

## REGULATORY AMORTIZATION

SURREBUTTAL SCHEDULE  
LJW-1

	Before Amortization	With Regulatory Amortization	
		No Gross-up	Gross-up
Operating Revenues	312,286,340	312,286,340	312,286,340
Revenues from Regulatory Amortization -			
Before Tax Gross-up		9,274,053	9,274,053
Tax Gross-up	-	-	5,778,784
Regulatory Amortization (Total)	-	9,274,053	15,052,837
Revised Operating Revenues	312,286,340	321,560,393	327,339,177
Operating Expenses	199,821,131	199,821,131	199,821,131
Book Depreciation	32,373,757	32,373,757	32,373,757
Taxes Other Than Income and Misc Exp.	11,413,393	11,413,393	11,413,393
Federal and State Income Tax Expense	17,358,207	17,358,207	17,358,207
Amortization (Total)	-	9,274,053	15,052,837
Total Operating Expenses	260,966,488	270,240,541	276,019,325
Operating Income	51,319,852	51,319,852	51,319,852
Income Tax Expense Computation -			
Operating Income	51,319,852	51,319,852	51,319,852
Add;			
Income Tax Expense	17,358,207	17,358,207	17,358,207
Book Depreciation	32,373,757	32,373,757	32,373,757
Amortization (Total)	-	9,274,053	15,052,837
	49,731,964	59,006,017	64,784,801
Less:			
Interest Expense	23,033,933	23,033,933	23,033,933
Tax Depreciation	36,145,484	36,145,484	36,145,484
	59,179,417	59,179,417	59,179,417
Taxable Income	41,872,399	51,146,452	56,925,236
Current Income Tax Expense @ 38.39%	16,074,814	19,635,123	21,853,598
Deferred Tax -			
Tax Depreciation	36,145,484	36,145,484	36,145,484
Book Depreciation	(32,373,757)	(32,373,757)	(32,373,757)
Amortization (Total)	-	(9,274,053)	(15,052,837)
Deferral Basis	3,771,727	(5,502,326)	(11,281,110)
Deferred Income Tax Expense @ 38.39%	1,447,966	(2,112,343)	(4,330,818)
Income Tax Expense	17,522,780	17,522,780	17,522,780
Funds Provided -			
Operating Income (Before Amortization)	51,319,852	51,319,852	51,319,852
Less Interest Expense	(23,033,933)	(23,033,933)	(23,033,933)
Add Original Income Tax Expense	17,358,207	17,358,207	17,358,207
* Less New Income Tax Expense (Above)	(17,522,780)	(17,522,780)	(17,522,780)
Subtotal	28,121,346	28,121,346	28,121,346
Add Non-Cash Expenses -			
Book Depreciation	32,373,757	32,373,757	32,373,757
Amortization	-	9,274,053	15,052,837
Deferred Income Tax Expense	1,447,966	(2,112,343)	(4,330,818)
Funds From Operations (FFO)	61,943,069	67,656,813	71,217,122
Change in FFO	-	5,713,744	9,274,053
Income Tax Provision Proof:			
Income Before Income Tax	45,644,126	45,644,126	45,644,126
New Income Tax Expense	17,522,780	17,522,780	17,522,780
Effective Income Tax Rate	38.39%	38.39%	38.39%

\* Excludes Other Miscellaneous Non-Amortization Related Income Tax Items.