NAME

Date Prepared 12/03/86STATE 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-----		_____
PYAITC	PRIOR YR ADJUST - ITC-----		_____
	_____		_____
	_____		_____

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

SCHEDULE 1
 PAGE 1 OF 2
 10-Dec-88

LINE =====		PER BOOKS =====	PRO FORM =====	ADJUSTMENT =====
	RETAIL			
	ARKANSAS			
1	RES	351,350,310	351,350,310	0
2	SGS	179,251,721	179,251,721	0
3	LGS (NON-TOU)	146,532,634	146,532,634	0
4	LGS (TOU)	124,944,896	124,944,896	0
5	LPSC	33,287,061	33,287,061	0
6	LIGHTING	14,031,895	14,031,895	0
7	TOTAL ARKANSAS	849,399,117	849,399,117	0
	MISSOURI			
8	RES	13,236,462	13,236,462	0
9	SGS	7,042,826	7,042,826	0
10	LGS	2,769,007	2,769,007	0
11	LPS	13,357,037	13,357,037	0
12	LIGHTING	303,396	303,396	0
13	TOTAL MISSOURI	37,308,728	37,308,728	0
14	TOTAL RETAIL	386,707,845	386,707,845	0
	RESALE			
	MUNI/COOP (GROSS)			
15	BENTON	6,700,766	6,700,766	0
16	PRESCOTT	1,301,191	1,301,191	0
17	NORTH ARKANSAS	324,435	324,435	0
18	TOTAL ARKANSAS MUNI/COOP	8,326,392	8,326,392	0
	PARTIAL REQUIREMENTS FORMULA			
19	CONWAY	5,268,537	5,268,537	0
20	OSCEOLA	4,261,062	4,261,062	0
21	WEST MEMPHIS	3,940,435	3,940,435	0
22	CAMPBELL	488,367	488,367	0
23	THAYER	392,713	392,713	0
24	TOTAL PARTIAL REQ.	19,361,714	19,361,714	0
	WHEELING			
25	AECC	29,166,287	29,166,287	0
26	WONESBORO	1,854,239	1,854,239	0
27	HOPE	307,598	307,598	0
28	CAJUN	1,169,600	1,169,600	0
29	RUSTON-AECC	479,520	479,520	0
30	LEPA	239,120	239,120	0
31	TOTAL WHEELING	32,716,364	32,716,364	0
	OTHER			
32	NORTH LITTLE ROCK	36,425,484	36,425,484	0
33	FARMERS ELEC COOP	3,468,597	3,468,597	0
34	PARAGOULD	353,359	353,359	0
35	ARBYRD	1,108,687	1,108,687	0
36	UNION ELECTRIC	1,314	1,314	0
37	TOTAL OTHER	41,359,041	41,359,041	0
38	TOTAL RESALE	101,763,511	101,763,511	0

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

SCHEDULE 1
PAGE 2 OF 2
10-Dec-86

	PER BOOKS	PRO FORMA	ADJUSTMENT
	=====	=====	=====
MSPP & SYSTEM			
MSPP			
1 RES. EQ. (MSS-1)	14,751,516	14,751,516	0
UNIT POWER PURCHASE (MSS-4)			
2 CAPACITY	46,668,848	46,668,848	0
3 ENERGY	29,574,858	29,574,858	0
4 TOTAL UNIT POWER PURCHASE	76,243,706	76,243,706	0
5 SALES TO EXCHANGE (MSS-3)	169,435,666	169,435,666	0
6 TOTAL MSPP	250,430,388	250,430,388	0
SYSTEM SALES			
7 SYSTEM SALES	45,361,249	45,361,249	0
8 NET MARGIN	3,749,389	3,749,389	0
9 TOTAL SYSTEM SALES	49,111,138	49,111,138	0
10 TOTAL MSPP & SYSTEM	309,542,026	309,542,026	0
11 TOTAL SALES REVENUE	1,298,013,382	1,298,013,382	0
OTHER ELECTRIC REVENUE			
12 TRANSMISSION EQ. (MSS-2)	29,149,050	29,149,050	0
13 TRANS. FACIL. REOPT.	1,197,544	1,197,544	0
14 OTHER	5,593,935	5,593,935	0
15 TOTAL OTHER REVENUE	35,940,529	35,940,529	0
16 TOTAL REVENUE	1,333,953,911	1,333,953,911	0

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

SCHEDULE 2
PAGE 1 OF 1
10-040-38

LINE ----		PER BOOKS -----	PRO FORMA -----	ADJUSTMENT -----
	FUEL			
1	NUCLEAR	-	-	-
2	COAL	-	-	-
3	GAS	-	-	-
4	OIL	-	-	-
5	TOTAL FUEL	329,366,056	329,366,056	0
	PURCHASED POWER			
6	RES. EQ. (MSS-1)	-	-	-
	OTHER PURCHASED POWER DEMAND			
7	MSE DEMAND	346,224,517	346,224,517	0
	OTHER DEMAND			
8	NEW MADRID	4,308,867	4,308,867	0
9	UNION ELECTRIC	3,636,796	3,636,796	0
10	OTHER (1)	76,844	76,844	0
11	TOTAL OTHER DEMAND	8,522,307	8,522,307	0
12	TOTAL DEMAND	354,746,824	354,746,824	0
	ENERGY			
13	MSE ENERGY	22,606,841	22,606,841	0
	OTHER ENERGY			
14	NON ASSOC CO (2)	3,986,800	3,986,800	0
15	ASSOC CO (3)	7,059,009	7,059,009	0
16	OTHER (4)	64,609,553	64,609,553	0
17	TOTAL OTHER ENERGY	80,655,356	80,655,356	0
18	TOTAL ENERGY	103,262,197	103,262,197	0
19	TOTAL OTHER PURCHASED POWER	458,009,021	458,009,021	0
20	TOTAL PURCHASED POWER	458,009,021	458,009,021	0
	OTHER PROD EXP & CR			
21	DEFERRED FUEL	2,256,604	0	(2,256,604)
22	NUCLEAR REFUEL RES	8,191,942	0	(8,191,942)
23	OTHER EXP. - DEMAND	55,723,128	55,723,128	0
24	OTHER EXP. - ENERGY	(2,254,606)	(2,254,606)	0
25	G.G. DEFERRAL MO.	(968,150)	(968,150)	0
26	AR. G.G. SETT. MSS	(178,157,804)	(178,157,804)	0
27	TOTAL OTHER PROD EXP & CR	(110,209,486)	(120,657,432)	(10,447,946)
28	TOTAL PRODUCTION EXPENSE	677,165,591	666,717,645	(10,447,946)
	TRANSMISSION O & M			
29	TRANSMISSION EQ. (MSS-2)	0	0	0
30	TRANS. FAC. CHG.	-	-	-
31	OTHER	-	-	-
32	TOTAL TRANSMISSION O & M	5,865,608	5,865,608	0
33	CUSTOMER ACCOUNTING	0	0	0
34	ADM & GEN EXPENSE (CONST PWR)	(154,125)	0	(154,125)

(1) PER BOOKS & PRO FORMA - BENTON 63,033 PRESCOTT 7,312

(2) ECONOMY

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

(4) AECC, UE ENERGY, NEW MADRID ENERGY, TVA DIVERSITY, WHOLESALE CO-OWNER, CO-GE

6186 MRAC

	Initials	Date
Prepared By		
Approved By		



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

APOL

PRO-FORMA ADJUSTMENTS - ADJUST. #1

Remove Deferred Fuel & Nucl. Refuel. Res. From A/C 55%. Remove Construct. Pwr. From
A/C 929.

	1	2	3	4
			COMPUTER	ALLOCATION
		(5000's)	CODE	FACTOR
				AMOUNT
EXPENSE ADJUSTMENTS				
1) Adjust To O&M Expenses				
Production				
Adjust - Deferred Fuel	(2257)	PFO1NPDF ✓	E02	(2256604)
- Nucl Refuel Res	(8191)	PFO1 PNR ✓	E03	(8191342)
A&G				
Adjust - Constr Power	154	PFO1AGCP	E01	154125

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

Rate Case 6/86 MRRCPro Forma # 5Prepared By Revenue RequirementsDate Prepared 12/04/86

Description of Adjustment:

Synchronize Test Year Interest ExpenseSTRING
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-----	\$	-0-

() = DECREASE TO RATE BASE

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

Pro Forma # 5STRING
NAMEREVENUESDate Prepared 12/04/86

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%	(11)
FTAX	INCOME TAXES - FEDERAL-----	46%	1,358
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.-----	\$	1,347
-----------------------------------	----	-------

NET UTILITY OPERATING INCOME-----	\$	(1,347)
-----------------------------------	----	---------

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

Pro Forma # 5Date Prepared 12/04/86

STRING
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
ADJUSTMENTS TO TAXABLE INCOME
(\$000's)

Pro Forma # 5

Date Prepared 12/04/86

STRING
NAME

REVENUE

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

A039	INTEREST ON PCB-----	\$
A040	AMORT OF STEAM GEN PROC DEVELOPMENT-----	
A041	AMORT OF GAIN ON SALE OF BLDGS-----	
A042	STEAM GEN PROC DEVELOPMENT-----	
A043	ARK WHSLE ER81-577-----	
A044	PENSION PMNT 1985-86-----	
A045	RESERVE FOR CONTINGENCIES-----	
A046	INVENTORY DEFERRAL GG1 SETTLEMENT-----	
A047	GG1 COST OVER/UNDER RECOVERY-----	
A048	GG1 RESERVE - FARMERS-----	
A049	INVENTORY SHARE DEF - GG1 SETTLEMENT-----	
A050	GG1 - DEF MISSOURI RETAIL-----	
A051	GG1 - DEF ARKANSAS WHSLE-----	
A052	CURRENT RECOVERY SHARE DEF - GG1-----	
A053	GG1 RESERVE EQUAL CREDIT-----	
A054	ANNUALIZE INTEREST ON ADJUSTED RATE BASE-----	(140,430)
INT	TOTAL INTEREST CHARGES-----	146,235

TOTAL ADJUSTMENTS TO UTILITY OPERATING INCOME \$	5,805
--	-------

() = DECREASE TO UTILITY OPERATING INCOME

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

Pro Forma # 5

STRING
NAME

Date Prepared 12/04/86STATE BEFORE TAX ADJUSTMENTS

DEPADJ
INTERSAL
ACRS
SCP

ADJ FOR DEPRECIATION-----
INTERCOMPANY SALES-----
ACRS RETIREMENT LOSSES-----
CONSTRUCTION POWER-----

\$ _____

STATE AFTER TAX ADJUSTMENTS

MOTADJS
SPYADJ
SCWIP
VITCS
ARTADJS

MISSOURI TAX RATE ADJUSTMENT-----
STATE TAX ASSOC W/PRIOR YR ADJ-----
INTEREST ON CWIP-----
VEHICLE ITC - NET OF TAX-----
ARKANSAS TAX RATE ADJUSTMENT-----

\$ _____

(171)

FEDERAL BEFORE TAX ADJUSTMENTS

F02

PREFERRED DIVIDENDS PAID-----

\$ _____

FEDERAL AFTER TAX ADJUSTMENTS

FCWIP
STAD
FITC
FPYADJ
VITCF
F05
MOTADJF
ARTADJF
PYAITC

INTEREST ON CWIP-----
VARIOUS TAX RATES-----
INVESTMENT TAX CREDIT-----
FED TAX ASSOC W/PRIOR YR ADJ-----
VEHICLE ITC - NET OF TAX-----
PROV FOR CONTINGENCIES-----
MISSOURI TAX RATE ADJUSTMENT-----
ARKANSAS TAX RATE ADJUSTMENT-----
PRIOR YR ADJUST - ITC-----

\$ _____

(1,239)

	Initials	Date
Prepared By		
Approved By		



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

APL

SUMMARY OF COST OF CAPITAL

4/30/86

		1	2	3	4
		AMOUNT	PROPORTION	RATE	COST
1	Long-Term Debt	1267749382	.5342	10.6803%	5.71%
2	Preferred Stock	247216924	.1042	9.2293%	.96%
3	Common Equity	785967661 *	.3312	14.25%	4.73%
4	Customer Deposits - Arkansas	5500459	.0023	10.00%	.02%
5	-Missouri	1833486	.0008	8.00%	.01%
6	DOE Obligation	64849200	.0273	6.36%	.17%
7					
8	Total	2373117112	1.0000		11.59%
9					
10					
11					
12					
13					
14					
15	* Retained Earnings	88554405			
16	Prem. on Capital Stock (Common)	3819768			
17	Gain On Cancel. of Capital Stock	3825586			
18	Unappr. Undistr. Ret. Earn. of Subsid.	2556865			
19	Capital Stock Exp. (Common)	(4)4131			
20	Common Stock	487252450			
21		785967661			
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					

6/86 MRAC

Initials	Date
Prepared By	
Approved By	



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

APOL

PRO-FORMA ADJUSTMENTS - ADJUST. #5

	1	2	3	4
	Adjustment To Synchronize Test Year Interest Expense			
		COMPUTER	ALLOCATION	
	(3000's)	CODE	FACTOR	AMOUNT
	EXPENSE ADJUSTMENTS			
	1) Adjust To Operating Inc Bef Taxes			
	Adjust- Interest Charges - Other	1492026	PFOSSJIO	R8TOA 1492026352
	- Interest Charges - Decam	1553	PFOSSJID	DO1 1552983
	- Interest Charges - AFDC	(4524)	PFOSSJIA	PLTOA (4524045)
	- Ann Int Adj To Rate Base	(140430)	PFOSSJAI	* (140429792)
	2) Adjust To Operating Inc Aft Taxes			
	Adjust- Int On CWIP State	(171)	PFOSSJST	PLTOA (170780)
	- Int On CWIP Federal	(1239)	PFOSSJFD	PLTOA (1239309)
	* Allocated In COS - Total Rate Base Adjusted 2,374,138,620 X Int. On Long-Term Debt (5.71% + .17% DOE + .03% Cust. Depos) 5.91% = 140,429,792			

46% TAX ADJ

Page 1 of 5

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

Rate Case 6/86 MRRC

Pro Forma # 7

Prepared By Taxes & Special Studies

Date Prepared 12/04/86

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 INVENTORY-----		
MS	MATERIALS & SUPPLIES-----		
PPMT	PREPAYMENTS-----		
WC	WORKING CASH-----		
SFI	INVESTMENT IN SYSTEM FUELS-----		
ADTAA	ACCUM DEFTX - ACCEL AMORT-----		
ADTLB	ACCUM DEFTX - LIB DEPREC-----		\$145,329
ADTO	ACCUM DEFTX - OTHER-----		(66,158)
ADTITC	ACCUM DEF INVEST TX CR - 3%-----		
	TOTAL-----		79,171

() = DECREASE TO RATE BASE

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

Pro Forma # 7STRING
NAMEREVENUESDate Prepared 12/04/86

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%	3,720
FTAX	INCOME TAXES - FEDERAL-----	46%	40,168
DTDRS	PROV. DEFERRED INC. TAX - STATE-----		(13,953)
DTDRF	PROV. DEFERRED INC. TAX - FEDERAL-----		(84,429)
DTCRS	PROV. DEF. INC. TAX CREDIT - STATE-----		5,197
DTCRF	PROV. DEF. INC. TAX CREDIT - FEDERAL-----		31,497
ITC	INVESTMENT TAX CREDIT ADJ.-----		_____

TOTAL UTILITY OPERATING EXP.-----	\$	(17,800)
-----------------------------------	----	----------

NET UTILITY OPERATING INCOME-----	\$	17,800
-----------------------------------	----	--------

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

Pro Forma # 7

Date Prepared 12/04/86

STRING
NAMEREVENUE

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INCOME:

AO1	UNBILLED REVENUE-----	\$ (3,211)
AO2	INCREASE IN RESERVES-----	(4,287)
AO3	PROP RET RESERVE APPROP-----	
AO4	RESERVED REVENUES-----	(1,692)
AO5	INTEREST ON TAX DEFICIT-----	(891)
AO6	NUCLEAR FUEL EXPENSE-----	
AO7	INTEREST ON NUCLEAR RESERVES-----	(558)
AO8	BOOK DEPRECIATION ON NACC CME-----	
AO9	INTEREST - DOE LIABILITY-----	11,328
AO10	CONSTRUCTION POWER-----	34
AO11	MISSOURI FUEL TRUE-UP-----	273
AO12	ACRS RETIREMENTS-----	514
AO13	OTHER TAXES CHARGED - PLANT ACCTS-----	179
AO14	DEPR FOR TAX PURPOSES-----	
AO15	REMOVAL EXPENSES-----	4,801
AO16	PENSION PLAN DED FOR TAXES-----	38
AO17	REAL & PERSONAL PROP TAXES-----	105
AO18	DEFERRED FUEL COSTS-----	(2,257)
AO19	NUCLEAR REFUELING MAINTENANCE-----	(19,546)
AO20	ANO SHUTDOWN EXPENSE-----	(2,483)
AO21	INT ON NUCLEAR FUEL-----	
AO22	ALLOW FOR FUNDS DUR CONST-----	1,440
AO23	NUCLEAR RESERVE EXP-----	(8,191)
AO24	INTERCOMPANY SALES-----	(372)
AO25	OTHER GAIN SALE OF PROPERTY-----	109
AO26	SALE VEHICLE ITC-----	(1)
AO27	DEFERRED DIRECTORS FEES-----	37
AO28	MISCELLANEOUS INTANGIBLE PLANT-----	491
AO29	LEASE COST CAP ON COAL HDLNG EQPT-----	(93)
AO30	TMI ACCRUED-----	349
AO31	TAX DEFICIT INTEREST PAYMENTS-----	11
AO32	INTEREST ON DECOMMISSIONING-----	(1,553)
AO33	COMPUTER SOFTWARE CAPITALIZED-----	3,917
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
NAME

REVENUE

Date Prepared 12/04/86

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

AO39	INTEREST ON PCB-----	\$ (21)
AO40	AMORT OF STEAM GEN PROC DEVELOPMENT-----	
AO41	AMORT OF GAIN ON SALE OF BLDGS-----	109
AO42	STEAM GEN PROC DEVELOPMENT-----	1,312
AO43	ARK WHSLE ER81-577-----	941
AO44	PENSION PMNT 1985-86-----	(7,605)
AO45	RESERVE FOR CONTINGENCIES-----	(55,723)
AO46	INVENTORY DEFERRAL GG1 SETTLEMENT-----	(3,444)
AO47	GG1 COST OVER/UNDER RECOVERY-----	(2,707)
AO48	GG1 RESERVE - FARMERS-----	(661)
AO49	INVENTORY SHARE DEF - GG1 SETTLEMENT-----	101,462
AO50	GG1 - DEF MISSOURI RETAIL-----	
AO51	GG1 - DEF ARKANSAS WHSLE-----	1,296
AO52	CURRENT RECOVERY SHARE DEF - GG1-----	89,718
AO53	GG1 RESERVE EQUAL CREDIT-----	(2,152)
AO54	ANNUALIZE INTEREST ON ADJUSTED RATE BASE-----	
INT	TOTAL INTEREST CHARGES-----	

TOTAL ADJUSTMENTS TO UTILITY OPERATING INCOME \$	100,636
--	---------

() = 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 12/04/86

<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----- To 2.76%	\$ 737 *
SPYADJ	STATE TAX ASSOC W/PRIOR YR ADJ-----	(233)
SCWIP	INTEREST ON CWIP-----	_____
VITCS	VEHICLE ITC - NET OF TAX-----	_____
ARTADJS	ARKANSAS TAX RATE ADJUSTMENT-----	439
	_____	_____
	_____	_____

<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-----	(4,463)
VITCF	VEHICLE ITC - NET OF TAX-----	_____
FO5	PROV FOR CONTINGENCIES-----	(300)
MOTADJF	MISSOURI TAX RATE ADJUSTMENT----- To 2.76% - FED EFF	(339) *
ARTADJF	ARKANSAS TAX RATE ADJUSTMENT-----	(202)
PYAITC	PRIOR YR ADJUST - ITC-----	458
	_____	_____
	_____	_____

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

Proforma 7 at 6/30/86 with 2.76% Mc rate
Eliminating def rates not allowed in MRC
MACHD : P

ARKANSAS POWER AND LIGHT COMPANY
TAX NORMALIZATION-PROFORMA ADJUSTMENT 47

MRC-6/86A
SCHM SUMMARY
DISKETTE #104
PPTW68AS

SEN/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 ACCUM-DEF INCOME TAXES
1/1 add													
1/2	ADJUST DEF INC TAX PROV-SUMMARY			(13,953,176)	(84,429,152)	5,197,105	31,497,334						
1/2	MISC ADJ FOR DEF TAX & ST J	2,777,517	45,014,284								100,634,656		(79,170,973)
1/2	ELIMINATE CURRENT TAX ITEMS	942,667	(4,846,209)										
	TOTAL	3,720,184	40,168,075	(13,953,176)	(84,429,152)	5,197,105	31,497,334	0	0	0	100,634,656	0	(79,170,973)

ARKANSAS POWER AND LIGHT COMPANY
DEFERRED INCOME TAXES
FEDERAL

NRIC-4/84A
PP-7
SCHED 1
PAGE 1A

ITEM-FEDERAL	PROV FOR		NET		ADJUSTMENTS FOR 42 TO 2.742		NET		ADJUSTMENTS FROM SCHEDULE 4		PROVISIONS FOR DEFERRED	
	DEF INC TAX	DEF INC TAX	PROVISION	PROVISION	DR.	(CR)	DR (CR)	PROVISION	DR.	(CR)	INCOME TAXES-FEDERAL	(CR)
190 INTEREST ON TAX DEF	2,434,862	12,417,445	(106,563)				(106,563)		(12,834,482)	a	2,417,445	
INJ & B&B RESERVE	4,974	0	4,974				4,974		(4,974)	a	0	
PROP INJ RESERVE	0	0	0				0		0	a	0	
DE1 OVER/UNDER OSC	2,314,455	(3,516,721)	(1,204,266)				(1,204,266)		(2,314,455)	a	2,318,721	
NUCLEAR RESERVE	1,477,767	(5,261,959)	(3,784,192)				(3,784,192)		(1,477,767)	a	5,261,959	
DISCOMMISSIONING-AND	0	(1,541,844)	(1,541,844)				(1,541,844)		0	a	1,541,844	
SALE OF CNE	46,172	0	46,172				46,172		(46,172)	a	0	
AND BLDG SALE	41,532	0	41,532				41,532		(41,532)	a	0	
REMOVAL COST	55,052	0	55,052				55,052		(55,052)	a	0	
UNBILLED REVENUE	4,979,874	(4,462,468)	517,406				517,406		(4,979,874)	a	4,462,468	
BLDG S/L-TAX GAIN	55,500	0	55,500				55,500		(55,500)	a	0	
TAX GAIN W. NARROW	4,272	0	4,272				4,272		(4,272)	a	0	
DEF DIRECTORS FEES	7,194	0	7,194				7,194		(7,194)	a	0	
RETAIL REVENUE ADJ	1,100,853	(1,545,562)	(456,709)				(456,709)		(1,100,853)	a	1,545,562	
ACT 210 REFUND-34	(8)	131,403	131,595				131,595		0	a	(131,403)	
REV ADJ NO FUEL	(2)	112,293	112,291				112,291		2	a	(112,293)	
PRE-JUNEBOON	0	(111,445)	(111,445)				(111,445)		0	a	111,445	
CURT IN AID-AMP	0	0	0				0		0	a	0	
MIINT COST-OUTAGE	0	(8,455,117)	(8,455,117)				(8,455,117)		0	a	8,455,117	
RES CURT FUND 5	0	(24,104,410)	(24,104,410)				(24,104,410)		0	a	24,104,410	
201 ACCEL AMORT PROP	0	(452,093)	(452,093)				(452,093)		0	a	452,093	
202 LIBERALIZED DEPR	25,870,002	(3,325,314)	22,544,688	1,014,844	(304,991)		22,849,741		(10,459)	c	26,873,587	(3,217,202)
INT CAP INC FUEL	0	(524,726)	(524,726)		(15,791)		(530,517)		0	a	0	(530,517)
ABCC COST OF FUELY	0	(131,297)	(131,297)				(131,297)		0	a	131,297	
WORN OF INC FUEL	(1,779,242)	(2,304,149)	(4,163,391)	(23,044)	(73,305)		(4,259,740)		482	c	1,042	(1,001,604)
PULL CYCL BOMBS	0	(9,303)	(9,303)				(9,303)		0	a	9,302	
TAKES & PENSIONS CAP	69,027	(649,896)	(580,869)				(580,869)		(69,027)	a	649,896	
INTANG PLANT 82310U	212,275	(253,484)	(41,213)				(41,213)		(212,275)	a	353,488	
INT ON DEF PAYABLES	0	(102,961)	(102,961)				(102,961)		0	a	102,961	
CONSTRUCTION POWER	0	(6,127)	(6,127)				(6,127)		0	a	6,127	
ISBS BODR DEPR CAP	0	(84,911)	(84,911)				(84,911)		0	a	84,911	
CGI-DEFERRALS	94,019,730	(174,379)	93,845,351	14,405			93,859,756		(93,593,003)	a	174,379	441,332
203 DEFERRED FUEL	(23,617,839)	22,441,582	(974,257)				(974,257)	23,617,839	0	a	(22,441,582)	
COMPUTER SOFTWARE	1,792,387	(482,232)	1,110,155				1,110,155		(1,792,387)	a	482,232	
STEAM GEN PROCESS	1,221,610	(237,792)	983,818				983,818		(1,221,610)	a	237,792	
GAIN ON GAS PROPERTY	0	(29,304)	(29,304)				(29,304)		0	a	29,304	
TOTALS	109,942,467	(37,721,465)	72,221,002	1,065,405	(394,067)		72,832,520	23,617,839	(109,052,596)		54,533,003	(22,641,582)

a-ELIMINATE ITEMS FROM RATE CASE
b-PRIOR YEARS ADJUSTMENT
c-MISSOURI TAX RATE
d-PER ATTACHED SCHEDULE 4, PAGE 2

ARKANSAS POWER AND LIGHT COMPANY
DEFERRED INCOME TAXES
STATE - ARK

NRCC-6/84A
PF07
SCHED 1
PAGE 10

ITEM-STATE	PROV FOR	PROV FOR	NET	ADJUSTMENTS FOR 61 TO 2-742		NET	ADJUSTMENTS FROM SCHEDULE 4		PROVISIONS FOR DEFERRED	
	DEF INC TAX DR.	DEF INC TAX (CR)	PROVISION DR (CR)	DR.	(CR)	PROVISION DR (CR)	DR.-PROVISION DR.	(CR)	DR.-PROVISION DR.	(CR)
190 INTEREST ON TAX DEF	271,011	(322,453)	(50,442)	A	B	(50,442)	(271,011)	a	322,453	a
INJ & BMR RESERVE	657	0	657			657	(657)	a	0	a
PNRP INR RESERVE	0	0	0			0	0	a	0	a
GG1-OWN/URS RECOVERY	309,324	(468,595)	(159,271)			(159,271)	(309,324)	a	468,595	a
NUCLEAR RESERVE	197,096	(712,574)	(515,478)			(515,478)	(197,096)	a	712,574	a
DECOMMISSIONING-AND	0	(205,530)	(205,530)			(205,530)	0	a	205,530	a
SALE OF CRE	9,515	0	9,515			9,515	(9,515)	a	0	a
AND BMR SALE	5,472	0	5,472			5,472	(5,472)	a	0	a
REMOVAL COST	7,379	0	7,379			7,379	(7,379)	a	0	a
UNBILLED REVENUE	662,550	(595,044)	67,506			67,506	(662,550)	a	595,044	a
BLDG S/L-TAX GAIN	13,620	0	13,620			13,620	(13,620)	a	0	a
TAX GAIN W. MARIAN	580	0	580			580	(580)	a	0	a
DEF DIRECTORS FEES	979	0	979			979	(979)	a	0	a
RETAIL REVENUE ADJ	147,125	(210,319)	(63,194)			(63,194)	(147,125)	a	210,319	a
ACT 210 REPURCHASE	(1,747)	19,295	17,528			17,528	1,747	a	(19,295)	a
REV ADJ NG FUEL	(59)	14,982	14,923			14,923	59	a	(14,982)	a
PEC JONESBORO	0	(14,040)	(14,040)			(14,040)	0	a	14,040	a
CURT IN AID-AMP	0	0	0			0	0	a	0	a
MAINT COST-OUTAGE	0	(1,127,241)	(1,127,241)			(1,127,241)	0	a	1,127,241	a
RES/CONT PASS 5	0	(3,216,512)	(3,216,512)			(3,216,512)	0	a	3,216,512	a
201 ACCEL AMORT PRDP	0	0	0			0	0	a	0	a
202 LIBERALIZED DEPR	3,945,079	(1,280,339)	2,657,540	(2,204,444)	663,023	1,116,119	136,024	c	61,420	b
INT CAP MFC FUEL	0	(50,827)	(50,827)		34,328	(24,499)			(4,746)	c
ADCC COST OF MONEY	0	(17,336)	(17,336)			(17,336)	0	a	17,336	a
MORN OF MFC FUEL	(83,878)	(281,521)	(365,399)	50,095	159,259	(155,945)	(8,090)	c	(12,589)	c
POLL CHNL BONDS	0	(1,239)	(1,239)			(1,239)	0	a	1,239	a
TAXES & PENSIONS CAP	9,246	(87,404)	(78,158)			(78,158)	(9,246)	a	87,404	a
INTANG PLANT 82314U	28,299	(46,525)	(18,226)			(18,226)	(28,299)	a	46,525	a
INT ON DEF PAYABLES	0	(13,944)	(13,944)			(13,944)	0	a	13,944	a
CONSTRUCTION POWER	0	(849)	(849)			(849)	0	a	849	a
ISGS BOOK DEPR CAP	0	(11,137)	(11,137)			(11,137)	0	a	11,137	a
GG1-DEFERRAL	12,530,553	(23,220)	12,507,333	(31,749)		12,475,584	(12,471,759)	a	23,220	a
293 DEFERRED FUEL	(3,133,612)	3,004,702	(128,020)			(128,020)	3,133,612	a	(3,004,702)	a
COMPUTER SOFTWARE	238,921	(90,421)	148,300			148,300	(238,921)	a	90,421	a
STEAM GEN PROCESS	162,517	(31,693)	130,824			130,824	(162,517)	a	31,693	a
TOTALS	15,322,215	(5,786,704)	9,535,511	(2,104,098)	856,710	8,206,123	3,261,146	(14,535,032)	7,224,219	(3,024,017)
									1,042,231	(729,792)

a-ELIMINATE ITEMS FROM RATE CASE
b-PRIOR YEARS ADJUSTMENT
c-MISSOURI TAX RATE
d-PER ATTACHED SCHEDULE 4, PAGE 2

ARKANSAS POWER AND LIGHT COMPANY
DEFERRED INCOME TAXES
STATE-MO

NRMC-6/84A
PP#7
SCHED 1

ITEM	PROV FOR DEF INC TAX		NET PROVISION DR (CR)	ADJUSTMENTS FOR 4% TO 2.74%		NET PROVISION DR (CR)	ADJUSTMENTS FROM SCHEDULE 4				PROVISIONS FOR DEFERRED INCOME TAXES-MISSOURI	
	DR.	CR.		DR.	(CR)		DR-PROVISION	(CR)	DR.	(CR)	DR.	(CR)
190 INTEREST ON TAX DEF	8,920	(10,715)	(1,787)			(1,787)		(8,920) a	10,715 a		0	0
INJ & DAN RESERVE	20	0	20			20		(20) a	0 a		0	0
PROP INS RESERVE	0	0	0			0		0 a	0 a		0	0
CGI-OR/AND RECOVERY	10,209	(15,466)	(5,257)			(5,257)		(10,209) a	15,466 a		0	0
NUCLEAR RESERVE	16,670	(23,772)	(7,102)			(7,102)		(16,670) a	23,772 a		0	0
DECOMMISSIONING-AND	0	(6,944)	(6,944)			(6,944)		0 a	6,944 a		0	0
SALE OF CUE	34	0	34			34		(34) a	0 a		0	0
AND BLMG SALE	252	0	252			252		(252) a	0 a		0	0
REMOVAL COST	209	0	209			209		(209) a	0 a		0	0
UNBILLED REVENUE	23,644	(19,937)	3,727			3,727		(23,644) a	19,937 a		0	0
PLPS S/L-TAX GAIN	0	0	0			0		0 a	0 a		0	0
TAX GAIN W. HARBAN	0	0	0			0		0 a	0 a		0	0
DIRECTORS FEES	23	0	23			23		(23) a	0 a		0	0
RETAIL REVENUE ADJ	5,433	(5,360)	73			73		(5,433) a	5,360 a		0	0
ACT 310 REFUND-34	1,740	(1,164)	576			576		(1,740) a	1,164 a		0	0
REV ADJ NO FUEL	50	409	359			359		(50) a	(409) a		0	0
PEC-JONESBORO	0	(513)	(513)			(513)		0 a	513 a		0	0
COMT IN AID-AMP	0	0	0			0		0 a	0 a		0	0
MAINT COST-OUTAGE	0	(37,927)	(37,927)			(37,927)		0 a	37,927 a		0	0
RES COST FASB 5	0	(105,731)	(105,731)			(105,731)		0 a	105,731 a		0	0
204 ACCEL AMORT PROP	0	0	0			0		0 a	0 a		0	0
202 LIBERALIZED DEPR	112,687	(752)	112,939			112,939		(112,687) c	752 c		0	0
INT CAP-NUC FUEL	0	(3,953)	(3,953)			(3,953)		0 a	3,953 c		0	0
ADCC COST OF MONEY	0	(729)	(729)			(729)		0 a	729 a		0	0
WORK OF NUC FUEL	(7,400)	(11,732)	(19,132)			(19,132)		7,400 c	11,732 c		0	0
POLL CYCL DEBTS	0	(42)	(42)			(42)		0 a	42 a		0	0
TAXES & PERMITS CAP	260	(1,493)	(1,233)			(1,233)		(260) a	1,493 a		0	0
RYAN PLANT 423100	740	(2,699)	(1,959)			(1,959)		(740) a	2,699 a		0	0
INT ON DEF PAYABLES	0	0	0			0		0 a	0 a		0	0
CONSTRUCTION POWER	0	0	0			0		0 a	0 a		0	0
ISSS BOOK DEPR CAP	0	(564)	(564)			(564)		0 a	564 a		0	0
CGI-DEFERRAL	425,204	(804)	424,400			424,400		(425,204) a	804 a		0	0
203 DEFERRED FUEL	(119,872)	114,427	(5,445)			(5,445)	119,872 a			(114,427) a	0	0
COMPUTER SOFTWARE	6,079	(2,379)	3,700			3,700		(6,079) a	2,379 a		0	0
STEAM GEN PROCESS	5,815	(1,074)	4,741			4,741		(5,815) a	1,074 a		0	0
GAIN ON GAS PROPERTY	0	(795)	(795)			(795)		0 a	795 a		0	0
TOTALS	493,192	(140,193)	352,999	0	0	352,999	119,872	(613,044)	254,020	(114,427)	0	0

a-ELIMINATE ITEMS FROM RATE CASE
b-PRIOR YEARS ADJUSTMENT
c-MISSOURI TAX RATE
d-PER ATTACHED SCHEDULE 4, PAGE 2

ARKANSAS POWER AND LIGHT COMPANY
MISCELLANEOUS ADJUSTMENTS

MFRG-6/86A
PAGE 1/2

ADJUST ITEMS PER STATEMENT J (ADJUSTMENTS TO NET INCOME)

ADJUST ACC DEF INCOME TAXES

ITEM	SCHEDULE M AMT
INCREASE IN RESERVES	(4,287,419)
INTEREST ON DECOMMISSIONING	(1,552,983)
UNBILLED REVENUES	(3,211,024)
INTEREST ON TAX DEFICIENCIES	(890,919)
NUCLEAR RESERVE EXPENSE	(8,191,341)
INTEREST ON NUCLEAR RESERVE	(558,379)
DEFERRED DIRECTORS FEES	36,506
RESERVED REVENUES	(1,691,950)
AMORT OF INTANG PLANT-ISES	(466,789)
ARK WHOLESALE ER81577	940,707
WB ONE LEASE COST	(93,488)
INTEREST ON DOE LIABILITY	11,328,436
SALE OF VEHICLE ITC	(578)
MISSOURI FUEL TRUE-UP	279,379
INTEREST ON PCB'S	(21,456)
NUCLEAR REFUELING MAINT-AND II	(19,545,854)
PENSION PMT 85-86	(7,504,582)
GG1 OVER/UNDER RECOVERY	(2,706,944)
INVENTORY DEFERRAL GG1 SETTLEMENT	(3,444,234)
GG1 RESERVE EQUALIZATION CREDIT	(2,152,071)
RESERVE FARMERS	(660,737)
RESERVE FOR CONTINGENCIES	(55,723,128)
AFDC	1,440,073
TAXES AND PENSIONS	322,068 **
REMOVAL COST	4,800,622
DEFERRED FUEL COST	(2,256,604)
GAIN ON SALE OF PROP	108,637
AMORT OF GAINS ON PROPERTY	196,000 ***
AND SHUTDOWN EXPENSE	(2,483,396)
TAX DEF INT PAYMENTS	11,182
COMPUTER SOFTWARE	3,916,588
MISC INTANG PLANT	490,721
STEAM GEN PROC DEV	1,312,063
INVENTORY SHARE DEF-GG1 SETTLEMENT	101,462,499
CURRENT REC SHARE DEF-GG1	89,718,201
GG1-DEF ARKANSAS WHOLESALE	1,295,783
TMI ACCRUAL	349,958
INTERCOMPANY SALES-EXCL ISES	(371,805)
CONSTRUCTION POWER	39,574
ACRS RETIREMENTS	513,950

FEDERAL STATEMENT J ADJUSTMENT	100,634,656
STATE CURRENT TAXES @5%, 2.76%	2,777,517
FEDERAL CURRENT TAXES @-16%	45,014,284

ITEM	6/30/86 ACC DEF INC TAXES
INTEREST ON TAX DEFICIENCY	5,822,064
INJ AND DAM RESERVE	3,691
GG1-OVR/UND REC	1,495,734
NUCLEAR RESERVE	6,467,947
DECOMMISSION-AND	7,650,276
SALE OF ONE	1,519,281
AND BUILDING SALE	1,407,353
REMOVAL COST	2,567,342
UNBILLED REVENUE	4,515,200
BUILDING S/L TAX GAIN	1,382,309
TAX GAIN W MARKHAM	95,406
RETAIL REVENUE ADJUSTMENT	2,562,754
MAINT COST-OUTAGE	12,310,567
RES CUNT FASB 85	27,426,659
TAXES AND PENSIONS	(23,303,507)
POLL CONTROL BONDS	47,565
INTANGIBLE PLANT 82-314-U	(925,458)
INTEREST ON PAY	(3,104,703)
NORM PROD PLANTS	(9,465,372)
ISES BOOK DEPR CAP	(2,088,905)
COMPUTER SOFTWARE CAP	(6,316,342) >
GG1 PHASE IN	(106,291,563) >
ISES CORPORATION SALE	(968,773) >
INDEPENDENCE SALE TO MPIL	(5,142,327)
DEFERRED FUEL	4,478,701
STEAM GEN PROCESS	(1,119,384)
CONSTRUCTION POWER	(197,476) >
ACC DEF INC TAX	(79,170,973)

AIC 190 75,224,577

AIC 282 (38,640,380)

AIC 283 (4,314,342)

AIC 282 (104,291,543)

AIC 283 (2,751,789)

AIC 282 (197,476)

ITEM	STATE	FEDERAL
ADJUST FOR STATE TAX RATE	438,580	(202,438)
ELIMINATE VEHICLE ITC (NET OF TAX)	(60)	(250)
ELIMINATE PROVISION FOR CONTINGENCIES		(300,000)
NET ITC ADJ (PRIOR YEAR ADJ)		458,611
PRIOR PERIOD ADJUSTMENT	(233,427)	(4,462,848)
ADJ FOR MD RATE ((32,827,429*(.05-.0276))	737,574	(339,284)
TOTAL ADJUSTMENT TO CURRENT TAXES	942,667	(4,848,209)

* Consists of Oth Tx Chg To Plant 179,045
R&P Taxes 105,090
Pensions Chgd To Pl- 37,913
322,148

** Consists of Amort. Bk Gn - WMSC 5,312
Amort Bk Gn - WNO 84,848
Amort. Bk Gn - Sdg Sale 108,610

6/86 MRRC

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B.1/8



45-804 Eye-Ease
45-804 20/20 Buff
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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-85-365, Prior Yr Adjust, Ark. Tx. Rate & Includes Fed. Deduction For State.			
	(30003)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
	RATE BASE ADJUSTMENTS			
	1) Adjust- Accum Def Inc Tx - Lib Deprec			
	Adjust - Liberal Deprec	145329	PF07ADLB	PLTDAEXI 145329419
	2) Adjust- Accum Def Inc Tx - Other			
	Adjust - Acc Def Tx - Other	(66158)	PF07ADTD	PLTDAEXI (66158446)
	EXPENSE ADJUSTMENTS			
	1) Adjust To Operating Inc Before Taxes			
	Adjust - Int On Decommissioning	(1553)	PF07SJID	DOI (1552983)
	- Unbilled Revenues	(3211)	PF07SJUR	RSRDWTOA (3211024)
	- Int On Tx Deficit	(891)	PF07SJIT	NINBIT (890919)
	- Nucl Reserve Expense	(8191)	PF07SJNR	E03 (8191341)
	- Int On Nucl Reserves	(558)	PF07SJIN	E03 (558379)
	- Def Directors Fees	37	PF07SJDF	LOMTOA 36506
	- Reserved Revenues	(1693)	PF07SJRR	RSRDWTOA (1691950)
	- Ark Whse ER81-577	941	PF07SJ81	SDMC 940707
	- Int On DOE Liab	11328	PF07SJDO	E01 11328436
	- Sale Of Vehicle ITC	(1)	PF07SJSV	PLGECM (578)
	- Mo Fuel True-Up	273	PF07SJMF	E01M 273379
	- Nucl Refuel Mnt-AN02	(19546)	PF07SJRM	E01 (19545854)
	- Pension Amnt 198586	(7605)	PF07SJPP	LOMTOA (7604582)
	- GG1 Cost Over/Under Rec	(2707)	PF07SJCO	DOI (2706944)
	- Invent Def GG1 Settle	(3444)	PF07SJDI	DOI (3444234)
	- GG1 Res Equal Cr	(2152)	PF07SJRE	DOI (2152071)
	- Reserve - Farmers	(661)	PF07SJAF	SDOW (660737)
	- Res For Conting	(55723)	PF07SJAC	DOI (55723128)
	Cont'd.			



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

Prepared By	Initials	Date
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Pg. 2/8

		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	- AFDC	1440	PF07SJAF	PLTOA	1440073
4	- Def Fuel Costs	(2257)	PF07SJFC	EO2	(2256604)
5	- Gain On Sale OF Prop	109	PF07SJGS	LOMTOA	108637
6	- ANO Shutdown Exp	(2483)	PF07SJAN	DO1	(2483396)
7	- Tx Def Int Payments	11	PF07SJIP	DO1	11182
8	- Computer Software	3917	PF07SJCS	PLTOAEXI	3916588
9	- Misc Intang Plt	491	PF07SJMI	PLTOAEXI	490721
10	- Steam Gen Proc Dev	1312	PF07SJSG	EO1	1312063
11	- Inv Share Def-GGI Settle	101462	PF07SJSD	DO1	101462499
12	- Cur Rec Share Def-GGI	89718	PF07SJCA	DO1	89718201
13	- GGI-Def Ark Whse	1296	PF07SJAM	SDMC	1295783
14	- TMI Accrual	349	PF07SJTM	DO1	349358
15	- Interco Sales	(372)	PF07SJIS	PLTOA	(371805)
16	- Construct Pwr	34	PF07SJCP	EO1	33574
17	- ACRS Retire Losses	514	PF07SJAC	PLTOA	513950
18	- Increase In Reserves	(4287)	PF07SJIR	PLTOA	(4287419)
19	- Amort OF Intan Plt-ISES	(467)	PF07SJAI	DO1AN	(466799)
20	- Lease Cost WB CHE	(93)	PF07SJCH	DO1	(93488)
21	- Int On PCB's	(21)	PF07SJCB	DO1	(21456)
22	- Oth Tx Chgd-PAIC	179	PF07SJOT	PLTOA	179065
23	- R&P Txs Chgd WO's	105	PF07SJRA	PLTOA	105090
24	- Pens Plan Ded For Tx	38	PF07SJPE	LOMTOA	37913
25	- Removal Expenses	4801	PF07SJAV	PLTOA	4800622
26	- Amort BK Gn-WMSC	5	PF07SJWM	SFWMSC	5312
27	- Amort BK Gn-ANO Bldg	82	PF07SJAB	DO1	82048
28	- Amort Gn On SI-Bldgs	109	PF07SJAG	LOMTOA	108640
29					
30					
31					
32					
33					



45-904 Eye-Ease
45-904 20 20 Buff
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PRO-FORMA ADJUSTMENTS-ADJUST. #7

Initials Date

Approved By

Pg. 3/8

			COMPUTER	ALLOCATION	
		(\$000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	2) Adjust To State After Tax				
3	Adjust - Ark Tx Rt	439	PF07SJSB	PLTOA	438580
4	- Vehicle ITC	0	PF07SJVS	PLGECM	(60)
5	- Prior Yr Adjust	(233)	PF07SJPS	PLTOA	(233427)
6	3) Adjust To Federal After Tax				
7	Adjust - Ark Tx Rt	(202)	PF07SJFA	PLTOA	(202438)
8	- Prov For Conting	(300)	PF07SJPC	NINBIT	(300000)
9	- Vehicle ITC	0	PF07SJVF	PLGECM	(250)
10	- Prior Yr Adjust	(4463)	PF07SJPF	PLTOA	(4462848)
11	- Prior Yr Adj - ITC	458	PF07SJPI	PLTOAREXI	458611
12	4) Adjust To Prov For Def Inc Taxes				
13	Federal				
14	Adjust - Int On Tx Deficit	(2037)	PF07FEIT	NINBIT	(2036882)
15	- Inj & Damages	(5)	PF07FEID	LOMTOA	(4974)
16	- GGI Over/Und Recov	(2217)	PF07FE0U	DO1	(2217107)
17	- GGI NLR Olu Recov	(75)	PF07FENL	SDOW	(75319)
18	- GGI Benton Olu Recov	(15)	PF07FEB	SDMC	(14898)
19	- GGI Paragould Olu Recov	(2)	PF07FEPO	SDOW	(2102)
20	- GGI Prescott Olu Recov	(1)	PF07FEPA	SDMC	(784)
21	- GGI No Ark Olu Recov	(4)	PF07FENA	SDMC	(4345)
22	- Nuclear Reserve	(1478)	PF07FENR	EO3	(1477767)
23	- Cool Hndl Eq Sale	(68)	PF07FECH	DO1	(68172)
24	- Tx Gn - ANO Bldg Sale	(42)	PF07FEAN	DO1	(41532)
25	- Removal Cost	(55)	PF07FERC	PLTOA	(55052)
26	- Unbilled Rev	(4980)	PF07FEUR	RSRDWTOA	(4979874)
27	- Bldg Sale	(56)	PF07FEBS	LOMTOA	(55500)
28	- West Markham SC	(4)	PF07FENM	SFWMSC	(4272)
29	- Directors Fees	(7)	PF07FEDI	LOMTOA	(7194)
30	- Retail Rev Adjmnt	(1109)	PF07FEAR	RSRDWTOA	(1108853)
31	- Ref Ord #34, 82-314U	0	PF07FEAO	LPAR	8
32					
33					

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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
		COMPUTER	ALLOCATION	
	(\$000's)	CODE	FACTOR	AMOUNT
EXPENSE ADJUSTMENTS				
4) Adjust To Prov For Def Inc Tx (Contd)				
Federal				
- Rev Adj Mo Fuel	0	PF07FEMF	EOIM	2
- Ark Tx At Liber Deprec	(10)	PF07FALD	PLTOAEXI	(10459)
- Mo St Tx Chg Liber Deprec	1014	PF07FMLD	PLTOAEXI	1014044
- Ark Tx At Norm Nucl Fuel	1	PF07FANN	EOI	682
- Mo St Tx Eff Norm NF	(23)	PF07FMNN	EOI	(23044)
- Tx & Pens Capital	(49)	PF07FETP	PLTOA	(49027)
- Int Plt 82-314U	(212)	PF07FEIP	PLTOAEXI	(212275)
- GGI Phase-In Curr	(38810)	PF07FEPI	DO1	(38810309)
- GGI Invent Def	(41470)	PF07FEID	DO1	(41469800)
- GGI Excess Capacity	(12719)	PF07FEED	DO1	(12719071)
- GGI Paragould Ph-In	(215)	PF07FEPP	SDOW	(214646)
- GGI Paragould Inv Def	(232)	PF07FEPA	SDOW	(231945)
- GGI Prescott Ph-In	(71)	PF07FEPS	SDMC	(70973)
- GGI Prescott Inv Def	(76)	PF07FEPD	SDMC	(76219)
- Mo St Tx Eff GGI Def	14	PF07FMGD	DO1	14605
- Deferred Fuel	23218	PF07FE0F	EO2	23217839
- Computer Slw Capit	(1792)	PF07FECS	PLTOAEXI	(1792387)
- Steam Gen Process	(1222)	PF07FESE	EO1	(1221610)
State				
Adjust-Int on Tx Deficit	(281)	PF07SEIT	NINBIT	(280739)
- Inj & Damages	(1)	PF07SEID	LDMTOA	(685)
- GGI Over/Und Recov	(306)	PF07SE04	DO1	(305569)
- GGI NLR O/U Recov	(11)	PF07SENL	SDOW	(10381)
- GGI Benton O/U Recov	(2)	PF07SEB	SDMC	(2053)
- GGI Paragould O/U Recov	0	PF07SEPO	SDOW	(290)
- GGI Prescott O/U Recov	0	PF07SEPR	SDMC	(108)
- GGI No Ark O/U Recov	(1)	PF07SENA	SDMC	(1132)
- Nuclear Reserve	(213)	PF07SENR	EO3	(213166)
Contd				



45-804 Eye-Ease
45-904 20/20 Buff
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PRO-FORMA ADJUSTMENTS - 02

Prepared By	Initials	Date
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Pg. 5/8

			1	2	3	4
				COMPUTER	ALLOCATION	
			(4000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS					
2	4) Adjust To Prov For Def Inc Tx (Cont'd)					
3	State					
4	- Cool Hndl Eq Sale	(10)	PF07SECH	DOI	(9551)	
5	- Tx Gn - AND Bldg Sale	(5)	PF07SEAN	DOI	(5724)	
6	- Removal Cost	(8)	PF07SEAC	PLTOA	(7588)	
7	- Unbilled Rev	(682)	PF07SEUR	RSRDWTOA	(682214)	
8	- Bldg Sale	(13)	PF07SEBS	LOMTOA	(13620)	
9	- West Markham SC	(1)	PF07SEWM	SFWMSC	(588)	
10	- Directors Fees	(1)	PF07SEDI	LOMTOA	(1002)	
11	- Retail Rev Adjmnt	(152)	PF07SEAR	RSRDWTOA	(152558)	
12	- Ref Ord #34, 82-314 U	0	PF07SERO	LPAR	(1)	
13	- Rev Adj Mo Fuel	0	PF07SEMF	EOIM	1	
14	- Ark Tx At Liber Deprec	23	PF07SALD	PLTOAEXI	22737	
15	- Mo St Tx Chg Liber Deprec	(2204)	PF07SMLO	PLTOAEXI	(2204444)	
16	- Mo St Tx Chg GGI Def	(32)	PF07SMGD	DOI	(31749)	
17	- Ark Tx At Norm Nuc Fuel	(1)	PF07SANN	EOI	(1482)	
18	- Mo St Tx Chg Norm NF	50	PF07SMNN	EOI	50095	
19	- Tx & Pns Capital	(10)	PF07SETP	PLTOA	(9514)	
20	- Int Plt 82-314-U	(29)	PF07SEIF	PLTOAEXI	(29039)	
21	- GGI Phase-In Curr	(5348)	PF07SEPI	DOI	(5347964)	
22	- GGI Invent Def	(5714)	PF07SEIN	DOI	(5714450)	
23	- GGI Excess Capacity	(1753)	PF07SEEC	DOI	(1752716)	
24	- GGI Paragould Ph-In	(29)	PF07SEPP	SDOW	(29582)	
25	- GGI Paragould Inv Def	(32)	PF07SEPA	SDOW	(31964)	
26	- GGI Prescott Ph-In	(10)	PF07SEPS	SDMC	(9782)	
27	- GGI Prescott Inv Def	(11)	PF07SEPD	SDMC	(10503)	
28	- Deferred Fuel	3253	PF07SEDF	EOI	3253484	
29	- Computer SW Cap	(247)	PF07SECS	PLTOAEXI	(247000)	
30	- Steam Gen Process	(168)	PF07SESG	EOI	(168333)	
31						
32						
33						



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

Prepared By	Initials	Date
Approved By		

Pg. 2/8

		1	2	3	4
			COMPUTER	ALLOCATION	
		(\$000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	5) Adjust To IncTx Def Cr				
3	Federal				
4	Adjust - Int On Tx Deficit	2418	PFO7FEI2	NINBIT	2417445
5	- GG1 Over/Under Recov	3388	PFO7CF00	DO1	3388078
6	- GG1 NLR O/U Recov	75	PFO7CFNL	SDOW	75319
7	- GG1 Benton O/U Recov	15	PFO7CFB	SDMC	14898
8	- GG1 Paragould O/U Recov	22	PFO7CFPA	SDOW	21787
9	- GG1 Prescott O/U Recov	7	PFO7CFPR	SDMC	7058
10	- GG1 No Ark O/U Recov	11	PFO7CFNA	SDMC	11581
11	- Nuclear Reserve	5262	PFO7FEN2	EO3	5261959
12	- Decommiss Exp	1542	PFO7FEDE	DO1	1541844
13	- Unbilled Rev	4462	PFO7FEU2	RSADWTOA	4462468
14	- Retail Rev Adjmnt	1565	PFO7FER2	RSADWTOA	1565562
15	- 82-314U Ref #34	(132)	PFO7FE34	LPAR	(131603)
16	- Mo Fuel True-Up	(112)	PFO7FEM2	EOIM	(112293)
17	- FEC Jonesboro	112	PFO7FEFJ	SDWH	111445
18	- Maint Cost Outage	8455	PFO7FEMC	EO1	8455117
19	- Res Conting FASB 5	24105	PFO7CFRC	DO1	24104410
20	- Defense Property	452	PFO7CFDP	SFDTAATO	452093
21	- Pr Yr Adj Liber Deprec	423	PFO7CFLO	PLTOAEXI	423103
22	- Mo St Tx Chg Liber Deprec	(305)	PFO7CMLD	PLTOAEXI	(304991)
23	- Mo St Tx Chg Int NF	(16)	PFO7CMNF	EO1	(15791)
24	- AECC Cost Of Money	131	PFO7CFAE	DO1	131297
25	- Ark Tx At Nuc Fuel Norm	1	PFO7FCAN	EO1	1042
26	- Mo St Tx Chg NF Norm	(73)	PFO7CMNN	EO1	(73305)
27	- Poll Contr Bonds	10	PFO7FEP2	DO1	9303
28	- Tx & Pans Capital	650	PFO7CETP	PLTOA	649896
29	- Intang Plt 82-314-U	354	PFO7CFIP	PLTOAEXI	353788
30	- Int On Def Payables	103	PFO7CFID	DO1	102961
31	- Constr Power	6	PFO7CFCA	EO1	6127
32			Cont'd		
33					



45-804 Eye-Ease
45-804 20/20 Bull
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PRO-FOAMA ADJUSTMENTS - ADJUST. #7

Prepared By	Initials	Date
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Pg. 7/8

		1	2	3	4
		(0000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	5) Adjust To Inc Tx Def Cr (Cont'd)				
3	Federal				
4	- ISES Book Depr	85	PF07CFIS	DOIAW	84911
5	- GGI Farm / Jonesboro	174	PF07FEJF	SDJF	174379
6	-				
7	- Deferred Fuel	(22642)	PF07FED2	EO2	(22641582)
8	- Computer S/W	682	PF07CFCS	PLTOAEXI	682232
9	- Steam Gen Process	238	PF07CFSG	EO1	237792
10	- Gain On Gas Prop	29	PF07FEGP	PLTOAEXI	29304
11	State				
12	Adjust- Int On Tx Deficit	333	PF07SEI2	NINBIT	333128
13	- GGI Over / Under Recov	467	PF07CSOU	DOI	466927
14	- GGI NLR O/U Recov	11	PF07CSNL	SDOW	10381
15	- GGI Benton O/U Recov	2	PF07CSB	SDMC	2053
16	- GGI Paragould O/U Recov	3	PF07CSPA	SDOW	3003
17	- GGI Prescott O/U Recov	1	PF07CSPR	SDMC	972
18	- GGI No Ark O/U Recov	1	PF07CSNA	SDMC	867
19	- Nuclear Reserve	736	PF07SEN2	EO3	736346
20	- Decommiss Exp	212	PF07SEDE	DOI	212474
21	- Unbilled Rev	615	PF07SEU2	ASRDWTOA	614981
22	- Retail Rev Adjmnt	216	PF07SEA2	ASRDWTOA	215707
23	- 82-314U Ref #34	(18)	PF07SE34	LPAR	(18129)
24	- Mo Fuel True-Up	(16)	PF07SEM2	EOIM	(15471)
25	- FEC Jonesboro	15	PF07SEFJ	SDNH	15353
26	- Maint Cost Outage	1165	PF07SEMC	EO1	1165168
27	- Res Conting FASBS	3322	PF07CSAC	DOI	3322243
28	- Pr Yr Mj Liber Deprec	61	PF07CSLN	PLTOAEXI	61270
29	- Mo St Tx Chg Liber Deprec	663	PF07MSLN	PLTOAEXI	663023
30	- Ark Tx Rt Int Cap NF	(1)	PF07SAIC	EO1	(791)
31	- Mo St Tx Chg Int NF	34	PF07MSNF	EO1	34328
32					
33					



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

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PRO-FORMA ADJUSTMENTS - ADJUST. # 7

Initials	Date
Prepared By	
Approved By	

Pg. 8/8

		1	2	3	4
			COMPUTER	ALLOCATION	
		(+000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	5) Adjust To IncTx Def Cr (Contd)				
3	State				
4	- ACCL Cost Of Money	18	PF07CSAE	DOI	18045
5	- Ark Tx At Nucl Fuel Norm	(2)	PF07SCAN	EOI	(2265)
6	- Mo St Tx Chg NF Norm	120	PF07MSNN	EOI	159359
7	- Poll Contr Bonds	1	PF07SEP2	DOI	1281
8	- Tx & Pens Capital	89	PF07CSTP	PLTOA	88897
9	- Intang Plt 82-314-U	49	PF07CSIA	PLTOAEXI	49224
10	- Int On Def Payables	14	PF07CSID	DOI	13944
11	- Constr Pwr	1	PF07CSCA	EOI	849
12	- ISES Book Depr	12	PF07CSIS	DOI AW	11701
13	- GGI Farm/Jonesboro	24	PF07SEJF	SOJF	24024
14	- Deferred Fuel	(3119)	PF07SE02	EO2	(3119409)
15	- Computer SIW	94	PF07CSCS	PLTOAEXI	94000
16	- Steam Gen Process	33	PF07CSIG	EOI	32767
17	- Gain On Gas Prop	1	PF07SEGA	PLTOAEXI	795
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ARKANSAS POWER & LIGHT COMPANY
 TEST YEAR PRO-FORMA ADJUSTMENT
 RATE BASE
 (\$000's)

Rate Case 6/86 MRRCPro Forma # 13Prepared By Revenue RequirementsDate Prepared 12/03/86

Description of Adjustment:

To Reflect As Depreciation Expense The Portion Of Nuclear Decommissioning
That Is Recorded On The Books As 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-----	\$	-0-

() = DECREASE TO RATE BASE

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

Pro Forma # 13

STRING
NAME

REVENUES

Date Prepared 12/03/86

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-----		1,553
OTAX	TAXES OTHER THAN INCOME-----		_____
STAX	INCOME TAXES - STATE-----		_____
FTAX	INCOME TAXES - FEDERAL-----		_____
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.-----	\$	1,553
-----------------------------------	----	-------

NET UTILITY OPERATING INCOME-----	\$	(1,553)
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ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(000's)

Pro Forma # 13Date Prepared 12/03/86

STRING
NAME

REVENUE

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INCOME:

A01	UNBILLED REVENUE-----	\$	_____
A02	INCREASE IN RESERVES-----		_____
A03	PROP RET RESERVE APPRO-----		1,553
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-----		_____

**STRING
NAME**

REVENUE

Date Prepared 12/03/86

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 \$	1,553
--	-------

() = DECREASE TO UTILITY OPERATING INCOME

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

Pro Forma # 13

STRING
NAME

Date Prepared 12/03/86

DEPADJ
INTERSAL
ACRS
SCP

STATE BEFORE TAX ADJUSTMENTS

ADJ FOR DEPRECIATION-----
INTERCOMPANY SALES-----
ACRS RETIREMENT LOSSES-----
CONSTRUCTION POWER-----

\$ _____

MOTADJS
SPYADJ
SCWIP
VITCS
ARTADJS

STATE AFTER TAX ADJUSTMENTS

MISSOURI TAX RATE ADJUSTMENT-----
STATE TAX ASSOC W/PRIOR YR ADJ-----
INTEREST ON CWIP-----
VEHICLE ITC - NET OF TAX-----
ARKANSAS TAX RATE ADJUSTMENT-----

\$ _____

F02

FEDERAL BEFORE TAX ADJUSTMENTS

PREFERRED DIVIDENDS PAID-----

\$ _____

FCWIP
STAD
FITC
FPYADJ
VITCF
F05
MOTADJF
ARTADJF
PYAITC

FEDERAL AFTER TAX ADJUSTMENTS

INTEREST ON CWIP-----
VARIOUS TAX RATES-----
INVESTMENT TAX CREDIT-----
FED TAX ASSOC W/PRIOR YR ADJ-----
VEHICLE ITC - NET OF TAX-----
PROV FOR CONTINGENCIES-----
MISSOURI TAX RATE ADJUSTMENT-----
ARKANSAS TAX RATE ADJUSTMENT-----
PRIOR YR ADJUST - ITC-----

\$ _____

	Initials	Date
Prepared By		
Approved By		



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

Arkansas Power & Light Co.
Accommissioning Expense to Books
for the 12 Months ended 6-30-86

		1	2	3	4
		ANO 1	ANO 2	ANO 1	ANO 2
		Totient Exp.	Depreciation Exp.		
		431.96	431.97	403	403
1					
2	July, 1985	8513158	3992826	7568686	8969153
3	August	8513158	3992826	7568686	8969153
4	September	8513158	3992826	7568686	8969153
5	October	8513158	3992826	7568686	8969153
6	November	8513158	3992826	7568686	8969153
7	December	8513158	3992826	7568686	8969153
8	January, 1986	8513158	3992826	7568686	8969153
9	February	8513158	3992826	7568686	8969153
0	March	8513158	3992826	7568686	8969153
1	April	8513158	3992826	7568686	8969153
2	May	9955024	5164216	8181745	9695648
3	June	9955024	5164216	8181745	9695648
4		105041628	50256692	92050350	109082826
5		11552983.306			

6186 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
		COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
	(5000's)			
EXPENSE ADJUSTMENTS				
1) Adjust. To Depreciation Expense				
Adjust - Dep Exp Prod - Decom Int	1553	PF13DXP	001	1552983
2) Adjust To Operating Inc Before Taxes				
Adjust - Prop Ret Res Decom Int	1553	PF13SJPA	001	1552983

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

Rate Case 6/86 MRRCPro Forma # 8Prepared By Taxes & Special StudiesDate Prepared 12/03/86

Description of Adjustment:

To Include AP&L Investment In SFI For The Test Year In Rate Base AndTo 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-----		<u>41,155</u>
	TOTAL-----	\$	<u>41,155</u>

() = DECREASE TO RATE BASE

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

Pro Forma # 8STRING
NAMEREVENUESDate Prepared 12/03/86

REV1	SALES TO ULTIMATE CUSTOMERS-----	\$	_____
REV2	SALES FOR RESALE-----		_____
REV3	MSPP & SYSTEM SALES-----		_____
REV4	OTHER ELECTRIC REVENUE-----		<u>3,876</u>
	TOTAL OPERATING REVENUE-----	\$	<u>3,876</u>

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.-----		_____
	DEPRECIATION-----		_____
DX	TAXES OTHER THAN INCOME-----		_____
OTAX	INCOME TAXES - STATE <u>2.76%</u> -----		<u>107</u>
STAX	INCOME TAXES - FEDERAL <u>46%</u> -----		<u>1,734</u>
FTAX	PROV. DEFERRED INC. TAX - STATE-----		_____
DTDRS	PROV. DEFERRED INC. TAX - FEDERAL-----		_____
DTDRF	PROV. DEF. INC. TAX CREDIT - STATE-----		_____
DTCRS	PROV. DEF. INC. TAX CREDIT - FEDERAL-----		_____
DTCRF	INVESTMENT TAX CREDIT ADJ.-----		_____
ITC			_____

TOTAL UTILITY OPERATING EXP.-----	\$	<u>1,841</u>
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NET UTILITY OPERATING INCOME-----	\$	<u>2,035</u>
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ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(000's)

Pro Forma # 8Date Prepared 12/03/86STRING
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-----		_____

STRING
NAME

Date Prepared 12/03/86

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 # 8Date Prepared 12/03/86

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-----	\$ _____
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
INVESTMENT IN SFI NOTES
13 MONTHS ENDED 6/30/86

		A/C 123.16	A/C 123.17	A/C 419.21
1985	JUNE	\$ 41,148,000	\$ 7,000	-
1985	JULY	41,148,000	7,000	\$ 336,613
1985	AUGUST	41,148,000	7,000	336,614
1985	SEPTEMBER	41,148,000	7,000	325,755
1985	OCTOBER	41,148,000	7,000	336,613
1985	NOVEMBER	41,148,000	7,000	325,755
1985	DECEMBER	41,148,000	7,000	336,614
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

TOTALS	\$534,924,000	\$91,000	\$3,876,485
	/13	/13	

AVG. BALANCE	\$ 41,148,000	\$ 7,000
--------------	---------------	----------

TAX:

FEDERAL	44.73%	1,733,967
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STATE	2.76%	<u>106,991</u>
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NET INCOME	<u><u>\$2,035,527</u></u>
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4/86 MRC

Prepared By _____ Date _____
 Approved By _____



45-804 E.P.-Ease
 45-904 10-20 Buff
 Made in USA

APLL

PR3-FORMA ADJUSTMENTS-ADJUST. #8

	1	2	3	4
1	Adjustment To Include SFI Investment In Rate Base & Int Income Assoc w/SFI			
2	In Income Statement			
3		COMPUTER	ALL. ATION	
4	(1000's)	CODE	FACTOR	AMOUNT
5	RATE BASE ADJUSTMENTS			
6	1) Adjust To Investment In Sys Fuels Inc			
7	Adjust - Invest In Sys Fuels	41155	PFOBISFI EO1	41155000
8	REVENUE ADJUSTMENTS			
9	1) Adjust To Oth Elec Revenues			
10	Adjust - Int Inc On SFI Inv	3876	PFOBROII EO1	3876485
11				
12				
13				
14				
15				
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27				
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29				
30				
31				
32				
33				

40% TAX ADJ

Page 1 of 5

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

Rate Case 6/86 MRRC

Pro Forma # 7

Prepared By Taxes & Special Studies

Date Prepared 12/05/86

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 Sch. 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-----		
ADTAA	ACCUM DEF. TX - ACCEL AMORT-----		
ADTLB	ACCUM DEF. TX - LIB DEPREC-----		145,483
ADTO	ACCUM DEF. TX - OTHER-----		(66,158)
ADTITC	ACCUM DEF. INVEST TX CR - 3%-----		
	TOTAL-----	\$	79,325

() = DECREASE TO RATE BASE

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

Pro Forma # 7STRING
NAMEREVENUESDate Prepared 12/05/86

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-----	3.06%	4,013
FTAX	INCOME TAXES - FEDERAL-----	40%	40,392
DTDRS	PROV. DEFERRED INC. TAX - STATE-----		(13,751)
DTDRF	PROV. DEFERRED INC. TAX - FEDERAL-----		(87,838)
DTCRS	PROV. DEF. INC. TAX CREDIT - STATE-----		5,179
DTCRF	PROV. DEF. INC. TAX CREDIT - FEDERAL-----		31,897
ITC	INVESTMENT TAX CREDIT ADJ.-----		(3,108)

TOTAL UTILITY OPERATING EXP.-----	\$	(23,216)
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NET UTILITY OPERATING INCOME-----	\$	23,216
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ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(000's)

Pro Forma # 7STRING
NAMEREVENUEDate Prepared 12/05/86

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INCOME:

A01	UNBILLED REVENUE-----	\$ (3,211)
A02	INCREASE IN RESERVES-----	(4,287)
A03	PROP RET RESERVE APPROP-----	
A04	RESERVED REVENUES-----	(1,692)
A05	INTEREST ON TAX DEFICIT-----	891)
A06	NUCLEAR FUEL EXPENSE-----	
A07	INTEREST ON NUCLEAR RESERVES-----	(558)
A08	BOOK DEPRECIATION ON NACC CME-----	
A09	INTEREST - DOE LIABILITY-----	11,328
A010	CONSTRUCTION POWER-----	34
A011	MISSOURI FUEL TRUE-UP-----	273
A012	ACRS RETIREMENTS-----	514
A013	OTHER TAXES CHARGED - PLANT ACCTS-----	179
A014	DEPR FOR TAX PURPOSES-----	
A015	REMOVAL EXPENSES-----	4,801
A016	PENSION PLAN DED FOR TAXES-----	38
A017	REAL & PERSONAL PROP TAXES-----	105
A018	DEFERRED FUEL COSTS-----	(2,257)
A019	NUCLEAR REFUELING MAINTENANCE-----	(19,546)
A020	ANO SHUTDOWN EXPENSE-----	(2,483)
A021	INT ON NUCLEAR FUEL-----	2,937
A022	ALLOW FOR FUNDS DUR CONST-----	1,440
A023	NUCLEAR RESERVE EXP-----	(8,191)
A024	INTERCOMPANY SALES-----	(372)
A025	OTHER GA'N SALE OF PROPERTY-----	109
A026	SALE VEHICLE ITC-----	(1)
A027	DEFERRED DIRECTORS FEES-----	37
A028	MISCELLANEOUS INTANGIBLE PLANT-----	491
A029	LEASE COST CAP ON COAL HDLNG EQPT-----	(93)
A030	TMI ACCRUED-----	349
A031	TAX DEFICIT INTEREST PAYMENTS-----	11
A032	INTEREST ON DECOMMISSIONING-----	(1,553)
A033	COMPUTER SOFTWARE CAPITALIZED-----	3,917
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 # 7STRING
NAMEREVENUEDate Prepared 12/05/86

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

AO39	INTEREST ON PCB-----	\$ (21)
AO40	AMORT OF STEAM GEN PROC DEVELOPMENT-----	
AO41	AMORT OF GAIN ON SALE OF BLDGS-----	109
AO42	STEAM GEN PROC DEVELOPMENT-----	1,312
AO43	ARK WHSLE ER81-577-----	941
AO44	PENSION PMNT 1985-86-----	(7,605)
AO45	RESERVE FOR CONTINGENCIES-----	(55,723)
AO46	INVENTORY DEFERRAL GG1 SETTLEMENT-----	(3,444)
AO47	GG1 COST OVER/UNDER RECOVERY-----	(2,707)
AO48	GG1 RESERVE - FARMERS-----	(661)
AO49	INVENTORY SHARE DEF - GG1 SETTLEMENT-----	101,462
AO50	GG1 - DEF MISSOURI RETAIL-----	
AO51	GG1 - DEF ARKANSAS WHSLE-----	1,296
AO52	CURRENT RECOVERY SHARE DEF - GG1-----	89,718
AO53	GG1 RESERVE EQUAL CREDIT-----	(2,152)
AO54	ANNUALIZE INTEREST ON ADJUSTED RATE BASE-----	
INT	TOTAL INTEREST CHARGES-----	

TOTAL ADJUSTMENTS TO UTILITY OPERATING INCOME \$	103,573
--	---------

() = 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 12/05/86STATE 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%-----	\$	737	*
SPYADJ	STATE TAX ASSOC W/PRIOR YR ADJ-----		(233)	
SCWIP	INTEREST ON CWIP-----		_____	
VITCS	VEHICLE ITC - NET OF TAX-----		_____	
ARTADJS	ARKANSAS TAX RATE ADJUSTMENT-----		439	
MOTXADS	MISSOURI TAX RATE ADJ. TO 3.06%-----		(99)	*
	_____		_____	
	_____		_____	

FEDERAL BEFORE TAX ADJUSTMENTS

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

FEDERAL AFTER TAX ADJUSTMENTS

FCWIP	INTEREST ON CWIP-----	\$	_____	
STAD	VARIOUS TAX RATES-----		_____	
FITC	INVESTMENT TAX CREDIT-----		3,108	
FPYADJ	FED TAX ASSOC W/PRIOR YR ADJ-----		(4,463)	
VITCF	VEHICLE ITC - NET OF TAX-----		_____	
FO5	PROV FOR CONTINGENCIES-----		(300)	
MOTADJF	MISSOURI TAX RATE ADJUSTMENT TO 2.76%-FED EFF-----		(295)	*
ARTADJF	ARKANSAS TAX RATE ADJUSTMENT-----		(202)	
PYAITC	PRIOR YR ADJUST - ITC-----		458	
MOTXADF	MISSOURI TAX RATE ADJ. TO 3.06%-----		40	*
FTXRT	FEDERAL TAX RATE TO 40%-----		1,835	*

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

Proforma 7 at 6/30/86 with 3.06% No rate
Eliminating def taxes not allowed in MRR
FEDERAL TAX RATE ADJUSTED TO 40%
MARR = R

ARKANSAS POWER AND LIGHT COMPANY
TAX NORMALIZATION-PROFORMA ADJUSTMENT #7

MRR-6/86-40%
SCHED SUMMARY
DISBURSE #104
PF780402

SCN/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-MON DED	OTHER ITEMS	EXCESS DEPRECIATION STATE	RATE BASE ACCOM-DEF INCOME TAXES
1/2	ADJ DEF INC TAX - 44% TO 40%			202,417	(3,408,790)	(17,935)	399,383						
1/2	ADJUST DEF INC TAX PROV-SUMMARY			(12,953,176)	(84,429,152)	5,197,105	31,497,324						
1/2	RISC ADJ FOR DEF TAX & ST J	3,149,284	40,160,833								103,571,366		79,325,182
1/2	ELIMINATE CURRENT TAX ITEMS	843,885	230,700					(3,108,206)					
	TOTAL	4,013,169	40,391,533	(13,750,759)	(87,837,942)	5,179,170	31,896,717	(3,108,206)	0	0	103,571,366	0	79,325,182

ARKANSAS POWER AND LIGHT COMPANY
DEFERRED INCOME TAXES
FEDERAL

WERE-6786-002
PF#7
SCHED 1
PAGE 1A

ITEM-FEDERAL	PROV FOR DEF INC TAX		PROV FOR DEF INC TAX		NET PROVISION		ADJUSTMENTS FOR 6% TO 2.762		NET PROVISION		ADJUSTMENTS FROM SCHEDULE 4		PROVISIONS FOR DEFERRED INCOME TAXES-FEDERAL	
	DR.	CR.	DR.	CR.	DR.	CR.	DR.	CR.	DR.	CR.	DR.	CR.	DR.	CR.
190 INTEREST ON TAX DEF	2,936,882	(2,417,445)			(380,563)				(380,563)		(2,036,882)	a	2,417,445	a
INJ & DAN RESERVE	4,974	0			4,974				4,974		(4,974)	a	0	a
PROP INS RESERVE	0	0			0				0		0	a	0	a
GGI OVER/UNDER REC	2,314,455	(3,518,721)			(1,204,266)				(1,204,266)		(2,314,455)	a	3,518,721	a
NUCLEAR RESERVE	1,477,767	(5,261,959)			(3,784,192)				(3,784,192)		(1,477,767)	a	5,261,959	a
DECOMMISSIONING-AMO	0	(1,541,844)			(1,541,844)				(1,541,844)		0	a	1,541,844	a
SALE OF FME	68,172	0			68,172				68,172		(68,172)	a	0	a
AMO BLDG SALE	41,532	0			41,532				41,532		(41,532)	a	0	a
REMOVAL COST	55,052	0			55,052				55,052		(55,052)	a	0	a
UNBILLED REVENUE	4,979,874	(4,462,465)			517,406				517,406		(4,979,874)	a	4,462,465	a
BLDG S/L-TAX GAIN	55,500	0			55,500				55,500		(55,500)	a	0	a
TAX GAIN W. BARBAR	4,272	0			4,272				4,272		(4,272)	a	0	a
BOF DIRECTORS FEES	7,194	0			7,194				7,194		(7,194)	a	0	a
RETAIL REVENUE ADJ	1,108,853	(1,545,542)			(436,709)				(436,709)		(1,108,853)	a	1,545,542	a
ACT 310 REFUND-34	(8)	131,595			131,595				131,595		8	a	(131,603)	a
REV ADJ NO FUEL	(12)	112,293			112,293				112,293		2	a	(112,293)	a
YFC-JONESBORO	0	(111,445)			(111,445)				(111,445)		0	a	111,445	a
COINT IN AID-AMP	0	0			0				0		0	a	0	a
PLANT COST-OUTAGE	0	(8,455,117)			(8,455,117)				(8,455,117)		0	a	8,455,117	a
RES COST FASO 5	0	(24,104,410)			(24,104,410)				(24,104,410)		0	a	24,104,410	a
ACCEL AMORT PROP	0	(452,393)			(452,393)				(452,393)		0	a	452,393	a
201 LIBERALIZED DEPR	25,870,002	(3,325,314)			22,544,688		1,014,044	(304,991)	23,243,741		(10,459)	c	26,373,587	(3,217,202)
INT CAP MUC FUEL	0	(524,726)			(524,726)			(15,741)	(550,517)		0	a	0	(550,517)
AMCC COST OF POWER	0	(131,297)			(131,297)				(131,297)		0	a	131,297	a
MORM OF MUC FUEL	(1,779,242)	(2,384,149)			(4,163,391)		(23,044)	(73,355)	(4,256,740)		982	c	(1,801,694)	(2,456,162)
POLL CNTL BONDS	0	(9,303)			(9,303)				(9,303)		0	a	9,303	a
TAXES & PENSIONS CAP	67,027	(649,896)			(580,869)				(580,869)		(69,027)	a	649,896	a
INTANG PLANT 8231AU	217,275	(353,488)			(141,213)				(141,213)		(212,275)	a	353,488	a
INT ON DEF PAYABLES	0	(102,961)			(102,961)				(102,961)		0	a	102,961	a
CONSTRUCTION POWER	0	(6,127)			(6,127)				(6,127)		0	a	6,127	a
ESOS BOOK DEPR CAP	0	(84,911)			(84,911)				(84,911)		0	a	84,911	a
GGI-DEFERRALS	94,019,730	(174,379)			93,845,351		14,655		93,859,956		(93,593,003)	a	174,379	a
202 DEFERRED FUEL	(22,617,839)	22,641,582			(976,257)				(976,257)		23,617,839	a	(22,641,582)	a
COMPUTER SOFTWARE	1,792,387	(682,232)			1,110,155				1,110,155		(1,792,387)	a	682,232	a
STEAM GEN PROCESS	1,521,610	(237,792)			983,818				983,818		(1,521,610)	a	237,792	a
GAIN ON GAS PROPERTY	0	(29,304)			(29,304)				(29,304)		0	a	29,304	a
TOTALS	109,942,467	(37,721,465)			72,221,002		1,005,655	(394,087)	72,822,520		(109,052,546)		54,533,002	(22,641,582)

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

ITEM	PROVISIONS FOR DEFERRED INCOME TAXES-FEDERAL		ADJUSTMENT FOR CHANGE IN FEDERAL RATE-4% TO 40%		ADJUSTMENT FOR CHANGE IN FEDERAL RATE-FEDERAL EFFECT OF STATE CHANGE		PROVISIONS FOR DEFERRED INCOME TAXES-FEDERAL	
	DR.	CR.	DR.	CR.	DR.	CR.	DR.	CR.
202 LIBERALIZED DEPR	26,873,587	(3,217,202)		(3,305,250)		(81,644)	23,284,491	(3,217,202)
INT CAP MUC FUEL		(550,517)			71,907	1,272	0	(477,430)
MORM OF MUC FUEL	(1,801,694)	(2,456,412)		234,992	329,402	1,955	(1,564,757)	(2,130,108)
GGI-DEFERRAL- NO RET	441,322	(57,545)			(1,176)	5,902	382,591	0
TOTALS	25,513,315	(4,224,121)		(3,327,823)	292,209	(90,967)	22,104,525	(5,824,748)

APRAMESS POWER AND LIGHT COMPANY
DEFERRED INCOME TAXES
STATE

WAPC-6/86-002
PF07

SCHED 1
PAGE 19

ITEM-STATE	PROV FOR	PROV FOR	NET	ADJUSTMENTS FOR 42 TO 2.762		NET	ADJUSTMENTS FROM SCHEDULE 4		PROVISIONS FOR DEFERRED		
	DEF INC TAX	DEF INC TAX	PROVISION	DR.	(CR)	PROVISION	DR-PROVISION	CR-PROVISION	INCOME TAXES-STATE	(CR)	
	DR.	(CR)	DR (CR)	DR.	(CR)	DR (CR)	DR.	(CR)	DR.	(CR)	
190 INTEREST ON TAX DEF	271,811	(322,453)	(50,642)	A	B	(50,642)		(271,811) a	322,453 a	0	0
IMJ & DAN RESERVE	657	0	657			657		(657) a	0 a	0	0
PROP INC RESERVE	0	0	0			0		0 a	0 a	0	0
GGI-OUR/UMS RECOVERY	369,324	(468,595)	(159,271)			(159,271)		(369,324) a	468,595 a	0	0
NUCLEAR RESERVE	197,096	(712,574)	(515,478)			(515,478)		(197,096) a	712,574 a	0	0
DECOMMISSIONING-AND	0	(205,530)	(205,530)			(205,530)		0 a	205,530 a	0	0
SALE OF CME	9,515	0	9,515			9,515		(9,515) a	0 a	0	0
AND BLOC SALE	5,472	0	5,472			5,472		(5,472) a	0 a	0	0
REMOVAL COST	7,379	0	7,379			7,379		(7,379) a	0 a	0	0
UNBILLED REVENUE	662,550	(595,044)	67,506			67,506		(662,550) a	595,044 a	0	0
BLOC S/L-TAX SAHM	13,620	0	13,620			13,620		(13,620) a	0 a	0	0
TAX GAIN W. MARKER	588	0	588			588		(588) a	0 a	0	0
DEF DIRECTORS FEES	979	0	979			979		(979) a	0 a	0	0
RETAIL REVENUE ADJ	147,125	(210,319)	(63,194)			(63,194)		(147,125) a	210,319 a	0	0
NET 310 REFUND#34	(1,767)	19,295	17,528			17,528		1,767 a	(19,295) a	0	0
REV ADJ MO FUEL	(59)	14,982	14,923			14,923		59 a	(14,982) a	0	0
FSC JONESBORO	0	(14,840)	(14,840)			(14,840)		0 a	14,840 a	0	0
COST IN AID-AND	0	0	0			0		0 a	0 a	0	0
MAINT COST-OUTAGE	0	(1,127,241)	(1,127,241)			(1,127,241)		0 a	1,127,241 a	0	0
RES/COST PASS 5	0	(3,216,512)	(3,216,512)			(3,216,512)		0 a	3,216,512 a	0	0
201 ACCEL AMORT PRDP	0	0	0			0		0 a	0 a	0	0
202 LIBERALIZED DEPR	3,945,879	(1,288,339)	2,657,540	(2,204,444)	663,023	1,114,119	136,424 c		61,420 b	(902) c	1,877,859
INT CAP MUC FUEL	0	(58,827)	(58,827)		34,328	(24,499)				(4,744) c	(29,243)
AREC COST OF MONEY	0	(17,336)	(17,336)			(17,336)	0 a		17,336 a		0
MORN OF MUC FUEL	(42,673)	(281,521)	(365,399)	50,075	159,359	(155,945)	(8,870) c			(13,589) c	(42,673)
POLL CNTL BONDS	0	(1,239)	(1,239)			(1,239)		0 a	1,239 a		0
TAXES & PENSIONS CAP	9,246	(97,404)	(78,158)			(78,158)		(9,246) a	87,404 a		0
INTANG PLANT 823140	28,299	(46,525)	(18,226)			(18,226)		(28,299) a	46,525 a		0
INT ON DEF PAYABLES	0	(13,944)	(13,944)			(13,944)		0 a	13,944 a		0
CONSTRUCTION POWER	0	(849)	(849)			(849)		0 a	849 a		0
ISCS 300H DEPR CAP	0	(11,137)	(11,137)			(11,137)		0 a	11,137 a		0
GGI-DEFERRAL	12,530,353	(23,220)	12,507,132	(31,749)		12,475,384		(12,471,759) a	23,220 a		27,045
203 DEFERRED FUEL	(3,132,612)	3,094,782	(129,830)			(129,830)	3,132,612 a			(3,004,782) a	0
COMPUTER SOFTWARE	238,921	(90,621)	148,300			148,300		(238,921) a	90,621 a		0
STEEL GEN PROCESS	162,517	(31,693)	130,824			130,824		(162,517) a	31,693 a		0
TOTALS	15,222,215	(5,736,794)	9,525,511	(2,136,093)	856,710	8,266,123	3,132,146	(14,535,032)	7,224,219	(3,024,017)	1,862,231

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

	ADJUSTMENT FOR CHANGE IN FEDERAL RATE- STATE EFFECT 2.762 TO 3.042	
	DR.	(CR)
202 LIBERALIZED DEPR	1,877,859	(564,798)
INT CAP MUC FUEL	(42,673)	(135,751)
GGI-DEFERRAL- MO NET	27,045	0
TOTALS	1,862,231	(700,549)

PROVISIONS FOR DEFERRED INCOME TAXES-STATE	
DR.	(CR)
2,081,974	(564,798)
0	(32,422)
(47,311)	(130,507)
29,485	0
TOTALS	2,064,648

ARKANSAS POWER AND LIGHT COMPANY
DEFERRED INCOME TAXES

MARC-6/86-402
PFA7
SCHED 1

ITEM	PROV FOR DEF INC TAX		NET PROVISION DR (CR)	ADJUSTMENTS FOR 4% TO 2.76%		NET PROVISION DR (CR)	ADJUSTMENTS FROM SCHEDULE 4				PROVISIONS FOR DEFERRED INCOME TAXES-MISSOURI	
	DEF INC TAX DR.	DEF INC TAX CR.		DR.	(CR)		DR.	CR-PROVISION (CR)	DR.	CR-PROVISION (CR)	DR.	(CR)
190 INTEREST ON TAX DEF	8,928	(10,715)	(1,787)			(1,787)	(8,928) a	10,715 a			0	0
INJ & DAN RESERVE	28	0	28			28	(28) a	0 a			0	0
PROP INS RESERVE	0	0	0			0	0 a	0 a			0	0
GGI-OWN/UND RECOVERY	10,209	(15,408)	(5,199)			(5,199)	(10,209) a	15,408 a			0	0
NUCLEAR RESERVE	16,070	(23,772)	(7,702)			(7,702)	(16,070) a	23,772 a			0	0
DECOMMISSIONING-AND	0	(6,944)	(6,944)			(6,944)	0 a	6,944 a			0	0
SALE OF CNE	36	0	36			36	(36) a	0 a			0	0
AND DLG SALE	252	0	252			252	(252) a	0 a			0	0
REMOVAL COST	209	0	209			209	(209) a	0 a			0	0
UNBILLED REVENUE	23,464	(19,937)	3,727			3,727	(23,464) a	19,937 a			0	0
DLG S/L-TAX GAIN	0	0	0			0	0 a	0 a			0	0
TAX GAIN W. HAZARD	0	0	0			0	(23) a	0 a			0	0
DIRECTORS FEES	23	0	23			23	(5,433) a	5,388 a			0	0
RETAIL REVENUE ADJ	5,433	(5,388)	45			45	(1,768) a	1,166 a			0	0
ACT 319 REFUND-34	1,748	(1,166)	602			602	(58) a	(489) a			0	0
REV ADJ NO FUEL	58	489	547			547	0 a	513 a			0	0
PEC-JONESBORO	0	(513)	(513)			(513)	0 a	0 a			0	0
COMT IN AID-AMP	0	0	0			0	0 a	37,927 a			0	0
PAINT COST-OUTAGE	0	(37,927)	(37,927)			(37,927)	0 a	105,731 a			0	0
RES COMT FASH 5	0	(105,731)	(105,731)			(105,731)	0 a	0 a			0	0
201 ACCEL AMORT PROP	0	0	0			0	(113,487) c	752 c			0	0
202 LIBERALIZED DEPR	113,487	(752)	112,935			112,935	0 b	3,953 c			0	0
INT CAP MUC FUEL	0	(3,953)	(3,953)			(3,953)	0 a	729 a			0	0
AREC COST OF MONEY	0	(729)	(729)			(729)	0 a	11,224 c			0	0
WORN OF MUC FUEL	(7,408)	(11,324)	(18,732)			(18,732)	0 a	42 a			0	0
POLL CHIL BONDS	0	(42)	(42)			(42)	(268) a	1,493 a			0	0
TAXES & PENSIONS CAP	258	(1,493)	(1,225)			(1,225)	(740) a	2,699 a			0	0
INTANG PLANT 823140	740	(2,699)	(1,959)			(1,959)	0 a	0 a			0	0
INT ON DEF PAYABLES	0	0	0			0	0 a	0 a			0	0
CONSTRUCTION POWER	0	0	0			0	0 a	564 a			0	0
USES BROW DEPR CAP	0	(564)	(564)			(564)	(425,204) a	804 a			0	0
GGI-DEFERRAL	425,204	(804)	424,400			424,400	(8,079) a	3,379 a			0	0
203 DEFERRED FUEL	(119,872)	114,527	(5,245)			(5,245)	119,872 a	1,074 a			0	0
COMPUTER SOFTWARE	4,079	(3,379)	4,700			4,700	(8,079) a	3,379 a			0	0
STEAM GEN PROCESS	5,816	(1,074)	4,742			4,742	(5,816) a	1,074 a			0	0
GAIN ON GAS PROPERTY	0	(795)	(795)			(795)		795 a			0	0
TOTALS	493,192	(140,193)	352,999	0	0	352,999	119,872	(413,064)	254,827	(114,427)	0	0

a-ELIMINATE ITEM'S FROM RATE CASE
b-PRIOR YEARS ADJUSTMENT
c-MISSOURI TAX RATE
d-PER ATTACHED SCHEDULE 4, PAGE 2

ARKANSAS POWER AND LIGHT COMPANY
MISCELLANEOUS ADJUSTMENTS

APR-6/85-40%
PAGE 1/2

ADJUST ITEMS PER STATEMENT J (ADJUSTMENTS TO NET INCOME)

ADJUST ACC DEF INCOME TAXES

ITEM	SCHEDULE M AMT
INCREASE IN RESERVES	(4,287,419)
INTEREST ON DECOMMISSIONING	(1,552,983)
UNBILLED REVENUES	(3,211,024)
INTEREST ON TAX DEFICIENCIES	(890,319)
NUCLEAR RESERVE EXPENSE	(8,191,341)
INTEREST ON NUCLEAR RESERVE	(558,379)
DEFERRED DIRECTORS FEES	36,506
RESERVED REVENUES	(1,631,950)
AMORT OF INTANG PLANT-ISES	(456,799)
ARK WHOLESALE EMB1577	940,707
WB CHE LEASE COST	(93,488)
INTEREST ON DOE LIABILITY	(1,328,435)
SALE OF VEHICLE ITC	(573)
MISSOURI FUEL TRUE-UP	273,379
INTEREST ON PCB'S	(21,456)
NUCLEAR REFUELING MAINT-AND II	(19,545,854)
PENSION PMT 35-86	(7,604,582)
GG1 OVER/UNDER RECOVERY	(2,795,944)
INVENTORY DEFERRAL GG1 SETTLEMENT	(3,444,234)
GG1 RESERVE EQUALIZATION CREDIT	(2,152,071)
RESERVE FARMERS	(660,737)
RESERVE FOR CONTINGENCIES	(55,723,123)
AFDC	1,440,073
TAXES AND PENSIONS	322,068
REMOVAL COST	4,800,622
DEFERRED FUEL COST	(2,255,604)
GAIN ON SALE OF PROP	108,637
NUCLEAR FUEL INTEREST CAPITALIZED	2,335,710
AMORT OF GAINS ON PROPERTY	136,000
AND SHUTDOWN EXPENSE	(2,483,395)
TAX DEF INT PAYMENTS	11,182
COMPUTER SOFTWARE	3,915,588
MISC INTANG PLANT	490,721
STEAM GEN PROC DEV	1,312,063
INVENTORY SHARE DEF-GG1 SETTLEMENT	(101,452,493)
CURRENT REC SHARE DEF-GG1	89,718,201
GG1-DEF ARKANSAS WHOLESALE	1,295,793
THI ACCRUAL	349,358
INTERCOMPANY SALES-EXCL ISES	(371,305)
CONSTRUCTION POWER	33,574
ACRS RETIREMENTS	513,350
FEDERAL STATEMENT J ADJUSTMENT	103,571,366
STATE CURRENT TAXES @3.05%	3,169,294
FEDERAL CURRENT TAXES @40%	49,160,933

6/30/86
ACC DEF INC TAXES

ITEM	ACC DEF INC TAXES
INTEREST ON TAX DEFICIENCY	5,822,064
INJ AND GAM RESERVE	3,691
GG1-OVR/UND REC	1,495,734
NUCLEAR RESERVE	6,467,947
DECOMMISSION-AND	7,650,276
SALE OF CHE	1,519,281
AND BUILDING SALE	1,407,353
REMOVAL COST	2,567,342
UNBILLED REVENUE	4,515,200
BUILDING S/L TAX GAIN	1,382,309
TAX GAIN W MARKHAM	95,406
RETAIL REVENUE ADJUSTMENT	2,562,754
MAINT COST-OUTAGE	12,310,567
RES CONT FASB 85	27,426,653
TAXES AND PENSIONS	(29,303,507)
POLL CONTROL BOYDS	47,565
INTANGIBLE PLANT 82-314-U	(925,458)
INTEREST ON PAY	(3,104,703)
NORM FFOO PLANTS	(3,465,372)
ISES BOOK DEPR CAP	(2,088,905)
COMPUTER SOFTWARE CAP	(6,316,342)
GG1 PHASE IN	(109,291,563)
ISES CORPORATION SALE	(368,779)
INDEPENDENCE SALE TO MP&L	(5,142,327)
DEFERRED FUEL	4,478,701
STEAM GEN PROCESS	(1,119,384)
CONSTRUCTION POWER	(197,476)
INT CAP NUC FUEL (46%-40%)	(81,410)
GG1- MO RETAIL DEF (46%-40%)	(72,793)
ACC DEF INC TAX	(79,325,182)

A/C 190 75,226,577

A/C 282 (38,840,380)

A/C 283 (6,316,342)

A/C 282 (106,291,543)

A/C 283 (2,751,789)

A/C 282 (197,476)

A/C 282 (154,209)

ITEM	STATE	FEDERAL
ADJUST FOR STATE TAX RATE	498,560	(202,439)
ELIMINATE VEHICLE ITC (NET OF TAX)	(60)	(250)
ELIMINATE PROVISION FOR CONTINGENCIES		(300,000)
NET ITC ADJ (PRIOR YEAR ADJ)		459,611
PRIOR PERIOD ADJUSTMENT	(239,427)	(4,462,848)
ADJ FOR MO RATE ((32,327,429)*(1.05-.0275))	737,574	(295,030)
ADJ FOR FED RATE CHANGE-		
MO STATE EFFECT((32,927,429)*(1.0276-.0306))	(98,782)	39,513
FEDERAL EFFECT ((31,415,599)*(1.46-.40))		1,884,936
ELIMINATE INVESTMENT TAX CREDIT		3,108,206
TOTAL ADJUSTMENT TO CURRENT TAXES	843,825	230,700

INVESTMENT TAX
CREDIT ADJUSTMENT
DECREASED BY SAME
AMOUNT

6/86 MRAC -40% Fed. Tx. Rate

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Approved By		

Ag. 1/8



45-804 Eye-Base
45-904 20/20 Bull
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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, Aik. Tx. Rate & Includes Fed. Deduction For State.			
		COMPUTER	ALLOCATION	
	(30003)	CODE	FACTOR	AMOUNT
	RATE BASE ADJUSTMENTS			
	1) Adjust- Accum Def Inc Tx - Lib Deprec			
				145483428
	Adjust - Liberal Deprec	145329	PFO7ADLB	PLTOAEXI 145329419
		145483		
	3) Adjust- Accum Def Inc Tx - Other			
	Adjust- Acc Def Tx - Other	(66158)	PFO7AQTO	PLTOAEXI (66158446)
	EXPENSE ADJUSTMENTS			
	1) Adjust To Operating Inc Before Taxes			
	Adjust- Int On Decommissioning	(1553)	PFO7SJID	DO1 (1552983)
	- Unbilled Revenues	(32111)	PFO7SJUR	RSADWTOA (3211024)
	- Int On Tx Deficit	(891)	PFO7SJIT	NINBIT (890919)
	- Nucl Reserve Expense	(8191)	PFO7SJNR	EO3 (8191341)
	- Int On Nucl Reserves	(558)	PFO7SJIN	EO3 (558379)
	- Def Directors Fees	37	PFO7SJDJ	LOMTOA 36506
	- Reserved Revenues	(1692)	PFO7SJRR	RSADWTOA (1691950)
	- Aik Whole ER81-577	941	PFO7SJ81	SOMC 940707
	- Int On DOE Liab	11328	PFO7SJDO	EO1 11328436
	- Sale Of Vehicle ITC	(1)	PFO7SJSV	PLGECM (578)
	- Mo Fuel True-Up	273	PFO7SJM	EO1M 273379
	- Nucl Refuel Mnt-AN02	(19546)	PFO7SJRM	EO1 (19545854)
	- Pension Pmnt 198586	(7605)	PFO7SJPP	LOMTOA (7604582)
	- GGI Cost Over/Under Acc	(2707)	PFO7SJCO	DO1 (2706944)
	- Invent Def GGI Settle	(3444)	PFO7SJDI	DO1 (3444234)
	- GGI Res Equal Cr	(2152)	PFO7SJRE	DO1 (2152071)
	- Reserve - Farmers	(661)	PFO7SJAF	SOW (660737)
	- Res For Conting	(55223)	PFO7SJAC	DO1 (55223128)
	Contd.			



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

Prepared By	Initials	Date
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Pg. 2/8

		1	2	3	4
			COMPUTER	ALLOCATION	
		(\$000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	1) Adjust To Operating Inc Before Taxes (Contd)				
3	- AFDC	1440	PF07SSJAF	PLTOA	1447073
4	- Def Fuel Costs	(2257)	PF07SJFC	EO2	(2256604)
5	- Gain On Sale OF Prop	109	PF07SJGS	LOMTOA	108637
6	- ANO Shutdown Exp	(2483)	PF07SJAN	DO1	(2483396)
7	- Tx Def Int Payments	111	PF07SJIP	DO1	111182
8	- Computer Software	3917	PF07SJCS	PLTOAEXI	3916588
9	- Misc Intang Plt	491	PF07SJMI	PLTOAEXI	490721
10	- Steam Gen Proc Dev	1312	PF07SJSG	EO1	1312063
11	- Inv Share Def-GG1 Settle	101462	PF07SJSD	DO1	101462499
12	- Cur Rec Share Def-GG1	89718	PF07SJCA	DO1	89718201
13	- GG1-Def Ark Whse	1296	PF07SJAM	SDMC	1295783
14	- TMI Accrual	349	PF07SJTM	DO1	349358
15	- Interco Sales	(372)	PF07SJIS	PLTOA	(371805)
16	- Construct Pwr	34	PF07SJCP	EO1	33574
17	- ACAS Retire losses	514	PF07SJAC	PLTOA	513950
18	- Increase In Reserves	(4287)	PF07SJIR	PLTOA	(4287419)
19	- Amort OF Inten Plt-ISES	(467)	PF07SJAI	DO1AN	(466799)
20	- Lease Cost WB CHE	(93)	PF07SJCH	DO1	(93488)
21	- Int On PCB's	(21)	PF07SJCB	DO1	(21456)
22	- Oth Tx Chgd-Plt AIC	179	PF07SJOT	PLTOA	179065
23	- R&P Txs Chgd WO's	105	PF07SJRA	PLTOA	105090
24	- Pens Plan Ded For Tx	38	PF07SJPE	LOMTOA	37913
25	- Removal Expenses	4801	PF07SJAV	PLTOA	4800622
26	- Amort BK Gn-WMSC	5	PF07SJWM	SFWMSC	5312
27	- Amort BK Gn-ANO Bldg	82	PF07SJAB	DO1	82048
28	- Amort Gn On SI-Bldgs	109	PF07SJAG	LOMTOA	108640
29	- Nucl Fuel Int Capital	2937	PF07SJNF	EO1	2936710
30					
31					
32					
33					



45-804 Eye-Ease
45-804 20/20 Bull
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Pg. 3/8

PRO-FORMA ADJUSTMENTS-ADJUST. #7

Prepared By	Initials	Date
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		1	2	3	4
		(\$000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	2) Adjust To State After Tax				
3	Adjust - Ark Tx Rt	439	PF07SJSB	PLTOA	438580
4	- Vehicle ITC	0	PF07SJSVS	PLGECM	(60)
5	- Prior Yr Adjust	(233)	PF07SJS PS	PLTOA	(233427)
6	3) Adjust To Federal After Tax				
7	Adjust - Ark Tx Rt - ITC	3108	PF07SJSFI	PLTOAEXI	3108206
8	- Prov For Conting	(202)	PF07SJSFA	PLTOA	(202438)
9	- Vehicle ITC	(300)	PF07SJS PC	NINBIT	(300000)
10	- Prior Yr Adjust	0	PF07SJS VF	PLGECM	(250)
11	- Prior Yr Adj - ITC	(4463)	PF07SJS PF	PLTOA	(4462848)
12	- Prior Yr Adj - ITC	458	PF07SJS PI	PLTOAEXI	458611
13	4) Adjust To Prov For Def Inc Taxes				
14	Federal	(3505)	PF07FL40	PLTOAEXI	(3505250)
15	- Liber Depr Chng In Fed Tx Rt	235	PF07EN40	EQI	234992
16	- Norm NF Chng In Fed Tx Rt	(2037)	PF07FEIT	NINBIT	(2036882)
17	Adjust - Int On Tx Deficit	(5)	PF07FEID	LOMTOA	(4974)
18	- Inj & Damages	(2217)	PF07FE0U	DO1	(2217107)
19	- GGI Over/Und Recov	(75)	PF07FENL	SDOW	(75319)
20	- GGI Benton Olu Recov	(15)	PF07FEB	SDMC	(14898)
21	- GGI Paragould Olu Recov	(2)	PF07FEPO	SDOW	(2102)
22	- GGI Prescott Olu Recov	(11)	PF07FEPR	SDMC	(784)
23	- GGI No Ark Olu Recov	(4)	PF07FENA	SDMC	(4245)
24	- Nuclear Reserve	(1478)	PF07FENR	EO3	(1477767)
25	- Cool Hndl Eq Sale	(28)	PF07FECH	DO1	(28172)
26	- Tx Gn - ANO Bldg Sale	(42)	PF07FEAN	DO1	(41532)
27	- Removal Cost	(55)	PF07FERC	PLTOA	(55052)
28	- Unbilled Rev	(4980)	PF07FEUR	RSRDWTOA	(4979874)
29	- Bldg Sale	(56)	PF07FEBS	LOMTOA	(55500)
30	- West Markham SC	(4)	PF07FENM	SFMMSC	(4272)
31	- Directors Fees	(7)	PF07FEDI	LOMTOA	(7194)
32	- Retail Rev Adjmnt	(1109)	PF07FERR	RSRDWTOA	(1108853)
33	- Ref Ord #34, 82-3144	0	PF07FEAO	UPAA	8
	- GGI Def. Mo Ret PATA Rt	(518)	PF07FE40	DO1A	(57565)
	- Lib Depr Fed Eff of SFTA Chg	(82) Contd	PF07FLST	PLTOAEXI	(816416)



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

	Initials	Date
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Pg. 4/8

		1	2	3	4
		(6000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	4) Adjust To Prov For Def Inc Tx (Contd)				
3	- Norm NF Fed Eff Of St Tx Chg	2	PF07FWST	EO1	1855
3	Federal - GG1 Def-Mo Ret Fed Eff St Tx Chg	(12)	PF07FGST	DO1M	(1174)
4	- Rev Adj Mo Fuel	0	PF07FEMF	EO1M	2
5	- Ark Tx At Liber Deprec	(10)	PF07FALD	PLTOAEXT	(10459)
6	- Mo St Tx Chg Liber Deprec	1014	PF07FMLD	PLTOAEXT	1014044
7	- Ark Tx At Norm Nuc Fuel	1	PF07FANN	EO1	682
8	- Mo St Tx Eff Norm NF	(23)	PF07FMNN	EO1	(23044)
9	- Tx & Pens Capital	(49)	PF07FETA	PLTOA	(49037)
10	- Int Plt 82-314-U	(212)	PF07FEIP	PLTOAEXT	(212275)
11	- GG1 Phase-In Carr	(38810)	PF07FEPI	DO1	(38810309)
12	- GG1 Invent Def	(41470)	PF07FEIN	DO1	(41469800)
13	- GG1 Excess Capacity	(12719)	PF07FEEC	DO1	(12719071)
14	- GG1 Paragould Ph-In	(215)	PF07FEPP	SDOW	(214646)
15	- GG1 Paragould Inv Def	(233)	PF07FEPA	SDOW	(231945)
16	- GG1 Prescott Ph-In	(71)	PF07FEPS	SDMC	(70973)
17	- GG1 Prescott Inv Def	(76)	PF07FEPD	SDMC	(76219)
18	- Mo St Tx Eff GG1 Def	14	PF07FMGD	DO1	14605
19	- Deferred Fuel	23618	PF07FE0F	EO2	23617839
20	- Computer Slw Capit	(1792)	PF07FECS	PLTOAEXT	(1792387)
21	- Steam Gen Process	(1222)	PF07FESG	EO1	(1221610)
22	State, - Lib Repr Chg In Fed Tx At	204	PF07SIL40	PLTOAEXT	204115
23	Adjust-Int On Tx Deficit	(281)	PF07SEIT	NINBIT	(280739)
24	- Inj & Damages	(1)	PF07SEID	LQMTOR	(685)
25	- GG1 Over/Und Recov	(306)	PF07SE04	DO1	(305569)
26	- GG1 NLR O/U Recov	(11)	PF07SENL	SDOW	(10381)
27	- GG1 Benton O/U Recov	(2)	PF07SEB	SDMC	(2053)
28	- GG1 Paragould O/U Recov	0	PF07SEPD	SDOW	(290)
29	- GG1 Prescott O/U Recov	0	PF07SEPR	SDMC	(108)
30	- GG1 No Ark O/U Recov	(1)	PF07SENA	SDMC	(1132)
31	- Nuclear Reserve	(213)	PF07SENR	EO3	(213166)
32	- Norm NF Chg In Fed Tx At	(5)	PF07SN40	EO1	(4638)
33					



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

Prepared By	Initials	Date
Approved By		

Pg. 5/8

		1	2	3	4
			COMPUTER	ALLOCATION	
		(\$000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	4) Adjust To Prov For Def IncTx (Cont'd)				
3	State				
4	- Cool Hndl Eq, Sale	(10)	PF07SECH	DO1	(9551)
5	- Tx Gg - AND Bldg Sale	(5)	PF07SEAN	DO1	(5724)
6	- Removal Cost	(8)	PF07SERC	PLTOA	(7588)
7	- Unbilled Rev	(686)	PF07SEUR	RSRDMTOA	(686214)
8	- Bldg Sale	(13)	PF07SEBS	LOMTOA	(13620)
9	- West Markham SC	(1)	PF07SEWM	SFWMSC	(588)
10	- Directors Fees	(1)	PF07SEDI	LOMTOA	(1002)
11	- Retail Rev Adjmnt	(152)	PF07SEAR	RSRDMTOA	(152558)
12	- Ref Ord #34, 82-314 U	0	PF07SEAR	LPAR	(1)
13	- Rev Adj Mo Fuel	0	PF07SEMF	EO1M	1
14	- Ark Tx Rt Liber Deprec	23	PF07SALD	PLTOAEXI	22737
15	- Mo St Tx Chg Liber Deprec	(2204)	PF07SMLO	PLTOAEXI	(220444)
16	- Mo St Tx Chg GGI Def	(32)	PF07SMGO	DO1	(31749)
17	- Ark Tx At Norm Nuc Fuel	(1)	PF07SANN	EO1	(1482)
18	- Mo St Tx Chg Norm NF	50	PF07SMNN	EO1	50095
19	- Tx & Pens Capital	(10)	PF07SETP	PLTOA	(9514)
20	- Int Plt 82-314-U	(29)	PF07SEIP	PLTOAEXI	(29039)
21	- GGI Phase-In Curr	(5348)	PF07SEPI	DO1	(5347964)
22	- GGI Invent Def	(5714)	PF07SEIN	DO1	(5714450)
23	- GGI Excess Capacity	(1753)	PF07SEEC	DO1	(1752716)
24	- GGI Paragould Ph-In	(29)	PF07SEPP	SDOW	(29582)
25	- GGI Paragould Inv Def	(32)	PF07SEPA	SDOW	(31964)
26	- GGI Prescott Ph-In	(10)	PF07SEPS	SDMC	(9782)
27	- GGI Prescott Inv Def	(11)	PF07SEPD	SDMC	(10503)
28	- Deferred Fuel	3253	PF07SEDF	EO2	3253484
29	- Computer S/W Capit	(247)	PF07SECS	PLTOAEXI	(247000)
30	- Steam Gen Process	(168)	PF07SESG	EO1	(168333)
31	- GGI Def - Mo Ret Fd Tx Rt	3	PF07SG40	DO1M	2940
32					
33					

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Pg. 2/8



45-904 Eye-Ease
45-904 20/20 Bull
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 IncTx Def Cr				
3	Federal? - Int Cap NF Chg Fed Tx Rt	72	PF07FC14	EO1	718017
4	- Norm NF Chg Fed Tx Rt	321	PF07FCN4	EO1	3204102
5	Adjust - Int On Tx Deficit	2418	PF07FE12	NINBIT	2417445
6	- GG1 Over/Under Recov	3388	PF07CF00	DO1	3388078
7	- GG1 NLR O/U Recov	75	PF07CFNL	SDOW	75319
8	- GG1 Benton O/U Recov	15	PF07CFB	SDMC	14898
9	- GG1 Paragould O/U Recov	22	PF07CFPA	SDOW	21787
10	- GG1 Prescott O/U Recov	7	PF07CFPR	SDMC	7058
11	- GG1 No Ark O/U Recov	11	PF07CFNA	SDMC	11581
12	- Nuclear Reserve	5262	PF07FEN2	EO3	5261959
13	- Decommiss Exp	1542	PF07FEDE	DO1	1541844
14	- Unbilled Rev	4462	PF07FEU2	RSADWTOA	4462468
15	- Retail Rev Adjmnt	1565	PF07FER2	RSADWTOA	1565562
16	- 82-314U Ref #34	(132)	PF07FE34	LPAR	(131603)
17	- Mo Fuel True-Up	(112)	PF07FEM2	EO1M	(112293)
18	- FEC Jonesboro	112	PF07FEFJ	SDWA	111445
19	- Maint Cost Outage	8455	PF07FEMC	EO1	8455117
20	- Res Conting FASB S	24105	PF07CFRC	DO1	24104410
21	- Defense Property	452	PF07CFDP	SFOTAA TO	452093
22	- Pr Yr Adj Liber Deprec	423	PF07CFLO	PLTOAEXI	423103
23	- Mo St Tx Chg Liber Deprec	(305)	PF07CMLD	PLTOAEXI	(304991)
24	- Mo St Tx Chg Int NF	(16)	PF07CMNF	EO1	(15791)
25	- AECL Cost Of Money	131	PF07CFAE	DO1	131297
26	- Ark Tx Rt Nuc Fuel Norm	1	PF07FCAN	EO1	1042
27	- Mo St Tx Chg NF Norm	(73)	PF07CMNN	EO1	(73305)
28	- Poll Contr Bonds	109	PF07FEP2	DO1	9303
29	- Tx & Pens Capitol	650	PF07CETP	PLTOA	649896
30	- Intang Plt 82-314-U	354	PF07CFIP	PLTOAEXI	353788
31	- Int On Def Payables	103	PF07CFID	DO1	102961
32	- Constr Power	6	PF07CFCP	EO1	6127
33	- Int Cap NF Fed Etc Sp Tx Chg	1	PF07FCIT	EO1	1272
			Contd		

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Pg. 7/8



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
				COMPUTER	ALLOCATION	
			(\$000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS					
2	5) Adjust To Inc Tx Def Cr (Contd)					
3	Federal - Norm NF Fed E- St Tx Chg	6	PF07FCNT	EO1	5902	
4	- ISES Book Depr	85	PF07CFIS	DO1AW	84911	
5	- GGI Farm / Jonesboro	174	PF07FEJF	SDJF	174379	
6	-					
7	- Deferred Fuel	(22642)	PF07FED2	EO2	(22641582)	
8	- Computer S/W	682	PF07CFCS	PLTOAEXI	682232	
9	- Steam Gen Process	238	PF07CFSG	EO1	237792	
10	- Gain On Gas Prop	29	PF07FEGP	PLTOAEXI	29304	
11	State					
12	Adjust-Int On Tx Deficit	333	PF07SEI2	NINBIT	333128	
13	- GGI Over/Under Recov	467	PF07CSOU	DO1	466927	
14	- GGI NLR O/U Recov	11	PF07CSNL	SDOW	10381	
15	- GGI Benton O/U Recov	2	PF07CSB	SDMC	2053	
16	- GGI Paraguld O/U Recov	3	PF07CSPA	SDOW	3003	
17	- GGI Prescott O/U Recov	1	PF07CSPR	SDMC	972	
18	- GGI No Ark O/U Recov	1	PF07CSNA	SDMC	867	
19	- Nuclear Reserve	736	PF07SEN2	EO3	736346	
20	- Decommiss Exp	212	PF07SEDE	DO1	212474	
21	- Unbilled Rev	615	PF07SEU2	ASRDWTOA	614981	
22	- Retail Rev Adjmnt	216	PF07SEA2	ASRDWTOA	215707	
23	- 82-314U Ref #34	(18)	PF07SE34	LPAR	(18129)	
24	- Mo Fuel True-Up	(16)	PF07SEMA	EO1M	(15471)	
25	- FEC Jonesboro	15	PF07SEFJ	SDNH	15353	
26	- Maint Cost Outage	1165	PF07SEMC	EO1	1165168	
27	- Res Conting FASBS	3322	PF07CSAC	DO1	3322243	
28	- Pr Yr Adj Liber Deprec	61	PF07CSLD	PLTOAEXI	61270	
29	- Mo St Tx Chg Liber Deprec	663	PF07MSLD	PLTOAEXI	663023	
30	- Ark Tx Rt Int Cap NF	(1)	PF07SAIC	EO1	(791)	
31	- Mo St Tx Chg Int NF	34	PF07MSNF	EO1	34328	
32						
33						

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PJ-8/8



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

		1	2	3	4
			COMPUTER	ALLOCATION	
		(3000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	5) Adjust To IncTx Def Cr (Contd)				
3	State				
4	- AECL Cost Of Money	18	PF07CSNE	DO1	18045
5	- Ark Tx Rt Nucl Fuel Norm	(2)	PF07SCAN	EO1	(2265)
6	- Mo St Tx Chg NF Norm	120	PF07MSNN	EO1	159359
7	- Poll Contr Bonds	1	PF07SEP2	DO1	1281
8	- Tx & Pens Capital	89	PF07CSTP	PLTOA	88897
9	- Intang Plt 82-314-U	49	PF07CSIP	PLTOAEXI	49224
10	- Int Ch Def Payables	14	PF07CSIN	DO1	13944
11	- Constr Pwr	1	PF07CSCP	EO1	849
12	- ISES Book Depr	12	PF07CSIS	DO1AW	11701
13	- GGI Farm/Jonesboro	24	PF07SEJF	SOJF	24024
14	- Deferred Fuel	(3119)	PF07SE02	EO2	(3119409)
15	- Computer Slw	94	PF07CSCS	PLTOAEXI	94000
16	- Steam Gen Process	33	PF07CSSG	EO1	32767
17	- Gain On Gas Prop	1	PF07SEGP	PLTOAEXI	795
18	- Int Cap NF Chg Fed Tx Rt	(3)	PF07SC14	EO1	(3179)
19	- Norm NF Chg Fed Tx Rt	(15)	PF07SCN4	EO1	(14754)
20	6) Adjust To Invest Tx Cr - Net				
21	Adjust - ITC Provision	(3108)	PF07ITC	PLTOAEXI	(3108206)
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					

34% TAX ADJ

Page 1 of 5

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

Rate Case 6/86 MRRC

Pro Forma # 7

Prepared By Taxes & Special Studies

Date Prepared 12/08/86

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 Tax Rate Decrease To 34%. Eliminate Sch. 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-----		_____
ADTAA	ACCUM DEF TX - ACCEL AMORT-----		_____
ADTLB	ACCUM DEF TX - LIB DEPREC-----		145,601
ADTO	ACCUM DEF TX - OTHER-----		(66,158)
ADTITC	ACCUM DEF INVEST TX CR - 3%-----		_____
	TOTAL-----	\$	79,443

() = DECREASE TO RATE BASE

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

Pro Forma # 7STRING
NAMEREVENUESDate Prepared 12/08/86

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 <u>3.36%</u> -----		4,225
FTAX	INCOME TAXES - FEDERAL <u>34%</u> -----		36,219
DTDRS	PROV. DEFERRED INC. TAX - STATE-----		(13,548)
DTDRF	PROV. DEFERRED INC. TAX - FEDERAL-----		(91,223)
DTCRS	PROV. DEF. INC. TAX CREDIT - STATE-----		5,161
DTCRF	PROV. DEF. INC. TAX CREDIT - FEDERAL-----		32,294
ITC	INVESTMENT TAX CREDIT ADJ.-----		(3,108)

TOTAL UTILITY OPERATING EXP.-----	\$	(29,980)
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NET UTILITY OPERATING INCOME-----	\$	29,980
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ARKANSAS POWER & LIGHT COMPANY
TEST YEAR PRO-FORMA ADJUSTMENT
ADJUSTMENTS TO TAXABLE INCOME
(000's)

Pro Forma # 7Date Prepared 12/08/86STRING
NAMEREVENUE

ADJUSTMENTS APPLICABLE TO UTILITY OPERATING INCOME:

AO1	UNBILLED REVENUE-----	\$ (3,211)
AO2	INCREASE IN RESERVES-----	(4,287)
AO3	PROP RET RESERVE APPROP-----	
AO4	RESERVED REVENUES-----	(1,692)
AO5	INTEREST ON TAX DEFICIT-----	(891)
AO6	NUCLEAR FUEL EXPENSE-----	
AO7	INTEREST ON NUCLEAR RESERVES-----	(558)
AO8	BOOK DEPRECIATION ON NACC CME-----	
AO9	INTEREST - DOE LIABILITY-----	11,328
AO10	CONSTRUCTION POWER-----	34
AO11	MISSOURI FUEL TRUE-UP-----	273
AO12	ACRS RETIREMENTS-----	514
AO13	OTHER TAXES CHARGED - PLANT ACCTS-----	179
AO14	DEPR FOR TAX PURPOSES-----	
AO15	REMOVAL EXPENSES-----	4,801
AO16	PENSION PLAN DED FOR TAXES-----	38
AO17	REAL & PERSONAL PROP TAXES-----	105
AO18	DEFERRED FUEL COSTS-----	(2,257)
AO19	NUCLEAR REFUELING MAINTENANCE-----	(19,546)
AO20	ANO SHUTDOWN EXPENSE-----	(2,483)
AO21	INT ON NUCLEAR FUEL-----	2,937
AO22	ALLOW FOR FUNDS DUR CONST-----	1,440
AO23	NUCLEAR RESERVE EXP-----	(8,191)
AO24	INTERCOMPANY SALES-----	(372)
AO25	OTHER GAIN SALE OF PROPERTY-----	109
AO26	SALE VEHICLE ITC-----	(1)
AO27	DEFERRED DIRECTORS FEES-----	37
AO28	MISCELLANEOUS INTANGIBLE PLANT-----	491
AO29	LEASE COST CAP ON COAL HDLNG EQPT-----	(93)
AO30	TMI ACCRUED-----	349
AO31	TAX DEFICIT INTEREST PAYMENTS-----	11
AO32	INTEREST ON DECOMMISSIONING-----	(1,553)
AO33	COMPUTER SOFTWARE CAPITALIZED-----	3,917
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 # 7

**STRING
NAME**

REVENUE

Date Prepared 12/08/86

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

AO39	INTEREST ON PCB-----	\$	(21)
AO40	AMORT OF STEAM GEN PROC DEVELOPMENT-----		
AO41	AMORT OF GAIN ON SALE OF BLDGS-----		109
AO42	STEAM GEN PROC DEVELOPMENT-----		1,312
AO43	ARK WHSLE ER81-577-----		941
AO44	PENSION PMNT 1985-86-----		(7,605)
AO45	RESERVE FOR CONTINGENCIES-----		(55,723)
AO46	INVENTORY DEFERRAL GG1 SETTLEMENT-----		(3,444)
AO47	GG1 COST OVER/UNDER RECOVERY-----		(2,707)
AO48	GG1 RESERVE - FARMERS-----		(661)
AO49	INVENTORY SHARE DEF - GG1 SETTLEMENT-----		101,462
AO50	GG1 - DEF MISSOURI RETAIL-----		
AO51	GG1 - DEF ARKANSAS WHSLE-----		1,296
AO52	CURRENT RECOVERY SHARE DEF - GG1-----		89,718
AO53	GG1 RESERVE EQUAL CREDIT-----		(2,152)
AO54	ANNUALIZE INTEREST ON ADJUSTED RATE BASE-----		
INT	TOTAL INTEREST CHARGES-----		

TOTAL ADJUSTMENTS TO UTILITY OPERATING INCOME \$	103,573
--	---------

() = 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 12/08/86STATE BEFORE TAX ADJUSTMENTS

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

STATE AFTER TAX ADJUSTMENTS

MOTADJS	MISSOURI TAX RATE ADJUSTMENT-----	TO 2.76%	\$	737	*
SPYADJ	STATE TAX ASSOC W/PRIOR YR ADJ-----			(233)	
SCWIP	INTEREST ON CWIP-----			_____	
VITCS	VEHICLE ITC - NET OF TAX-----			_____	
ARTADJS	ARKANSAS TAX RATE ADJUSTMENT-----			439	
MOTXADS	MISSOURI TAX RATE ADJ. TO 3.36%-----			(198)	*
	_____			_____	
	_____			_____	

FEDERAL BEFORE TAX ADJUSTMENTS

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

FEDERAL AFTER TAX ADJUSTMENTS

FCWIP	INTEREST ON CWIP-----	\$	_____
STAD	VARIOUS TAX RATES-----		_____
FITC	INVESTMENT TAX CREDIT-----		3,108
FPYADJ	FED TAX ASSOC W/PRIOR YR ADJ-----		(4,463)
VITCF	VEHICLE ITC - NET OF TAX-----		_____
FO5	PROV FOR CONTINGENCIES-----		(300)
MOTADJF	MISSOURI TAX RATE ADJUSTMENT-----	TO 2.76%-FED EFF	(251) *
ARTADJF	ARKANSAS TAX RATE ADJUSTMENT-----		(202)
PYAIRC	PRIOR YR ADJUST - ITC-----		458
MOTXADF	MISSOURI TAX RATE ADJ. TO 3.36%-----		67 *
FTXRT	FEDERAL TAX RATE TO 34%-----		3,770 *

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

Proforma 7 at 4/29/85 with 3.34% Mo rate
Eliminating def taxes not allowed in MRC
FEDERAL TAX RATE ADJUSTED TO 34%
MACRO : R

ARKANSAS POWER AND LIGHT COMPANY
TAX NORMALIZATION-PROFORMA ADJUSTMENT #7

MRC-6/86-342
SENER SUMMARY
PF7MO342

SCW/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 ACCUM-DEF INCOME TAXES
1/2	ADJ DEF INC TAX - 46% TO 40%			404,832	(6,793,290)	(35,865)	796,611						
1/2	ADJUST DEF INC TAX PROV-SUMMARY			(13,553,176)	(84,429,152)	5,197,105	31,497,324						
1/2	MISC ADJ FOR DEF TAX & ST J	3,479,998	34,031,045								103,571,366		79,442,614
1/2	ELIMINATE CURRENT TAX ITEMS	745,102	2,187,550					(3,108,204)					
	TOTAL	4,225,100	36,218,615	(13,548,344)	(91,222,442)	5,161,237	33,293,945	(3,108,204)	0	0	103,571,366	0	79,442,614

ARKANSAS POWER AND LIGHT COMPANY
DEFERRED INCOME TAXES
STATE - ARK

NRPC-6/86-342
Page 1
PAGE 18

ITEM-STATE	PROV FOR	PROV FOR	NET	ADJUSTMENTS FOR 6X TO 2.762		NET	ADJUSTMENTS FROM SCHEDULE 4				PROVISIONS FOR DEFERRED				
	DEF INC TAX	DEF INC TAX	PROVISION	DR.	(CR)	PROVISION	DR.	DR-PROVISION-	CR-PROVISION-	DR.	(CR)	INCOME TAXES-STATE	(CR)		
	DR.	CR	DR (CR)			DR (CR)		(CR)				DR.	(CR)		
190 INTEREST ON TAX DEF	271,811	(322,453)	(50,642)	A	B	(50,642)		(271,811)	a	322,453	a	0	0		
INJ & DAN RESERVE	657	0	657			657		(657)	a	0	a	0	0		
PROP INC RESERVE	0	0	0			0		0	a	0	a	0	0		
GGI-PUR/UND RECOVERY	309,324	(448,595)	(139,271)			(139,271)		(309,324)	a	448,595	a	0	0		
NUCLEAR RESERVE	197,096	(712,574)	(515,478)			(515,478)		(197,096)	a	712,574	a	0	0		
DECOMMISSIONING-AND	0	(205,530)	(205,530)			(205,530)		0	a	205,530	a	0	0		
SALE OF CME	9,515	0	9,515			9,515		(9,515)	a	0	a	0	0		
AND BING SALE	5,472	0	5,472			5,472		(5,472)	a	0	a	0	0		
REMOVAL COST	7,379	0	7,379			7,379		(7,379)	a	0	a	0	0		
UNBILLED REVENUE	462,550	(595,044)	(132,494)			(132,494)		(462,550)	a	595,044	a	0	0		
BING SALE-TAX GAIN	13,620	0	13,620			13,620		(13,620)	a	0	a	0	0		
TAX WITH H. HARRIS	588	0	588			588		(588)	a	0	a	0	0		
DEV DIRECTORS FEES	979	0	979			979		(979)	a	0	a	0	0		
RETAIL REVENUE ADJ	147,125	(210,319)	(63,194)			(63,194)		(147,125)	a	210,319	a	0	0		
ACT 310 REFUNDING	(1,767)	19,295	17,528			17,528		1,767	a	(19,295)	a	0	0		
NEW ADJ NO FUEL	(59)	14,923	14,923			14,923		59	a	(14,923)	a	0	0		
FOR FURNISHING	0	(14,840)	(14,840)			(14,840)		0	a	14,840	a	0	0		
LOST IN AD-AND	0	0	0			0		0	a	0	a	0	0		
WASTE COST-SURGE	0	(1,127,241)	(1,127,241)			(1,127,241)		0	a	1,127,241	a	0	0		
RESERVE FUND S	0	(3,216,512)	(3,216,512)			(3,216,512)		0	a	3,216,512	a	0	0		
201 ACCT. BOUNTY FUND	0	0	0			0		0	a	0	a	0	0		
202 LIBERALIZED FPR	2,945,879	(1,200,379)	2,457,540	(2,204,444)	663,023	1,116,119	136,424	c		61,420	b	(982)	c	1,877,259	(564,798)
INT CAP INC FUEL	0	(58,827)	(58,827)			(58,827)	24,328					(4,744)	c	0	(29,240)
ACCT COST OF MONEY	0	(17,336)	(17,336)			(17,336)		0	a	17,336	a	0	0	0	0
WIND OF INC FUEL	(85,878)	(281,521)	(367,399)	50,095	159,259	(155,945)	(8,890)	c				(13,589)	c	(42,673)	(135,751)
FULL COST BASIS	0	(1,239)	(1,239)			(1,239)		0	a	1,239	a	0	0	0	0
WASTE & REMOVAL CAP	9,244	(87,404)	(78,160)			(78,160)		(9,244)	a	87,404	a	0	0	0	0
WASTE PLANT B23140	28,244	(44,525)	(16,281)			(16,281)		(28,244)	a	44,525	a	0	0	0	0
INT ON DEF FUNDING	0	(12,944)	(12,944)			(12,944)		0	a	12,944	a	0	0	0	0
CONSTRUCTION POWER	0	(849)	(849)			(849)		0	a	849	a	0	0	0	0
INT BOND STYR CAP	0	(11,137)	(11,137)			(11,137)		0	a	11,137	a	0	0	0	0
203 DEFERRAL	12,530,553	(23,720)	12,507,333	(31,749)		12,475,584		(12,471,759)	a	23,720	a	27,045		0	0
DEFERRED FUEL	(3,133,612)	3,004,782	(128,830)			(128,830)	3,133,612	a		(3,004,782)	a	0	0	0	0
COMPUTED DEFERRAL	236,921	(90,621)	146,300			146,300		(236,921)	a	90,621	a	0	0	0	0
STAND FOR DEFERRAL	142,567	(31,493)	111,074			111,074		(142,567)	a	31,493	a	0	0	0	0
TOTAL	15,222,297	(5,786,704)	9,535,511	(2,186,098)	854,710	8,206,123	3,241,146		(14,535,432)	7,224,219		(3,024,017)		1,862,231	(729,792)

4-ELIMINATE ITEMS FROM RATE CASE
1-PREREY YEARS ADJUSTMENT
1-DEFERRAL TAX RATE

ITEM-STATE	PROVISIONS FOR DEFERRED INCOME TAXES-STATE		ADJUSTMENT FOR CHANGE IN FEDERAL RATE- STATE EFFECT 2.762 TO 3.362	
	DR.	CR.	DR.	CR.
202 LIBERALIZED FPR	1,877,259	(564,798)	408,230	
INT CAP INC FUEL		(29,240)		(4,357)
WIND OF INC FUEL	(42,673)	(135,751)	(4,277)	(29,511)
203-DEFERRAL-NO NET	27,945	0	5,874	
TOTAL	1,862,231	(729,792)	409,827	(34,868)

PROVISIONS FOR DEFERRED INCOME TAXES-STATE		ADJUSTMENT FOR CHANGE IN FEDERAL RATE- STATE EFFECT 2.762 TO 3.362	
DR.	CR.	DR.	CR.
2,204,009	(564,798)		
0	(35,000)		
(51,950)	(105,262)		
32,924	0		
2,204,009	(705,060)		

ARKANSAS POWER AND LIGHT COMPANY
DEFERRED INCOME TAXES
FEDERAL

FORM 6706-30E
PART
SCHEDULE 1
PAGE 14

ITEM-FEDERAL	PROV FOR DEF INC TAX DR.	PROV FOR DEF INC TAX CR.	NET PROVISION DR (CR)	ADJUSTMENTS FOR 4% TO 2.74% DR.	(CR)	NET PROVISION DR (CR)	ADJUSTMENTS FROM SCHEDULE 4 DR.	(CR)	DR-PROVISION	CR-PROVISION	PROVISIONS FOR DEFERRED INCOME TAXES-FEDERAL DR.	(CR)
140 INTEREST ON TAX DEF	2,036,882	(2,417,445)	(380,563)			(380,563)			(2,036,882)	2,417,445	0	0
INJ & DAN RESERVE	4,974	0	4,974			4,974			(4,974)	0	0	0
PROP INS RESERVE	0	0	0			0			0	0	0	0
GGI OVER/UNDER REC	2,314,455	(3,518,721)	(1,204,266)			(1,204,266)			(2,314,455)	3,518,721	0	0
NUCLEAR RESERVE	1,477,747	(5,261,959)	(3,784,192)			(3,784,192)			(1,477,747)	5,261,959	0	0
DECOMMISSIONING-AND	0	(1,541,844)	(1,541,844)			(1,541,844)			0	1,541,844	0	0
SALE OF CME	48,172	0	48,172			48,172			(48,172)	0	0	0
AND PLUG SALE	41,532	0	41,532			41,532			(41,532)	0	0	0
REMOVAL COST	55,052	0	55,052			55,052			(55,052)	0	0	0
UNBILLED REVENUE	4,979,874	(4,462,445)	517,429			517,429			(4,979,874)	4,462,445	0	0
PLUG S/L-TAX GAIN	55,500	0	55,500			55,500			(55,500)	0	0	0
TAX GAIN W. NADHAN	4,272	0	4,272			4,272			(4,272)	0	0	0
DEF DIRECTORS FEES	7,194	0	7,194			7,194			(7,194)	0	0	0
RETAIL REVENUE ADJ	1,106,852	(1,565,562)	(458,710)			(458,710)			(1,106,852)	1,565,562	0	0
ACT 310 REFUND#24	(8)	131,595	131,595			131,595			0	(131,603)	0	0
REV ADJ NO FUEL	(2)	112,291	112,291			112,291			2	(112,293)	0	0
REC-JONESBORO	0	(111,445)	(111,445)			(111,445)			0	111,445	0	0
CONT IN AID-AMP	0	0	0			0			0	0	0	0
MAINT COST-OUTAGE	0	(8,455,117)	(8,455,117)			(8,455,117)			0	8,455,117	0	0
RES CONT FASO S	6	(24,104,410)	(24,104,410)			(24,104,410)			0	24,104,410	0	0
201 ACCEL AMORT PROP	0	(452,093)	(452,093)			(452,093)			0	452,093	0	0
202 LITERIALIZED DEPR	25,870,002	(3,325,314)	22,544,688	1,014,044	(394,991)	23,544,741			(10,459)	423,107	24,873,567	(3,217,302)
INT CAP MUC FUEL	0	(534,726)	(534,726)		(15,791)	(550,517)			0	0	0	(550,517)
ARCC COST OF MONEY	0	(131,297)	(131,297)			(131,297)			0	131,297	0	0
WORN OF MUC FUEL	(1,779,242)	(2,384,149)	(4,163,391)	(2,044)	(73,305)	(4,259,740)			602	1,042	(1,001,404)	(2,456,412)
POLL CHNL BONDS	0	(9,303)	(9,303)			(9,303)			0	9,303	0	0
TAXES & PENSIONS CAP	69,027	(449,896)	(380,869)			(380,869)			(69,027)	449,896	0	0
INTANG PLANT #23140	212,275	(353,480)	(141,205)			(141,205)			(212,275)	353,480	0	0
INT ON DEF PAYABLES	0	(102,961)	(102,961)			(102,961)			0	102,961	0	0
CONSTRUCTION POWER	0	(4,127)	(4,127)			(4,127)			0	4,127	0	0
ISRS BOOK DEPR CAP	0	(84,911)	(84,911)			(84,911)			0	84,911	0	0
GGI-DEFERRALS	94,019,730	(174,379)	93,845,351	14,605		93,859,956			(93,859,956)	174,379	441,332	0
203 DEFERRED FUEL	(23,617,839)	22,641,582	(976,257)			(976,257)	23,617,839		0	(22,641,582)	0	0
COMPUTER SOFTWARE	1,792,387	(462,232)	1,330,155			1,330,155			(1,792,387)	462,232	0	0
STEAM GEN PROCESS	1,221,610	(237,792)	983,818			983,818			(1,221,610)	237,792	0	0
GAIN ON GAS PROPERTY	0	(29,304)	(29,304)			(29,304)			0	29,304	0	0
TOTALS	109,942,467	(37,721,465)	72,221,002	1,025,605	(394,067)	72,832,520	23,617,839	(109,952,596)	54,532,003	(22,641,582)	25,513,215	(4,224,131)

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

	PROVISIONS FOR DEFERRED INCOME TAXES-FEDERAL DR.	ADJUSTMENT FOR CHANGE IN FEDERAL RATE-4% TO 34% DR.	ADJUSTMENT FOR CHANGE IN FEDERAL RATE-FEDERAL EFFECT OF STATE CHANGE DR.	PROVISIONS FOR DEFERRED INCOME TAXES-FEDERAL DR.	(CR)
202 LITERIALIZED DEPR	24,873,567	(3,217,302)	(7,010,501)	19,724,268	(3,217,302)
INT CAP MUC FUEL	0	(550,517)	142,613	0	(408,743)
WORN OF MUC FUEL	(1,001,404)	(2,456,412)	469,984	(1,220,466)	(1,005,579)
GGI-DEFERRAL- NO RET	441,332	(115,130)	(1,999)	324,202	0
TOTALS	25,513,215	(6,224,131)	784,416	18,720,025	(5,427,520)

AMERICAN POWER AND LIGHT COMPANY
DEFERRED INCOME TAXES

MPRC-6786-342
PPb)
SCHED 1

ITEM	PROV FOR	PROV FOR	NET	ADJUSTMENTS FOR 42 TO 2-742		NET	ADJUSTMENTS FROM SCHEDULE 4				PROVISIONS FOR DEFERRED	
	DEF INC TAX DR.	DEF INC TAX CR.	PROVISION DR (CR)	DR.	(CR)	DR (CR)	DR - PROVISION	(CR)	DR.	CR - PROVISION	DR.	(CR)
190 INTEREST ON TAX DEF	8,928	(10,715)	(1,787)			(1,787)		(8,928) a		10,715 a	0	0
INJ & DAM RESERVE	28	0	28			28		(28) a		0 a	0	0
PROP INS RESERVE	0	0	0			0		0 a		0 a	0	0
CGI-DUR/UND RECOVERY	10,209	(15,408)	(5,199)			(5,199)		(10,209) a		15,408 a	0	0
NUCLEAR RESERVE	16,070	(23,772)	(7,702)			(7,702)		(16,070) a		23,772 a	0	0
DECOMMISSIONING-AMO	0	(6,944)	(6,944)			(6,944)		0 a		6,944 a	0	0
SALE OF CPE	36	0	36			36		(36) a		0 a	0	0
AMO BLDG SALE	252	0	252			252		(252) a		0 a	0	0
REMOVAL COST	209	0	209			209		(209) a		0 a	0	0
UNBILLED REVENUE	23,664	(19,937)	3,727			3,727		(23,664) a		19,937 a	0	0
BLDG S/L-TAX GAIN	0	0	0			0		0 a		0 a	0	0
TAX GAIN W. HARRAH	0	0	0			0		0 a		0 a	0	0
DIRECTORS FEES	23	0	23			23		(23) a		0 a	0	0
RETAIL REVENUE ADJ	5,433	(5,388)	45			45		(5,433) a		5,388 a	0	0
ACT 310 REFUNDING	1,768	(1,166)	602			602		(1,768) a		1,166 a	0	0
REV ADJ NO FUEL	58	489	547			547		(58) a		(489) a	0	0
FEC-JONESBORO	0	(513)	(513)			(513)		0 a		513 a	0	0
CONT IN AID-AMP	0	0	0			0		0 a		0 a	0	0
MAINT COST-OUTAGE	0	(37,927)	(37,927)			(37,927)		0 a		37,927 a	0	0
RES CONT FASO S	0	(105,731)	(105,731)			(105,731)		0 a		105,731 a	0	0
281 ACCEL AMORT PROP	0	0	0			0		0 a		0 a	0	0
292 LIBERALIZED DEPR	113,687	(752)	112,935			112,935		(113,687) c		752 c	0	0
INT CAP MUC FUEL	0	(3,953)	(3,953)			(3,953)		0 b		3,953 c	0	0
AEEC COST OF MONEY	0	(729)	(729)			(729)		0 a		729 a	0	0
MONM OF MUC FUEL	(7,408)	(11,324)	(18,732)			(18,732)		7,408 c		11,324 c	0	0
POLL CMTL BONDS	0	(42)	(42)			(42)		0 a		42 c	0	0
TAXES & PENSIONS CAP	268	(1,493)	(1,225)			(1,225)		(268) a		1,493 a	0	0
INTANG PLANT 42314U	740	(2,699)	(1,959)			(1,959)		(740) a		2,699 a	0	0
INT ON DEF PAYABLES	0	0	0			0		0 a		0 a	0	0
CONSTRUCTION POWER	0	0	0			0		0 a		0 a	0	0
DEPR BOOK DEPR CAP	0	(564)	(564)			(564)		0 a		564 a	0	0
CGI-DEFERRAL	425,204	(804)	424,400			424,400		(425,204) a		804 a	0	0
283 DEFERRED FUEL	(119,872)	114,627	(5,245)			(5,245)	119,872 a			(114,627) a	0	0
COMPUTER SOFTWARE	8,079	(3,379)	4,700			4,700		(8,079) a		3,379 a	0	0
STEAM GEN PROCESS	5,816	(1,074)	4,742			4,742		(5,816) a		1,074 a	0	0
GAIN ON GAS PROPERTY	0	(795)	(795)			(795)				795 a	0	0
TOTALS	493,192	(140,193)	352,999	0	0	352,999	119,872	(613,064)	254,820	(114,627)	0	0

a-ELIMINATE ITEMS FROM RATE CASE
b-PRIOR YEARS ADJUSTMENT
c-MISSOURI TAX RATE
d-PER ATTACHED SCHEDULE 4, PAGE 2

ARKANSAS POWER AND LIGHT COMPANY
MISCELLANEOUS ADJUSTMENTS

MPAC-6/86-34%
PAGE 1/2

ADJUST ITEMS PER STATEMENT J (ADJUSTMENTS TO NET INCOME)

ITEM	SCHEDULE M AMT
INCREASE IN RESERVES	(4,287,419)
INTEREST ON DECOMMISSIONING	(1,552,983)
UNBILLED REVENUES	(3,211,924)
INTEREST ON TAX DEFICIENCIES	(890,919)
NUCLEAR RESERVE EXPENSE	(8,191,341)
INTEREST ON NUCLEAR RESERVE	(558,379)
DEFERRED DIRECTORS FEES	36,506
RESERVED REVENUES	(1,691,350)
AMORT OF INTANG PLANT-USES	(466,799)
ARK WHOLESALE 881577	940,707
W8 CHE LEASE COST	(93,488)
INTEREST ON DOE LIABILITY	11,328,436
SALE OF VEHICLE ITC	(578)
MISSOURI FUEL TRUE-UP	273,379
INTEREST ON PCB'S	(21,456)
NUCLEAR REFUELING MAINT-AND II	(19,545,854)
POSITION PMT 85-86	(7,604,582)
GG1 OVER/UNDER RECOVERY	(2,796,944)
INVENTORY DEFERRAL GG1 SETTLEMENT	(3,444,294)
GG1 RESERVE EQUALIZATION CREDIT	(2,152,071)
RESERVE FARMERS	(660,737)
RESERVE FOR CONTINGENCIES	(55,723,128)
AFDC	1,440,073
TAXES AND PENSIONS	322,069
REMOVAL COST	4,300,622
DEFERRED FUEL COST	(2,256,604)
GAIN ON SALE OF PROP	108,637
NUCLEAR FUEL INTEREST CAPITALIZED	2,996,710
AMORT OF GAINS ON PROPERTY	196,000
AND SHUTDOWN EXPENSE	(2,487,396)
TAX DEF INT PAYMENTS	11,182
COMPUTER SOFTWARE	3,916,588
MISC INTANG PLANT	490,721
STEAM GEN PROC DEV	1,312,063
INVENTORY SHARE DEF-GG1 SETTLEMENT	101,462,499
CURRENT REC SHARE DEF-GG1	89,718,201
GG1-DEF ARKANSAS WHOLESALE	1,299,783
TML ACCRUAL	349,358
INTERCOMPANY SALES-EXCL USES	(371,805)
CONSTRUCTION POWER	39,574
ACRS RETIREMENTS	513,350
FEDERAL STATEMENT J ADJUSTMENT	103,571,366
STATE CURRENT TAXES @3.36%	3,479,998
FEDERAL CURRENT TAXES @34%	34,031,065

ADJUST ACC DEF INCOME TAXES

ITEM	6/30/86 ACC DEF INC TAXES
INTEREST ON TAX DEFICIENCY	5,822,054
INJ AND OAM RESERVE	3,691
GG1-OVR/UND REC	1,495,734
NUCLEAR RESERVE	6,467,947
DECOMMISSION-AND	7,650,276
SALE OF CHE	1,519,281
AND BUILDING SALE	1,407,353
REMOVAL COST	2,567,342
UNBILLED REVENUE	4,515,200
BUILDING S/L TAX GAIN	1,382,309
TAX GAIN W MARYHAM	95,406
RETAIL REVENUE ADJUSTMENT	2,562,754
MAINT COST-OUTAGE	(2,310,567)
RES CONT FASB 85	27,426,653
TAXES AND PENSIONS	(23,905,507)
ROLL CONTROL BONDS	47,565
INTANGIBLE PLANT 82-314-U	(925,458)
INTEREST ON PAY	(3,104,703)
NORM PRICD PLANTS	(9,465,372)
USES BOOK DEPR CAP	(2,088,905)
COMPUTER SOFTWARE CAP	(6,316,342)
GG1 PHASE IN	(106,291,563)
USES CORPORATION SALE	(958,773)
INDEPENDENCE SALE TO MP&L	(5,142,327)
DEFERRED FUEL	4,478,701
STEAM GEN PROCESS	(1,119,384)
CONSTRUCTION POWER	(197,476)
INT CAP NUC FUEL (46%-40%)	(143,405)
GG1- MO RETAIL DEF (46%-40%)	(128,236)
ACC DEF INC TAX	(79,442,614)

AIC 190 75,224,577

AIC 282 (38,840,380)

AIC 283 (6,316,342)

AIC 282 (106,291,563)

AIC 283 (2,751,789)

AIC 282 (197,476)

(143,405) (1542557,49221) (36221) (5429551) > AIC 282 (271,441)

ITEM	STATE	FEDERAL
ADJUST FOR STATE TAX RATE	498,580	(202,438)
ELIMINATE VEHICLE ITC (NET OF TAX)	(60)	(250)
ELIMINATE PROVISION FOR CONTINGENCIES		(300,000)
NET ITC ADJ (PRIOR YEAR ADJ)		458,611
PRIOR PERIOD ADJUSTMENT	(233,427)	(4,462,848)
ADJ FOR MD RATE [(32,927,429) * (.05 - .0276)]	737,574	(250,775)
ADJ FOR FED RATE CHANGE-		
MO STATE EFFECT [(32,927,429) * (.0276 - .0336)]	(197,565)	67,172
FEDERAL EFFECT [(31,415,593) * (.46 - .34)]		3,769,872
ELIMINATE INVESTMENT TAX CREDIT		3,108,206
TOTAL ADJUSTMENT TO CURRENT TAXES	745,102	2,187,550

(INVESTMENT TAX
CREDIT ADJUSTMENT
DECREASED BY SAME
AMOUNT)

6186 MRRC - 34% Fed. Tx. Rate

Prepared By	Initials	Date
Approved By		

Ag. 1/8



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
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.				
	(30003)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
RATE BASE ADJUSTMENTS				
1) Adjust-Accum Def Inc Tx-Lib Deprec	601			45601020
Adjust-Liberal Deprec	145339	PF07ADLB	PLTOAEXI	45329419
2) Adjust-Accum Def Inc Tx-Other				
Adjust-Acc Def Tx-Other	(66158)	PF07ADTO	PLTOAEXI	(66158446)
EXPENSE ADJUSTMENTS				
1) Adjust To Operating Inc Before Taxes				
Adjust-Int On Decommissioning	(1553)	PF07SJID	DO1	(1552983)
- Unbilled Revenues	(32111)	PF07SJUR	RSRDWTOA	(32111024)
- Int On Tx Deficit	(891)	PF07SJIT	NINAIT	(890919)
- Nucl Reserve Expense	(8191)	PF07SJNR	E03	(8191341)
- Int On Nucl Reserves	(558)	PF07SJIN	E03	(558379)
- Def Directors Fees	37	PF07SJDF	LOMTOA	36506
- Reserved Revenues	(1692)	PF07SJRR	RSRDWTOA	(1691950)
- Ark Whole ER81-577	941	PF07SJ81	SDMC	940707
- Int On DOE Liab	11328	PF07SJDO	E01	11328436
- Sale Of Vehicle-ITC	(1)	PF07SJSV	PLGECM	(578)
- Mo Fuel True-Up	273	PF07SJMF	E01M	273379
- Nucl Refuel Mnt-AN02	(19546)	PF07SJRM	E01	(19545854)
- Pension Amnt 198586	(7605)	PF07SJPP	LOMTOA	(7604582)
- GGI Cost Over/Under Rec	(2707)	PF07SJCO	DO1	(2706944)
- Invent Def GGI Settle	(3444)	PF07SJDI	DO1	(3444234)
- GGI Res Equal Cr	(2152)	PF07SJRE	DO1	(2152071)
- Reserve-Farmers	(661)	PF07SJAF	SDOW	(660737)
- Res For Conting	(55723)	PF07SJAC	DO1	(55723128)
Contd.				



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

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PRO-FORMA ADJUSTMENTS- ADJUST. #7

	Initials	Date
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Pg. 2/8

		1	2	3	4	
			COMPUTER	ALLOCATION		
		(\$000's)	CODE	FACTOR	AMOUNT	
EXPENSE ADJUSTMENTS						
1) Adjust To Operating Inc Before Taxes (Cont'd)						
- AFDC	1440	PF07SJAF	PLTOA	1440073		
- Def Fuel Costs	(2257)	PF07SJFC	EO2	(2256604)		
- Gain On Sale OF Prop	109	PF07SJGS	LOMTOA	108637		
- ANO Shutdown Exp	(2483)	PF07SJAN	DO1	(2483396)		
- Tx Def Int Payments	11	PF07SJIP	DO1	111182		
- Computer Software	3917	PF07SJCS	PLTOAEXI	3916588		
- Misc Intang Plt	491	PF07SJMI	PLTOAEXI	490721		
- Steam Gen Proc Dev	1312	PF07SJSG	EO1	1312063		
- Inv Share Def-GG1 Settle	101462	PF07SJSQ	DO1	101462499		
- Cur Rec Share Def-GG1	89718	PF07SJCX	DO1	89718201		
- GG1-Def Ark Whse	1296	PF07SJAM	SDMC	1295783		
- TMI Accrual	349	PF07SJTM	DO1	349358		
- Interco Sales	(372)	PF07SJIS	PLTOA	(371805)		
- Construct Pwr	34	PF07SJCP	EO1	33574		
- ACRS Retire Losses	514	PF07SJAC	PLTOA	513950		
- Increase In Reserves	(4287)	PF07SJIR	PLTOA	(4287419)		
- Amort OF Intan Plt-ISES	(467)	PF07SJAI	DO1AN	(466799)		
- Lease Cost NB CHE	(93)	PF07SJCH	DO1	(93488)		
- Int On PCB's	(21)	PF07SJAC	DO1	(21456)		
- Oth Tx Chgd-PltAIC	179	PF07SJOI	PLTOA	179065		
- R&PTxs Chgd WO's	105	PF07SJRA	PLTOA	105090		
- Pens Plan Ded For Tx	38	PF07SJPE	LOMTOA	37913		
- Removal Expenses	4801	PF07SJRV	PLTOA	4800622		
- Amort BK Gn-WMSC	5	PF07SJWM	SFWMSC	5312		
- Amort BK Gn-ANO Bldg	82	PF07SJAB	DO1	82048		
- Amort Gn On Sl-Bldgs	109	PF07SJAG	LOMTOA	108640		
- Nucl Fuel Int Capital	2937	PF07SJNF	EO1	2936710		



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

AP42

PRO-FORMA ADJUSTMENTS-ADJUST. #7

	Initials	Date
Prepared By		
Approved By		

Pg. 3/8

		1	2	3	4
			COMPUTER	ALLOCATION	
		(<\$000's)	CODE	FACTOR	AMOUNT
EXPENSE ADJUSTMENTS					
2) Adjust To State After Tax					
Adjust - Ark Tx Rt		439	PF07SJSA	PLTOA	438580
- Vehicle ITC		0	PF07SJVS	PLGECM	(60)
- Prior Yr Adjust		(233)	PF07SJPS	PLTOA	(233427)
3) Adjust To Federal After Tax					
Adjust - Ark Tx Rt - ITC		3108	PF07SJFI	ALTOAEXI	3108206
		(202)	PF07SJFA	PLTOA	(202438)
- Prov For Conting		(300)	PF07SJPC	NINBIT	(300000)
- Vehicle ITC		0	PF07SJVF	PLGECM	(250)
- Prior Yr Adjust		(4463)	PF07SJPF	PLTOA	(4462848)
- Prior Yr Adj-ITC		458	PF07SJPI	PLTOAEXI	458611
4) Adjust To Prov For Def Inc Taxes					
Federal		(7011)	PF07FL34	ALTOAEXI	(7010501)
- Liber Depr Chg In Fed Tx Rt		470	PF07FN34	EO1	469784
- Norm NF Chg In Fed Tx Rt					
Adjust - Int On Tx Deficit		(2037)	PF07FEIT	NINBIT	(2036882)
- Inj & Damages		(5)	PF07FEID	LOMTOA	(49774)
- GGI Over/Und Recov		(2217)	PF07FEOU	DO1	(2217107)
- GGI NLR O/U Recov		(75)	PF07FENL	SDOW	(75319)
- GGI Benton O/U Recov		(15)	PF07FEB	SDMC	(14898)
- GGI Paragould O/U Recov		(2)	PF07FEPO	SDOW	(2102)
- GGI Prescott O/U Recov		(11)	PF07FEPR	SDMC	(784)
- GGI No Ark O/U Recov		(4)	PF07FENA	SDMC	(4345)
- Nuclear Reserve		(1478)	PF07FENR	EO3	(1477767)
- Cool Hndl Eq Sale		(68)	PF07FECH	DO1	(68172)
- Tx Gn - ANO Bldg Sale		(42)	PF07FEAN	DO1	(41532)
- Removal Cost		(55)	PF07FERC	PLTOA	(55052)
- Unbilled Rev		(4980)	PF07FEUR	RSRDWTOA	(4979874)
- Bldg Sale		(56)	PF07FEBS	LOMTOA	(55500)
- West Markham SC		(4)	PF07FENM	SFWMSC	(4272)
- Directors Fees		(7)	PF07FEDI	LOMTOA	(7194)
- Retail Rev Adjmnt		(1109)	PF07FERR	RSRDWTOA	(1108853)
- Ref Ord #34, 82-3144		0	PF07FEAO	LPAA	8
- GGI Def-Mo Ret Fed Tx Rt		(1150)	PF07FE34	DO1M	(115130)
- Lib Depr Fed Eff Of ST Tx Chg		(129)	PF07FLST	PLTOAEXI	(128798)



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

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PRO-FORMA ADJUSTMENTS-ADJUST.#7

	Initials	Date
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Pg. 4/8

		1	2	3	4
			COMPUTER	ALLOCATION	
		(\$000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	4) Adjust To Prov For Def IncTx (Cont'd)				
3	Federal - Norm NF Fed Eff Of StTx Chg	3	PF07FNST	EO1	3154
4	- GG1 Def-Mo Ret Fed Eff StTx Chg	(2)	PF07FGST	DO1M	(1999)
5	- Rev Adj Mo Fuel	0	PF07FEMP	EO1M	2
6	- Aik Tx Rt Liber Deprec	(10)	PF07FALD	PLTOAEXI	(10459)
7	- Mo StTx Chg Liber Deprec	1014	PF07FMLD	PLTOAEXI	1014044
8	- Aik Tx Rt Norm Nuc Fuel	1	PF07FANN	EO1	682
9	- Mo StTx Eff Norm NF	(23)	PF07FMNN	EO1	(23044)
10	- Tx & Pens Capital	(49)	PF07FETP	PLTOA	(49027)
11	- Int Plt 82-314U	(212)	PF07FEIP	PLTOAEXI	(212275)
12	- GG1 Phase-In Carr	(38810)	PF07FEPI	DO1	(38810309)
13	- GG1 Invent Def	(41470)	PF07FEID	DO1	(41469800)
14	- GG1 Excess Capacity	(12719)	PF07FEED	DO1	(12719071)
15	- GG1 Paragould Ph-In	(215)	PF07FEPP	SDOW	(214666)
16	- GG1 Paragould Inv Def	(232)	PF07FEPA	SDOW	(231945)
17	- GG1 Prescott Ph-In	(71)	PF07FEPS	SDMC	(70973)
18	- GG1 Prescott Inv Def	(76)	PF07FEPD	SDMC	(76219)
19	- Mo StTx Eff GG1 Def	14	PF07FMGB	DO1	14605
20	- Deferred Fuel	23618	PF07FEDF	EO2	23617839
21	- Computer SlW CapIt	(1792)	PF07FECS	PLTOAEXI	(1792387)
22	- Steam Gen Process	(1222)	PF07FESG	EO1	(1221610)
23	State - Lib Depr Chg In Fed Tx Rt	408	PF07SL34	PLTOAEXI	408230
24	Adjust-Int OnTx Deficit	(281)	PF07SEIT	NINBIT	(280739)
25	- Inj & Damages	(1)	PF07SEID	LMDTA	(685)
26	- GG1 Over/Und Recov	(306)	PF07SE04	DO1	(305569)
27	- GG1 NLR O/u Recov	(11)	PF07SENL	SDOW	(10381)
28	- GG1 Benton O/u Recov	(2)	PF07SEB	SDMC	(2053)
29	- GG1 Paragould O/u Recov	0	PF07SEPD	SDOW	(290)
30	- GG1 Prescott O/u Recov	0	PF07SEPR	SDMC	(108)
31	- GG1 No Aik O/u Recov	(1)	PF07SENF	SDMC	(1132)
32	- Nuclear Reserve	(213)	PF07SENR	EO3	(213166)
	- Norm NF Chg In Fed Tx Rt	(9)	PF07SN34	EO1	(9277)

Cont'd



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

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PRO-FORMA ADJUSTMENTS - ADJUST. #7

Prepared By	Initials	Date
Approved By		

Pg. 5/8

		1	2	3	4	
		(3000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT	
EXPENSE ADJUSTMENTS						1
4) Adjust To Prov For Def Inc Tx (Cont'd)						2
State						3
- Cool Hndl Eq Sale	(10)	PFO7SECH	DO1	(9551)		4
- Tx Gd - AND Bldg Sale	(5)	PFO7SEAN	DO1	(5724)		5
- Removal Cost	(8)	PFO7SEAC	PLTOA	(7588)		6
- Unbilled Rev	(682)	PFO7SEUR	RSADWTOA	(682214)		7
- Bldg Sale	(13)	PFO7SEBS	LOMTOA	(13220)		8
- West Markham SC	(1)	PFO7SEWM	SFWMSC	(588)		9
- Directors Fees	(1)	PFO7SEDI	LOMTOA	(1002)		10
- Retail Rev Adjmnt	(152)	PFO7SEAR	RSADWTOA	(152558)		11
- Ref Ord #34, 82-314 U	0	PFO7SERO	LPAR	(1)		12
- Rev Adj Mo Fuel	0	PFO7SEMF	EO1M	1		13
- Ark Tx Rt Liber Deprec	23	PFO7SALD	PLTOAEXI	22737		14
- Mo St Tx Chg Liber Deprec	(2204)	PFO7SMLD	PLTOAEXI	(2204444)		15
- Mo St Tx Chg GGI Def	(32)	PFO7SMGD	DO1	(31749)		16
- Ark Tx Rt Norm Nucel Fuel	(1)	PFO7SANN	EO1	(1482)		17
- Mo St Tx Chg Norm NF	50	PFO7SMNN	EO1	50095		18
- Tx & Pans Capital	(10)	PFO7SETP	PLTOA	(9514)		19
- Int Plt 82-314-U	(29)	PFO7SEIF	PLTOAEXI	(29039)		20
- GGI Phase-In Curr	(5348)	PFO7SEPI	DO1	(5347966)		21
- GGI Invent Def	(5714)	PFO7SEIN	DO1	(5714450)		22
- GGI Excess Capacity	(1753)	PFO7SEEC	DO1	(1752716)		23
- GGI Paragould Ph-In	(29)	PFO7SEPP	SDOW	(29582)		24
- GGI Paragould Inv Def	(32)	PFO7SEPA	SDOW	(31964)		25
- GGI Prescott Ph-In	(10)	PFO7SEPS	SDMC	(9782)		26
- GGI Prescott Inv Def	(11)	PFO7SEPD	SDMC	(10503)		27
- Deferred Fuel	3253	PFO7SEDF	EO2	3253484		28
- Computer SIW Caplt	(247)	PFO7SECS	PLTOAEXI	(247000)		29
- Steam Gen Process	(168)	PFO7SESG	EO1	(168333)		30
- GGI Def-Mo Ret Fd Tx Rt	6	PFO7SG34	DO1M	5879		31
						32



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

APCL

PRO-FORMA ADJUSTMENTS-ADJUST.#7

	Initials	Date
Prepared By		
Approved By		

Pg. 2/8

		1	2	3	4	
			COMPUTER	ALLOCATION		
		(\$000's)	CODE	FACTOR	AMOUNT	
EXPENSE ADJUSTMENTS						1
S) Adjust To Inc Tx Def Cr						2
Federal	- Int Cap NF Chg Fed Tx At	144	PF07FCI3	EO1	143413	3
	- Norm NF Chg Fed Tx At	441	PF07FCN3	EO1	440823	3
Adjust - Int On Tx Deficit		2418	PF07FEI2	NINBIT	2417445	4
- GG1 Over/Under Recov		3388	PF07CF0U	DO1	3388078	5
- GG1 NLR O/U Recov		75	PF07CFNL	SDOW	75319	6
- GG1 Benton O/U Recov		15	PF07CFB	SDMC	14898	7
- GG1 Paragould O/U Recov		22	PF07CFPA	SDOW	21787	8
- GG1 Prescott O/U Recov		7	PF07CFPR	SDMC	7058	9
- GG1 No Ark O/U Recov		11	PF07CFNA	SDMC	11581	10
- Nuclear Reserve		5262	PF07FEN2	EO3	5261959	11
- Decommiss Exp		1542	PF07FEDE	DO1	1541844	12
- Unbilled Rev		4462	PF07FEU2	RSADWTOA	4462468	13
- Retail Rev Adjmnt		1565	PF07FER2	RSADWTOA	1565562	14
- 82-314U Ref #34		(132)	PF07FE34	LPAR	(131603)	15
- Mo Fuel True-Up		(112)	PF07FEM2	EO1M	(112293)	16
- FEC Jonesboro		112	PF07FEFJ	SDWH	111445	17
- Maint Cost Outage		8455	PF07FEMC	EO1	8455117	18
- Res Conting FASBS		24105	PF07CFRC	DO1	24104410	19
- Defense Property		452	PF07CFDP	SFOTAAO	452093	20
- Pr Yr Adj Liber Deprec		423	PF07CFLD	PLTOAEXI	423103	21
- Mo St Tx Chg Liber Deprec		(305)	PF07CMLD	PLTOAEXI	(304991)	22
- Mo St Tx Chg Int NF		(126) (125)	PF07CMNF	EO1	(15791)	23
- AECC Cost Of Money		131	PF07CFAE	DO1	131297	24
- Ark Tx At Nucl Fuel Norm		1	PF07FCAN	EO1	1042	25
- Mo St Tx Chg NF Norm		(73)	PF07CMNN	EO1	(73305)	26
- Poll Contr Bonds		10 9	PF07FEP2	DO1	9303	27
- Tx & Pens Capital		650	PF07CETP	PLTOA	649896	28
- Intang Plt 82-314-U		354	PF07CFIA	PLTOAEXI	353488	29
- Int On Def Payables		103	PF07CFID	DO1	102961	30
- Constr Power		6	PF07CFCP	EO1	6127	31
- Int Cap NF Fed EIT St Tx Chg		2	PF07FCIT	EO1	2161	32
			Contd			



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

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PRO-FORMA ADJUSTMENTS - ADJUST. #7

Prepared By	Initials	Date
Approved By		

Pg. 7/8

			COMPUTER	ALLOCATION	
		(\$000's)	CODE	FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	5) Adjust To Inc Tx Def Cr (Contd)				
3	Federal - Norm NF Fed Eff St Tx Chg	10	PF07FCNT	EO1	10034
4	- ISES Book Depr	85	PF07CFIS	DO1AW	84911
5	- GGI Farm / Jonesboro	174	PF07FEJF	SOJF	174379
6	-				
7	- Deferred Fuel	(22642)	PF07FED2	EO2	(22641582)
8	- Computer S/W	682	PF07CFCS	PLTOAEXI	682232
9	- Steam Gen Process	238	PF07CFSG	EO1	237792
10	- Gain On Gas Prop	29	PF07FEGP	PLTOAEXI	29304
11	State				
12	Adjust-Int On Tx Deficit	333	PF07SEI2	NINBIT	333128
13	- GGI Over/Under Recov	427	PF07CSOU	DO1	426927
14	- GGI NLR O/U Recov	11	PF07CSNL	SDOW	10381
15	- GGI Benton O/U Recov	2	PF07CSB	SDMC	2053
16	- GGI Paragould O/U Recov	3	PF07CSPA	SDOW	3003
17	- GGI Prescott O/U Recov	1	PF07CSPR	SDMC	972
18	- GGI No Ark O/U Recov	1	PF07CSNA	SDMC	867
19	- Nuclear Reserve	736	PF07SEN2	EO3	736342
20	- Decommiss Exp	212	PF07SEDE	DO1	212474
21	- Unbilled Rev	615	PF07SEU2	RSRDWTOA	614981
22	- Retail Rev Adjmnt	216	PF07SEA2	RSRDWTOA	215707
23	- 82-314U Ref #34	(18)	PF07SE34	L.PAR	(18129)
24	- Mo Fuel True-Up	(16)	PF07SEMA	EO1M	(15471)
25	- FEC Jonesboro	15	PF07SEFJ	SDWH	15353
26	- Maint Cost Outage	1165	PF07SEMC	EO1	1165168
27	- Res Conting FASB5	3322	PF07CSAC	DO1	3322243
28	- Pr Yr Adj Liber Deprac	61	PF07CSLD	PLTOAEXI	61270
29	- Mo St Tx Chg Liber Deprac	663	PF07MSLD	PLTOAEXI	663023
30	- Ark Tx Rt Int Cap NF	(1)	PF07SAIC	EO1	(791)
31	- Mo St Tx Chg Int NF	34	PF07MSNF	EO1	34328
32					

Contd



48-904 Eye-Ease
48-904 20/20 Buff
Made in USA

APOL

PRO-FORMA ADJUSTMENTS - ADJUST. # 7

	Initials	Date
Prepared By		
Approved By		

Pg. 8/8

		1	2	3	4
		(3000's)	COMPUTER CODE	ALLOCATION FACTOR	AMOUNT
1	EXPENSE ADJUSTMENTS				
2	5) Adjust To IncTx Def Cr (Contd)				
3	State				
4	- BECU Cost of Money	18	PF07CSAE	DO1	18045
5	- Ark Tx Rt Nucl Fuel Norm	(2)	PF07SCAN	EO1	(2265)
6	- Mo St Tx Chg NF Norm	120	PF07MSNN	EO1	159359
7	- Pol Contr Bonds	1	PF07SEP2	DO1	1281
8	- Tx & Pens Capital	89	PF07CSTP	PLTOA	88897
9	- Intang Plt 82-314-U	49	PF07CSIA	PLTOAEXI	49224
10	- Int Ch Def Payables	14	PF07CSID	DO1	13944
11	- Constr Pwr	1	PF07CSCA	EO1	849
12	- ISES Book Depr	12	PF07CSIS	DO1AW	11701
13	- GGI Farm/Jonesboro	24	PF07SEJF	SOJF	24024
14	- Deferred Fuel	(3119)	PF07SED2	EO2	(3119409)
15	- Computer SW	94	PF07CSCS	PLTOAEXI	94000
16	- Steam Gen Process	33	PF07CSSG	EO1	32767
17	- Gain On Gas Prop	1	PF07SEGP	PLTOAEXI	795
18	- Int Cap NF Chg Fed Tx Rt	(6)	PF07SCIE	EO1	(6357)
19	- Norm NF Chg Fed Tx Rt	(30)	PF07SCN3	EO1	(29511)
20	6) Adjust To Invest Tx Cr-Net				
21	Adjust- ITC Provision	(3108)	PF07ITC	PLTOAEXI	(3108206)
22					
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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(**)
 FILE TAXRT34%

ACCT #	DESCRIPTION	12-31-86 ESTIMATED BALANCE @ 47.49%	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	129,962	114,500	15,462	26,585	0.0367	976
282.860	GG1 - MISSOURI RETAIL	1,331,492	1,173,081	158,411	272,372	1.0000	272,372
		1,461,454	1,287,581	173,873	298,957		273,348

ACCT #	DESCRIPTION	12-31-87 ESTIMATED BALANCE @ 41.84%	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	0.0367	0
282.860	GG1 - MISSOURI RETAIL	2,692,414	2,330,766	361,648	567,028	1.0000	567,028
		2,692,414	2,330,766	361,648	567,028		567,028
				TOTAL REFUND	865,985		840,376

(*) MISSOURI NORMALIZED ITEMS ONLY.

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