

Schedule B-3

Adjustments Necessary to Achieve Projected Original Cost Rate Base

**ADJUSTMENTS TO ORIGINAL COST RATE BASE TO ACHIEVE PROJECTED
TEST YEAR ENDED JUNE 30, 2006
(\$000)**

| Line No. | Description | (1) | (2) | (3) |
|-------------|--|----------------------------------|---|-----------------------|
| | | Total Company Adjustments (A) | Arkansas Jurisdiction Adjustments (1) | Adjustment No. (2) |
| 1 | Gross Utility Plant in Service (a) | 74,089 | | |
| 2 | Accumulated Depreciation and Amortization (b) | <u>(52,827)</u> | | |
| 3 | Net Plant in Service | 21,262 | | |
| 4 | Plant Held for Future Use (c) | - | | |
| 5 | Construction Work in Progress (c) | - | | |
| 6 | Working Capital Assets (d) | 0 | | |
| 7 | Fuel Inventory (e) | 19,057 | | |
| 8 | Materials & Supplies (f) | 42,595 | | |
| 9 | Prepayments (g) | 2,741 | | |
| 10 | Investment in System Fuels, Inc. (h) | <u>0</u> | | |
| 11 | Total Rate Base | <u><u>85,656</u></u> | | |

Numbers may not add or tie to other schedules due to rounding.

Notes:

(1) Adjustments are not on an Arkansas jurisdictional basis. This schedule is filed in accordance with General Requirement 2.

(2) No adjustment numbers are associated with the projected per book amounts. This data is provided in the per book workpapers. See Supporting Schedules for the workpaper references.

Supporting Schedules

- (a) Workpaper pages RB 1-6 through RB 1-10
- (b) Workpaper pages RB 2-6 through RB 2-10
- (c) Not Applicable
- (d) Workpaper page RB 7-2
- (e) Workpaper page RB 3-2
- (f) Workpaper page RB 4-2
- (g) Workpaper page RB 5-2
- (h) Workpaper page RB 6-2

Recap Schedules

- (A) B-1 col (2)