

SCHEDULE F-1 PAYROLL FUNCTIONALIZATION FACTORS

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

	Reference	Total	Production	Transmission	Distribution
Production Payroll	Schedule D-3	0	0	0	0
Transmission Payroll	Schedule D-3	96,402	0	96,402	0
Distribution Payroll	Schedule D-3	1,402,723	0	28,910	1,373,813
Customer Service, Information, & Sales Expense	Schedule D-3	714,688	0	0	714,688
Total Payroll excluding A&G, excluding Contract Labor		\$2,213,814	\$0	\$125,312	\$2,088,502
PAYXAG Allocation Factor		100.00%	0.00%	5.66%	94.34%
Contract Labor	WP/F-1	1,370,348	0	45,641	1,324,707
Total Payroll excluding A&G, including Contract Labor		\$3,584,162	\$0	\$170,953	\$3,413,208
PAYXAGIC Allocation Factor		100.00%	0.00%	4.77%	95.23%
A&G Payroll					
Total Payroll		\$3,584,162	\$0	\$170,953	\$3,413,208
PAYROLL Allocation Factor		100.00%	0.00%	4.77%	95.23%

SCHEDULE F-2 OPERATIONS & MAINTENANCE FUNCTIONALIZATION FACTOR

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

	Source	Total	Production	Transmission	Distribution
Production O&M - excluding Fuel, Purchased Power		0	0	0	0
Transmission O&M	Schedule D-1	270,830	0	270,830	0
Distribution O&M	Schedule D-1	4,782,107	0	179,998	4,602,109
Customer Service and Information Expense	Schedule D-1	1,723,678	0	0	1,723,678
Subtotal Company O&M excluding Fuel, Purchased Power		6,776,615	0	450,828	6,325,787
TOMXFP Allocation Factor		100.00%	0.00%	6.65%	93.35%
Production O&M Including Fuel, Purchased Power	Schedule D-1	36,915,867	36,915,867	0	0
Purchased Power	Schedule D-1	36,915,867	36,915,867	0	0
Fuel	Schedule D-1	0	0	0	0
Total Fuel & Purchased Power		36,915,867	36,915,867	0	0
Production O&M Excluding Fuel, Purchased Power		0	0	0	0
Total Company O&M including Fuel		43,692,482	36,915,867	450,828	6,325,787

SCHEDULE F-3 NET PLANT FUNCTIONALIZATION FACTORS

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

	Source	Total	Production	Transmission	Distribution
Gross Plant					
Production					
Transmission	Schedule B-1	22,472,491	0	22,472,491	0
Distribution	Schedule B-1	135,917,155	0	5,850,782	130,066,373
Subtotal Gross Utility Plant in Service		158,389,647	0	28,323,273	130,066,373
Accumulated Depreciation					
Production					
Transmission	Schedule B-5	(3,026,069)	0	(3,026,069)	0
Distribution	Schedule B-5	(27,178,118)	0	(1,159,805)	(26,018,313)
Subtotal Accumulated Depreciation		(30,204,187)	0	(4,185,874)	(26,018,313)
Net Utility Plant excluding General Plant, Intangible Plant		128,185,460	0	24,137,399	104,048,061
Net Utility Plant excluding General Plant, Intangible Plant		128,185,460	0	24,137,399	104,048,061
Intangible Plant	Schedule B-1	0	0	0	0
Net Utility Plant less Net General Plant		128,185,460	0	24,137,399	104,048,061
PLTXGNL-N Allocation Factor		100.00%	0.00%	18.83%	81.17%
Gross General Plant	Schedule B-1	14,114,367	0	1,476,294	12,638,072
Accumulated Depreciation -- General Plant	Schedule B-5	(5,748,400)	0	(597,641)	(5,150,759)
Net General Plant		8,365,967	0	878,654	7,487,314
GNLPLT-N Allocation Factor		100.00%	0.00%	10.50%	89.50%
Net Utility Plant excluding General Plant, Intangible Plant		128,185,460	0	24,137,399	104,048,061
Net General Plant		8,365,967	0	878,654	7,487,314
Net Utility Plant less Intangible Plant		136,551,427	0	25,016,053	111,535,374
PLTSVC-NX Allocation Factor		100.00%	0.00%	18.32%	81.68%
Net Utility Plant excluding General Plant, Intangible Plant		128,185,460	0	24,137,399	104,048,061
Net General Plant		8,365,967	0	878,654	7,487,314
Intangible Plant		0	0	0	0
Net Utility Plant		136,551,427	0	25,016,053	111,535,374
PLTSVC-N Allocation Factor		100.00%	0.00%	18.32%	81.68%

SCHEDULE F-4 FUNCTIONALIZATION FACTORS

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Acct No	Description	Source	Total	Production	Transmission	Distribution
	Total Rate Base	Schedule B	289,560,655	25,152,073	119,628,255	144,780,327
	TRB Allocation Factor		100.00%	8.69%	41.31%	50.00%
450	Forfeited Discount	Schedule E-5	478,059	0	0	478,059
451	Miscellaneous Service Revenue	Schedule E-5	83,937	0	0	83,937
454	Rent from Property	Schedule E-5	285,864	0	0	285,864
456	Other Electric Revenue	Schedule E-5	3,021	0	0	3,021
	Subtotal Other Revenues		850,881	0	0	850,881
456	Wheeling Revenues	Schedule E-6	0	0	0	0
	Total Other Revenue		850,881	0	0	850,881
	TOTREV Allocation Factor		100.00%	0.00%	0.00%	100.00%
581	Load Dispatching	Schedule D-1	0	0	0	0
582	Station Equipment	Schedule D-1	241,565	0	104,977	136,589
583	Overhead Line Expense	Schedule D-1	776,509	0	0	776,509
584	Underground Line Expense	Schedule D-1	48,160	0	0	48,160
585	Street Light & Signal Systems	Schedule D-1	36	0	0	36
586	Meter Expenses	Schedule D-1	445,066	0	0	445,066
587	Customer Installation Expense	Schedule D-1	149,782	0	0	149,782
589	Rents	Schedule D-1	3,839	0	0	3,839
	Total Distribution Operations, excl 580 & 588		1,664,957	0	104,977	1,559,980
	DISTOPX Allocation Factor		100.00%	0.00%	6.31%	93.69%

SCHEDULE F-4 FUNCTIONALIZATION FACTORS

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

Acct No	Description	Source	Total	Production	Transmission	Distribution
591	Maint of Structure	Schedule D-1	0	0	0	0
592	Maint. of Station Equipment	Schedule D-1	0	0	0	0
593	Maint of Overhead Lines	Schedule D-1	1,700,028	0	0	1,700,028
594	Maint of Underground Lines	Schedule D-1	17,911	0	0	17,911
595	Maint of Line Transformers	Schedule D-1	52,969	0	0	52,969
596	Maint of Street Lights	Schedule D-1	0	0	0	0
597	Maint of Meters	Schedule D-1	36,435	0	0	36,435
Total Distribution Maintenance, excl 590 & 598			1,807,342	0	0	1,807,342
DISTMAX Allocation Factor			100.00%	0.00%	0.00%	100.00%
Total Building Square Footage			63,238 00	0 00	6,139 99	57,098 01
SQFT Allocation Factor			100.00%	0.00%	9.71%	90.29%
Total Miles Driven on Transportation Equipment			239,007 04	0 00	6,661 54	232,345 50
<i>Bandera charges out costs of transportation equipment by hours rather than mileage</i>						
MILE Allocation Factor			100.00%	0.00%	2.79%	97.21%
361	Structures and Improvements	WP/B-1/1	916,416	0	398,245	518,171
C361 Allocation Factor			100.00%	0.00%	43.46%	56.54%
362	Station Equipment	WP/B-1/1	12,418,127	0	5,396,520	7,021,607
C362 Allocation Factor			100.00%	0.00%	43.46%	56.54%

WP/B — RATE BASE

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Description	Source/Allocation	Total	Production	Transmission	Distribution
Plant in Service	Schedule B-1	172,504,013	0	29,799,568	142,704,446
Construction Work in Progress	Schedule B-4	6,780,817	0	0	6,780,817
Accumulated Depreciation	Schedule B-5	(35,781,507)	0	(4,783,515)	(30,997,992)
Net Utility Plant		143,503,324	0	25,016,053	118,487,271
Cash From Operations	Schedule B-9	1,338,099	0	87,302	1,250,797
Fuel Inventory	Direct	0	0	0	0
Materials and Supplies	Schedule B-8	151,069	0	28,446	122,623
Prepayments	Schedule B-10	302,996	0	20,271	282,725
Total Working Capital		1,792,165	0	136,020	1,656,145
ADIT & FAS 109 Accounts					
281 ADIT--Accelerated Amortization	PLTSVC-N	0	0	0	0
282 ADIT--Other Property	PLTSVC-N	0	0	0	0
283 ADIT--Other	PLTSVC-N	0	0	0	0
190 ADIT	PLTSVC-N	0	0	0	0
FAS 109 Regulatory Assets	PLTSVC-N	0	0	0	0
FAS 109 Regulatory Liabilities	PLTSVC-N	0	0	0	0
ADIT-FAS 109 Related Accounts	PLTSVC-N	0	0	0	0
Total		0	0	0	0
Customer Deposits	Direct	(515,161)			(515,161)
Reserve for Insurance	Schedule B-7	0	0	0	0
Total Rate Base		144,780,327	0	25,152,073	119,628,255

WP/B

WP/B-1/1 — REFUNCTIONALIZATION OF DISTRIBUTION PLANT ACCOUNTS

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

Acct No	Description	Reference	Sub	Total Booked	Adjustments	Gross Plant	Production	Transmission	Distribution
LCRA Functionalization - 100% BEC		WP/B-1/2	A			100.00%	0.00%	44.32%	55.68%
LCRA Functionalization - Partial BEC		WP/B-1/2	B			100.00%	0.00%	38.16%	61.84%
LCRA Functionalization - Total		WP/B-1/2	C			100.00%	0.00%	43.95%	56.05%
362	Station Equipment	Direct				0	0	0	0
362	Station Equipment	Direct		139,830		139,830	0	0	139,830
362	Station Equipment	WP/B-1/2	C	12,278,297		12,278,297	0	5,396,520	6,881,777
	Total 362			12,418,127	0	12,418,127	0	5,396,520	7,021,607
	Total 362 - % of Total					100.00%	0.00%	43.46%	56.54%
360	Land and Land Rights	Direct				0	0	0	0
360	Land and Land Rights	WP/B-1/2	A	126,400		126,400	0	56,017	70,383
	Total 360			126,400		126,400	0	56,017	70,383
	Total 360 - % of Total					100.00%	0.00%	44.32%	55.68%
361	Structures & Improvements	WP/B-1/3				0	0	0	0
361	Structures & Improvements	WP/B-1/2	C	916,416		916,416	0	398,245	518,171
	Total 361			916,416		916,416	0	398,245	518,171
	Total 361 - % of Total					100.00%	0.00%	43.46%	56.54%
	Total 360-362			13,460,943		13,460,943	0	5,850,782	7,610,161
	Total 360-362 - % of Total					100.00%	0.00%	43.46%	56.54%

WP/B-1/1

WP/B-1/2 — REFUNCTIONALIZATION OF ACCOUNT 362 DISTRIBUTION SUBSTATIONS

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

	Sub	Transmission	Wholesale Transformation	Common	Transmission w/Common	Wholesale Transformation w/Common	Total
Substation BEC - S294 - Bandera		2,607 80	785 90				3,393 70
Substation BEC - S244 - Cypress Creek		101 00	520 80				621 80
Substation BEC - S299 - Leakey		289 40	710 70				1,000 10
Substation BEC - S466 - Mason Creek		185 20	488 30				673 50
Substation BEC - S296 - Medina City		57 30	364 10				421 40
Substation BEC - S297 - Medina Lake		527 80	1,252 60				1,780 40
Substation BEC - S298 - Pipe Creek		1,127 80	654 50				1,782 30
Substation BEC - S342 - Tarpley		202 00	339 10				541 10
Substation BEC - S250 - Turtle Creek		80 60	470 80				551 40
Substation BEC - S295 - Utopia		121 00	434 10				555 10
Substation BEC - S435 - Welfare		161 20	840 70				1,001 90
Subtotal - 100% BEC Owned		5,461 10	6,861 60				12,322 70
% of Total - 100% BEC Owned	A	44 32%	55 68%				100 00%
Substation BEC - S106 - Boerne		57 80	95 00				152 80
Substation BEC - S105 - Boerne Cico		0 00	273 40				273 40
Substation BEC - S232 - Verde Creek		239 30	0 00				239 30
Substation BEC - S551 - Menger Creek		0 00	113 00				113 00
Subtotal - BEC Partial Owned		297 10	481 40				778 50
% of Total - BEC Partial Owned	B	38 16%	61 84%				100 00%
Total		5,758.20	7,343 00				13,101.20
% of Total - Total BEC	C	43 95%	56 05%				100 00%

Source. LCRA Transmission Engineering Functionalization Estimating Modules

Note: Above substation list excludes LCRA owned "Raymond F. Barker" Substation in which BEC owns facilities.

WP/B-1/3 — FUNCTIONALIZATION OF DISTRIBUTION PLANT ACCOUNTS - GIS INVENTORY

Bandera Electric Cooperative, Inc
Test Year Ending December 31, 2010

Acct No	Description	Total Booked	Adjustments	Gross Plant	Production	Transmission	Distribution
361	Structures & Improvements - GIS Inventory	0 00		0 00	0 00	0.00	0 00
	Miles of Electric Line			4,434		104	4,330
	% Miles			100 00%		2 35%	97 65%

Note Adjustment reclassifies CWIP to Plant in Service

WP B-5 ACCUMULATED DEPRECIATION

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

Acct No	Description	Plant Balance	% of Total Excluding Land & Roads	Accumulated Depreciation
Transmission Plant				
350	Land and Land Rights	17,036 31		0 00
351	Clearing Land and Right of Way	33,988 05		0 00
352	Structures and Improvements	172,820 45	0 77%	23,324 37
353	Station Equipment	8,161,557 05	36 40%	1,101,508 55
354	Towers and Fixtures	6,483,848 51	28 92%	875,079 90
355	Poles and Fixtures	0 00	0 00%	0 00
356	O H Conductors & Devices	7,603,240 88	33 91%	1,026,156 50
357	Underground Conduit	0 00	0 00%	0 00
358	Underground Conductors	0 00	0 00%	0 00
359	Roads and Trails	0 00	0	0 00
	Other	0 00		0 00
	Total Transmission Plant	22,472,491 25		3,026,069 32
	Total Excluding Land, ROW & Roads	22,421,466 89	100 00%	3,026,069 32
Distribution Plant				
360	Land and Land Rights	126,399 66		0 00
361	Structures and Improvements	916,416 10	0 67%	183,417 97
362	Station Equipment	12,418,126 95	9 15%	2,485,451 34
363	Storage Battery Equipment	0 00	0 00%	0 00
364	Poles, Tower & Fixtures	43,946,330 11	32 36%	8,795,727 83
365	O H Conductors & Devices	39,511,029 42	29 10%	7,908,015 53
366	Underground Conduit	25,072 55	0 02%	5,018 20
367	U G Conductors & Devices	6,038,812 15	4 45%	1,208,650 37
368	Line Transformers	25,093,788 12	18 48%	5,022,447 38
369	Services	1,569,457 26	1 16%	314,122 22
370	Meters	4,547,334 78	3 35%	910,135 59
371	Install. on Customer Prem	1,712,823 62	1 26%	342,816 58
372	Leased Prop on Cust Premises	0 00	0 00%	0 00
373	Street Lights	11,564 60	0 01%	2,314 62
374	Light Watchman	0 00	0 00%	0 00
	Total Distribution Plant	135,917,155 32		27,178,117 63
	Total Excluding Land	135,790,755 66	100 00%	27,178,117 63

WP B-5 ACCUMULATED DEPRECIATION

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Acct No	Description	Plant Balance	% of Total Excluding Land & Roads	Accumulated Depreciation
General Plant				
389	Land and Land Rights	109,297 20		0 00
390	Structures and Improvements	6,631,521.89	Direct	1,107,387 55
391	Office Furniture & Equip	3,762,020 38	Direct	2,451,711 57
392	Transportation Equipment	1,286,471 40	Direct	921,351 66
393	Store Equipment	2,537 04	Direct	1,897 48
394	Tools, Shop & Garage Equip	181,064 12	Direct	137,854 04
395	Laboratory Equipment	228,160 69	Direct	151,738 30
396	Power Operated Equipment	1,631,870.78	Direct	805,570 70
397	Communication Equipment	130,050 95	Direct	93,847 18
398	Misc. Equipment	151,372 22	Direct	77,041 10
	Total General Plant	14,114,366 67		5,748,399 58
	Retirement Work in Progress			(171,079.52)
	Total Accumulated Dep and Amort	<u>172,504,013 24</u>		<u>35,781,507 01</u>

WP/B-8 — MATERIALS AND SUPPLIES

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

Acct No	Description	Allocation Factor	Total	Production	Transmission	Distribution
Inventory						
154.100	Materials & Supplies--Transmission	PLTXGNL-N	0	0	0	0
154.000	Materials & Supplies	PLTXGNL-N	79,351	0	14,942	64,409
	Total Direct Assigned Materials & Supplies		79,351	0	14,942	64,409
	Allocation		100.00%	0.00%	18.83%	81.17%
Remaining Materials & Supplies						
154.000	Operating Supplies		0	0	0	0
155.000	Merchandise		28,528	0	5,372	23,156
155.100	Transportation		43,191	0	8,133	35,058
	Total Unassigned Materials & Supplies		71,718	0	13,505	58,214
	Total Materials & Supplies		151,069	0	28,446	122,623
	Allocation		100.00%	0.00%	18.83%	81.17%
			100.00%	0.00%	18.83%	81.17%

WP/B-10 — PREPAYMENTS

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

Account	Description	Allocation Factor	Total	Production	Transmission	Distribution
165.100	Prepayments -- Insurance	PLTSVC-N	24,649	0	4,516	20,133
165.200	Prepayments -- Other	PAYXAG	278,347	0	15,756	262,591
	Total Prepayments		302,996	0	20,271	282,725

WP/C-4 — INTEREST

Bandera Electric Cooperative, Inc.
Test Year Ending December 31, 2010

Note Number	Date of Maturity	Lender	Fixed-F Variable-V	Interest Rate	Original Amount	Principal Outstanding	Forecasted Interest
9003001	3/1/2015	CFC	F	6.040%	\$ 675,000	\$ 178,891	\$ 10,805
9006001	6/1/2017	CFC	F	6.090%	1,011,000	399,597	24,335
9007001	12/1/2018	CFC	F	6.190%	1,010,000	428,606	26,531
9008001	9/1/2021	CFC	F	6.280%	3,290,323	1,823,866	114,539
9013001	11/30/2018	CFC	F	6.190%	213,340	112,874	6,987
9013002	11/30/2018	CFC	F	6.190%	1,786,660	945,843	58,548
9014001	2/29/2028	CFC	F	7.190%	3,000,000	1,956,300	140,658
9015001	11/30/2018	CFC	F	3.500%	3,000,000	1,542,376	53,983
9017001	2/28/2030	CFC	F	7.190%	3,000,000	2,226,070	160,054
9018001	2/28/2030	CFC	F	7.190%	3,000,000	2,226,070	160,054
9019001	8/31/2021	CFC	F	3.900%	3,000,000	1,942,773	75,768
9022001	11/30/2023	CFC	F	5.200%	3,000,000	2,223,820	115,639
9023001	11/30/2023	CFC	F	5.200%	1,986,530	1,482,546	77,092
9023002	5/31/2024	CFC	F	5.250%	1,013,470	764,490	40,136
9024001	5/31/2024	CFC	F	5.250%	1,756,545	1,376,994	72,292
9024002	5/31/2030	CFC	F	6.300%	1,243,455	1,072,880	67,591
9025001	8/31/2024	CFC	F	4.250%	1,939,410	1,517,135	64,478
9025002	5/31/2030	CFC	F	6.300%	1,060,590	926,741	58,385
9026001	2/28/2034	CFC	F	3.900%	1,171,600	819,454	31,959
9026002	2/28/2034	CFC	F	6.250%	1,285,330	1,029,419	64,339
9026003	5/31/2030	CFC	F	6.300%	543,070	447,479	28,191
9027001	2/28/2034	CFC	F	6.650%	1,240,510	1,097,195	72,963
9027002	11/30/2024	CFC	F	3.900%	1,249,690	991,209	38,657
9027003	5/31/2030	CFC	F	6.300%	509,800	447,479	28,191
9028001	5/31/2030	CFC	F	6.300%	1,106,870	960,560	62,405
9028002	5/31/2030	CFC	F	6.200%	1,893,130	1,691,819	104,893
9029001	5/31/2035	CFC	F	6.200%	2,165,000	1,947,078	120,719
9029002	11/30/2036	CFC	F	6.900%	835,000	798,301	55,083
9032001	11/30/2036	CFC	F	6.900%	915,000	874,785	60,360
9032002	11/30/2036	CFC	F	6.950%	1,750,000	1,673,751	116,326
9032003	11/30/2036	CFC	F	7.000%	1,750,000	1,674,411	117,209
9032004	11/30/2036	CFC	F	6.200%	1,750,000	1,674,411	117,209
9032005	11/30/2037	CFC	F	6.200%	2,000,000	1,929,586	119,634
9032006	11/30/2037	CFC	F	6.400%	3,000,000	2,898,021	185,473
9032007	11/30/2037	CFC	F	6.450%	3,000,000	2,898,916	186,980
9032008	11/30/2043	CFC	F	3.900%	2,338,318	2,285,025	89,116
9032009	11/30/2043	CFC	F	4.450%	2,283,448	2,235,683	99,488
9032010	11/30/2043	CFC	F	4.450%	1,213,234	1,187,855	52,860
9033001	11/30/2043	CFC	F	4.450%	528,448	517,394	23,024
9033002	11/30/2043	CFC	F	3.450%	136,552	133,129	4,593
9033003	11/30/2039	CFC	F	3.900%	3,000,000	2,963,761	115,587
9033004	11/30/2039	CFC	F	3.500%	3,000,000	2,962,798	103,698
9033005	11/30/2039	CFC	F	3.900%	122,431	120,952	4,717
9033006	11/30/2039	CFC	F	3.900%	1,877,569	1,854,888	72,341
FMD001	2/1/2025	CFC	V	1.360%	6,245,126	6,056,324	82,366
FMD001	9/1/2025	CFC	V	1.510%	11,250,000	11,250,000	169,875
FMD001	9/1/2025	CFC	V	1.360%	5,004,874	5,004,874	69,066
Total					\$98,151,323	\$83,604,429	\$3,713,392
CFC Discounts (Excludes Variable Notes)				-0.380%		\$61,283,231	(232,914)
Forecasted Interest							\$3,480,478
Test Year Interest							\$3,454,014
Adjustment for Forecasted							\$ 26,464

WP/D-2 — ADJUSTMENT OF A&G EXPENSE FOR EXCLUSIONS

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

Account	Description	Source	Functionalization	Total	Production	Transmission	Distribution
930	Miscellaneous Expenses	Schedule D-2	PAYXAG	732,723	0	41,476	691,247
	Less Exclusions	WP/D-5	PAYXAG	(20,413)	0	(1,155)	(19,258)
930	Miscellaneous Expenses			<u>712,310</u>	<u>0</u>	<u>40,320</u>	<u>671,990</u>

WP/D-5 — CALCULATION OF EXCLUSIONS

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Acct No	Description	Total	Percent Excluded	Excluded
930 000	Assoc. of Texas Electric Cooperatives, Inc. Dues	25,698		
	Legislative Advocacy		43.09%	11,073
	Penalties & Fines		0.00%	0
	Social/Recreational		5.40%	1,388
	Political		15.02%	3,860
930 000	National Rural Electric Cooperative Association Dues	20,462		
	Legislative Advocacy		20.00%	4,092
	Penalties & Fines		0.00%	0
	Social/Recreational		0.00%	0
	Political		0.00%	0
	Total Account 930	46,160		20,413

WP E-1/1 DEPRECIATION EXPENSE

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

Acct No	Description	Adjusted Plant Balance	Depreciation Rate	Adjusted Depreciation
Transmission Plant				
350	Land and Land Rights	17,036 31		0 00
351	Clearing Land and Right of Way	33,988 05	0 00%	0 00
352	Structures and Improvements	172,820 45	2 75%	4,752 56
353	Station Equipment	8,161,557 05	2 75%	224,442 82
354	Towers and Fixtures	6,483,848 51	2 75%	178,305 83
355	Poles and Fixtures	0 00		0 00
356	O H Conductors & Devices	7,603,240 88	2 75%	209,089 12
357	Underground Conduit	0 00		0 00
358	Underground Conductors	0 00		0 00
359	Roads and Trails	0 00		0 00
	Other	0 00		0 00
	Total Transmission Plant	22,472,491 25		616,590 33
Distribution Plant				
360	Land and Land Rights	126,399 66		0 00
361	Structures and Improvements	916,416 10	2 75%	25,201 44
362	Station Equipment	12,418,126 95	2 75%	341,498 49
363	Storage Battery Equipment	0 00	2 75%	0 00
364	Poles, Tower & Fixtures	43,946,330 11	2 75%	1,208,524 08
365	O H Conductors & Devices	39,511,029 42	2 75%	1,086,553 31
366	Underground Conduit	25,072 55	2 75%	689 50
367	U G Conductors & Devices	6,038,812 15	2 75%	166,067 33
368	Line Transformers	25,093,788 12	2 75%	690,079 17
369	Services	1,569,457 26	2 75%	43,160 07
370	Meters	4,547,334 78	8 328%	378,702 04
371	Install on Customer Prem	1,712,823 62	2 75%	47,102 65
372	Leased Prop on Cust Premises	0 00	2 75%	0 00
373	Street Lights	11,564 60	2 75%	318 03
374	Light Watchman	0 00	2 75%	0 00
	Total Distribution Plant	135,917,155 32		3,987,896 11

WP E-1/1 DEPRECIATION EXPENSE

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Acct No	Description	Adjusted Plant Balance	Depreciation Rate	Adjusted Depreciation
General Plant				
389	Land and Land Rights	109,297 20	WP E-1/2	0 00
390	Structures and Improvements	6,631,521 89	WP E-1/2	168,934 83
391	Office Furniture & Equip	3,762,020 38	WP E-1/2	460,880 70
392	Transportation Equipment	1,286,471 40	WP E-1/2	31,065 09
393	Store Equipment	2,537 04	WP E-1/2	363 98
394	Tools, Shop & Garage Equip	181,064 12	WP E-1/2	19,717 22
395	Laboratory Equipment	228,160 69	WP E-1/2	27,538 97
396	Power Operated Equipment	1,631,870 78	WP E-1/2	0 00
397	Communication Equipment	130,050 95	WP E-1/2	8,813 13
398	Misc Equipment	151,372 22	WP E-1/2	17,198 88
	Total General Plant	14,114,366 67		734,512 80
Total		<u>172,504,013 24</u>		<u>5,338,999 24</u>

WP E-1/2 DEPRECIATION EXPENSE - GENERAL PLANT

Bandera Electric Cooperative, Inc.
Test Year Ending December 31, 2010

Acct No	Description	Source	Plant Balance	Test Year Depreciation Accrual	Test Year Depreciation Expense	Depreciation Expense % of Total	Adjusted Depreciation
General Plant							
389	Land and Land Rights	Schedule B-2	109,297 20	0	0	0.00%	0 00
390	Structures and Improvements	Schedule B-2	6,631,521 89	154,556	154,556	23.00%	168,934 83
391	Office Furniture & Equip	Schedule B-2	3,762,020 38	421,653	421,653	62.75%	460,880 70
392	Transportation Equipment	Schedule B-2	1,286,471 40	233,275	28,421	4.23%	31,065 09
393	Store Equipment	Schedule B-2	2,537 04	333	333	0.05%	363.98
394	Tools, Shop & Garage Equip	Schedule B-2	181,064 12	18,039	18,039	2.68%	19,717.22
395	Laboratory Equipment	Schedule B-2	228,160 69	25,195	25,195	3.75%	27,538 97
396	Power Operated Equipment	Schedule B-2	1,631,870 78	119,508	0	0.00%	0 00
397	Communication Equipment	Schedule B-2	130,050 95	8,063	8,063	1.20%	8,813 13
398	Misc Equipment	Schedule B-2	151,372 22	15,735	15,735	2.34%	17,198 88
	Total General Plant		14,114,366 67	996,357	671,995	100.00%	734,512 80
	Adjusted Depreciation Expense	WP E-1/3	-				734,512 80
Note	Test Year depreciation accrual from Annual Audit, Schedule 2 (Page 18)						

WP E-1/3 ADJUSTED DEPRECIATION EXPENSE

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

Acct No	Description	Source	1/31/2011 Expense	Annualized Expense	Test Year 12/31/2010 Expense	Adjustment
403 50	Transmission Plant	WP E-1/1		616,590 33	368,333 84	248,256 49
403 60	Distribution Plant	WP E-1/1		3,987,896 11	4,575,508 71	(587,612 60)
403 70	General Plant		61,209 40	734,512 80	671,995 80	62,517 00
	Total		<u>61,209 40</u>	<u>5,338,999 24</u>	<u>5,615,838 35</u>	<u>(276,839 11)</u>

Note In 2010 in Distribution Plant depreciation expense, BEC recorded \$549,087 in accelerated depreciation expense in the change out of new AMI meters. Therefore, Distribution Plant depreciation shows a reduction

WP/E-5 — OTHER REVENUE - LCRA LEASE

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

Account	Description	Source	Total	Production	Transmission	Distribution
350-356	Transmission Plant	Schedule B-1	22,472,491	0	22,472,491	0
360	Land and Land Rights	Schedule B-1	126,400	0	56,017	70,383
361	Structures and Improvements	Schedule B-1	916,416	0	398,245	518,171
362	Station Equipment	Schedule B-1	12,418,127	0	5,396,520	7,021,607
	Total		35,933,434	0	28,323,273	7,610,161
	% of Total		100.00%	0.00%	78.82%	21.18%
	LCRA Lease Revenue		1,187,878	0	936,303	251,575
	% of Total		100.00%	0.00%	78.82%	21.18%

WP/F-1 — CONTRACTORS' FEES

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

Account	Description	Allocator	Total (1)	Production (2)	Transmission (3)	Distribution (4)
Power Production Expenses						
<u>Steam Power Generation</u>						
<u>Operation</u>						
500	Operation Super. & Eng		0			
501	Eligible Fuel		0			
501	Non-Eligible Fuel		0			
502	Steam Expenses		0			
505	Electric Expenses		0			
506	Misc. Steam Power Expenses		0			
507	Rents		0			
	Subtotal		0	0	0	0
<u>Maintenance</u>						
510	Maint Super & Eng		0	0		
511	Maint of Structure		0	0		
512	Maint. of Boiler Plant		0	0		
513	Maint of Electric Plant		0	0		
514	Maint of Misc Steam Plant		0	0		
	Subtotal		0	0	0	0
<u>Hydraulic Generation</u>						
<u>Operation</u>						
535	Operation Super & Engineering		0	0		
536	Water for Power		0	0		
537	Hydraulic Expenses		0	0		
538	Electric Expenses		0	0		
539	Misc Hydraulic Generation		0	0		
540	Rents		0	0		
	Subtotal		0	0	0	0

WP/F-1 — CONTRACTORS' FEES

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Account	Description	Allocator	Total (1)	Production (2)	Transmission (3)	Distribution (4)
	<u>Maintenance</u>					
541	Maintenance Super & Engin		0	0		
542	Maintenance of Structure		0	0		
543	Maint Reservoirs, Dams, & Waterways		0	0		
544	Maint of Electric Plant		0	0		
545	Maint Misc Hydraulic Gen Exp		0	0	0	0
	Subtotal		0	0		
	<u>Other Power Generation</u>					
	<u>Operation</u>					
546	Operation Super & Engineering		0	0		
547	Fuel		0	0		
548	Generation Expense		0	0		
549	Misc Other Power Generation		0	0		
550	Rents		0	0	0	0
	Subtotal		0	0		
	<u>Maintenance</u>					
551	Maintenance Super & Engin		0	0		
552	Maintenance of Structure		0	0		
553	Maint Generation & Electric Plant		0	0		
554	Maint Misc Other Power		0	0	0	0
	Subtotal		0	0		
	<u>Other Power Supply</u>					
555	Purchased Power Demand		0	0		
556	System Control & Load Dispatch		0	0		
557	Other		0	0	0	0
	Subtotal (Other Power Supply)		0	0		
	Total Power Production Expense		0	0	0	0

WP/F-1 — CONTRACTORS' FEES

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

Account	Description	Allocator	Total (1)	Production (2)	Transmission (3)	Distribution (4)
Transmission Expense						
	<u>Operation</u>					
560	Operation Super & Engin		2,786		2,786	
561	Load Dispatching		0		0	
562	Station Equipment		22,402		22,402	
563	Overhead Line Expense		0		0	
564	Underground Line Expense		0		0	
565	Wheeling		0		0	
566	Misc Transmission Expense		0		0	
567	Rents		0		0	
	Subtotal		25,188	0	25,188	
	<u>Maintenance</u>					
568	Maintenance Super & Engin		0		0	
569	Maint of Structure		0		0	
570	Maint of Station Equipment		0		0	
571	Maint of Overhead Lines		0		0	
572	Maint of Underground Lines		0		0	
573	Maint of Misc. Trans Plant		0		0	
	Subtotal		0	0	0	
Total Transmission Expenses			25,188	0	25,188	

WP/F-1 — CONTRACTORS' FEES

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

Account	Description	Allocator	Total (1)	Production (2)	Transmission (3)	Distribution (4)
Distribution Expense						
<u>Operation</u>						
580	Operation Super & Engin	DISTOPX	29,220	0	1,842	27,378
581	Load Dispatching	Direct	0			0
582	Station Equipment	WP/B-1/1	33,443	0	14,533	18,910
583	Overhead Line Expense	Direct	0			0
584	Underground Line Expense	Direct	0			0
585	Street Light & Signal Systems	Direct	0			0
586	Meter Expenses	Direct	7,619			7,619
587	Customer Installation Expense	Direct	0			0
588	Misc Distribution Expenses	DISTOPX	64,668	0	4,077	60,591
589	Rents	Direct	0			0
	Subtotal		134,950	0	20,453	114,497
<u>Maintenance</u>						
590	Maintenance Super & Engin	DISTMAX	0	0	0	0
591	Maint. of Structure	WP/B-1/1	0	0	0	0
592	Maint of Station Equipment	WP/B-1/1	0	0	0	0
593	Maint of Overhead Lines	Direct	1,068,448			1,068,448
594	Maint of Underground Lines	Direct	0			0
595	Maint of Line Transformers	Direct	141,762			141,762
596	Maint of Street Lights	Direct	0			0
597	Maint of Meters	Direct	0			0
598	Maint of Misc Dist Plant	DISTMAX	0	0	0	0
	Subtotal		1,210,210	0	0	1,210,210
Total Transmission and Distribution Expenses			1,345,160	0	20,453	1,324,707
Total Contractors' Fees			1,370,348	0	45,641	1,324,707

WP/F-4/1 — SQUARE FOOTAGE

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

Location	Name	Total Square Feet	Production	Transmission	Distribution	Meter & Billing	Customer Related	Remaining
Bandera	Bandera Office	25,090.00		1,003.60	8,781.50	4,014.40	6,774.30	4,516.20
Comfort	Comfort Office	3,490.00		0.00	872.50	174.50	2,094.00	349.00
Leakey	Leakey Office	3,110.00		155.50	933.00	155.50	1,555.00	311.00
Bandera	Mule Barn	2,628.00		2,365.20	262.80	0.00	0.00	0.00
Bandera	Old Meter Shop	1,753.00		87.65	262.95	1,314.75	0.00	87.65
Bandera	Mechanic Shop	3,010.00		150.50	2,709.00	0.00	0.00	150.50
Bandera	Quonset Hut	3,173.00		317.30	2,538.40	317.30	0.00	0.00
Bandera	Records Room	614.00		0.00	0.00	0.00	0.00	614.00
Bandera	Warehouse	2,982.00		149.10	2,236.50	447.30	0.00	149.10
Bandera	Transformer Shed	1,129.00		0.00	1,129.00	0.00	0.00	0.00
Bandera	Truck Shed	6,291.00		314.55	5,347.35	629.10	0.00	0.00
Comfort	Comfort Warehouse	7,470.00		747.00	6,349.50	373.50	0.00	0.00
Leakey	Truck Shed	2,498.00		249.80	2,248.20	0.00	0.00	0.00
	Total	63,238.00	0.00	5,540.20	33,670.70	7,426.35	10,423.30	6,177.45
	% of Total	100.000%	0.000%	8.761%	53.244%	11.743%	16.483%	9.769%
	Total Excluding Remainder	57,060.55	0.00	5,540.20	51,520.35			
	% of Total Excluding Remainder	100.000%	0.000%	9.709%	90.291%			
	Total Functionalized With Remainder	63,238.00	0.00	6,139.99	57,098.01			

Note For "Total Excluding Remainder," square feet for Meter & Billing and Customer Related are added to Distribution

WP/F-4/2 TRANSPORTATION COSTS

Bandera Electric Cooperative, Inc.
Test Year Ending December 31, 2010

Acct No	Description	Source/Allocator	(1) Total Booked	(2) Adjustments	(3) Net Booked (1) - (2)	(4) Production	(5) Transmission	(6) Distribution
<u>Transmission - Operation</u>								
560	Operation Super & Engin	Direct	53.46		53			
562	Station Equipment	Direct	2,380.14		2,380		53	
	Subtotal		2,433.60	-	2,434	-	2,380	-
<u>Distribution - Operation</u>								
580	Operation Super & Engin	DISTOPX	2,518.36		2,518	0	159	2,360
582	Station Equipment	WP/B-1/1	4,936.27		4,936	-	2,145	2,791
583	Overhead Line Expense	Direct	18,846.06		18,846			18,846
584	Underground Line Expense	Direct	2,361.19		2,361			2,361
586	Meter Expenses	Direct	50,627.04		50,627			50,627
587	Customer Installaton Expense	Direct	15,626.05		15,626			15,626
588	Misc Distribution Expenses	DISTOPX	30,515.39		30,515	0	1,924	28,591
	Subtotal		125,430.36	-	125,430	-	4,228	121,202
<u>Distribution - Maintenance</u>								
590	Maintenance Super & Engin	DISTMAX	5,479.88		5,480	0	0	5,480
593	Maint of Overhead Lines	Direct	58,773.60		58,774			58,774
594	Maint of Underground Lines	Direct	1,598.07		1,598			1,598
595	Maint of Line Transformers	Direct	1,302.77		1,303			1,303
597	Maint of Meters	Direct	1,420.43		1,420			1,420
598	Maint of Misc Dist Plant	DISTMAX	10,078.29		10,078	-	-	10,078
	Subtotal		78,653.04	-	78,653	-	-	78,653
<u>Customer Accounts Expense</u>								
902	Meter Reading Expense	Direct	662.84		663			663
903	Customer Records & Collect	Direct	25,418.71		25,419			25,419
	Subtotal		26,081.55	-	26,082	-	-	26,082
<u>Cust Service & Information Expense</u>								
907	Supervision	Direct	440.78		441			441
908	Customer Assistance	Direct	5,526.93		5,527			5,527
910	Misc Cust. Service & Informaton	Direct	440.78		441			441
	Subtotal		6,408.49	-	6,408	-	-	6,408
Total			239,007.04	0	239,007	-	6,662	232,345
% of Total					100.00%	0.00%	2.79%	97.21%

Note: Bandera charges out costs of transportation equipment by hours rather than mileage.

Bandera Electric Cooperative, Inc.

12/31/2010

Test Year Ending December 31, 2010

SCHEDULE A SUMMARY OF TOTAL COST OF SERVICE BY FUNCTION

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Description	Source	Production	Transmission	Distribution	Total
Eligible Fuel	Schedule D-1	0	0	0	0
Non Eligible Fuel	Schedule D-1	0	0	0	0
Eligible Purchased Power	Schedule D-1	36,915,867	0	0	36,915,867
Non-Eligible Purchased Power	Schedule D-1	0	698,419	10,006,375	10,704,794
Operation & Maintenance	Schedule E-1	0	850,667	4,488,332	5,338,999
Decommissioning Expense	Schedule E-3	0	0	0	0
Depreciation	Schedule E-2	0	0	0	0
Federal Income Tax					
Taxes Other Than Income Taxes					
Total Operating Expenses		36,915,867	1,549,087	14,494,707	52,959,660
Return on Invested Capital	Schedule B	0	1,290,600	6,138,349	7,428,949
Subtotal Unbundled Cost of Service		36,915,867	2,839,686	20,633,056	60,388,609
Revenue Credits excl LCRA Lease	Schedule E-5	0	0	(850,881)	(850,881)
Subtotal Unbundled Cost of Service		36,915,867	2,839,686	19,782,175	59,537,728
LCRA Lease Payment	Schedule E-5	0	(936,303)	(251,575)	(1,187,878)
Total Unbundled Cost of Service		36,915,867	1,903,383	19,530,600	58,349,850
ERCOT Load Responsibility (4-CP kW)			61,368,962.621		
Wholesale Transmission Rate (\$/kW-Year)			<u>0.0310154</u>		

SCHEDULE B SUMMARY OF RATE BASE BY FUNCTION

Bandera Electric Cooperative, Inc.
Test Year Ending December 31, 2010

Description	Source	Production	Transmission	Distribution	Total
Net Plant in Service	WP/B	0	25,016,053	118,487,271	143,503,324
Working Capital	WP/B	0	136,020	1,656,145	1,792,165
Plant Held for Future Use	Schedule B-6	0	0	0	0
ADIT & FAS 109 Accounts	WP/B	0	0	0	0
Customer Deposits	WP/B	0	0	(515,161)	(515,161)
Reserve for Insurance	Schedule B-7	0	0	0	0
Other	Schedule B-11	0	0	0	0
Subtotal		0	136,020	1,140,984	1,277,004
Total Rate Base		0	25,152,073	119,628,255	144,780,327
Rate of Return	Schedule C-4				5.1312%
Return on Rate Base		0	1,290,600	6,138,349	7,428,949

SCHEDULE B-1 ORIGINAL COST OF PLANT

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Acct No	Description	Source/Allocator	(1) Total Booked	(2) Adjustments	(3) Gross Plant (1) + (2)	(4) Production	(5) Transmission	(6) Distribution
Intangible Plant								
301	Organization							
302	Franchise and Consents	PAYXAGIC	0	0	0	0	0	0
303	Miscellaneous Intangible Plant	PAYXAGIC	0	0	0	0	0	0
	Total Intangible Plant		0	0	0	0	0	0
Steam Production								
310	Land & Land Rights	Direct	0	0	0	0	0	0
311	Structure and Improvements	Direct	0	0	0	0	0	0
312	Boiler Plant Equipment	Direct	0	0	0	0	0	0
313	Engines/Engine Driven Gen.	Direct	0	0	0	0	0	0
314	Turbogenerator Units	Direct	0	0	0	0	0	0
315	Accessory Electric Equip	Direct	0	0	0	0	0	0
316	Misc. Power Plant Equip.	Direct	0	0	0	0	0	0
	Total Steam Production		0	0	0	0	0	0
Hydraulic Production								
330	Land & Land Rights	Direct	0	0	0	0	0	0
331	Structure and Improvements	Direct	0	0	0	0	0	0
332	Reservoirs, Dams, and Waterways	Direct	0	0	0	0	0	0
333	Water Wheels, Turbines, & Generators	Direct	0	0	0	0	0	0
334	Accessory Electric Equip.	Direct	0	0	0	0	0	0
335	Misc. Power Plant Equip	Direct	0	0	0	0	0	0
336	Roads, Railroads, and Bridges	Direct	0	0	0	0	0	0
	Total Hydraulic Production		0	0	0	0	0	0
Other Production								
340	Land & Land Rights	Direct	0	0	0	0	0	0
341	Structure and Improvements	Direct	0	0	0	0	0	0
342	Fuel Holder, Producer & Acc	Direct	0	0	0	0	0	0
343	Prime Movers	Direct	0	0	0	0	0	0
344	Generator	Direct	0	0	0	0	0	0
345	Accessory Electric Equip.	Direct	0	0	0	0	0	0
346	Misc. Power Plant Equip	Direct	0	0	0	0	0	0
	Total Other Production		0	0	0	0	0	0

SCHEDULE B-1 ORIGINAL COST OF PLANT

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

Acct No	Description	Source/Allocator	(1) Total Booked	(2) Adjustments	(3) Gross Plant (1) + (2)	(4) Production	(5) Transmission	(6) Distribution
Transmission Plant								
350	Land and Land Rights							
351	Clearing Land and Right of Way	Direct	17,036.31	0	17,036		17,036	
352	Structures and Improvements	Direct	33,988.05		33,988		33,988	
353	Station Equipment	Direct	172,820.45	0	172,820		172,820	
354	Towers and Fixtures	Direct	8,161,557.05	0	8,161,557		8,161,557	
355	Poles and Fixtures	Direct	6,483,848.51	0	6,483,849		6,483,849	
356	O H Conductors & Devices	Direct	0.00	0	0		0	
357	Underground Conduit	Direct	7,603,240.88	0	7,603,241		7,603,241	
358	Underground Conductors	Direct	0.00	0	0		0	
359	Roads and Trails	Direct	0.00	0	0		0	
	Others	Direct	0.00	0	0		0	
	Total Transmission Plant		22,472,491.25	0	22,472,491	0	22,472,491	0
Distribution Plant								
360	Land and Land Rights							
361	Structures and Improvements	WP/B-1/1	126,399.66	0	126,400	0	56,017	70,383
362	Station Equipment	WP/B-1/1	916,416.10		916,416	0	398,245	518,171
363	Storage Battery Equipment	WP/B-1/1	12,418,126.95		12,418,127	0	5,396,520	7,021,607
364	Poles, Tower & Fixtures	Direct	0.00	0	0		0	0
365	O.H. Conductors & Devices	Direct	43,946,330.11	0	43,946,330		43,946,330	
366	Underground Conduit	Direct	39,511,029.42	0	39,511,029		39,511,029	
367	U.G. Conductors & Devices	Direct	25,072.55	0	25,073		25,073	
368	Line Transformers	Direct	6,038,812.15	0	6,038,812		6,038,812	
369	Services	Direct	25,093,788.12	0	25,093,788		25,093,788	
370	Meters	Direct	1,569,457.26	0	1,569,457		1,569,457	
371	Install on Customer Prem.	Direct	4,547,334.78	0	4,547,335		4,547,335	
372	Leased Prop. on Cust. Premises	Direct	1,712,823.62	0	1,712,824		1,712,824	
373	Street Lights	Direct	0.00	0	0		0	
374	Light Watchman	Direct	11,564.60	0	11,565		11,565	
	Total Distribution Plant		135,917,155.32	0	135,917,155	0	5,850,782	130,066,373
Total General Plant (Schedule B-2)								
			14,114,366.67	0	14,114,367	0	1,476,294	12,638,072
Total Utility Plant								
			172,504,013.24	0	172,504,013	0	29,799,568	142,704,446

SCHEDULE B-2 GENERAL PLANT FUNCTIONALIZATION

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Acct No.	Description	Allocation Factor	(1) Gross Plant	(2) Adjustments	(3) Net Plant (1) - (2)	(4) Production	(5) Transmission	(6) Distribution
389	Land and Land Rights		109,297.20	0	109,297	0	10,612	98,685
390	Structures and Improvements	SQFT	6,631,521.89	0	6,631,522	0	643,877	5,987,645
391	Office Furniture & Equip.	SQFT	3,762,020.38	0	3,762,020	0	365,267	3,396,753
392	Transportation Equipment	MILE	1,286,471.40	0	1,286,471	0	35,856	1,250,615
393	Store Equipment		2,537.04	0	2,537	0	478	2,059
394	Tools, Shop & Garage Equip.	PLTXGNL-N	181,064.12	0	181,064	0	34,094	146,970
395	Laboratory Equipment	PLTXGNL-N	228,160.69	0	228,161	0	42,963	185,198
396	Power Operated Equipment	PLTXGNL-N	1,631,870.78	0	1,631,871	0	307,282	1,324,589
397	Communication Equipment	Schedule B-3	130,050.95	0	130,051	0	7,361	122,689
398	Misc Equipment	PLTXGNL-N	151,372.22	0	151,372	0	28,503	122,869
	Total General Plant		<u>14,114,366.67</u>	<u>0</u>	<u>14,114,367</u>	<u>0</u>	<u>1,476,294</u>	<u>12,638,072</u>

SCHEDULE B-3 COMMUNICATION EQUIPMENT

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Acct No.	Reference	Allocation Factor	Total	Production	Transmission	Distribution
	Direct Assigned Communication Equipment	Direct	0			
	Communication Equipment Located at Substation	Direct	0			
	Common Communication Equipment	Direct	0			
	Other Communication Equipment	PAYXAG	130,051	0	7,361	122,689
397	Total Communication Equipment (To Schedule B-2)		130,051	0	7,361	122,689
	% of Total		100.000%	0.000%	5.660%	94.340%

SCHEDULE B-4 UNBUNDLED CONSTRUCTION WORK IN-PROGRESS

Bandera Electric Cooperative, Inc.
Test Year Ending December 31, 2010

Acct. No	Description	Reference	Total Booked	Adjustments	Gross Plant	Production	Transmission	Distribution
107.000	Total CWIP	Direct	6,780,817.27		6,780,817.27			6,780,817

SCHEDULE B-5 UNBUNDLED ACCUMULATED DEPRECIATION

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Acct No	Description	Source	Allocator	Total	Production	Transmission	Distribution
Transmission Plant							
350	Land and Land Rights	WP B-5	Direct	0			
351	Clearing Land and Right of Way	WP B-5	Direct	0			
352	Structures and Improvements	WP B-5	Direct	23,324			
353	Station Equipment	WP B-5	Direct	1,101,509		23,324	
354	Towers and Fixtures	WP B-5	Direct	875,080		1,101,509	
355	Poles and Fixtures	WP B-5	Direct	0		875,080	
356	O.H. Conductors & Devices	WP B-5	Direct	1,026,157		1,026,157	
357	Underground Conduit	WP B-5	Direct	0		0	
358	Underground Conductors	WP B-5	Direct	0		0	
359	Roads and Trails	WP B-5	Direct	0		0	
	Other	WP B-5	Direct	0		0	
	Total Transmission Plant			3,026,069	0	3,026,069	0
Distribution Plant							
360	Land and Land Rights	WP B-5	WP/B-1/1	0			
361	Structures and Improvements	WP B-5	WP/B-1/1	183,418			
362	Station Equipment	WP B-5	WP/B-1/1	2,485,451		79,708	103,710
363	Storage Battery Equipment	WP B-5	Direct	0		1,080,098	1,405,354
364	Poles, Tower & Fixtures	WP B-5	Direct	8,795,728			0
365	O.H. Conductors & Devices	WP B-5	Direct	7,908,016			8,795,728
366	Underground Conduit	WP B-5	Direct	5,018			7,908,016
367	U.G. Conductors & Devices	WP B-5	Direct	1,208,650			5,018
368	Line Transformers	WP B-5	Direct	5,022,447			1,208,650
369	Services	WP B-5	Direct	314,122			5,022,447
370	Meters	WP B-5	Direct	910,136			314,122
371	Install. on Customer Prem.	WP B-5	Direct	342,817			910,136
372	Leased Prop. on Cust. Premises	WP B-5	Direct	0			342,817
373	Street Lights	WP B-5	Direct	2,315			0
374	Light Watchman	WP B-5	Direct	0			2,315
	Total Distribution Plant			27,178,118	0	1,159,805	26,018,313

SCHEDULE B-5 UNBUNDLED ACCUMULATED DEPRECIATION

Bandera Electric Cooperative, Inc
 Test Year Ending December 31, 2010

Acct No.	Description	Source	Allocator	Total	Production	Transmission	Distribution
General Plant							
389	Land and Land Rights	WP B-5	SQFT	0	0	0	0
390	Structures and Improvements	WP B-5	SQFT	1,107,388	0	107,520	999,868
391	Office Furniture & Equip.	WP B-5	SQFT	2,451,712	0	238,045	2,213,667
392	Transportation Equipment	WP B-5	MILE	921,352	0	25,680	895,672
393	Store Equipment	WP B-5	PLTXGNL-N	1,897	0	357	1,540
394	Tools, Shop & Garage Equip.	WP B-5	PLTXGNL-N	137,854	0	25,958	111,896
395	Laboratory Equipment	WP B-5	PLTXGNL-N	151,738	0	28,572	123,166
396	Power Operated Equipment	WP B-5	PLTXGNL-N	805,571	0	151,689	653,881
397	Communication Equipment	WP B-5	Schedule B-3	93,847	0	5,312	88,535
398	Misc. Equipment	WP B-5	PLTXGNL-N	77,041	0	14,507	62,534
	Total General Plant			5,748,400	0	597,641	5,150,759
	Retirement Work in Progress		Direct	(171,080)			(171,080)
Total Accumulated Dep and Amort.				35,781,507	0	4,783,515	30,997,992

SCHEDULE B-6 UNBUNDLED PLANT HELD FOR FUTURE USE

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Acct. No.	Description	Allocation Factor	Total	Production	Transmission	Distribution
105.000	Total EPHFU Allocation	PLTXGNL-N	0 0.00%	0 0.00%	0 0.00%	0 0.00%

SCHEDULE B-7 UNBUNDLED ACCUMULATED PROVISION BALANCES

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Acct No.	Description	Allocator	Total	Production	Transmission	Distribution
	Total Accumulated Provisions	PLTSVC-N	0	0	0	0

SCHEDULE B-8 UNBUNDLED MATERIALS & SUPPLIES

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010
 Source: WP/B-8/1

Description	Source/Allocator	Total	Production	Transmission	Distribution
Materials & Supplies Assigned	WP/B-8	79,351	0	14,942	64,409
Total Assigned Materials & Supplies Allocation		79,351 100.00%	0 0.00%	14,942 18.83%	64,409 81.17%
Materials & Supplies -- Other	WP/B-8	71,718	0	13,505	58,214
Total Unassigned Materials & Supplies		71,718	0	13,505	58,214
Total Materials & Supplies		151,069	0	28,446	122,623

SCHEDULE B-9 UNBUNDLED CASH WORKING CAPITAL

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Description	Source/Allocator	Total	Production	Transmission	Distribution
Production O&M	Schedule D-1	36,915,867	36,915,867	0	0
Less:					
Fuel					
Purchased Power	Schedule D-1	0	0	0	0
Adjusted Production O&M	Schedule D-1	36,915,867	36,915,867	0	0
Transmission O&M		0	0	0	0
Distribution O&M	Schedule D-1	270,830	0	270,830	0
Customer Services & Information O&M	Schedule D-1	4,782,107	0	179,998	4,602,109
Administrative & General	Schedule D-1	1,723,678	0	0	1,723,678
	Schedule D-1	3,928,179	0	247,591	3,680,587
Total O&M excl. Fuel, Purchased Power		10,704,794	0	698,419	10,006,375
Cash Working Capital: 45/360 Days		1,338,099	0	87,302	1,250,797

SCHEDULE B-10 UNBUNDLED PREPAYMENTS

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010
 Source: WP/B-10/1

Acct. No.	Description	Allocation Factor	Total	Production	Transmission	Distribution
165.100	Prepayments -- Insurance	WP/B-10	24,649	0	4,516	20,133
165.200	Prepayments -- Other	WP/B-10	278,347	0	15,756	262,591
	Total Prepayments		302,996	0	20,271	282,725

SCHEDULE B-11 UNBUNDLED OTHER RATE BASE ITEMS

Bandera Electric Cooperative, Inc.
Test Year Ending December 31, 2010

Acct. No.	Description	Allocation Factor	Total	Production	Transmission	Distribution
	Total Unbundled Other Rate Base Items	PLTSVC-N	0	0	0	0

SCHEDULE B-12 UNBUNDLED REGULATORY ASSETS

Bandera Electric Cooperative, Inc.
Test Year Ending December 31, 2010

Description	Total	TX Juris	Production	Transmission	Distribution
Regulatory Asset A	0	0	0	0	0
Regulatory Asset B					
Regulatory Asset C					
Regulatory Asset D					
Total Regulatory Assets	0	0	0	0	0

SCHEDULE C-4 TIMES INTEREST EARNED METHOD

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

	Reference	Total
Interest Expense on Long-Term Debt Modified TIER	WP/C-4	3,480,478 2.00
Return		6,960,956
Plus:		
Other Interest Expense		325,764
Other Deductions		225,544
Removal of Amortization of Debt Discount		0
Total Additions		551,308
Less:		
Non-Operating Income - Interest		70,706
Non-Operating Income - Other (excl Capital Credits)		12,609
Extraordinary Items		0
Total Subtractions		83,315
Net Return		7,428,949
Total Rate Base		144,780,327
Rate of Return		5.1312%
Return on Rate Base		7,428,949

SCHEDULE D-1 O&M EXPENSES

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Acct No.	Description	Source/Allocator	(1) Total Booked	(2) Adjustments	(3) Net Booked (1) - (2)	(4) Production	(5) Transmission	(6) Distribution
Power Production Expenses								
<u>Steam Power Generation</u>								
	Operation							
500	Operation Super. & Eng.		0	0	-	-	-	-
501	Eligible Fuel		0	0	-	-	-	-
501	Non-Eligible Fuel		0	0	-	-	-	-
502	Steam Expenses		0	0	-	-	-	-
505	Electric Expenses		0	0	-	-	-	-
506	Misc. Steam Power Expenses		0	0	-	-	-	-
507	Rents		0	0	-	-	-	-
	Subtotal		0	0	-	-	-	-
<u>Maintenance</u>								
510	Maint Super. & Eng		0	0	-	-	-	-
511	Maint. of Structure		0	0	-	-	-	-
512	Maint. of Boiler Plant		0	0	-	-	-	-
513	Maint. of Electric Plant		0	0	-	-	-	-
514	Maint. of Misc. Steam Plant		0	0	-	-	-	-
	Subtotal		0	0	-	-	-	-
<u>Hydraulic Generation</u>								
	Operation							
535	Operation Super. & Engineering		0	0	-	-	-	-
536	Water for Power		0	0	-	-	-	-
537	Hydraulic Expenses		0	0	-	-	-	-
538	Electric Expenses		0	0	-	-	-	-
539	Misc Hydraulic Generation		0	0	-	-	-	-
540	Rents		0	0	-	-	-	-
	Subtotal		0	0	-	-	-	-

SCHEDULE D-1 O&M EXPENSES

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Acct No	Description	Source/Allocator	(1) Total Booked	(2) Adjustments	(3) Net Booked (1) - (2)	(4) Production	(5) Transmission	(6) Distribution
Maintenance								
541	Maintenance Super & Engin.	Direct	0	0	-	-	-	-
542	Maintenance of Structure	Direct	0	0	-	-	-	-
543	Maint. Reservoirs, Dams, & Waterways	Direct	0	0	-	-	-	-
544	Maint. of Electric Plant	Direct	0	0	-	-	-	-
545	Maint. Misc. Hydraulic Gen Exp	Direct	0	0	-	-	-	-
	Subtotal		-	-	-	-	-	-
Other Power Generation								
<u>Operation</u>								
546	Operation Super & Engineering	Direct	0	0	-	-	-	-
547	Fuel	Direct	0	0	-	-	-	-
548	Generation Expense	Direct	0	0	-	-	-	-
549	Misc. Other Power Generation	Direct	0	0	-	-	-	-
550	Rents	Direct	0	0	-	-	-	-
	Subtotal		-	-	-	-	-	-
Maintenance								
551	Maintenance Super & Engin.	Direct	0	0	-	-	-	-
552	Maintenance of Structure	Direct	0	0	-	-	-	-
553	Maint. Generation & Electric Plant	Direct	0	0	-	-	-	-
554	Maint Misc Other Power	Direct	0	0	-	-	-	-
	Subtotal		-	-	-	-	-	-
Other Power Supply								
555	Purchased Power Demand	Direct	36,915,866.99	0	36,915,867	36,915,867	-	-
556	System Control & Load Dispatch	Direct	0.00	0	-	-	-	-
557	Other	Direct	0.00	0	-	-	-	-
	Subtotal (Other Power Supply)		36,915,866.99	-	36,915,867	36,915,867	-	-
Total Power Production Expense			36,915,866.99	-	36,915,867	36,915,867	-	-

SCHEDULE D-1 O&M EXPENSES

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Acct No	Description	Source/Allocator	(1) Total Booked	(2) Adjustments	(3) Net Booked (1) - (2)	(4) Production	(5) Transmission	(6) Distribution
Transmission Expense								
<u>Operation</u>								
560	Operation Super & Engin.	Direct	166,059.32		166,059		166,059	
561	Load Dispatching	Direct	0.00		-		-	
562	Station Equipment	Direct	75,889.24		75,889		75,889	
563	Overhead Line Expense	Direct	21,344.40		21,344		21,344	
564	Underground Line Expense	Direct	0.00		-		-	
565	Wheeling	Direct	0.00		-		-	
566	Misc. Transmission Expense	Direct	1,056.56		1,057		1,057	
567	Rents	Direct	0.00		-		-	
	Others		0.00		-		-	
	Subtotal		264,349.52	-	264,350	-	264,350	-
<u>Maintenance</u>								
568	Maintenance Super. & Engin	Direct	0.00		-		-	
569	Maint of Structure	Direct	0.00		-		-	
570	Maint of Station Equipment	Direct	0.00		-		-	
571	Maint. of Overhead Lines	Direct	6,480.00		6,480		6,480	
572	Maint. of Underground Lines	Direct	0.00		-		-	
573	Maint of Misc. Trans. Plant	Direct	0.00		-		-	
	Others		0.00		-		-	
	Subtotal		6,480.00	-	6,480	-	6,480	-
Total Transmission Expense			270,829.52	-	270,830	-	270,830	-

SCHEDULE D-1 O&M EXPENSES

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Acct. No.	Description	(1) Total Booked	(2) Adjustments	(3) Net Booked (1) - (2)	(4) Production	(5) Transmission	(6) Distribution
Distribution Expense							
<u>Operation</u>							
580	Operation Super. & Engin	435,036.78		435,037	0	27,429	407,607
581	Load Dispatching	0.00		-			-
582	Station Equipment	241,565.49		241,565		104,977	136,589
583	Overhead Line Expense	776,508.79		776,509			776,509
584	Underground Line Expense	48,160.32		48,160			48,160
585	Street Light & Signal Systems	35.52		36			36
586	Meter Expenses	445,065.84		445,066			445,066
587	Customer Installation Expense	149,782.11		149,782			149,782
588	Misc. Distribution Expenses	754,825.38		754,825	0	47,592	707,233
589	Rents	3,839.00		3,839			3,839
	Subtotal	2,854,819.23	-	2,854,819	-	179,998	2,674,821
<u>Maintenance</u>							
590	Maintenance Super. & Engin	54,192.49		54,192	0	0	54,192
591	Maint of Structure	0.00		-			-
592	Maint. of Station Equipment	0.00		-			-
593	Maint. of Overhead Lines	1,700,027.79		1,700,028			1,700,028
594	Maint of Underground Lines	17,910.64		17,911			17,911
595	Maint of Line Transformers	52,968.98		52,969			52,969
596	Maint of Street Lights	0.00		-			-
597	Maint of Meters	36,434.80		36,435			36,435
598	Maint of Misc Dist. Plant	65,753.07		65,753			65,753
	Subtotal	1,927,287.77	-	1,927,288	-	-	1,927,288
Total Distribution Expenses		4,782,107.00	-	4,782,107	-	179,998	4,602,109

SCHEDULE D-1 O&M EXPENSES

Bandera Electric Cooperative, Inc.
 Test Year Ending December 31, 2010

Acct. No.	Description	Source/Allocator	(1) Total Booked	(2) Adjustments	(3) Net Booked (1) - (2)	(4) Production	(5) Transmission	(6) Distribution
Customer and Information Expenses								
<u>Customer Accounts Expense</u>								
901	Supervision	Direct	75,552.40		75,552			75,552
902	Meter Reading Expense	Direct	85,662.45		85,662			85,662
903	Customer Records & Collect.	Direct	1,220,993.33		1,220,993			1,220,993
904	Uncollectible Accounts	Direct	40,000.00		40,000			40,000
905	Misc. Customer Account Exp.	Direct	0.00		-			-
	Subtotal		1,422,208.18	-	1,422,208	-	-	1,422,208
<u>Cust. Service & Information Expense</u>								
906	Customer Service & Information	Direct	0.00		-			-
907	Supervision	Direct	69,714.54		69,715			69,715
908	Customer Assistance	Direct	203,745.94		203,746			203,746
909	Inform. & Instruct. Adv Exp.	Direct	21,695.30		21,695			21,695
910	Misc Cust. Service & Information	Direct	6,314.53		6,315			6,315
	Subtotal		301,470.31	-	301,470	-	-	301,470
<u>Sales</u>								
911	Supervision	Direct	0.00		-			-
912	Demonstration & Selling Expense	Direct	0.00		-			-
913	Advertising Exp	Direct	0.00		-			-
916	Misc. Sales Exp	Direct	0.00		-			-
917	Sales Expense	Direct	0.00		-			-
	Subtotal		0.00		-			-
Total Cust. Serv. & Information Expenses			1,723,678.49	-	1,723,678	-	-	1,723,678
Subtotal O&M Expenses			43,692,482.00	-	43,692,482	36,915,867	450,828	6,325,787
Total A&G Expenses (Schedule D-2)			3,948,592.19	(20,413)	3,928,179	-	247,591	3,680,587
Total O&M Expenses			47,641,074.19	(20,413)	47,620,661	36,915,867	698,419	10,006,375