

Integrated System Transmission and Ancillary Services Rate True-up Calculation

Effective January 1, 2016

Integrated System Transmission and
Ancillary Services
2014 Rate True-up Calculation

Western Area Power Administration
Basin Electric Power Cooperative
Heartland Consumers Power District

Integrated System Transmission and Ancillary Services 2014 Rate True-up Calculation

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IS Revenue Requirement True-up - 2014 Rate

A.	Projected Revenue Requirement	\$ 195,517,997	2014 Revenue Requirement - Estimate
B.	Actual Revenue Requirement	<u>\$ 202,025,123</u>	2014 Revenue Requirement - Actual
C.	Revenue Requirement Under Collected	\$ (6,507,126)	(A - B)
D.	Estimated Load	5,496,000	2014 Load - Estimate
E.	Actual Load	<u>5,349,000</u>	2014 Load - Actual
F.	Actual Load to Estimated Load Comparison	147,000	(D - E)
G.	Under collection due to volume	\$ (5,228,790)	(F * (A / D) * -1)
H.	Under Collection of Revenue Requirement	\$ (6,507,126)	C
I.	Under Collection due to Volume	<u>\$ (5,228,790)</u>	G
J.	Total Under Collection	\$ (11,735,916)	(C + G)

2014 Under Collection by Entity:

Basin Electric	(2,426,669)
Western	(7,294,940)
Heartland	(297,920)
MRES	(126,192)
NWPS	<u>(1,590,194)</u>
	(11,735,916)

Integrated System Transmission Rates 2014 Actual

INTEGRATED SYSTEM ANNUAL REVENUE REQUIREMENT FOR TRANSMISSION SERVICE Effective January 1, 2014 - Actual

Line

No.

1			
2			
3	<u>Annual IS Transmission Costs</u>		<u>Notes</u>
4	Basin Electric	65,833,971	Basin Electric Revenue Requirement Template
5	Western	125,070,065	Western Revenue Requirement Template
6	Heartland	<u>1,152,855</u>	Heartland Revenue Requirement Template
7		\$192,056,892	L4 + L5 + L6
8			
9			
10	<u>Transmission Customer Facility Credits</u>		
11		3,406,161	MRES Revenue Requirement Template
12		<u>6,389,034</u>	NWPS Revenue Requirement Template
13		\$9,795,195	L11 + L12
14			
15			
16	<u>Annual Revenue Requirement for IS Transmission Service</u>		
17			
18		\$201,852,087	L7 + L13
19			
20			
21	<u>2012 True-up Amount</u>		
22		\$173,817	2012 Rate True-up Worksheet
23			
24	<u>2014 Unreserved Use of Transmission Service Penalties</u>		
25			
26		(\$781)	2014 Unreserved Use Penalty Worksheet
27			
28	<u>Annual Revenue Requirement for IS Transmission Service after True-up</u>		
29			
30		\$202,025,123	L18 + L22 + L26
31	<u>2014 True-up Amount</u>		
32		\$11,735,916	2014 Rate True-up Worksheet
33			
34			
35			
36			
37			

Line

FIRM POINT-TO-POINT RATE DESIGN

Effective January 1, 2014 - Actual

No.

1		
2		
3	<u>Annual Revenue Requirement for IS Transmission Service</u>	<u>Notes</u>
4		
5	\$202,025,123	IS Annual Revenue Requirement for
6		Transmission Service Worksheet, L30
7		
8	<u>IS Transmission System Total Load</u>	
9		
10	5,349,000 KW	IS Transmission System Total Load Worksheet, C5L14
11		
12		
13	<u>Maximum Firm Point-to-Point Transmission Rate in \$/KW-Mo</u>	
14		
15	\$3.15 / KW-Mo	L5 / L10 / 12 months

Line

NON-FIRM POINT-TO-POINT RATE DESIGN

Effective Janaury 1, 2014 - Actual

No.

1
2
3
4
5
6
7
8
9
10

Firm Point-to-Point Transmission Rate in \$/KW-Mo

Notes

\$3.15 / KW-Mo

IS Firm Point-to-Point Rate Design Worksheet, L15

Maximum Non-Firm Point-to-Point Transmission Rate

4.32 Mills/KWh

(L5 * 1000) / 730 hours per month

Integrated System Transmission Rates 2014 Estimated

INTEGRATED SYSTEM ANNUAL REVENUE REQUIREMENT FOR TRANSMISSION SERVICE Effective January 1, 2014

Line

No.

1			
2			
3	<u>Annual IS Transmission Costs</u>		<u>Notes</u>
4	Basin Electric	\$63,407,302	Basin Electric Revenue Requirement Template
5	Western	\$123,008,724	Western Revenue Requirement Template
6	Heartland	<u>\$854,935</u>	Heartland Revenue Requirement Template
7		\$187,270,961	L4 + L5 + L6
8			
9			
10	<u>Transmission Customer Facility Credits</u>		
11		\$3,279,969	MRES Revenue Requirement Template
12		<u>\$4,798,840</u>	NWPS Revenue Requirement Template
13		\$8,078,809	L11 + L12
14			
15			
16	<u>Annual Revenue Requirement for IS Transmission Service</u>		
17			
18		\$195,349,770	L7 + L13
19			
20	<u>2012 True-up Amount</u>		
21		\$173,817	2012 Rate True-up Worksheet
22			
23	<u>2012 Unreserved Use of Transmission Service Penalties</u>		
24			
25		(\$5,590)	2012 Unreserved Use Penalty Worksheet
26			
27	<u>Annual Revenue Requirement for IS Transmission Service after True-up</u>		
28			
29		\$195,517,997	L18 + L21 + L25

INTEGRATED SYSTEM

FIRM POINT-TO-POINT RATE DESIGN

Effective January 1, 2014

Line

No.

1			
2			
3	<u>Annual Revenue Requirement for IS Transmission Service</u>	<u>Notes</u>	
4			
5	\$195,517,997	IS Annual Revenue Requirement for	
6		Transmission Service Worksheet, L29	
7			
8	<u>IS Transmission System Total Load</u>		
9			
10	5,496,000 KW	IS Transmission System Total Load Estimate	
11			
12			
13	<u>Maximum Firm Point-to-Point Transmission Rate in \$/KW-Mo</u>		
14			
15	\$2.96 / KW-Mo	L5 / L10 / 12 months	

INTEGRATED SYSTEM

NON-FIRM POINT-TO-POINT RATE DESIGN

Effective January 1, 2014

Line

No.

1
2
3
4
5
6
7
8
9
10

Firm Point-to-Point Transmission Rate in \$/KW-Mo

Notes

\$2.96 / KW-Mo

IS Firm Point-to-Point Rate Design Worksheet, L15

Maximum Non-Firm Point-to-Point Transmission Rate

4.05 Mills/KWh

(L5 * 1000) / 730 hours per month

Integrated System Load Data

2014 IS Transmission System Total Load Estimate
Transmission Rate
(MW)

5,496

2014 IS Transmission System Total Load (MW)

	(1)	(2)	(3)	(4)	(5)
Line No.	Date	Hour Ending	Network Load	Long-Term Firm Point-to-Point Reservations	Total
1	01/23/14	800	5,423	426	5,849
2	02/06/14	800	5,354	426	5,780
3	03/03/14	800	5,125	426	5,551
4	04/01/14	800	4,516	426	4,942
5	05/28/14	1700	4,187	426	4,613
6	06/26/14	1600	4,456	426	4,882
7	07/21/14	1700	5,259	426	5,685
8	08/19/14	1800	5,100	426	5,526
9	09/03/14	1800	4,359	426	4,785
10	10/31/14	900	4,610	426	5,036
11	11/14/14	800	5,290	426	5,716
12	12/29/14	1900	5,402	<u>426</u>	<u>5,828</u>
13					
14	12 CP		4,923	426	5,349

2014 Integrated System Network Load

(MW)

Line No.	(1) Date	(2) Hour Ending	(3) Basin Network System Load	(5) Basin NIIMECA	(6) Western Network System Load	(7) Heartland Network System Load	(8) MRES	(9) NWPS	(10) XCEL	(11) NWMT	(12) MDU	(13) Minnkota	(14) SMEC	(15) MMPA	(15) Total IS Network Loads
1															
2	01/23/14	800	2,776	72	1676	97	401	296	0.891	42	52	7	3	0.000	5,423
3	02/06/14	800	2,689	71	1691	99	387	298	0.914	49	55	10	4	0.000	5,354
4	03/03/14	800	2,638	68	1575	92	359	284	0.925	43	50	11	4	0.000	5,125
5	04/01/14	800	2,638	54	1101	84	311	242	0.713	36	35	11	3	0.000	4,516
6	05/28/14	1700	2,164	56	1269	77	302	249	0.601	44	12	11	2	0.000	4,187
7	06/26/14	1600	2,292	61	1427	79	277	263	0.600	34	9	11	2	0.000	4,456
8	07/21/14	1700	2,763	67	1612	84	358	301	0.676	45	11	11	6	0.000	5,259
9	08/19/14	1800	2,652	62	1619	82	308	274	0.931	58	37	2	5	0.000	5,100
10	09/03/14	1800	2,341	58	1311	73	259	259	0.977	36	10	10	1	0.000	4,359
11	10/31/14	900	2,743	53	1177	77	256	226	0.594	35	30	11	1	0.000	4,610
12	11/14/14	800	2,819	62	1582	86	354	269	0.748	44	58	11	4	0.000	5,290
13	12/29/14	1900	2,819	63	1656	87	362	277	0.927	51	73	10	3	0.000	5,402
14															
15	Average Monthly Peak IS Network Load		2,611	62	1,475	85	328	270	0.791	43	36	9.7	3	0.000	4,923
	2013 Network Load		2,405	63	1,571	115	333	269	0.725	49	27	6	4	0.206	4,842
	Difference		206	-1	-96	-30	-5	1	0	-6	9	4	-1	0	81
	Percent Change		7.90%	-1.20%	-6.53%	-35.69%	-1.58%	0.31%	8.39%	-13.73%	25.00%	-43.10%	-26.32%	#DIV/0!	1.64%

Western's
2014 Actual
Revenue Requirement Template

Western Area Power Administration Revenue Requirement - Non-Levelized Utilizing Financial Statement Results of Operations 12 Months Ending 09/30/2014 ACTUAL						
Line No.	(1)	REFERENCE (2)	COMPANY TOTAL (3)	ALLOCATOR	(4)	TRANSMISSION ALLOCATED AMOUNT (5)
1	GROSS REVENUE REQUIREMENT	(line 75)				\$ 139,974,181
2	REVENUE CREDITS	(Note R)				
3	Short-Term Firm Point-to-Point Transmission Service Credit		19,518	NA	1.00000	19,518
4	Non-Firm Point-to-Point Transmission Service Credit		14,045,822	NA	1.00000	14,045,822
5	Revenue from Existing Transmission Agreements		705,389	NA	1.00000	705,389
6	Scheduling, System Control, and Dispatch Service Credit		78,665	NA	1.00000	78,665
7	Account No. 454	(line 114)	54,722	TP	1.00000	54,722
8	Account No. 456	(line 118)	0	TP	1.00000	0
9	TOTAL REVENUE CREDITS					14,904,116
10	PRIOR PERIOD TRUE-UP (Over-collection)					\$ -
10	NET REVENUE REQUIREMENT	(line 1 - line 8)				\$ 125,070,065
RATE BASE:						
11	GROSS PLANT IN SERVICE	(Note A)				(Col 3 times Col 4)
12	Production	Schedule 1A Total	994,862,071	NA		
13	Transmission	Schedule 1A Total	1,238,110,884	TP	1.00000	1,238,110,884
14	Distribution	Schedule 1A Total	33,715,059	NA		
15	General & Intangible Common	Bal Sheet - Other Assets - SGL 175002	-	W/S	1.00000	0
16	TOTAL GROSS PLANT	(sum lines 11 to 15)	2,266,688,014	GP	54.622%	1,238,110,884
17	ACCUMULATED DEPRECIATION					
18	Production	Schedule 4	539,333,254	NA		
19	Transmission	Schedule 4	602,952,903	TP	1.00000	602,952,903
20	Distribution	Schedule 4	16,300,785	NA		
21	General & Intangible Common	Bal Sheet - Other Assets - SGL 175902	0	W/S	1.00000	0
22	TOTAL ACCUM. DEPRECIATION	(sum lines 17 to 21)	1,158,586,942	CE	0.00000	0
23	NET PLANT IN SERVICE					
24	Production	(line 11 - line 17)	455,528,817			
25	Transmission	(line 12 - line 18)	635,157,981			635,157,981
26	Distribution	(line 13 - line 19)	17,414,275			
27	General & Intangible Common	(line 14 - line 20)	0			0
28	TOTAL NET PLANT	(line 15 - line 21)	0			0
29	ADJUSTMENTS TO RATE BASE	(sum lines 23 to 27)	1,108,101,072	NP	57.319%	635,157,981
30	Account No. 281 (enter negative)	(Note B)	0		0.00000	0
31	Account No. 282 (enter negative)		0	NP	0.57319	0
32	Account No. 283 (enter negative)		0	NP	0.57319	0
33	Account No. 190		0	NP	0.57319	0
34	Account No. 255 (enter negative)		0	NP	0.57319	0
35	TOTAL ADJUSTMENTS	(sum lines 29 to 33)	0			0
36	LAND HELD FOR FUTURE USE	(Note C)	0	TP	1.00000	0
37	WORKING CAPITAL	(Note D)				
38	CWC	calculated	23,148,978			0
39	Materials & Supplies	Bal Sheet - Other Assets - SGL 151191 (Note C)	0	TE	0.00000	0
40	Prepayments	Bal Sheet Other Assets	0	GP	0.54622	0
41	TOTAL WORKING CAPITAL	(sum lines 36 to 38)	23,148,978			0
42	RATE BASE	(sum lines 28, 34, 35, 39)	1,131,250,051			635,157,981
O&M						
43	Transmission	Schedule 11 (Note E)				
44	Western-UGP		60,766,811	PTP/UGP	0.95600	58,093,048
45	Western-RMR		39,582,218	PTP/RMR	0.00928	367,386
46	COE	COE Financial Stmt	57,902,346	PTP/COE	0.07222	4,181,482
47	Less Account 565	(Note E)		NA	1.00000	0
48	A&G	Schedule 11 (Note F)				
49	Western-UGP		17,827,991	PTP/UGP	0.95600	17,043,553
50	Western-RMR		9,112,460	PTP/RMR	0.00928	84,578
51	Less FERC Annual Fees		0	W/S	1.00000	0
52	Less EPRI & Reg. Comm. Exp. & Non-safety Ad	(Note G)	0	W/S	1.00000	0
53	Plus Transmission Related Reg. Comm. Exp	(Note G)	0	TE	0.00000	0
54	Common		0	CE	0.00000	0
55	Transmission Lease Payments		0	NA	1.00000	0
56	TOTAL O&M	(sum lines 41, 42, 43, 45, 46, 49, 50 less 44, 47, 48)	185,191,826			79,770,047
DEPRECIATION EXPENSE						
57	Transmission	Schedule 4				
58	Western-UGP		28,542,056	PTP/UGP	0.95600	27,286,194
59	Western-RMR		16,678,992	PTP/RMR	0.00928	154,807
60	COE		11,871,110	PTP/COE	0.07222	857,285
61	General		0	W/S	1.00000	0
62	Common		0	CE	0.00000	0
63	TOTAL DEPRECIATION	(sum lines 53 to 58)	57,092,158			28,298,287
TAXES OTHER THAN INCOME TAXES						
LABOR RELATED						
64	Payroll		0	W/S	1.00000	0
65	Highway and vehicle		0	W/S	1.00000	0
PLANT RELATED						
66	Property		0	GP	0.54622	0
67	Gross Receipts		0		0.00000	0
68	Other		0	GP	0.54622	0
69	Payments in lieu of taxes		0	GP	0.54622	0
70	TOTAL OTHER TAXES	(sum lines 60 to 65)	0			0
INCOME TAXES						
71	T 1 - [(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)	(Note I)	0.00%	NA		
72	CIT (T/1-T) * (1-(WCLTD/R))		0.00%			
73	where WCLTD (line 106) and R (line 108) and FIT, SIT & p are as given in footnote I.					
74	1 / (1 - T) (from line 67)		0.0000			
75	Amortized Investment Tax Credit	(enter negative)	0			0
76	Income Tax Calculation	(line 68 * line 74)	0	NA		0
77	ITC adjustment	(line 69 * line 70)	0	NP	0.57319	0
78	Total Income Taxes	(line 71 + line 72)	0			0
79	RETURN [Rate Base * Rate of Return]	(line 40 * line 105)	56,826,007	NA		31,905,848
80	REV. REQUIREMENT	(sum lines 52, 59, 66, 73, 74)	299,109,990			139,974,181

SUPPORTING CALCULATIONS AND NOTES									
TRANSMISSION PLANT INCLUDED IN UMZ RATES									
76	Total transmission plant	(line 12, column 3)						1,238,110,884	
77	Less transmission plant excluded from UMZ rates	(Note K)						0	
78	Less transmission plant included in OATT Ancillary Services	(Note L)						0	
79	Transmission plant included in UMZ rates	(line 76 less line 77 and 78)						1,238,110,884	
80	Percentage of transmission plant included in UMZ Rates	(line 79 / line 76)			TP			1.00000	
TRANSMISSION EXPENSES									
81	Total transmission expenses	(sum lines 41 to 43, column 3)						0	
82	Less transmission expenses included in OATT Ancillary Services	(Note J)						0	
83	Included transmission expenses	(line 81 - line 82)						0.00000	
84	Percentage of transmission expenses after adjustment (line 8 di	(line 83 / line 81)						1.00000	
85	Percentage of transmission plant included in UMZ Rates	(line 80)			TP			0.00000	
86	Percentage of transmission expenses included in UMZ Rates	(line 85 * line 84)			TE			0.00000	
WAGES & SALARY ALLOCATOR (W&S)									
87	Production		\$	0	TP	Allocation			
88	Transmission			19,887,525	1.00	19,887,525			
89	Distribution			0	0.00	0			W&S Allocator
90	Other			0	0.00	0			(\$ / Allocation)
91	Total	(sum lines 87 to 90)		19,887,525		19,887,525			1.00000
PERCENTAGE OF TOTAL PLANT ALLOCATOR PTP									
92	Transmission Plant in Service Western-UGP		\$	1,155,400,813					
93	Total Plant in Service Western-UGP			1,208,578,728					
94	UGP Percentage of Transmission Plant to Total Plant	(line 92 / line 93)				PTP/UGP			0.95600
95	Transmission Plant in Service Western-RMR			6,787,727					
96	Total Plant in Service Western-RMR			731,311,606					
97	RMR Percentage of Transmission Plant to Total Plant	(line 95 / line 96)				PTP/RMR			0.00928
98	Transmission Plant in Service COE			75,922,344					
99	Total Plant in Service COE			1,051,321,559					
100	COE Percentage of Transmission Plant to Total Plant	(line 98 / line 99)				PTP/COE			0.07222
COMMON PLANT ALLOCATOR (CE)									
101	Electric		\$	0		% Electric		Labor Ratio	CE
102	Gas			0		(line 101 / line 104)		(line 91)	0.00000
103	Water			0		0.00000	*	1.00000	
104	Total	(sum lines 101 to 103)		0					
RETURN (R)									
105	Long Term Interest Schedule 5		\$	40,753,970					
Long Term Debt									
106	Long Term Debt	HFD Sch's 21RX & 21X Col 8	\$	811,299,853	100%	0.0502		0.0502	R
107	Proprietary Capital	Lines 23,25,26,29,30		0	0%	0.1238		0.0000	
108	Total (sum lines 31-32)	(sum lines 106 to 107)		811,299,853	100%			0.0502	
109						Proprietary Capital Cost Rate		12.38%	
110						TIER		1.00	
REVENUE CREDITS									
ACCOUNT 447 (SALES FOR RESALE)									
111	a. Bundled Non-RQ Sales for Resale	(Note P)						0	
112	b. Bundled Sales for Resale included in Divisor on page 1							0	
113	Total of (a)-(b)							0	
114	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY)	(Note Q)						54,722	
115	ACCOUNT 456 (OTHER ELECTRIC REVENUES)							0	
116	a. Transmission charges for all transmission transactions							0	
117	b. Transmission charges for all transmission transactions included in Divisor on page 1							0	
118	Total of (a)-(b)							0	
Note Letter									
General Note References to Results of Operations in this revenue requirement template indicate the Financial Statement Results of Operations (ROOs) Schedule where data is located.									
To the extent the references to ROOs data are missing, the entity will include a "Notes" section to provide this data.									
A	Combines plant data for both the Western-Upper Great Plains Region (Western-UGP) and Western-Rocky Mountain Region (Western-RMR).								
B	Does not apply to Western. For others, the balances in Accounts 190, 281, 282 and 283, as adjusted by any contra accounts identified as regulatory assets amounts in or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated.								
C	Transmission related only.								
D	Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at line 52 column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported in the Other Assets Section of the Balance Sheet.								
E	For O&M Expense, Calculated as Total O&M from Results of Operations less Purchase Power, Transmission Service Provided by Others (FERC 565), O&M Expense Fort Peck Powerhouse, Prior Year Adjustments, A&G Expense from Schedule 11, plus CME and Warehouse Interest from Schedule 5. Depreciation Expense from Results of Operations Schedule 4.								
F	Totals of Results of Operations Schedule 11A Object Classes 1411, 1412, 1415, 1416, 1421, 1422, 1425, 1426, 1431, 1432, 1441, 1442.								
G	Line 48 - EPRI Annual Membership Dues, all Regulatory Commission Expenses, and non-safety related advertising. Line 49 - Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting.								
H	Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.								
I	Western is not subject to Federal or State Income Tax.								
	Inputs Required	FIT		0.00%					
		SIT		0.00%		(State Income Tax Rate or Composite SIT)			
		p		0.00%		(percent of federal income tax deductible for state purposes)			
J	Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Acct No. 561. Western does not include transmission expenses in ancillary service rates.								
K	Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until RUS 12 balances are adjusted to reflect application of seven-factor test).								
L	Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to be included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.								
M	Percentage of Total Plant Allocators are developed separately for Western-UGP and Western-RMR to allocate O&M, A&G, and Depreciation Expenses between Transmission and Generation.								
N	Western does not have Common Plant.								
O	Debt cost rate long-term interest (line 105) / long term debt (line 106). The Proprietary Capital Cost rate is implicit, a residual calculation after TIER is determined. TIER will be supported in the filing and no change in TIER may be made absent a filing with the ISO and the FERC, if the entity is under FERC's jurisdiction.								
P	Line 111 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456 and all other uses are to be included in the divisor.								
Q	Includes income related only to transmission facilities, such as pole attachments, rentals and special use.								
R	The revenues credited in lines 2-5 shall include only the amounts received directly reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Revenue Requirement Template.								

Western's 2014 Estimated Revenue Requirement Template

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Utilizing Financial Statement Results of Operations

Est for 12 Months Ending 9/30/2014

Western Area Power Administration

Line No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT (page 3, line 29)				\$ 137,967,358
	REVENUE CREDITS (Note R)	Total	Allocator		
2	Short-Term Firm Point-to-Point Transmission Service Credit	113,015	NA 1.00000		113,015
3	Non-Firm Point-to-Point Transmission Service Credit	14,030,944	NA 1.00000		14,030,944
4	Revenue from Existing Transmission Agreements	651,694	NA 1.00000		651,694
5	Scheduling, System Control, and Dispatch Service Credit	81,739	NA 1.00000		81,739
6	Account No. 454 (page 4, line 39)	79,030	TP 1.00000		79,030
7	Account No. 456 (page 4, line 42)	0	TP 1.00000		0
8	TOTAL REVENUE CREDITS				14,956,422
9	NET REVENUE REQUIREMENT (line 1 minus line 8)				\$ 123,010,936

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Utilizing Financial Statement Results of Operations

Est for 12 Months Ending 9/30/2014

Western Area Power Administration

Line No.	(1) RATE BASE	(2) ROOs Reference	(3) Company Total	(4) Allocator	(5) Transmission (Col 3 times Col 4)
	GROSS PLANT IN SERVICE (Note A)				
1	Production	Schedule 1A Total	1,026,417,173	NA	
2	Transmission	Schedule 1A Total	1,239,165,422	TP	1.00000
3	Distribution	Schedule 1A Total	31,898,125	NA	
		Bal Sheet - Other Assets			
4	General & Intangible	- SGL 175002		W/S	1.00000
5	Common		0	CE	0.00000
6	TOTAL GROSS PLANT (sum lines 1-5)		2,297,480,720	GP=	53.936%
	ACCUMULATED DEPRECIATION				
7	Production	Schedule 4	560,526,625	NA	
8	Transmission	Schedule 4	582,933,186	TP	1.00000
9	Distribution	Schedule 4	15,182,927	NA	
		Bal Sheet - Other Assets			
10	General & Intangible	- SGL 175902	0	W/S	1.00000
11	Common		0	CE	0.00000
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		1,158,642,738		
	NET PLANT IN SERVICE				
13	Production	(line 1- line 7)	465,890,548		
14	Transmission	(line 2- line 8)	656,232,236		
15	Distribution	(line 3 - line 9)	16,715,198		
16	General & Intangible	(line 4 - line 10)	0		
17	Common	(line 5 - line 11)	0		
18	TOTAL NET PLANT (sum lines 13-17)		1,138,837,982	NP=	57.623%
	ADJUSTMENTS TO RATE BASE (Note B)				
19	Account No. 281 (enter negative)		0		zero
20	Account No. 282 (enter negative)		0	NP	0.57623
21	Account No. 283 (enter negative)		0	NP	0.57623
22	Account No. 190		0	NP	0.57623
23	Account No. 255 (enter negative)		0	NP	0.57623
24	TOTAL ADJUSTMENTS (sum lines 19 - 23)		0		
25	LAND HELD FOR FUTURE USE (Note C)		0	TP	1.00000
	WORKING CAPITAL (Note D)				
26	CWC	calculated	20,738,760		
		Bal Sheet - Other Assets			
27	Materials & Supplies (Note C)	- SGL 151191	0	TE	0.00000
28	Prepayments	Bal Sheet Other Assets	0	GP	0.53936
29	TOTAL WORK NG CAPITAL (sum lines 26 - 28)		20,738,760		
30	RATE BASE (sum lines 18, 24, 25, and 29)		1,159,576,742		

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Utilizing Financial Statement Results of Operations

Est for 12 Months Ending 9/30/2014

Western Area Power Administration

Line No.	(1)	(2)	(3)	(4)	(5)
		Results of Operation Reference	Company Total	Allocator	Transmission (Col 3 times Col 4)
	O&M				
1	Transmission (Note E)	Schedule 11			
1a	Western UGP		59,651,887	PTP/UGP 0.95563	57,005,032
1b	Western RMR		29,072,322	PTP/RMR 0.00930	270,481
1c	COE	COE Financial Stmt	47,388,198	PTP/COE 0.06234	2,954,401
2	Less Account 565 (Note E)			NA 1.00000	0
3	A&G (Note F)	Schedule 11			
3a	Western UGP		19,693,223	PTP/UGP 0.95563	18,819,401
3b	Western RMR		10,104,447	PTP/RMR 0.00930	94,009
4	Less FERC Annual Fees		0	W/S 1.00000	0
5	Less EPRI & Reg. Comm. Exp. & Non-safety Ad (Note G)		0	W/S 1.00000	0
5a	Plus Transmission Related Reg. Comm. Exp (Note G)		0	TE 0.00000	0
6	Common		0	CE 0.00000	0
7	Transmission Lease Payments		0	NA 1.00000	0
8	TOTAL O&M (sum lines 1, 3, 5a, 6, 7 less lines 2, 4, 5)		165,910,077		79,143,324
	DEPRECIATION EXPENSE				
9	Transmission (Note E)	Schedule 4			
9a	Western UGP		29,281,360	PTP/UGP 0.95563	27,982,096
9b	Western RMR		20,038,251	PTP/RMR 0.00930	186,431
9c	COE		10,647,088	PTP/COE 0.06234	663,789
10	General		0	W/S 1.00000	0
11	Common		0	CE 0.00000	0
12	TOTAL DEPRECIATION (Sum lines 9 - 11)		59,966,699		28,832,316
	TAXES OTHER THAN INCOME TAXES (Note H)				
	LABOR RELATED				
13	Payroll		0	W/S 1.00000	0
14	Highway and vehicle		0	W/S 1.00000	0
	PLANT RELATED				
16	Property		0	GP 0.53936	0
17	Gross Receipts		0	zero	0
18	Other		0	GP 0.53936	0
19	Payments in lieu of taxes		0	GP 0.53936	0
20	TOTAL OTHER TAXES (sum lines 13 - 19)		0		0
	INCOME TAXES (Note I)			NA	
21	$T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		0.00%		
22	$CIT=(T/1-T) * (1-(WCLTD/R)) =$		0.00%		
	where WCLTD=(page 4, line 27) and R=(page 4, line30)				
	and FIT, SIT & p are as given in footnote I.				
23	$1 / (1 - T) =$ (from line 21)		0.0000		
24	Amortized Investment Tax Credit (enter negative)		0		
25	Income Tax Calculation = line 22 * line 28		0	NA	0
26	ITC adjustment (line 23 * line 24)		0	NP 0.57623	0
27	Total Income Taxes (line 25 plus line 26)		0		0
28	RETURN [Rate Base (page 2, line 30) * Rate of Return (page 4, line 30)]		52,996,023	NA	29,991,718
29	REV. REQUIREMENT (sum lines 8, 12,20,27,28)		278,872,800		137,967,358

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Utilizing Financial Statement Results of Operations

Est for 12 Months Ending 9/30/2014

Western Area Power Administration

Line No. **SUPPORTING CALCULATIONS AND NOTES**

TRANSMISSION PLANT INCLUDED IN IS RATES

1	Total transmission plant (page 2, line 2, column 3)	1,239,165,422
2	Less transmission plant excluded from IS rates (Note K)	0
3	Less transmission plant included in OATT Ancillary Services (Note L)	0
4	Transmission plant included in IS rates (line 1 less lines 2 & 3)	1,239,165,422
5	Percentage of transmission plant included in IS Rates (line 4 divided by line 1)	TP= 1.00000

TRANSMISSION EXPENSES

6	Total transmission expenses (page 3, line 1, column 3)	
7	Less transmission expenses included in OATT Ancillary Services (Note J)	0
8	Included transmission expenses (line 7 less line 6)	0
9	Percentage of transmission expenses after adjustment (line 8 divided by line 6)	0.00000
10	Percentage of transmission plant included in IS Rates (line 5)	TP 1.00000
11	Percentage of transmission expenses included in IS Rates (line 9 times line 10)	TE= 0.00000

WAGES & SALARY ALLOCATOR (W&S)

	\$	TP	Allocation	
12	Production	0	0 00	0
13	Transmission	19,610,555	1 00	19,610,555
14	Distribution	0	0 00	0
15	Other	0	0 00	0
16	Total (sum lines 12-15)	19,610,555		19,610,555 = 1.00000

PERCENTAGE OF TOTAL PLANT ALLOCATOR PTP (Note M)

	\$			
17	Transmission Plant in Service UGP	1,165,920,694		
18	Total Plant in Service UGP	1,220,056,679		
19	UGP Percentage of Transmission Plant to Total Plant (line 17 divided by line 18)		PTP/UGP =	0.95563
20	Transmission Plant in Service RMR	6,476,901		
21	Total Plant in Service RMR	696,161,474		
22	RMR Percentage of Transmission Plant to Total Plant (line 20 divided by line 22)		PTP/RMR =	0.00930
23	Transmission Plant in Service COE	66,767,827		
24	Total Plant in Service COE	1,070,947,140		
25	COE Percentage of Transmission Plant to Total Plant (line 23 divided by line 24)		PTP/COE =	0.06234

COMMON PLANT ALLOCATOR (CE) (Note N)

	\$	% Electric (line 17 / line 20)	Labor Ratio (line 16)	=	CE
26	Electric	0			0.00000
27	Gas	0			
28	Water	0			
29	Total (sum lines 17-19)	0	0.00000 *	1.00000	

RETURN (R)

30	Long Term Interest Schedule 5	\$39,304,403
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	\$	%	Cost (Note O)	Weighted	=WCLTD
31	Long Term Debt	100%	0.0457	0.0457	=R
32	Proprietary Capital	0%	0.1238	0.0000	
33	Total (sum lines 22-23)	100%		0.0457	
34			Proprietary Capital Cost Rate =	12.38%	
35			TIER =	1.00	

REVENUE CREDITS

		Load
36	ACCOUNT 447 (SALES FOR RESALE)	
37	a. Bundled Non-RQ Sales for Resale (Note P)	0
38	b. Bundled Sales for Resale included in Divisor on page 1	0
39	Total of (a)-(b)	0
39	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note Q)	79,030
40	ACCOUNT 456 (OTHER ELECTRIC REVENUES)	
41	a. Transmission charges for all transmission transactions	
42	b. Transmission charges for all transmission transactions included in Divisor on page 1	
42	Total of (a)-(b)	\$0

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Utilizing Financial Statement Results of Operations

Est for 12 Months Ending 9/30/2014

Western Area Power Administration

General Note: References to Results of Operations in this revenue requirement template indicate the Financial Statement Results of Operations (ROOs) Schedule where data is located

Note Letter	To the extent the references to ROOs data are missing, the entity will include a "Notes" section to provide this data.														
A	Combines plant data for both the Upper Great Plains Region and Rocky Mountain Region.														
B	Does not apply to Western. For others, the balances in Accounts 190, 281, 282 and 283, as adjusted by any contra accounts identified as regulatory assets amounts in or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated.														
C	Transmission related only.														
D	Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 8, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported in the Other Assets Section of the Balance Sheet														
E	For O&M Expense, Calculated as Total O&M from Results of Operations less Purchase Power, Transmission Service Provided by Others (FERC 565), O&M Expense Fort Peck Powerhouse, Prior Year Adjustments, A&G Expense from Schedule 11, plus CME and Warehouse Interest from Schedule 5. Depreciation Expense from Results of Operations Schedule 4.														
F	Totals of Results of Operations Schedule 11A Object Classes 1411, 1412, 1415, 1416, 1421, 1422, 1425, 1426, 1431, 1432, 1441, 1442														
G	Line 5 - EPRI Annual Membership Dues, all Regulatory Commission Expenses, and non-safety related advertising. Line 5a - Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting.														
H	Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.														
I	Western is not subject to Federal or State Income Tax. <table><tr><td>Inputs Required:</td><td>FIT =</td><td>0.00%</td><td></td></tr><tr><td></td><td>SIT=</td><td>0.00%</td><td>(State Income Tax Rate or Composite SIT)</td></tr><tr><td></td><td>p =</td><td>0.00%</td><td>(percent of federal income tax deductible for state purposes)</td></tr></table>			Inputs Required:	FIT =	0.00%			SIT=	0.00%	(State Income Tax Rate or Composite SIT)		p =	0.00%	(percent of federal income tax deductible for state purposes)
Inputs Required:	FIT =	0.00%													
	SIT=	0.00%	(State Income Tax Rate or Composite SIT)												
	p =	0.00%	(percent of federal income tax deductible for state purposes)												
J	Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Acct No. 561. Western does not include transmission expenses in ancillary service rates.														
K	Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until RUS 12 balances are adjusted to reflect application of seven-factor test).														
L	Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.														
M	Percentage of Total Plant Allocators are developed separately for the Upper Great Plains Region and Rocky Mountain Region to allocate O&M, A&G, and Depreciation Expenses between Transmission and Generation.														
N	Western does not have Common Plant.														
O	Debt cost rate = long-term interest (line 21) / long term debt (line 22). The Proprietary Capital Cost rate is implicit, a residual calculation after TIER is determined. TIER will be supported in the filing and no change in TIER may be made absent a filing with the ISO and the FERC, if the entity is under FERC's jurisdiction.														
P	Line 29 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456 and all other uses are to be included in the divisor.														
Q	Includes income related only to transmission facilities, such as pole attachments, rentals and special use.														
R	The revenues credited on page 1 lines 2-5 shall include only the amounts received directly reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Revenue Requirement Template.														

Heartland's 2014 Actual Revenue Requirement Template

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Annual Transmission Revenue Requirement

For the 12 months ending 12/31/2014

Heartland Consumers Power District

Line No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT	(page 3, line 29)			\$ 1,164,615
	REVENUE CREDITS	(Note P)	Total	Allocator	
2	Account No. 454	(page 4, line 30)	19,855	TP 0.59228	\$11,760
3	Account No. 456.1	(page 4, line 33)	0	TP 0.59228	0
4	Revenue From Existing Transmission Agreements		0	NA 1.00000	0
5	Transmission Service Credits		0	NA 1.00000	0
6	TOTAL REVENUE CREDITS				11,760
	NET REVENUE REQUIREMENT	(line 1 minus line 6)			\$ 1,152,855

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Annual Transmission Revenue Requirement

For the 12 months ending 12/31/2014

Heartland Consumers Power District

Line No.	(1) RATE BASE	(2) Reference	(3) Company Total	(4) Allocator	(5) Transmission (Col 3 times Col 4)
1	GROSS PLANT IN SERVICE				
2	Production	Schedule A.1	44,793,265	NA	
3	Transmission	Schedule A.1	17,114,194	TP 0.59228	10,136,391
4	Distribution		0	NA	
5	General & Intangible	Schedule A.1	4,574,948	W/S 0.06487	296,786
6	Common		0	CE 0.06487	0
6	TOTAL GROSS PLANT (sum lines 1-5)		66,482,407	GP= 15 693%	10,433,177
7	ACCUMULATED DEPRECIATION				
8	Production		31,878,084	NA	
9	Transmission		13,861,885	TP 0.59228	8,210,114
10	Distribution		0	NA	
11	General & Intangible		1,293,421	W/S 0.06487	83,907
12	Common		0	CE 0.06487	0
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		47,033,390		8,294,021
13	NET PLANT N SERVICE				
14	Production	(line 1- line 7)	12,915,181		
15	Transmission	(line 2- line 8)	3,252,309		1,926,277
16	Distribution	(line 3 - line 9)	0		
17	General & Intangible	(line 4 - line 10)	3,281,527		212,879
18	Common	(line 5 - line 11)	0		0
18	TOTAL NET PLANT (sum lines 13-17)		19,449,017	NP= 10 999%	2,139,156
19	ADJUSTMENTS TO RATE BASE (Note A)				
20	Account No. 281 (enter negative)		0	zero	0
21	Account No. 282 (enter negative)		0	NP 0.10999	0
22	Account No. 283 (enter negative)		0	NP 0.10999	0
23	Account No. 190		0	NP 0.10999	0
24	Account No. 255 (enter negative)		0	NP 0.10999	0
24	TOTAL ADJUSTMENTS (sum lines 19 - 23)		0		0
25	LAND HELD FOR FUTURE USE (Note B)		0	TP 0.59228	0
26	WORKING CAPITAL (Note C)				
27	CWC		568,050		89,376
28	Materials & Supplies (Note B)		0	TE 1.00000	0
29	Prepayments		147,292	GP 0.15693	23,115
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		715,342		112,490
30	RATE BASE (sum lines 18, 24, 25, and 29)		20,164,359		2,251,646

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Annual Transmission Revenue Requirement

For the 12 months ending 12/31/2014

Heartland Consumers Power District

	(1)	(2)	(3)	(4)	(5)	
Line No.		Reference	Company Total	Allocator	Transmission (Col 3 times Col 4)	
	O&M					
1	Transmission	Schedule A.2	229,973	TE	1.00000	229,973
1a	Less LSE Expenses included in Transmission O&M Accounts (Note D)		0		1.00000	0
2	Less Account 565		50,388	NA	1.00000	50,388
3	A&G (Note G)	Schedule A 2	4,378,527	W/S	0.06487	284,044
4	Less FERC Annual Fees		0	W/S	0.06487	0
5	Less EPRI & Reg. Comm. Exp. & Non-safety Ad(Note E)		283,474	W/S	0.06487	18,390
5a	Plus Transmission Related Reg. Comm. Exp. (Note E)		269,766	TE	1.00000	269,766
6	Common		0	CE	0.06487	0
7	Transmission Lease Payments		0	NA	1.00000	0
8	TOTAL O&M (sum lines 1, 3, 5a, 6, 7 less 2, 4, 5)		4,544,404			715,005
	DEPRECIATION EXPENSE					
9	Transmission		403,572	TP	0.59228	239,028
10	General		166,343	W/S	0.06487	10,791
11	Common		0	CE	0.06487	0
12	TOTAL DEPRECIATION (Sum lines 9 - 11)		569,915			249,819
	TAXES OTHER THAN INCOME TAXES (Note F)					
	LABOR RELATED					
13	Payroll		98,471	W/S	0.06487	6,388
14	Highway and vehicle		0	W/S	0.06487	0
	PLANT RELATED					
16	Property		171,510	GP	0.15693	26,915
17	Gross Receipts		0	NA	zero	0
18	Other		0	GP	0.15693	0
19	Payments in lieu of taxes		0	GP	0.15693	0
20	TOTAL OTHER TAXES (sum lines 13 - 19)		269,981			33,303
	INCOME TAXES (Note G)			NA		
21	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =		0.00%			
22	CIT=(T/(1-T)) * (1-(WCLTD/R)) =		0.00%			
	where WCLTD=(page 4, line 27) and R= (page 4, line30)					
	and FIT, SIT & p are as given in footnote G.					
23	1 / (1 - T) = (from line 21)		0.0000			
24	Amortized Investment Tax Credit (enter negative)		0			
25	Income Tax Calculation = line 22 * line 28		0	NA		0
26	ITC adjustment (line 23 * line 24)		0	NP	0.10999	0
27	Total Income Taxes (line 25 plus line 26)		0			0
28	RETURN [Rate Base (page 2, line 30) * Rate of Return (page 4, line 24)]		1,490,966	NA		166,488
29	REV. REQUIREMENT (sum lines 8, 12, 20, 27, 28)		6,875,266			1,164,615

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Annual Transmission Revenue Requirement

For the 12 months ending 12/31/2014

Heartland Consumers Power District

Line
No.

SUPPORTING CALCULATIONS AND NOTES

TRANSMISSION PLANT INCLUDED IN IS RATES

1	Total transmission plant (page 2, line 2, column 3)	17,114,194
2	Less transmission plant excluded from IS rates (Note H)	6,752,305
3	Less transmission plant included in OATT Ancillary Services (Note I)	225,498
4	Transmission plant included in IS rates (line 1 less lines 2 & 3)	10,136,391
5	Percentage of transmission plant included in IS Rates (line 4 divided by line 1)	TP= 0.59228

TRANSMISSION EXPENSES

6	Total transmission expenses (page 3, line 1, column 3)	229,973
7	Less transmission expenses included in OATT Ancillary Services (Note J)	0
8	Included transmission expenses (line 7 less line 6)	229,973
9	Percentage of transmission expenses after adjustment (line 8 divided by line 6)	1.00000
10	Percentage of transmission plant included in IS Rates (line 5)	TP 0.59228
11	Percentage of transmission expenses included in IS Rates (Note K)	TE= 1.00000

WAGES & SALARY ALLOCATOR (W&S)

	\$	TP	Allocation	
12	Production	1,043,480	0 00	0
13	Transmission	155,922	0 59	92,349
14	Distribution	0	0 00	0
15	Other	224,163	0 00	0
16	Total (sum lines 12-15)	1,423,565	92,349	= 0.06487 = W/S

COMMON PLANT ALLOCATOR (CE) (Note L)

	\$	% Electric (line 17 / line 20)	Labor Ratio (line 16)	CE
17	Electric	66,482,407	1.00000	*
18	Gas	0		0.06487 =
19	Water	0		0.06487
20	Total (sum lines 17-19)	66,482,407		

RETURN (R)

21	Long Term Interest	Schedule A.3	\$1,643,584
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	\$	%	Cost (Note M)	Weighted
22	Long Term Debt	Schedule A.3	32,470,276	68% 5 06% 0 0345 =WCLTD
23	Proprietary Capital	Schedule A.3	15,188,528	32% 12 38% 0 0395
24	Total (sum lines 22, 23)	47,658,804	100%	0 0739 =R

25	Proprietary Capital Cost Rate =	12 38%
26	TER =	1.46

REVENUE CREDITS

	Load
ACCOUNT 447 (SALES FOR RESALE)	
27 a. Bundled Non-RQ Sales for Resale (Note N)	0
28 b. Bundled Sales for Resale included in Divisor on page 1	0
29 Total of (a)-(b)	0

30	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note O)	\$19,855
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ACCOUNT 456.1 (OTHER ELECTRIC REVENUES)

31	a. Transmission charges for all transmission transactions	\$0
32	b. Transmission charges for all transmission transactions included in Divisor on page 1	\$0
33	Total of (a)-(b)	\$0

Heartland Consumers Power District

General Note: References to pages in this revenue requirement template are indicated as: (page#, line#, col.#)

Note Letter			
A	Does not apply to Heartland. For others, balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated.		
B	Transmission related only.		
C	Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 8, column 5. Prepayments are the electric related prepayments booked to Account No. 165 as shown on Schedule I of EIA Form 412.		
D	Account Nos. 561.4, 561.8, and 575.7 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements.		
E	Line 5 - EPRI Annual Membership Dues, all Regulatory Commission Expenses, and non-safety related advertising. Line 5a - Regulatory Commission Expenses directly related to transmission service, ISO filings or transmission siting.		
F	Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.		
G	Heartland is not subject to Federal or State Income Tax		
	Inputs Required:	FIT =	0.00% (Federal Income Tax Rate)
		SIT=	0.00% (State Income Tax Rate or Composite SIT)
		p =	0.00% (percent of federal income tax deductible for state purposes)
H	Removes transmission plant determined to be state-jurisdictional by Commission order according to the seven-factor test (until EIA 412 balances are adjusted to reflect application of seven-factor test).		
I	Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to be included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.		
J	Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Account Nos. 561.1, 561.2, 561.3, and 561.8A.		
K	All O&M expense included in Page 3 line 1 column 3 is associated with transmission plant in IS rates. The O&M expense for non-qualifying facilities (Page 4 lines 2,3) is the responsibility of others.		
L	Heartland has no common plant.		
M	Debt cost rate = long-term interest (line 21) / long term debt (line 22). The Proprietary Capital Cost rate is implicit, a residual calculation after T ER is determined. TIER will be supported in the filing and no change in T ER may be made absent a filing with the ISO and the FERC, if the entity is under FERC's jurisdiction.		
N	Line 29 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456.1 and all other uses are to be included in the divisor.		
O	Includes income related only to transmission facilities, such as pole attachments, rentals and special use.		
P	The revenues credited on page 1 lines 2-5 shall include only the amounts received directly (in the case of grandfathered agreements) or from the IS (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, ancillary services, facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Rate Formula Template.		

Heartland's 2014 Estimated Revenue Requirement Template

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Annual Transmission Revenue Requirement
Forward-Looking Estimate
Heartland Consumers Power District

For the 12 months ending 12/31/2014

Line No.						Allocated Amount
1	GROSS REVENUE REQUIREMENT	(page 3, line 29)				\$ 868,251
	REVENUE CREDITS	(Note P)				
2	Account No. 454	(page 4, line 30)	Total		TP	\$13,316
3	Account No. 456.1	(page 4, line 33)	24,843		TP	0
4	Revenue From Existing Transmission Agreements		0		NA	0
5	Transmission Service Credits		0		NA	0
6	TOTAL REVENUE CREDITS					13,316
	NET REVENUE REQUIREMENT	(line 1 minus line 6)				\$ 854,935

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Annual Transmission Revenue Requirement
Forward-Looking Estimate
Heartland Consumers Power District

For the 12 months ending 12/31/2014

Line No.	(1) RATE BASE	(2) Reference	(3) Company Total	(4) Allocator	(5) Transmission (Col 3 times Col 4)
1	GROSS PLANT IN SERVICE				
2	Production	Schedule A	44,214,611	NA	
3	Transmission	Schedule A	15,038,480	TP 0.53599	8,060,516
4	Distribution		0	NA	
5	General & Intangible	Schedule A	6,668,990	W/S 0.06968	464,689
6	Common		0	CE 0.06968	0
6	TOTAL GROSS PLANT (sum lines 1-5)		65,922,081	GP= 12 932%	8,525,205
7	ACCUMULATED DEPRECIATION				
8	Production	Schedule A	32,547,276	NA	
9	Transmission	Schedule A	12,087,768	TP 0.53599	6,478,956
10	Distribution		0	NA	
11	General & Intangible	Schedule A	3,148,767	W/S 0.06968	219,403
12	Common		0	CE 0.06968	0
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		47,783,811		6,698,359
13	NET PLANT N SERVICE				
14	Production	(line 1- line 7)	11,667,335		
15	Transmission	(line 2- line 8)	2,950,712		1,581,560
16	Distribution	(line 3 - line 9)	0		
17	General & Intangible	(line 4 - line 10)	3,520,223		245,286
18	Common	(line 5 - line 11)	0		0
18	TOTAL NET PLANT (sum lines 13-17)		18,138,270	NP= 10 072%	1,826,846
19	ADJUSTMENTS TO RATE BASE (Note A)				
20	Account No. 281 (enter negative)		0	zero	0
21	Account No. 282 (enter negative)		0	NP 0.10072	0
22	Account No. 283 (enter negative)		0	NP 0.10072	0
23	Account No. 190		0	NP 0.10072	0
24	Account No. 255 (enter negative)		0	NP 0.10072	0
24	TOTAL ADJUSTMENTS (sum lines 19 - 23)		0		0
25	LAND HELD FOR FUTURE USE (Note B)		0	TP 0.53599	0
26	WORKING CAPITAL (Note C)				
27	CWC		526,463		57,744
28	Materials & Supplies (Note B)		0	TE 1.00000	0
29	Prepayments	Schedule A	342,634	GP 0.12932	44,310
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		869,097		102,054
30	RATE BASE (sum lines 18, 24, 25, and 29)		19,007,367		1,928,900

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Annual Transmission Revenue Requirement
Forward-Looking Estimate
Heartland Consumers Power District

For the 12 months ending 12/31/2014

Line No.	(1)	(2) Reference	(3) Company Total	(4) Allocator	(5) Transmission (Col 3 times Col 4)
	O&M				
1	Transmission	Schedule A	237,414	TE 1.00000	237,414
1a	Less LSE Expenses included in Transmission O&M Accounts (Note D)		0	1.00000	0
2	Less Account 565	Schedule A	56,313	NA 1.00000	56,313
3	A&G (Note G)	Schedule A	4,030,604	W/S 0.06968	280,849
4	Less FERC Annual Fees		0	W/S 0.06968	0
5	Less EPRI & Reg. Comm. Exp. & Non-safety Ad(Note E)		0	W/S 0.06968	0
5a	Plus Transmission Related Reg. Comm. Exp. (Note E)		0	TE 1.00000	0
6	Common		0	CE 0.06968	0
7	Transmission Lease Payments		0	NA 1.00000	0
8	TOTAL O&M (sum lines 1, 3, 5a, 6, 7 less 2, 4, 5)		4,211,705		461,950
	DEPRECIATION EXPENSE				
9	Transmission	Schedule A	399,587	TP 0.53599	214,176
10	General	Schedule A	171,141	W/S 0.06968	11,925
11	Common		0	CE 0.06968	0
12	TOTAL DEPRECIATION (Sum lines 9 - 11)		570,728		226,101
	TAXES OTHER THAN INCOME TAXES (Note F)				
	LABOR RELATED				
13	Payroll	Schedule A	99,933	W/S 0.06968	6,963
14	Highway and vehicle		0	W/S 0.06968	0
	PLANT RELATED				
16	Property	Schedule A	281,049	GP 0.12932	36,346
17	Gross Receipts		0	NA zero	0
18	Other		0	GP 0.12932	0
19	Payments in lieu of taxes		0	GP 0.12932	0
20	TOTAL OTHER TAXES (sum lines 13 - 19)		380,982		43,309
	INCOME TAXES (Note G)			NA	
21	$T = 1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\} =$		0.00%		
22	$\text{CIT} = (T / (1 - T)) * (1 - (\text{WCLTD} / R)) =$ where WCLTD=(page 4, line 27) and R=(page 4, line30) and FIT, SIT & p are as given in footnote G.		0.00%		
23	$1 / (1 - T) =$ (from line 21)		0.0000		
24	Amortized Investment Tax Credit (enter negative)		0		
25	Income Tax Calculation = line 22 * line 28		0	NA	0
26	ITC adjustment (line 23 * line 24)		0	NP 0.10072	0
27	Total Income Taxes (line 25 plus line 26)		0		0
28	RETURN [Rate Base (page 2, line 30) * Rate of Return (page 4, line 24)]		1,348,926	NA	136,891
29	REV. REQUIREMENT (sum lines 8, 12, 20, 27, 28)		6,512,341		868,251

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Annual Transmission Revenue Requirement
Forward-Looking Estimate
Heartland Consumers Power District

For the 12 months ending 12/31/2014

Line
No.

SUPPORTING CALCULATIONS AND NOTES

TRANSMISSION PLANT INCLUDED IN IS RATES

1	Total transmission plant (page 2, line 2, column 3)	15,038,480
2	Less transmission plant excluded from IS rates (Note H)	6,752,305
3	Less transmission plant included in OATT Ancillary Services (Note I)	225,659
4	Transmission plant included in IS rates (line 1 less lines 2 & 3)	8,060,516
5	Percentage of transmission plant included in IS Rates (line 4 divided by line 1)	TP= 0.53599

TRANSMISSION EXPENSES

6	Total transmission expenses (page 3, line 1, column 3)	237,414
7	Less transmission expenses included in OATT Ancillary Services (Note J)	0
8	Included transmission expenses (line 7 less line 6)	237,414
9	Percentage of transmission expenses after adjustment (line 8 divided by line 6)	1.00000
10	Percentage of transmission plant included in IS Rates (line 5)	TP 0.53599
11	Percentage of transmission expenses included in IS Rates (Note K)	TE= 1.00000

WAGES & SALARY ALLOCATOR (W&S)

	\$	TP	Allocation	
12	Production	1,240,807	0 00	0
13	Transmission	185,408	0 54	99,377
14	Distribution	0	0 00	0
15	Other	0	0 00	0
16	Total (sum lines 12-15)	1,426,215	99,377	= 0.06968 = W/S

COMMON PLANT ALLOCATOR (CE) (Note L)

	\$	% Electric (line 17 / line 20)	Labor Ratio (line 16)	CE
17	Electric	65,922,081	1.00000	*
18	Gas	0		
19	Water	0		
20	Total (sum lines 17-19)	65,922,081		= 0.06968

RETURN (R)

21	Long Term Interest	Schedule A	\$1,644,280
----	--------------------	------------	-------------

	\$	%	Cost (Note M)	Weighted
22	Long Term Debt	72%	5 06%	0 0365 =WCLTD
23	Proprietary Capital	28%	12 38%	0 0344
24	Total (sum lines 22, 23)	100%		0 0710 =R

25	Proprietary Capital Cost Rate =	12 38%
26	TER =	1.40

REVENUE CREDITS

	Load
ACCOUNT 447 (SALES FOR RESALE)	
27 a. Bundled Non-RQ Sales for Resale (Note N)	0
28 b. Bundled Sales for Resale included in Divisor on page 1	0
29 Total of (a)-(b)	0

30	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note O)	\$24,843
----	--	----------

ACCOUNT 456.1 (OTHER ELECTRIC REVENUES)

31	a. Transmission charges for all transmission transactions	\$0
32	b. Transmission charges for all transmission transactions included in Divisor on page 1	\$0
33	Total of (a)-(b)	\$0

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Annual Transmission Revenue Requirement
Forward-Looking Estimate
Heartland Consumers Power District

For the 12 months ending 12/31/2014

General Note: References to pages in this revenue requirement template are indicated as: (page#, line#, col.#)

Note Letter										
A	Does not apply to Heartland. For others, balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated.									
B	Transmission related only.									
C	Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 8, column 5. Prepayments are the electric related prepayments booked to Account No. 165 as shown on Schedule I of EIA Form 412.									
D	Account Nos. 561.4, 561.8, and 575.7 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements.									
E	Line 5 - EPRI Annual Membership Dues, all Regulatory Commission Expenses, and non-safety related advertising. Line 5a - Regulatory Commission Expenses directly related to transmission service, ISO filings or transmission siting.									
F	Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.									
G	Heartland is not subject to Federal or State Income Tax Inputs Required: <table><tr><td>FIT =</td><td>0.00%</td><td>(Federal Income Tax Rate)</td></tr><tr><td>SIT =</td><td>0.00%</td><td>(State Income Tax Rate or Composite SIT)</td></tr><tr><td>p =</td><td>0.00%</td><td>(percent of federal income tax deductible for state purposes)</td></tr></table>	FIT =	0.00%	(Federal Income Tax Rate)	SIT =	0.00%	(State Income Tax Rate or Composite SIT)	p =	0.00%	(percent of federal income tax deductible for state purposes)
FIT =	0.00%	(Federal Income Tax Rate)								
SIT =	0.00%	(State Income Tax Rate or Composite SIT)								
p =	0.00%	(percent of federal income tax deductible for state purposes)								
H	Removes transmission plant determined to be state-jurisdictional by Commission order according to the seven-factor test (until EIA 412 balances are adjusted to reflect application of seven-factor test).									
I	Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to be included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.									
J	Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Account Nos. 561.1, 561.2, 561.3, and 561.4A.									
K	All O&M expense included in Page 3 line 1 column 3 is associated with transmission plant in IS rates. The O&M expense for non-qualifying facilities (Page 4 lines 2,3) is the responsibility of others.									
L	Heartland has no common plant.									
M	Debt cost rate = long-term interest (line 21) / long term debt (line 22). The Proprietary Capital Cost rate is implicit, a residual calculation after T ER is determined. TIER will be supported in the filing and no change in T ER may be made absent a filing with the ISO and the FERC, if the entity is under FERC's jurisdiction.									
N	Line 29 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456.1 and all other uses are to be included in the divisor.									
O	Includes income related only to transmission facilities, such as pole attachments, rentals and special use.									
P	The revenues credited on page 1 lines 2-5 shall include only the amounts received directly (in the case of grandfathered agreements) or from the IS (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, ancillary services, facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Rate Formula Template.									

Basin Electric's
2014 Actual
Revenue Requirement Template

Page 1

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Revenue Requirement Worksheet
Actual RUS form 12 Data
BASIN ELECTRIC POWER COOPERATIVE

For the twelve months ended 12/31/2014

Page 2

(1)		(2)	(3)	(4)	(5)	(4a)	(6)	(7)	(8)
		Worksheets		Allocator A	Total Trans	Allocator B	IS Transmission	West (MBPP) Transmission	Other Transmission
GROSS PLANT IN SERVICE (Note A)									
1	Production	Worksheet 1, L.1, C. d	4,353,077,558	NA	0.000%	-	NA	0.000%	
2	Transmission - (Note B)	Worksheet 1, L.2. C. d	773,426,520	DA	100.000%	773,426,520	DA	100.000%	460,726,153
3	Distribution		-	NA	0.000%	-	NA	0.000%	96,673,532
4	General	Worksheet 1, L.4.C. d	183,958,846						216,026,834
4a	Direct Assign - Transmission (Note C)		43,635,486	DA	100.000%	43,635,486	DA	100.000%	-
4b	Direct Assign - Production		59,352,331	NA	0.000%	-	NA	0.000%	3,949,442
4c	Other		80,971,028	WS	10.506%	8,506,578	GP	Gross Plant	-
5	Intangible	Worksheet 1, L.4. C. d	78,364,382	DA	100.000%	63,245,908	DA	100.000%	5,067,324
6	TOTAL GROSS PLANT (sum lines 1,2,4,5)	Worksheet 1, L. 5. C. d	\$ 5,388,827,305			\$ 888,814,492			1,063,270
				GP					2,375,984
									28,874,436
									59.569%
									12.499%
									27.931%
ACCUMULATED DEPRECIATION									
7	Production	Worksheet 1, L.6. C. d	1,335,950,034	NA	0.000%	-	NA	0.000%	-
8	Transmission	Worksheet 1, L. 7. C. d	327,110,162	DA	100.000%	327,110,162	DA	100.000%	213,781,462
9	Distribution		-	NA	0.000%	-	NA	0.000%	60,927,659
10	General	Worksheet 1, L. 8. C. d	115,544,071						52,401,040
10a	Direct Assign - Transmission		25,124,336	DA	100.000%	25,124,336	DA	100.000%	-
10b	Direct Assign - Production		37,894,938	NA	0.000%	-	NA	0.000%	3,260,069
10c	Other		52,524,798	WS	10.506%	5,518,101	GP	Gross Plant	-
11	Intangible	Worksheet 1, L. 9. C. d	55,019,611	DA	100.000%	47,692,862	DA	100.000%	3,287,104
12	TOTAL ACCUM. DEPR (sum lines 7,8,10,11)	Worksheet 1, L. 10. C. d	\$ 1,833,623,877			\$ 405,445,460			689,728
									1,541,268
									21,587,820
									24,483,092
									1,621,950
									73,381,486
NET PLANT IN SERVICE									
13	Production	(line 1- line 7)	3,017,127,525	AUTO	-	-	AUTO	-	-
14	Transmission	(line 2- line 8)	446,316,358	AUTO	446,316,358	446,316,358	AUTO	-	246,944,691
15	Distribution	(line 3 - line 9)	-	AUTO	-	-	AUTO	-	35,745,873
16	General	(line 4 - line 10)	68,414,775	AUTO	-	-	AUTO	-	163,625,794
16a	Direct Assign	(line 4a - line 10a)	18,511,150	AUTO	18,511,150	18,511,150	AUTO	-	-
16b	Production	(line 4b - line 10b)	21,457,394	AUTO	-	-	AUTO	-	11,612,880
16c	Other	(line 4c - line 10c)	28,446,231	AUTO	2,988,477	2,988,477	AUTO	-	800,186
17	Intangible	(line 5 - line 11)	23,344,771	AUTO	15,553,047	15,553,047	AUTO	-	6,098,084
18	TOTAL NET PLANT (sum lines 13, 14, 16, 17)		\$ 3,555,203,428		\$ 483,369,032				1,780,220
									7,872,613
									393,818
									7,286,616
									268,210,405
									37,313,418
									177,845,209
WORKING CAPITAL									
19	CWC (Note D)	one eighth of line 9, page 3	13,485,650	DA	100.000%	5,737,246	DA	100.000%	4,245,692
20	Materials & Supplies Transmission	12h G, L.4. & L.5. C.d.	7,817,723	GP	100.000%	7,817,723	GP	Gross Plant	376,442
21	Prepayments (Note D)		-	GP	Gross Plant	-	GP	Gross Plant	977,167
22	TOTAL WORKING CAPITAL (sum lines 19-21)		\$ 21,303,373			\$ 13,554,969			4,656,977
									-
									-
									8,902,669
									1,353,609
									3,298,691
23	Rate Base		\$ 3,576,506,801			\$ 496,924,001			\$ 277,113,074
									\$ 38,667,027
									\$ 181,143,901

Revenue Requirement Worksheet
Actual RUS form 12 Data
BASIN ELECTRIC POWER COOPERATIVE

For the twelve months ended 12/31/2014

Page 3

Line No.	(1)	(2)	(3)	(4)	(5)	(4a)			(6)	(7)	(8)
		Reference	Company Total	Allocator A	Total Transmission	Allocator B			IS Transmission	West (MBPP) Transmission	Other Transmission
O&M											
1	Transmission less Account 565 (Note E)	12i, L18. Less L.8.	37,869,379								
2	Direct Assignment	Accounting Records	22,073,342	DA	100.000%	22,073,342	DA	100.000%	18,211,005	2,394,386	1,467,951
3	Other	Accounting Records	15,796,037	TPW	100.000%	15,796,037	TPW	Gross Plant	10,969,029	-	4,827,008
4	A&G	12a, Section A, L.14. C.b.	70,015,823		-	-					
5	Less Regulatory Fees (Note F)	Accounting Records	176,316	NA	0.000%	-	NA	0.000%			
6	Production	RUS 12i - General Ledger Detail Rpt	2,755,060	NA	0.000%	-	NA	0.000%			
7	Transmission (Note G)	Invoices; Acct Reports; Monthly Billing	1,096,041	DA		1,096,041	DA	100.000%	65,898	617,148	412,995
8	Headquarters		65,988,406	WS	10.506%	6,932,548	GP	Gross Plant	4,719,604	-	2,212,944
9	TOTAL O&M (sum lines 1 and 4)		\$ 107,885,202			\$ 45,897,968			\$ 33,965,536	\$ 3,011,534	\$ 8,920,898
DEPRECIATION & AMORTIZATION EXPENSE											
10	Depreciation and Amortization Expense	12A, Section A, L.22.C.b. Less Capital Leases	142,046,487								
11	Transmission	Accounting - RUS 350-356 Fixed Assets	14,655,847	DA	100.000%	14,655,847	DA	100.000%	7,841,862	1,229,991	5,583,993
12	Production	Accounting - RUS 310-316; 340-346 Fixed Assets	114,142,420	NA	0.000%	-	NA	0.000%	-	-	-
13	General Plant	Accounting - 389-398; 383	10,939,746	NA	0.000%	-	NA	0.000%	-	-	-
14	Transmission	Accounting Fixed Assets Report	3,153,357	DA	100.000%	3,153,357	DA	100.000%	2,296,215	118,516	738,626
15	Production	Accounting Fixed Assets Report	2,639,168	NA	0.000%	-	NA	0.000%			
16	Other General Plant		5,147,221	WS	10.506%	540,752	GP	Gross Plant	322,123	67,591	151,038
17	Other Amortization		2,308,474	DA	100.000%	1,851,948	DA	100.000%	972,107	50,275	829,566
18	TOTAL (Sum lines 10,13,17)		\$ 142,046,487			\$ 20,201,904			\$ 11,432,307	\$ 1,466,373	\$ 7,303,224
TAXES OTHER THAN INCOME TAXES											
19	PLANT RELATED										
20	Property total										
21	Tax Reclassification	Accounting Records		NA	0.000%	-	NA	0.000%			
22	Gross Receipts (Note I)	Estimated	2,983,007	DA	100.000%	2,983,007	DA	Estimated	2,843,286	-	139,721
23	Production			NA	0.000%	-	NA	0.000%	-	-	-
24	TOTAL OTHER TAXES		\$ 2,983,007			\$ 2,983,007			\$ 2,843,286	\$ -	\$ 139,721
25	TOTAL OPERATING EXPENSES (Sum 9+18+24)		\$ 252,914,696			\$ 69,082,879			\$ 48,241,130	\$ 4,477,906	\$ 16,363,843
26	Return (page 2, line 23, column 3 * wcc)	WCC	\$ 225,834,636	WCC	Rate Base	\$ 31,377,726	WCC	Rate Base	\$ 17,498,004	\$ 2,441,587	\$ 11,438,135
27	REV. REQUIREMENT (sum lines 25+26)		\$ 478,749,332			\$ 100,460,605			\$ 65,739,134	\$ 6,919,494	\$ 27,801,978

A & G Allocation

WAGES AND SALARY ALLOCATOR (W/S)

Line No.	(1) From Accounting Report	(2)	(3) TOTAL	(4) Allocator	(5) Percent			(6) IS Transmission	(7) West (MBPP) Transmission	(8) Other Transmission	
1	Production	Accounting Records	60,629,780								
2	Transmission-East	Accounting Records	296,211								
3	Transmission-West	Accounting Records	382,563	WS	Trans % of total wages	10.506%	Gross Plant	GP1	59.569%	12.499%	27.931%
4	Transmission-Allocated	Accounting Records	6,438,536								
5	Distribution		-	TPW	Trans % excluding West		Note H	GP2	68.079%	0.000%	31.921%
6	Other Transmission		-								
7	Total Wages and Salaries (sum lines 1-6) (exclude adm)		\$67,747,090								

Note J	Weighted Cost of Capital	Percent	Rate	Weighted cost
2014 Actual AATR LTD	3,222,280,758	71.21%	4.48%	3.19%
2014 Actual AATR Equity	1,302,657,827	28.79%	10.85%	3.12%
	4,524,938,585	100.00%		6.31%

Note

- A Line 1, page 2 excludes \$1,055,780 and is included in line 2, page 2. Line 2 also includes \$2,825,409 transmission acquisition adjustment. Accumulated Depreciation for 275,157 associated with the \$1,055,780 is excluded in line 7 and added to line 8
- B Transmission lease for \$195,203,487 is excluded from transmission plant investment.
- C General Plant directly assigned to transmission includes the transmission maintenance buildings and microwave assigned to transmission.
- D Cash working capital assigned to transmission is one eighth of O&M allocated to transmission on page 3, line 9, column 6-8.
- E Prepayments are the electric related prepayments booked to Account No. 165 and reported on Section B, line 24, on the RUS 12 form.
- F Includes Lease payments of \$10,913,573 for member facilities in the IS system and O&M that is charged to specific lines or substations.
- G Line 5 - Regulatory Commission expenses directly related to transmission service, ISO filings, or transmission sitings.
- H A&G costs directly allocated to MBPP - Costs split between MBPP Production and MBPP Transmission based on gross plant. Includes OASIS costs for West Side and Common Use System plus legal fees for transmission.
- I West (MBPP) plant investment on page 2, line, column 7 is excluded in the percentage calculations on page 4, GP2 for A&G and transmission O&M allocation as these are directly allocated to MBPP through the project billing.
- J SD Gross receipts taxes paid in lieu of property with a portion directly assigned to Common Use System (CUS). Payroll taxes are included in the RUS 500 series of accounts along with the labor costs. ND Trans Line tax is included in O&M, line 2.
- K Equity percent as a percent of total long term debt plus current portion of long term debt plus equity.

Basin Electric's 2014 Estimated Revenue Requirement Template

Revenue Requirement Worksheet
RUS Form 12 Data
BASIN ELECTRIC POWER COOPERATIVE

Projection for 2014

Page 1

Line No.				Total Transmission	IS Transmission	West (MBPP) Transmission	Other Transmission
1	GROSS REVENUE REQUIREMENT (page 3, line 28) (MBPP West Excluded - 1- 065997)			\$ 98,269,074	\$ 63,123,542	\$ 8,048,402 \$ (7,517,232)	\$ 27,097,130
	REVENUE CREDITS	Total	Allocator				
2	Third Party Receipts	\$ (350,472)	TP	1.00000	\$ (350,472)		
3							
4	Third Party Payments		TP	1.00000	\$ 104,993		
5	(line 2 + 4)				\$ (245,479)	\$ -	\$ -
6	NET REVENUE REQUIREMENT (line 1+ 5)				62,878,063	531,170	27,097,130
7	TOTAL REVENUE REQUIREMENT WITH MBPP EAST				\$ 63,409,234		

Revenue Requirement Worksheet
RUS form 12 Data
BASIN ELECTRIC POWER COOPERATIVE

Projection for 2014

Page 2

(1)		(2)	(3)	(4)	(5)	(4a)	(6)	(7)	(8)
Worksheets			Allocator A		Total Trans	Allocator B	IS Transmission	West (MBPP) Transmission	Other Transmission
GROSS PLANT IN SERVICE									
1	Production (Note A)	12h A.6.e	4,656,172,637	NA	0.000%	NA	0.000%	-	-
2	Transmission (Note B)	12h A.11.e & 12h.A.23.e	768,049,447	DA	100.000%	768,049,447	100.000%	456,993,507	219,469,030
3	Distribution	12h A.16.e	-	NA	0.000%	NA	0.000%		
4	General	12h A.18.e	177,760,782						
4a	Direct Assign - Transmission (Note C)		34,022,925	DA	100.000%	34,022,925	100.000%	23,912,678	6,962,484
4b	Direct Assign - Production		41,860,630	NA	0.000%	NA	0.000%		
4c	Other		101,877,227	WS	10 025%	10,213,231	Gross Plant	6,076,927	2,918,416
5	Intangible	12h A.1.e	78,163,717	DA	0.000%	66,336,542	0.000%	32,355,705	31,363,208
6	TOTAL GROSS PLANT (sum lines 1,2,4,5)	12h A.18.e & 12h.A.24.e	\$ 5,680,146,583			\$ 878,622,145		\$ 519,338,817	\$ 98,570,190
						GP1	Gross Plant	59.501%	28 575%
ACCUMULATED DEPRECIATION									
7	Production	12h B.1-4.f	1,365,211,899	NA	0.000%	NA	0.000%	-	-
8	Transmission	12h B.5.f & 12h B.15.f	317,024,250	DA	100.000%	317,024,250	100.000%	209,089,536	51,467,909
9	Distribution	12h B.6.f	-	NA	0.000%	NA	0.000%		-
10	General	12h B.7.f	129,070,814						-
10a	Direct Assign - Transmission		27,345,356	DA	100.000%	27,345,356	100.000%	20,721,856	3,382,535
10b	Direct Assign - Production		38,025,928	NA	0.000%	NA	0.000%		
10c	Other		63,699,530	WS	10 025%	6,385,902	GP1	3,799,646	1,824,762
11	Intangible	12h B.12.f	55,041,001	DA		49,091,509	100.000%	24,893,678	22,049,335
12	TOTAL ACCUM. DEPR (sum lines 7,8,10,11)	12h B.18.f less 12h.B.14.f	\$ 1,866,347,964			\$ 399,847,017		\$ 258,504,716	\$ 62,617,759
									\$ 78,724,541
NET PLANT IN SERVICE									
13	Production	(line 1- line 7)	3,290,960,738	AUTO	-	AUTO	-	-	-
14	Transmission	(line 2- line 8)	451,025,197	AUTO	451,025,197	AUTO	247,903,971	35,120,105	168,001,121
15	Distribution	(line 3 - line 9)	-	AUTO	-	AUTO	-	-	-
16	General	(line 4 - line 10)	48,689,968	AUTO	-	AUTO	-	-	-
16a	Direct Assign	(line 4a - line 10a)	6,677,569	AUTO	6,677,569	AUTO	3,190,822	(93,202)	3,579,949
16b	Production	(line 4b - line 10b)	3,834,702	AUTO	-	AUTO	-	-	-
16c	Other	(line 4c - line 10c)	38,177,697	AUTO	3,827,329	AUTO	2,277,281	456,394	1,093,654
17	Intangible	(line 5 - line 11)	23,122,716	AUTO	17 245 033	AUTO	7 462 027	469 134	9 313 873
18	TOTAL NET PLANT (sum lines 13, 14, 16, 17)		\$ 3,813,798,619		\$ 478,775,128		\$ 260,834,101	\$ 35,952,431	\$ 181,988,597
WORKING CAPITAL									
19	CWC (Note D)	one eighth of line 9, page 3	13,061,990	DA	5,866,381	DA	4,289,777	539,504	1,037,100
20	Materials & Supplies Transmission	12h. G, L.4. L.5. C.d.	7,200,000	GP1	7,200,000	GP1	4,284,038	858,572	2,057,390
21	Prepayments (Note D)	12a.B.25	-	GP1	-	GP1			
22	TOTAL WORKING CAPITAL (sum lines 19-21)		\$ 20,261,990		\$ 13,066,381		\$ 8,573,815	\$ 1,398,076	\$ 3,094,490
23	Rate Base		\$ 3,834,060,609		\$ 491,841,508		\$ 269,407,916	\$ 37,350,507	\$ 185,083,087

**Revenue Requirement Worksheet
RUS form 12 Data
BASIN ELECTRIC POWER COOPERATIVE**

Projection for 2014

Page 3

	(1)	(2)	(4)		(5)	(4a)		(6)	(7)	(8)
Line No.		Reference	Allocator A		Transmission	Allocator B		IS Transmission	West (MBPP) Transmission	Other Transmission
	O&M									
1	Transmission less Account 565	Expense Worksheet #3	39,827,984							
2	Direct Assignment (Note E)	Accounting Records	24,740,000	DA	100.000%	24,740,000	DA	100.000%	19,800,000	3,560,000
3	Other	Accounting Records	15,087,984	TPW	100.000%	15,087,984	GP2	page 4	10,192,894	-
4	A&G	Expense Worksheet #3	64,667,933			-				4,895,090
5	Less Regulatory Fees (Note F)	Accounting Records	200,000	NA	0.000%	-	NA	0.000%		
6	Production	Accounting Records	2,500,000	NA	0.000%	-	NA	0.000%		
7	Transmission (Note G)	Accounting Records	990,000	DA		990,000	DA	page 4	195,557	756,031
8	Headquarters		60,977,933	WS	10.025%	6,113,061	GP2	Gross Plant	4,129,762	-
9	TOTAL O&M (sum lines 1 and 4)		\$ 104,495,917			\$ 46,931,045			\$ 34,318,212	\$ 4,316,031
	DEPRECIATION & AMORTIZATION EXPENSE									
10	Depreciation and Amortization Expense	Accounting Records	146,499,970							
11	Transmission	Accounting Records	13,802,202	DA	100.000%	13,802,202	DA	100.000%	7,349,285	1,181,261
12	Production	Accounting Records	121,439,942	NA	0.000%		NA	0.000%		5,271,656
13	General Plant	Accounting Records	9,000,000	NA	0.000%		NA	0.000%		
14	Transmission	Accounting Records	2,005,000	DA	100.000%	2,005,000	DA	100.000%	981,149	156,341
15	Production	Accounting Records	6,500,000	NA	0.000%		NA	0.000%		867,510
16	Hdqtrs General Plant		495,000	WS	10.025%	49,624	GP1	Gross Plant	29,527	5,917
17	Other Amortization		2,257,826	DA	0.000%	1,917,762	DA	0.000%	934,373	65,397
18	TOTAL (Sum lines 10,13,17)		\$ 146,499,970			\$ 17,774,588			\$ 9,294,334	\$ 1,408,917
	TAXES OTHER THAN INCOME TAXES									
19	PLANT RELATED									
20	Property total	2012 12a.A.21 (less income tax)	2,967,569							
21	Tax Reclassification	Accounting Records		NA	0.000%	-	NA	0.000%		
22	Gross Receipts (Note I)	2012 RUS Form 12	2,967,569	DA	100.000%	2,967,569	DA	100.000%	2,752,000	-
23	Production			NA	0.000%		NA	0.000%		215,569
24	TOTAL OTHER TAXES		\$ 2,967,569			\$ 2,967,569			\$ 2,752,000	\$ -
25	TOTAL OPERATING EXPENSES (Sum 9+18+24)		\$ 253,963,456			\$ 67,673,202			\$ 46,364,546	\$ 5,724,948
26	Return		\$ 238,504,533	WCC	Rate Base	\$ 30,595,872	WCC	Rate Base	\$ 16,758,997	\$ 2,323,454
27	REV. REQUIREMENT (sum lines 25+26)		\$ 492,467,989			\$ 98,269,074			\$ 63,123,542	\$ 8,048,402

A & G Allocation

WAGES AND SALARY ALLOCATOR (W/S)

Line #	(1) From Accounting Report		(2)	(3)	(4)	(5)		(6) IS Transmission	(7) West (MBPP) Transmission	(8) Other Transmission
				TOTAL	Allocator	Percent				
1	Production	Accounting Records		52,737,585						
2	Transmission-East	Accounting Records		245,111						
3	Transmission-West	Accounting Records		442,072	WS	Trans % of total wages	10.025%	59.5005%	11.9246%	28.5749%
4	Transmission-Allocated	Accounting Records		5,188,854						
5	Distribution				TPW	Trans % excluding MBPP West	Note H	67.556%	0.000%	32.444%
6	Other Transmission			-						
7	Total Wages and Salaries (sum lines 1-6) (exclude adm)			<u>\$58,613,623</u>						

Note J		Estimated Weighted Cost of Capital		Rate	cost
			Percent		
Estimated wksht #1	LTD	3,286,072,939	72.56%	4.47%	3.24%
Estimated wksht #1	Equity	1,242,698,580	27.44%	10.85%	2.98%
		4,528,771,519	100.00%		6.22%

Notes

- A RUS form 12h plus new investment averaged over 13 months.
- B Transmission capital lease for \$40,000,000 is excluded from transmission plant investment.
- C General Plant directly assigned to transmission includes the transmission maintenance buildings and microwave assigned to transmission. Prepayments are the electric related prepayments booked to Account No. 165 and reported on Section B, line 24, in the RUS 12.
- D Cash working capital assigned to transmission is one eighth of O&M allocated to transmission on page 3, line 9, column 6-8. Prepayments are the electric related prepayments booked to Account No. 165 and reported on Section B, line 24, on the RUS 12 form.
- E Includes Lease payments of \$14,000,000 for member facilities in the IS system and O&M that is charged to specific lines or substations.
- F Line 5 - Regulatory Commission expenses directly related to transmission service, ISO filings, or transmission sitings.
- G A&G costs directly allocated to MBPP - Costs split between MBPP Production and MBPP Transmission based on MBPP gross plant investment. Includes OASIS costs for West Side and Common Use System plus A&G costs allocated to MBPP Transmission.
- H West (MBPP) plant investment on page 2, line, column 7 is excluded in the percentage calculations on page 4, GP2, columns 6-8 for A&G and transmission O&M allocation as these are directly allocated to MBPP through the project billing.
- I SD Gross receipts taxes paid in lieu of property with a portion directly assigned to Common Use System (CUS). Payroll taxes are included in the RUS 500 series of accounts along with the labor costs. ND Trans Line tax is included in O&M, line 2.
- J Equity percent as a percent of total long term debt plus current portion of long term debt plus equity. See Worksheet #1.

Missouri River Energy Services
2014 Actual
Revenue Requirement Template

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing EIA Form 412 Data

For the 12 months ended 12/31/14

MRES

Line No					Allocated Amount
1	GROSS REVENUE REQUIREMENT (page 3, line 31)				\$ 5,720,909
	REVENUE CREDITS (Note T)	Total	Allocator		
2	Account No 454 (page 4, line 34)	(370,641)	TP 1 00000		(370,641)
3	Account No 456 1 (page 4, line 37)	100,888	TP 1 00000		100,888
4	Revenues from Grandfathered Interzonal Transactions	0	TP 1 00000		0
5	Revenues from service provided by the ISO at a discount	0	TP 1 00000		0
6	TOTAL REVENUE CREDITS (sum lines 2-5)				(269,753)
6a	Historic Year Actual ATRR				
6b	Historic Year Projected ATRR				
6c	Historic Year ATRR True-up (line 6a - line 6b)				0
6d	Historic Year Actual Divisor				
6e	Historic Year Projected Divisor				
6f	Difference in Divisor (line 6e - line 6d)				0
6g	Historic Year Projected Annual Cost (\$/kW/Yr)				
6h	Historic Year Divisor True-up (line 6f * line 6g)				0
6i	Interest on Historic Year True-up				
7	NET REVENUE REQUIREMENT (line 1 - line 6 + line 6c + line 6h + line 6i)				\$ 5,990,662
	DIVISOR				
8	Average of 12 coincident system peaks for requirements (RQ) service		(Note A)		688,216
9	Plus 12 CP of firm bundled sales over one year not in line 8		(Note B)		0
10	Plus 12 CP of Network Load not in line 8		(Note C)		0
11	Less 12 CP of firm P-T-P over one year (enter negative)		(Note D)		0
12	Plus Contract Demand of firm P-T-P over one year				0
13	Less Contract Demand from Grandfathered Interzonal transactions over one year (enter negative) (Note S)				0
14	Less 12 CP or Contract Demands from service over one year provided by ISO at a discount (enter negative)				0
15	Divisor (sum lines 8-14)				688,216
16	Annual Cost (\$/kW/Yr) (line 7 / line 15)	8 705			
17	Network & P-to-P Rate (\$/kW/Mo) (line 11 / 12)	0 725			
		Peak Rate		Off-Peak Rate	
18	Point-To-Point Rate (\$/kW/Wk) (line 16 / 52; line 16 / 52)	0 167		\$0 167	
19	Point-To-Point Rate (\$/kW/Day) (line 16 / 260; line 16 / 365)	0 033	Capped at weekly rate	\$0 024	
20	Point-To-Point Rate (\$/MWh) (line 16 / 4,160; line 16 / 8,760 times 1,000)	2 092	Capped at weekly and daily rates	\$0 994	
21	FERC Annual Charge (\$/MWh) (Note E)	\$0 000	Short Term	\$0 000	Short Term
22		\$0 000	Long Term	\$0 000	Long Term

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing EIA Form 412 Data

For the 12 months ended 12/31/14

Line No	(1)	(2) EIA 412 Reference	(3) MRES Company Total	(4) Allocator	(5) Transmission (Col 3 times Col 4)
	RATE BASE:				
	GROSS PLANT IN SERVICE (Note AA and GG)				
1	Production	IV 6 e	294,786,908	NA	
2	Transmission	IV 7 e less Line 2a	66,226,412	TP 1 00000	66,226,412
2a	Transmission for projects with FERC incentives (Note EE)		16,876,577	TP 1 00000	16,876,577
3	Distribution	IV 8 e	0	NA	
4	General & Intangible	IV 1 e & IV 9 e	23,999,319	W/S 0 15744	3,778,487
5	Common		0	CE 0 15744	0
6	TOTAL GROSS PLANT (sum lines 1-5)		401,889,216	GP= 21 618%	86,881,476
	ACCUMULATED DEPRECIATION (Note AA and GG)				
7	Production		177,826,593	NA	
8	Transmission		34,235,527	TP 1 00000	34,235,527
8a	Transmission for projects with FERC approved incentives (Note EE)		374,648	TP 1 00000	374,648
9	Distribution		0	NA	
10	General & Intangible		15,263,299	W/S 0 15744	2,403,075
11	Common		0	CE 0 15744	0
12	TOTAL ACCUM DEPRECIATION (sum lines 7-11)		227,700,067		37,013,250
	NET PLANT IN SERVICE (Note GG)				
13	Production	(line 1- line 7)	116,960,315		
14	Transmission	(line 2- line 8)	31,990,885		31,990,885
14a	Transmission for projects with FERC approved incentives (line 2a - line 8a) (Note EE)		16,501,929		16,501,929
15	Distribution	(line 3 - line 9)	0		0
16	General & Intangible	(line 4 - line 10)	8,736,020		1,375,411
17	Common	(line 5 - line 11)	0		0
18	TOTAL NET PLANT (sum lines 13-17)		174,189,149	NP= 28 629%	49,868,225
18a	CWIP for projects with FERC approved incentives (Note CC and Note GG)		65,630,535	N/A 1 00000	65,630,535
	ADJUSTMENTS TO RATE BASE (Note F)				
19	Account No 281 (enter negative)		0	zero	0
20	Account No 282 (enter negative)		0	NP 0 28629	0
21	Account No 283 (enter negative)		0	NP 0 28629	0
22	Account No 190		0	NP 0 28629	0
23	Account No 255 (enter negative)		0	NP 0 28629	0
23a	Unamortized balance of Abandoned Plant (Note DD and Note GG)		0	N/A 1 00000	0
24	TOTAL ADJUSTMENTS (sum lines 19 - 23)		0		0
25	LAND HELD FOR FUTURE USE (Note GG)	IV 12 e (Note G)	0	TP 1 00000	0
	WORKING CAPITAL (Note H)				
26	CWC		1,610,426		618,710
27	Materials & Supplies (Note GG)	(Note G)	266,862	TE 0 99197	264,719
28	Prepayments (Note GG)	II 20 b	1,524,878	GP 0 21618	329,652
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		3,402,166		1,213,081
30	RATE BASE earning ACSR (lines 18 + 24 + 25 + 29 - 14a - 23a)		161,089,386		34,579,378
30a	RATE BASE earning HCSR (lines 14a + 18a + 23a)		82,132,464		82,132,464

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing EIA Form 412 Data

For the 12 months ended 12/31/14

Line No	(1)	(2) EIA 412 Reference	MRES (3) Company Total	(4) Allocator	(5) Transmission (Col 3 times Col 4)
	O&M (Note BB)				
1	Transmission	VII 8 d	29,853,093	TE 0 99197	29,613,408
1a	Less LSE Expenses included in Transmission O&M Accounts (Note V)		0	1 00000	0
2	Less Account 565		26,454,979	TE 0 99197	26,242,577
3	A&G	VII 13 d	9,955,346	W/S 0 15744	1,567,384
4	Less FERC Annual Fees		0	W/S 0 15744	0
5	Less EPRI & Reg Comm Exp & Non-safety Ad (Note I)		572,467	W/S 0 15744	90,130
5a	Plus Transmission Related Reg Comm Exp (Note I)		102,414	TE 0 99197	101,592
6	Common		0	CE 0 15744	0
7	Transmission Lease Payments		0	NA 1 00000	0
8	TOTAL O&M (sum lines 1, 3, 5a, 6, 7 less 1a, 2, 4, 5)		12,883,407		4,949,677
	DEPRECIATION AND AMORTIZATION EXPENSE (Note AA)				
9	Transmission		2,127,939	TP 1 00000	2,127,939
9a	Abandoned Plant Amortization (Note DD)		0	N/A 1 00000	0
10	General & Intangible		814,760	W/S 0 15744	128,277
11	Common		0	CE 0 15744	0
12	TOTAL DEPRECIATION (sum lines 9 - 11)		2,942,699		2,256,216
	TAXES OTHER THAN INCOME TAXES (Note J)				
	LABOR RELATED				
13	Payroll		0	W/S 0 15744	0
14	Highway and vehicle		0	W/S 0 15744	0
15	PLANT RELATED				
16	Property		1,651,366	GP 0 21618	356,997
17	Gross Receipts		0	NA zero	0
18	Other		0	GP 0 21618	0
19	Payments in lieu of taxes		0	GP 0 21618	0
20	TOTAL OTHER TAXES (sum lines 13 - 19)		1,651,366		356,997
	INCOME TAXES (Note K)			NA	
21	$T=1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\} =$		0 00%		
22	$\text{CIT}=(T/1-T) * (1-(\text{WCLTD}/R)) =$		0 00%		
	where WCLTD=(page 4, line 22) and R= (page 4, line 24)				
	and FIT, SIT & p are as given in footnote K				
23	$1 / (1 - T) =$ (from line 21)		0 0000		
24	Amortized Investment Tax Credit (266 8f) (enter negative)		0		
25	Income Tax Calculation = line 22 * line 28		0	NA	0
26	ITC adjustment (line 23 * line 24)		0	NP 0 28629	0
27	Total Income Taxes (line 25 plus line 26)		0		0
28	RETURN from ACSR				
	[Rate Base (page 2, line 30 + 30a) * Rate of Return (page 4, line 24)]		17,873,285	NA	8,576,631
28a	RETURN from HCSR				
	[Rate Base (page 2, line 30a) * Rate of Return (page 4, line 30)]		1,024,778	NA	1,024,778
29	REV REQUIREMENT (sum lines 8, 12, 20, 27, 28 and 28a)		36,375,535		17,164,298
30	LESS ATTACHMENT GG ADJUSTMENT [Attachment GG, page 2, line 3, column 10] (Note W)				
	[Revenue Requirement for facilities included on page 2, line 2, and also included in Attachment GG]		8,033,546		8,033,546
30a	LESS ATTACHMENT MM ADJUSTMENT [Attachment MM, page 2, line 3, column 14] (Note Y)				
	[Revenue Requirement for facilities included on page 2, line 2, and also included in Attachment MM]		3,409,843		3,409,843
31	REVENUE REQUIREMENT TO BE COLLECTED UNDER ATTACHMENT O (line 29 - line 30 - line 30a)		24,932,146		5,720,909

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing EIA Form 412 Data

For the 12 months ended 12/31/14

MRES

Line No	SUPPORTING CALCULATIONS AND NOTES									
TRANSMISSION PLANT INCLUDED IN ISO RATES										
1	Total transmission plant (page 2, line 2 and 2a, column 3)									83,102,989
2	Less transmission plant excluded from ISO rates (Note M)									0
3	Less transmission plant included in OATT Ancillary Services (Note N)									0
4	Transmission plant included in ISO rates (line 1 less lines 2 & 3)									83,102,989
5	Percentage of transmission plant included in ISO Rates (line 4 divided by line 1)									TP= 1 00000
TRANSMISSION EXPENSES										
6	Total transmission expenses (page 3, line 1, column 3)									29,853,093
7	Less transmission expenses included in OATT Ancillary Services (Note L)									239,685
8	Included transmission expenses (line 6 less line 7)									29,613,408
9	Percentage of transmission expenses after adjustment (line 8 divided by line 6)									0 99197
10	Percentage of transmission plant included in ISO Rates (line 5)									TP 1 00000
11	Percentage of transmission expenses included in ISO Rates (line 9 times line 10)									TE= 0 99197
WAGES & SALARY ALLOCATOR (W&S)										
		\$	TP	Allocation						
12	Production	2,441,323	0 00	0						
13	Transmission	482,330	1 00	482,330						
14	Distribution	0	0 00	0			W&S Allocator			
15	Other	139,899	0 00	0			(\$ / Allocation)			
16	Total (sum lines 12-15)	3,063,552		482,330	=	0 15744	=	W/S		
COMMON PLANT ALLOCATOR (CE) (Note O)										
		\$	% Electric	Labor Ratio						
17	Electric	401,889,216	(line 17 / line 20)	(line 16)			CE			
18	Gas	0	1 00000 *	0 15744	=	0 15744				
19	Water	0								
20	Total (sum lines 17-19)	401,889,216								
ACTUAL CAPITAL STRUCTURE RETURN (ACSR)										
		\$								
21	Long Term Interest	III 16 b + III 17 b (Note U)	\$22,201,622							
		\$	%	Cost						
				(Note P)						
22	Long Term Debt (Note GG)	II 37 b	403,630,385	73%	5 50%		0 0402	=WCLTD		
23	Proprietary Capital (Note GG)	II 32 b	148,254,895	27%	0 1238		0 0333			
24	Total (sum lines 22, 23)		551,885,280	100%			0 0735	=R		
25	Proprietary Capital Cost Rate =									12 38%
26	TIER =									1 34
HYPOTHETICAL CAPITAL STRUCTURE RETURN (HCSR) (NOTE FF)										
		%	Cost							
			(Note P)							
27	Long Term Debt (Cost of Long-term Debt from page 4, line 22)	55%	5 50%			0 0303	=WCLTD			
28	Proprietary Capital (Cost of Proprietary Capital from page 4, line 25)	45%	0 1238			0 0557				
29	Total (sum lines 27, 28)	100%				0 0860	=R			
30	Annual Allocation Factor for Incentive Return (line 29 minus line 24)									1 248%
REVENUE CREDITS										
ACCOUNT 447 (SALES FOR RESALE)										
						Load				
31	a Bundled Non-RQ Sales for Resale	(Note Q)				0				
32	b Bundled Sales for Resale included in Divisor on page 1					0				
33	Total of (a)-(b)					0				
34	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note R)									-\$370,641
ACCOUNT 456 1 (OTHER ELECTRIC REVENUES)										
35	a Transmission charges for all transmission transactions					\$32,084,067				
36	b Transmission charges for all transmission transactions included in Divisor on page 1					\$21,644,574				
36a	c Transmission charges associated with Schedules 26 and 37 (Note X)					\$7,206,328				
36b	d Transmission charges associated with Schedule 26-A (Note Z)					\$3,132,277				
37	Total of (a)-(b)-(c)-(d)					\$100,888				

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col #)

References to data from EIA Form 412 are indicated as: x y z (section, line, column)

To the extent the page references to EIA Form 412 are missing, the entity will include a "Notes" section in the EIA 412 to provide this data

Note
Letter

- A The utility's maximum monthly megawatt load (60-minute integration) for RQ service at time of applicable pricing zone coincident monthly peaks RQ service is service which the supplier plans to provide on an on-going basis (i.e., the supplier includes projected load for this service in its system resource planning)
- B Includes LF, IF, LU, IU service LF means "firm service" (cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions), and long-term (duration of at least five years); does not meet definition of RQ service IF is "firm service" for a term longer than one but less than five years LU is service from a designated generating unit, of a term no less than five years LI is service from a designated generating unit for a term between one and five years Measured at time of applicable pricing zone coincident monthly peaks
- C LF as defined above at time of applicable pricing zone coincident monthly peaks
- D LF as defined above at time of applicable pricing zone coincident monthly peaks
- E The FERC's annual charges for the year assessed the Transmission Owner for service under this tariff, if any
- F The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109 Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K Account 281 is not allocated
- G Transmission related only
- H Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 8, column 5 Prepayments are the electric related prepayments booked to Account No 165 as shown on Schedule I of EIA Form 412
- I Line 5 - EPRI Annual Membership Dues, all Regulatory Commission Expenses, and non-safety related advertising Line 5a - Regulatory Commission Expenses directly related to transmission service, ISO filings or transmission siting
- J Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year Taxes related to income are excluded Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes" If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit multiplied by (1/(1-T)) (page 3, line 26)
- | | | | |
|------------------|-------|-------|---|
| Inputs Required: | FIT = | 0.00% | |
| | SIT = | 0.00% | (State Income Tax Rate or Composite SIT) |
| | p = | 0.00% | (percent of federal income tax deductible for state |
- L Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Account Nos 561 1, 561 2, 561 3, and 561 BA
- M Removes transmission plant determined to be state-jurisdictional by Commission order according to the seven-factor test (until EIA 412 balances are adjusted to reflect application of seven-factor test)
- N Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed included in OATT ancillary services For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down
- O Enter dollar amounts
- P Debt cost rate = long-term interest (line 21) / long term debt (line 22) The Proprietary Capital Cost rate is implicit, a residual calculation after TIER is determined TIER will be supported in the filing and no change in TIER may be made absent a filing with the ISO and the FERC, if the entity is under FERC's jurisdiction
- Q Line 29 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No 456 1 and all other uses are to be included in the divisor
- R Includes income related only to transmission facilities, such as pole attachments, rentals and special use
- S Grandfathered agreements whose rates have been changed to eliminate or mitigate pancaking - the revenues are included in line 4, page 1 and the loads are included in line 13, page 1 Grandfathered agreements whose rates have not been changed to eliminate or mitigate pancaking - the revenues are not included in line 4, page 1 nor are the loads included in line 13, page 1
- T The revenues credited on page 1, lines 2-5 shall include only the amounts received directly (in the case of grandfathered agreements) or from the ISO (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities They do not include revenues associated with FERC annual charges, gross receipts taxes, ancillary services, facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Rate Formula Template
- U From Reference III 17 b include only the amount from Accounts 428, 429, and 430
- V Account Nos 561 4 and 561 8 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements
- W Pursuant to Attachment GG of the Midwest ISO Tariff, removes dollar amount of revenue requirements calculated pursuant to Attachment GG and recovered under Schedule 26 of the Midwest ISO Tariff
- X Removes from revenue credits revenues that are distributed pursuant to Schedules 26 and 37 of the Midwest ISO Tariff, since the Transmission Owner's Attachment O revenue requirements have already been reduced by the Attachment GG revenue requirements
- Y Pursuant to Attachment MM of the Midwest ISO Tariff, removes dollar amount of revenue requirements calculated pursuant to Attachment MM and recovered under Schedule 26-A of the Midwest ISO Tariff
- Z Removes from revenue credits revenues that are distributed pursuant to Schedule 26-A of the Midwest ISO Tariff, since the Transmission Owner's Attachment O revenue requirements have already been reduced by the Attachment MM revenue requirements
- AA Plant in Service, Accumulated Depreciation, and Depreciation Expense amounts exclude Asset Retirement Obligation amounts unless authorized by FERC
- BB Schedule 10-FERC charges should not be included in O&M recovered under this Attachment O
- CC The CWIP balance on Page 2, Line 18a is the 13 month average for the transmission projects approved for CWIP in rate base by FERC The projects approved for 100% CWIP recovery do not include any AFUDC in CWIP balances
- DD Page 2, Line 23a includes any unamortized balances related to the recovery of abandoned plant costs for the projects approved by FERC Page 3, line 9a is the annual amortization expense of abandoned plant costs for the projects approved by FERC No abandoned plant costs will be included until approved by FERC under a separate docket
- EE Includes the transmission gross plant in-service (Line 2a, page 2 of 5), accumulated depreciation (line 8a, page 2 of 5) and net transmission plant in-service (line 14a, page 2 of 5) for the transmission projects granted a hypothetical capital structure of 55% debt and 45% equity by FERC These transmission plant balances do not include any AFUDC
- FF The Hypothetical Capital Structure Return (HCSR) calculation is only applicable to the projects approved by FERC that use a hypothetical capital structure of 55% debt and 45% equity
- GG Calculated using 13 month average balance

Missouri River Energy Services 2014 Estimated Revenue Requirement Template

Formula Rate - Non-Levelized
Clean Version

Rate Formula Template
Utilizing EIA Form 412 Data

For the 12 months ended 12/31/2014

MRES

Line No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT (page 3, line 31)				\$ 5,694,793
	REVENUE CREDITS	(Note T)			
2	Account No. 454	(page 4, line 34)	Total	TP	1.00000
3	Account No. 456.1	(page 4, line 37)	135,156	TP	1.00000
4	Revenues from Grandfathered Interzonal Transactions		0	TP	1.00000
5	Revenues from service provided by the ISO at a discount		0	TP	1.00000
6	TOTAL REVENUE CREDITS (sum lines 2-5)		0	TP	1.00000
					135,156
6a	Historic Year Actual ATRR				-
6b	Historic Year Projected ATRR				-
6c	Historic Year ATRR True-Up	(line 6a - line 6b)			-
6d	Historic Year Actual Divisor				-
6e	Historic Year Projected Divisor				-
6f	Difference in Divisor	(line 6e- line 6d)			-
6g	Historic Year Projected Annual Cost (\$/kW/Yr)				-
6h	Historic Year Divisor True-Up	(line 6f * line 6g)			-
6i	Interest on Historic Year True-Up				-
7	NET REVENUE REQUIREMENT	(line 1 - line 6 + Line 6c+ line 6h+ line 6i)			\$ 5 559 637
	DIVISOR				
8	Average of 12 coincident system peaks for requirements (RQ) service			(Note A)	674,154
9	Plus 12 CP of firm bundled sales over one year not in line 8.			(Note B)	0
10	Plus 12 CP of Network Load not in line 8			(Note C)	0
11	Less 12 CP of firm P-T-P over one year (enter negative)			(Note D)	0
12	Plus Contract Demand of firm P-T-P over one year				0
13	Less Contract Demand from Grandfathered Interzonal transactions over one year (enter negative) (Note S)				0
14	Less 12 CP or Contract Demands from service over one year provided by ISO at a discount (enter negative)				0
15	Divisor (sum lines 8-14)				674,154
16	Annual Cost (\$/kW/Yr)	(line 7 / line 15)	8.247		
17	Network & P-to-P Rate (\$/kW/Mo) (line 11 / 12)		0.687		
18	Point-To-Point Rate (\$/kW/Wk)	(line 16 / 52; line 16 / 52)	0.159	Peak Rate	Off-Peak Rate
19	Point-To-Point Rate (\$/kW/Day)	(line 16 / 260; line 16 / 365)	0.032	Capped at weekly rate	\$0.159
20	Point-To-Point Rate (\$/MWh)	(line 16 / 4,160; line 16 / 8,760 times 1,000)	1.982	Capped at weekly and daily rates	\$0.023
21	FERC Annual Charge (\$/MWh)	(Note E)	\$0.000	Short Term	\$0.000 Short Term
22			\$0.000	Long Term	\$0.000 Long Term

Issued by Stephen G. Kozey, Issuing Officer
 Issued on January 15, 2009
 Midwest ISO
 FERC Electric Tariff, Fourth Revised Volume No. 1

Effective January 6, 2009
 First Revised Sheet No. 2635
 Superseding Original Sheet No. 2635
 Attachment O-MRES
 Page 2 of 5

Formula Rate - Non-Levelized

Rate Formula Template
 Utilizing EIA Form 412 Data

For the 12 months ended 12/31/2014

Line No.	(1) RATE BASE: GROSS PLANT IN SERVICE (Note AA and Note GG)	(2) EIA 412 Reference	MRES (3) Company Total	(4) Allocator	(5) Transmission (Col 3 times Col 4)
1	Production	IV.6.e	295,228,274	NA	
2	Transmission	IV.7.e less Line 2a	66,413,815	TP 1.00000	66,413,815
2a	Transmission for projects with FERC approved incentives (Note EE)		19,344,335	TP 1.00000	19,344,335
3	Distribution	IV.8.e	0	NA	
4	General & Intangible	IV.1e and IV.9.e	24,403,142	W/S 0.15193	3,707,561
5	Common		0	CE 0.15193	0
6	TOTAL GROSS PLANT (sum lines 1-5)		405,389,566	GP= 22.069%	89,465,711
	ACCUMULATED DEPRECIATION (Note AA and Note GG)				
7	Production		180,858,845	NA	
8	Transmission		34,739,854	TP 1.00000	34,739,854
8a	Transmission for projects with FERC approved incentives (Note EE)		412,912	TP 1.00000	412,912
9	Distribution		0	NA	
10	General & Intangible		15,470,311	W/S 0.15193	2,350,399
11	Common		0	CE 0.15193	0
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		231,481,922		37,503,165
	NET PLANT IN SERVICE (Note GG)				
13	Production	(line 1 - line 7)	114,369,429		
14	Transmission	(line 2 - line 8)	31,673,961		31,673,961
14a	Transmission for projects with FERC approved incentives (Line 2a - line 8a) (Note EE)		18,931,423		18,931,423
15	Distribution	(line 3 - line 9)	0		
16	General & Intangible	(line 4 - line 10)	8,932,831		1,357,162
17	Common	(line 5 - line 11)	0		0
18	TOTAL NET PLANT (sum lines 13-17)		173,907,644	NP= 29.879%	51,962,546
18a	CWIP for projects with FERC approved incentives (Note CC and Note GG)		59,279,672	NA 1.00000	59,279,672
	ADJUSTMENTS TO RATE BASE (Note F)				
19	Account No. 281 (enter negative)		0	zero	0
20	Account No. 282 (enter negative)		0	NP 0.29879	0
21	Account No. 283 (enter negative)		0	NP 0.29879	0
22	Account No. 190		0	NP 0.29879	0
23	Account No. 255 (enter negative)		0	NP 0.29879	0
23a	Unamortized balance of Abandoned Plant (Note DD and Note GG)		0	NA 1.00000	0
24	TOTAL ADJUSTMENTS (sum lines 19 - 23)		0		0
25	LAND HELD FOR FUTURE USE (Note GG)	IV.12.e (Note G)	0	TP 1.00000	0
	WORKING CAPITAL (Note H)				
26	CWC	(Note G)	1,519,613		634,406
27	Materials & Supplies (Note GG)	(Note G)	294,598	TE 0.98851	291,213
28	Prepayments (Note GG)	II.20.b	2,214,197	GP 0.22069	488,653
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		4,028,408		1,414,271
30	RATE BASE earning ACSR (lines 18+24+25+29-14a-23a)		159,004,629		34,445,394
30a	RATE BASE earning HCSR (lines 14a+18a+23a)		78,211,095		78,211,095

Formula Rate - Non-Levelized

Rate Formula Template
 Utilizing EIA Form 412 Data

For the 12 months ended 12/31/2014

Line No.	(1)	(2) EIA 412 Reference	MRES (3) Company Total	(4) Allocator	(5) Transmission (Col 3 times Col 4)
1	O&M (Note BB)				
1	Transmission	VII.8.d	30,146,861	TE 0.98851	29,800,452
1a	Less LSE Expenses included in Transmission O&M Accounts (Note V)		0	1.00000	0
2	Less Account 565		26,387,993	TE 0.98851	26,084,776
3	A&G	VII.13.d	8,733,034	W/S 0.15193	1,326,807
4	Less FERC Annual Fees		0	W/S 0.15193	0
5	Less EPRI & Reg. Comm. Exp. & Non-safety Ad. (Note I)		435,000	W/S 0.15193	66,089
5a	Plus Transmission Related Reg. Comm. Exp. (Note I)		100,000	TE 0.98851	98,851
6	Common		0	CE 0.15193	0
7	Transmission Lease Payments		0	NA 1.00000	0
8	TOTAL O&M (sum lines 1, 3, 5a, 6, 7 less 1a, 2, 4, 5)		12,156,902		5,075,244
	DEPRECIATION AND AMORTIZATION EXPENSE (Note AA)				
9	Transmission		1,379,544	TP 1.00000	1,379,544
9a	Abandoned Plant Amortization (Note DD)		0	NA 1.00000	0
10	General & Intangible		695,660	W/S 0.15193	105,691
11	Common		0	CE 0.15193	0
12	TOTAL DEPRECIATION (sum lines 9 - 11)		2,075,204		1,485,235
	TAXES OTHER THAN INCOME TAXES (Note J)				
	LABOR RELATED				
13	Payroll		0	W/S 0.15193	0
14	Highway and vehicle		0	W/S 0.15193	0
15	PLANT RELATED				
16	Property		1,915,300	GP 0.22069	422,689
17	Gross Receipts		0	NA zero	0
18	Other		0	GP 0.22069	0
19	Payments in lieu of taxes		0	GP 0.22069	0
20	TOTAL OTHER TAXES (sum lines 13 - 19)		1,915,300		422,689
	INCOME TAXES	(Note K)		NA	
21	$T = 1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\}$		0.00%		
22	$CIT = (T/1-T) * (1-(WCLTD/R))$ where WCLTD=(page 4, line 22) and R=(page 4, line 24) and FIT, SIT & p are as given in footnote K.		0.00%		
23	$1 / (1 - T) =$ (from line 21)		0.0000		
24	Amortized Investment Tax Credit (266.8f) (enter negative)		0		
25	Income Tax Calculation = line 22 * line 28		0	NA	0
26	ITC adjustment (line 23 * line 24)		0	NP 0.29879	0
27	Total Income Taxes	(line 25 plus line 26)	0		0
28	RETURN from ACSR [Rate Base (page 2, line 30 + 30a) * Rate of Return (page 4, line 24)]		16,601,548	NA	7,884,267
28a	RETURN from HCSR [Rate Base (page 2, line 30a) * Rate of Return (page 4, line 30)]		1,270,883	NA	1,270,883
29	REV. REQUIREMENT (sum lines 8, 12, 20, 27, 28 and 28a)		34,019,837		16,138,319
30	LESS ATTACHMENT GG ADJUSTMENT [Attachment GG, page 2, line 3, column 10] (Note W) [Revenue Requirement for facilities included on page 2, line 2, and also included in Attachment GG]		7,608,800		7,608,800
30a	LESS ATTACHMENT MM ADJUSTMENT [Attachment MM, page 2, line 3 column 14] (Note Y) [Revenue Requirement for facilities included on page 2, line 2 and also included in Attachment MM]		2,834,726		2,834,726
31	REVENUE REQUIREMENT TO BE COLLECTED UNDER ATTACHMENT O (line 29 - line 30 - line 30a)		23,576,311		5,694,793

Effective January 1, 2010

First Revised Sheet No. 2637
Superseding Original Sheet No. 2637
Attachment O-MRES
Page 4 of 5

Rate Formula Template
Utilizing EIA Form 412 Data
MRES

For the 12 months ended 12/31/2014

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Formula Rate - Non-Levelized

Rate Formula Template
 Utilizing EIA Form 412 Data
 MRES

General Note References to pages in this formulary rate are indicated as (page#, line#, col.#)
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Note
 Letter

- A The utility's maximum monthly megawatt load (60-minute integration) for RQ service at time of applicable pricing zone coincident monthly peaks. RQ service is service which the supplier plans to provide on an on-going basis (i.e., the supplier includes projected load for this service in its system resource planning).
- B Includes LF, IF, LU, IU service. LF means "firm service" (cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions), and long-term (duration of at least five years); does not meet definition of RQ service. IF is "firm service" for a term longer than one but less than five years. LU is service from a designated generating unit, of a term no less than five years. LI is service from a designated generating unit for a term between one and five years. Measured at time of applicable pricing zone coincident monthly peaks.
- C LF as defined above at time of applicable pricing zone coincident monthly peaks.
- D LF as defined above at time of applicable pricing zone coincident monthly peaks.
- E The FERC's annual charges for the year assessed the Transmission Owner for service under this tariff, if any
- F The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated.
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- J Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit, multiplied by (1/1-T) (page 3, line 26).
- | | | | |
|-----------------|-------|-------|---|
| Inputs Required | FIT = | 0.00% | |
| | SIT = | 0.00% | (State Income Tax Rate or Composite SIT) |
| | p = | 0.00% | (percent of federal income tax deductible for state purposes) |
- L Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including Account Nos. 561.1, 561.2, 561.3, and 561.BA.
- M Removes transmission plant determined to be state-jurisdictional by Commission order according to the seven-factor test (until EIA 412 balances are adjusted to reflect application of seven-factor test).
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- O Enter dollar amounts
- P Debt cost rate = long-term interest (line 21) / long term debt (line 22). The Proprietary Capital Cost rate is implicit, a residual calculation after TIER is determined. TIER will be supported in the filing and no change in TIER may be made absent a filing with the ISO and the FERC, if the entity is under FERC's jurisdiction.
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- S Grandfathered agreements whose rates have been changed to eliminate or mitigate pancaking - the revenues are included in line 4, page 1 and the loads are included in line 13, page 1. Grandfathered agreements whose rates have not been changed to eliminate or mitigate pancaking - the revenues are not included in line 4, page 1 nor are the loads included in line 13, page 1.
- T The revenues credited on page 1, lines 2-5 shall include only the amounts received directly (in the case of grandfathered agreements) or from the ISO (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, ancillary services, facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Rate Formula Template.
- U From Reference III.17.b include only the amount from accounts 428, 429, and 430.
- V Account Nos. 561.4 and 561.8 consist of RTO expenses billed to load-serving entities and are not included in Transmission Owner revenue requirements.
- W Pursuant to Attachment GG of the Midwest ISO Tariff, removes dollar amount of revenue requirements calculated pursuant to Attachment GG and recovered under Schedule 26 of the Midwest ISO Tariff.
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- BB Schedule 10-FERC charges should not be included in O&M recovered under this Attachment O.
- CC The CWIP balance on Page 2, Line 18a is the 13 month average for the transmission projects approved for included CWIP in rate base by FERC. The projects approved for 100% CWIP recovery do not include any AFUDC in the CWIP balances.
- DD Page 2, Line 23a includes any unamortized balances related to the recovery of abandoned plant costs for the projects approved by FERC. Page 3, Line 9a is the annual amortization expense of abandoned plant costs for the projects approved by FERC. No abandoned plant costs will be included until approved by FERC under a separate docket.
- EE Includes the transmission gross plant in-service (line 2a, page 2 of 5), accumulated depreciation (line 8a, page 2 of 5) and net transmission plant in-service (line 14a, page 2 of 5) for the transmission projects granted a hypothetical capital structure of 55% debt and 45% equity by FERC. These transmission plant balances do not include any AFUDC.
- FF The Hypothetical Capital Structure Return (HCSR) calculation is only applicable to the projects approved by FERC that use a hypothetical capital structure of 55% debt and 45% equity.
- GG Calculated using-13 month average balance.

NWPS
2014 Actual
Revenue Requirement Template

APPENDIX A

(For Rate Year Beginning October 1, 2015, Based on December 31, 2014 Data)

Notes FF1 Page # or Instruction

Shaded cells are input cells

Wages & Salary Allocation Factor			
1	Transmission Wages Expense	p354.21 b [From Inputs, Pg. 1, Ln. 61]	1,121,041
1a	Transmission under WAPA IS Factor	[From ATT-5, Ln. 1a]	38 33%
2	Total Wages Expense	p354 28 b [From Inputs, Pg. 1, Ln. 63]	12,263,861
3	Less A&G Wages Expense	p354 27 b [From Inputs Pg. 1 Ln. 62]	3 905 748
4	Total Wages Less A&G Wages Expense	(Line 2 - Line 3)	8,358,114
5	Wages & Salary Allocator	(Line 1 * Line 1a) / Line 4	5.14%
Plant Allocation Factors			
6	Electric Plant in Service	p207.104 g [From Inputs, Pg. 1, Ln. 32]	597,960,820
7	Accumulated Depreciation (Total Electric Plant)	p219 29 c [From Inputs, Pg. 1, Ln. 44]	270,870,920
8	Accumulated Intangible Amortization (Other Utility Plant)	(Note A) p200 21 c [From Inputs Pg. 1 Ln. 30]	11 018
9	Total Accumulated Depreciation	(Line 7 + 8)	270,881,938
10	Net Plant	(Line 6 - Line 9)	327,078,882
11	Transmission Gross Plant under WAPA IS (excluding Land Held for Future Use)	(Line 27 - Line 26)	52,168,363
12	Gross Plant Allocator	(Line 11 / Line 6)	8.72%
13	Transmission Net Plant under WAPA IS (excluding Land Held for Future Use)	(Line 35 - Line 26)	33,267,874
14	Net Plant Allocator	(Line 13 / Line 10)	10.17%
T/D Pole Allocation Factor			
15	Gross Distribution Pole/Structure Investment (Acct 364)	p206.64 b [From Inputs, Pg. 1, Ln. 66]	35,970,968
16	Gross Transmission Pole/Structure Investment (Accts 354 + 355)	p206 51 b + p206.52.b [From Inputs Pg. 1 Lns. 64 & 65]	40 049 770
17	Transmission Pole/Structure Investment (Accts 354 + 355) under WAPA IS	From Inputs Pg. 2 Line 22	14 420 714
18	Total Pole/Tower Gross Plant	(Line 15 + Line 16)	76 020 738
19	T/D Revenue Allocation Factor (For Pole Attachment Revenue)	(Line 17 / Line 18)	18.97%
Plant In Service			
20	Transmission Plant In Service under WAPA IS	[From Inputs, Pg. 2, Ln. 13]	51,375,840
21	General	p207.99 g [From Inputs, Pg. 1, Ln. 41]	15,312,076
22	Intangible	p205.5 g [From Inputs Pg. 1 Ln. 31]	102 901
23	Total General and Intangible Plant	(Line 21 + Line 22)	15,414,977
24	Wage & Salary Allocator	(Line 5)	5.14%
25	Total General and Intangible Functionalized to Transmission	(Line 23 * Line 24)	792,523
26	Land Held for Future Use	(Note C) [From Inputs, Pg. 2, Lns. 9, 10, & 12]	0
27	Total Plant In Rate Base	(Line 20 + Line 25 + Line 26)	52,168,363
Accumulated Depreciation			
28	Transmission Accumulated Depreciation for assets under WAPA IS	(Note B) [From Inputs, Pg. 2, Ln. 14]	18,683,653
29	General Plant Accumulated Depreciation	p219.28 c [From Inputs, Pg. 1, Ln. 43]	4,206,553
30	Accumulated Intangible Amortization (Other Utility Plant)	(Line 8)	11 018
31	Total Accumulated Depreciation	(Line 29 + 30)	4,217,571
32	Wage & Salary Allocator	(Line 5)	5.14%
33	Subtotal General and Intangible Accum. Depreciation Allocated to Transmission	(Line 31 * Line 32)	216,836
34	Total Accumulated Depreciation	(Sum Lines 28 + 33)	18,900,490
35	Total Net Property, Plant & Equipment	(Line 27 - Line 34)	33,267,874
Accumulated Deferred Income Taxes			
36	ADIT	[From ATT 1, Pg. 1, Ln. 32]	(4,239,186)
Prepayments			
37	Prepayments	(Note A) [From ATT-5, Ln. 37]	506,030
Materials and Supplies			
38	Undistributed Stores Expense	(Note A) p227.16 c [From Inputs, Pg. 1, Ln. 35]	0
39	Wage & Salary Allocator	(Line 5)	5.14%
40	Total Undistributed Stores Expense Allocated to Transmission	(Line 38 * Line 39)	0
41	Transmission Materials & Supplies	p227.8 c [From Inputs, Pg. 1, Ln. 34]	1,452,682
42	Total Materials & Supplies Allocated to Transmission	(Line 40 + Line 41)	1,452,682
Cash Working Capital			
43	Operation & Maintenance Expense	(Line 66)	1,530,847
44	1/8th Rule	1/8	12.5%
45	Total Cash Working Capital Allocated to Transmission	(Line 43 * Line 44)	191,356
46	Non-Escrowed Funds	[From ATT-4, Line 3, Col. C]	(72,360)
47	Total Adjustment to Rate Base	(Lines 36 + 37 + 42 + 45 + 46)	(2,161,478)
48	Rate Base	(Line 35 + Line 47)	31,106,395

APPENDIX A
(For Rate Year Beginning October 1, 2015, Based on December 31, 2014 Data)

Transmission O&M			
49	Transmission O&M	[From ATT-5, Ln. 49]	2,590,975
50	Less Account 565	[From ATT-5, Ln. 50]	1,496,224
51	Line left intentionally blank		
52	Plus Charges billed to Transmission Owner and booked to Account 565	[From ATT-5, Ln. 52]	0
53	Transmission O&M	(Lines 49 - 50)	1,094,751
Allocated Administrative & General Expenses			
54	Total A&G	323.197b [From Inputs, Pg. 1, Ln. 50]	7,959,730
55	Line left intentionally blank		
56	Line left intentionally blank		
57	Line left intentionally blank		
58	Less Regulatory Commission Exp Account 928	(Note D) p323.189 b [From Inputs, Pg. 1, Ln. 48]	10,025
59	Less General Advertising Exp Account 930.1	p323.191 b [From Inputs, Pg. 1, Ln. 49]	24,322
60	Administrative & General Expenses	Sum (Lines 54 to 55) - Sum (Lines 56 to 59)	7,925,383
61	Wage & Salary Allocator	(Line 5)	5.1413%
62	Administrative & General Expenses Allocated to Transmission	(Line 60 * Line 61)	407,464
Directly Assigned A&G			
63	Regulatory Commission Exp Account 928	(Note F) [From ATT-5, Ln. 63]	0
64	Safety/Peak Alert Advertising Exp (Acct 909)	(Note E) [From ATT-5 Ln. 64]	28,631
65	Subtotal - Accounts 909 and 928 - Transmission Related	(Line 63 + Line 64)	28,631
66	Total Transmission O&M	(Lines 53 + 62 + 65)	1,530,847
Depreciation Expense			
67	Transmission Depreciation Expense for Assets under WAPA IS	(Note B) p336.7 b&c&d [From Inputs, Pg. 2, Ln. 21]	1,610,814
68	General Depreciation Expense Including Amortization of Limited Term Plant	p336.10 b&c&d [From Inputs, Pg. 1, Lns. 58, 59, & 60]	942,595
69	Intangible Amortization	(Note A) p336.1 b&c&d&e [From Inputs, Lns. 51, 52, 53, & 54]	6,022
70	Total	(Line 68 + Line 69)	948,618
71	Wage & Salary Allocator	(Line 5)	5.1413%
72	General Depreciation & Intangible Amortization Allocated to Transmission	(Line 70 * Line 71)	48,771
73	Total Transmission Depreciation & Amortization	(Lines 67 + 72)	1,659,584
Taxes Other than Income Taxes			
74	Taxes Other than Income Taxes	[From ATT-2, Pg. 1, Ln. 14]	468,280
75	Total Taxes Other than Income Taxes	(Line 74)	468,280
Long Term Interest			
76	Long Term Interest & Hedging Costs	[From ATT-9, Pg. 2, Ln. 6]	71,592,250
77	Preferred Dividends	[From ATT-8, Pg. 1, Ln. 4]	0
Common Stock			
78	Proprietary Capital	[From ATT-7, Pg. 1, Ln. 3, Col. A]	1,254,226,657
79	Less Accumulated Other Comprehensive Income Account 219	[From ATT-7, Pg. 1, Ln. 3, Col. F]	0
80	Less Preferred Stock	[From ATT-8, Pg. 1, Ln. 3, Col. F]	0
81	Less Account 216.1	[From ATT-7, Pg. 1, Ln. 3, Col. G]	0
82	Common Stock	(Line 78 - 79 - 80 - 81)	1,254,226,657
Capitalization			
83	Total Long Term Debt (Average)	[From ATT-6, Pg. 1, Ln. 1, Col A]	1,395,205,000
84	Preferred Stock	[From ATT-6, Pg. 1, Ln. 2, Col A]	0
85	Common Stock	[From ATT-6 Pg. 1 Ln. 3 Col A]	1,254,226,657
86	Total Capitalization	(Sum Lines 83 to 85)	2,649,431,657
87	Debt %	Total Long Term Debt [From ATT-6, Pg. 1, Ln. 1, Col B]	52.66%
88	Preferred %	Preferred Stock [From ATT-6, Pg. 1, Ln. 2, Col B]	0.00%
89	Common %	Common Stock [From ATT-6, Pg. 1, Ln. 3, Col B]	47.34%
90	Debt Cost	Total Long Term Debt [From ATT-6, Pg. 1, Ln. 1, Col C]	5.13%
91	Preferred Cost	Preferred Stock [From ATT-6, Pg. 1, Ln. 2, Col C]	0.00%
92	Common Cost	Common Stock [From ATT-6, Pg. 1, Ln. 3, Col C]	10.97%
93	Weighted Cost of Debt	Total Long Term Debt (WCLTD) (Line 87 * Line 90)	2.70%
94	Weighted Cost of Preferred	Preferred Stock (Line 88 * Line 91)	0.00%
95	Weighted Cost of Common	Common Stock (Line 89 * Line 92)	5.19%
96	Rate of Return on Rate Base (ROR)	(Sum Lines 93 to 95)	7.90%
97	Investment Return = Rate Base * Rate of Return	(Line 48 * Line 96)	2,455,947

APPENDIX A
(For Rate Year Beginning October 1, 2015, Based on December 31, 2014 Data)

Income Tax Rates			
98	FIT=Federal Income Tax Rate	(Note G) [From Inputs, Pg. 2, Ln. 1]	35.00%
99	SIT=State Income Tax Rate or Composite	(Note G) [From Inputs, Pg. 2, Ln. 2]	0.00%
100	p (% of fed inc tax deductible for state purposes)	(Note G) [From Inputs, Pg. 2, Ln. 3]	0.00%
101	T $T=1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$		35.00%
102	T / (1-T) Tax Gross-Up		53.85%
ITC Adjustment			
103	Amortized Investment Tax Credit - Transmission Related	[From ATT-5, Ln. 103]	21,390
104	ITC Adjust. Allocated to Trans. - Grossed Up ITC Adjustment x 1 / (1-T)	(Line 103 * (1 / (1-Line 101)))	32,907
105	Income Tax Component = (T/1-T) * Investment Return * (1-(WCLTD/ROR)) =	[Line 102 * Line 97 * (1- (Line 93 / Line 96))]	869,830
106	Total Income Taxes	(Line 105 - Line 104)	836,922
Summary			
107	Net Property, Plant & Equipment	(Line 35)	33,267,874
108	Total Adjustment to Rate Base	(Line 47)	(2,161,478)
109	Rate Base	(Line 48)	31,106,395
110	Total Transmission O&M	(Line 66)	1,530,847
111	Total Transmission Depreciation & Amortization	(Line 73)	1,659,584
112	Taxes Other than Income	(Line 75)	468,280
113	Investment Return	(Line 97)	2,455,947
114	Income Taxes	(Line 106)	836,922
115	Gross Revenue Requirement	(Sum Lines 110 to 114)	6,951,581
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities			
116	Transmission Plant In Service under WAPA IS	(Line 20)	51,375,840
117	Revenues from Direct Assigned Transmission F	(Note H) [From ATT-5, Ln. 117]	453,770
118	Included Transmission Facilities	(Line 116 - Line 117)	50,922,070
119	Inclusion Ratio	(Line 118 / Line 116)	99.12%
120	Gross Revenue Requirement	(Line 115)	6,951,581
121	Adjusted Gross Revenue Requirement	(Line 119 * Line 120)	6,890,182
Revenue Credits & Adjustments			
122	Revenue Credits	[From ATT-3, Ln. 8]	501,148
122a	Refunds and Surcharges (Adjustments to Gross ATRR)		
122b	Total Revenue Credits and Adjustments	(Line 122 + Line 122a)	501,148
123	Annual Total Net Revenue Requirement	(Line 121 - Line 122b)	6,389,034

Notes:

- A Electric portion only.
- B Includes only transmission assets under the WAPA IS
- C Includes Transmission portion only.
- D Includes all Regulatory Commission Expenses for all Electric jurisdictions.
- E Includes safety-related and load/grid congestion management advertising expense included in Account 909 (Product codes ADAS, ADCS, ADPA).
- F Includes Regulatory Commission Expenses directly related to transmission service, RTO filings, or transmission siting; as itemized on ATT-5, Ln. 63.
- G The currently effective income tax rate where FIT is the Federal income tax rate; SIT is the South Dakota income tax rate, and p = the percentage of federal income tax deductible for South Dakota state income taxes.
- H There are no direct assigned transmission facilities on our system as of 12/31/2014. Annual verification/updates will be documented on ATT 5.

NWPS

2014 Estimated Revenue Requirement Template

Line No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT				\$ 5,196,278
2					
3					
4	REVENUE CREDITS	(Note T)	Total	Allocator	
5	Account No. 454		259,850	TP 100%	259,850
6	Account No. 456		1,225,943	GP= 11.2%	137,589
7	TOTAL REVENUE CREDITS				397,439
8					
9					
10	NET REVENUE REQUIREMENT				\$ 4,798,840
11					
12					
13	(1)	(2)	(3)	(4)	(5)
14		Form No. 1			Transmission
15		Page, Line, Col.	Company Total	Allocator	(Col 3 times Col 4)
16	RATE BASE:				
17					
18	SD GROSS PLANT IN SERVICE				
19	Production	206.42 g	167,101,900		
20	Transmission	206.53 g	48,105,277	TP 100.0%	48,105,277
21	Distribution	206.69 g	188,807,480		
22	General & Intangible	206.5.g & 83.g	12,898,841	W/S 4.8%	620,023
23	Common	356.1	25,521,260	CE 3.6%	929,621
24	TOTAL GROSS PLANT		442,434,758	GP= 11.2%	49,654,920
25					
26	ACCUMULATED DEPRECIATION				
27	Production	219.18-22.c	112,605,521		
28	Transmission	219.23.c	18,310,618	TP 100.0%	18,310,618
29	Distribution	219.24.c	73,184,406		
30	General & Intangible	219.25.c	3,555,172	W/S 4.8%	170,890
31	Common	356.1	7,040,001	CE 3.6%	256,434
32	TOTAL ACCUMULATED DEPRECIATION		214,695,718		18,737,943
33					
34	NET PLANT IN SERVICE				
35	Production		54,496,379		
36	Transmission		29,794,658		29,794,658
37	Distribution		115,623,074		
38	General & Intangible		9,343,669		449,133
39	Common		18,481,260		673,186
40	TOTAL NET PLANT		227,739,040	NP= 13.58%	30,916,977
41					
42	ADJUSTMENTS TO RATE BASE	(Note F)			
43	Account No. 281 (enter negative)	273.8 k	0	NP 13.58%	-
44	Account No. 282 (enter negative)	275.2 k	(44,679,654)	NP 13.58%	(6,065,538)
45	Account No. 283 (enter negative)	277.9.k	-	NP 13.58%	-
46	Account No. 190	234.8.c	-	NP 13.58%	-
47	Account No. 255 (enter negative)	267.8.h	(1,196,810)	NP 13.58%	(162,474)
48	TOTAL ADJUSTMENTS		(45,876,464)		(6,228,013)
49					
50	LAND HELD FOR FUTURE USE	214.x.d (Note G)	0	TP 100%	0
51					
52	WORKING CAPITAL (Note H)				
53	CWC	calculated	932,490	O&M/8	114,852
54	Materials & Supplies (Note G)	Transmission	0	GP 11.22%	0
55	Prepayments (Account 165)	111.46 d	0	GP 11.22%	0
56	TOTAL WORKING CAPITAL		932,490		114,852
57					
58	RATE BASE		182,795,066		24,803,817

(1)	(2)	(3)	(4)	(5)
Line No.	Form No. 1 Page, Line, Col.	Company Total	Allocator	Transmission (Col 3 times Col 4)
	O&M			
1	Transmission - only 115KV portion 321.100.b	2,990,050	TE	100%
2	Less Account 565 - only 115KV portion 321.88 b	2,401,528		100%
3	A&G 323.168 b	6,988,157	W/S	4.8%
4	Less FERC Annual Fees	0	W/S	5%
5	Less EPRI & Reg. Comm. Exp. & Non-safety Ad. (Note I)	116,757	W/S	5%
6	Plus Transmission Related Reg. Comm. Exp. (Note I)	0	TE	100%
7	Common 356.1	0	CE	4%
8	Transmission Lease Payments	0		100%
9	TOTAL O&M	7,459,923		918,818
10				
11	DEPRECIATION EXPENSE			
12	Transmission - only 115KV assets 336.7 b	1,291,015	TP	100%
13	General 336.9.b	845,387	W/S	4.8%
14	Common 336.10 b	1,637,359	CE	3.6%
15	TOTAL DEPRECIATION	3,773,762		1,391,293
16				
17	TAXES OTHER THAN INCOME TAXES (Note J)			
18	LABOR RELATED			
19	Payroll 262.i	771,425	W/S	4.8%
20	Highway and vehicle 262.i	50,449	W/S	4.8%
21	PLANT RELATED			
22	Property 262.i	4,062,553	GP	11.2%
23	Gross Receipts 262.i (excluded)	152,058		0
24	Other 262.i	34,462	GP	11.2%
25	Payments in lieu of taxes	0	GP	11.2%
26	TOTAL OTHER TAXES	5,070,947		499,318
27				
28	INCOME TAXES (Note K)			
29	$T=1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\} =$	35.00%		
30	$\text{CIT}=(T/1-T) * (1-(\text{WCLTD}/R)) =$	37.20%		
31	$1 / (1 - T) = (\text{from line 21})$	1.5385		
32	Amortized Investment Tax Credit (266.8f)	(1,196,810)	GP	11.2%
33				(134,319)
34	Income Tax Calculation	5,718,673	GP	11.2%
35	ITC adjustment	(1,841,246)	GP	11.2%
36	Total Income Taxes	3,877,427		641,813
37				(206,645)
38	RETURN	15,373,065	NA	300,848
39	[Rate Base * Rate of Return]			2,086,001
40				
41	REV. REQUIREMENT	35,555,124		5,196,278

SUPPORTING CALCULATIONS AND NOTES

Line No.	TRANSMISSION PLANT INCLUDED IN ISO RATES				
1	Total transmission plant				123,741,589
2	Less transmission plant excluded from ISO rates (Note M)				75,636,313
3	Less transmission plant included in OATT Ancillary Services (Note N)				0
4	Transmission plant included in ISO rates (line 1 less lines 2 & 3)		38.9%		48,105,277
5					
6	Percentage of transmission plant included in ISO Rates (line 4 divided by line 1)			TP=	1.00000
7					
8	TRANSMISSION EXPENSES				
9					
10	Total transmission expenses				2,990,050
11	Less transmission expenses included in OATT Ancillary Services (Note L)				0
12	Included transmission expenses				2,990,050
13					
14	Percentage of transmission expenses after adjustment				1.00000
15	Percentage of transmission plant included in ISO Rates			TP	1.00000
16	Percentage of transmission expenses included in ISO Rates			TE=	1.00000
17					
18	WAGES & SALARY ALLOCATOR (W&S)				
19	Form 1 Reference	\$	TP	Allocation	
20	SD Electric Production 354.18 b	449,000	0 00	0	
21	SD Electric Transmission 354.19 b	383,856	1 00	383,856	
22	SD Electric Distribution 354.20 b	2,063,462	0 00	0	
23	SD Electric Other 354.21,22,23.b	5,089,350	0 00	0	W&S Allocator (\$ / Allocation)
24	Total	7,985,668		383,856 WS =	4.8%
25					
26	COMMON PLANT ALLOCATOR (CE) (Note O)				
27		\$		% Electric (line 28 / line 31)	W&S Allocator (line 24)
28	Electric 200.3.c	492,604,252		75.8%	*
29	Gas 200.3 d	157,452,886			4.8% =
30	Water 200.3 e	0			3.6%
31	Total	650,057,137			

Line No.		\$	%	Cost (Note P)	Weighted
	RETURN (R)				
1	Long Term Debt (112, sum of 16d through 19d)	1,055,187,000	48.39%	5.4%	2.60% =WCLTD
2	Preferred Stock (112 3d)	0	0.00%	0.0%	0.0%
3	Common Stock (line 26)	934,032,000	51.61%	11.25%	5.81%
4	Total (sum lines 27-29)	1,989,219,000			8.41% =R
5					
6	REVENUE CREDITS				
7					Load
8	ACCOUNT 447 (SALES FOR RESALE) (310-311) (Note Q)				2,959,317
9					
10	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note R)				\$259,850
11					
12	ACCOUNT 456 (OTHER ELECTRIC REVENUES) (330.x.n)				\$1,225,943

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)

References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Note

- A Peak as would be reported on page 401, column d of Form 1 at the time of the ISO coincident monthly peaks.
- B Labeled LF, LU, IF, IU on pages 310-311 of Form 1 at the time of the ISO coincident monthly peaks.
- C Labeled LF on page 328 of Form 1 at the time of the ISO coincident monthly peaks.
- D Labeled LF on page 328 of Form 1 at the time of the ISO coincident monthly peaks.
- E The FERC's annual charges for the year assessed the Transmission Owner for service under this tariff.
- F The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income as discussed in Note K. Account 281 is not allocated.
- G Identified in Form 1 as being only transmission related.
- H Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission.
Prepayments are the electric related prepayments booked to Account No. 165 and reported on Pages 100-111 line 46 in the Form 1.
- I EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1. Line 5a - Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
- J Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year.
Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
- K The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 26).
- Inputs Required: FIT = 35.00%
SIT = 0.00% (State Income Tax Rate or Composite SIT)
p = 0.00% (percent of federal income tax deductible for state purposes)
- L Removes dollar amount of transmission expenses included in the OATT ancillary services rates, including all of Account No. 561.
- M Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).
- N Removes dollar amount of transmission plant included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to be included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
- O Enter dollar amounts
- P ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC.
- Q Must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456 and all other uses are to be included.
- R Includes income related only to transmission facilities, such as pole attachments, rentals and special use.
- T The revenues credited on page 1 lines 2-5 shall include only the amounts received directly (in the case of grandfathered agreements) or from the ISO (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities. They do not include revenues associated with FERC annual charges, gross receipts taxes, ancillary services, facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Rate Formula Template.