

**The Empire District Electric Company  
Statement Of Income For The Twelve Months  
To Arrive At Amounts Assignable Or Allocable**

**Section 9  
Schedule A**

<b>Kansas Jurisdiction</b>			
	<b>12 Mo Ended 6/30/2009</b>	<b>Adjustments</b>	<b>Pro Forma 12 mo ended 6/30/2009</b>
<b>Electric Utility Operating Revenues:</b>			
1 Residential	10,449,079	(3,491,718)	6,957,360
2 Commercial	5,025,194	(1,745,447)	3,279,747
3 Industrial	4,567,869	(1,986,670)	2,581,199
4 Public Street And Highway Lighting	181,827		181,827
5 Other Sales To Public Authorities	511,614		511,614
6 Interdepartmental	-		-
7 Wholesale - On-System	-		-
8 Wholesale - Off-System/Other	1,160,914	(1,160,914)	-
10 Total Revenue from Sales Of Electricity	21,896,497	(8,384,749)	13,511,748
11 Other Electric Operating Revenues	374,178	(490)	373,688
12 Total Electric Utility Operating Revenue	22,270,675	(8,385,239)	13,885,436
<b>Electric Utility Operating Expenses:</b>			
13 Production	10,493,806	(8,117,943)	2,375,863
14 Transmission	371,091	95,790	466,881
15 Distribution	1,113,335	(9,475)	1,103,860
16 Customer Accounts	560,529	188,147	748,676
17 Customer Assistance	82,305	38,173	120,478
18 Sales	18,506	555	19,061
19 Administrative & General	1,401,935	193,714	1,595,649
20 Depreciation And Amortization	2,268,917	495,509	2,764,426
21 Taxes Other Than Income Taxes	1,132,426	331,387	1,463,813
22 Income Taxes - Federal	666,582	(297,117)	369,465
23 Income Taxes - State	93,146	(9,403)	83,743
24 Provision For Deferred Income Taxes	1,186,013	(1,322,104)	(136,091)
25 Provision For Deferred Income Taxes - Cr.	(778,145)	766,147	(11,998)
26 Investment Tax Credit Adjustments - Net	(29,279)	-	(29,279)
27 Interest On Customer Deposits	-	3,525	3,525
28 (Gain) Loss On Disposal Of Allowances	-	(9,566)	(9,566)
Total Electric Utility Operating Expense	18,581,167	(7,652,661)	10,928,506
<b>Net Electric Utility Operating Income</b>	<b>3,689,509</b>	<b>(732,578)</b>	<b>2,956,930</b>

The Empire District Electric Company  
Explanation Of Adjustments To Test-Year Revenues And

	Total Company		Kansas Jurisdiction		Adjustment Number
	Revenues	Expenses	Revenues	Expenses	
To normalize customer growth, unbilled & weather - residential	52,010		52,010		
To normalize customer growth, unbilled & weather - commercial	103,937		103,937		
To normalize customer growth, unbilled & weather - industrial	(3,772)		(3,772)		
To remove fuel and purchased power - residential	(3,467,052)		(3,467,052)		
To remove fuel and purchased power - commercial	(1,806,282)		(1,806,282)		
To remove fuel and purchased power - industrial	(1,984,171)		(1,984,171)		
To remove general ledger unbilled - residential	(76,676)		(76,676)		
To remove general ledger unbilled - commercial	(43,102)		(43,102)		
To remove general ledger unbilled - industrial	1,273		1,273		
To remove water revenue miscellaneous income	(9,031)		(490)		
To remove off-system revenue	(21,459,226)		(1,160,914)		
Total Revenues	(28,692,093)		(8,385,239)		
To recognize wage increases		541,265		25,668	
To remove fuel and purchased power		(155,723,020)		(7,384,849)	
To remove off-system fuel & pp		(16,195,060)		(782,756)	
To adjust demand charges from Westar to Plum Point		(7,133,520)		(402,842)	
To normalize maintenance for plant additions		7,558,394		426,836	
Total Production		(170,951,941)		(8,117,943)	
To recognize additional Transmission Expenses		1,620,000		91,484	
To recognize wage increases		76,240		4,305	
Total Transmission		1,696,240		95,790	
To recognize wage increases		401,041		20,341	
Remove MO Ice Storm Amortiz		(3,167,396)		(160,653)	
Amortize 2007 Ice Storms		124,032		124,032	
Amortize May wind storm		134,159		6,805	
Total Distribution		(2,508,165)		(9,475)	
To recognize wage increases		191,435		11,565	
To recognize postage increase		27,433		1,657	
To recognize increase in banking fees		2,895,550		174,925	
Total Customer Accounts Expense		3,114,418		188,147	
To recognize wage increases		43,132		2,606	
Bad Debt		588,755		35,568	
Total Customer Assistance Expense		631,887		38,173	
To recognize wage increases		11,185		555	
Total Sales Expense		11,185		555	
To recognize wage increases		596,432		29,686	
To recognize current Kansas rate case expense		101,267		101,267	
To annualize 401(k) expenses		63,958		3,183	
To annualize FAS 106 costs		13,399		13,399	
To annualize FAS 87 costs		(10,118)		(10,118)	
To recognize increase in health care expenses		420,000		20,905	
To recognize increase in dental and vision		15,920		792	
To recognize increase in property insurance		442,879		22,044	
To remove contract payoff		252,247		12,555	
Total Administrative & General Expense		1,895,984		193,714	
To annualize depreciation expense - production		8,044,343		454,278	
To annualize depreciation expense - transmission		277,463		15,669	
To annualize depreciation expense - distribution		801,317		40,719	
To annualize depreciation expense - general		(280,487)		(15,158)	
Remove regulatory amortization		(5,301,560)		-	
Total Depreciation Expense		3,541,076		495,509	

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**Explanation Of Adjustments To Test-Year Revenues And**

	<u>Total Company</u>		<u>Kansas Jurisdiction</u>		<u>Adjustment Number</u>
	<u>Revenues</u>	<u>Expenses</u>	<u>Revenues</u>	<u>Expenses</u>	
To annualize property taxes		5,915,779		319,693	
To increase (decrease) payroll taxes resulting from payroll adj.		234,948		11,694	
Total Taxes Other Than Income Taxes		<u>6,150,727</u>		<u>331,387</u>	
To adjust book taxes		(9,086,695)		(853,073)	
Total Income Taxes - Federal		<u>(9,086,695)</u>		<u>(853,073)</u>	
To adjust book taxes		11,500,875		(9,403)	
Total Income Taxes - State		<u>11,500,875</u>		<u>(9,403)</u>	
To reclass to Operating Income		86,980		3,525	
Total Interest on Customer Deposits		<u>86,980</u>		<u>3,525</u>	
To reclass to Operating Income		(177,018)		(9,566)	
Total (Gain) Loss on Disposal Allowances		<u>(177,018)</u>		<u>(9,566)</u>	
Total Revenues and Expenses		(28,692,093)	(154,094,448)	(8,385,239)	(7,652,661)
Property taxes - existing plant:					
Plant @ Test Year	1,936,833,062				
Tax rate	<u>0.00888</u>				
Property tax	17,199,078				
Expense per test year (section 11)	<u>11,283,299</u>				
Adjustment	5,915,779		5,915,779		319,693
Bad Debt Adjustment					
Test Year Retail Revenue as Adjusted			399,396,758		
5-Year Avg Ratio			<u>0.58%</u>		
As Adjusted Bad Debt Expense			2,316,501		
KS Alloc			<u>6.04%</u>		
MO Bad Debt			139,943.76		
Rate Increase			5,203,483		
5-Year Avg Ratio			<u>0.58%</u>		
As Adjusted Bad Debt Expense			30,180		
Total Bad Debt			<u>170,124</u>		<u>Gross Up to TC</u>
General Ledger Bad Debt Expense					2,816,077
Adjustment					<u>2,227,321</u>
					<u>588,755</u>