2003 Financial Data

		Original #s	Adjustments	Final Numbers
1 Net Regulated Plant	Form 23A, P 8, Net Plant	$ 1,635,697		$ 1,635,697
2 Materials and Supplies Inventory	Page 2, 13-Month Average	$ 40,562		$ 40,562
3 Customer Deposits	Form 23A, P 8, 4040	$ 6,594		$ 6,594
4 ADIT - Regulated Plant	Form 23A, P 8, 4100 + 4340	$ 225,162		$ 225,162
5 Rate Base before Working Capital	line 1 + line 2 - line 3 - line 4	$ 1,908,015		$ 1,457,691
6 Working Capital Requirement				
7 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
8 Less: Depreciation Expense	Form 23A, P 13, 6560	$ 275,162		$ 275,162
9 Total WC Operating Expense	line 7 - line 8	$ 660,420	$ (12,484)	$ 647,936
10 WC OE Requirement	line 9 * 45 / 360	-		$ 80,992
11 Commission-Ordered Cash Balance Requirement				-
12 Total Working Capital Requirement	line 10 + line 11			$ 80,992
13 Total Rate Base	line 5 + line 12			$ 1,538,683
14 Total Operating Revenues	Form 23A, P 11, Total	$ 1,124,466	$ (4,744)	$ 1,119,722
15 Less: Illinois High Cost Fund		-		
16 Net Operating Revenues	line 14 - line 15	$ 1,124,466	$ (4,744)	$ 1,119,722
17 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
18 Other Operating Inc and Exp - Net	Form 23A, P 15, 7100	-		
19 Other Operating Taxes	Form 23A, P 15, 7240	$ 6,861		$ 6,861
20 Net Op Inc before Income Taxes	line 16 - lines 17, 18, & 19	$ 182,023	$ 7,740	$ 189,763
21 Income Tax Expense	line 34			$ 73,512
22 Net Operating Income	line 20 - line 21			$ 116,251
23 Return on Rate Base	line 22 / line 13			7.56%
24 After-tax Cost of Capital				11.21%
25 Target Net Operating Income	line 24 * line 13			$ 172,486
26 Adj to Achieve Target Return on RB	line 25 - line 22			$ 56,235
27 Gross Revenue Conversion Factor	line 35			1.6324
28 ROR Funding Deficiency Including Inc Taxes	line 26 * line 27			$ 91,798
29 Calculation of Income Tax Expense				
30 Net Op Inc before Inc Taxes	line 20			$ 189,763
31 Illinois Inc & Rep Tax Expense	line 30 * 7.18%			$ 13,625
32 Net Op Inc before Fed Inc Tax	line 30 - line 31			$ 176,138
33 Federal Income Tax Expense	line 32 * 34.00%			$ 59,887
34 Total Imputed Income Tax Expense	line 31 + line 33			$ 73,512
35 Gross Revenue Conversion Factor	1 / ((1 - .0718) * (1 - .34))			1.6324

Adjustments to Financial data

Cost	
$ (12,484)	Non-Reg Expense
Revenue	
$ (58,030)	CCL adj 2002
$ 32,444	affordable rate adj
$ 15,591	CCL adj 2003
$ 13,000	CCL adj 2003
$ (7,749)	uncol 2003
$ -	DSL settlement

2003 Financial Data Modified to Project 2004

		Original #s	Adjustments	Final numbers
1 Net Regulated Plant	Form 23A, P 8, Net Plant	$ 1,635,697	$ 500,503	$ 2,136,200
2 Materials and Supplies Inventory	Page 2, 13-Month Average	$ 40,562		$ 40,562
3 Customer Deposits	Form 23A, P 8, 4040	$ 6,594		$ 6,594
4 ADIT - Regulated Plant	Form 23A, P 8, 4100 + 4340	$ 225,162		$ 225,162
5 Rate Base before Working Capital	line 1 + line 2 - line 3 - line 4	$ 1,908,015		$ 1,958,194
6 Working Capital Requirement				
7 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
8 Less: Depreciation Expense	Form 23A, P 13, 6560	$ 275,162		$ 275,162
9 Total WC Operating Expense	line 7 - line 8	$ 660,420	$ (12,484)	$ 647,936
10 WC OE Requirement	line 9 * 45 / 360	-		$ 80,992
11 Commission-Ordered Cash Balance Requirement				-
12 Total Working Capital Requirement	line 10 + line 11			$ 80,992
13 Total Rate Base	line 5 + line 12			$ 2,039,186
14 Total Operating Revenues	Form 23A, P 11, Total	$ 1,124,466	$ 11,190	$ 1,135,656
15 Less: Illinois High Cost Fund		-		
16 Net Operating Revenues	line 14 - line 15	$ 1,124,466	$ 11,190	$ 1,135,656
17 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
18 Other Operating Inc and Exp - Net	Form 23A, P 15, 7100	-		
19 Other Operating Taxes	Form 23A, P 15, 7240	$ 6,861		$ 6,861
20 Net Op Inc before Income Taxes	line 16 - lines 17, 18, & 19	$ 182,023	$ 23,674	$ 205,697
21 Income Tax Expense	line 34			$ 79,685
22 Net Operating Income	line 20 - line 21			$ 126,012
23 Return on Rate Base	line 22 / line 13			6.18%
24 After-tax Cost of Capital				11.21%
25 Target Net Operating Income	line 24 * line 13			$ 228,593
26 Adj to Achieve Target Return on RB	line 25 - line 22			$ 102,580
27 Gross Revenue Conversion Factor	line 35			1.6324
28 ROR Funding Deficiency Including Inc Taxes	line 26 * line 27			$ 167,452
29 Calculation of Income Tax Expense				
30 Net Op Inc before Inc Taxes	line 20			$ 205,697
31 Illinois Inc & Rep Tax Expense	line 30 * 7.18%			$ 14,769
32 Net Op Inc before Fed Inc Tax	line 30 - line 31			$ 190,928
33 Federal Income Tax Expense	line 32 * 34.00%			$ 64,916
34 Total Imputed Income Tax Expense	line 31 + line 33			$ 79,685
35 Gross Revenue Conversion Factor	1 / ((1 - .0718) * (1 - .34))			1.6324

Adjustments to Financial data

Cost		
$	500,503	2004 TPIS Growth
$	(12,484)	Non-Reg Expense
Revenue		
$	(58,030)	CCL adj 2002
$	32,444	afford rate adj
$	15,591	CCL adj 2003
$	13,000	CCL adj 2003
$	(7,749)	uncol 2003
$	(11,996)	HCL 2004
$	27,930	proj incr CCL 2004
$	-	DSL Settlement

2003 Financial Data Modified to Project 2005

		Original #s	Adjustments	Final numbers
1 Net Regulated Plant	Form 23A, P 8, Net Plant	$ 1,635,697	$ 500,503	$ 2,136,200
2 Materials and Supplies Inventory	Page 2, 13-Month Average	$ 40,562		$ 40,562
3 Customer Deposits	Form 23A, P 8, 4040	$ 6,594		$ 6,594
4 ADIT - Regulated Plant	Form 23A, P 8, 4100 + 4340	$ 225,162		$ 225,162
5 Rate Base before Working Capital	line 1 + line 2 - line 3 - line 4	$ 1,908,015		$ 1,958,194
6 Working Capital Requirement				
7 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
8 Less: Depreciation Expense	Form 23A, P 13, 6560	$ 275,162		$ 275,162
9 Total WC Operating Expense	line 7 - line 8	$ 660,420	$ (12,484)	$ 647,936
10 WC OE Requirement	line 9 * 45 / 360	-		$ 80,992
11 Commission-Ordered Cash Balance Requirement				-
12 Total Working Capital Requirement	line 10 + line 11			$ 80,992
13 Total Rate Base	line 5 + line 12			$ 2,039,186
14 Total Operating Revenues	Form 23A, P 11, Total	$ 1,124,466	$ 126,322	$ 1,250,788
15 Less: Illinois High Cost Fund		-		
16 Net Operating Revenues	line 14 - line 15	$ 1,124,466	$ 126,322	$ 1,250,788
17 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
18 Other Operating Inc and Exp - Net	Form 23A, P 15, 7100	-		
19 Other Operating Taxes	Form 23A, P 15, 7240	$ 6,861		$ 6,861
20 Net Op Inc before Income Taxes	line 16 - lines 17, 18, & 19	$ 182,023	$ 138,806	$ 320,829
21 Income Tax Expense	line 34			$ 124,285
22 Net Operating Income	line 20 - line 21			$ 196,543
23 Return on Rate Base	line 22 / line 13			9.64%
24 After-tax Cost of Capital				11.21%
25 Target Net Operating Income	line 24 * line 13			$ 228,593
26 Adj to Achieve Target Return on RB	line 25 - line 22			$ 32,049
27 Gross Revenue Conversion Factor	line 35			1.6324
28 ROR Funding Deficiency Including Inc Taxes	line 26 * line 27			$ 52,317
29 Calculation of Income Tax Expense				
30 Net Op Inc before Inc Taxes	line 20			$ 320,829
31 Illinois Inc & Rep Tax Expense	line 30 * 7.18%			$ 23,035
32 Net Op Inc before Fed Inc Tax	line 30 - line 31			$ 297,793
33 Federal Income Tax Expense	line 32 * 34.00%			$ 101,250
34 Total Imputed Income Tax Expense	line 31 + line 33			$ 124,285
35 Gross Revenue Conversion Factor	1 / ((1 - .0718) * (1 - .34))			1.6324

Adjustments to Financial data		
Cost		
	$ 500,503	2004 TPIS Growth
	$ (12,484)	Non-Reg Expense
Revenue		
	$ (58,030)	CCL adj 2002
	$ 32,444	afford rate adj
	$ 15,591	CCL adj 2003
	$ 13,000	CCL adj 2003
	$ (7,749)	uncol 2003
	$ -	HCL 2004
	$ 27,930	proj incr CCL 2004
	$ 83,576	proj incr HCL 2005
	$ 19,560	proj incr CCL 2005
	$ -	DSL Setlement

2003 Financial Data Modified to Project 2006

		Original #s	Adjustments	Final numbers
1 Net Regulated Plant	Form 23A, P 8, Net Plant	$ 1,635,697	$ 500,503	$ 2,136,200
2 Materials and Supplies Inventory	Page 2, 13-Month Average	$ 40,562		$ 40,562
3 Customer Deposits	Form 23A, P 8, 4040	$ 6,594		$ 6,594
4 ADIT - Regulated Plant	Form 23A, P 8, 4100 + 4340	$ 225,162		$ 225,162
5 Rate Base before Working Capital	line 1 + line 2 - line 3 - line 4	$ 1,908,015		$ 1,958,194
6 Working Capital Requirement				
7 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
8 Less: Depreciation Expense	Form 23A, P 13, 6560	$ 275,162		$ 275,162
9 Total WC Operating Expense	line 7 - line 8	$ 660,420	$ (12,484)	$ 647,936
10 WC OE Requirement	line 9 * 45 / 360	-		$ 80,992
11 Commission-Ordered Cash Balance Requirement				-
12 Total Working Capital Requirement	line 10 + line 11			$ 80,992
13 Total Rate Base	line 5 + line 12			$ 2,039,186
14 Total Operating Revenues	Form 23A, P 11, Total	$ 1,124,466	$ 184,522	$ 1,308,988
15 Less: Illinois High Cost Fund		-		
16 Net Operating Revenues	line 14 - line 15	$ 1,124,466	$ 184,522	$ 1,308,988
17 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
18 Other Operating Inc and Exp - Net	Form 23A, P 15, 7100	-		
19 Other Operating Taxes	Form 23A, P 15, 7240	$ 6,861		$ 6,861
20 Net Op Inc before Income Taxes	line 16 - lines 17, 18, & 19	$ 182,023	$ 197,006	$ 379,029
21 Income Tax Expense	line 34			$ 146,831
22 Net Operating Income	line 20 - line 21			$ 232,197
23 Return on Rate Base	line 22 / line 13			11.39%
24 After-tax Cost of Capital				11.21%
25 Target Net Operating Income	line 24 * line 13			$ 228,593
26 Adj to Achieve Target Return on RB	line 25 - line 22			$ (3,605)
27 Gross Revenue Conversion Factor	line 35			1.6324
28 ROR Funding Deficiency Including Inc Taxes	line 26 * line 27			$ (5,884)
29 Calculation of Income Tax Expense				
30 Net Op Inc before Inc Taxes	line 20			$ 379,029
31 Illinois Inc & Rep Tax Expense	line 30 * 7.18%			$ 27,214
32 Net Op Inc before Fed Inc Tax	line 30 - line 31			$ 351,814
33 Federal Income Tax Expense	line 32 * 34.00%			$ 119,617
34 Total Imputed Income Tax Expense	line 31 + line 33			$ 146,831
35 Gross Revenue Conversion Factor	1 / ((1 - .0718) * (1 - .34))			1.6324

Adjustments to Financial data		
Cost		
	$ 500,503	2004 TPIS Growth
	$ (12,484)	Non-Reg Expense
Revenue		
	$ (58,030)	CCL adj 2002
	$ 32,444	afford rate adj
	$ 15,591	CCL adj 2003
	$ 13,000	CCL adj 2003
	$ (7,749)	uncol 2003
	$ -	HCL 2004
	$ 27,930	proj incr CCL 2004
	$ 83,576	proj incr HCL 2005
	$ 19,560	proj incr CCL 2005
	$ 58,200	proj incr HCL 2006
	$ -	DSL settlement

2003 Financial Data Without FUSF HCL Lag

		Original #s	Adjustments	Final Numbers
1 Net Regulated Plant	Form 23A, P 8, Net Plant	$ 1,635,697		$ 1,635,697
2 Materials and Supplies Inventory	Page 2, 13-Month Average	$ 40,562		$ 40,562
3 Customer Deposits	Form 23A, P 8, 4040	$ 6,594		$ 6,594
4 ADIT - Regulated Plant	Form 23A, P 8, 4100 + 4340	$ 225,162		$ 225,162
5 Rate Base before Working Capital	line 1 + line 2 - line 3 - line 4	$ 1,908,015		$ 1,457,691
6 Working Capital Requirement				
7 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
8 Less: Depreciation Expense	Form 23A, P 13, 6560	$ 275,162		$ 275,162
9 Total WC Operating Expense	line 7 - line 8	$ 660,420	$ (12,484)	$ 647,936
10 WC OE Requirement	line 9 * 45 / 360	-		$ 80,992
11 Commission-Ordered Cash Balance Requirement				-
12 Total Working Capital Requirement	line 10 + line 11			$ 80,992
13 Total Rate Base	line 5 + line 12			$ 1,538,683
14 Total Operating Revenues	Form 23A, P 11, Total	$ 1,124,466	$ 78,832	$ 1,203,298
15 Less: Illinois High Cost Fund		-		
16 Net Operating Revenues	line 14 - line 15	$ 1,124,466	$ 78,832	$ 1,203,298
17 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
18 Other Operating Inc and Exp - Net	Form 23A, P 15, 7100	-		
19 Other Operating Taxes	Form 23A, P 15, 7240	$ 6,861		$ 6,861
20 Net Op Inc before Income Taxes	line 16 - lines 17, 18, & 19	$ 182,023	$ 91,316	$ 273,339
21 Income Tax Expense	line 34			$ 105,888
22 Net Operating Income	line 20 - line 21			$ 167,450
23 Return on Rate Base	line 22 / line 13			10.88%
24 After-tax Cost of Capital				11.21%
25 Target Net Operating Income	line 24 * line 13			$ 172,486
26 Adj to Achieve Target Return on RB	line 25 - line 22			$ 5,036
27 Gross Revenue Conversion Factor	line 35			1.6324
28 ROR Funding Deficiency Including Inc Taxes	line 26 * line 27			$ 8,221
29 Calculation of Income Tax Expense				
30 Net Op Inc before Inc Taxes	line 20			$ 273,339
31 Illinois Inc & Rep Tax Expense	line 30 * 7.18%			$ 19,626
32 Net Op Inc before Fed Inc Tax	line 30 - line 31			$ 253,713
33 Federal Income Tax Expense	line 32 * 34.00%			$ 86,262
34 Total Imputed Income Tax Expense	line 31 + line 33			$ 105,888
35 Gross Revenue Conversion Factor	1 / ((1 - .0718) * (1 - .34))			1.6324

Adjustments to Financial data		
Cost		
	$ (12,484)	Non-Reg Expense
Revenue		
	$ (58,030)	CCL adj 2002
	$ 32,444	afford rate adj
	$ 15,591	CCL adj 2003
	$ 13,000	CCL adj 2003
	$ (7,749)	uncol 2003
	$ -	DSL settlement
Adj for lag		
	$ 83,576	proj incr HCL 2005
	$ -	proj incr HCL 2006
	$ -	proj incr CCL 2004
	$ -	proj incr CCL 2005

2003 Financial Data Modified to Project 2004 W/O FUSF HCL Lag

		Original #s	Adjustments	Final numbers
1 Net Regulated Plant	Form 23A, P 8, Net Plant	$ 1,635,697	$ 500,503	$ 2,136,200
2 Materials and Supplies Inventory	Page 2, 13-Month Average	$ 40,562		$ 40,562
3 Customer Deposits	Form 23A, P 8, 4040	$ 6,594		$ 6,594
4 ADIT - Regulated Plant	Form 23A, P 8, 4100 + 4340	$ 225,162		$ 225,162
5 Rate Base before Working Capital	line 1 + line 2 - line 3 - line 4	$ 1,908,015		$ 1,958,194
6 Working Capital Requirement				
7 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
8 Less: Depreciation Expense	Form 23A, P 13, 6560	$ 275,162		$ 275,162
9 Total WC Operating Expense	line 7 - line 8	$ 660,420	$ (12,484)	$ 647,936
10 WC OE Requirement	line 9 * 45 / 360	-		$ 80,992
11 Commission-Ordered Cash Balance Requirement				-
12 Total Working Capital Requirement	line 10 + line 11			$ 80,992
13 Total Rate Base	line 5 + line 12			$ 2,039,186
14 Total Operating Revenues	Form 23A, P 11, Total	$ 1,124,466	$ 137,032	$ 1,261,498
15 Less: Illinois High Cost Fund		-		
16 Net Operating Revenues	line 14 - line 15	$ 1,124,466	$ 137,032	$ 1,261,498
17 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
18 Other Operating Inc and Exp - Net	Form 23A, P 15, 7100	-		
19 Other Operating Taxes	Form 23A, P 15, 7240	$ 6,861		$ 6,861
20 Net Op Inc before Income Taxes	line 16 - lines 17, 18, & 19	$ 182,023	$ 149,516	$ 331,539
21 Income Tax Expense	line 34			$ 128,434
22 Net Operating Income	line 20 - line 21			$ 203,104
23 Return on Rate Base	line 22 / line 13			9.96%
24 After-tax Cost of Capital				11.21%
25 Target Net Operating Income	line 24 * line 13			$ 228,593
26 Adj to Achieve Target Return on RB	line 25 - line 22			$ 25,488
27 Gross Revenue Conversion Factor	line 35			1.6324
28 ROR Funding Deficiency Including Inc Taxes	line 26 * line 27			$ 41,607
29 Calculation of Income Tax Expense				
30 Net Op Inc before Inc Taxes	line 20			$ 331,539
31 Illinois Inc & Rep Tax Expense	line 30 * 7.18%			$ 23,804
32 Net Op Inc before Fed Inc Tax	line 30 - line 31			$ 307,734
33 Federal Income Tax Expense	line 32 * 34.00%			$ 104,630
34 Total Imputed Income Tax Expense	line 31 + line 33			$ 128,434
35 Gross Revenue Conversion Factor	1 / ((1 - .0718) * (1 - .34))			1.6324

Adjustments to Financial data

Cost		
$	500,503	2004 TPIS Growth
$	(12,484)	Non-Reg Expense
Revenue		
$	(58,030)	CCL adj 2002
$	32,444	afford rate adj
$	15,591	CCL adj 2003
$	13,000	CCL adj 2003
$	(7,749)	uncol 2003
$	-	HCL 2004
$	-	DSL settlement
Adj for lag		
$	83,576	proj incr HCL 2005
$	58,200	proj incr HCL 2006
$	-	proj incr CCL 2004
$	-	proj incr CCL 2005

2003 Financial Data Without FUSF HCL and CCL Lag

		Original #s	Adjustments	Final Numbers
1 Net Regulated Plant	Form 23A, P 8, Net Plant	$ 1,635,697		$ 1,635,697
2 Materials and Supplies Inventory	Page 2, 13-Month Average	$ 40,562		$ 40,562
3 Customer Deposits	Form 23A, P 8, 4040	$ 6,594		$ 6,594
4 ADIT - Regulated Plant	Form 23A, P 8, 4100 + 4340	$ 225,162		$ 225,162
5 Rate Base before Working Capital	line 1 + line 2 - line 3 - line 4	$ 1,908,015		$ 1,457,691
6 Working Capital Requirement				
7 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
8 Less: Depreciation Expense	Form 23A, P 13, 6560	$ 275,162		$ 275,162
9 Total WC Operating Expense	line 7 - line 8	$ 660,420	$ (12,484)	$ 647,936
10 WC OE Requirement	line 9 * 45 / 360	-		$ 80,992
11 Commission-Ordered Cash Balance Requirement				-
12 Total Working Capital Requirement	line 10 + line 11			$ 80,992
13 Total Rate Base	line 5 + line 12			$ 1,538,683
14 Total Operating Revenues	Form 23A, P 11, Total	$ 1,124,466	$ 106,762	$ 1,231,228
15 Less: Illinois High Cost Fund		-		
16 Net Operating Revenues	line 14 - line 15	$ 1,124,466	$ 106,762	$ 1,231,228
17 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
18 Other Operating Inc and Exp - Net	Form 23A, P 15, 7100	-		
19 Other Operating Taxes	Form 23A, P 15, 7240	$ 6,861		$ 6,861
20 Net Op Inc before Income Taxes	line 16 - lines 17, 18, & 19	$ 182,023	$ 119,246	$ 301,269
21 Income Tax Expense	line 34			$ 116,708
22 Net Operating Income	line 20 - line 21			$ 184,561
23 Return on Rate Base	line 22 / line 13			11.99%
24 After-tax Cost of Capital				11.21%
25 Target Net Operating Income	line 24 * line 13			$ 172,486
26 Adj to Achieve Target Return on RB	line 25 - line 22			$ (12,074)
27 Gross Revenue Conversion Factor	line 35			1.6324
28 ROR Funding Deficiency Including Inc Taxes	line 26 * line 27			$ (19,710)
29 Calculation of Income Tax Expense				
30 Net Op Inc before Inc Taxes	line 20			$ 301,269
31 Illinois Inc & Rep Tax Expense	line 30 * 7.18%			$ 21,631
32 Net Op Inc before Fed Inc Tax	line 30 - line 31			$ 279,637
33 Federal Income Tax Expense	line 32 * 34.00%			$ 95,077
34 Total Imputed Income Tax Expense	line 31 + line 33			$ 116,708
35 Gross Revenue Conversion Factor	1 / ((1 - .0718) * (1 - .34))			1.6324

Adjustments to Financial data		
Cost		
	$ (12,484)	Non-Reg Expense
Revenue		
	$ (58,030)	CCL adj 2002
	$ 32,444	afford rate adj
	$ 15,591	CCL adj 2003
	$ 13,000	CCL adj 2003
	$ (7,749)	uncol 2003
	$ -	DSL settlement
Adj for lag		
	$ 83,576	proj incr HCL 2005
	$ -	proj incr HCL 2006
	$ 27,930	proj incr CCL 2004
	$ -	proj incr CCL 2005

2003 Financial Data Modified to Project 2004 W/O FUSF HCL and CCL Lag

		Original #s	Adjustments	Final numbers
1 Net Regulated Plant	Form 23A, P 8, Net Plant	$ 1,635,697	$ 500,503	$ 2,136,200
2 Materials and Supplies Inventory	Page 2, 13-Month Average	$ 40,562		$ 40,562
3 Customer Deposits	Form 23A, P 8, 4040	$ 6,594		$ 6,594
4 ADIT - Regulated Plant	Form 23A, P 8, 4100 + 4340	$ 225,162		$ 225,162
5 Rate Base before Working Capital	line 1 + line 2 - line 3 - line 4	$ 1,908,015		$ 1,958,194
6 Working Capital Requirement				
7 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
8 Less: Depreciation Expense	Form 23A, P 13, 6560	$ 275,162		$ 275,162
9 Total WC Operating Expense	line 7 - line 8	$ 660,420	$ (12,484)	$ 647,936
10 WC OE Requirement	line 9 * 45 / 360	-		$ 80,992
11 Commission-Ordered Cash Balance Requirement				-
12 Total Working Capital Requirement	line 10 + line 11			$ 80,992
13 Total Rate Base	line 5 + line 12			$ 2,039,186
14 Total Operating Revenues	Form 23A, P 11, Total	$ 1,124,466	$ 184,522	$ 1,308,988
15 Less: Illinois High Cost Fund		-		
16 Net Operating Revenues	line 14 - line 15	$ 1,124,466	$ 184,522	$ 1,308,988
17 Total Operating Expenses	Form 23A, P 14, Total	$ 935,582	$ (12,484)	$ 923,098
18 Other Operating Inc and Exp - Net	Form 23A, P 15, 7100	-		
19 Other Operating Taxes	Form 23A, P 15, 7240	$ 6,861		$ 6,861
20 Net Op Inc before Income Taxes	line 16 - lines 17, 18, & 19	$ 182,023	$ 197,006	$ 379,029
21 Income Tax Expense	line 34			$ 146,831
22 Net Operating Income	line 20 - line 21			$ 232,197
23 Return on Rate Base	line 22 / line 13			11.39%
24 After-tax Cost of Capital				11.21%
25 Target Net Operating Income	line 24 * line 13			$ 228,593
26 Adj to Achieve Target Return on RB	line 25 - line 22			$ (3,605)
27 Gross Revenue Conversion Factor	line 35			1.6324
28 ROR Funding Deficiency Including Inc Taxes	line 26 * line 27			$ (5,884)
29 Calculation of Income Tax Expense				
30 Net Op Inc before Inc Taxes	line 20			$ 379,029
31 Illinois Inc & Rep Tax Expense	line 30 * 7.18%			$ 27,214
32 Net Op Inc before Fed Inc Tax	line 30 - line 31			$ 351,814
33 Federal Income Tax Expense	line 32 * 34.00%			$ 119,617
34 Total Imputed Income Tax Expense	line 31 + line 33			$ 146,831
35 Gross Revenue Conversion Factor	1 / ((1 - .0718) * (1 - .34))			1.6324

Adjustments to Financial data

Cost	
$ 500,503	2004 TPIS Growth
$ (12,484)	Non-Reg Expense
Revenue	
$ (58,030)	CCL adj 2002
$ 32,444	afford rate adj
$ 15,591	CCL adj 2003
$ 13,000	CCL adj 2003
$ (7,749)	uncol 2003
$ -	HCL 2004
$ -	DSL settlement
Adj for lag	
$ 83,576	proj incr HCL 2005
$ 58,200	proj incr HCL 2006
$ 27,930	proj incr CCL 2004
$ 19,560	proj incr CCL 2005

FUSF HCL SUPPORT (Total Company)

Year	HCL Support	Increase in HCL	
		Year over Year	Cumulative Forward-Going
Actual 2004	$40,154.72		
Projected 2004	$52,150.72		
2005	$135,726.24	$83,575.52	$83,575.52
2006	$193,926.88	$58,200.64	$141,776.16
Access lines count used in calculations:		1214	

FUSF HCL CALCULATION (per access line)

2004	**Loop cost**	$373.57		**Annual**	**Monthly**
	NAL	$267.45	**$ Supported**	**Support**	**Support**
	115% Benchmark @ 65%	$307.57	$65.43	$42.53	$3.54
	150% Benchmark @ 75%	$373.00	$0.57	$0.43	$0.04
	Total			$42.96	$3.58
2005	**Loop cost**	$469.12		**Annual**	**Monthly**
	NAL	$267.45	**$ Supported**	**Support**	**Support**
	115% Benchmark @ 65%	$307.57	$93.61	$60.84	$5.07
	150% Benchmark @ 75%	$401.18	$67.94	$50.96	$4.25
	Total			$111.80	$9.32
2006	**Loop cost**	$533.04		**Annual**	**Monthly**
	NAL	$267.45	**$ Supported**	**Support**	**Support**
	115% Benchmark @ 65%	$307.57	$93.61	$60.84	$5.07
	150% Benchmark @ 75%	$401.18	$131.86	$98.90	$8.24
	Total			$159.74	$13.31

CCL REVENUE REQUIREMENT

Year			Year over Year Support Increase	Year over Year Total Increase
2004	total	$462,478.23		
	interstate = 25% of total	$115,619.56		
2005	total	$574,198.37		$111,720.13
	interstate = 25% of total	$143,549.59	$27,930.03	
2006	total	$652,438.44		$78,240.07
	interstate = 25% of total	$163,109.61	$19,560.02	
	Total interstate support increase from 2004		$47,490.05	