

THIS FILING IS

Item 1:  An Initial (Original) Submission OR  Resubmission No. \_\_\_\_

Form 1 Approved  
OMB No.1902-0021  
(Expires 12/31/2019)  
Form 1-F Approved  
OMB No.1902-0029  
(Expires 12/31/2019)  
Form 3-Q Approved  
OMB No.1902-0205  
(Expires 12/31/2019)



# FERC FINANCIAL REPORT

## FERC FORM No. 1: Annual Report of Major Electric Utilities, Licensees and Others and Supplemental Form 3-Q: Quarterly Financial Report

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

**Exact Legal Name of Respondent (Company)**

Lockhart Power Company

**Year/Period of Report**

**End of** 2017/Q4

## INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q

### GENERAL INFORMATION

#### I. Purpose

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q) is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be non-confidential public use forms.

#### II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

#### III. What and Where to Submit

(a) Submit FERC Forms 1 and 3-Q electronically through the forms submission software. Retain one copy of each report for your files. Any electronic submission must be created by using the forms submission software provided free by the Commission at its web site: <http://www.ferc.gov/docs-filing/forms/form-1/elec-subm-soft.asp>. The software is used to submit the electronic filing to the Commission via the Internet.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:

Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

(d) For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.

The CPA Certification Statement should:

- a) Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- b) Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

<u>Reference Schedules</u>	<u>Pages</u>
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

- e) The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

"In connection with our regular examination of the financial statements of \_\_\_\_\_ for the year ended on which we have reported separately under date of \_\_\_\_\_, we have also reviewed schedules \_\_\_\_\_ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases."

The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

- (f) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders," and "CPA Certification Statement" have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission's website at <http://www.ferc.gov/help/how-to.asp>.

- (g) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from <http://www.ferc.gov/docs-filing/forms/form-1/form-1.pdf> and <http://www.ferc.gov/docs-filing/forms.asp#3Q-gas>.

#### **IV. When to Submit:**

FERC Forms 1 and 3-Q must be filed by the following schedule:

- a) FERC Form 1 for each year ending December 31 must be filed by April 18<sup>th</sup> of the following year (18 CFR § 141.1), and
- b) FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

**V. Where to Send Comments on Public Reporting Burden.**

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,168 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. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 168 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

## GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions** (see VII. below).
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the form submission software only. Please explain the reason for the resubmission in a footnote to the data field.
- VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the

termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

#### DEFINITIONS

I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.

II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

## EXCERPTS FROM THE LAW

### Federal Power Act, 16 U.S.C. § 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to with:

(3) 'Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, unitizing, or distributing power; .....

(11) "project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special\* reports as the Commission may be rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports salt be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies\*.10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

### **General Penalties**

The Commission may assess up to \$1 million per day per violation of its rules and regulations. *See* FPA § 316(a) (2005), 16 U.S.C. § 825o(a).



**REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

**IDENTIFICATION**

01 Exact Legal Name of Respondent Lockhart Power Company		02 Year/Period of Report End of <u>2017/Q4</u>
03 Previous Name and Date of Change <i>(if name changed during year)</i>  / /		
04 Address of Principal Office at End of Period <i>(Street, City, State, Zip Code)</i> P O Box 10 Lockhart, SC 29364		
05 Name of Contact Person David Turner		06 Title of Contact Person Business Controller
07 Address of Contact Person <i>(Street, City, State, Zip Code)</i> P O Box 10 Lockhart, SC 29364		
08 Telephone of Contact Person, <i>Including Area Code</i> (864) 545-2211	09 This Report Is (1) <input checked="" type="checkbox"/> An Original      (2) <input type="checkbox"/> A Resubmission	10 Date of Report <i>(Mo, Da, Yr)</i> 12/31/2017

**ANNUAL CORPORATE OFFICER CERTIFICATION**

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name Bryan Stone	03 Signature  Bryan Stone	04 Date Signed <i>(Mo, Da, Yr)</i> 03/15/2018
02 Title Chief Operating Officer		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
1	General Information	101	
2	Control Over Respondent	102	
3	Corporations Controlled by Respondent	103	
4	Officers	104	
5	Directors	105	
6	Information on Formula Rates	106(a)(b)	
7	Important Changes During the Year	108-109	
8	Comparative Balance Sheet	110-113	
9	Statement of Income for the Year	114-117	
10	Statement of Retained Earnings for the Year	118-119	
11	Statement of Cash Flows	120-121	
12	Notes to Financial Statements	122-123	
13	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)	None
14	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201	
15	Nuclear Fuel Materials	202-203	None
16	Electric Plant in Service	204-207	
17	Electric Plant Leased to Others	213	None
18	Electric Plant Held for Future Use	214	None
19	Construction Work in Progress-Electric	216	
20	Accumulated Provision for Depreciation of Electric Utility Plant	219	
21	Investment of Subsidiary Companies	224-225	
22	Materials and Supplies	227	
23	Allowances	228(ab)-229(ab)	None
24	Extraordinary Property Losses	230	None
25	Unrecovered Plant and Regulatory Study Costs	230	None
26	Transmission Service and Generation Interconnection Study Costs	231	
27	Other Regulatory Assets	232	None
28	Miscellaneous Deferred Debits	233	
29	Accumulated Deferred Income Taxes	234	
30	Capital Stock	250-251	
31	Other Paid-in Capital	253	None
32	Capital Stock Expense	254	None
33	Long-Term Debt	256-257	None
34	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261	
35	Taxes Accrued, Prepaid and Charged During the Year	262-263	
36	Accumulated Deferred Investment Tax Credits	266-267	

## LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)
37	Other Deferred Credits	269	None
38	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273	None
39	Accumulated Deferred Income Taxes-Other Property	274-275	
40	Accumulated Deferred Income Taxes-Other	276-277	None
41	Other Regulatory Liabilities	278	
42	Electric Operating Revenues	300-301	
43	Regional Transmission Service Revenues (Account 457.1)	302	None
44	Sales of Electricity by Rate Schedules	304	
45	Sales for Resale	310-311	
46	Electric Operation and Maintenance Expenses	320-323	
47	Purchased Power	326-327	
48	Transmission of Electricity for Others	328-330	None
49	Transmission of Electricity by ISO/RTOs	331	None
50	Transmission of Electricity by Others	332	None
51	Miscellaneous General Expenses-Electric	335	
52	Depreciation and Amortization of Electric Plant	336-337	
53	Regulatory Commission Expenses	350-351	
54	Research, Development and Demonstration Activities	352-353	None
55	Distribution of Salaries and Wages	354-355	
56	Common Utility Plant and Expenses	356	None
57	Amounts included in ISO/RTO Settlement Statements	397	None
58	Purchase and Sale of Ancillary Services	398	None
59	Monthly Transmission System Peak Load	400	
60	Monthly ISO/RTO Transmission System Peak Load	400a	None
61	Electric Energy Account	401	
62	Monthly Peaks and Output	401	
63	Steam Electric Generating Plant Statistics	402-403	None
64	Hydroelectric Generating Plant Statistics	406-407	
65	Pumped Storage Generating Plant Statistics	408-409	None
66	Generating Plant Statistics Pages	410-411	

LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

Line No.	Title of Schedule  (a)	Reference Page No. (b)	Remarks (c)
67	Transmission Line Statistics Pages	422-423	
68	Transmission Lines Added During the Year	424-425	None
69	Substations	426-427	
70	Transactions with Associated (Affiliated) Companies	429	None
71	Footnote Data	450	

**Stockholders' Reports** Check appropriate box:

- Two copies will be submitted
- No annual report to stockholders is prepared

Name of Respondent Lockhart Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report End of <u>2017/Q4</u>
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**GENERAL INFORMATION**

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

**Bryan D. Stone, Chief Operating Officer  
Lockhart Power Company  
Lockhart, South Carolina 29364**

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

**South Carolina, February 26, 1912  
Special Act of South Carolina Legislature**

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

**None**

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

**Sale of Electric Power - South Carolina**

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

- (1)  Yes...Enter the date when such independent accountant was initially engaged:
- (2)  No

Name of Respondent Lockhart Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report <i>(Mo, Da, Yr)</i> 12/31/2017	Year/Period of Report End of <u>2017/Q4</u>
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**CONTROL OVER RESPONDENT**

1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the repondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiearies for whom trust was maintained, and purpose of the trust.

Pacolet Milliken Enterprises, Inc. Greenville, SC owns all common stock.

CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Definitions

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	Lockhart Bioenergy, LLC	Utility	100	
2				
3	Midway Green Development, LLC	Real Estate	100	
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OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.  
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	President	Richard C. Webel (See Note One)	
2			
3	Secretary - Treasurer	Rick S. Thompson (See Note One)	
4			
5	Chief Operating Officer	Bryan D. Stone (See Note Two )	
6			
7	Executive V.P. - Head of Energy	Ralph H. Walker (See Note One)	
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12	Note One: No Salary Paid by Respondent		
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14	Note Two: Data Available Upon Special Request		
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Name of Respondent  
Lockhart Power Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
12/31/2017

Year/Period of Report  
End of 2017/Q4

DIRECTORS

1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.
2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

Line No.	Name (and Title) of Director (a)	Principal Business Address (b)
1	C. Ronald Blankenship	Houston, TX
2		
3	William B. Timmerman	Charlotte, NC
4		
5	John W. Milliken	Salt Lake City, UT
6		
7	Hon. Stephen G. Milliken	Washington, D.C.
8		
9	Richard C. Webel (Ex Officio/non Voting)	Spartanburg, SC
10		
11	Patricia Gibson	Dallas, TX
12		
13	Philip W. Norwood	Waxhaw, NC
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15	Catherine S. Cuthell	New York, NY
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17	Donald A. Miller	John Creek, GA
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Name of Respondent  
Lockhart Power Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
12/31/2017

Year/Period of Report  
End of 2017/Q4

INFORMATION ON FORMULA RATES  
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent have formula rates?

Yes  
 No

1. Please list the Commission accepted formula rates including FERC Rate Schedule or Tariff Number and FERC proceeding (i.e. Docket No) accepting the rate(s) or changes in the accepted rate.

Line No.	FERC Rate Schedule or Tariff Number	FERC Proceeding
1	FERC Rate Schedule or Tariff Number	FERC Proceeding
2	FERC Electric Tariff	
3	Original Volume No. 1	ER-85 - 482-00
4		
5	FERC Electric Tariff	
6	Original Volume No 1	
7	Second Revised Sheet 1	ER 10 - 958 - 000
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Name of Respondent  
Lockhart Power Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
12/31/2017

Year/Period of Report  
End of 2017/Q4

INFORMATION ON FORMULA RATES  
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent file with the Commission annual (or more frequent) filings containing the inputs to the formula rate(s)?  
 Yes  
 No

2. If yes, provide a listing of such filings as contained on the Commission's eLibrary website

Line No.	Accession No.	Document Date \ Filed Date	Docket No.	Description	Formula Rate FERC Rate Schedule Number or Tariff Number
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INFORMATION ON FORMULA RATES  
Formula Rate Variances

1. If a respondent does not submit such filings then indicate in a footnote to the applicable Form 1 schedule where formula rate inputs differ from amounts reported in the Form 1.
2. The footnote should provide a narrative description explaining how the "rate" (or billing) was derived if different from the reported amount in the Form 1.
3. The footnote should explain amounts excluded from the ratebase or where labor or other allocation factors, operating expenses, or other items impacting formula rate inputs differ from amounts reported in Form 1 schedule amounts.
4. Where the Commission has provided guidance on formula rate inputs, the specific proceeding should be noted in the footnote.

Line No.	Page No(s).	Schedule	Column	Line No
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Name of Respondent Lockhart Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 12/31/2017	Year/Period of Report End of <u>2017/Q4</u>
----------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	------------------------------	------------------------------------------------

**IMPORTANT CHANGES DURING THE QUARTER/YEAR**

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 104 or 105 of the Annual Report Form No. 1, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK  
SEE PAGE 109 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Lockhart Power Company	(1) <input checked="" type="checkbox"/> An Original	(Mo, Da, Yr)	
	(2) <input type="checkbox"/> A Resubmission	12/31/2017	2017/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1. None
2. Lockhart Power Company formed a single - member LLC, Midway Green Development, LLC in 2017. Lockhart Power has a 100% ownership stake in the entity.
3. None
4. None
5. None
6. None
7. None
8. A general wage increase was placed into effect on Decemember 11, 2017. The annualized effect of this increase was approximately \$97,000.00.
9. None
10. None
11. None
12. None
13. None
14. None

**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
<b>1</b>	<b>UTILITY PLANT</b>			
2	Utility Plant (101-106, 114)	200-201	76,629,301	75,689,015
3	Construction Work in Progress (107)	200-201	8,447,739	1,775,011
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		85,077,040	77,464,026
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	34,999,601	33,045,225
6	Net Utility Plant (Enter Total of line 4 less 5)		50,077,439	44,418,801
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		50,077,439	44,418,801
15	Utility Plant Adjustments (116)		0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
<b>17</b>	<b>OTHER PROPERTY AND INVESTMENTS</b>			
18	Nonutility Property (121)		61,867	63,166
19	(Less) Accum. Prov. for Depr. and Amort. (122)		0	0
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	6,109,814	5,361,503
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		0	0
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		0	0
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		0	0
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		6,171,681	5,424,669
<b>33</b>	<b>CURRENT AND ACCRUED ASSETS</b>			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		-15,131	90,640
36	Special Deposits (132-134)		0	0
37	Working Fund (135)		1,200	1,000
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		2,444,718	2,226,065
41	Other Accounts Receivable (143)		497,484	8,677,061
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		0	0
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		0	0
45	Fuel Stock (151)	227	0	0
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	534,650	457,211
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	0	0

**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)** (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
53	(Less) Noncurrent Portion of Allowances		0	0
54	Stores Expense Undistributed (163)	227	0	0
55	Gas Stored Underground - Current (164.1)		0	0
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0
57	Prepayments (165)		327,625	240,944
58	Advances for Gas (166-167)		0	0
59	Interest and Dividends Receivable (171)		0	0
60	Rents Receivable (172)		0	0
61	Accrued Utility Revenues (173)		0	0
62	Miscellaneous Current and Accrued Assets (174)		110,633	0
63	Derivative Instrument Assets (175)		0	0
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0
65	Derivative Instrument Assets - Hedges (176)		0	0
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		0	0
67	Total Current and Accrued Assets (Lines 34 through 66)		3,901,179	11,692,921
68	<b>DEFERRED DEBITS</b>			
69	Unamortized Debt Expenses (181)		0	0
70	Extraordinary Property Losses (182.1)	230a	0	0
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230b	0	0
72	Other Regulatory Assets (182.3)	232	0	0
73	Prelim. Survey and Investigation Charges (Electric) (183)		37,782	73,616
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0
76	Clearing Accounts (184)		0	0
77	Temporary Facilities (185)		0	0
78	Miscellaneous Deferred Debits (186)	233	229,176	182,359
79	Def. Losses from Disposition of Utility Plt. (187)		0	0
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0
81	Unamortized Loss on Reaquired Debt (189)		0	0
82	Accumulated Deferred Income Taxes (190)	234	1,286,995	1,412,087
83	Unrecovered Purchased Gas Costs (191)		0	0
84	Total Deferred Debits (lines 69 through 83)		1,553,953	1,668,062
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		61,704,252	63,204,453



Name of Respondent Lockhart Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

**Schedule Page: 110 Line No.: 40 Column: c**  
Includes balance of \$38,220 of sales associated with Market Based Rates.

**Schedule Page: 110 Line No.: 40 Column: d**  
Includes balance of \$43,492 of sales associated with Market Based Rates.

**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	300,000	300,000
3	Preferred Stock Issued (204)	250-251	0	0
4	Capital Stock Subscribed (202, 205)		0	0
5	Stock Liability for Conversion (203, 206)		0	0
6	Premium on Capital Stock (207)		0	0
7	Other Paid-In Capital (208-211)	253	0	0
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254b	0	0
11	Retained Earnings (215, 215.1, 216)	118-119	56,404,578	52,101,633
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	1,722,871	1,099,059
13	(Less) Reaquired Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	0	0
16	Total Proprietary Capital (lines 2 through 15)		58,427,449	53,500,692
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	0	0
19	(Less) Reaquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	0	0
21	Other Long-Term Debt (224)	256-257	0	0
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		0	0
24	Total Long-Term Debt (lines 18 through 23)		0	0
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		0	0
27	Accumulated Provision for Property Insurance (228.1)		0	0
28	Accumulated Provision for Injuries and Damages (228.2)		0	0
29	Accumulated Provision for Pensions and Benefits (228.3)		0	0
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		0	0
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		0	0
34	Asset Retirement Obligations (230)		0	0
35	Total Other Noncurrent Liabilities (lines 26 through 34)		0	0
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		0	0
38	Accounts Payable (232)		-1,499,512	3,618,566
39	Notes Payable to Associated Companies (233)		0	195
40	Accounts Payable to Associated Companies (234)		0	0
41	Customer Deposits (235)		271,179	210,595
42	Taxes Accrued (236)	262-263	-407,258	-163,254
43	Interest Accrued (237)		0	0
44	Dividends Declared (238)		0	0
45	Matured Long-Term Debt (239)		0	0

**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)** (Continued)

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
46	Matured Interest (240)		0	0
47	Tax Collections Payable (241)		18,500	13,830
48	Miscellaneous Current and Accrued Liabilities (242)		417,044	478,057
49	Obligations Under Capital Leases-Current (243)		0	0
50	Derivative Instrument Liabilities (244)		0	0
51	(Less) Long-Term Portion of Derivative Instrument Liabilities		0	0
52	Derivative Instrument Liabilities - Hedges (245)		0	0
53	(Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges		0	0
54	Total Current and Accrued Liabilities (lines 37 through 53)		-1,200,047	4,157,989
55	DEFERRED CREDITS			
56	Customer Advances for Construction (252)		0	0
57	Accumulated Deferred Investment Tax Credits (255)	266-267	7,010	7,804
58	Deferred Gains from Disposition of Utility Plant (256)		0	0
59	Other Deferred Credits (253)	269	0	0
60	Other Regulatory Liabilities (254)	278	3,803	4,234
61	Unamortized Gain on Reaquired Debt (257)		0	0
62	Accum. Deferred Income Taxes-Accel. Amort.(281)	272-277	0	0
63	Accum. Deferred Income Taxes-Other Property (282)		4,466,037	5,533,734
64	Accum. Deferred Income Taxes-Other (283)		0	0
65	Total Deferred Credits (lines 56 through 64)		4,476,850	5,545,772
66	TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65)		61,704,252	63,204,453

STATEMENT OF INCOME

Quarterly

1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.
4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.
5. If additional columns are needed, place them in a footnote.

Annual or Quarterly if applicable

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
1	UTILITY OPERATING INCOME					
2	Operating Revenues (400)	300-301	31,135,060	31,518,277		
3	Operating Expenses					
4	Operation Expenses (401)	320-323	18,245,830	18,687,351		
5	Maintenance Expenses (402)	320-323	2,095,859	2,278,874		
6	Depreciation Expense (403)	336-337	1,975,980	1,944,564		
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337				
8	Amort. & Depl. of Utility Plant (404-405)	336-337	40,183	-60,534		
9	Amort. of Utility Plant Acq. Adj. (406)	336-337	5,820	5,820		
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)					
11	Amort. of Conversion Expenses (407)					
12	Regulatory Debits (407.3)					
13	(Less) Regulatory Credits (407.4)					
14	Taxes Other Than Income Taxes (408.1)	262-263	1,533,822	1,346,922		
15	Income Taxes - Federal (409.1)	262-263	1,790,148	1,755,667		
16	- Other (409.1)	262-263	38,607			
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	-943,036	584,498		
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277				
19	Investment Tax Credit Adj. - Net (411.4)	266	-795	-795		
20	(Less) Gains from Disp. of Utility Plant (411.6)					
21	Losses from Disp. of Utility Plant (411.7)					
22	(Less) Gains from Disposition of Allowances (411.8)					
23	Losses from Disposition of Allowances (411.9)					
24	Accretion Expense (411.10)					
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		24,782,418	26,542,367		
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27		6,352,642	4,975,910		

STATEMENT OF INCOME FOR THE YEAR (Continued)

- 9. Use page 122 for important notes regarding the statement of income for any account thereof.
- 10. 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 material refund to the utility with respect to power or gas purchases. State for each year effected 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 or gas purchases.
- 11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purches, and a summary of the adjustments made to balance sheet, income, and expense accounts.
- 12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122.
- 13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
- 14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
- 15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
						1
31,135,060	31,518,277					2
						3
18,245,830	18,687,351					4
2,095,859	2,278,874					5
1,975,980	1,944,564					6
						7
40,183	-60,534					8
5,820	5,820					9
						10
						11
						12
						13
1,533,822	1,346,922					14
1,790,148	1,755,667					15
38,607						16
-943,036	584,498					17
						18
-795	-795					19
						20
						21
						22
						23
						24
24,782,418	26,542,367					25
6,352,642	4,975,910					26

STATEMENT OF INCOME FOR THE YEAR (continued)

Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)
			Current Year (c)	Previous Year (d)		
27	Net Utility Operating Income (Carried forward from page 114)		6,352,642	4,975,910		
28	Other Income and Deductions					
29	Other Income					
30	Nonutility Operating Income					
31	Revenues From Merchandising, Jobbing and Contract Work (415)					
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)					
33	Revenues From Nonutility Operations (417)					
34	(Less) Expenses of Nonutility Operations (417.1)					
35	Nonoperating Rental Income (418)		2,065	2,065		
36	Equity in Earnings of Subsidiary Companies (418.1)	119	623,812	294,829		
37	Interest and Dividend Income (419)		918	193		
38	Allowance for Other Funds Used During Construction (419.1)					
39	Miscellaneous Nonoperating Income (421)		181,754	121,483		
40	Gain on Disposition of Property (421.1)					
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		808,549	418,570		
42	Other Income Deductions					
43	Loss on Disposition of Property (421.2)					
44	Miscellaneous Amortization (425)					
45	Donations (426.1)		12,406	16,541		
46	Life Insurance (426.2)					
47	Penalties (426.3)					
48	Exp. for Certain Civic, Political & Related Activities (426.4)		10,162	16,052		
49	Other Deductions (426.5)		8,695	-1,863		
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		31,263	30,730		
51	Taxes Applic. to Other Income and Deductions					
52	Taxes Other Than Income Taxes (408.2)	262-263				
53	Income Taxes-Federal (409.2)	262-263	190,015	75,090		
54	Income Taxes-Other (409.2)	262-263	4,098			
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277				
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277				
57	Investment Tax Credit Adj.-Net (411.5)					
58	(Less) Investment Tax Credits (420)					
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		194,113	75,090		
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		583,173	312,750		
61	Interest Charges					
62	Interest on Long-Term Debt (427)					
63	Amort. of Debt Disc. and Expense (428)					
64	Amortization of Loss on Reaquired Debt (428.1)					
65	(Less) Amort. of Premium on Debt-Credit (429)					
66	(Less) Amortization of Gain on Reaquired Debt-Credit (429.1)					
67	Interest on Debt to Assoc. Companies (430)					
68	Other Interest Expense (431)		9,058	7,041		
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)					
70	Net Interest Charges (Total of lines 62 thru 69)		9,058	7,041		
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		6,926,757	5,281,619		
72	Extraordinary Items					
73	Extraordinary Income (434)					
74	(Less) Extraordinary Deductions (435)					
75	Net Extraordinary Items (Total of line 73 less line 74)					
76	Income Taxes-Federal and Other (409.3)	262-263				
77	Extraordinary Items After Taxes (line 75 less line 76)					
78	Net Income (Total of line 71 and 77)		6,926,757	5,281,619		

Name of Respondent Lockhart Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

**Schedule Page: 114 Line No.: 2 Column: g**  
Includes revenue of \$661,885 associated with Market Based Rates.

**Schedule Page: 114 Line No.: 2 Column: h**  
Includes revenue of \$491,183 associated with Market Based Rates.

STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		51,048,991	47,072,875
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4	Property Contributed by Parent Company			41,968
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			41,968
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		6,302,945	4,986,790
17	Appropriations of Retained Earnings (Acct. 436)			
18	Appro. of Retained Earnings Amort. Reserve Fed. Lockhart Hy		-262,421	( 821,576)
19	Appro. of Retained Earnings Amort. Reserve Fed. Pacolet Hy		-80,393	( 231,066)
20				
21	Total Appropriations of Retained Earnings			
22	TOTAL Appropriations of Retained Earnings (Acct. 436)		-342,814	( 1,052,642)
23	Dividends Declared-Preferred Stock (Account 437)			
24				
25				
26				
27				
28	Dividends Declared-Common Stock (Acct 438)		-2,000,000	
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)		-2,000,000	
30	Dividends Declared-Common Stock (Account 438)			
31	Dividends Declared-Common Stock			
32				
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)			
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		55,009,122	51,048,991
	APPROPRIATED RETAINED EARNINGS (Account 215)			
39				
40				



STATEMENT OF RETAINED EARNINGS

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
41				
42				
43				
44				
45	TOTAL Appropriated Retained Earnings (Account 215)			
	APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)			
46	TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)		1,395,456	1,052,642
47	TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)		1,395,456	1,052,642
48	TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)		56,404,578	52,101,633
	UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account			
	Report only on an Annual Basis, no Quarterly			
49	Balance-Beginning of Year (Debit or Credit)		1,099,059	804,230
50	Equity in Earnings for Year (Credit) (Account 418.1)		623,812	294,829
51	(Less) Dividends Received (Debit)			
52				
53	Balance-End of Year (Total lines 49 thru 52)		1,722,871	1,099,059

**STATEMENT OF CASH FLOWS**

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.  
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.  
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.  
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	6,926,757	5,281,619
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	2,021,983	2,035,511
5	Amortization of		
6	Other Amortization and Depletion	154,471	
7			
8	Deferred Income Taxes (Net)	-943,036	584,498
9	Investment Tax Credit Adjustment (Net)	-795	-795
10	Net (Increase) Decrease in Receivables	7,960,924	-6,239,485
11	Net (Increase) Decrease in Inventory	-77,438	-41,759
12	Net (Increase) Decrease in Allowances Inventory		
13	Net Increase (Decrease) in Payables and Accrued Expenses	-5,358,037	-59,011
14	Net (Increase) Decrease in Other Regulatory Assets	-46,817	138,120
15	Net Increase (Decrease) in Other Regulatory Liabilities		
16	(Less) Allowance for Other Funds Used During Construction		
17	(Less) Undistributed Earnings from Subsidiary Companies		
18	Other (provide details in footnote):		
19	Other Current and Non Current Assets	-161,480	108,841
20			
21			
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	10,476,532	1,807,539
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-7,824,090	-3,367,770
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction		
31	Other (provide details in footnote):		
32	Plant Removal Costs	-9,703	-96,674
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-7,833,793	-3,464,444
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies	-748,311	287,711
40	Contributions and Advances from Assoc. and Subsidiary Companies		
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)		
45	Proceeds from Sales of Investment Securities (a)		

STATEMENT OF CASH FLOWS

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.  
 (2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.  
 (3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.  
 (4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase ) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses		
53	Other (provide details in footnote):		
54			
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-8,582,104	-3,176,733
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)		
62	Preferred Stock		
63	Common Stock		
64	Other (provide details in footnote):		
65			
66	Net Increase in Short-Term Debt (c)		
67	Other (provide details in footnote):		
68			
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)		
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)		
74	Preferred Stock		
75	Common Stock		
76	Other (provide details in footnote):		
77			
78	Net Decrease in Short-Term Debt (c)		
79			
80	Dividends on Preferred Stock		
81	Dividends on Common Stock	-2,000,000	
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	-2,000,000	
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	-105,572	-1,369,194
87			
88	Cash and Cash Equivalents at Beginning of Period	91,641	1,460,835
89			
90	Cash and Cash Equivalents at End of period	-13,931	91,641

Name of Respondent Lockhart Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report 12/31/2017	Year/Period of Report End of <u>2017/Q4</u>
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NOTES TO FINANCIAL STATEMENTS

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK  
SEE PAGE 123 FOR REQUIRED INFORMATION.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
Lockhart Power Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

**LOCKHART POWER COMPANY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACTIVITIES**

**Overview of activities, organization and financial reporting**

Lockhart Power Company, directly and through its subsidiaries (collectively, "Lockhart" or the "Company") is engaged in the generation, transmission and distribution of electricity. The Company internally generates electricity principally through several hydroelectric (run-of-river) facilities that it owns, although smaller amounts are generated through diesel generators (typically for peak demand management). Customer demand in excess of internal generating capacity (generally ranging from 10% to 30% of total electric requirements) is satisfied pursuant to an all-requirements contract with Duke Energy Carolinas, LLC, which expires in December 2028. Lockhart also operates two landfill-gas-to-energy facilities that produce electricity that is sold to Duke Energy Carolinas, LLC under long term contracts.

The Lockhart Hydroelectric generating facilities received a Federal Energy Regulatory Commission ("FERC") operating license with a term of 40 years commencing April 1, 2000. The Lockhart Minimum Flow Unit Hydroelectric facility, which was constructed by Lockhart Power Company in 2012, operates under the same license. The Lower Pacolet Hydroelectric plant, which was purchased by Lockhart Power Company in 2007, operates under a separate license that expires in February 2052. The Upper Pacolet Hydroelectric plant, which was constructed by Lockhart Power Company in 2012, operates under the same license.

Lockhart Power Company was a wholly owned subsidiary of Milliken & Company ("Milliken") until December 2, 2007. Pursuant to the Master Separation Agreement dated December 2, 2007, Milliken transferred all of the outstanding common stock of Lockhart Power Company to Milliken's wholly-owned subsidiary, Pacolet Milliken Enterprises, Inc. ("Pacolet Milliken"), and on the same date, distributed 100 percent of the then outstanding shares of capital stock of Pacolet to shareholders of Milliken pro-rata as a tax-free stock distribution.

**Basis of consolidation and presentation**

The consolidated financial statements include the accounts of Lockhart Power Company and its wholly-owned subsidiaries, Lockhart BioEnergy, LLC and Midway Green Development, LLC. The intra-entity balances and transactions have been eliminated.

The consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Company has recorded regulatory assets and liabilities related to its operations pursuant to orders of regulatory commissions. The Company monitors the regulated operating environment in which it operates to determine if regulatory assets continue to be probable of recovery or if regulatory liabilities have been established. Based on a current evaluation of the various factors and conditions that are expected to impact future cost recovery, the Company believes that its regulatory assets are probable of future recovery. The accounting records of the Company are maintained in accordance with the uniform system of accounts prescribed by FERC and the Public Service Commission of South Carolina ("SCPSC"). Expenditures for preliminary surveys, plans, investigations, etc. made for the purpose of determining the feasibility of utility projects under contemplation are included in other non-current assets.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
Lockhart Power Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACTIVITIES, Continued**

**Utility plant and depreciation**

The utility plant, which consists primarily of electric generating, transmission and distribution equipment, is stated at original cost less accumulated depreciation, including direct labor and materials and allocable overhead costs associated with placing the plant in service. The costs of repairs and maintenance on the utility plant are expensed as incurred. The costs of property retired are removed from the utility plant and such costs, including removal costs net of salvage, are charged to accumulated depreciation. Depreciation is provided on a composite straight-line basis by the application of specific rates to the various classes of depreciable property. The effective weighted-average composite depreciation and amortization expense rate was 3.95% and 3.96% in 2017 and 2016, respectively.

The utility plant at December 31 consists of the following:

	<u>2017</u>	<u>2016</u>
1 Land and land improvements	\$ 7,465,760	\$ 7,394,260
2 Buildings and improvements	7,173,992	7,173,992
3 Machinery and equipment	55,750,861	54,868,296
4 Intangible plant	<u>11,723,251</u>	<u>11,717,730</u>
5 Plant in service	82,113,864	81,154,278
6 Less accumulated depreciation	<u>35,614,523</u>	<u>33,386,804</u>
7 Net plant in service	46,499,341	47,767,474
8 Construction in progress	<u>8,449,834</u>	<u>1,789,311</u>
9 Total utility plant	<u>\$ 54,949,175</u>	<u>\$ 49,556,785</u>

**Construction in progress**

Construction in progress consists of the costs incurred to construct utility plant assets. Construction in progress balances are transferred to utility plant when the assets are ready for their intended use.

**Intangible plant**

Intangible plant consists of costs of approximately \$9,800,000 related to the right to rehab and operate the Columbia Canal Hydroelectric facility (See Note 6). Intangible plant also includes costs of approximately \$1,500,000 for hydroelectric licensing expenses related to other hydroelectric facilities and costs of approximately \$400,000 related to Lockhart BioEnergy, LLC for air permit and transmission costs.

**Cash and cash equivalents**

The Company considers all cash deposits and highly liquid security holdings with an original maturity of three months or less to be cash equivalents. At times, such investments may be in excess of the Federal Deposit Insurance Corporation (FDIC) insurance limits.

**Trade accounts receivable**

The Company provides credit in the normal course of business and performs ongoing credit evaluations on certain customers' financial condition and requires collateral for some receivables where warranted. Accounts receivable are recorded at their invoiced amounts. In management's opinion, no allowance for doubtful accounts was necessary at December 31, 2017 and 2016.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
Lockhart Power Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACTIVITIES, Continued**

**Revenue recognition and concentration of credit risk**

Residential and commercial customers are billed on a cycle basis, while industrial and resale customers are billed at the end of each month. Revenues are recognized at the time of billing. Due to the dates customer meters are read, billings lag behind actual customer usage each month. These unbilled amounts of approximately \$538,000 and \$493,000 at December 31, 2017 and 2016, respectively, are not recorded by the Company as revenue until the following month when actually billed.

Sources of electric revenues, by percentage, for the years ended December 31 consist of the following:

	<u>2017</u>	<u>2016</u>
1 City of Union (wholesale customer)	31%	30%
2 Other customers	<u>69</u>	<u>70</u>
3	<u>100%</u>	<u>100%</u>

The City of Union represented 40% and 41% of trade accounts receivable at December 31, 2017 and 2016, respectively. The Company considers the associated credit risk to be minimal.

**Materials and supplies**

Materials and supplies are carried at average cost. Materials and supplies are generally used for construction, operations and maintenance and are not for resale.

**Timberland and reforestation costs**

Timberland is stated at cost, net of depletion and amortized reforestation costs. The Company records depletion expense based on the estimated percentage of total timber being harvested. There was no income from timber harvested during 2017 or 2016. Reforestation costs are amortized on a straight line basis over seven years. The Company did not incur reforestation costs during 2017 or 2016. In 2016, Pacolet Milliken contributed approximately 412 acres of land in Union and Chester counties to the Company during the year with a total cost of \$41,968. The land was contributed to the Company due to its proximity to existing Company property and to have the property under local management.

**Customer deposits**

Customer deposits consist of security deposits obtained from commercial and residential customers. These security deposits are typically returned to the customer in 24 months, pursuant to the customer's adherence to timely payment requirements.

**Income taxes**

The Company is included in the combined state and consolidated Federal income tax returns of Pacolet Milliken. For financial statement purposes, income tax receivable, accrued income tax and deferred income tax amounts reflected in the accompanying consolidated balance sheets reflect income tax amounts calculated for state and Federal income taxes on a stand-alone basis for the Company.

Investment tax credits were deferred and will be amortized to income over the service life of the related property.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
Lockhart Power Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACTIVITIES, Continued**

**Income taxes, continued**

The Company accounts for income taxes in accordance with the liability method. Under this method, the deferred tax liability represents the tax effect of temporary differences between the consolidated financial statements and tax basis of assets and liabilities and is measured using current enacted tax rates.

Accounting principles generally accepted in the United States of America require management to evaluate tax positions taken by the Company and recognize a tax liability (or asset) if the Company has taken an uncertain position that more likely than not would not be substantiated upon examination by the Internal Revenue Service (IRS). Management has analyzed the tax positions taken by the Company, and has concluded that as of December 31, 2017, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the consolidated financial statements. The Company is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

**Asset retirement obligations**

The Company records the fair value of a liability for any asset retirement obligation in the period in which the liability is incurred if a reasonable estimate of fair value can be made. Management has determined that no asset retirement obligations exist related to assets currently in service.

**Use of estimates**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Fair value of assets and liabilities**

The fair values of the Company's cash and cash equivalents, receivables and current liabilities approximate their respective carrying values at December 31, 2017 and 2016. The Company accounts for financial assets and liabilities at fair value, measured on a recurring basis, in its consolidated financial statements.

The recoverability of the carrying value of the Company's long-lived assets is assessed by management at such time as events or changes in circumstances indicate that an impairment of the assets' carrying value may have occurred. Recoverability is based on the expected future cash flows resulting from the use of the assets. An impairment loss is to be recognized if the carrying value of a long-lived asset is not recoverable from its cash flows. For the years ended December 31, 2017 and 2016, no impairments were identified.

**Recently issued accounting pronouncements**

The Company does not expect any recent accounting pronouncements to have a material impact on its financial position or results of operations.



Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
Lockhart Power Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACTIVITIES, Continued**

**Reclassifications**

Certain reclassifications have been made to the consolidated financial statements as of December 31, 2016 to conform to classifications used for the consolidated financial statements as of December 31, 2017. The reclassifications had no impact on previously reported net income and retained earnings.

**Subsequent events**

The Company has evaluated subsequent events through March 10, 2018, the date on which these consolidated financial statements were available for issuance.

**NOTE 2 - RATE MATTERS**

The Company sells electricity to retail and wholesale customers and, therefore, falls under the jurisdiction of both the SCPSC and FERC. The Company has received approval from SCPSC and FERC for both retail and wholesale rates charged through December 31, 2017.

The SCPSC has authorized the Company to utilize a Power Adjustment Clause ("PAC") that enables the Company to pass through to retail customers any increase or decrease in the rates paid for purchased power and certain specific costs and cost offsets. FERC allows the Company to use a Cost of Service Adjustment Clause ("COSAC") for its wholesale customer. The COSAC enables the Company to pass through to its wholesale customer any monthly increase or decrease in the rates paid for purchased power and certain specific costs and cost offsets. The COSAC also allows the Company to adjust its wholesale rates annually for increases or decreases in the overall cost of service.

The amounts unbilled are calculated under the PAC and the purchased power provisions of the COSAC are deferred and reflected in other current assets or current liabilities on the consolidated balance sheets. Such amounts are recognized in the following month at the time of the billing. Amounts included in the accompanying consolidated balance sheets as a purchased power (liability) asset totaled approximately \$111,000 and (\$54,000) at December 31, 2017 and 2016, respectively.

The SCPSC issued an approval order of the Company's general rate case on August 26, 2014 that was effective August 26, 2014. The order granted the Company additional revenue, recovery of costs related to the Company's construction of the Upper Pacolet Hydroelectric Facility, construction of the Lockhart Minimum Flow Unit Hydroelectric Facility, and its capital investment in the Columbia Canal Hydroelectric Facility, as well as allowed an after-tax return on common equity of 12.0%. The Company initially deferred approximately \$172,000 of expenses incurred in connection with this rate case and, with SCPSC approval, will recover these costs over 4 years. Accordingly, the Company recognized approximately \$44,000 and \$43,000 of expense in relation to this rate case during 2017 and 2016, respectively.

**NOTE 3 - EMPLOYEE BENEFITS**

Employees within specified age limits and periods of service are provided retirement benefits through the Milliken Pension Plan, which has been frozen since prior to the Master Separation Agreement on December 2, 2007. There were no pension benefits granted for the two years ended December 31, 2017 and 2016.

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
Lockhart Power Company			
NOTES TO FINANCIAL STATEMENTS (Continued)			

**NOTE 3 - EMPLOYEE BENEFITS, Continued**

Substantially all employees meeting certain eligibility requirements are provided retirement benefits through Pacolet Milliken's defined contribution retirement plan. Certain members of management whose compensation under qualified plans exceeds IRS limits are also provided benefits through Pacolet Milliken's nonqualified defined contribution plan. The total defined contribution retirement plan expense for the years ended December 31, 2017 and 2016 was approximately \$167,000 and \$143,000, respectively.

**NOTE 4 - INCOME TAXES**

Income tax expense for the years ended December 31 consists of the following:

	<u>2017</u>	<u>2016</u>
1 Current provision	\$ 2,022,866	\$ 1,830,755
2 Deferred (benefit) provision	(943,035)	584,498
3 Amortization of investment tax credits	<u>(794)</u>	<u>(793)</u>
4 Total income tax expense	<u><b>\$ 1,079,037</b></u>	<u><b>\$ 2,414,460</b></u>

The difference between the U.S. Federal statutory income tax rate and the Company's effective tax rate is due primarily to state income taxes, changes in the federal income tax rate applied to deferred assets and liabilities and federal and state tax credits. Cash paid for income taxes was approximately \$2,268,000 and \$1,930,000 for the years ending December 31, 2017 and 2016, respectively.

The deferred tax provision in 2017 and 2016 is primarily related to the excess of tax depreciation over book depreciation and the generation of state tax credits which will be used in a future period. In 2015, the South Carolina Biomass Resource Credit generated approximately \$1,300,000 in deferred tax benefit. In 2017, the remaining portion of this deferred tax asset was used to offset South Carolina taxable income.

The tax effect of temporary accumulated differences giving rise to the Company's accumulated deferred tax assets and liabilities at December 31 are as follows:

	<u>2017</u>	<u>2016</u>
Deferred tax assets:		
1 Hydropower Investment Tax Credit	\$ 111,384	\$ 86,883
2 South Carolina Biomass Resource Credit	-	791,822
3 Accrued liabilities	<u>49,695</u>	<u>128,895</u>
4 Total deferred tax assets	<u>161,079</u>	<u>1,007,600</u>
Deferred tax liabilities:		
5 Depreciation and other differences for plant and equipment	3,323,524	5,102,551
6 Amortization of rate case expenses	16,570	26,697
7 Other accrual	<u>28</u>	<u>-</u>
8 Total deferred tax liabilities	<u>3,340,122</u>	<u>5,129,248</u>
9 Net deferred tax liabilities	<u><b>\$ 3,179,043</b></u>	<u><b>\$ 4,121,648</b></u>

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NOTES TO FINANCIAL STATEMENTS (Continued)			

**NOTE 4 - INCOME TAXES, Continued**

Deferred tax assets were reduced primarily by the use of the remaining portion of the South Carolina Biomass Resource Credit to offset state income taxes. Deferred tax liabilities decreased in 2017 primarily due to changes in the federal income tax rate applicable to deferred tax liabilities. In the opinion of management, the reversal of taxable temporary differences will allow the realization of deferred tax assets and accordingly, there is no valuation allowance recorded for the deferred tax assets in the accompanying consolidated balance sheets.

The Company recognized a material income tax benefit in the current period due to the impact of the Tax Cuts and Jobs Act. The Act permanently reduced the corporate income tax rate to 21%. Deferred tax assets and liabilities are valued based on the tax rate expected to be applied when the deferred asset or liability is recognized. All deferred tax assets and liabilities were re-valued as of 12/31/2017 utilizing the new 21% rate, which created the income tax benefits reported in the income statement. This re-valuation is a permanent benefit to the Company unless future legislation revises corporate income tax rates.

**NOTE 5 - RELATED-PARTY TRANSACTIONS**

Trade accounts receivable due from an affiliate totaled \$212,395 and \$172,830 at December 31, 2017 and 2016, respectively, and \$3,065,055 and \$6,132,851 was due from Pacolet Milliken at December 31, 2017 and 2016, respectively. Accounts payable due to Pacolet Milliken totaled \$26,107 and \$113,197 at December 31, 2017 and 2016, respectively.

Revenue from affiliates totaled \$2,465,119 and \$2,280,493 for the years ended December 31, 2017 and 2016, respectively. This consists primarily of electricity billings associated with a Milliken facility, which is located in Lockhart's service territory.

On December 1, 2013, the Company entered into a building lease agreement with Pacolet Milliken that expires in December 2033. Rent expense for the years ended December 31, 2017 and 2016 was approximately \$100,000. Future annual minimum lease payments under the agreement are approximately \$100,000, with annual increases allowed for inflation.

**NOTE 6 - COMMITMENTS AND CONTINGENCIES**

The Company amended its all-requirements contract with Duke Energy Carolinas, LLC with which it satisfies customer demand in excess of internal generating capacity in January 2016. The contract was effective January 1, 2015 and modified its purchased power arrangement and extended the expiration date to December 31, 2028.

The Company entered into a gas purchase agreement in December 2009 and an operation and maintenance agreement that commenced in May 2011 for the Wellford landfill gas project with Spartanburg County, South Carolina. The Company also entered into a renewable power purchase agreement with Duke Energy Carolinas, LLC in March 2011 to sell electricity generated from the Wellford landfill gas project.

The Company entered into renewable power purchase agreements with Duke Energy Carolinas, LLC in 2012 to sell electricity generated from its existing Lower Pacolet Hydroelectric Facility, Upper Pacolet Hydroelectric Facility, and Lockhart Minimum Flow Unit Hydroelectric Facility.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

**NOTE 6 - COMMITMENTS AND CONTINGENCIES, Continued**

In 2013, Lockhart Power Company formed Lockhart BioEnergy, LLC to own and operate the Union County landfill-gas-to-energy (“LGTE”) facility in Cross Anchor, South Carolina. In 2014, the Company began construction of the Union County LGTE facility in Cross Anchor, South Carolina. The Company spent approximately \$5,500,000 to complete the facility. The Company entered into gas purchase and site lease agreements with Republic Services in January 2014 to purchase landfill gas extracted from the landfill for the purpose of securing a long-term supply of fuel for processing and producing electricity. Payments under the gas purchase and site lease agreements are guaranteed by Pacolet Milliken. The Company entered into a renewable power purchase agreement with Duke Energy Carolinas, LLC in December 2013 to sell electricity generated from the LGTE facility upon completion, which expires in December 2023. The Union County LGTE facility began generating electricity in January 2015.

In 2011, the Company and the City of Columbia (the “City”) entered into a Services Agreement for Rehabilitation, Operation, Repair and Maintenance of the Hydroelectric Facilities (the “Services Agreement”), pursuant to which the Company rehabilitated the hydroelectric facility (the “Columbia Hydro Facility”) that is located on the canal (the “Canal”) that runs along the west side of the City. In October 2015, the Columbia Hydro Facility incurred significant flood damage due to a breach in the Canal wall caused by torrential rains. As a result, the Columbia Hydro Facility ceased operations until such time as the Canal wall could be repaired and the Columbia Hydro Facility could be restarted. In January 2018 and in resolution of the parties’ obligations going forward with respect to the Columbia Hydro Facility and the Canal, the City entered into a Release and Termination agreement with the Company and agreed to pay the Company \$8,640,000 under the economic infeasibility condition in the Services Agreement. Under the terms of this January 2018 agreement, the City will pay the Company \$6,761,000 by March 31, 2018. The Company will receive approximately \$4,423,000 from the City’s funds as well as the balance (approximately \$2,338,000) of the insurance payable regarding the Columbia Hydro Facility. The remaining balance of approximately \$1,879,000 will be paid by the City to the Company in three equal installments on each of January 31, 2019, 2020 and 2021.

In February 2014, a break in a storm water pipe beneath an ash basin at Duke Energy Carolinas’ retired Dan River Steam Station caused a release of ash basin water and ash into the Dan River. On September 20, 2014, the North Carolina Coal Ash Management Act of 2014 (“Coal Ash Act”) became law and was amended on June 24, 2015, and July 14, 2016. The Coal Ash Act, as amended, regulates the handling of coal ash within the state and requires closure of ash impoundments by no later than December 31, 2029, based on risk rankings, among other detailed requirements. The Coal Ash Act leaves the decision on cost recovery determinations related to closure of coal ash surface impoundments (ash basins or impoundments) to the normal ratemaking processes before utility regulatory commissions. During 2017, Duke Energy Carolinas LLC began passing along these costs to its customers. Lockhart’s share of this cost totaled approximately \$3,250,000 and is included within the purchased power receivable and purchased power payable accounts on the balance sheet. Lockhart began passing along these additional costs to its customers during 2017. Costs resulting from the Coal Ash Act passed to customers totaled \$300,000 for the year ended December 31, 2017.

In 2017, Lockhart Power Company formed Midway Green Development, LLC (“Midway Green”) to partner with Union County (the “County”) in the construction, marketing, and eventually sale of an industrial spec building within the Midway Green Industrial Park. Under the terms of the lease agreement with Union County, the Company will manage the construction of the spec building with the County paying half of the agreed upon costs of the project. Union County made its initial \$500,000 lease payment at the time the agreement was signed and will make an additional \$500,000 lease payment at the time construction is completed. The County will also make annual \$400,000 lease payments until its allotted portion of the costs of the project are paid or the building is sold. Once the building is sold, Midway Green and the County will share in the proceeds as outlined in the operating agreement between the two parties.

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NOTES TO FINANCIAL STATEMENTS (Continued)			

Name of Respondent Lockhart Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

1. Report in columns (b),(c),(d) and (e) the amounts of accumulated other comprehensive income items, on a net-of-tax basis, where appropriate.
2. Report in columns (f) and (g) the amounts of other categories of other cash flow hedges.
3. For each category of hedges that have been accounted for as "fair value hedges", report the accounts affected and the related amounts in a footnote.
4. Report data on a year-to-date basis.

Line No.	Item  (a)	Unrealized Gains and Losses on Available-for-Sale Securities  (b)	Minimum Pension Liability adjustment (net amount)  (c)	Foreign Currency Hedges  (d)	Other Adjustments  (e)
1	Balance of Account 219 at Beginning of Preceding Year				
2	Preceding Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				
3	Preceding Quarter/Year to Date Changes in Fair Value				
4	Total (lines 2 and 3)				
5	Balance of Account 219 at End of Preceding Quarter/Year				
6	Balance of Account 219 at Beginning of Current Year				
7	Current Qtr/Yr to Date Reclassifications from Acct 219 to Net Income				
8	Current Quarter/Year to Date Changes in Fair Value				
9	Total (lines 7 and 8)				
10	Balance of Account 219 at End of Current Quarter/Year				

Name of Respondent

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STATEMENTS OF ACCUMULATED COMPREHENSIVE INCOME, COMPREHENSIVE INCOME, AND HEDGING ACTIVITIES

Line No.	Other Cash Flow Hedges Interest Rate Swaps  (f)	Other Cash Flow Hedges [Specify]  (g)	Totals for each category of items recorded in Account 219  (h)	Net Income (Carried Forward from Page 117, Line 78)  (i)	Total Comprehensive Income  (j)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					



SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS  
FOR DEPRECIATION, AMORTIZATION AND DEPLETION

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.

Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)
1	Utility Plant		
2	In Service		
3	Plant in Service (Classified)	76,325,305	76,325,305
4	Property Under Capital Leases		
5	Plant Purchased or Sold		
6	Completed Construction not Classified		
7	Experimental Plant Unclassified		
8	Total (3 thru 7)	76,325,305	76,325,305
9	Leased to Others		
10	Held for Future Use		
11	Construction Work in Progress	8,447,739	8,447,739
12	Acquisition Adjustments	303,996	303,996
13	Total Utility Plant (8 thru 12)	85,077,040	85,077,040
14	Accum Prov for Depr, Amort, & Depl	34,999,601	34,999,601
15	Net Utility Plant (13 less 14)	50,077,439	50,077,439
16	Detail of Accum Prov for Depr, Amort & Depl		
17	In Service:		
18	Depreciation	33,278,577	33,278,577
19	Amort & Depl of Producing Nat Gas Land/Land Right		
20	Amort of Underground Storage Land/Land Rights		
21	Amort of Other Utility Plant	1,660,399	1,660,399
22	Total In Service (18 thru 21)	34,938,976	34,938,976
23	Leased to Others		
24	Depreciation		
25	Amortization and Depletion		
26	Total Leased to Others (24 & 25)		
27	Held for Future Use		
28	Depreciation		
29	Amortization		
30	Total Held for Future Use (28 & 29)		
31	Abandonment of Leases (Natural Gas)		
32	Amort of Plant Acquisition Adj	60,625	60,625
33	Total Accum Prov (equals 14) (22,26,30,31,32)	34,999,601	34,999,601

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SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS  
FOR DEPRECIATION, AMORTIZATION AND DEPLETION

Gas (d)	Other (Specify) (e)	Other (Specify) (f)	Other (Specify) (g)	Common (h)	Line No.
					1
					2
					3
					4
					5
					6
					7
					8
					9
					10
					11
					12
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					27
					28
					29
					30
					31
					32
					33

NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)

1. Report below the costs incurred for nuclear fuel materials in process of fabrication, on hand, in reactor, and in cooling; owned by the respondent.
2. If the nuclear fuel stock is obtained under leasing arrangements, attach a statement showing the amount of nuclear fuel leased, the quantity used and quantity on hand, and the costs incurred under such leasing arrangements.

Line No.	Description of item (a)	Balance Beginning of Year (b)	Changes during Year
			Additions (c)
1	Nuclear Fuel in process of Refinement, Conv, Enrichment & Fab (120.1)		
2	Fabrication		
3	Nuclear Materials		
4	Allowance for Funds Used during Construction		
5	(Other Overhead Construction Costs, provide details in footnote)		
6	SUBTOTAL (Total 2 thru 5)		
7	Nuclear Fuel Materials and Assemblies		
8	In Stock (120.2)		
9	In Reactor (120.3)		
10	SUBTOTAL (Total 8 & 9)		
11	Spent Nuclear Fuel (120.4)		
12	Nuclear Fuel Under Capital Leases (120.6)		
13	(Less) Accum Prov for Amortization of Nuclear Fuel Assem (120.5)		
14	TOTAL Nuclear Fuel Stock (Total 6, 10, 11, 12, less 13)		
15	Estimated net Salvage Value of Nuclear Materials in line 9		
16	Estimated net Salvage Value of Nuclear Materials in line 11		
17	Est Net Salvage Value of Nuclear Materials in Chemical Processing		
18	Nuclear Materials held for Sale (157)		
19	Uranium		
20	Plutonium		
21	Other (provide details in footnote):		
22	TOTAL Nuclear Materials held for Sale (Total 19, 20, and 21)		

Name of Respondent

Lockhart Power Company

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Date of Report

(Mo, Da, Yr)

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Year/Period of Report

End of 2017/Q4

NUCLEAR FUEL MATERIALS (Account 120.1 through 120.6 and 157)

Changes during Year		Balance End of Year (f)	Line No.
Amortization (d)	Other Reductions (Explain in a footnote) (e)		
			1
			2
			3
			4
			5
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			9
			10
			11
			12
			13
			14
			15
			16
			17
			18
			19
			20
			21
			22

**ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)**

1. Report below the original cost of electric plant in service according to the prescribed accounts.
2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
4. For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
5. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
6. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
1	1. INTANGIBLE PLANT		
2	(301) Organization	403	
3	(302) Franchises and Consents	1,528,352	5,521
4	(303) Miscellaneous Intangible Plant	9,802,336	
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	11,331,091	5,521
6	2. PRODUCTION PLANT		
7	A. Steam Production Plant		
8	(310) Land and Land Rights		
9	(311) Structures and Improvements		
10	(312) Boiler Plant Equipment		
11	(313) Engines and Engine-Driven Generators		
12	(314) Turbogenerator Units		
13	(315) Accessory Electric Equipment		
14	(316) Misc. Power Plant Equipment		
15	(317) Asset Retirement Costs for Steam Production		
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)		
17	B. Nuclear Production Plant		
18	(320) Land and Land Rights		
19	(321) Structures and Improvements		
20	(322) Reactor Plant Equipment		
21	(323) Turbogenerator Units		
22	(324) Accessory Electric Equipment		
23	(325) Misc. Power Plant Equipment		
24	(326) Asset Retirement Costs for Nuclear Production		
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)		
26	C. Hydraulic Production Plant		
27	(330) Land and Land Rights	284,225	
28	(331) Structures and Improvements	2,769,580	
29	(332) Reservoirs, Dams, and Waterways	6,932,767	71,500
30	(333) Water Wheels, Turbines, and Generators	8,656,675	5,001
31	(334) Accessory Electric Equipment	2,234,736	107,921
32	(335) Misc. Power PLant Equipment	125,670	
33	(336) Roads, Railroads, and Bridges	89,137	
34	(337) Asset Retirement Costs for Hydraulic Production		
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)	21,092,790	184,422
36	D. Other Production Plant		
37	(340) Land and Land Rights	3,269	
38	(341) Structures and Improvements	1,393,115	
39	(342) Fuel Holders, Products, and Accessories	61,206	
40	(343) Prime Movers		
41	(344) Generators	4,556,511	
42	(345) Accessory Electric Equipment	748,441	
43	(346) Misc. Power Plant Equipment		
44	(347) Asset Retirement Costs for Other Production		
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	6,762,542	
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	27,855,332	184,422

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)
47	3. TRANSMISSION PLANT		
48	(350) Land and Land Rights	51,657	
49	(352) Structures and Improvements	237,070	
50	(353) Station Equipment	2,563,023	28,521
51	(354) Towers and Fixtures		
52	(355) Poles and Fixtures	1,363,483	55,533
53	(356) Overhead Conductors and Devices	1,170,077	5,142
54	(357) Underground Conduit		
55	(358) Underground Conductors and Devices		
56	(359) Roads and Trails		
57	(359.1) Asset Retirement Costs for Transmission Plant		
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	5,385,310	89,196
59	4. DISTRIBUTION PLANT		
60	(360) Land and Land Rights	33,205	
61	(361) Structures and Improvements	425,860	
62	(362) Station Equipment	5,148,060	424,268
63	(363) Storage Battery Equipment		
64	(364) Poles, Towers, and Fixtures	6,669,540	122,318
65	(365) Overhead Conductors and Devices	4,601,083	101,165
66	(366) Underground Conduit		
67	(367) Underground Conductors and Devices	1,075,466	48,451
68	(368) Line Transformers	3,028,067	50,527
69	(369) Services	2,165,764	17,078
70	(370) Meters	1,856,583	30,030
71	(371) Installations on Customer Premises		
72	(372) Leased Property on Customer Premises		
73	(373) Street Lighting and Signal Systems	1,801,465	41,052
74	(374) Asset Retirement Costs for Distribution Plant		
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	26,805,093	834,889
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT		
77	(380) Land and Land Rights		
78	(381) Structures and Improvements		
79	(382) Computer Hardware		
80	(383) Computer Software		
81	(384) Communication Equipment		
82	(385) Miscellaneous Regional Transmission and Market Operation Plant		
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper		
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)		
85	6. GENERAL PLANT		
86	(389) Land and Land Rights		
87	(390) Structures and Improvements	722,421	
88	(391) Office Furniture and Equipment	1,260,320	414
89	(392) Transportation Equipment	1,600,527	38,223
90	(393) Stores Equipment		
91	(394) Tools, Shop and Garage Equipment	170,875	
92	(395) Laboratory Equipment	9,106	
93	(396) Power Operated Equipment		
94	(397) Communication Equipment	244,944	
95	(398) Miscellaneous Equipment		
96	SUBTOTAL (Enter Total of lines 86 thru 95)	4,008,193	38,637
97	(399) Other Tangible Property		
98	(399.1) Asset Retirement Costs for General Plant		
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	4,008,193	38,637
100	TOTAL (Accounts 101 and 106)	75,385,019	1,152,665
101	(102) Electric Plant Purchased (See Instr. 8)		
102	(Less) (102) Electric Plant Sold (See Instr. 8)		
103	(103) Experimental Plant Unclassified		
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	75,385,019	1,152,665

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
			403	2
			1,533,873	3
-1			9,802,337	4
-1			11,336,613	5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
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				25
				26
			284,225	27
			2,769,580	28
			7,004,267	29
			8,661,676	30
			2,342,657	31
			125,670	32
			89,137	33
				34
			21,277,212	35
				36
1			3,268	37
			1,393,115	38
			61,206	39
				40
			4,556,511	41
			748,441	42
				43
				44
1			6,762,541	45
1			28,039,753	46

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				47
			51,657	48
			237,070	49
30,659			2,560,885	50
				51
3,056			1,415,960	52
			1,175,219	53
				54
				55
				56
				57
33,715			5,440,791	58
				59
			33,205	60
1,533			424,327	61
126,769			5,445,559	62
				63
26,205			6,765,653	64
5,843			4,696,405	65
				66
			1,123,917	67
1,992			3,076,602	68
4,754			2,178,088	69
7,596			1,879,017	70
				71
				72
3,972			1,838,545	73
				74
178,664			27,461,318	75
				76
				77
				78
				79
				80
				81
				82
				83
				84
				85
				86
			722,421	87
			1,260,734	88
			1,638,750	89
				90
			170,875	91
			9,106	92
				93
			244,944	94
				95
			4,046,830	96
				97
				98
			4,046,830	99
212,379			76,325,305	100
				101
				102
				103
212,379			76,325,305	104



Name of Respondent  
Lockhart Power Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
12/31/2017

Year/Period of Report  
End of 2017/Q4

ELECTRIC PLANT LEASED TO OTHERS (Account 104)

Line No.	Name of Lessee (Designate associated companies with a double asterisk) (a)	Description of Property Leased (b)	Commission Authorization (c)	Expiration Date of Lease (d)	Balance at End of Year (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
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40					
41					
42					
43					
44					
45					
46					
47	TOTAL				

Name of Respondent  
Lockhart Power Company

This Report Is:  
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Date of Report  
(Mo, Da, Yr)  
12/31/2017

Year/Period of Report  
End of 2017/Q4

ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)

1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.
2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)
1	Land and Rights:			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21	Other Property:			
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43				
44				
45				
46				
47	Total			0

**CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)**

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.

Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)
1	Hydro Production	
2	All Other Hydro Production Projects	897,215
3		
4		
5	Transmission	
6	All Other Tansmission Projects	111,135
7	TRIP North 100KV Substation	4,016,486
8	TRIP North 34KV Transmission Line	1,537,098
9	Duke 2 - Union Industrial Park Expansion	1,055,737
10		
11	Distribution	
12	All Other Distribution Projects	741,282
13		
14		
15	General	
16	All Other General Projects	88,786
17		
18		
19		
20	Diesel	
21	All Other Diesel Projects	
22		
23		
24		
25		
26	Landfill Gas	
27	All Other Landfill Gas	
28		
29		
30		
31		
32		
33	Intangible	
34	All Other Intangible	
35		
36		
37		
38		
39		
40		
41		
42		
43	TOTAL	8,447,739

**ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)**

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

**Section A. Balances and Changes During Year**

Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	31,370,205	31,370,205		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	1,975,980	1,975,980		
4	(403.1) Depreciation Expense for Asset Retirement Costs				
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing	154,471	154,471		
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):				
9					
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	2,130,451	2,130,451		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	212,376	212,376		
13	Cost of Removal	10,759	10,759		
14	Salvage (Credit)	1,056	1,056		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	222,079	222,079		
16	Other Debit or Cr. Items (Describe, details in footnote):				
17					
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	33,278,577	33,278,577		

**Section B. Balances at End of Year According to Functional Classification**

20	Steam Production				
21	Nuclear Production				
22	Hydraulic Production-Conventional	8,094,690	8,094,690		
23	Hydraulic Production-Pumped Storage				
24	Other Production	3,246,109	3,246,109		
25	Transmission	3,519,293	3,519,293		
26	Distribution	15,882,465	15,882,465		
27	Regional Transmission and Market Operation				
28	General	2,536,020	2,536,020		
29	TOTAL (Enter Total of lines 20 thru 28)	33,278,577	33,278,577		

**INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)**

1. Report below investments in Accounts 123.1, investments in Subsidiary Companies.
2. Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)
  - (a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.
  - (b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.
3. Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.

Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)
1	Lockhart Bioenergy LLC			
2	Additional Paid In Capital			4,262,444
3	Retained Earnings/(Accumulated Deficit)			1,099,059
4				
5	Midway Green Development, LLC			
6	Additional Paid in Capital			
7	Retained Earnings (Accumulated Deficit)			
8				
9				
10				
11				
12				
13				
14				
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36				
37				
38				
39				
40				
41				
42	Total Cost of Account 123.1 \$	0	TOTAL	5,361,503

INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

- 4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
- 5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
- 6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
- 7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
- 8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
		4,386,943		2
123,812	1,224,255	1,222,871		3
				4
				5
				6
500,000	500,000	500,000		7
				8
				9
				10
				11
				12
				13
				14
				15
				16
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				31
				32
				33
				34
				35
				36
				37
				38
				39
				40
				41
623,812	1,724,255	6,109,814		42

Name of Respondent Lockhart Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

**Schedule Page: 224 Line No.: 1 Column: a**

Lockhart BioEnergy, LLC, the Company's wholly owned subsidiary, was formed in November 2013 to manage and operate the Union County Landfill Gas to Energy facility. The facility was under construction in 2014 and began operations in early 2015.

**Schedule Page: 224 Line No.: 5 Column: a**

Midway Green Development, LLC, the Company's wholly owned subsidiary, was formed in October 2017 to manage the construction of a commercial building for future use by an industrial customer of the Company. Construction of the building is to begin and be completed in 2018.

**MATERIALS AND SUPPLIES**

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.

2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.

Line No.	Account  (a)	Balance Beginning of Year  (b)	Balance End of Year  (c)	Department or Departments which Use Material  (d)
1	Fuel Stock (Account 151)			
2	Fuel Stock Expenses Undistributed (Account 152)			
3	Residuals and Extracted Products (Account 153)			
4	Plant Materials and Operating Supplies (Account 154)			
5	Assigned to - Construction (Estimated)	418,805	489,739	
6	Assigned to - Operations and Maintenance			
7	Production Plant (Estimated)	7,773	9,090	
8	Transmission Plant (Estimated)	12,802	14,970	
9	Distribution Plant (Estimated)	17,831	20,851	
10	Regional Transmission and Market Operation Plant (Estimated)			
11	Assigned to - Other (provide details in footnote)			
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	457,211	534,650	
13	Merchandise (Account 155)			
14	Other Materials and Supplies (Account 156)			
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)			
16	Stores Expense Undistributed (Account 163)			
17				
18				
19				
20	TOTAL Materials and Supplies (Per Balance Sheet)	457,211	534,650	



Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	SO2 Allowances Inventory (Account 158.1) (a)	Current Year		2018	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year				
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509				
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year				
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Allowances (Accounts 158.1 and 158.2) (Continued)

- 6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
- 7. Report on Lines 8-14 the names of vendors/transferees of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
- 8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
- 9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
- 10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2019		2020		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
								1
								2
								3
								4
								5
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								43
								44
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								46

Allowances (Accounts 158.1 and 158.2)

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	NOx Allowances Inventory (Account 158.1) (a)	Current Year		2018	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year				
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)				
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:				
9					
10					
11					
12					
13					
14					
15	Total				
16					
17	Relinquished During Year:				
18	Charges to Account 509				
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year				
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year				
37	Add: Withheld by EPA				
38	Deduct: Returned by EPA				
39	Cost of Sales				
40	Balance-End of Year				
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)				
44	Net Sales Proceeds (Other)				
45	Gains				
46	Losses				

Allowances (Accounts 158.1 and 158.2) (Continued)

- 6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
- 7. Report on Lines 8-14 the names of vendors/transfersors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
- 8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
- 9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
- 10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2019		2020		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
								1
								2
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								44
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								46

EXTRAORDINARY PROPERTY LOSSES (Account 182.1)

Line No.	Description of Extraordinary Loss [Include in the description the date of Commission Authorization to use Acc 182.1 and period of amortization (mo, yr to mo, yr).] (a)	Total Amount of Loss (b)	Losses Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20	TOTAL					

Name of Respondent

Lockhart Power Company

This Report Is:

(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
12/31/2017

Year/Period of Report  
End of 2017/Q4

UNRECOVERED PLANT AND REGULATORY STUDY COSTS (182.2)

Line No.	Description of Unrecovered Plant and Regulatory Study Costs [Include in the description of costs, the date of Commission Authorization to use Acc 182.2 and period of amortization (mo, yr to mo, yr)] (a)	Total Amount of Charges (b)	Costs Recognised During Year (c)	WRITTEN OFF DURING YEAR		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
21						
22						
23						
24						
25						
26						
27						
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29						
30						
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44						
45						
46						
47						
48						
49	TOTAL					

Transmission Service and Generation Interconnection Study Costs

1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies.
2. List each study separately.
3. In column (a) provide the name of the study.
4. In column (b) report the cost incurred to perform the study at the end of period.
5. In column (c) report the account charged with the cost of the study.
6. In column (d) report the amounts received for reimbursement of the study costs at end of period.
7. In column (e) report the account credited with the reimbursement received for performing the study.

Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	<b>Transmission Studies</b>				
2	All Others	37,782	183001002		
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	<b>Generation Studies</b>				
22					
23					
24					
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40					

OTHER REGULATORY ASSETS (Account 182.3)

1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Assets being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Assets  (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS		Balance at end of Current Quarter/Year (f)
				Written off During the Quarter/Year Account Charged (d)	Written off During the Period Amount (e)	
1						
2						
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38						
39						
40						
41						
42						
43						
44	TOTAL					0



MISCELLANEOUS DEFFERED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$100,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1						
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40						
41						
42						
43						
44						
45						
46						
47	Misc. Work in Progress	110,785				200,546
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)	71,574		928	42,944	28,630
49	TOTAL	182,359				229,176

ACCUMULATED DEFERRED INCOME TAXES (Account 190)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes.
2. At Other (Specify), include deferrals relating to other income and deductions.

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)
1	Electric		
2	Normal Temporary Differences	1,407,853	1,283,192
3			
4	SFAS 109 Gross Up of Deferred Investment Tax Credit	4,234	3,803
5			
6			
7	Other		
8	TOTAL Electric (Enter Total of lines 2 thru 7)	1,412,087	1,286,995
9	Gas		
10			
11			
12			
13			
14			
15	Other		
16	TOTAL Gas (Enter Total of lines 10 thru 15)		
17	Other (Specify)		
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	1,412,087	1,286,995

Notes

CAPITAL STOCKS (Account 201 and 204)

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.

2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

Line No.	Class and Series of Stock and Name of Stock Series  (a)	Number of shares Authorized by Charter  (b)	Par or Stated Value per share  (c)	Call Price at End of Year  (d)
1	COMMON STOCK	3,000	100.00	
2	TOTAL COMMON STOCK	3,000		
3				
4				
5				
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10				
11				
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Name of Respondent  
Lockhart Power Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
12/31/2017

Year/Period of Report  
End of 2017/Q4

CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.
4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.
5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.  
Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
3,000	300,000					1
3,000	300,000					2
						3
						4
						5
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						41
						42

Name of Respondent

Lockhart Power Company

This Report Is:

(1)  An Original

(2)  A Resubmission

Date of Report

(Mo, Da, Yr)

12/31/2017

Year/Period of Report

End of 2017/Q4

OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

(a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.

(b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.

(c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.

(d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

Line No.	Item (a)	Amount (b)
1		
2		
3		
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37		
38		
39		
40	TOTAL	

Name of Respondent Lockhart Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report End of <u>2017/Q4</u>
----------------------------------------------	-----------------------------------------------------------------------------------------------------------------------	----------------------------------------------	------------------------------------------------

CAPITAL STOCK EXPENSE (Account 214)

1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.
2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

Line No.	Class and Series of Stock (a)	Balance at End of Year (b)
1		
2		
3		
4		
5		
6		
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11		
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19		
20		
21		
22	TOTAL	

LONG-TERM DEBT (Account 221, 222, 223 and 224)

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1			
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27			
28			
29			
30			
31			
32			
33	TOTAL		

LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

- 10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
- 11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
- 12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
- 13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
- 14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
- 15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
- 16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
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						33



## RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

Line No.	Particulars (Details) (a)	Amount (b)
1	Net Income for the Year (Page 117)	6,926,757
2		
3		
4	Taxable Income Not Reported on Books	
5	Current and Deferred Federal Tax Expense	1,031,592
6	Current and Deferred State Tax Expense	48,240
7		
8		
9	Deductions Recorded on Books Not Deducted for Return	
10		
11		
12		
13		
14	Income Recorded on Books Not Included in Return	
15		
16		
17		
18		
19	Deductions on Return Not Charged Against Book Income	
20	Investment Tax Credit Amortization	-795
21		
22	Timing Differences	-1,123,192
23		
24		
25		
26		
27	Federal Tax Net Income	6,882,602
28	Show Computation of Tax:	
29		
30	Federal Taxable Net Income	6,882,602
31		
32	Federal Tax at 34%	2,340,085
33		
34	Federal Income Tax	2,340,085
35	Federal Income Tax Credits	-359,922
36		
37	Net Federal Income Tax	1,980,163
38		
39	Current Federal Income Tax per Income Statement	1,980,163
40		
41		
42		
43		
44		

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	State:					
2	Unemployment			525	-458	-67
3	County Property			1,162,769	-1,071,814	-90,955
4	SC License Tax			36,754	-36,754	
5	Gross Receipts			99,368	-99,368	
6						
7	Use Tax on Power				-1,038	1,038
8	Generation			18,829	-18,829	
9	Income	-321,800		400,000	-357,295	
10						
11						
12	Municipal:					
13	Licenses	-8,732		16,617	-15,945	
14	Advalorem			36,540	-36,540	
15						
16						
17	Federal:					
18	FICA			270,488	-250,094	-20,394
19	Unemployment			2,388	-2,310	-78
20	Income	167,278		2,750,278	-2,583,000	-454,659
21						
22						
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41	TOTAL	-163,254		4,794,556	-4,473,445	-565,115

TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (i) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
		458				2
		1,071,814				3
		36,754				4
		99,368				5
						6
		1,038				7
		18,829				8
-279,095		38,607			4,098	9
						10
						11
						12
-8,060		16,617				13
		36,540				14
						15
						16
						17
		250,094				18
		2,310				19
-120,103		1,790,148			190,015	20
						21
						22
						23
						24
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						40
-407,258		3,362,577			194,113	41

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%						
4	7%						
5	10%	7,804			411.4	795	
6							
7							
8	TOTAL	7,804				795	
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
14							
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ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION	Line No.
			1
			2
			3
			4
7,009			5
			6
			7
7,009			8
			9
			10
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			48

OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$100,000, whichever is greater) may be grouped by classes.

Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1						
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4						
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47	TOTAL					

ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amortizable property.
2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account  (a)	Balance at Beginning of Year  (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1  (c)	Amounts Credited to Account 411.1  (d)
1	Accelerated Amortization (Account 281)			
2	Electric			
3	Defense Facilities			
4	Pollution Control Facilities			
5	Other (provide details in footnote):			
6				
7				
8	TOTAL Electric (Enter Total of lines 3 thru 7)			
9	Gas			
10	Defense Facilities			
11	Pollution Control Facilities			
12	Other (provide details in footnote):			
13				
14				
15	TOTAL Gas (Enter Total of lines 10 thru 14)			
16				
17	TOTAL (Acct 281) (Total of 8, 15 and 16)			
18	Classification of TOTAL			
19	Federal Income Tax			
20	State Income Tax			
21	Local Income Tax			

NOTES

Name of Respondent

Lockhart Power Company

This Report Is:

(1)  An Original

(2)  A Resubmission

Date of Report

(Mo, Da, Yr)

12/31/2017

Year/Period of Report

End of 2017/Q4

ACCUMULATED DEFERRED INCOME TAXES \_ ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
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NOTES (Continued)



Name of Respondent  
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Date of Report  
(Mo, Da, Yr)  
12/31/2017

Year/Period of Report  
End of 2017/Q4

ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization
2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account  (a)	Balance at Beginning of Year  (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 282			
2	Electric	5,533,734	-1,067,697	
3	Gas			
4				
5	TOTAL (Enter Total of lines 2 thru 4)	5,533,734	-1,067,697	
6				
7				
8				
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	5,533,734	-1,067,697	
10	Classification of TOTAL			
11	Federal Income Tax	4,886,937		
12	State Income Tax	646,797	-1,067,697	
13	Local Income Tax			

NOTES

Name of Respondent

Lockhart Power Company

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Date of Report

(Mo, Da, Yr)

12/31/2017

Year/Period of Report

End of 2017/Q4

ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
		190		190		4,466,037	2
							3
							4
						4,466,037	5
							6
							7
							8
						4,466,037	9
							10
						4,886,937	11
						-420,900	12
							13

NOTES (Continued)

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For other (Specify), include deferrals relating to other income and deductions.

Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR	
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)
1	Account 283			
2	Electric			
3				
4				
5				
6				
7				
8				
9	TOTAL Electric (Total of lines 3 thru 8)			
10	Gas			
11				
12				
13				
14				
15				
16				
17	TOTAL Gas (Total of lines 11 thru 16)			
18				
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)			
20	Classification of TOTAL			
21	Federal Income Tax			
22	State Income Tax			
23	Local Income Tax			

NOTES

Name of Respondent  
Lockhart Power Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
12/31/2017

Year/Period of Report  
End of 2017/Q4

ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.  
4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
							4
							5
							6
							7
							8
							9
							10
							11
							12
							13
							14
							15
							16
							17
							18
							19
							20
							21
							22
							23

NOTES (Continued)

OTHER REGULATORY LIABILITIES (Account 254)

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)
			Account Credited (c)	Amount (d)		
1	SFAS Gross-Up of Investment Tax Credit	4,234	190	431		3,803
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20						
21						
22						
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL	4,234		431		3,803

**ELECTRIC OPERATING REVENUES (Account 400)**

1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
3. 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.
4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
5. Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457.2.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	8,166,936	8,710,107
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	2,367,679	2,630,016
5	Large (or Ind.) (See Instr. 4)	7,563,948	7,087,302
6	(444) Public Street and Highway Lighting	50,586	50,582
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	18,149,149	18,478,007
11	(447) Sales for Resale	12,732,367	12,724,548
12	TOTAL Sales of Electricity	30,881,516	31,202,555
13	(Less) (449.1) Provision for Rate Refunds		
14	TOTAL Revenues Net of Prov. for Refunds	30,881,516	31,202,555
15	Other Operating Revenues		
16	(450) Forfeited Discounts	18,888	6,389
17	(451) Miscellaneous Service Revenues		
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	33,626	22,517
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	201,030	286,816
22	(456.1) Revenues from Transmission of Electricity of Others		
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	253,544	315,722
27	TOTAL Electric Operating Revenues	31,135,060	31,518,277

**ELECTRIC OPERATING REVENUES (Account 400)**

6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)

7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.

8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.

9. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
61,916	66,273	4,925	4,945	2
				3
17,098	20,384	1,248	1,250	4
114,220	108,648	10	9	5
257	255	4	4	6
				7
				8
				9
193,491	195,560	6,187	6,208	10
183,256	139,802	10	10	11
376,747	335,362	6,197	6,218	12
				13
376,747	335,362	6,197	6,218	14

Line 12, column (b) includes \$ 0 of unbilled revenues.

Line 12, column (d) includes 0 MWH relating to unbilled revenues

Name of Respondent Lockhart Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

**Schedule Page: 300 Line No.: 11 Column: b**

Includes \$661,885 of revenue associated with Market Based Rates.

**Schedule Page: 300 Line No.: 11 Column: c**

Includes \$491,183 of revenue associated with Market Based Rates.

**Schedule Page: 300 Line No.: 11 Column: d**

Includes 24,961 MWH associated with Market Based Rates.

**Schedule Page: 300 Line No.: 11 Column: e**

Includes 18,352 MWH associated with Market Based Rates.



REGIONAL TRANSMISSION SERVICE REVENUES (Account 457.1)

1. The respondent shall report below the revenue collected for each service (i.e., control area administration, market administration, etc.) performed pursuant to a Commission approved tariff. All amounts separately billed must be detailed below.

Line No.	Description of Service (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL				

SALES OF ELECTRICITY BY RATE SCHEDULES

1. Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
2. Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
3. Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
4. The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
5. For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
6. Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Residential					
2	Acct 440					
3	Rate R	42,157	5,686,790	3,655	11,534	0.1349
4	Rate RA	19,759	2,480,146	1,270	15,558	0.1255
5	Total Acct 440	61,916	8,166,936	4,925	12,572	0.1319
6						
7						
8						
9						
10	Commercial and Industrial					
11	Acct 442					
12	Rate C3	11,058	1,547,504	1,213	9,116	0.1399
13	Rate GA	3,208	337,618	35	91,657	0.1052
14	Rate OL	2,832	482,557	3,810	743	0.1704
15	Rate I	114,220	7,563,948	10	11,422,000	0.0662
16	Total	131,318	9,931,627	5,068	25,911	0.0756
17						
18						
19						
20						
21	Street Lighting					
22	Acct 444					
23	Rate SL	257	50,586	4	64,250	0.1968
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
41	TOTAL Billed	193,491	18,149,149	9,997	19,355	0.0938
42	Total Unbilled Rev.(See Instr. 6)	0	0	0	0	0.0000
43	TOTAL	193,491	18,149,149	9,997	19,355	0.0938

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity ( i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:  
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.  
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.  
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.  
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.  
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.  
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	City of Union - South	RQ	1	8.0	8.3	7.9
2						
3	City of Union - North	RQ	1	7.5	7.7	7.2
4						
5	City of Union - West	RQ	1	8.3	8.5	8.3
6						
7	Cargill Power Markets LLC	OS	Ele Tariff			
8						
9	Duke Power (Dispatched)	OS	Ele Tariff			
10	Duke Power - (Upper Pacolet)	LU	Ele Tariff			
11	Duke Power (Wellford)	LU	Ele Tariff			
12	City of Columbia	LU	Ele Tariff			
13	Duke Power (Lower Pacolet)	LU	Ele Tariff			
14	Duke Power (Min. Flow)	LU	Ele Tariff			
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>

SALES FOR RESALE (Account 447) (Continued)

- OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.
- AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.
4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)
5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.
6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.
8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.
9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.
10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
44,174	2,824,914	649,738	-148,723	3,325,929	1
					2
39,442	2,637,299	579,985	-131,500	3,085,784	3
					4
50,673	2,938,353	745,641	-155,348	3,528,646	5
					6
24,961		504,328	157,557	661,885	7
					8
					9
4,254		385,067		385,067	10
11,444		993,031		993,031	11
					12
3,609		326,656		326,656	13
4,699		425,369		425,369	14
134,289	8,400,566	1,975,364	-435,571	9,940,359	
48,967	0	2,634,451	157,557	2,792,008	
<b>183,256</b>	<b>8,400,566</b>	<b>4,609,815</b>	<b>-278,014</b>	<b>12,732,367</b>	

Name of Respondent Lockhart Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

**Schedule Page: 310 Line No.: 7 Column: c**

These are interruptible sales to a power marketer.

**Schedule Page: 310 Line No.: 9 Column: c**

These are sales to Duke Energy resulting from Duke's dispatch rights per power agreement.

**Schedule Page: 310 Line No.: 10 Column: c**

These are sales to Duke Energy under Market Based Authority.

**Schedule Page: 310 Line No.: 11 Column: c**

These are sales to Duke Energy under Market Based Authority.

**Schedule Page: 310 Line No.: 12 Column: c**

These are sales to the City of Columbia under Market Based Authority.

**Schedule Page: 310 Line No.: 13 Column: c**

These are sales to Duke Energy under Market Based Authority.

**Schedule Page: 310 Line No.: 14 Column: c**

These are sales to Duke Energy under Market Based Authority.

## ELECTRIC OPERATION AND MAINTENANCE EXPENSES

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
1	1. POWER PRODUCTION EXPENSES		
2	A. Steam Power Generation		
3	Operation		
4	(500) Operation Supervision and Engineering		
5	(501) Fuel		
6	(502) Steam Expenses		
7	(503) Steam from Other Sources		
8	(Less) (504) Steam Transferred-Cr.		
9	(505) Electric Expenses		
10	(506) Miscellaneous Steam Power Expenses		
11	(507) Rents		
12	(509) Allowances		
13	TOTAL Operation (Enter Total of Lines 4 thru 12)		
14	Maintenance		
15	(510) Maintenance Supervision and Engineering		
16	(511) Maintenance of Structures		
17	(512) Maintenance of Boiler Plant		
18	(513) Maintenance of Electric Plant		
19	(514) Maintenance of Miscellaneous Steam Plant		
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)		
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)		
22	B. Nuclear Power Generation		
23	Operation		
24	(517) Operation Supervision and Engineering		
25	(518) Fuel		
26	(519) Coolants and Water		
27	(520) Steam Expenses		
28	(521) Steam from Other Sources		
29	(Less) (522) Steam Transferred-Cr.		
30	(523) Electric Expenses		
31	(524) Miscellaneous Nuclear Power Expenses		
32	(525) Rents		
33	TOTAL Operation (Enter Total of lines 24 thru 32)		
34	Maintenance		
35	(528) Maintenance Supervision and Engineering		
36	(529) Maintenance of Structures		
37	(530) Maintenance of Reactor Plant Equipment		
38	(531) Maintenance of Electric Plant		
39	(532) Maintenance of Miscellaneous Nuclear Plant		
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)		
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)		
42	C. Hydraulic Power Generation		
43	Operation		
44	(535) Operation Supervision and Engineering	239,819	247,071
45	(536) Water for Power		
46	(537) Hydraulic Expenses	116,760	163,486
47	(538) Electric Expenses	473,875	465,036
48	(539) Miscellaneous Hydraulic Power Generation Expenses	64,354	157,527
49	(540) Rents		
50	TOTAL Operation (Enter Total of Lines 44 thru 49)	894,808	1,033,120
51	C. Hydraulic Power Generation (Continued)		
52	Maintenance		
53	(541) Maintenance Supervision and Engineering	93,834	98,443
54	(542) Maintenance of Structures	54,530	137,188
55	(543) Maintenance of Reservoirs, Dams, and Waterways	193,206	161,992
56	(544) Maintenance of Electric Plant	173,493	274,466
57	(545) Maintenance of Miscellaneous Hydraulic Plant	76,218	59,977
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)	591,281	732,066
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)	1,486,089	1,765,186

**ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
60	D. Other Power Generation		
61	Operation		
62	(546) Operation Supervision and Engineering	14,809	12,479
63	(547) Fuel	93,205	102,252
64	(548) Generation Expenses	50,316	47,250
65	(549) Miscellaneous Other Power Generation Expenses	58,272	35,050
66	(550) Rents		
67	TOTAL Operation (Enter Total of lines 62 thru 66)	216,602	197,031
68	Maintenance		
69	(551) Maintenance Supervision and Engineering	4,836	4,557
70	(552) Maintenance of Structures	3,175	2,763
71	(553) Maintenance of Generating and Electric Plant	348,402	323,430
72	(554) Maintenance of Miscellaneous Other Power Generation Plant		
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	356,413	330,750
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	573,015	527,781
75	E. Other Power Supply Expenses		
76	(555) Purchased Power	13,660,576	13,748,614
77	(556) System Control and Load Dispatching		
78	(557) Other Expenses		
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	13,660,576	13,748,614
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	15,719,680	16,041,581
81	2. TRANSMISSION EXPENSES		
82	Operation		
83	(560) Operation Supervision and Engineering	76,992	74,615
84			
85	(561.1) Load Dispatch-Reliability		
86	(561.2) Load Dispatch-Monitor and Operate Transmission System		
87	(561.3) Load Dispatch-Transmission Service and Scheduling		
88	(561.4) Scheduling, System Control and Dispatch Services		
89	(561.5) Reliability, Planning and Standards Development		
90	(561.6) Transmission Service Studies		
91	(561.7) Generation Interconnection Studies		
92	(561.8) Reliability, Planning and Standards Development Services		
93	(562) Station Expenses		
94	(563) Overhead Lines Expenses	13,755	18,681
95	(564) Underground Lines Expenses		
96	(565) Transmission of Electricity by Others		
97	(566) Miscellaneous Transmission Expenses	-2,481	2,678
98	(567) Rents		
99	TOTAL Operation (Enter Total of lines 83 thru 98)	88,266	95,974
100	Maintenance		
101	(568) Maintenance Supervision and Engineering	73,423	72,155
102	(569) Maintenance of Structures		
103	(569.1) Maintenance of Computer Hardware	2,570	9,176
104	(569.2) Maintenance of Computer Software		
105	(569.3) Maintenance of Communication Equipment		
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant		
107	(570) Maintenance of Station Equipment	81,746	87,383
108	(571) Maintenance of Overhead Lines	42,052	59,705
109	(572) Maintenance of Underground Lines		
110	(573) Maintenance of Miscellaneous Transmission Plant		
111	TOTAL Maintenance (Total of lines 101 thru 110)	199,791	228,419
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	288,057	324,393

**ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
113	<b>3. REGIONAL MARKET EXPENSES</b>		
114	Operation		
115	(575.1) Operation Supervision		
116	(575.2) Day-Ahead and Real-Time Market Facilitation		
117	(575.3) Transmission Rights Market Facilitation		
118	(575.4) Capacity Market Facilitation		
119	(575.5) Ancillary Services Market Facilitation		
120	(575.6) Market Monitoring and Compliance		
121	(575.7) Market Facilitation, Monitoring and Compliance Services		
122	(575.8) Rents		
123	Total Operation (Lines 115 thru 122)		
124	<b>Maintenance</b>		
125	(576.1) Maintenance of Structures and Improvements		
126	(576.2) Maintenance of Computer Hardware		
127	(576.3) Maintenance of Computer Software		
128	(576.4) Maintenance of Communication Equipment		
129	(576.5) Maintenance of Miscellaneous Market Operation Plant		
130	Total Maintenance (Lines 125 thru 129)		
131	TOTAL Regional Transmission and Market Op Exps (Total 123 and 130)		
132	<b>4. DISTRIBUTION EXPENSES</b>		
133	Operation		
134	(580) Operation Supervision and Engineering	75,653	72,120
135	(581) Load Dispatching		
136	(582) Station Expenses	1,466	897
137	(583) Overhead Line Expenses	18,337	39,866
138	(584) Underground Line Expenses		
139	(585) Street Lighting and Signal System Expenses		
140	(586) Meter Expenses	25,843	33,001
141	(587) Customer Installations Expenses	28,917	28,084
142	(588) Miscellaneous Expenses	21,080	17,735
143	(589) Rents		
144	TOTAL Operation (Enter Total of lines 134 thru 143)	171,296	191,703
145	<b>Maintenance</b>		
146	(590) Maintenance Supervision and Engineering	134,589	135,276
147	(591) Maintenance of Structures	-444	67
148	(592) Maintenance of Station Equipment	86,280	115,671
149	(593) Maintenance of Overhead Lines	438,421	450,934
150	(594) Maintenance of Underground Lines	52,549	51,599
151	(595) Maintenance of Line Transformers	3,481	2,602
152	(596) Maintenance of Street Lighting and Signal Systems	62,394	57,572
153	(597) Maintenance of Meters	12,690	12,808
154	(598) Maintenance of Miscellaneous Distribution Plant		
155	TOTAL Maintenance (Total of lines 146 thru 154)	789,960	826,529
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	961,256	1,018,232
157	<b>5. CUSTOMER ACCOUNTS EXPENSES</b>		
158	Operation		
159	(901) Supervision		
160	(902) Meter Reading Expenses	86,164	74,860
161	(903) Customer Records and Collection Expenses	356,988	374,075
162	(904) Uncollectible Accounts	20,974	23,284
163	(905) Miscellaneous Customer Accounts Expenses		
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	464,126	472,219



**ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)
165	<b>6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>		
166	Operation		
167	(907) Supervision		
168	(908) Customer Assistance Expenses		
169	(909) Informational and Instructional Expenses	5,111	5,136
170	(910) Miscellaneous Customer Service and Informational Expenses		
171	<b>TOTAL Customer Service and Information Expenses (Total 167 thru 170)</b>	<b>5,111</b>	<b>5,136</b>
172	<b>7. SALES EXPENSES</b>		
173	Operation		
174	(911) Supervision		
175	(912) Demonstrating and Selling Expenses		
176	(913) Advertising Expenses		
177	(916) Miscellaneous Sales Expenses		
178	<b>TOTAL Sales Expenses (Enter Total of lines 174 thru 177)</b>		
179	<b>8. ADMINISTRATIVE AND GENERAL EXPENSES</b>		
180	Operation		
181	(920) Administrative and General Salaries	708,184	771,640
182	(921) Office Supplies and Expenses	74,631	96,612
183	(Less) (922) Administrative Expenses Transferred-Credit	29,763	18,262
184	(923) Outside Services Employed	375,532	505,193
185	(924) Property Insurance	307,409	291,301
186	(925) Injuries and Damages	78,493	71,680
187	(926) Employee Pensions and Benefits	931,943	892,728
188	(927) Franchise Requirements		
189	(928) Regulatory Commission Expenses	140,304	170,831
190	(929) (Less) Duplicate Charges-Cr.		
191	(930.1) General Advertising Expenses	34,923	38,036
192	(930.2) Miscellaneous General Expenses	11,153	12,990
193	(931) Rents	112,238	110,803
194	<b>TOTAL Operation (Enter Total of lines 181 thru 193)</b>	<b>2,745,047</b>	<b>2,943,552</b>
195	Maintenance		
196	(935) Maintenance of General Plant	158,412	161,112
197	<b>TOTAL Administrative &amp; General Expenses (Total of lines 194 and 196)</b>	<b>2,903,459</b>	<b>3,104,664</b>
198	<b>TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197)</b>	<b>20,341,689</b>	<b>20,966,225</b>

Name of Respondent Lockhart Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

**Schedule Page: 320 Line No.: 76 Column: b**

Includes \$504,328 of costs associated with Market Based Rates.

**Schedule Page: 320 Line No.: 76 Column: c**

Includes \$377,448 of costs associated with Market Based Rates.

**Schedule Page: 320 Line No.: 189 Column: b**

Includes \$1,350 of costs associated with Market Based Rates.

**Schedule Page: 320 Line No.: 189 Column: c**

Includes \$1,665 of costs associated with Market Based Rates

PURCHASED POWER (Account 555)  
(Including power exchanges)

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Duke Energy Corporation	RQ	332	42	51.3	47.8
2	Duke Energy Corporation	RQ	332			
3	Duke Energy Corporation	RQ	332			
4						
5	EID Credits (Other Charges)					
6						
7	Deferral of Cost Unbilled to Customer					
8						
9						
10						
11						
12						
13						
14						
	Total					

PURCHASED POWER(Account 555) (Continued)  
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.

5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.

7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.

9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
268,921			6,180,132	5,581,701	1,028,582	12,790,415	1
24,961				504,328		504,328	2
31,111				687,375		687,375	3
							4
					-267,194	-267,194	5
							6
					-54,348	-54,348	7
							8
							9
							10
							11
							12
							13
							14
324,993			6,180,132	6,773,404	707,040	13,660,576	

Name of Respondent Lockhart Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

**Schedule Page: 326 Line No.: 2 Column: k**  
 Represents purchases to support sales under Market Based Rates.

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)  
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
	<b>TOTAL</b>			

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)  
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)	
						1
						2
						3
						4
						5
						6
						7
						8
						9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
						33
						34
			0	0	0	

Name of Respondent  
Lockhart Power Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
12/31/2017

Year/Period of Report  
End of 2017/Q4

TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)  
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.

10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.

11. Footnote entries and provide explanations following all required data.

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
				1
				2
				3
				4
				5
				6
				7
				8
				9
				10
				11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
0	0	0	0	



**TRANSMISSION OF ELECTRICITY BY ISO/RTOs**

1. Report in Column (a) the Transmission Owner receiving revenue for the transmission of electricity by the ISO/RTO.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in Column (a).
3. In Column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO – Firm Network Service for Others, FNS – Firm Network Transmission Service for Self, LFP – Long-Term Firm Point-to-Point Transmission Service, OLF – Other Long-Term Firm Transmission Service, SFP – Short-Term Firm Point-to-Point Transmission Reservation, NF – Non-Firm Transmission Service, OS – Other Transmission Service and AD- Out-of-Period Adjustments. Use this code for any accounting adjustments or “true-ups” for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.
4. In column (c) identify the FERC Rate Schedule or tariff Number, on separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (b) was provided.
5. In column (d) report the revenue amounts as shown on bills or vouchers.
6. Report in column (e) the total revenues distributed to the entity listed in column (a).

Line No.	Payment Received by (Transmission Owner Name) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Total Revenue by Rate Schedule or Tariff (d)	Total Revenue (e)
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40	TOTAL				

TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)  
(Including transactions referred to as "wheeling")

1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
6. Enter "TOTAL" in column (a) as the last line.
7. Footnote entries and provide explanations following all required data.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
	TOTAL							

MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)

Line No.	Description (a)	Amount (b)
1	Industry Association Dues	9,863
2	Nuclear Power Research Expenses	
3	Other Experimental and General Research Expenses	
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000	1,234
6		
7	Items for Adjusting Journal Enteries 1	56
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		
45		
46	TOTAL	11,153

DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)  
(Except amortization of acquisition adjustments)

- Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403); (c) Depreciation Expense for Asset Retirement Costs (Account 403.1); (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).
- Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.
- Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.  
Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.  
In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.  
For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.
- If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

A. Summary of Depreciation and Amortization Charges

Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant			40,183		40,183
2	Steam Production Plant					
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional	447,925				447,925
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant	337,964				337,964
7	Transmission Plant	147,739				147,739
8	Distribution Plant	879,447				879,447
9	Regional Transmission and Market Operation					
10	General Plant	162,905				162,905
11	Common Plant-Electric					
12	TOTAL	1,975,980		40,183		2,016,163

B. Basis for Amortization Charges

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	302	1,534					
13	303	9,802					
14	330	284					
15	331	2,770					
16	332	7,004					
17	333	8,662					
18	334	2,343					
19	335	126					
20	336	89					
21	340	3					
22	341	1,393					
23	342	61					
24	344	4,557					
25	345	748					
26	350	52					
27	352	237					
28	353	2,561					
29	355	1,416					
30	356	1,175					
31	360	33					
32	361	424					
33	362	5,446					
34	364	6,766					
35	365	4,696					
36	367	1,124					
37	368	3,077					
38	369	2,178					
39	370	1,879					
40	373	1,839					
41	390	722					
42	391	1,261					
43	392	1,638					
44	394	171					
45	395	9					
46	397	245					
47							
48							
49							
50							

REGULATORY COMMISSION EXPENSES

1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	Public Service Commission of SC Admin Fees	28,995		28,995	
2					
3	FERC Annual Charges	58,415		58,415	
4					
5	FERC Annual Charges attributable to M B R	1,350		1,350	
6	Based Rates				
7	Retail Rate Case before the Public Service				
8	Retail Rate Case before the Public Service				
9	Commission of SC Docket 2013-378-E		42,944	42,944	
10					
11	Resale Consulting and Legal Fees		8,600	8,600	
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46	TOTAL	88,760	51,544	140,304	

REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than \$25,000) may be grouped.

EXPENSES INCURRED DURING YEAR			AMORTIZED DURING YEAR				Line No.
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	
Department (f)	Account No. (g)	Amount (h)					
							1
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).

2. Indicate in column (a) the applicable classification, as shown below:

Classifications:

A. Electric R, D & D Performed Internally:

(1) Generation

a. hydroelectric

i. Recreation fish and wildlife

ii Other hydroelectric

b. Fossil-fuel steam

c. Internal combustion or gas turbine

d. Nuclear

e. Unconventional generation

f. Siting and heat rejection

(2) Transmission

a. Overhead

b. Underground

(3) Distribution

(4) Regional Transmission and Market Operation

(5) Environment (other than equipment)

(6) Other (Classify and include items in excess of \$50,000.)

(7) Total Cost Incurred

B. Electric, R, D & D Performed Externally:

(1) Research Support to the electrical Research Council or the Electric Power Research Institute

Line No.	Classification (a)	Description (b)
1		
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

- (2) Research Support to Edison Electric Institute
- (3) Research Support to Nuclear Power Groups
- (4) Research Support to Others (Classify)
- (5) Total Cost Incurred

3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$50,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$50,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.

4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)

5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.

6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."

7. Report separately research and related testing facilities operated by the respondent.

Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
					1
					2
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**DISTRIBUTION OF SALARIES AND WAGES**

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	718,859		
4	Transmission	62,586		
5	Regional Market			
6	Distribution	91,726		
7	Customer Accounts	238,085		
8	Customer Service and Informational			
9	Sales			
10	Administrative and General	708,184		
11	TOTAL Operation (Enter Total of lines 3 thru 10)	1,819,440		
12	Maintenance			
13	Production	318,558		
14	Transmission	99,216		
15	Regional Market			
16	Distribution	369,805		
17	Administrative and General	53,177		
18	TOTAL Maintenance (Total of lines 13 thru 17)	840,756		
19	Total Operation and Maintenance			
20	Production (Enter Total of lines 3 and 13)	1,037,417		
21	Transmission (Enter Total of lines 4 and 14)	161,802		
22	Regional Market (Enter Total of Lines 5 and 15)			
23	Distribution (Enter Total of lines 6 and 16)	461,531		
24	Customer Accounts (Transcribe from line 7)	238,085		
25	Customer Service and Informational (Transcribe from line 8)			
26	Sales (Transcribe from line 9)			
27	Administrative and General (Enter Total of lines 10 and 17)	761,361		
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	2,660,196	15,677	2,675,873
29	Gas			
30	Operation			
31	Production-Manufactured Gas			
32	Production-Nat. Gas (Including Expl. and Dev.)			
33	Other Gas Supply			
34	Storage, LNG Terminating and Processing			
35	Transmission			
36	Distribution			
37	Customer Accounts			
38	Customer Service and Informational			
39	Sales			
40	Administrative and General			
41	TOTAL Operation (Enter Total of lines 31 thru 40)			
42	Maintenance			
43	Production-Manufactured Gas			
44	Production-Natural Gas (Including Exploration and Development)			
45	Other Gas Supply			
46	Storage, LNG Terminating and Processing			
47	Transmission			

DISTRIBUTION OF SALARIES AND WAGES (Continued)

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
48	Distribution			
49	Administrative and General			
50	TOTAL Maint. (Enter Total of lines 43 thru 49)			
51	Total Operation and Maintenance			
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)			
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,			
54	Other Gas Supply (Enter Total of lines 33 and 45)			
55	Storage, LNG Terminaling and Processing (Total of lines 31 thru			
56	Transmission (Lines 35 and 47)			
57	Distribution (Lines 36 and 48)			
58	Customer Accounts (Line 37)			
59	Customer Service and Informational (Line 38)			
60	Sales (Line 39)			
61	Administrative and General (Lines 40 and 49)			
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)			
63	Other Utility Departments			
64	Operation and Maintenance			
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	2,660,196	15,677	2,675,873
66	Utility Plant			
67	Construction (By Utility Departments)			
68	Electric Plant	266,310	175,922	442,232
69	Gas Plant			
70	Other (provide details in footnote):	154,189	3,952	158,141
71	TOTAL Construction (Total of lines 68 thru 70)	420,499	179,874	600,373
72	Plant Removal (By Utility Departments)			
73	Electric Plant	52,604	75,445	128,049
74	Gas Plant			
75	Other (provide details in footnote):			
76	TOTAL Plant Removal (Total of lines 73 thru 75)	52,604	75,445	128,049
77	Other Accounts (Specify, provide details in footnote):			
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79				
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86				
87				
88				
89				
90				
91				
92				
93				
94				
95	TOTAL Other Accounts			
96	TOTAL SALARIES AND WAGES	3,133,299	270,996	3,404,295

Name of Respondent Lockhart Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report End of <u>2017/Q4</u>
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COMMON UTILITY PLANT AND EXPENSES

1. Describe the property carried in the utility's accounts as common utility plant and show the book cost of such plant at end of year classified by accounts as provided by Plant Instruction 13, Common Utility Plant, of the Uniform System of Accounts. Also show the allocation of such plant costs to the respective departments using the common utility plant and explain the basis of allocation used, giving the allocation factors.
2. Furnish the accumulated provisions for depreciation and amortization at end of year, showing the amounts and classifications of such accumulated provisions, and amounts allocated to utility departments using the Common utility plant to which such accumulated provisions relate, including explanation of basis of allocation and factors used.
3. Give for the year the expenses of operation, maintenance, rents, depreciation, and amortization for common utility plant classified by accounts as provided by the Uniform System of Accounts. Show the allocation of such expenses to the departments using the common utility plant to which such expenses are related. Explain the basis of allocation used and give the factors of allocation.
4. Give date of approval by the Commission for use of the common utility plant classification and reference to order of the Commission or other authorization.

Name of Respondent  
Lockhart Power Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
12/31/2017

Year/Period of Report  
End of 2017/Q4

AMOUNTS INCLUDED IN ISO/RTO SETTLEMENT STATEMENTS

1. The respondent shall report below the details called for concerning amounts it recorded in Account 555, Purchase Power, and Account 447, Sales for Resale, for items shown on ISO/RTO Settlement Statements. Transactions should be separately netted for each ISO/RTO administered energy market for purposes of determining whether an entity is a net seller or purchaser in a given hour. Net megawatt hours are to be used as the basis for determining whether a net purchase or sale has occurred. In each monthly reporting period, the hourly sale and purchase net amounts are to be aggregated and separately reported in Account 447, Sales for Resale, or Account 555, Purchased Power, respectively.

Line No.	Description of Item(s) (a)	Balance at End of Quarter 1 (b)	Balance at End of Quarter 2 (c)	Balance at End of Quarter 3 (d)	Balance at End of Year (e)
1	Energy				
2	Net Purchases (Account 555)				
3	Net Sales (Account 447)				
4	Transmission Rights				
5	Ancillary Services				
6	Other Items (list separately)				
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45					
46	TOTAL				

PURCHASES AND SALES OF ANCILLARY SERVICES

Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.

In columns for usage, report usage-related billing determinant and the unit of measure.

(1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.

(2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.

(3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.

(4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.

(5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.

(6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

Line No.	Type of Ancillary Service (a)	Amount Purchased for the Year			Amount Sold for the Year		
		Usage - Related Billing Determinant			Usage - Related Billing Determinant		
		Number of Units (b)	Unit of Measure (c)	Dollars (d)	Number of Units (e)	Unit of Measure (f)	Dollars (g)
1	Scheduling, System Control and Dispatch						
2	Reactive Supply and Voltage						
3	Regulation and Frequency Response						
4	Energy Imbalance						
5	Operating Reserve - Spinning						
6	Operating Reserve - Supplement						
7	Other						
8	Total (Lines 1 thru 7)						

Name of Respondent  
Lockhart Power Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
12/31/2017

Year/Period of Report  
End of 2017/Q4

MONTHLY TRANSMISSION SYSTEM PEAK LOAD

- (1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.  
 (2) Report on Column (b) by month the transmission system's peak load.  
 (3) Report on Columns (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).  
 (4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

NAME OF SYSTEM:

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	63,577	9	900		64				
2	February	55,092	10	700		55				
3	March	59,081	16	700		59				
4	Total for Quarter 1					178				
5	April	48,940	29	1900		49				
6	May	58,473	19	1700		58				
7	June	64,960	15	1800		65				
8	Total for Quarter 2					172				
9	July	67,336	13	1800		67				
10	August	68,415	17	1700		68				
11	September	62,019	27	1700		62				
12	Total for Quarter 3					197				
13	October	59,721	11	1700		60				
14	November	53,354	28	700		53				
15	December	55,400	13	700		55				
16	Total for Quarter 4					168				
17	Total Year to Date/Year					715				

Name of Respondent  
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(Mo, Da, Yr)  
12/31/2017

Year/Period of Report  
End of 2017/Q4

MONTHLY ISO/RTO TRANSMISSION SYSTEM PEAK LOAD

- (1) Report the monthly peak load on the respondent's transmission system. If the Respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.
- (2) Report on Column (b) by month the transmission system's peak load.
- (3) Report on Column (c) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).
- (4) Report on Columns (e) through (i) by month the system's transmission usage by classification. Amounts reported as Through and Out Service in Column (g) are to be excluded from those amounts reported in Columns (e) and (f).
- (5) Amounts reported in Column (j) for Total Usage is the sum of Columns (h) and (i).

NAME OF SYSTEM:

Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Imports into ISO/RTO (e)	Exports from ISO/RTO (f)	Through and Out Service (g)	Network Service Usage (h)	Point-to-Point Service Usage (i)	Total Usage (j)
1	January	64	9	900		64				
2	February	55	10	700		55				
3	March	59	16	700		59				
4	Total for Quarter 1					178				
5	April	49	28	1900		49				
6	May	58	19	1700		58				
7	June	65	15	1800		65				
8	Total for Quarter 2					172				
9	July	67	13	1800		67				
10	August	68	17	1700		68				
11	September	62	27	1700		62				
12	Total for Quarter 3					197				
13	October	60	11	1700		60				
14	November	53	28	700		53				
15	December	55	13	700		55				
16	Total for Quarter 4					168				
17	Total Year to Date/Year					715				



Name of Respondent

Lockhart Power Company

This Report Is:

(1)  An Original(2)  A Resubmission

Date of Report

(Mo, Da, Yr)

12/31/2017

Year/Period of Report

End of 2017/Q4

## ELECTRIC ENERGY ACCOUNT

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.

Line No.	Item (a)	MegaWatt Hours (b)	Line No.	Item (a)	MegaWatt Hours (b)
1	SOURCES OF ENERGY		21	DISPOSITION OF ENERGY	
2	Generation (Excluding Station Use):		22	Sales to Ultimate Consumers (Including Interdepartmental Sales)	193,491
3	Steam		23	Requirements Sales for Resale (See instruction 4, page 311.)	134,289
4	Nuclear		24	Non-Requirements Sales for Resale (See instruction 4, page 311.)	48,967
5	Hydro-Conventional	59,358	25	Energy Furnished Without Charge	
6	Hydro-Pumped Storage		26	Energy Used by the Company (Electric Dept Only, Excluding Station Use)	395
7	Other	11,409	27	Total Energy Losses	18,618
8	Less Energy for Pumping		28	TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)	395,760
9	Net Generation (Enter Total of lines 3 through 8)	70,767			
10	Purchases	324,993			
11	Power Exchanges:				
12	Received				
13	Delivered				
14	Net Exchanges (Line 12 minus line 13)				
15	Transmission For Other (Wheeling)				
16	Received				
17	Delivered				
18	Net Transmission for Other (Line 16 minus line 17)				
19	Transmission By Others Losses				
20	TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)	395,760			

**MONTHLY PEAKS AND OUTPUT**

1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.
2. Report in column (b) by month the system's output in Megawatt hours for each month.
3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).

NAME OF SYSTEM:

Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	33,706,762	4,595,230	64	9	0900
30	February	27,953,090	3,585,355	54	10	0800
31	March	31,003,344	3,857,285	59	16	0800
32	April	31,755,675	7,058,193	43	29	1700
33	May	34,790,682	6,464,689	56	19	1600
34	June	35,309,541	3,771,139	63	15	1600
35	July	38,571,389	4,314,850	64	12	1700
36	August	37,846,882	3,312,600	68	17	1600
37	September	31,563,766	2,819,031	62	27	1700
38	October	30,888,909	3,020,948	60	11	1700
39	November	29,436,787	2,828,893	48	20	0800
40	December	32,933,698	3,339,031	55	13	0800
41	TOTAL	395,760,525	48,967,244			

Name of Respondent Lockhart Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

**Schedule Page: 401 Line No.: 5 Column: b**  
Includes 24,961 MWHs of Generation associated with Market Based Rates.

**Schedule Page: 401 Line No.: 10 Column: b**  
Includes 24,961 MWHs of purchases associated with Market Based Rates.

**Schedule Page: 401 Line No.: 24 Column: b**  
Includes 24,961 MWHs of sales associated with Market Based Rates.

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: (b)	Plant Name: (c)
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)		
2	Type of Constr (Conventional, Outdoor, Boiler, etc)		
3	Year Originally Constructed		
4	Year Last Unit was Installed		
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)		
6	Net Peak Demand on Plant - MW (60 minutes)		
7	Plant Hours Connected to Load		
8	Net Continuous Plant Capability (Megawatts)		
9	When Not Limited by Condenser Water		
10	When Limited by Condenser Water		
11	Average Number of Employees		
12	Net Generation, Exclusive of Plant Use - KWh		
13	Cost of Plant: Land and Land Rights		
14	Structures and Improvements		
15	Equipment Costs		
16	Asset Retirement Costs		
17	Total Cost	0	0
18	Cost per KW of Installed Capacity (line 17/5) Including	0	0
19	Production Expenses: Oper, Supv, & Engr		
20	Fuel		
21	Coolants and Water (Nuclear Plants Only)		
22	Steam Expenses		
23	Steam From Other Sources		
24	Steam Transferred (Cr)		
25	Electric Expenses		
26	Misc Steam (or Nuclear) Power Expenses		
27	Rents		
28	Allowances		
29	Maintenance Supervision and Engineering		
30	Maintenance of Structures		
31	Maintenance of Boiler (or reactor) Plant		
32	Maintenance of Electric Plant		
33	Maintenance of Misc Steam (or Nuclear) Plant		
34	Total Production Expenses		
35	Expenses per Net KWh		
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)		
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)		
38	Quantity (Units) of Fuel Burned		
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)		
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year		
41	Average Cost of Fuel per Unit Burned		
42	Average Cost of Fuel Burned per Million BTU		
43	Average Cost of Fuel Burned per KWh Net Gen		
44	Average BTU per KWh Net Generation		

Name of Respondent  
Lockhart Power Company

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12/31/2017

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End of 2017/Q4

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

Plant Name: (d)	Plant Name: (e)	Plant Name: (f)	Line No.
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			14
			15
			16
0	0	0	17
0	0	0	18
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			26
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## HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants)

1. Large plants are hydro plants of 10,000 Kw or more of installed capacity (name plate ratings)
2. If any plant is leased, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. If licensed project, give project number.
3. If net peak demand for 60 minutes is not available, give that which is available specifying period.
4. If a group of employees attends more than one generating plant, report on line 11 the approximate average number of employees assignable to each plant.

Line No.	Item (a)	FERC Licensed Project No. 2620 Plant Name: Hydro and Min Flow (b)	FERC Licensed Project No. 1895 Plant Name: Columbia Hydro (c)
1	Kind of Plant (Run-of-River or Storage)	Run of River	Run of River
2	Plant Construction type (Conventional or Outdoor)	Conventional	Conventional
3	Year Originally Constructed	1921	1896
4	Year Last Unit was Installed	1921	1896
5	Total installed cap (Gen name plate Rating in MW)	18.00	10.60
6	Net Peak Demand on Plant-Megawatts (60 minutes)	17	9
7	Plant Hours Connect to Load	8,473	5,570
8	Net Plant Capability (in megawatts)		
9	(a) Under Most Favorable Oper Conditions	0	0
10	(b) Under the Most Adverse Oper Conditions	0	0
11	Average Number of Employees	17	3
12	Net Generation, Exclusive of Plant Use - Kwh	51,746,057	0
13	Cost of Plant		
14	Land and Land Rights	284,225	0
15	Structures and Improvements	1,287,692	0
16	Reservoirs, Dams, and Waterways	5,770,684	0
17	Equipment Costs	8,886,377	0
18	Roads, Railroads, and Bridges	89,137	0
19	Asset Retirement Costs	0	0
20	TOTAL cost (Total of 14 thru 19)	16,318,115	0
21	Cost per KW of Installed Capacity (line 20 / 5)	906.5619	0.0000
22	Production Expenses		
23	Operation Supervision and Engineering	212,028	25,823
24	Water for Power	0	0
25	Hydraulic Expenses	56,937	59,822
26	Electric Expenses	467,678	565
27	Misc Hydraulic Power Generation Expenses	23,832	33,908
28	Rents	0	0
29	Maintenance Supervision and Engineering	91,594	300
30	Maintenance of Structures	31,731	10,025
31	Maintenance of Reservoirs, Dams, and Waterways	102,676	30,197
32	Maintenance of Electric Plant	88,783	13,593
33	Maintenance of Misc Hydraulic Plant	40,229	28,072
34	Total Production Expenses (total 23 thru 33)	1,115,488	202,305
35	Expenses per net KWh	0.0216	0.0000

Name of Respondent  
Lockhart Power Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
12/31/2017

Year/Period of Report  
End of 2017/Q4

HYDROELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power, System control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."  
6. Report as a separate plant any plant equipped with combinations of steam, hydro, internal combustion engine, or gas turbine equipment.

FERC Licensed Project No. 0 Plant Name: (d)	FERC Licensed Project No. 0 Plant Name: (e)	FERC Licensed Project No. 0 Plant Name: (f)	Line No.
			1
			2
			3
			4
0.00	0.00	0.00	5
0	0	0	6
0	0	0	7
			8
0	0	0	9
0	0	0	10
0	0	0	11
0	0	0	12
			13
0	0	0	14
0	0	0	15
0	0	0	16
0	0	0	17
0	0	0	18
0	0	0	19
0	0	0	20
0.0000	0.0000	0.0000	21
			22
0	0	0	23
0	0	0	24
0	0	0	25
0	0	0	26
0	0	0	27
0	0	0	28
0	0	0	29
0	0	0	30
0	0	0	31
0	0	0	32
0	0	0	33
0	0	0	34
0.0000	0.0000	0.0000	35

Name of Respondent Lockhart Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) 12/31/2017	Year/Period of Report 2017/Q4
FOOTNOTE DATA			

**Schedule Page: 406 Line No.: 2 Column: c**  
Lockhart Power Company assumed possession of the City of Columbia Hydro Plant on October 15, 2011 under a FERC lease agreement.



**PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants)**

1. Large plants and pumped storage plants of 10,000 Kw or more of installed capacity (name plate ratings)
2. If any plant is leased, operating under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, indicate such facts in a footnote. Give project number.
3. If net peak demand for 60 minutes is not available, give the which is available, specifying period.
4. If a group of employees attends more than one generating plant, report on line 8 the approximate average number of employees assignable to each plant.
5. The items under Cost of Plant represent accounts or combinations of accounts prescribed by the Uniform System of Accounts. Production Expenses do not include Purchased Power System Control and Load Dispatching, and Other Expenses classified as "Other Power Supply Expenses."

Line No.	Item  (a)	FERC Licensed Project No. Plant Name:  (b)
1	Type of Plant Construction (Conventional or Outdoor)	
2	Year Originally Constructed	
3	Year Last Unit was Installed	
4	Total installed cap (Gen name plate Rating in MW)	
5	Net Peak Demand on Plant-Megawatts (60 minutes)	
6	Plant Hours Connect to Load While Generating	
7	Net Plant Capability (in megawatts)	
8	Average Number of Employees	
9	Generation, Exclusive of Plant Use - Kwh	
10	Energy Used for Pumping	
11	Net Output for Load (line 9 - line 10) - Kwh	
12	Cost of Plant	
13	Land and Land Rights	
14	Structures and Improvements	
15	Reservoirs, Dams, and Waterways	
16	Water Wheels, Turbines, and Generators	
17	Accessory Electric Equipment	
18	Miscellaneous Powerplant Equipment	
19	Roads, Railroads, and Bridges	
20	Asset Retirement Costs	
21	Total cost (total 13 thru 20)	
22	Cost per KW of installed cap (line 21 / 4)	
23	Production Expenses	
24	Operation Supervision and Engineering	
25	Water for Power	
26	Pumped Storage Expenses	
27	Electric Expenses	
28	Misc Pumped Storage Power generation Expenses	
29	Rents	
30	Maintenance Supervision and Engineering	
31	Maintenance of Structures	
32	Maintenance of Reservoirs, Dams, and Waterways	
33	Maintenance of Electric Plant	
34	Maintenance of Misc Pumped Storage Plant	
35	Production Exp Before Pumping Exp (24 thru 34)	
36	Pumping Expenses	
37	Total Production Exp (total 35 and 36)	
38	Expenses per KWh (line 37 / 9)	

PUMPED STORAGE GENERATING PLANT STATISTICS (Large Plants) (Continued)

6. Pumping energy (Line 10) is that energy measured as input to the plant for pumping purposes.

7. Include on Line 36 the cost of energy used in pumping into the storage reservoir. When this item cannot be accurately computed leave Lines 36, 37 and 38 blank and describe at the bottom of the schedule the company's principal sources of pumping power, the estimated amounts of energy from each station or other source that individually provides more than 10 percent of the total energy used for pumping, and production expenses per net MWH as reported herein for each source described. Group together stations and other resources which individually provide less than 10 percent of total pumping energy. If contracts are made with others to purchase power for pumping, give the supplier contract number, and date of contract.

FERC Licensed Project No. Plant Name: <span style="float: right;">(c)</span>	FERC Licensed Project No. Plant Name: <span style="float: right;">(d)</span>	FERC Licensed Project No. Plant Name: <span style="float: right;">(e)</span>	Line No.
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GENERATING PLANT STATISTICS (Small Plants)

1. Small generating plants are steam plants of, less than 25,000 Kw; internal combustion and gas turbine-plants, conventional hydro plants and pumped storage plants of less than 10,000 Kw installed capacity (name plate rating). 2. Designate any plant leased from others, operated under a license from the Federal Energy Regulatory Commission, or operated as a joint facility, and give a concise statement of the facts in a footnote. If licensed project, give project number in footnote.

Line No.	Name of Plant (a)	Year Orig. Const. (b)	Installed Capacity Name Plate Rating (In MW) (c)	Net Peak Demand MW (60 min.) (d)	Net Generation Excluding Plant Use (e)	Cost of Plant (f)
1	Internal Combustion Plants:					
2	Pacolet Diesel Peaking Plant	2006	5.50	5.3	-89,761	1,867,655
3	City of Union Diesel Peaking Plant	2006	7.30	7.2	54,824	2,685,011
4	Wellford Landfill Gas to Energy Plant	2011	1.60	1.6	11,444,178	2,321,393
5						
6						
7						
8						
9	Hydro Plants:					
10	Lower Pacolet Hydro (Project #2621)	1938	0.80	0.7	3,608,656	942,988
11	Lockhart Minimum Flow (Project #2620)	2012	0.80	0.8	4,699,171	2,758,852
12	Upper Pacolet Hydro (Project #2621)	2012	1.10	1.1	4,253,943	4,016,110
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GENERATING PLANT STATISTICS (Small Plants) (Continued)

3. List plants appropriately under subheadings for steam, hydro, nuclear, internal combustion and gas turbine plants. For nuclear, see instruction 11, Page 403. 4. If net peak demand for 60 minutes is not available, give the which is available, specifying period. 5. If any plant is equipped with combinations of steam, hydro internal combustion or gas turbine equipment, report each as a separate plant. However, if the exhaust heat from the gas turbine is utilized in a steam turbine regenerative feed water cycle, or for preheated combustion air in a boiler, report as one plant.

Plant Cost (Incl Asset Retire. Costs) Per MW (g)	Operation Exc'l. Fuel (h)	Production Expenses		Kind of Fuel (k)	Fuel Costs (in cents per Million Btu) (l)	Line No.
		Fuel (i)	Maintenance (j)			
						1
339,574	9,949		21,258	No. 2 Diesel		2
367,810	51,611		16,871	No. 2 Diesel		3
1,450,871	61,838	93,205	318,284	Methane Gas	93	4
						5
						6
						7
						8
						9
1,178,735	9,686		101,582			10
3,448,565			41,643			11
3,651,009	4,527		52,501			12
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TRANSMISSION LINE STATISTICS

1. Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
2. Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
3. Report data by individual lines for all voltages if so required by a State commission.
4. Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
5. Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
6. Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	SYSTEM-WIDE	SYSTEM-WIDE	34.50	34.50	S.P. WOOD	63.70	26.00	26
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3								
4								
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35								
36					TOTAL	63.70	26.00	26

Name of Respondent  
Lockhart Power Company

This Report Is:  
(1)  An Original  
(2)  A Resubmission

Date of Report  
(Mo, Da, Yr)  
12/31/2017

Year/Period of Report  
End of 2017/Q4

TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
	51,657	2,591,179	2,642,836	13,755	42,052		55,807	1
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	51,657	2,591,179	2,642,836	13,755	42,052		55,807	36

TRANSMISSION LINES ADDED DURING YEAR

1. Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.
2. Provide separate subheadings for overhead and under- ground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (l) to (o), it is permissible to report in these columns the

Line No.	LINE DESIGNATION		Line Length in Miles (c)	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
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41							
42							
43							
44	TOTAL						

TRANSMISSION LINES ADDED DURING YEAR (Continued)

costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).

3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.

CONDUCTORS			Voltage KV (Operating) (k)	LINE COST					Line No.
Size (h)	Specification (i)	Configuration and Spacing (j)		Land and Land Rights (l)	Poles, Towers and Fixtures (m)	Conductors and Devices (n)	Asset Retire. Costs (o)	Total (p)	
									1
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**SUBSTATIONS**

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation  (a)	Character of Substation  (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	LOCKHART	TRANSM. ATTN.	34.50	2.40	
2					
3	JONESVILLE, SC	DISTRIB. UNATT.	34.50	4.20	
4	OTHERS	DISTRIB. UNATT.			
5					
6	GOUCHER GIN	DISTRIB. UNATT.	34.50	4.20	
7	MONARCH DISTRIBUTION	DISTRIB. UNATT.	34.50	4.20	
8	MONARCH PLANT, NORTH	DISTRIB. UNATT.	34.50	0.60	
9	MONARCH PLANT	DISTRIB. UNATT.	34.50	4.20	
10	PACOLET RIVER STATION	DISTRIB. UNATT.	34.50	4.20	
11	PACOLET LOWER PLANT	DISTRIB. UNATT.	34.50	0.44	
12	PACOLET BALL PARK STATION	DISTRIB. UNATT.	34.50	4.20	
13	MONARCH PLANT, SOUTH	DISTRIB. UNATT.	34.50	0.60	
14	PHILLIPPI STATION	DISTRIB. UNATT.	34.50	13.00	
15	SPECTRA COLORANTS	DISTRIB. UNATT.	34.50	0.21	
16	STANDARD TEXTILE CAROLINA #2	DISTRIB. UNATT.	34.50	0.48	
17	SONOCO PRODUCTS	DISTRIB. UNATT.	34.50	0.48	
18	LOCKHART VILLAGE	DISTRIB. UNATT.	34.50	2.40	
19	CITY OF UNION, SOUTH	DISTRIB. UNATT.	34.50	13.00	
20	CITY OF UNION, NORTH	DISTRIB. UNATT.	34.50	13.00	
21	CEDAR HILL #1	DISTRIB. UNATT.	34.50	0.48	
22	ESAB	DISTRIB. UNATT.	34.50	0.60	
23	CROSS ANCHOR/WEST SPRINGS STATION	DISTRIB. UNATT.	34.50	13.00	
24	ADAMSBURG STATION	DISTRIB. UNATT.	34.50	13.00	
25	MONARCH SWITCHING STATION	DISTRIB. UNATT.	100.00	34.50	
26	SONOCO	DISTRIB. UNATT.	34.50	0.48	
27	SPECTRA	DISTRIB. UNATT.	34.50	0.48	
28	CEDAR HILL #3	DISTRIB. UNATT.	34.50	4.20	
29	CEDAR HILL #2	DISTRIB. UNATT.	34.50	0.48	
30	RESOLUTE	DISTRIB. UNATT.	34.50	4.20	
31	BOBBY LITTLE	DISTRIB. UNATT.	34.50	4.20	
32	DUKE TIE - MIDWAY	DISTRIB. UNATT.	100.00	34.50	
33	SCDOT	DISTRIB. UNATT.	34.50	0.48	
34	PARTS & MACHINERY	DISTRIB. UNATT.	34.50	0.48	
35	CITY OF UNION - WEST	DISTRIB. UNATT.	34.50	13.00	
36	WEAVETEX INC.	DISTRIB. UNATT.	34.50	0.48	
37	MATERIALS UNLIMITED	DISTRIB. UNATT.	34.50	0.48	
38	SANTUC PRECISION	DISTRIB. UNATT.	34.50	0.48	
39	STANDARD TEXTILE CAROLINA	DISTRIB. UNATT.	34.50	0.48	
40	SONOCO	DISTRIB. UNATT.	34.50	0.24	

SUBSTATIONS

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	GESTAMP	DISTRIB. UNATT.	34.50	4.20	
2	DIESEL PEAKING - PACOLET	DIST. UNATT	34.50	0.48	
3	GOUCHER PEACH SHED	DIST. UNATT.	34.50	4.20	
4	DIESEL PEAKING - CITY WEST	DIST. UNATT.	13.00	4.20	
5	WELLFORD LANDFILL- GENERATION	DIST. UNATT.	13.00	4.20	
6	ESAB	DIST. UNATT.	34.50	0.48	
7	GONVAUTO	DIST. UNATT.	34.50	0.48	
8	LOCKHART MIN FLOW	DIST. UNATT.	13.00	4.20	
9	UPPER PACOLET	DIST. UNATT.	34.50	4.20	
10					
11					
12					
13					
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36					
37					
38					
39					
40					

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
21	4		NONE			1
						2
6	2	1	NONE			3
3	10	4	NONE			4
						5
3	1	1	NONE			6
5	1		NONE			7
4	2		NONE			8
5	1	1	NONE			9
5	2		NONE			10
2	1		NONE			11
3	1	1	NONE			12
8	2		NONE			13
4	1		NONE			14
1	6	1	NONE			15
1	1		NONE			16
3	1		NONE			17
5	1		NONE			18
20	4		NONE			19
20	4		NONE			20
5	2	1	NONE			21
3	1		NONE			22
10	2		NONE			23
5	1		NONE			24
60	2		NONE			25
3	1	1	NONE			26
1	3	1	NONE			27
5	1	1	NONE			28
4	1		NONE			29
2	3	1	NONE			30
1	3	2	NONE			31
60	2		NONE			32
1	1	1	NONE			33
1	1	1	NONE			34
20	4		NONE			35
2	3	1	NONE			36
2	3	1	NONE			37
1	3	1	NONE			38
3	1		NONE			39
	1	1	NONE			40

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
10	2	1	NONE			1
8	3		NONE			2
3	1		NONE			3
10	4		NONE			4
2	1		NONE			5
4	1		NONE			6
3	2		NONE			7
1	3		NONE			8
2	1		NONE			9
						10
						11
						12
						13
						14
						15
						16
						17
						18
						19
						20
						21
						22
						23
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						40

**TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES**

- 1. Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
- 2. The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
- 3. Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

Line No.	Description of the Non-Power Good or Service (a)	Name of Associated/Affiliated Company (b)	Account Charged or Credited (c)	Amount Charged or Credited (d)
1	<b>Non-power Goods or Services Provided by Affiliated</b>			
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20	<b>Non-power Goods or Services Provided for Affiliate</b>			
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
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