

Commission Order

Line		Total Company	Jurisdictional Allocation	Jurisdictional Adjustments	Jurisdictional Proforma
1	Additional net Assets on KCPL's balance sheet		(14,209,674)		
2	Rate Base	NA	1,269,573,570		
3	Net Assets supported by LTD & Equity		1,255,363,896		
4	Jurisdictional Allocator for Capital	Jurisdictional Rate Base / Total Company Rate Base	54.17%		
5					
6	Total Capital	Barnes Schedule 9	2,555,657,000	1,255,363,896	1,255,363,896
7	Equity	Barnes Schedule 9	1,372,092,000	53.69%	673,985,108
8	Preferred	Barnes Schedule 9	39,000,000	1.53%	19,157,184
9	Long-term Debt	Barnes Schedule 9	1,144,565,000	44.79%	562,221,604
10	Cost of Debt	Barnes Schedule 10	6.21%	6.21%	6.21%
11	Interest Expense	Line 13 * Line 14	71,077,487	34,913,962	34,913,962
12					
13	Retail Sales Revenue	Staff Accounting Schedule 9-1 plus Revenue Requirement	0	595,634,469	21,679,061
14	Other Revenue	Staff Accounting Schedule 9-1	0		0
15	Operating Revenue	Staff Accounting Schedule 9-1	0	595,634,469	21,679,061
16					
17	Operating & Maintenance Expenses	Staff Accounting Schedule 9-3 - Less Customer Deposit Interest	366,636,797		366,636,797
18	Depreciation	Staff Accounting Schedule 9-3	71,159,931		71,159,931
19	Amortization	Staff Accounting Schedule 9-3	4,421,356	21,679,061	26,100,417
20	Interest on Customer Deposits				0
21	Taxes other than income taxes	Staff Accounting Schedule 9-3	0		0
22	Federal and State income taxes	Staff Accounting Schedule 9-4	40,551,295		40,551,295
23	Gains on disposition of plant				0
24	Total Electric Operating Expenses	Sum of Lines 21 to 27	0	482,769,379	21,679,061
25					504,448,440
26	Operating Income	Staff Accounting Schedule 1-1 Line 3	0	112,865,090	0
27	less Interest Expense	- Line 15	-	(34,913,962)	-
28	Depreciation	Staff Accounting Schedule 9-3	71,159,931		71,159,931
29	Amortization	Staff Accounting Schedule 9-3	4,421,356	21,679,061	26,100,417
30	Deferred Taxes	Staff Accounting Schedule 9-4	9,022,736	(8,404,972)	617,764
31	Funds from Operations (FFO)	Sum of Lines 30 to 34	-	162,555,152	13,274,089
32					175,829,241
33	Net Income	Line 30 + Line 31	-	77,951,129	-
34	Return on Equity	Line 37 / Line 11	0.0%	11.6%	0.0%
35	Unadjusted Equity Ratio	Line 11 / Line 10	53.7%	53.7%	0.0%

Additional financial information needed for the calculation of ratios

36	Capitalized Lease Obligations	KCPL Trial Balance accts 227100 & 243100	2,304,485	1,248,274	1,248,274
37	Short-term Debt Balance	KCPL Trial Balance accts 231xxx	80,600,000	43,658,741	43,658,741
38	Short-term Debt Interest	KCPL T.B. accts 831014, 831015, 831016	6,713,072	3,636,281	3,636,281

Adjustments made by Rating Agencies for Off-Balance Sheet Obligations

39	Debt Adjustments for Off-Balance Sheet Obligations				
40	Operating Lease Debt Equivalent	Present Value of Operating Lease Obligations discounted @ 6.1%	86,834,678	47,035,889	47,035,889
41	Purchase Power Debt Equivalent	Present Value of Purchase Power Obligations discounted @ 6.1%	20,742,147	11,235,434	11,235,434
42	Accounts Receivable Sale	KCPL Trial Balance account 142011	70,000,000	37,917,020	37,917,020
43	Total OBS Debt Adjustment	Sum of Lines 50 to 52	177,576,825	96,188,344	-
44					96,188,344
45	Interest Adjustments for Off-Balance Sheet Obligations				
46	Present Value of Operating Leases	Line 50 * 6.10%	5,296,915	2,869,189	-
47	Purchase Power Debt Equivalent	Line 51 * 6.10%	1,265,271	685,362	-
48	Accounts Receivable Sale	Line 52 * 5%	3,500,000	1,895,851	-
49	Total OBS Interest Adjustment	Sum of Lines 56 to 58	10,062,186	5,450,402	-

Ratio Calculations

50	Adjusted Interest Expense	Line 15 + Line 45 + Line 59	87,852,745	44,000,645	-
51	Adjusted Total Debt	Line 13 + Line 43 + Line 44 + Line 53	1,405,046,310	703,316,963	-
52	Adjusted Total Capital	Line 10 + Line 43 + Line 44 + Line 53	2,816,138,310	1,396,459,255	-
53					1,396,459,255
54	FFO Interest Coverage	(Line 35 + Line 63) / Line 63	1.00	4.69	0.30
55	FFO as a % of Average Total Debt	Line 35 / Line 64	0.0%	23.1%	1.9%
56	Total Debt to Total Capital	Line 64 / Line 65	49.9%	50.4%	0.0%

Changes required to meet ratio targets

57	FFO Interest Coverage Target		3.80	3.80	0.00
58	FFO adjustment to meet target	(Line 73 - Line 67) * Line 63	245,987,686	(39,353,347)	(13,274,089)
59	Interest adjustment to meet target	Line 35 * (1 / (Line 73 - 1) - 1 / (Line 67 - 1))	#DIV/0!		#VALUE!
60					18,795,513
61	FFO as a % of Average Total Debt Target		25%	25%	0%
62	FFO adjustment to meet target	(Line 77 - Line 68) * Line 64	351,261,578	13,274,089	(13,274,089)
63	Debt adjustment to meet target	Line 35 * (1 / Line 77 - 1 / Line 68)	#DIV/0!	(53,096,357)	53,096,357
64					(0)
65	Total Debt to Total Capital Target		51%	51%	0%
66	Debt adjustment to meet target	(Line 81 - Line 69) * Line 65	31,184,228	8,877,257	-
67	Total Capital adjustment to meet target	Line 64 / Line 81 - Line 65	(61,145,545)	(17,406,386)	-

Amortization and Revenue needed to meet targeted ratios

68	FFO adjustment needed to meet target ratios	Maximum of Line 74 , Line 78 , or Zero	351,261,578	13,274,089	(13,274,089)
69	Effective income tax rate	Accounting Schedule 11	38.77%	38.77%	38.77%
70	Deferred income taxes *	- Line 87 * Line 88 / (1 - Line 88)	(222,414,035)	(8,404,972)	(8,404,972)
71	Total amortization required for the FFO adjustment	Line 87 - Line 89	573,675,612	21,679,061	(21,679,061)
72					0
73	Retail Sales Revenue Adjustment	Adjustment = Sum(Line 21 to Line 25) * Line 27 - Line 18 - Line 31 * (Line 11 * Line 38) / (1 - Line 88)		595,634,469	21,679,061
74	Percent increase in retail sales revenue	Line 92 Jurisdictional Adjustments / Line 92 Jurisdictional			3.6%
* Adjusted for known and measurable changes including changes related to new plant in-service					