

TMR-7.xls

**Total
Company**

Jurisdictional Allocation

Jurisdictional Adjustments

Jurisdictional Proforma

1	Additional net Assets on KCPL's balance sheet					22,105,884			
2	Rate Base	Rev Req Model Sch 1-055 (COL 604)	NA			<u>1,292,032,868</u>			
3	Net Assets supported by LTD & Equity					1,314,138,752			
4	Jurisdictional Allocator for Capital	Jurisdictional Rate Base (COL 604) / Total Company Rate Base (COL 603)				52.71%			
5									
6	Total Capital	Misc% %-031*1000	2,696,225,541			1,314,138,752	-		1,314,138,752
7	Equity	Misc% %-030*1000	1,553,526,970	57.62%		757,188,137	-		757,188,137
8	Preferred	Misc% %-029*1000	39,000,000	1.45%		19,008,577			19,008,577
9	Long-term Debt	Misc% %-028*1000	1,103,698,571	40.93%		537,942,038			537,942,038
10	Cost of Debt	Misc% %-034	5.93%	100.00%		5.93%			5.93%
11	Interest Expense	Line 9 * Line 10	65,433,265			31,892,135	-		31,892,135
12									
13	Retail Sales Revenue	Rev Req Model Sch 1-014 plus Revenue Requirement	0			648,237,723	14,155,968		662,393,691
14	Other Revenue	Rev Req Model Sch 1-014 plus Revenue Requirement	0						0
15	Operating Revenue	Rev Req Model Sch 1-014 plus Revenue Requirement	0			<u>648,237,723</u>	<u>14,155,968</u>		<u>662,393,691</u>
16									
17	Operating & Maintenance Expenses	Rev Req Model Sch 1-017 through 1-019 plus Rev Req Bad Debt				349,560,690			349,560,690
18	Depreciation	Rev Req Model Sch 1-020				73,388,512			73,388,512
19	Amortization	Rev Req Model Sch 1-021				26,906,519	14,155,968		41,062,487
20	Interest on Customer Deposits	Rev Req Model Sch 1-022 (MO) or 1-023 (KS)				438,857			438,857
21	Taxes other than income taxes	Rev Req Model Sch 1-024 plus Rev Req KCMO Earnings Taxes				39,792,360			39,792,360
22	Federal and State income taxes	Rev Req Model Sch 1-025 plus Rev Req Income Taxes				42,294,020			42,294,020
23	Gains on disposition of plant	Rev Req Model Sch 1-026							0
24	Total Electric Operating Expenses	Sum of Lines 17 to 23	0			<u>532,380,958</u>	<u>14,155,968</u>		<u>546,536,926</u>
25									
26	Operating Income	Rev Req Model Sch 1-029	0			115,856,765	0		115,856,765
27	less Long-term Interest Expense	- Line 11	-			(31,892,135)	-		(31,892,135)
27b	less Short-term Interest Expense net of tax	- Line 38 * (1 - line 69)				(4,783,218)			(4,783,218)
28	Depreciation	Rev Req Model Sch 1-020				73,388,512	-		73,388,512
29	Amortization	Rev Req Model Sch 1-021				26,906,519	14,155,968		41,062,487
30	Deferred Taxes	Rev Req Model Sch 7-114 (COL 604)				(1,497,974)	(5,488,269)		(6,986,242)
31	Funds from Operations (FFO)	Sum of Lines 26 to 30	-			<u>177,978,470</u>	<u>8,667,699</u>		<u>186,646,168</u>
32									
33	Net Income	Line 26 + Line 27	-			83,964,630	-		83,964,630
34	Return on Equity	Line 33 / Line 7	0.0%			11.089%	0.0%		11.1%
35	Unadjusted Equity Ratio	Line 7 / Line 6	57.6%			57.6%	0.0%		57.6%

36 Capitalized Lease Obligations	KCPL Trial Balance accts 227100 & 243100	2,263,682	1,193,189	1,193,189
37 Short-term Debt Balance	KCPL Trial Balance accts 231xxx	258,647,000	136,333,088	136,333,088
38 Short-term Debt Interest	KCPL average short-term debt rate * Line 37	14,820,473	7,811,886	7,811,886

39	<u>Debt Adjustments for Off-Balance Sheet Obligations</u>				
40	Operating Lease Debt Equivalent	Present Value of Operating Lease Obligations discounted @ 5.93%	86,659,561	45,678,340	45,678,340
41	Purchase Power Debt Equivalent	Present Value of Purchase Power Obligations discounted @ 5.93%	20,171,391	10,632,360	10,632,360
42	Accounts Receivable Sale	KCPL Trial Balance account 142011	70,000,000	36,897,069	36,897,069
43	Total OBS Debt Adjustment	Sum of Lines 40 to 42	176,830,953	93,207,769	93,207,769
44	Depreciation Adjustment for Operating Leases		10,477,788	5,522,852	5,522,852
45	<u>Interest Adjustments for Off-Balance Sheet Obligations</u>				
46	Present Value of Operating Leases	Line 40 * 5.93%	5,137,651	2,708,061	2,708,061
47	Purchase Power Debt Equivalent	Line 41 * 5.93%	1,195,870	630,344	630,344
48	Accounts Receivable Sale	Line 42 * 5%	3,500,000	1,844,853	1,844,853
49	Total OBS Interest Adjustment	Sum of Lines 46 to 48	9,833,521	5,183,259	5,183,259

50	Adjusted Interest Expense	Line 11 + Line 38 + Line 49	90,087,259	44,887,280	-	44,887,280
51	Adjusted Total Debt	Line 9 + Line 36 + Line 37 + Line 43	1,541,440,205	768,676,083	-	768,676,083
52	Adjusted Total Capital	Line 6 + Line 36 + Line 37 + Line 43	3,133,967,175	1,544,872,797	-	1,544,872,797
53						
54	FFO Interest Coverage	(Line 31 + Line 50) / Line 50	1.00	4.97	0.19	5.16
55	FFO as a % of Average Total Debt	Line 31 + line 44 / Line 51	0.7%	23.9%	1.1%	25.0%
56	Total Debt to Total Capital	Line 51 / Line 52	49.2%	49.8%	0.0%	49.8%

57	FFO Interest Coverage Target		3.80	3.80	0.00	3.80
58	FFO adjustment to meet target	(Line 57 - Line 54) * Line 50	252,244,326	(52,294,086)	(8,667,699)	(60,961,785)
59	Interest adjustment to meet target	Line 31 * (1 / (Line 57 - 1) - 1 / (Line 54 - 1))	-	-	21,772,066	21,772,066
60						
61	FFO as a % of Average Total Debt Target		25%	25%	0%	25%
62	FFO adjustment to meet target	(Line 61 - Line 55) * Line 51	374,882,263	8,667,699	(8,667,699)	(0)
63	Debt adjustment to meet target	Line 31 * (1 / Line 61 - 1 / Line 55)	-	(33,627,306)	33,627,306	0
64						
65	Total Debt to Total Capital Target		51%	51%	0%	51%
66	Debt adjustment to meet target	(Line 65 - Line 56) * Line 52	56,883,054	19,209,043	-	19,209,043
67	Total Capital adjustment to meet target	Line 51 / Line 65 - Line 52	(111,535,400)	(37,664,791)	-	(37,664,791)

68	FFO adjustment needed to meet target ratios	Maximum of Line 58 , Line 62 , or Zero	374,882,263	8,667,699	(8,667,699)	-
69	Effective income tax rate	Accounting Schedule 11	38.77%	38.77%	38.77%	38.77%
70	Deferred income taxes *	- Line 68 * Line 69 / (1 - Line 69)	(237,370,331)	(5,488,269)	5,488,269	-
71	Total amortization required for the FFO adjustment	Line 68 - Line 70	612,252,594	14,155,968	(14,155,968)	-
72						
73	Retail Sales Revenue Adjustment	Adjustment = Line 13		648,237,723	14,155,968	662,393,691
74	Percent increase in retail sales revenue	Line 73 Jurisdictional Adjustments / Line 73 Jurisdictional			2.2%	
	* Adjusted for known and measurable changes including changes related to new plant in-service					