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BEFORE THE KANSAS CORPORATION COMMISSION  
OF THE STATE OF KANSAS

MAY 09 2012

by  
State Corporation Commission  
of Kansas

**Application for Revised Rates, Tariffs, and Rate Design Changes**

of

**Mid-Kansas Electric Company, LLC**

**Docket No. 12-MKEE-380-RTS**

**May 9, 2012**

**PREFILED REBUTTAL TESTIMONY  
CHANTRY C. SCOTT  
CHIEF FINANCIAL OFFICER – VP OF FINANCE & ACCOUNTING  
SOUTHERN PIONEER ELECTRIC COMPANY**

**ON BEHALF OF  
MID-KANSAS ELECTRIC COMPANY, LLC**

1 **Q. Please state your name and business address.**

2 A. My name is Chantry C. Scott. My business address is 1850 W. Oklahoma, PO Box 430,  
3 Ulysses Kansas 67880-0430.

4 **Q. Are you the same Chantry C. Scott who prepared and caused to be prefiled Direct  
5 Testimony in the instant case?**

6 A. Yes.

7 **Q. Various Kansas Corporation Commission (“KCC” or “Commission”) Staff and  
8 intervener witnesses prefiled Direct Testimony relating to the rates proposed by Mid-  
9 Kansas Electric Company, LLC (“Mid-Kansas”) for the Southern Pioneer Electric  
10 Company (“Southern Pioneer” or “Company”) division. Do you have any response  
11 to that testimony?**

12 A. Yes. I will be responding to the testimony of the intervenors regarding the Rural Utilities  
13 Services (RUS) buyout and subsequent refinance with CoBank, and the inclusion of the  
14 premium paid by Southern Pioneer to RUS in the Mid-Kansas Southern Pioneer Division  
15 revenue requirement.

16 **Q. In prefiled Direct Testimony (*i.d.*, p. 16, l. 13-26 and p. 17, l. 1-9), Kansas Electric  
17 Power Cooperative, Inc. (“KEPCo”) witness Mr. Stephen Daniel summarizes where  
18 Southern Pioneer obtains its debt financing, and the effects on Southern Pioneer’s  
19 customers of its decision to buy out of its long-term debt with RUS and replace it  
20 with a loan from CoBank. Is Mr. Daniels’ summary accurate and do you agree as it  
21 relates to source of funding and the use of CoBank borrowed funds?**

22 A. Yes, I do.

23 **Q. Do you agree with Mr. Daniel’s characterization of the financial effects on Southern**

1 **Pioneer's customers as to its decision to buy out of long-term debt with RUS and**  
2 **replace that debt with CoBank? Specifically that, (1) Southern Pioneer was required**  
3 **to pay a \$9,686,404 pre-payment penalty, and (2) borrowing from CoBank will result**  
4 **in higher interest cost.**

5 A. Not entirely. I do acknowledge that, due to low interest rates at the time of the buy-out,  
6 Southern Pioneer was required to pay the pre-payment penalty. However, I believe it is  
7 important to recognize that the reasoning to buy-out of RUS varies by utility, depends on  
8 the economic conditions at the time, and should not be focused solely on reductions in  
9 cost but should also consider gains in efficiencies to provide more timely service. Further,  
10 I wish to point out that while CoBank's interest rate in this instance may be higher than  
11 RUS today that does not necessarily guarantee that the rate will always be higher in the  
12 future. Mr. Daniel is purely speculating as to the continued existence of RUS and that  
13 RUS' rate will always be less than non-RUS lenders.

14 **Q. Mr. Daniel goes on to testify (*id.*, p. 17, l. 14-23 and p. 18, l. 1-9) about potential**  
15 **adverse effects of the prepayment penalty and higher debt costs associated with**  
16 **Southern Pioneer's decision to buy out of RUS and claims that Southern Pioneer has**  
17 **not presented "empirical" evidence quantifying any offsetting benefits of the buy out.**  
18 **Do you agree with Mr. Daniel's claim?**

19 A. No. I believe Southern Pioneer has demonstrated that any additional cost is offset or  
20 warranted by the elimination of risk associated with uncertainty in accessing loan funds  
21 necessary to support prudent operating needs, a non-tangible benefit. As I testified in my  
22 prefiled Direct Testimony (*id.*, p. 4, l. 11-14), there were two primary reasons why  
23 Southern Pioneer bought out of RUS. The first is the uncertainty of future RUS funding,

1 and the second is the negative impact of RUS' prolonged approval process for  
2 construction work plan loans and other associated activities. While it is difficult to  
3 measure the intangible benefits in terms of funding certainty and completing construction  
4 projects in a timely manner, Southern Pioneer has experienced firsthand the affects of this  
5 funding uncertainty and the delays it caused, which I will address in more detail later in  
6 my rebuttal testimony.

7 Further, Mr. Daniels admits, as stated in his prefiled Direct Testimony (*id.*, p. 18, l. 1-9),  
8 that there have been ebbs and flows in the level of RUS funding and uncertainties  
9 associated with such changes over time. These fluctuations and uncertainties surrounding  
10 RUS funding are the primary factors for Southern Pioneer's decision to buy out of RUS,  
11 along with the inherent problems associated with having to deal with a bureaucracy like  
12 the RUS. Mr. Daniel's statement that the fluctuations have "not resulted in a major  
13 trend...to buy out of...RUS financing" is not only unsupported but irrelevant. First, there  
14 is no Commission requirement that a "major trend" be established before a company  
15 makes a business decision. Second, Southern Pioneer made a well-reasoned prudent  
16 decision based on its own unique factual situation and, as such, the decision of other RUS  
17 borrowers that may not be similarly situated is not relevant for the purposes this docket.

18 **Q. In response to your prefiled Direct Testimony (*id.*, p. 5, l. 2-23, p. 6, l. 2-23, p. 7, l. 1-  
19 8) regarding the negative impact of RUS' prolonged approval process for  
20 construction work plan loans and other associated activities, Mr. Daniel attempts to  
21 refute Southern Pioneer's reasoning by stating (*id.*, p. 18, l. 12-18), "[e]ach RUS (and  
22 FFB) borrower faces the same processes with regard to securing loan funds. The  
23 slower processes of RUS/FFB, however, have not, in my experience, caused a major**

1        **buy-out of RUS/FFB debt in favor of other sources of debt financing.” Do you agree**  
2        **that all RUS (and FFB) borrowers face the same processes with regard to securing**  
3        **loan funds?**

4        A. From personal experience, I do not agree with Mr. Daniel. As an example, Pioneer  
5        Electric Cooperative, Inc. and Southern Pioneer were both RUS borrowers and RUS  
6        placed certain conditions on Southern Pioneer before it would release loan funds. These  
7        same conditions were not imposed on Pioneer. To demonstrate this discriminatory  
8        behavior and the unpredictability of loan funds, I am attaching as “CCS-2” to my prefiled  
9        Rebuttal Testimony, a copy of a September 23, 2008 letter from RUS setting forth  
10       conditions to the release of Southern Pioneer RUS loan funds.

11       **Q. Will you please summarize the conditions set forth in the letter and the impact of the**  
12       **conditions on Southern Pioneer?**

13       A. Yes. In addition to the customary conditions, such as execution of agreements and loan  
14       contracts, RUS required the following:

- 15       1. Pioneer provide an unconditional loan payment guaranty;
- 16       2. The amount of \$45,057,537 will not be advanced, in whole or in part, unless and until  
17       RUS had received (a) evidence that the KCC had issued a final order approving a retail  
18       rate case as requested by Southern Pioneer<sup>1</sup>, and (b) long range financial forecast  
19       demonstrating the impact of KCC approved rates;
- 20       3. The amount of \$15,058,463 will not be advanced unless and until Southern Pioneer  
21       has achieved the average Coverage Ratios as defined, etc.

22       **Q. Did Southern Pioneer accept these conditions, and if not, how did it respond to RUS**  
23       **and what was the outcome?**

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<sup>1</sup> Docket No. 09-MKEE-969-RTS.

1 A. While Southern Pioneer signed the acknowledgment, the Company appealed the  
2 conditions to the RUS Administrator and asked RUS to reconsider the imposition of the  
3 conditions. Southern Pioneer explained that the conditions were placing a financial  
4 hardship on the Company because the conditions forced Southern Pioneer to either  
5 exhaust its line of credit with CoBank or borrow money from Pioneer Electric to pay  
6 capital or operating costs that would have otherwise been financed with long-term loan  
7 funds, resulting in the delay of certain projects. RUS rejected Southern Pioneer's request  
8 to reconsider the conditions. Then, on March 16, 2009, RUS provided written notice to  
9 Southern Pioneer that \$15,058,463 in construction work plan loan funds would be released  
10 once all the necessary loan documents were executed and filed, but the \$45,057,537  
11 would not be released until such time as the KCC approved rates supported by Southern  
12 Pioneer's Cost of Service Study. I have attached the letter to my rebuttal testimony as  
13 **CCS-3**. Next, RUS enclosed FFB guaranteed loan documents with a letter dated June 5,  
14 2009. I have attached the letter to my rebuttal testimony as **CCS-4**. Finally, after  
15 Southern Pioneer completed the necessary loan closing procedures, RUS, with a letter  
16 dated August 28, 2009 informed Southern Pioneer that all documents were received and  
17 funds were available for advance, given the requirements previously set forth had been  
18 completed. I have attached the letter to my rebuttal testimony as **CCS-5**.

19 **Q. You advise that RUS would not release the funds until the KCC had issued a final**  
20 **order in Southern Pioneer's retail rate case in Docket No. 09-MKEE-969-RTS. Can**  
21 **you provide the effective date of the rate adjustment as well as the time lapse since**  
22 **the initial request for the guaranteed FFB loan?**

23 A. Yes. The retail rates were effective January 11, 2010, approximately 22 months after the

1 loan application was submitted to RUS. I have attached the resolution requesting the  
2 guaranteed FFB loan dated March 26, 2008 to my rebuttal testimony as CCS-6.

3 **Q. As cited earlier, Mr. Daniel advises that Southern Pioneer has not presented**  
4 **empirical evidence that these delays negatively affected customers, but yet you advise**  
5 **that certain projects were delayed or stalled that affected customer service or**  
6 **reliability. Will you please elaborate?**

7 A. As part of the Data Request ("DR") process, KEPCo issued KEPCo DR1-42, which  
8 requested the following:

9 *"With reference to the Scott Direct, p. 7, ll. 3-8, identify and describe the construction*  
10 *projects that were stalled or deferred, provide the dates over which each was stalled or*  
11 *deferred and identify and describe each instance in which service provided by Southern*  
12 *Pioneer was less than reliable as a result of the foregoing and quantify the amount of*  
13 *increase in material and borrowing cost.*  
14

15 In responding to this Data Request, Southern Pioneer identified and provided a listing of  
16 fourteen (14) projects totaling over \$7.6 million dollars that were identified in the  
17 engineer-prepared Construction Work Plan as needing to be replaced to address voltage  
18 issues, age and condition or meet National Electric Safety Code violations, etc. That DR  
19 response is attached to my rebuttal testimony as CCS-7.

20 **Q. In his direct testimony (id. p. 18, l. 21-22 and p. 19, l. 1-11) , Mr. Daniel goes on to**  
21 **state "KEPCo has utilized short-term unsecured financing to bridge the time**  
22 **required to obtain long-term secured financing for its Wolf Creek capital additions**  
23 **needs. Presumably, such short-term financing would be available to other RUS**  
24 **borrowers." While waiting for RUS to approve its loan request and lien**  
25 **accommodation, did Southern Pioneer utilize short-term unsecured financing? If so,**  
26 **did this mitigate the effects of the prolonged approval process?**

1 A. Prior to the new CoBank master loan agreement dated October 24, 2011, Southern Pioneer  
2 accessed an unsecured line of credit with CoBank in the amount of \$13,000,000. Southern  
3 Pioneer also utilized unsecured intercompany loans from Pioneer Electric. These  
4 intercompany loans were limited to \$7,500,000 under Pioneer Electric's master loan  
5 agreement and further by Pioneer's ability to loan additional funds. On May 25, 2011,  
6 Southern Pioneer could not make its payment to Mid-Kansas on the due date because  
7 funds were not available to pay the monthly billing for purchased power expense. On  
8 May 24, 2011, Southern Pioneer had \$4,650,000 borrowed from Pioneer Electric,  
9 \$9,956,936 borrowed on the CoBank LOC, and it owed Mid-Kansas \$3,664,798.  
10 Additionally, on May 24, 2011, Pioneer Electric had only \$3,514,361 available on its  
11 \$16,000,000 line of credit and it owed Sunflower Electric \$4,052,435 for purchased power  
12 expense due May 25, 2011. On May 25, 2011, Southern Pioneer had to pay back  
13 borrowed funds to Pioneer Electric so that Pioneer Electric could pay its power bill.  
14 Furthermore, as Southern Pioneer awaited the lien accommodation approval from the RUS  
15 to extend its CoBank line of credit and pending loan applications, Southern Pioneer's  
16 balance drawn on the CoBank line of credit at the end of each month exceeded  
17 \$11,000,000 from December 2010 to April 2011. During that same time period, Southern  
18 Pioneer borrowed up to \$6,150,000 from Pioneer Electric. Southern Pioneer took steps to  
19 conserve cash during this time, such as stalling or postponing \$7.6 million of construction  
20 work plan projects as outlined previously. Overall, Southern Pioneer utilized short-term  
21 funding to cover cash needs while waiting on RUS approvals; however, Southern  
22 Pioneer's working capital, including these short-term funds, was insufficient to cover

1 required expenses, planned construction projects, and any unexpected cash needs. I have  
2 attached as CCS-8 a table showing Southern Pioneer's available Cash by month-end.

3 **Q. In his direct testimony, Mr. Daniel notes that "the slower processes of RUS/FFB,**  
4 **however, have not, in my experience, caused a major buy-out of RUS/FFB debt in**  
5 **favor of other sources of debt financing, particularly those which might be more**  
6 **costly than RUS/FFB financing."(id. p 18, lines 15) Is Southern Pioneer aware of**  
7 **other electric cooperatives which have proceeded with an RUS buy-out?**

8 A. Yes. Attached to my testimony as CCS-9 is a listing of cooperatives that have bought out  
9 of or paid off RUS loans. I acquired the listing from Cooperative.com.

10 **Q. In his direct testimony, Mr. Daniel states that "Notwithstanding the uncertainties**  
11 **associated with such changes over time, the vast majority of rural electric**  
12 **cooperatives remain RUS-financed borrowers. The uncertainty suggested by Mr.**  
13 **Scott has not resulted in a major trend by electric cooperatives to buy out of their**  
14 **RUS financing." (id. p 18, lines 5-9) Why does the uncertainty of the RUS program**  
15 **concern Southern Pioneer? Does Southern Pioneer through its relationship with**  
16 **other entities have negative experiences in working with RUS?**

17 A. In Steve Epperson's rebuttal testimony, he explains in detail the borrowing and operational  
18 constraints placed on Sunflower Electric Power Corporation by its relationship with RUS.  
19 Furthermore, he explains how any governance or relationship with government bodies,  
20 such as EPA, FERC and NERC, can expose a utility to substantial regulatory costs and  
21 uncertainty.

22 **Q. Ms. Andrea Crane on behalf of Citizens' Utility Ratepayer Board (CURB) (i.d. pp.**  
23 **19-22) also recommends that the Commission deny recovery of the debt service costs**

1       **associated with the prepayment penalty. Like Mr. Daniels, Ms. Crane contends that**  
2       **Southern Pioneer has not sufficiently demonstrated that the uncertainty of RUS**  
3       **funding and approval delays justified the higher costs of refinancing. Do you agree**  
4       **with Ms. Crane?**

5       A. No, I do not, for the same reasons provided in response to Mr. Daniels' testimony.

6       **Q. Ms. Crane states (*id.*, p. 21, l. 2-5) that this uncertainty of funding from Congress has**  
7       **not deterred other Members of Mid-Kansas, who continue to rely on RUS for their**  
8       **funding needs, and that the approval delays have not jeopardized the ability of**  
9       **Southern Pioneer to provide safe and reliable electric utility service. Is this an**  
10       **accurate statement by Ms. Crane?**

11       A. No, it is not. First, based on her response to Mid-Kansas DR 4 submitted to CURB, Ms.  
12       Crane identified KCC Docket No. 11-MKEE-439-RTS, a rate filing to increase rates for  
13       the Mid-Kansas customers serviced by Wheatland Electric Cooperative, a non-RUS  
14       borrower, as part of the support for her analysis. I have attached to my testimony as **CCS-**  
15       **10**, Ms. Crane's response. Second, I again refer to the Commission to **CCS-7** wherein we  
16       have identified \$7.6 million worth of projects that were delayed due to the approval  
17       delays. All parties, including CURB, received a copy of these responses and to assert that  
18       the delay did not impair Southern Pioneer's ability to provide safe and reliable electricity  
19       ignores the facts that the Company has made available to the parties.

20       **Q. Does this conclude your testimony?**

21       A. Yes.

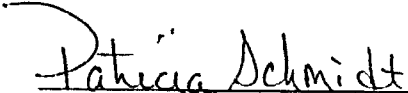
**VERIFICATION**

STATE OF KANSAS        )  
                                  ) ss  
COUNTY OF GRANT     )

The undersigned, Chantry C. Scott, upon oath first duly sworn, states that he is an officer of Southern Pioneer Electric Company, and that he has prepared the foregoing testimony, that he is familiar with the contents thereof, and that the statements contained therein are true and correct to the best of his knowledge and belief.

  
\_\_\_\_\_  
Chantry C. Scott

Subscribed and sworn to before me this 9 day of May, 2012.

  
\_\_\_\_\_  
Notary Public

My appointment expires: 10-27-2015





1400 INDEPENDENCE AVENUE, SW. WASHINGTON D.C 20250

# ELECTRIC PROGRAMS

September 23, 2008

Attention: Mr. Randy Magnuson

KS 60 "A8"

FAX: 620-356-4306

Please find attached a loan guarantee commitment that has been approved by the Rural Utilities Service, (RUS).

Your acknowledgment and acceptance of the guaranteed loan is subject to the specified terms and conditions identified in the letter. The Board President's acknowledgement and acceptance by signature, must be received by RUS, on or before September 26, 2008; otherwise the commitment will be VOID. The original letter will be sent in the mail after receipt of the acceptance fax or email is received by RUS. Please have the original letter signed and dated the same date as the one that is faxed or emailed to my attention and return to me.

If you have questions concerning your loan, please direct them to your Regional Division or General Field Representative. If you have questions concerning this fax, please contact me.

*Lorena McCoy*

Lorena McCoy  
Program Support Specialist  
Policy Analysis and Loan Management Staff  
Electric Programs

Phone: 202-720-1928  
FAX: 202-205-5067  
Email: Lorena.McCoy@wdc.usda.gov



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**United States Department of Agriculture  
Rural Development**

**SEP 23 2008**

Mr. Melvin Winger  
Chairman  
Southern Pioneer Electric Company  
P.O. Box 430  
Ulysses, Kansas 67880

Dear Mr. Winger:

We are pleased to advise you that a loan guarantee commitment in the amount of \$60,116,000 has been approved for Southern Pioneer Electric Company (Southern Pioneer), by the Rural Utilities Service (RUS). Under this commitment, RUS will guarantee a loan of \$60,116,000 to Southern Pioneer from the Federal Financing Bank (FFB) under the terms and conditions set forth in the Note Purchase Commitment and Servicing Agreement dated as of January 1, 1992, as amended, between RUS and FFB. The proceeds of the guaranteed loan, designated "A8", are to be used by Southern Pioneer to finance only the system extensions and additions described in the RUS Form 740c, Cost Estimates and Loan Budget for Electric Borrowers, dated March 26, 2008, enclosed and made a part hereof. Written approval by RUS must be obtained prior to the advancement of any loan proceeds for use for system extensions and additions that are not specifically listed on the attached RUS Form 740c.

The "A8" loan contract and related documents, together with instructions, will be forwarded in the future for execution. The "A8" loan is approved with the understanding that the loan documents will be authorized and executed by your organization and returned to us by the date set forth in the letter transmitting the documents.

Please note that this letter does not constitute an approval to advance the loan proceeds. Proceeds are eligible for advancement on the "A8" after all conditions below have been met and the proper advance request documentation has been submitted to RUS:

1. The RUS has entered into a contract of guarantee with Southern Pioneer, and the FFB has agreed, with RUS approval, to make Southern Pioneer a guaranteed loan of \$60,116,000 to finance the system extensions and additions described on the enclosed RUS Form 740c;
2. Southern Pioneer has submitted evidence, in form and substance satisfactory to the Administrator, that the conditions in the contract of guarantee have been satisfied to the extent and in the manner prescribed by the Administrator;
3. Southern Pioneer has submitted evidence, in form and substance satisfactory to the Administrator, that Southern Pioneer has duly authorized, executed, and has delivered to the Administrator a RUS loan contract, the FFB Note and the Reimbursement Note in the manner prescribed by the Administrator; and,
4. Southern Pioneer has submitted evidence, in form and substance satisfactory to the Administrator, that Southern Pioneer has duly authorized, executed, delivered,

1400 Independence Ave. S.W. · Washington DC 20250-0700  
Web: <http://www.rurdev.usda.gov>

Committed to the future of rural communities.

"USDA is an equal opportunity provider, employer and lender."  
To file a complaint of discrimination, write USDA, Director, Office of Civil Rights,  
1400 Independence Avenue, S.W., Washington, DC 20250-9410 or call (800) 795-3272 (Voice) or (202) 720-6382 (TDD).

recorded, and filed a mortgage or other security instrument, if required, which is in form and substance satisfactory to the Administrator.

It is further recommended that in addition to satisfying the above standard conditions, the "A8" Loan will not be advanced in whole or in part, unless and until:

5. An unconditional payment guaranty from Pioneer Electric Cooperative, Inc. (PEC) in the full amount of the Southern Pioneer Electric Company's (Southern Pioneer) "A8" Loan is submitted in form and substance satisfactory to the Administrator. The guaranty of PEC shall remain in full force and effect until:
  - a. Southern Pioneer is not in default of its requirements under its Mortgage or the Loan Contracts; and
  - b. Southern Pioneer has achieved an Equity not less than 15 percent of Total Assets. (Equity and Total Assets calculated as defined in the Mortgage).
6. The amount \$45,057,537 will not be advanced, in whole or in part, unless and until RUS has received:
  - a. Evidence of the Kansas Corporate Commission (KCC) final order approving a retail rate increase, as requested by the Southern Pioneer, based on its Cost of Service Study; and
  - b. A long range financial forecast, in form and substance satisfactory to RUS, demonstrating the impact on Southern Pioneer's financials after implementation of the KCC-approved rates.
7. The amount of \$15,058,463 will not be advanced, in whole or in part, unless and until Southern Pioneer has achieved the average Coverage Ratios as defined under Section 5.4 (b) of the Loan Contract.

Southern Pioneer must also submit monthly operating reports and financial statements until requested otherwise by RUS. These submissions should be in a format similar to that of RUS Form 7.

**Please note that the approval of this loan guarantee commitment is an offer to Southern Pioneer of the "A8" guaranteed loan. Your acknowledgment and acceptance of the "A8" guaranteed loan is subject to the specified terms and conditions identified above. Your acknowledgment and acceptance must be received by RUS, no later than September 26<sup>th</sup> 2008; otherwise, the commitment will be VOID. The Chairman or the Board President authorized by your organization to execute the loan documents must execute, date, and return this commitment. The executed and dated commitment may be faxed or scanned and e-mailed to:**

Ms. Lorena McCoy  
Facsimile Number: [202] 205-5067  
E-Mail Address: [lorena.mccoy@wdc.usda.gov](mailto:lorena.mccoy@wdc.usda.gov)

09/24/2008 08:27 6204922617

09/24/2008 08:19 6203554306

SEP-23-2008 15:21

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PIONEER ELECTRIC

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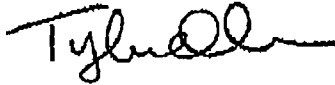
Kansas 60 "A8" Seward

Page 3

The original executed and dated commitment must immediately follow by mail to:

Ms. Lorena McCoy  
U.S. Department of Agriculture,  
Rural Development Utilities Programs, Electric  
1400 Independence Avenue, SW  
Room 0227-S, Stop 1524  
Washington, DC 20250

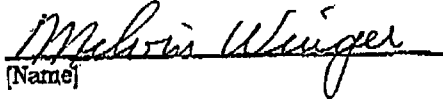
Sincerely,



**FOR**

JAMES M. ANDREW  
Administrator  
Utilities Programs

**ACKNOWLEDGED AND ACCEPTED BY:**

  
[Name]

Chairman of the Board, President  
[Title-Loan Approver]

September 24, 2008  
[Date]

Enclosure - RUS Form 740e

cc: Mr. Randy Magnison, Manager  
CoBank

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0032. The time required to complete this information collection is estimated to average 10 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

This data will be used by RUS to review your financial situation. Your response is required (7 USC 901 et seq.) and is not confidential.

USDA-RUS		Form Approved OMB No. 0572-0032	
<b>COST ESTIMATES AND LOAN BUDGET</b>		BORROWER AND LOAN DESIGNATION <b>KS 80 "A8" Seward</b>	
<b>FOR ELECTRIC BORROWERS</b>		COST ESTIMATES AS OF: (Month, Year) <b>Jan-08</b>	
To: U.S. Dept. of Agriculture, RUS, Washington, D. C. 20250			
INSTRUCTIONS <i>See tabs "Fig 1 Instr" through "Fig 1 Instr"</i>			
<b>SECTION A. COST ESTIMATES</b>		<b>LOAN PERIOD <u>  1  </u> YEARS</b>	
<b>1. DISTRIBUTION</b>		<b>BORROWER'S COST ESTIMATES</b>	<b>RUS USE ONLY</b>
<b>100 a. New Line: (Excluding Tie-Lines)</b>			
<u>Construction</u>	<u>Consumers</u>		
100 Overhead/URD	<u>  44  </u>	\$200,000	
	<u>Miles</u>		
	<u>  5.62  </u>		
Total Consumers:	<u>  44  </u>		
Total Miles:	<u>  5.62  </u>		
Less Contributions:			0
Subtotal (New Line - code 100) .....		\$200,000	
<b>200 b. New Tie-Lines</b>			
<u>Line Designation</u>	<u>Miles</u>		
201 _____	<u>  0.00  </u>	\$0	
202 _____	<u>  0.00  </u>	0	
203 _____	<u>  0.00  </u>	0	
204 _____	<u>  0.00  </u>	0	
205 _____	<u>  0.00  </u>	0	
206 _____	<u>  0.00  </u>	0	
Subtotal from page 1A .....		0	
Subtotal (Includes subtotals from pages 1A) .....		\$0	
<b>300 c. Conversion and Line Changes</b>			
<u>Line Designation</u>	<u>Miles</u>		
306 R0019 Lake Arrowhead 99 Springs Rebuild	<u>  6.00  </u>	\$420,000	
308 R4048 Replace Poles, Add neutral Benny Bach rural	<u>  4.50  </u>	\$225,000	
311 266-720 Rebuild Coldwater to Greensburg All poles New T2-Raven	<u> 16.50  </u>	\$1,386,000	
319 266-755 Rebuild Greensburg to Haviland	<u> 13.50  </u>	\$1,140,000	
320 Cunningham 10 - North of Penelosa	<u>  6.00  </u>	\$300,000	
321 Haviland - Rebuild Taps	<u>  4.00  </u>	\$230,000	
322 Medicine Lodge 3	<u>  3.90  </u>	\$157,500	
323 Ice Storm Projects (Less AIC \$759,810)	<u>  0.00  </u>	\$134,085	
324 Greensburg Tornado Damage (Less AIC \$559,052)	<u>  0.00  </u>	\$98,655	
	<u>  0.00  </u>	\$0	
Subtotal from page 1A .....		0	
Subtotal (Includes subtotals from pages 1A) .....		\$4,091,240	
<b>400 d. New Substations, Switching Stations, Metering Points, etc.</b>			
<u>Station Designation</u>	<u>kVA</u>	<u>kV to kV</u>	
401 NW Of Cunningham - SemCrude	<u> 5/7 MVA  </u>	<u> 34.5/41.6  </u>	\$900,000
402 _____			0
403 _____			0
404 _____			0
405 _____			0
406 _____			0
Subtotal .....		\$900,000	

BORROWER AND LOAN DESIGNATION

KS 60 "A8" Seward

SECTION A. COST ESTIMATES (cont.)

BORROWER'S COST ESTIMATES

RUS USE ONLY

500 e. Substation, Switching Station, Metering Point Changes

Station Designation

Description of Changes

178 Englewood	Rebuild and reconfigure equipment to comply with NESC Code		\$750,000
179 Englewood	Replace Sub Equipment		\$1,450,000
			\$0
			\$0
			\$0
			\$0
			0
			0
			0
			0

Subtotal From Page 2A .....

Subtotal .....

\$2,200,000

600 f. Miscellaneous Distribution Equipment

601 (1) Transformers and Meters

Construction	Transformers		Meters		
Underground	1880	\$972,304	7870	\$490,372	\$1,462,676
Overhead	1397	\$722,303	515	\$100,000	822,303
Subtotal code 601 ... (included in total of all 600 codes below)					\$2,284,979

602 (2) Sets of Service Wires to increase Capacity

125,500

603 (3) Sectionalizing Equipment

210,000

604 (4) Regulators

30,261

605 (5) Capacitors

10,610

606 (6) Ordinary Replacements

3,356,118

(7) Pole Replacements (\$2,916,929)

(8) Cross-Arm Replacements (\$439,189)

(9)

(10)

(11)

0

0

Subtotal ALL 600 codes .....

\$6,017,468

700 g. Other Distribution Items

701 (1) Engineering Fees Substation Design and Evaluation

\$0

702 (2) Security Lights Replace street lights

50,000

703 (3) Reimbursement of General Funds (see attached)

0

704 (4)

0

Subtotal .....

\$50,000

TOTAL DISTRIBUTION.....

\$13,458,708

800 2. Transmission

a. New Line

Line Designation	Voltage	Wire Size	Miles	
801 New Tie Line - Cunningham	34.5	T2 Raven	5.00	\$600,000
802				0
803				0
804				0
805				0
806				0
807				0
808				0
809				0
810				0

Subtotal - Miles from Page 2A .....

0.00

Total Miles .....

5.00

Subtotal From Page 2A .....

0

Subtotal .....

\$600,000

COST ESTIMATE AND LOAN BUDGET FOR ELECTRIC BORROWERS			BORROWER AND LOAN DESIGNATION	
			KS 60 "A8" Sward	
SECTION A. COST ESTIMATES (cont.)			BORROWER'S	RUS USE ONLY
			COST ESTIMATES	
900	b. New Substation, Switching Station, etc.			
	<u>Station Designation</u>	<u>KVA</u>	<u>kV TO kV</u>	
901	Substation NW of Cunningham	15/20/25 MVA	115/34.5	\$1,000,000
902				\$0
903				0
904				0
905				0
906				0
907				0
908				0
	Subtotal From Page 3A .....			0
	Subtotal .....			\$1,000,000
1000	c. Line and Station Changes			
	<u>Line/Station Designation</u>	<u>Description of Changes</u>		
1001				\$0
1002				0
1003				0
1004				0
1005				0
1006				0
1007				0
1008				0
1009				0
	Subtotal From page 3A through 3C .....			0
	Subtotal .....			\$0
1100	d. Other Transmission Items			
1101	(1) R/W Procurement			\$0
1102	(2) Engineering Fees			0
1103	(3) Reimbursement of General Funds (see schedule)			0
1104	(4)			0
	Subtotal .....			\$0
<b>TOTAL TRANSMISSION.....</b>				<b>\$1,600,000</b>
1200	3. GENERATION (including Step-up Station at Plant)			
1201	a Fuel	Nameplate Rating	kW	\$0
1202	b.			0
<b>TOTAL GENERATION.....</b>				<b>\$0</b>
1300	4. HEADQUARTERS FACILITIES			
1301	a. New or additional Facilities			\$0
1302	b.			0
<b>TOTAL HEADQUARTERS FACILITIES.....</b>				<b>\$0</b>

OFFICIAL

COST ESTIMATE AND LOAN BUDGET FOR ELECTRIC BORROWERS			BORROWER AND LOAN DESIGNATION		KS Co "A8"	
SECTION A. COST ESTIMATES (cont.)				BORROWER'S COST ESTIMATES	RUS USE ONLY	
1400	<b>5. ACQUISITIONS</b>					
1401	a.	16,804 Consumers	1120.74 Miles	\$45,057,537		
		Aquila Acquisition				
1502	a.	Consumers	Miles			
	b.					
<b>TOTAL ACQUISITIONS.....</b>				<b>\$45,057,537</b>		
1500	<b>6. ALL OTHER</b>					
1501	a.			\$0		
1502	b.			0		
1503	c.			0		
1504	d.			0		
1505	e.			0		
<b>TOTAL ALL OTHER.....</b>				<b>\$0</b>		

SECTION B. SUMMARY OF AMOUNTS AND SOURCES OF FINANCING				
1. GRAND TOTAL - ALL COSTS.....			\$60,116,245	\$60,116,245
2. FUNDS AND MATERIALS AVAILABLE FOR FACILITIES				
a.	Loan Funds.....	\$0		
b.	Materials and Special Equipment.....	0		
c.	General Funds..... Purpose 1	\$0		
	Purpose 2	\$0		
	Purpose 3	\$0		
	Purpose 4	\$0		
	Total General Funds Applied.....	\$0		
d.	Total Available Funds and Materials.....		\$0	
3. NEW FINANCING REQUESTED FOR FACILITIES.....			\$60,116,000	\$60,116,000
4. RUS LOAN REQUESTED FOR FACILITIES (GUARANTEED)..... 100%			\$60,116,000	\$60,116,000
5. TOTAL SUPPLEMENTAL LOAN REQUESTED.....			\$0	
6. CAPITAL TERM CERTIFICATE PURCHASES (CFC Loan only).... 0%			\$0	
7. SUPPLEMENTAL LOAN REQUESTED FOR FACILITIES..... 0%			\$0	
8. 100% SUPPLEMENTAL LOANS (SEE RUS Bulletin 20-14)*			\$0	

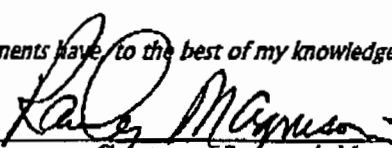
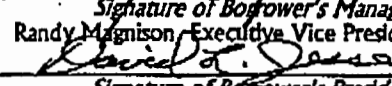
\* Identify in section A by Budget purpose and separate subtotals.

**SECTION C. CERTIFICATION**

*We, the undersigned, certify that:*

- Upon completion of the electrical facilities contained herein and any others uncompleted at this time but for which financing is available, the system will be capable of adequately and dependably serving the projected load for the loan period as contained in our current RUS approved Power Requirement Study and Construction Work Plan.
- Negotiations have been or will be initiated with our power supplier, where necessary, to obtain new delivery points and/or additional capacity at existing ones to adequately supply the projected load upon which this loan application is based.
- The data contained herein and all supporting documents have to the best of my knowledge, been prepared correctly and in accordance with 7 CFR 1710.401(a)(3)

03/26/2008      Date  
3/26/08      Date

  
 Signature of Borrower's Manager  
 Randy Magnuson, Executive Vice President, COO  
  
 Signature of Borrower's President  
 David L. Jesse, President, CEO

Southern Pioneer Electric Company  
 Corporate Name of Borrower

3/28/08  
 Initials: HWB

MAR 16 2009

Mr. Melvin Winger  
Chairman  
Southern Pioneer Electric Company  
P.O. Box 430  
Ulysses, Kansas 67880

Dear Mr. Winger:

Reference is made to the Rural Utilities Service (RUS) letter of September 23, 2008 wherein Southern Pioneer Electric Cooperative (Southern Pioneer) was advised of the approval of a loan guarantee commitment in the amount of \$60,116,000. This letter also stated that although the loan guarantee commitment had been approved that conditions specified in this letter had to be met to the satisfaction of the Administrator before all or any portion of the loan guarantee commitment would be available for advancement.

A January 23, 2009, letter from Mr. David L. Jesse to Mr. James Newby, Assistant Administrator, was subsequently received in which Southern Pioneer requested that the amount of \$15,058,463 be released prior to the following condition being met to the satisfaction of the Administrator:

The amount of \$15,058,463 will not be advanced, in whole or in part, unless and until Southern Pioneer has achieved the average Coverage Ratios as defined under Section 5.4 (b) of the Loan Contract.

RUS has considered this request and has made the determination that the amount of ~~\$15,058,463 can be released~~ for advancement pending the meeting of the following conditions as specified in the RUS letter of September 23, 2008.

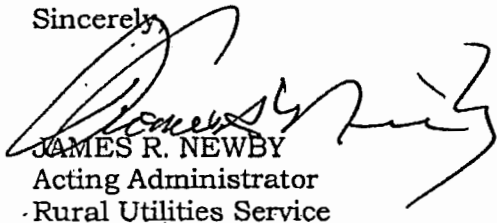
1. The RUS has entered into a contract of guarantee with Southern Pioneer, and the FFB has agreed, with RUS approval, to make Southern Pioneer a guaranteed loan of \$60,116,000 to finance the system extensions and additions described on the enclosed RUS Form 740c;
2. Southern Pioneer has submitted evidence, in form and substance satisfactory to the Administrator, that the conditions in the contract of guarantee have been satisfied to the extent and in the manner prescribed by the Administrator;
3. Southern Pioneer has submitted evidence, in form and substance satisfactory to the Administrator, that Southern Pioneer has duly authorized, executed, and has delivered to the Administrator a RUS loan contract, the FFB Note and the Reimbursement Note in the manner prescribed by the Administrator;

4. Southern Pioneer has submitted evidence, in form and substance satisfactory to the Administrator, that Southern Pioneer has duly authorized, executed, delivered, recorded, and filed a mortgage or other security instrument, if required, which is in form and substance satisfactory to the Administrator; and,
5. An unconditional payment guaranty from Pioneer Electric Cooperative, Inc. (PEC) in the full amount of the Southern Pioneer Electric Company's (Southern Pioneer) "A8" Loan is submitted in form and substance satisfactory to the Administrator. The guaranty of PEC shall remain in full force and effect until:
  - a. Southern Pioneer is not in default of its requirements under its Mortgage or the Loan Contracts; and
  - b. Southern Pioneer has achieved an Equity not less than 15 percent of Total Assets. (Equity and Total Assets calculated as defined in the Mortgage).

The amount of \$45,057,537 will not be advanced, in whole or in part, unless and until the above mentioned conditions are satisfied and RUS has received:

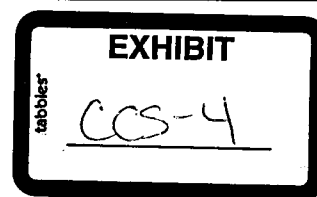
- a. Evidence of the Kansas Corporate Commission (KCC) final order approving a retail rate increase, as requested by the Southern Pioneer, based on its Cost of Service Study; and
- b. A long range financial forecast, in form and substance satisfactory to RUS, demonstrating the impact on Southern Pioneer's financials after implementation of the KCC-approved rates.

Sincerely,



JAMES R. NEWBY  
Acting Administrator  
Rural Utilities Service

cc: Mr. David L. Jesse  
Mr. Randy Magnison, Manager  
CoBank



United States Department of Agriculture  
Rural Development

JUN 05 2009

Mr. Melvin Winger  
Chairman  
Southern Pioneer Electric Company  
P.O. Box 430  
Ulysses, Kansas 67880

Dear Mr. Winger:

The Rural Utilities Service (RUS) has enclosed the Federal Financing Bank (FFB) guaranteed loan documents and instructions for your "A8" loan. This loan in the amount of \$60,116,000 will be secured under a Restated Mortgage and Security Agreement executed by and between the Government, Southern Pioneer Electric Company (Southern Pioneer), and CoBank, ACB. Once you have executed all RUS loan documents, please return them all at the same time in accordance with "STEP 8. RETURNING THE DOCUMENTS" of the closing instructions.


The FFB loan commitment, the terms of which are contained in the Note Purchase Commitment and Servicing Agreement between RUS and FFB dated as of January 1, 1992, as amended, ("Agreement") will remain valid for 90 days. Upon RUS certification of Southern Pioneer's execution and delivery of the FFB Note, Southern Pioneer becomes entitled to enforce the Agreement.

The following provisions shall be applicable to the guarantee of the FFB Note, in addition to those otherwise made applicable by the enclosed Designation Notice:

- a) The term "Loans," as defined in the Loan Contract, shall include the FFB loan.
- b) The term "System," as defined in the Loan Contract, shall include the improvements and facilities financed in whole or in part by the FFB loan.

Please note that under the provisions of the Loan Contract, the "A8" loan funds will not be advanced until RUS receives satisfactory evidence that the documents have been duly executed and filed. RUS prepared a FFB Note for \$60,116,000. The first principal payment date will be June 30, 2011. The last day for advances on the "A8" loan is June 30, 2013.

Sincerely,

  
PRASHANT V. PATEL  
Chief, Operations Branch  
Southern Regional Division  
Rural Utilities Service

Enclosures

cc: Mr. Randy Magnison, Manager  
✓ CoBank

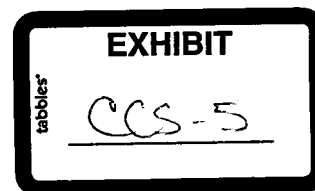
1400 Independence Ave, S.W. · Washington DC 20250-0700  
Web: <http://www.rurdev.usda.gov>

Committed to the future of rural communities.

"USDA is an equal opportunity provider, employer and lender."  
To file a complaint of discrimination, write USDA, Director, Office of Civil Rights,  
1400 Independence Avenue, S.W., Washington, DC 20250-9410 or call (800) 795-3272 (Voice) or (202) 720-6382 (TDD).



United States Department of Agriculture  
Rural Development



AUG 31 2009

AUG 23 2009

Mr. Melvin Winger  
President  
Southern Pioneer Electric  
Company  
P. O. Box 430  
Ulysses, Kansas 67880

Dear Mr. Winger:

We are pleased to inform you that the Rural Utilities Service (RUS) has received all the required loan documents from Southern Pioneer Electric Company (Southern Pioneer) in connection with the Federal Financing Bank (FFB) guaranteed loan designated "A8" in the amount of \$60,116,000. However, in order to advance funds for the "A8" loan, the conditions listed in the approval letter dated September 23, 2008 (copy attached) and in the change in approval conditions letter dated March 16, 2009 (copy attached) must be satisfied.

The FFB Note Identifier which must be inserted on page one of each FFB Advance Request is SOUTHPNR - 0001.

Please contact William Wallace at (202) 205-8547 if you have any questions.

Sincerely,

PRASHANT V. PATEL  
Chief, Operations Branch  
Southern Regional Division  
Electric Programs  
USDA Rural Development, Utilities Programs

Enclosures (2)

cc: ✓ Mr. Randy Magnison, General Manager  
CoBank

1400 Independence Ave, SW • Washington, DC 20250-0700  
Web: <http://www.rurdev.usda.gov>

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**BOARD RESOLUTION****REQUESTING GUARANTEED FEDERAL FINANCING BANK (FFB) LOAN**

**WHEREAS**, it has been determined on the basis of the current Construction Work Plan that financing is needed for electric facilities as shown on RUS Form 740c, Cost Estimates and Loan Budget for Electric Borrowers, as follows:

RUS Guaranteed Federal Financing Bank (FFB) Loan Requested for Facilities \$60,116,000.

**NOW THEREFORE BE IT RESOLVED**, that Southern Pioneer Electric Company makes application to the Rural Utilities Service pursuant to 7 CFR Part 1710 for a guaranteed FFB loan in the approximate amount of \$60,116,000 to be used in accordance with the provisions of 7 CFR Part 1710 to finance the above mentioned facilities.

**BE IT ALSO RESOLVED**, that the RUS guaranteed FFB loan shall bear a maturity date to cover an approximate period of twenty-eight (28) years.

**BE IT ALSO RESOLVED**, that the Board of Directors of Southern Pioneer Electric Company authorizes its officers to execute and attest all necessary papers, documents, and applications related to the foregoing.

**BE IT FURTHER RESOLVED**, that the Chairman, Vice Chairman, President-Chief Executive Officer, Executive Vice President-Chief Operating Officer, Secretary and Assistant Secretary-Treasurer are authorized on behalf of the Borrower (a) to execute and deliver from time to time advance requests, maturity extension election notices, prepayment election notices and refinancing election notices, in the form of such instruments attached to the note payable to FFB, and (b) to specify information and select option as provided in such instruments.

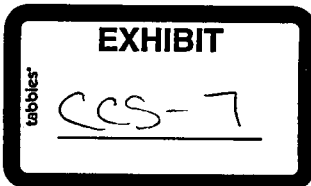
**BE IT FURTHER RESOLVED**, that the Southern Pioneer Electric Company hereby authorizes the RUS to release appropriate information and data relating to the application to the FFB and any existing supplemental lenders.

**CERTIFICATION**

I, M. Moran Tomson, Secretary of Southern Pioneer Electric Company, do hereby certify that the above is a true and correct copy of a resolution adopted at the meeting of the Board of Directors of Southern Pioneer Electric Company on March 26, 2008, at which a quorum was present and voted.

SEAL

  
\_\_\_\_\_  
M. Moran Tomson, Secretary



KANSAS ELECTRIC POWER COOPERATIVE, INC.  
Information Request

Request No.1-42

Company Name MID-KANSAS ELECTRIC COMPANY, LLC  
Docket Number 12-MKEE-380-RTS  
Request Date February 3, 2012  
Date Information Needed February 17, 2012  
RE: MKEC's Application of December 20, 2011

**Please provide the following:**

With reference to the Scott Direct, p. 7, ll. 3-8, identify and describe the construction projects that were stalled or deferred, provide the dates over which each was stalled or deferred and identify and describe each instance in which service provided by Southern Pioneer was less than reliable as a result of the foregoing and quantify the amount of increase in material and borrowing cost.

Due to RUS' prolonged loan fund approval process and lack of loan funds to effectively proceed with scheduling and building certain projects as identified in its 4-year Work Plan, Southern Pioneer reviewed and delayed or deferred various projects. Unless the delayed project has been fully completed, the cost of the delay cannot be calculated as material and labor expenses are not known. See attached listing of the projects that were deferred, engineer's estimated cost from Work Plan, and impact on service or reliability by not completing timely, etc.

Submitted By KEPCo  
Submitted To MKEC

If for some reason, the above information cannot be provided by the date requested, please provide a written explanation of those reasons.

**Verification of Response**

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to KEPCo any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Information Request.

Signed: *Mary Egan*  
Date: 2/17/12

**Southern Pioneer Deferred Construction Projects**

	RUS Code	Construction Project	Category	Engineer's Estimated Cost (Form 740C)	Approximate Date Deferred (MM/YYYY)	Completion Date (MM/YYYY) & Final Costs	Impact on Reliability and Service
1	300-26	Pixley Line Rebuild	Distribution Line	\$175,000.00	Jan-11	Pending	Age and Condition
2	1000-17	BA county portion of Sun City to Coldwater line Rebuild	Sub-Transmission Line	\$1,080,000.00	Jan-11	Pending	Age and Condition
3	400-03	Meade Lake Road Substation	Substation	\$800,000.00	Jan-11	Pending	Intended to replace two older substations that do not meet NESC and IEEE Codes as it relates to safety, clearances, grounding, drainage, etc.
4	400-02	H&H Substation	Substation	\$800,000.00	Jan-11	Pending	Rebuild and Relocate existing substation to comply with NESC codes as they relate to safety, clearances, grounding, etc. Relocation due to existing substation in river bed.
5	606-01	Osrose pole replacement project in Plains and Kismet	Pole Replacement	\$625,000.00	Jan-11	12/1/2011; \$296.852	Age and Condition
6	300-35	Fowler Underbuild Replacement	Distribution Line	\$70,000.00	Jan-11	Pending	Age and Condition
7	300-36	Minneola Underuild Replacement	Distribution Line	\$70,000.00	Jan-11	Pending	Age and Condition
8	300-37	Minneola Underuild Replacement	Distribution Line	\$35,000.00	Jan-11	Pending	Age and Condition
9	1000-08	Cudahy Meade County Line	Sub-Transmission Line	\$960,000.00	Jan-11	Pending	Age and Condition, voltage support issues.
10	1000-09	Meade County Line to Minneola	Sub-Transmission Line	\$1,320,000.00	Jan-11	Pending	Age and Condition, voltage support issues.
11	1000-10	Minneola to Victory Metering Point	Sub-Transmission Line	\$180,000.00	Jan-11	Pending	Age and Condition, voltage support issues.
12	300-40	Coats to Hwy 54	Distribution Line	\$560,000.00	Jan-11	Pending	Age and Condition
13	1000-22	Coats to Hwy 54	Sub-Transmission Line	\$120,000.00	Jan-11	Pending	Age and Condition
14	1000-15	Coats to Hwy 54	Sub-Transmission Line	\$840,000.00	Jan-11	Pending	Age and Condition
			Estimated Total	\$7,635,000.00			

	Cash	Remaining Available LOC*	Total
Apr-07	\$ 2,872,667	\$ 13,000,000	\$ 15,872,667
May-07	\$ 2,854,521	\$ 13,000,000	\$ 15,854,521
Jun-07	\$ 1,033,748	\$ 11,600,000	\$ 12,633,748
Jul-07	\$ 2,440,184	\$ 11,600,000	\$ 14,040,184
Aug-07	\$ 3,227,490	\$ 11,600,000	\$ 14,827,490
Sep-07	\$ 1,464,184	\$ 11,600,000	\$ 13,064,184
Oct-07	\$ 2,418,114	\$ 11,600,000	\$ 14,018,114
Nov-07	\$ 1,480,110	\$ 11,350,000	\$ 12,830,110
Dec-07	\$ 438,936	\$ 8,851,337	\$ 9,290,273
Jan-08	\$ 1,064,361	\$ 8,601,337	\$ 9,665,698
Feb-08	\$ 486,567	\$ 6,601,337	\$ 7,087,904
Mar-08	\$ 964,503	\$ 6,601,337	\$ 7,565,840
Apr-08	\$ 1,506,961	\$ 5,101,337	\$ 6,608,298
May-08	\$ 2,852,401	\$ 2,851,337	\$ 5,703,738
Jun-08	\$ 1,156,657	\$ 4,851,337	\$ 6,007,994
Jul-08	\$ 3,623,535	\$ 5,501,337	\$ 9,124,872
Aug-08	\$ 1,486,401	\$ 6,251,337	\$ 7,737,738
Sep-08	\$ 1,472,964	\$ 7,651,337	\$ 9,124,301
Oct-08	\$ 3,468,254	\$ 6,151,337	\$ 9,619,591
Nov-08	\$ 1,728,876	\$ 7,651,337	\$ 9,380,213
Dec-08	\$ 925,473	\$ 7,251,337	\$ 8,176,810
Jan-09	\$ 371,138	\$ 5,151,337	\$ 5,522,475
Feb-09	\$ 942,095	\$ 4,351,337	\$ 5,293,432
Mar-09	\$ 1,521,672	\$ 3,651,337	\$ 5,173,009
Apr-09	\$ 426,712	\$ 2,901,337	\$ 3,328,049
May-09	\$ 662,204	\$ 951,337	\$ 1,613,541
Jun-09	\$ 1,445,954	\$ -	\$ 1,445,954
Jul-09	\$ 953,977	\$ -	\$ 953,977
Aug-09	\$ 1,323,274	\$ -	\$ 1,323,274
Sep-09	\$ 1,123,482	\$ -	\$ 1,123,482
Oct-09	\$ 1,600,636	\$ 3,100,000	\$ 4,700,636
Nov-09	\$ 2,603,312	\$ 4,450,000	\$ 7,053,312
Dec-09	\$ 1,442,844	\$ 4,450,000	\$ 5,892,844
Jan-10	\$ 2,805,335	\$ 750,000	\$ 3,555,335
Feb-10	\$ 1,636,446	\$ 750,000	\$ 2,386,446
Mar-10	\$ 1,839,996	\$ 1,151,563	\$ 2,991,559
Apr-10	\$ 412,691	\$ 2,163,899	\$ 2,576,590
May-10	\$ 121,753	\$ 2,658,210	\$ 2,779,963
Jun-10	\$ 158,436	\$ 1,747,790	\$ 1,906,226
Jul-10	\$ 101,310	\$ 3,714,606	\$ 3,815,916
Aug-10	\$ 126,461	\$ 4,105,445	\$ 4,231,906
Sep-10	\$ 348,739	\$ 2,952,599	\$ 3,301,338
Oct-10	\$ 116,858	\$ 4,052,135	\$ 4,168,993
Nov-10	\$ 425,500	\$ 3,860,471	\$ 4,285,971
Dec-10	\$ 186,012	\$ 1,824,210	\$ 2,010,222

Jan-11	\$ 1,239,525	\$ 912,057	\$ 2,151,582
Feb-11	\$ 841,804	\$ 1,168,076	\$ 2,009,880
Mar-11	\$ 109,271	\$ 643,030	\$ 752,301
Apr-11	\$ 313,437	\$ 1,269,266	\$ 1,582,703
May-11	\$ 7,609,787	\$ 7,000,000	\$ 14,609,787
Jun-11	\$ 2,555,624	\$ 6,689,173	\$ 9,244,797
Jul-11	\$ 1,969,912	\$ 7,500,000	\$ 9,469,912
Aug-11	\$ 2,150,861	\$ 7,500,000	\$ 9,650,861
Sep-11	\$ 1,518,845	\$ 7,361,053	\$ 8,879,898
Oct-11	\$ 2,177,534	\$ 7,411,562	\$ 9,589,096
Nov-11	\$ 2,088,558	\$ 7,227,682	\$ 9,316,240
Dec-11	\$ 1,603,333	\$ 6,232,137	\$ 7,835,470

\*Prior to May 2011 Southern Pioneer had a \$13,000,000 LOC. The LOC was reduced to \$7,500,000 in May 2011.

				date	
	RUS#	Electric Distribution Cooperatives	date paid off	RUS Status	reactivated
1	AL021	Cherokee Electric Cooperative	3/26/2007	Paid in Full	
2	AL022	Pioneer Electric Cooperative	11/29/1999	PREPAID	
3	AL028	Tallapoosa River Elec Co-op	9/30/2006	Paid in Full	
4	AL029	Black Warrior EMC	3/30/1999	Paid in Full	
5	AL035	North Alabama Electric Cooperative	6/29/2009	Paid in Full	
6	AL037	Joe Wheeler EMC	2/24/2000	PREPAID	
7	AL039	Tombigbee Electric Cooperative, Inc.	8/11/2004	Paid in Full	
8	AK002	Matanuska Electric Assn, Inc.	3/23/1995	PREPAID	
9	AK005	Homer Electric Association., Inc.	5/16/2000	PREPAID	
10	AK008	Chugach Electric Association, Inc.	9/26/1991	PREPAID	
11	AK018	Copper Valley Electric Assn., Inc.	12/1/1998	PREPAID	
12	AK030	Cordova Electric Cooperative, Inc.	4/27/1999	PREPAID	
13	AZ014	Sulphur Springs Valley Elec. Co-op	4/22/2004	PREPAID	
14	AZ017	Graham County Electric Cooperative, Inc.	11/20/1992	Paid in Full	
15	AZ023	Duncan Valley Electric Cooperative, Inc.	6/18/2009	Paid in Full	
16	AZ029	Electrical District #2	10/11/1994	Paid in Full	
17	AR010	First Electric Cooperative Corporation	10/2/1998	PREPAID	
18	AR024	Ozarks Electric Co-op Corp.	1/26/1999	PREPAID	
19	AR027	Ouachita Electric Cooperative Corporation	11/25/1997	PREPAID	
20	CA044	Truckee-Donner PUD	1/10/1994	Paid in Full	
21	CO014	San Luis Valley REC, Inc.	11/29/1999	PREPAID	
22	CO016	Intermountain REA	1/18/1995	PREPAID	
23	CO018	Gunnison County Electric Association, Inc.	11/2/1996	Reactivated	21-Aug-02
24	CO022	United Power, Inc.	6/22/1999	PREPAID	
25	CO040	White River Electric Assn., Inc.	10/26/1999	PREPAID	
26	FL014	Clay Electric Cooperative, Inc.	1/28/1999	PREPAID	
27	FL024	Florida Keys Electric Co-op Assn., Inc.	8/28/1996	PREPAID	
28	FL025	Lee County Electric Cooperative, Inc.	9/30/1987	PREPAID	
29	FL030	Choctawhatchee Electric Cooperative, Inc.	6/16/1998	PREPAID	
30	FL034	Gulf Coast Electric Cooperative, Inc.	6/17/1999	Reactivated	18-Sep-07
31	GA020	Diverse Power Incorporated	12/1/1995	PREPAID	
32	GA035	Walton EMC	2/27/1996	PREPAID	
33	GA051	Snapping Shoals EMC	7/27/1994	PREPAID	
34	GA066	Flint EMC (dba FlintEnergies)	7/16/1998	Reactivated	30-May-02
35	GA070	Mitchell EMC	2/16/1995	PREPAID	
36	GA084	Cobb Electric Membership Corporation	3/19/1996	PREPAID	
37	GA091	Oconee EMC	5/30/2000	PREPAID	
38	ID004	Northern Lights, Inc.	1/27/1998	PREPAID	
39	ID015	Idaho County Light & Power Co-op Assn., Inc.	10/21/1997	PREPAID	
40	ID017	Fall River Rural Electric Cooperative, Inc.	3/20/1996	PREPAID	
41	ID023	Salmon River Electric Co-op, Inc.	4/21/1998	PREPAID	
42	IL002	Wayne-White Counties Electric Cooperative	3/18/1999	PREPAID	
43	IL008	Coles-Moultrie Electric Cooperative	8/21/1997	PREPAID	
44	IL027	EnerStar Electric Cooperative	11/9/1994	PREPAID	
45	IL029	Shelby Electric Cooperative	11/30/1987	Paid in Full	
46	IL030	Adams Electric Cooperative	5/28/1997	PREPAID	

47	IL032	McDonough Power Cooperative	11/18/1999	PREPAID	
48	IL033	Western Illinois Electrical Cooperative	11/19/1999	PREPAID	
49	IL034	Egyptian Electric Cooperative Assn.	11/2/1998	PREPAID	
50	IL036	Norris Electric Cooperative	6/20/2000	Paid in Full	
51	IL037	SouthEastern Illinois Elec. Co-op, Inc.	4/23/1998	PREPAID	
52	IL038	Corn Belt Energy Corporation	11/2/1996	PREPAID	
53	IL039	Spoon River Electric Cooperative, Inc.	10/16/1997	PREPAID	
54	IL040	M.J.M. Electric Cooperative, Inc.	10/2/1998	PREPAID	
55	IL041	Tri-County Elec. Cooperative, Inc.	8/27/1996	PREPAID	
56	IL043	Southern Illinois Electric Cooperative	12/17/1997	PREPAID	
57	IL044	Jo-Carroll Energy, Inc.	8/18/1998	PREPAID	
58	IL045	Clinton County Electric Cooperative, Inc.	11/18/1999	PREPAID	
59	IL048	Clay Electric Cooperative, Inc.	10/22/2002	PREPAID	
60	IL054	Eastern Illini Electric Cooperative	12/1/1998	PREPAID	
61	IN006	Boone REMC	9/21/1995	PREPAID	
62	IN007	Northeastern REMC	12/15/2005	Paid in Full	
63	IN008	Wabash County REMC	7/31/2003	Paid in Full	
64	IN011	Warren County REMC	11/8/2006	Paid in Full	
65	IN018	RushShelby Energy, Inc.	7/18/2000	PREPAID	
66	IN016	Henry County REMC	4/29/1953	Paid in Full	
67	IN021	Bartholomew County REMC	10/5/1994	PREPAID	
68	IN024	Carroll County REMC	10/6/1994	PREPAID	
69	IN032	Central Indiana Power	10/2/1996	PREPAID	
70	IN033	Hendricks Power Cooperative	7/27/1994	PREPAID	
71	IN037	Jay County REMC	1/29/1999	Paid in Full	
72	IN041	LaGrange County REMC	8/19/2003	Paid in Full	
73	IN046	Miami-Cass County REMC	2/28/1996	PREPAID	
74	IN053	Steuben County REMC	8/23/1995	PREPAID	
75	IN060	South Central Indiana REMC	9/21/1999	PREPAID	
76	IN072	Clark County REMC	9/28/1987	PREPAID	
77	IN080	Noble REMC	5/18/1995	PREPAID	
78	IN088	Kosciusko REMC	2/16/1995	PREPAID	
79	IN108	United REMC	7/31/2003	Paid in Full	
80	IN109	Whitewater Valley REMC	2/19/1998	Reactivated	07-Jul-04
81	IA007	Consumers Energy	6/25/2001	PREPAID	
82	IA018	Boone Valley Electric Co-op	9/25/1991	Paid in Full	
83	IA026	Nishnabotna Valley REC	2/23/1995	PREPAID	
84	IA040	Pella Co-op Electric Assn.	5/22/1997	PREPAID	
85	IA050	Lyon Rural Electric Cooperative	11/20/1997	PREPAID	
86	IA053	Linn County REC	11/25/1997	PREPAID	
87	IA056	T.I.P. Rural Electric Cooperative	2/20/1997	PREPAID	
88	IA059	Woodbury County RECA	2/19/1999	PREPAID	
89	IA069	Access Energy Cooperative	3/25/2002	PREPAID	
90	IA070	Osceola Electric Cooperative, Inc.	4/23/2004	Paid in Full	
91	IA074	Allamakee-Clayton Elec. Co-op, Inc.	6/8/2004	Paid in Full	
92	IA092	Iowa Lakes Electric Cooperative	3/20/1997	PREPAID	
93	IA094	North West Rural Electric Cooperative	5/29/1996	PREPAID	
94	KS019	Butler REC, Inc.	2/25/1999	PREPAID	

95	KS051	Wheatland Electric Co-op, Inc.		PREPAID
96	KS055	Midwest Energy, Inc.	1/12/1995	PREPAID
97	KY038	Hickman-Fulton Counties RECC	8/28/2006	Paid in Full
98	LA017	Claiborne Electric Cooperative, Inc.	11/14/2007	Paid in Full
99	LA018	Beauregard Electric Co-op, Inc.	9/30/1987	PREPAID
100	MD007	Choptank Electric Co-op, Inc.	12/1/1998	PREPAID
101	MI026	HomeWorks Tri-County Electric Co-op, Inc.	1/23/1997	PREPAID
102	MI028	Presque Isle Electric & Gas Co-op	1/19/1995	PREPAID
103	MI044	Cherryland Electric Cooperative	9/22/2005	PREPAID
104	MN048	Connexus Energy	2/27/1996	PREPAID
105	MN058	Kandiyohi Power Cooperative	5/21/1998	PREPAID
106	MN065	Dakota Electric Association	9/18/1995	PREPAID
107	MN083	Itasca-Mantrap Co-op Electrical Assn	5/22/1997	PREPAID
108	MN096	Beltrami Electric Cooperative, Inc.	11/2/1997	PREPAID
109	MN097	Roseau Electric Cooperative, Inc.	1/22/1998	PREPAID
110	MN101	Clearwater-Polk Electric Cooperative	9/18/1997	PREPAID
111	MS020	Yazoo Valley Electric Power Association	3/26/1998	PREPAID
112	MS024	North East Mississippi EPA	5/2/2007	Paid in Full
113	MS029	Four County Electric Power Assn.	12/18/1996	PREPAID
114	MS031	Twin County Electric Power Association	10/2/1998	PREPAID
115	MS034	Delta Electric Power Association	12/2/1995	PREPAID
116	MS036	Pearl River Valley EPA	5/28/1996	PREPAID
117	MS048	Northcentral Mississippi EPA	1/26/1999	PREPAID
118	MS049	Tombigbee Electric Power Association	10/30/1998	Paid in Full
119	MO019	Boone Electric Co-op	8/27/1998	PREPAID
120	MO028	Barton County Electric Co-op, Inc.	4/18/2000	PREPAID
121	MO031	SEMO Electric Cooperative	2/28/1996	PREPAID
122	MO038	Black River Electric Cooperative	6/29/1999	PREPAID
123	MO041	Platte-Clay Electric Cooperative, Inc.	1/18/2000	PREPAID
124	MO043	Laclede Electric Co-op	7/29/1999	PREPAID
125	MO056	North Central Missouri Elec. Co-op	7/18/2000	PREPAID
126	MO057	Cuivre River Electric Co-op, Inc.	9/29/1987	PREPAID
127	MT002	Sun River Electric Cooperative, Inc.	3/24/2000	PREPAID
128	MT013	Flathead Electric Cooperative, Inc.	2/22/1996	PREPAID
129	MT030	Glacier Electric Co-op, Inc.	1/29/1996	PREPAID
130	NE001	Roosevelt PPD	9/29/1987	PREPAID
131	NE049	Howard Greeley RPPD	9/18/1987	PREPAID
132	NE054	Cuming County PPD	9/1/1987	PREPAID
133	NE062	Seward County PPD	3/28/2005	PREPAID
134	NE064	Perennial Public Power District	9/1/1987	PREPAID
135	NE071	Elkhorn RPPD	9/25/1987	PREPAID
136	NE076	Southern Public Power District	3/9/1987	PREPAID
137	NE077	Norris PPD	12/1/2004	Paid in Full
138	NE078	Dawson PPD	9/27/1996	PREPAID
139	NE079	McCook PPD	9/18/1987	PREPAID
140	NE080	Niobrara Valley EMC	9/30/1987	PREPAID
141	NE081	Cornhusker PPD	9/28/1987	PREPAID
142	NE083	Custer PPD	9/29/1987	PREPAID

143	NE099	Northwest RPPD	9/22/1987	PREPAID	
144	NE101	Southwest PPD	7/23/1987	PREPAID	
145	NE103	Loup Valleys RPPD	9/24/1987	PREPAID	
146	NE105	South Central PPD	6/11/1987	PREPAID	
147	NV003	Alamo Power District No. 3	11/2/1992	Paid in Full	
148	NV004	Overton Power District 5	1/23/1997	PREPAID	
149	NV015	Wells REC	12/20/1999	PREPAID	
150	NV017	Lincoln County Power District 1	6/28/1994	PREPAID	
151	NV018	Valley Electric Association	1/19/1995	PREPAID	
152	NV019	Mt. Wheeler Power, Inc.	9/25/1997	PREPAID	
153	NJ006	Sussex REC	7/26/2002	PREPAID	
154	NC014	Pitt & Greene EMC	9/26/1996	PREPAID	
155	NC043	Jones-Onslow EMC	6/29/1995	PREPAID	
156	NC047	Wake EMC	1/23/1996	PREPAID	
157	OH001	Pioneer REC, Inc.	5/6/2004	Paid in Full	
158	OH039	Paulding-Putnam Electric Co-op, Inc.	3/21/1995	PREPAID	
159	OH041	Licking Rural Electrification	8/30/1994	PREPAID	
160	OH050	Union REC, Inc.	12/2/1999	PREPAID	
161	OH068	Tricounty REC, Inc.	3/29/1993	Paid in Full	
162	OK002	Kay Electric Cooperative	2/19/1999	PREPAID	
163	OK010	Oklahoma Electric Cooperative	4/23/1996	PREPAID	
164	OK012	Alfalfa Electric Cooperative, Inc.	2/18/1999	PREPAID	
165	OK016	People's Electric Cooperative	9/29/1987	PREPAID	
166	OK019	Northeast Oklahoma Electric Co-op	8/30/1999	Reactivated	05-Jun-09
167	OK020	Rural Electric Cooperative, Inc.	4/20/2000	PREPAID	
168	OK030	Choctaw Electric Cooperative, Inc.	4/29/2002	PREPAID	
169	OK033	Kiamichi Electric Cooperative, Inc.	10/29/1996	PREPAID	
170	OK034	Tri-County Elec. Co-op, Inc.	12/20/1999	PREPAID	
171	OK037	Lake Region Electric Co-op, Inc.	2/26/2001	PREPAID	
172	OR002	Blachly-Lane Co. Co-op Elec. Assn.	9/25/1997	PREPAID	
173	OR004	Consumers Power, Inc.	9/23/1997	PREPAID	
174	OR018	Lane Electric Cooperative, Inc.	10/2/1998	PREPAID	
175	OR021	Coos-Curry Electric Cooperative, Inc.	3/26/1998	PREPAID	
176	OR025	Central Electric Cooperative, Inc.	4/26/1995	PREPAID	
177	OR039	Midstate Electric Cooperative, Inc.	6/18/2001	PREPAID	
178	PA004	Northwestern RECA, Inc.	6/25/1998	PREPAID	
179	PA012	Sullivan County REC, Inc.	10/26/2001	PREPAID	
180	PA013	Tri-County REC, Inc.	5/29/2003	PREPAID	
181	PA015	Claverack Rural Electric Cooperative, Inc.	3/27/2000	PREPAID	
182	PA019	Warren Electric Cooperative, Inc.	2/27/2009	Paid in Full	
183	PA021	Somerset REC, Inc.	7/30/2008	PREPAID	
184	SC029	Black River Electric Cooperative, Inc.	8/29/2003	Paid in Full	
185	SC030	Coastal Electric Cooperative, Inc.	4/25/2002	PREPAID	
186	SC040	Palmetto Electric Cooperative, Inc.	11/18/1999	PREPAID	
187	TN045	LaFollette Utilities	9/16/1997	PREPAID	
188	TN049	Chickasaw Electric Cooperative	9/19/2000	PREPAID	
189	TX030	Upshur-Rural Electric Cooperative Corporation	2/28/2007	Paid in Full	
190	TX038	HILCO Electric Cooperative, Inc.	2/20/1996	PREPAID	

191	TX049	CoServ Electric	8/30/1994	PREPAID
192	TX050	Grayson-Collin Electric Co-op, Inc.	12/1/1997	PREPAID
193	TX052	Fannin County Electric Cooperative, Inc.	3/24/1998	PREPAID
194	TX056	South Plains Electric Cooperative, Inc.	12/1/1997	PREPAID
195	TX058	Fayette Electric Co-op, Inc.	2/22/1995	PREPAID
196	TX060	Lyntegar Electric Cooperative, Inc.	10/18/1999	PREPAID
197	TX061	Coleman County Electric Co-op, Inc.	9/18/1997	PREPAID
198	TX067	Farmers Electric Cooperative, Inc.	11/29/1996	PREPAID
199	TX068	Cooke County Electric Co-op Assn.	12/2/1994	Paid in Full
200	TX071	J-A-C Electric Cooperative, Inc.	2/26/2004	Paid in Full
201	TX072	Lamar County Electric Cooperative Association	4/29/1997	PREPAID
202	TX075	Wharton County Electric Co-op, Inc.	3/21/1995	PREPAID
203	TX076	Pedernales Electric Co-op, Inc.	9/28/1987	PREPAID
204	TX085	Wise Electric Cooperative, Inc.	9/22/1995	PREPAID
205	TX092	Bandera Electric Cooperative, Inc.	9/29/1987	PREPAID
206	TX098	Fort Belknap Electric Cooperative, Inc.	7/31/1987	Paid in Full
207	TX100	Bluebonnet Electric Cooperative, Inc.	9/28/1987	PREPAID
208	TX101	Tri-County Electric Co-op, Inc.	10/2/1994	PREPAID
209	TX102	Jackson Electric Co-op, Inc.	11/19/2004	Paid in Full
210	TX103	Sam Houston Electric Cooperative, Inc.	3/22/1996	PREPAID
211	TX106	Taylor Electric Cooperative, Inc.	6/17/1999	PREPAID
212	TX111	San Bernard Electric Cooperative, Inc.	9/25/1987	PREPAID
213	TX114	Concho Valley Electric Cooperative, Inc.	3/22/1996	PREPAID
214	TX115	Mid-South Synergy	6/28/1994	PREPAID
215	TX122	Navasota Valley Electric Cooperative, Inc.	1/25/1996	PREPAID
216	TX124	Southwest Texas Electric Cooperative, Inc.	10/1/1997	PREPAID
217	UT008	Moon Lake Electric Association, Inc.	10/16/1996	PREPAID
218	UT011	Flowell Electric Association, Inc.	10/16/1996	PREPAID
219	UT020	Dixie-Escalante Rural Electric Association, Inc.	10/16/1996	PREPAID
220	VT007	Vermont Electric Cooperative, Inc.	10/24/1997	Paid in Full
221	WA017	PUD No. 1 of Klickitat County	12/3/1997	PREPAID
222	WA018	Inland Power & Light Company	9/28/1987	PREPAID
223	WA020	Columbia Rural Electric Assn.	3/17/2006	Paid in Full
224	WA028	PUD No. 1 of Kittitas County	9/27/1996	PREPAID
225	WA032	Okanogan County Electric Co-op	1/22/1998	PREPAID
226	WA036	Big Bend Electric Cooperative, Inc.	1/18/1995	PREPAID
227	WI014	Oconto Electric Cooperative	8/30/2001	PREPAID
228	WI021	Taylor Electric Cooperative	5/29/1996	PREPAID
229	WI025	Oakdale Electric Cooperative	11/1/1998	PREPAID
230	WI032	Pierce Pepin Cooperative Services	7/24/1996	PREPAID
231	WI037	Riverland Energy Cooperative	10/2/1996	PREPAID
232	WI038	Rock Energy Cooperative	12/1/2007	Paid in Full
233	WI040	Barron Electric Cooperative	12/2/1995	PREPAID
234	WI053	Eau Claire Energy Co-op	8/27/1996	PREPAID
235	WI054	Polk-Burnett Electric Cooperative	11/21/1996	PREPAID
236	WI055	Adams-Columbia Electric Co-op	12/23/2003	Paid in Full
237	WI058	Price Electric Cooperative	2/24/1998	PREPAID
238	WI066	Central Wisconsin Electric Cooperative	12/6/2005	Paid in Full

239	WY009	Bridger Valley Electric Assn., Inc.	1/30/1997	PREPAID
240	WY011	Lower Valley Energy	5/22/1995	PREPAID
241	TX047	Deaf Smith Electric Cooperative, Inc.	12/3/1986	PREPAID
242	TX094	Guadalupe Valley Electric Cooperative, Inc.	12/3/1986	PREPAID
243	AL043	Marshall-DeKalb Electric Cooperative	5/22/1964	Paid in Full
244	MS017	Pontotoc Electric Power Assn.	10/23/1968	Paid in Full
245	MS046	Prentiss County Electric Power Association	4/25/1988	Paid in Full
246	NE056	Cedar-Knox PPD	5/1/1999	Paid in Full
247	MS056	Alcorn County Electric Power Assn.	6/20/1958	Paid in Full
248	MS047	Tippah Electric Power Association	11/9/1970	Paid in Full
249	TX162	Trinity Valley Electric Co-op	5/19/1998	PREPAID
250	IA098	Heartland Power Cooperative	12/21/1999	PREPAID
251	IN110	WIN Energy REMC	9/30/1999	Paid in Full
252	TX163	Big Country Electric Cooperative, Inc.	11/20/1998	PREPAID

	<b>RUS#</b>	<b>G&amp;Ts</b>	<b>date paid off</b>	<b>RUS Status</b>
1	AK032	Alaska Electric G&T, Inc.	12/10/1999	Paid in Full
2	IN107	Wabash Valley Power Assn., Inc.	4/1/2004	Paid in Full
3	MI046	Wolverine Power Supply Co-op, Inc.	12/3/2000	PREPAID
4	NE094	Central Nebraska Public Power & Irrig. District	12/2/2000	Paid in Full
5	NE104	Nebraska Electric G&T Co-op, Inc.	4/6/2005	Paid in Full
6	NE106	Nebraska PPD	7/2/1990	Paid in Full
7	ND048	Square Butte Electric Cooperative	12/1/2007	Paid in Full
8	PA027	Allegheny Electric Cooperative, Inc.	3/31/2006	Paid in Full
9	SD044	Rushmore Electric Power Cooperative, Inc.	3/31/2000	Paid in Full
10	TX148	South Texas Electric Cooperative, Inc.	11/29/2007	PREPAID
11	TX153	Lower Colorado River Authority	11/3/1987	Paid in Full
12	VA052	Old Dominion Electric Co-op	6/3/1992	PREPAID
13	MN110	Great River Energy	7/1/2007	PREPAID

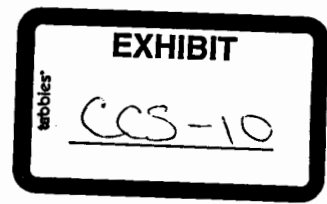
1/13/2011 created by Dave Olivier for Susan Harris McGuire

<b>Paid in Full</b>	RUS loans have been paid in full on schedule
<b>PREPAID</b>	prepaid RUS through prepayment authority
<b>Reactivated</b>	a reactivated borrower (previously prepaid)

**252 Total # of distribution co-ops that have paid off RUS**

**13 Total # of G&Ts that have paid off RUS**

**265 Total that have paid off**



**Mid-Kansas and Southern Pioneer  
Information Request**

Request No: 4

Company Name: CURB  
Docket Number: 12-MKEE-380-RTS  
Request Date: April 24, 2012  
Response Due Date: May 8, 2012

**Please Provide the Following:**

On page 21, lines 2-3 of Direct testimony, Ms. Andrea Crane states, “[i]n fact, the other Members of MKEC continue to rely upon RUS for their funding needs.” Please provide the basis for this statement and a listing of all RUS debt for each MKEC Member.

Response: The basis for Ms. Crane’s statement is her participation in KCC Docket Nos. 12-MKEE-491-RTS; 11-MKEE-439-RTS; 09-MKEE-969-RTS; and 06-MKEE-524-ACQ. The testimony in these cases is a matter of public record. Ms. Crane has not compiled a listing of all RUS debt for each MKEC Member.

Submitted By: Mid-Kansas/Southern Pioneer

Submitted To: CURB – Andrea Crane

If for some reason the above information cannot be provided by the date requested please provide a written explanation of the reason(s).

**Verification of Response**

I have read the foregoing Information Request and answer(s) thereto and find the answer(s) to be true, accurate, full and complete, and contain no material misrepresentations or omissions to the best of my knowledge and belief; and I will disclose to the requestor any matter subsequently discovered which affects the accuracy or completeness of the answer(s) to this Data Request.

Signed: Andrea P. Crane

Dated: May 4, 2012