



# Financial Reporting

---

- ❑ Financial reporting requirements allow the Commission to oversee the utilities compliance with the accounting requirements.
- ❑ The IURC requires utilities to file annual reports.



# Financial Reporting Requirement

---

## ❑ IC 8-1-2-10

### **Accounting systems**

Every public utility shall keep and render to the commission, in the manner and form prescribed by the commission, uniform accounts of all business transacted. In formulating a system of accounting for any class of public utilities, the commission shall consider any system of accounting established by any federal law, commission or department and any system authorized by a national association of such utilities.



# Annual Reports

---

- ❑ *170 IAC 4-2-1.1* The IURC adopted FERC's rules and regulations governing the classification of accounts of all major private electric utilities.
- ❑ *170 IAC 4-2-2* The IURC adopted NARUC's classification of accounts for all other utilities.



# Annual Reports

---

- ❑ The annual report forms include the basic financial statements and also detailed schedules of operating revenues, expenses, assets, and liabilities.
- ❑ FERC requires that an independent public accountant verifies that the annual reports are in compliance with accounting and reporting requirements.



# Annual Reports

---

- ❑ Reporting format should be consistent with Generally Accepted Accounting Principles, the Uniform Systems of Accounts and other rules prescribed by FERC and the State Commission.
- ❑ Financial statements published for investors and creditors be consistent with statements (reports) prepared for FERC.



# USOA - Income Chart of Accounts

---

1. Utility Operating Income
2. Other Income and Deductions
3. Interest Charges
4. Extraordinary Items



## USOA - Chart of Accounts:

### **1. OPERATING INCOME**

---

- 400      Operating revenues.
- 401      Operation expense.
- 402      Maintenance expense.
- 403      Depreciation expense.
- 404      Amortization of limited-term electric plant.
- 405      Amortization of other electric plant.



## USOA - Chart of Accounts:

### **1. OPERATING INCOME**

---

- 406      Amortization of electric plant acquisition adjustments.
- 407      Amortization of property losses, unrecovered plant and regulatory study costs.
- 407.3    Regulatory debits.





## USOA - Chart of Accounts:

### **1. OPERATING INCOME**

---

- 407.4      Regulatory credits.
- 408          [Reserved]
- 408.1      Taxes other than income taxes,  
utility operating income.
- 409          [Reserved]



## USOA - Chart of Accounts:

### **1. OPERATING INCOME**

---

- 409.1      Income taxes, utility operating income.
- 410        [Reserved]
- 410.1      Provisions for deferred income taxes, utility operating income.



## USOA - Chart of Accounts:

### **1. OPERATING INCOME**

---

- 411 [Reserved]
- 411.1 Provision for deferred income taxes  
-- Credit, utility operating income.
- 411.3 [Reserved]
- 411.4 Investment tax credit adjustments,  
utility operations.



## USOA - Chart of Accounts:

### **1. Operating Income**

---

- 411.6      Gains from disposition of utility plant.
- 411.7      Losses from disposition of utility plant.
- 411.8      Gains from disposition of allowances.



# USOA - Chart of Accounts

## 1. Operating Income

---

- 411.9      Losses from disposition of allowances.
- 412        Revenues from electric plant leased to others.
- 413        Expenses of electric plant leased to others.
- 414        Other utility operating income.



# USOA –Chart of Accounts

## 2. Other Income and Deductions

---

### A. OTHER INCOME

- 415 Revenues from merchandising, jobbing, and contract work.
- 416 Costs and expenses of merchandising, jobbing, and contract work.
- 417 Revenues from nonutility operations.
- 417.1 Expenses of nonutility operations.
- 418 Nonoperating rental income.



# USOA –Chart of Accounts

## 2. Other Income and Deductions

---

- 418.1      Equity in earnings of subsidiary companies (Major only).
- 419        Interest and dividend income.
- 419.1      Allowance for other funds used during construction.
- 420        Investment tax credits.
- 421        Miscellaneous nonoperating income.
- 421.1      Gain on disposition of property.



# USOA –Chart of Accounts

## 2. Other Income and Deductions

---

### **B. OTHER INCOME DEDUCTIONS**

- ❑ 421.2      Loss on disposition of property.
- ❑ 425        Miscellaneous amortization.
- ❑ 426        [Reserved]
- ❑ 426.1      Donations.





# USOA –Chart of Accounts

## **2. Other Income and Deductions**

---

- ❑ 426.2 Life insurance.
- ❑ 426.3 Penalties.
- ❑ 426.4 Expenditures for certain civic,  
political and related activities.
- ❑ 426.5 Other deductions.
- ❑ Total other income deductions.
- ❑ Total Other Income and Deductions.



# USOA –Chart of Accounts

## 2. Other Income and Deductions

---

### C. TAXES APPLICABLE TO OTHER INCOME AND DEDUCTIONS

- 408.2 Taxes other than income taxes, other income and deductions.
- 409.2 Income tax, other income and deductions.
- 409.3 Income taxes, extraordinary items.
- 410.2 Provision for deferred income taxes, other income and deductions.



# USOA –Chart of Accounts

## 2. Other Income and Deductions

---

- 411.2 Provision for deferred income taxes  
- Credit, other income and deductions.
- 411.5 Investment tax credit adjustments,  
non-utility operations.
- 420 Investment tax credits.
- Total taxes on other income and deductions.
- Net other income and deductions.



# USOA - Chart of Accounts

## 3. Interest Charges

---

- 427      Interest on long-term debt.
- 428      Amortization of debt discount and  
                 expense.
- 428.1    Amortization of loss on reacquired  
                 debt.
- 429      Amortization of premium on debt-  
                 Cr.



# USOA – Chart of Accounts

## 3. Interest Charges

---

- 429.1      Amortization of gain on reacquired debt -- Credit.
- 430        Interest on debt to associated companies.
- 431        Other interest expense.
- 432        Allowance for borrowed funds used during construction -- Credit.



# USOA – Chart of Accounts

## **4. Extraordinary Items**

---

- 434      Extraordinary income.
- 435      Extraordinary deductions.

1. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
2. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
3. If increases or decreases from previous year (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.

Line No.	Title of Account (a)	OPERATING REVENUES	
		Amount for Year (b)	Amount for Previous Year (c)
1	Sales of Electricity		
2	(440) Residential Sales	350,600,405	340,483,975
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	272,270,252	269,649,743
5	Large (or Ind.) (See Instr. 4)	323,157,335	334,622,257
6	(444) Public Street and Highway Lighting	6,530,677	6,689,082
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	952,558,669	951,445,057
11	(447) Sales for Resale	3,806,690,970	557,235,489
12	TOTAL Sales of Electricity	4,759,249,639	1,508,680,546
13	(Less) (449.1) Provision for Rate Refunds		6,769,380
14	TOTAL Revenues Net of Prov. for Refunds	4,759,249,639	1,501,911,166
15	Other Operating Revenues		
16	(450) Forfeited Discounts	3,349,451	3,227,439
17	(451) Miscellaneous Service Revenues	3,296,752	6,638,993
18	(453) Sales of Water and Water Power		

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
25	Net Utility Operating Income (Carried forward from page 114)		159,705,205	-34,702,647
26	Other Income and Deductions			
27	Other Income			
28	Nonutility Operating Income			
29	Revenues From Merchandising, Jobbing and Contract Work (415)		2,993,062	3,018,488
30	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		2,902,494	2,793,934
31	Revenues From Nonutility Operations (417)		61,560,975	55,877,270
32	(Less) Expenses of Nonutility Operations (417.1)		56,216,307	51,454,011
33	Nonoperating Rental Income (418)		273,268	395,079
34	Equity in Earnings of Subsidiary Companies (418.1)	119	996,352	75,183
35	Interest and Dividend Income (419)		1,672,632	1,336,796
36	Allowance for Other Funds Used During Construction (419.1)		-45,778	1,680,479
37	Miscellaneous Nonoperating Income (421)		1,569,890,022	904,349,047
38	Gain on Disposition of Property (421.1)		197,264	6,919
39	TOTAL Other Income (Enter Total of lines 29 thru 38)		1,578,418,996	912,491,316
40	Other Income Deductions			
41	Loss on Disposition of Property (421.2)		273,318	
42	Miscellaneous Amortization (425)	340	872	
43	Miscellaneous Income Deductions (426.1-426.5)	340	1,561,116,812	895,807,770
44	TOTAL Other Income Deductions (Total of lines 41 thru 43)		1,561,391,002	895,807,770
45	Taxes Applic. to Other Income and Deductions			
46	Taxes Other Than Income Taxes (408.2)	262-263	2,867,405	3,293,087
47	Income Taxes-Federal (409.2)	262-263	-11,009,154	1,906,945



2. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.
3. Report data for lines 7,9, and 10 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.
4. Use pages 122-123 for important notes regarding the statement of income or any account thereof.
5. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in a material refund to the utility with respect to power or gas purchases. State for each year affected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power and gas purchases.
6. Give concise explanations concerning significant amounts of any refunds made or received during the year

Line No.	Account (a)	(Ref.) Page No. (b)	TOTAL	
			Current Year (c)	Previous Year (d)
1	UTILITY OPERATING INCOME			
2	Operating Revenues (400)	300-301	4,805,458,106	1,550,587,502
3	Operating Expenses			
4	Operation Expenses (401)	320-323	4,240,973,721	1,152,965,260
5	Maintenance Expenses (402)	320-323	127,263,318	219,854,439
6	Depreciation Expense (403)	336-337	158,491,291	151,412,902
7	Amort. & Depl. of Utility Plant (404-405)	336-337	3,982,671	2,760,082
8	Amort. of Utility Plant Acq. Adj. (406)	336-337	26,304	26,304
9	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)			
10	Amort. of Conversion Expenses (407)			
11	Regulatory Debits (407.3)		1,730,112	720,86
12	(Less) Regulatory Credits (407.4)			
13	Taxes Other Than Income Taxes (408.1)	262-263	65,517,806	60,620,948
14	Income Taxes - Federal (409.1)	262-263	97,926,031	125,655,087
15	- Other (409.1)	262-263	9,360,349	9,139,787
16	Provision for Deferred Income Taxes (410.1)	234, 272-277	159,344,071	156,177,064
17	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	205,128,611	282,924,327
18	Investment Tax Credit Adj. - Net (411.4)	266	-7,377,780	-7,522,992
19	(Less) Gains from Disp. of Utility Plant (411.6)		37,098	20,967
20	Losses from Disp. of Utility Plant (411.7)			
21	(Less) Gains from Disposition of Allowances (411.8)		6,319,284	3,574,318
22	Losses from Disposition of Allowances (411.9)			

# COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)

Line No.	Title of Account (a)	Ref. Page No. (b)	Balance at Beginning of Year (c)	Balance at End of Year (d)
1	<b>UTILITY PLANT</b>			
2	Utility Plant (101-106, 114)	200-201	4,624,977,958	4,725,576,749
3	Construction Work in Progress (107)	200-201	96,439,787	74,298,933
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		4,721,417,745	4,799,875,682
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 111, 115)	200-201	2,243,004,703	2,403,233,128
6	Net Utility Plant (Enter Total of line 4 less 5)		2,478,413,042	2,396,642,554
7	Nuclear Fuel (120.1-120.4, 120.6)	202-203	112,677,583	140,476,242
8	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	138,450	50,369,857
9	Net Nuclear Fuel (Enter Total of line 7 less 8)		112,539,133	90,106,385
10	Net Utility Plant (Enter Total of lines 6 and 9)		2,590,952,175	2,486,748,939
11	Utility Plant Adjustments (116)	122	0	0
12	Gas Stored Underground - Noncurrent (117)		0	0
13	<b>OTHER PROPERTY AND INVESTMENTS</b>			
14	Nonutility Property (121)	221	54,516,773	52,374,779
15	(Less) Accum. Prov. for Depr. and Amort. (122)		18,048,450	20,248,758
16	Investments in Associated Companies (123)		0	0
17	Investment in Subsidiary Companies (123.1)	224-225	55,991,788	50,688,098
18	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
19	Noncurrent Portion of Allowances	228-229	0	0
20	Other Investments (124)		247,000,258	271,352,959
21	Special Funds (125-128)		778,806,530	834,108,676
22	TOTAL Other Property and Investments (Total of lines 14-17,19-21)		1,118,266,899	1,188,275,754

23	<b>CURRENT AND ACCRUED ASSETS</b>			
24	Cash (131)		7,211,487	6,654,850
25	Special Deposits (132-134)		191,253	1,878,52
26	Working Fund (135)		7,415,268	10,098,513
27	Temporary Cash Investments (136)		0	0
28	Notes Receivable (141)		-4,474	-3,614
29	Customer Accounts Receivable (142)		106,832,423	60,863,606
30	Other Accounts Receivable (143)		22,177,871	22,286,048
31	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		759,247	740,903
32	Notes Receivable from Associated Companies (145)		0	38,425,774
33	Accounts Receivable from Assoc. Companies (146)		48,694,381	31,991,820
34	Fuel Stock (151)	227	15,978,503	27,936,263
35	Fuel Stock Expenses Undistributed (152)	227	553,991	1,052,362
36	Residuals (Elec) and Extracted Products (153)	227	0	0
37	Plant Materials and Operating Supplies (154)	227	66,766,728	71,081,434
38	Merchandise (155)	227	0	0
39	Other Materials and Supplies (156)	227	1,124,488	796,139
40	Nuclear Materials Held for Sale (157)	202-203/227	0	0
41	Allowances (158.1 and 158.2)	228-229	16,578,921	19,490,467
42	(Less) Noncurrent Portion of Allowances		0	0
43	Stores Expense Undistributed (163)	227	559	72,287
44	Gas Stored Underground - Current (164.1)		0	0
45	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
46	Prepayments (165)		5,945,476	4,480,242
47	Advances for Gas (166-167)		0	0
48	Interest and Dividends Receivable (171)		0	0
49	Rents Receivable (172)		715,609	493
50	Accrued Utility Revenues (173)		0	2,071,50
51	Miscellaneous Current and Accrued Assets (174)		1,230,041,038	399,195,694
52	TOTAL Current and Accrued Assets (Enter Total of lines 24 thru 51)		1,529,464,275	697,631,500

## FORM JA-1

"Consultant" for the purposes of this form (JA1) means a person in a status other than that of employee, paid to render service, advice, or information, and/or to lobby or represent the payor before an agency or branch of government. "Consultant" does not mean, in this context, any person or firm to whom payment has been made and which has been reported under part one (1) of this form, dealing with legal counsel. If a person has received payment both as a "Consultant" and as an employee, reporting herein shall include both types of payment, and the totals of each. There is no minimum for "Total Paid" under which reporting need not be made. This information is requested pursuant to IC 8-1-26.

[illegible][illegible][illegible][illegible][illegible][illegible]

## PERSONNEL DATA

Please fill in the following information:

1. Number of full-time employees
2. Number of part-time employees
3. Number of union employees

908

4

469

Please complete the following information. Column A is the number of employees in that salary range. Column B is the total gross dollar amount paid to those employees in that pay category. Column C is the total dollar cost for fringe benefits for employees in that salary range:

Salary Range			Number of Employees Column A	Salary Column B	Cost of Benefits Column C
500,001 +	--				Not
450,001	--	500,000			Available
400,001	--	450,000			
350,001	--	400,000			
300,001	--	350,000			
250,001	--	300,000	1	260,012.01	
200,001	--	250,000	14	3,847,134.97	
190,001	--	200,000	1	198,394.73	
180,001	--	190,000	3	558,881.50	
170,001	--	180,000	3	532,625.60	
160,001	--	170,000	4	660,366.34	
150,001	--	160,000	11	1,696,722.47	
140,001	--	150,000	18	2,602,721.31	
130,001	--	140,000	36	4,848,944.08	
120,001	--	130,000	51	6,371,071.01	



# ITEMIZED EXPENSES PER UNIT

Furnish information as provided by Section 29 of the Public Service Commission Act.  
Carry unit cost four places beyond the decimal point. Units = KWH sold.

## ELECTRIC UTILITY

Total KWH generated, purchased and transferred during the year	130,831,350,000
Total KWH sold and transferred during the year	129,171,825,000
Total KWH used by Company during the year	0
Total KWH unaccounted for during the year	1,659,525,000
Percent unaccounted for	1.27%

Items upon which unit costs are  
calculated. Make no changes.  
Give all information.

Amount

Unit Cost  
(per KWH sold)

Operating Revenues	4,805,458,106	0.0372
Operating Expenses		
Depreciation and Amortization	158,491,291	0.0012
Salaries and Wages	176,253,117	0.0014
Legal Expense	6,251,086	0.0000
Taxes	119,641,866	0.0009
Rentals	75,508,875	0.0006
Materials used on Repairs	14,510,275	0.0001

Fuel *	3,781,589,848	0.0293
Miscellaneous	313,506,543	0.0024
Total Operating Expenses	4,645,752,901	0.0360
Net Operating Revenues	159,705,205	0.0012
Non-operating Income	9,729,903	0.0001
Gross Income (Deficit)	169,435,108	0.0013
Interest	93,647,158	0.0007
Other Deductions	0	0.0000
Net Income (Deficit)	75,787,950	0.0006
Dividends	4,486,827	0.0000
Surplus (Deficit) for Current Year	71,301,123	0.0006

\* Fuel Expense above includes accounts 501, 518, 547 and 555.

**COST OF LONG TERM DEBT**  
**AS OF DECEMBER 31, 2001**

LINE NO.	(1) ISSUER	(2) INT. RATE %	(3) DATE OF OFFERING	(4) DATE OF MATURITY	(5) TERM IN YEARS	(6) PRINCIPAL AMOUNT (A) OUTSTANDING \$	(7) ORIGINAL PRINCIPAL AMOUNT \$	(8) ORIGINAL PREMIUM (DISCOUNT) (EXPENSE) \$	(9) NET PROCEEDS COLS. 7+8 \$	(10) YIELD TO MATUR- ITY %	(11) AMORT. OF OTHER COSTS \$	(12) ANNUAL COST OF DEBT COLS. 6*10+11 \$
1	FIRST MORTGAGE BONDS:											
2												
3	I&M	7.600	11/02/92	11/01/02	10.0	50,000,000	50,000,000	(511,312)	49,488,688	7.74%	0	3,870,000
4	I&M (B)	8.500	12/15/92	12/15/22	30.0	75,000,000	75,000,000	(3,789,741)	71,210,259	8.98%	0	6,735,000
5	I&M (B)	7.700	12/15/92	12/15/02	10.0	40,000,000	40,000,000	(1,971,182)	38,028,818	8.44%	0	3,376,000
6	I&M (B)	7.350	8/23/93	10/01/23	30.0	15,000,000	20,000,000	(641,377)	19,358,623	7.62%	0	1,143,000
7	I&M (B)	6.100	10/13/93	11/01/03	10.0	30,000,000	30,000,000	(718,415)	29,281,585	6.42%	87,288	2,013,288
8	I&M (B)	7.200	11/09/93	2/01/24	30.0	30,000,000	40,000,000	(999,624)	39,000,376	7.40%	0	2,220,000
9	I&M (B)	7.500	3/01/94	3/01/24	30.0	25,000,000	25,000,000	(2,931,203)	22,068,797	8.60%	0	2,150,000
10	TOTAL FIRST MORTGAGE BONDS					265,000,000	280,000,000	(11,562,854)	268,437,146		87,288	21,507,288
11	POLLUTION CONTROL REV. BONDS:											
12	LAWRENCEBURG (B)	7.000	4/01/92	4/01/15	23.0	25,000,000	25,000,000	(1,379,416)	23,620,584	7.50%	0	1,875,000
13	ROCKPORT FLOATING (C)	1.872 (D)	8/01/85	8/01/14	29.0	50,000,000	50,000,000	(621,785)	49,378,215	1.93%	0	964,007
14	ROCKPORT (B)	7.600	2/15/91	3/01/16	25.0	40,000,000	40,000,000	(2,497,000)	37,503,000	8.19%	0	3,276,000
15	SULLIVAN (B)	5.950	8/01/93	5/01/09	15.75	45,000,000	45,000,000	(1,781,074)	43,218,926	6.36%	0	2,862,000
16	LAWRENCEBURG (B)	5.900	9/01/93	11/01/19	26.17	52,000,000	52,000,000	(1,750,454)	50,249,546	6.16%	0	3,203,200
17	ROCKPORT (B)	6.550	6/01/95	6/01/25	30.0	50,000,000	50,000,000	(5,090,578)	44,909,422	7.40%	0	3,700,000
18	ROCKPORT WEEKLY (B) (C)	1.625 (D)	6/01/95	6/01/25	30.0	50,000,000	50,000,000	(2,297,318)	47,702,682	1.82%	0	911,987
19	TOTAL POLLUTION CONT. REV. BONDS					312,000,000	312,000,000	(15,417,625)	296,582,375		0	16,792,194
20	MEDIUM TERM NOTES											
21	I&M	6.450	11/09/88	11/10/08	10.0	50,000,000	50,000,000	(1,547,190)	48,452,810	6.88%	0	3,441,510
22	I&M (B)	6.875	07/22/99	07/01/04	5.0	150,000,000	150,000,000	(1,869,559)	148,130,441	7.18%	0	10,766,282
23	I&M (C)	4.161	08/31/00	09/03/02	2.0	200,000,000	200,000,000	(780,000)	199,220,000	4.37%	0	8,730,180
24	I&M	6.125	12/12/01	12/15/06	5.0	300,000,000	300,000,000	(2,344,364)	297,655,636	6.31%	0	18,927,664
25	TOTAL SINKING FUND DEBENTURES					700,000,000	700,000,000	(6,541,113)	693,458,887		0	41,865,636