

Empire Electric Company-MO
Pro forma June-2010 Electric Cost of Service Study
Missouri
Functionalization Phase

Account Description	Account Code	Account Balance	Functional Allocation Factor	Electric Procurement Supply	Radial Transmission Trans	Dist Transmission Dist Trn 34kV	Dist Transmission Dist Trn 13kV	Dist Transmission Secondary	Onsite	
I. ELECTRIC PLANT IN SERVICE										
A. INTANGIBLE PLANT										
1	Organization	301	26,709	TPIS	13,999	2,861	0	6,044	3,300	504
2	Franchises and Consents	302	963,261	TPIS	504,865	103,195	0	217,993	119,032	18,176
3	Miscellaneous Intangible Plant	303	14,229,852	TPIS	7,458,160	1,524,450	0	3,220,324	1,758,407	268,511
4	Subtotal - INTANGIBLE PLANT	301-303	15,219,822		7,977,023	1,630,506	0	3,444,361	1,880,740	287,192
5										
6	B. PRODUCTION PLANT									
7										
8	Land and Land Rights	(310, 330, 340)	1,825,806	PROCURE	1,825,806	0	0	0	0	0
9	Structures and Improvements	(311, 331, 341)	85,735,461	PROCURE	85,735,461	0	0	0	0	0
10	Boiler Plant Equipment	(312, 342)	353,209,056	PROCURE	353,209,056	0	0	0	0	0
11	Engines and Generators	343	191,728,737	PROCURE	191,728,737	0	0	0	0	0
12	Turbogenerator Units	(314, 333, 344)	103,059,160	PROCURE	103,059,160	0	0	0	0	0
13	Accessory Electric Equipment	(315, 334, 345)	60,630,634	PROCURE	60,630,634	0	0	0	0	0
14	Misc. Power Plant Equipment	316, 332, 335, 346	69,931,794	PROCURE	69,931,794	0	0	0	0	0
15	Subtotal - OTHER PLANT	340-346	866,120,649		866,120,649	0	0	0	0	0
16										
17	Subtotal - PRODUCTION PLANT	304-346	866,120,649		866,120,649	0	0	0	0	0
18										
19	C. TRANSMISSION PLANT									
20										
21	Land and Land Rights	350	9,231,201	T-LINES	0	9,231,201	0	0	0	0
22	Structures and Improvements	352	2,412,095	T-LINES	0	2,412,095	0	0	0	0
23	Station Equipment	353	78,785,516	T-LINES	0	78,785,516	0	0	0	0
24	Towers and Fixtures	354	666,181	T-LINES	0	666,181	0	0	0	0
25	Poles and Fixtures	355	33,466,425	T-LINES	0	33,466,425	0	0	0	0
26	Overhead Conductors and Devices	356	54,188,686	T-LINES	0	54,188,686	0	0	0	0
27	Underground Conduit	357	0	T-LINES	0	0	0	0	0	0
28	Underground Conductors and Devices	358	0	T-LINES	0	0	0	0	0	0
29	Roads and Trails	359	0	T-LINES	0	0	0	0	0	0
30	Subtotal - TRANSMISSION PLANT	350-359	178,750,105		0	178,750,105	0	0	0	0
31										
32	D. DISTRIBUTION PLANT									

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69 Energy Conservation Programs	182.3	0	SEC	0	0	0	0	0	0
70 Property Held for Future Use	105	0	PROPHELD	0	0	0	0	0	0
71 Construction Work in Progress	107	0	CWIP	0	0	0	0	0	0
72 Nuclear Plant Costs - Calvert Cliffs	182.3	0	PRODPT	0	0	0	0	0	0
73 Total Additions to Utility Plant		0		0	0	0	0	0	0
74									
75 TOTAL UTILITY PLANT		1,713,152,932		897,898,867	183,530,796	0	387,699,518	211,697,262	32,326,490
76									
77 II. DEPRECIATION RESERVE									
78									
79 Intangible	108.3	-8,855,006	TPIS	-4,641,092	-948,640	0	-2,003,955	-1,094,228	-167,090
80 Transmission	108.4	-59,662,056	TRANSPT	0	-59,662,056	0	0	0	0
81 Procurement Supply	108	-166,794,147	PROCURE	-166,794,147	0	0	0	0	0
82 Radial Transmission	108	0	DISTPT	0	0	0	0	0	0
83 34kv	108	0	DISTPT	0	0	0	0	0	0
84 Primary	108	-147,268,441	13KV	0	0	0	-147,268,441	0	0
85 Secondary	108	-44,117,861	SEC	0	0	0	0	-44,117,861	0
86 Services	108	-40,140,192	DISTPT	0	0	0	-25,118,533	-13,894,991	-1,126,667
87 Meters	108	-5,815,229	DISTPT	0	0	0	-3,638,997	-2,013,009	-163,224
88 Streetlight	108.5	-4,687,496	DISTPT	0	0	0	-2,933,295	-1,622,631	-131,570
89 General	108.6	-32,928,845	GENPT	-14,650,777	-1,939,090	0	-5,579,278	-1,396,930	-9,362,770
90 Retirement Work in Progress	108.7	0	CWIP	0	0	0	0	0	0
91 Subtotal-DEPRECIATION RESERVE		-510,269,272		-186,086,016	-62,549,786	0	-186,542,499	-64,139,651	-10,951,321
92									
93 Dep. Res.- adjust for 13 month avg.	108.9	0	DISTPT	0	0	0	0	0	0
94									
95 TOTAL RESERVE FOR DEPRECIATION	108	-510,269,272		-186,086,016	-62,549,786	0	-186,542,499	-64,139,651	-10,951,321
96									
97 III. OTHER RATE BASE ITEMS									
98									
99 Deferred Fuel Cost	183	13,591,193	PROCURE	13,591,193	0	0	0	0	0
100 Prepayments	165	3,562,343	TPIS	1,867,097	381,635	0	806,185	440,205	67,220
101 Cash Working Capital-Plant	131	-3,226,279	TPIS	-1,690,959	-345,633	0	-730,131	-398,677	-60,879
102 Cash Working Capital-Labor	131	4,752,723	LABOR	2,114,592	279,875	0	805,275	201,623	1,351,358
103 Cash Working Capital-Fuel	131	7,031,914	PROCURE	7,031,914	0	0	0	0	0
104 FAS Regulatory Tracker	106	-47,507	TPIS	-24,899	-5,089	0	-10,751	-5,871	-896

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141 Supervision and Engineering	560	281,724	T-LINES	0	281,724	0	0	0	0
142 Load Dispatching	561	379,089	T-LINES	0	379,089	0	0	0	0
143 Station Expenses	562	182,899	T-LINES	0	182,899	0	0	0	0
144 Overhead Line Expenses	563	574,154	T-LINES	0	574,154	0	0	0	0
145 Underground Lines Expenses	564	0	T-LINES	0	0	0	0	0	0
146 Transmission by Others	565	3,242,099	T-LINES	0	3,242,099	0	0	0	0
147 Miscellaneous Expenses	566	453,801	T-LINES	0	453,801	0	0	0	0
148 Rents	567	146	T-LINES	0	146	0	0	0	0
149 Supervision and Engineering	568	55,238	T-LINES	0	55,238	0	0	0	0
150 Maintenance of Structures	569	8,633	T-LINES	0	8,633	0	0	0	0
151 Maintenance of Station Equipment	570	401,816	T-LINES	0	401,816	0	0	0	0
152 Maintenance of Overhead Lines	571	2,019,516	T-LINES	0	2,019,516	0	0	0	0
153 Maintenance of Underground Lines	572	0	T-LINES	0	0	0	0	0	0
154 Misc Maintenance - Credits	573	0	T-LINES	0	0	0	0	0	0
155 TOTAL TRANSMISSION EXPENSES	560-573	7,599,115		0	7,599,115	0	0	0	0
156									
157 C. DISTRIBUTION EXPENSE									
158									
159 Operation Supervision & Engineering	580	777,660	D-LABOR	0	0	0	446,216	111,723	219,721
160 Load Dispatching	581	0	D-LABOR	0	0	0	0	0	0
161 Station Expenses	582	526,936	ACCT-362	0	0	0	526,936	0	0
162 Overhead Line Expenses	583	1,549,466	HCOND&DE	0	0	0	1,325,509	223,958	0
163 Underground Line Expenses	584	558,840	JGCOND&DE	0	0	0	558,840	0	0
164 Street Light and Signal Systems	585	95,177	SEC	0	0	0	0	95,177	0
165 Meter Expenses	586	2,382,130	Onsite	0	0	0	0	0	2,382,130
166 Customer Installation Expenses	587	112,579	SEC	0	0	0	0	112,579	0
167 Misc. Distribution Expenses	588	1,001,379	DISTPT	0	0	0	626,633	346,639	28,107
168 Rents	589	3,663	DISTPT	0	0	0	2,292	1,268	103
169 Maint Supervision & Engineering	590	161,253	D-LABOR	0	0	0	92,526	23,166	45,561
170 Maint of Structures	591	80,370	ACCT-360	0	0	0	80,370	0	0
171 Maintenance of Station Equipment	592	1,238,602	ACCT-362	0	0	0	1,238,602	0	0
172 Maintenance of Overhead Lines	593	12,301,565	HCOND&DE	0	0	0	10,523,512	1,778,053	0
173 Maintenance of Underground Lines	594	619,589	JGCOND&DE	0	0	0	619,589	0	0
174 Maintenance of Line Transformers	595	250,454	LINETRANS	0	0	0	0	250,454	0
175 Maintenance of Street Lights	596	382,355	SEC	0	0	0	0	382,355	0
176 Maintenance of Meters	597	275,258	Onsite	0	0	0	0	0	275,258

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177 Maintenance of Misc. Plant	598	185,063	DISTPT	0	0	0	115,807	64,062	5,194
178 Misc. Distribution - Credits	599	0	DISTPT	0	0	0	0	0	0
179 Subtotal - DISTRIBUTION EXPENSES	580-599	22,502,339		0	0	0	16,156,832	3,389,434	2,956,074
180									
181 Total - OPER. AND MAINT. EXPENSE	500-599	198,316,261		168,214,807	7,599,115	0	16,156,832	3,389,434	2,956,074
182									
183 D. CUSTOMER ACCOUNTS AND SERVICE									
184									
185 Supervision	901	503,948	Onsite	0	0	0	0	0	503,948
186 Meter Reading Expenses	902	1,688,078	Onsite	0	0	0	0	0	1,688,078
187 Customer Records & Collection Expense	903	4,406,240	Onsite	0	0	0	0	0	4,406,240
188 Uncollectible Accounts	904	2,310,043	REVREQ	1,586,310	145,150	0	311,017	135,607	131,960
189 Misc Customer Accounts Expenses	905	187,086	Onsite	0	0	0	0	0	187,086
190 Subtotal - Customer Accounts Expense	901-905	9,095,396		1,586,310	145,150	0	311,017	135,607	6,917,312
191									
192 Customer Assistance Exp Electric	(907, 908)	1,195,069	Onsite	0	0	0	0	0	1,195,069
193 Supervision	909	154,619	Onsite	0	0	0	0	0	154,619
194 Customer Assistance Expenses	910	6,257	Onsite	0	0	0	0	0	6,257
195 Information, Instructional Advertising	911	7,906	Onsite	0	0	0	0	0	7,906
196 Misc Customer Serv & Inform Expen	912	340,272	Onsite	0	0	0	0	0	340,272
197 Rents	913	0	Onsite	0	0	0	0	0	0
198 Subtotal - Customer Service & Info.	909-913	1,704,124		0	0	0	0	0	1,704,124
199									
200 Supervision	915	0	Onsite	0	0	0	0	0	0
201 Demonstrating & Selling Expenses	916	0	Onsite	0	0	0	0	0	0
202 Advertising Expenses	917	0	Onsite	0	0	0	0	0	0
203 Miscellaneous Sales Expenses	918	0	Onsite	0	0	0	0	0	0
204 Subtotal - Sales Expense	915-919	0		0	0	0	0	0	0
205									
206 Total - CUST ACCTS, SERVS, & SALES	901-919	10,799,519		1,586,310	145,150	0	311,017	135,607	8,621,436
207									
208 E. ADMINISTRATIVE AND GENERAL									
209									
210 LABOR RELATED EXPENSES									
211									
212 Administrative & General Salaries	920	7,632,259	LABOR	3,395,762	449,443	0	1,293,167	323,781	2,170,106

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213 Office Supplies & Expenses	921	1,880,667	LABOR	836,750	110,747	0	318,650	79,783	534,736
214 Admin Expenses Transferred-Credit	922	-2,038,418	LABOR	-906,938	-120,037	0	-345,378	-86,475	-579,590
215 Outside Services Employed	923	2,624,131	LABOR	1,167,534	154,528	0	444,618	111,323	746,128
216 Employee Pensions and Benefits	926	14,178,863	LABOR	6,308,492	834,955	0	2,402,387	601,505	4,031,524
217 Subtotal - O & M Accounts 920-923,926	920-926	24,277,502		10,801,602	1,429,636	0	4,113,443	1,029,917	6,902,904
218									
219 PLANT RELATED EXPENSES									
220									
221 Property Insurance	924	2,025,648	TPIS	1,061,684	217,008	0	458,419	250,313	38,223
222 Injuries and Damages	925	1,343,860	TPIS	704,345	143,968	0	304,126	166,063	25,358
223 Maintenance of General Plant (also acct 935)	935	224,728	TPIS	117,785	24,075	0	50,858	27,770	4,241
224 Subtotal - O & M Accounts 924-925	924,925,935	3,594,236		1,883,813	385,052	0	813,403	444,146	67,822
225									
226 OTHER A&G EXPENSES									
227									
228 Franchise Requirements	927	0	PTLABOR	0	0	0	0	0	0
229 Regulatory Commission Expenses	928	792,407	PTLABOR	360,652	51,592	0	140,073	41,908	198,181
230 Duplicate Charges-Credit	929	-213,164	PTLABOR	-97,019	-13,879	0	-37,681	-11,274	-53,312
231 General Advertising Expenses	930.1	1,872,023	PTLABOR	852,024	121,885	0	330,915	99,006	468,193
232 Miscellaneous General Expenses	930.2	0	PTLABOR	0	0	0	0	0	0
233 Rents	931	120,670	PTLABOR	54,921	7,857	0	21,331	6,382	30,180
234 Misc Expenses - Credit	932	0	PTLABOR	0	0	0	0	0	0
235 Subtotal	927-932	2,571,936		1,170,579	167,455	0	454,637	136,023	643,242
236									
237 TOTAL A&G EXPENSES	920-932	30,443,674		13,855,994	1,982,143	0	5,381,484	1,610,086	7,613,967
238									
239 TOTAL OPERATING EXPENSES		239,559,454		183,657,112	9,726,407	0	21,849,332	5,135,126	19,191,477
240									
241 II. DEPRECIATION EXPENSE									
242									
243 Intangible Plant	403.1	0	TPIS	0	0	0	0	0	0
244 Procurement Supply	403	24,363,889	PROCURE	24,363,889	0	0	0	0	0
245 Radial Transmission	403	3,789,115	TRANSPT	0	3,789,115	0	0	0	0
246 34kv	403	0	34KV	0	0	0	0	0	0
247 Primary	403	11,613,432	13KV	0	0	0	11,613,432	0	0
248 Secondary	403	3,479,087	SEC	0	0	0	0	3,479,087	0

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285	TOTAL EXPENSES	<u>332,594,268</u>		<u>234,493,756</u>	<u>18,096,870</u>	<u>0</u>	<u>42,629,929</u>	<u>15,716,917</u>	<u>21,656,795</u>
286									
287	IV. OPERATING REVENUES								
288				69%	6%	0%	13%	6%	6%
289	Revenues	440-446 395,791,087	REVREQ	271,790,330	24,869,197	0	53,288,041	23,234,249	22,609,269
290	Production Other Rev	440-446 1,916,717	PROCURE	1,916,717	0	0	0	0	0
291	Forfeited Discounts - Mo	440-446 1,904,507	TPIS	998,192	204,031	0	431,004	235,343	35,937
292	Reconnect Charges-Missouri	440-446 81,290	SEC	0	0	0	0	81,290	0
293	Ot Elec Rev-Off-Sys	440-446 2,205,879	PROCURE	2,205,879	0	0	0	0	0
294	Rent From Elec Property-Mo	440-446 629,813	TPIS	330,098	67,472	0	142,531	77,827	11,884
295	Universal Services	440-446 0	REVREQ	0	0	0	0	0	0
296	Interdepartmental Revenues	448 0	REVREQ	0	0	0	0	0	0
297	Excess Fac Revenues	450-456 2,085,260	SEC	0	0	0	0	2,085,260	0
298	Total Operating Revenues	404,614,554		277,241,216	25,140,700	0	53,861,577	25,713,970	22,657,091
299									
300	Gains/Losses from Disp. of Utility Plant	0	REVREQ	0	0	0	0	0	0
301	Gains/Losses from Energy Purchases	0	REVREQ	0	0	0	0	0	0
302	Allowance for Funds During Construction	0	REVREQ	0	0	0	0	0	0
303	Interest on Customer Deposits	-320,741	SEC	0	0	0	0	-320,741	0
304									
305	V. NET INCOME	71,699,545		42,747,459	7,043,830	0	11,231,648	9,676,311	1,000,296
306	Rate of Return	6.71%		6.63%	6.48%	#N/A	6.40%	8.22%	4.75%