

THE EMPIRE DISTRICT ELECTRIC COMPANY
BALANCE SHEET
PRO - FORMA reflecting proposed Financing changes
ASSETS AND OTHER DEBITS
SEPTEMBER 30, 2005

	A	B	D
	Actual	Adjustments- Shelf	Adjusted Total
UTILITY PLANT:			
1 Electric Plant in Service	\$ 1,252,390,772		\$ 1,252,390,772
2 Water Plant in Service	9,675,908		9,675,908
2a Non-Regulated Property	25,519,535		25,519,535
3 Construction Work in Progress	30,595,305	292,413,587	323,008,892
4 Total Utility Plant	1,318,181,520	292,413,587	1,610,595,107
5 Less Accumulated Provision for Depreciation:	428,976,212		428,976,212
6 Net Utility Plant	889,205,308	292,413,587	1,181,618,895
OTHER PROPERTY AND INVESTMENTS:			
7			
8			
9 Total Other Property and Investments	0	0	0
CURRENT AND ACCRUED ASSETS:			
10 Cash	10,267,653		10,267,653
11 Notes & Accounts Receivables (Less Accumulated Provision for Uncollectible Accounts)	38,283,587		38,283,587
12 Accrued Unbilled Revenues	7,242,624		7,242,624
13 Accounts Receivable - Other	8,591,992		8,591,992
Materials and Supplies:			
14 Fuel, Materials and Supplies	29,461,292		29,461,292
15 Unrealized Gain in Fair Value of Derivative Contracts	10,175,990		10,175,990
16 Prepaid Expenses	3,019,605		3,019,605
17 Total Current and Accrued Assets	996,248,051	292,413,587	1,288,661,638
DEFERRED DEBITS:			
18 Regulatory Assets	54,676,001		54,676,001
19 Unamortized Debt Issuance Costs	5,815,201	1,912,500	7,727,701
20 Unrealized Gain in Fair Value of Derivative Contracts	25,679,650		25,679,650
21 Prepaid Pension Asset	9,243,589		9,243,589
22 Other	4,697,808		4,697,808
23 Total Deferred Debits	100,112,249	1,912,500	102,024,749
24 Total Assets and Other Debits	<u>\$ 1,096,360,300</u>	<u>\$ 294,326,087</u>	<u>\$ 1,390,686,387</u>

A-1 Expenditures in excess of issuance of \$255 million in long term debt and \$145 million in common stock, and \$1,912,500 of debt issuance costs and the redemption of \$50 million of Trust Preferred debt and \$50 million of 7.05% Series Senior Notes.

B-1 Estimated issue expense for \$255 million of long term debt

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LIABILITIES AND OTHER CREDITS
SEPTEMBER 30, 2005

	A	B		D
	Actual	Adjustments- Shelf		Adjusted Total
PROPRIETARY CAPITAL:				
1 Common Stock Issued	\$ 26,009,678	\$ 6,304,348	A	\$ 32,314,026
2 Preferred Stock Issued				0
3 Premium on Capital Stock	327,861,816	133,021,739	A	460,883,555
4 Retained Earnings	26,757,366	(12,614,665)	C	14,142,701
5 Accumulated Other Comprehensive Income (loss)(net)	21,082,858			21,082,858
6 Total Proprietary Capital	401,711,718	126,711,422		528,423,140
LONG-TERM DEBT:				
7 Bonds and Notes, Capital Lease Obligation	359,309,209	205,000,000	D	564,309,209
9 Note Payable to Securitization Trust	50,000,000	(50,000,000)		0
10 Total Long-Term Debt	409,309,209	155,000,000		564,309,209
CURRENT AND ACCRUED LIABILITIES:				
11 Notes Payable and Commercial Paper	0			0
12 Accounts Payable	46,113,432			46,113,432
13 Current Maturities of Long-term Debt	497,988			497,988
14 Customer Deposits	6,130,116			6,130,116
15 Taxes Accrued	16,339,058	(2,979,900)	C	13,359,158
16 Interest Accrued	6,866,503	7,525,000	C	14,391,503
17 Dividends Declared		8,069,565	A	8,069,565
18 Unrealized Loss in Fair Value of Derivatives	2,119,400			2,119,400
19 Other Current Liabilities	3,437,408			3,437,408
20 Obligations Under Capital Lease	223,699			223,699
21 Total Current and Accrued Liabilities	81,727,604	12,614,665		94,342,269
DEFERRED CREDITS:				
22 Regulatory Liabilities	31,509,715			31,509,715
23 Deferred Income Taxes	143,990,889			143,990,889
24 Unamortized Investment Tax Credits	4,599,768			4,599,768
25 Postretirement Benefits Other Than Pensions	7,615,971			7,615,971
26 Unrealized Loss in Fair Value of Derivative Contracts	1,026,200			1,026,200
27 Minority Interest	854,515			854,515
28 Other	14,014,711			14,014,711
29 Total Deferred Credits	203,611,769	0		203,611,769
30 Total Stockholder's Equity and Liabilities	<u>\$ 1,096,360,300</u>	<u>\$ 294,326,087</u>		<u>\$ 1,390,686,387</u>

A Issuances of common stock of \$75 million in 2006 and \$70 million in 2008 less estimated underwriting discounts and commissions of \$0.90 per share on 6,304,348 shares of common stock and the effect on dividends declared.

B Footnote not used

C Tax and interest effects of issuing additional LTD and paying off commercial paper and dividends for \$145 million

D Includes issuances of long term debt of \$155 million, \$30 million and \$70 million in 2006, 2007 and 2008,