

Integrated System Transmission and Ancillary Services Rate True-up Calculation

Effective January 1, 2017

Integrated System Transmission and
Ancillary Services
2015 Rate True-up Calculation

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

Integrated System Transmission and Ancillary Services 2015 Rate True-up Calculation

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IS Revenue Requirement True-up - 2015 Rate

A.	Projected Revenue Requirement	\$ 200,510,055	2015 Revenue Requirement - Estimate
B.	Actual Revenue Requirement	<u>\$ 211,819,071</u>	2015 Revenue Requirement - Actual
C.	Revenue Requirement Under Collected	\$ (11,309,016)	(A - B)
D.	Estimated Load	5,717,000	2015 Load - Estimate (1)
E.	Actual Load	<u>5,524,000</u>	2015 Load - Actual
F.	Actual Load to Estimated Load Comparison	193,000	(D - E)
G.	Under collection due to volume	\$ (6,768,510)	(F * (A / D) * -1)
H.	Under Collection of Revenue Requirement	\$ (11,309,016)	C
I.	Under Collection due to Volume	<u>\$ (6,768,510)</u>	G
J.	Total Under Collection	<u>\$ (18,077,526)</u>	(C + G)

2015 Over/(Under) Collection by Entity:

Annual Amount:

Adjusted to 75% for Jan-Sep 2015:

Basin Electric	2,141,439	1,606,079
Western (2)	(18,827,479)	(14,690,503)
Heartland	(204,474)	(153,355)
MRES	(815,556)	(611,667)
NWPS	<u>(371,456)</u>	<u>(278,592)</u>
	(18,077,527)	(13,558,145)

- (1) 2015 actual load includes an estimate for 3 months to obtain value for load calculation.
- (2) Western amount includes \$(571,771.50) for IS 2013 true-up assumed by Western and not yet included in IS rates. The full amount of Unreserved Use Penalty is included in the Western total.

Integrated System Transmission Rates 2015 Actual

INTEGRATED SYSTEM ANNUAL REVENUE REQUIREMENT FOR TRANSMISSION SERVICE Effective January 1, 2015 - Actual

Line

No.

1			
2			
3	<u>Annual IS Transmission Costs</u>		<u>Notes</u>
4	Basin Electric	67,803,114	Basin Electric Revenue Requirement Template
5	Western	134,939,269	Western Revenue Requirement Template
6	Heartland	1,061,728	Heartland Revenue Requirement Template
7		<u>\$203,804,111</u>	L4 + L5 + L6
8			
9			
10	<u>Transmission Customer Facility Credits</u>		
11		3,323,685	MRES Revenue Requirement Template
12		<u>6,294,320</u>	NWPS Revenue Requirement Template
13		\$9,618,005	L11 + L12
14			
15			
16	<u>Annual Revenue Requirement for IS Transmission Service</u>		
17			
18		\$213,422,116	L7 + L13
19			
20			
21	<u>2013 True-up Amount</u>		
22		(\$1,595,537)	2013 Rate True-up Worksheet
23			
24	<u>2015 Unreserved Use of Transmission Service Penalties</u>		
25			
26		(\$7,508)	2015 Unreserved Use Penalty Worksheet
27			
28	<u>Annual Revenue Requirement for IS Transmission Service after True-up</u>		
29			
30		\$211,819,071	L18 + L22 + L26
31	<u>2015 True-up Amount</u>		
32		\$18,077,526	2015 Rate True-up Worksheet
33			
34			
35			
36			
37			

Line

FIRM POINT-TO-POINT RATE DESIGN

Effective January 1, 2015 - Actual

No.

1			
2			
3	<u>Annual Revenue Requirement for IS Transmission Service</u>	<u>Notes</u>	
4			
5	\$211,819,071	IS Annual Revenue Requirement for	
6		Transmission Service Worksheet, L30	
7			
8	<u>IS Transmission System Total Load</u>		
9			
10	5,524,000 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	\$3.20 / KW-Mo	L5 / L10 / 12 months	

Line

NON-FIRM POINT-TO-POINT RATE DESIGN

Effective Janaury 1, 2015 - Actual

No.

1
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10

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

Notes

\$3.20 / KW-Mo

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

Maximum Non-Firm Point-to-Point Transmission Rate

4.38 Mills/KWh

(L5 * 1000) / 730 hours per month

Integrated System Transmission Rates 2015 Estimated

INTEGRATED SYSTEM ANNUAL REVENUE REQUIREMENT FOR TRANSMISSION SERVICE Effective January 1, 2015

Line

No.

1			
2			
3	<u>Annual IS Transmission Costs</u>		<u>Notes</u>
4	Basin Electric	\$69,944,553	Basin Electric Revenue Requirement Template
5	Western	\$122,876,359	Western Revenue Requirement Template
6	Heartland	\$857,254	Heartland Revenue Requirement Template
7		<u>\$193,678,166</u>	L4 + L5 + L6
8			
9			
10	<u>Transmission Customer Facility Credits</u>		
11		\$2,508,129	MRES Revenue Requirement Template
12		<u>\$5,922,864</u>	NWPS Revenue Requirement Template
13		\$8,430,993	L11 + L12
14			
15			
16	<u>Annual Revenue Requirement for IS Transmission Service</u>		
17			
18		\$202,109,159	L7 + L13
19			
20	<u>2013 True-up Amount</u>		
21		(\$1,595,537)	2013 Rate True-up Worksheet
22			
23	<u>2013 Unreserved Use of Transmission Service Penalties</u>		
24			
25		(\$3,567)	2013 Unreserved Use Penalty Worksheet
26			
27	<u>Annual Revenue Requirement for IS Transmission Service after True-up</u>		
28			
29		\$200,510,055	L18 + L21 + L25

INTEGRATED SYSTEM FIRM POINT-TO-POINT RATE DESIGN Effective January 1, 2015

Line

No.

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14
15

Annual Revenue Requirement for IS Transmission Service

Notes

\$200,510,055

IS Annual Revenue Requirement for
Transmission Service Worksheet, L29

IS Transmission System Total Load

5,717,000 KW IS Transmission System Total Load Estimate

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

\$2.92 / KW-Mo

L5 / L10 / 12 months

INTEGRATED SYSTEM

NON-FIRM POINT-TO-POINT RATE DESIGN

Effective January 1, 2015

Line

No.

1
2
3
4
5
6
7
8
9
10

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

Notes

\$2.92 / KW-Mo

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

Maximum Non-Firm Point-to-Point Transmission Rate

4.00 Mills/KWh

(L5 * 1000) / 730 hours per month

Integrated System Load Data

2015 IS Transmission System Total Load Estimate
Transmission Rate
(MW)

5,717

2015 Integrated System Network Load

(MW)

Line No.	(1) Date	(2) Hour Ending	(3) Basin Network System Load	(5) Basin NIMECA	(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) Total IS Network Loads
1														
2	01/07/15	800	2,939	69	1733	94	382	296	1.039	44	77	11	4	5,650
3	02/18/15	800	2,828	67	1717	94	371	284	0.994	36	72	11	3	5,484
4	03/05/15	800	2,819	65	1644	94	355	282	0.982	38	65	11	3	5,377
5	04/08/15	800	2,368	45	1294	74	258	198	0.696	30	25	15	2	4,310
6	05/18/15	1000	2,257	45	1213	68	213	199	0.462	35	15	6	2	4,053
7	06/29/15	1700	2,618	59	1495	80	288	264	0.903	60	49	7	6	4,927
8	07/27/15	1700	2,784	63	1716	89	366	306	0.901	39	44	11	6	5,425
9	08/14/15	1700	2,922	68	1687	86	355	301	1.191	55	55	11	6	5,547
10	09/03/15	1700	2,791	73	1350	88	379	308	0.884	37	37	11	3	5,078
11	10/15 (est)	0	2,743	53	1177	77	256	226	0.594	35	30	11	1	4,610
12	11/15 (est)	0	2,819	62	1582	86	354	269	0.748	44	58	11	4	5,290
13	12/15 (est)	0	<u>2,819</u>	<u>63</u>	<u>1656</u>	<u>87</u>	<u>362</u>	<u>277</u>	<u>0.927</u>	<u>51</u>	<u>73</u>	<u>10</u>	<u>3</u>	<u>5,402</u>
14														
15	Average Monthly Peak IS Network Load		2,726	61	1,522	85	328	268	0.860	42	50	10.5	4	5,096
	2014 Network Load		2,611	62	1,475	85	328	270	0.791	43	36	10	3	4,923
	Difference		115	-1	47	0	0	-3	0	-1	14	1	1	173
	Percent Change		4.20%	-1.64%	3.09%	-0.29%	0.08%	-0.93%	8.03%	-2.38%	28.00%	-7.62%	16.28%	3.39%

2015 IS Transmission System Total Load (MW)

	(1)	(2)	(3)	(4)
Line No.	Date	Hour Ending	Network Load	Long-Term Firm Point-to-Point Reservations
1	01/07/15	800	5,650	428
2	02/18/15	800	5,484	428
3	03/05/15	800	5,377	428
4	04/08/15	800	4,310	428
5	05/18/15	1000	4,053	428
6	06/29/15	1700	4,927	428
7	07/27/15	1700	5,425	428
8	08/14/15	1700	5,547	428
9	09/03/15	1700	5,078	428
10	10/15 (est)	0	4,610	426
11	11/15 (est)	0	5,290	426
12	12/15 (est)	0	5,402	<u>426</u>
13				
14	12 CP		5,096	428

Western's
2015 Actual
Revenue Requirement Template

12 Months Ending 09/30/2015 ACTUAL

Line No.	(1)	REFERENCE (2)	COMPANY TOTAL (3)	ALLOCATOR	(4)	TRANSMISSION ALLOCATED AMOUNT (5)
1	GROSS REVENUE REQUIREMENT	(line 75)				\$ 147,584,380
2	REVENUE CREDITS	(Note R)				
3	Short-Term Firm Point-to-Point Transmission Service Credit		2,693,745	NA	1.00000	2,693,745
4	Non-Firm Point-to-Point Transmission Service Credit		6,209,213	NA	1.00000	6,209,213
5	Revenue from Existing Transmission Agreements		769,960	NA	1.00000	769,960
6	Scheduling, System Control, and Dispatch Service Credit		2,846,483	NA	1.00000	2,846,483
7	Account No. 454	(line 114)	125,710	TP	1.00000	125,710
8	Account No. 456	(line 118)	0	TP	1.00000	0
9	TOTAL REVENUE CREDITS					12,645,111
10	PRIOR PERIOD TRUE-UP					0
10	NET REVENUE REQUIREMENT	(line 1 - line 8)				\$ 134,939,269
RATE BASE:						
GROSS PLANT IN SERVICE						
11	Production	(Note A)	996,868,759	NA		
12	Transmission	Schedule 1A Total	1,290,293,787	TP	1.00000	1,290,293,787
13	Distribution	Schedule 1A Total	34,037,377	NA		
14	General & Intangible	Bal Sheet - Other Assets - SGL		W/S	1.00000	0
15	Common	175002	-	CE	0.00000	0
16	TOTAL GROSS PLANT	(sum lines 11 to 15)	2,321,199,923	GP=	55.587%	1,290,293,787
ACCUMULATED DEPRECIATION						
17	Production	Schedule 4	548,845,715	NA		
18	Transmission	Schedule 4	628,583,315	TP	1.00000	628,583,315
19	Distribution	Schedule 4	16,445,125	NA		
20	General & Intangible	Bal Sheet - Other Assets - SGL	0	W/S	1.00000	0
21	Common	175902	0	CE	0.00000	0
22	TOTAL ACCUM. DEPRECIATION	(sum lines 17 to 21)	1,193,874,155			628,583,315
NET PLANT IN SERVICE						
23	Production	(line 11 - line 17)	448,023,044			
24	Transmission	(line 12 - line 18)	661,710,472			661,710,472
25	Distribution	(line 13 - line 19)	17,592,252			
26	General & Intangible	(line 14 - line 20)	0			0
27	Common	(line 15 - line 21)	0			0
28	TOTAL NET PLANT	(sum lines 23 to 27)	1,127,325,768	NP=	58.697%	661,710,472
ADJUSTMENTS TO RATE BASE						
29	Account No. 281	(Note B)	0		0.00000	0
30	Account No. 282	(enter negative)	0	NP	0.58697	0
31	Account No. 283	(enter negative)	0	NP	0.58697	0
32	Account No. 190	(enter negative)	0	NP	0.58697	0
33	Account No. 255	(enter negative)	0	NP	0.58697	0
34	TOTAL ADJUSTMENTS	(sum lines 29 to 33)	0			0
35	LAND HELD FOR FUTURE USE	(Note C)	0	TP	1.00000	0
36	WORKING CAPITAL	(Note D)				
36	CWC	calculated	24,318,506			0
37	Materials & Supplies	Bal Sheet - Other Assets - SGL	0	TE	0.00000	0
38	Prepayments	151191 (Note C)	0	GP	0.55587	0
39	TOTAL WORKING CAPITAL	Bal Sheet Other Assets	0			0
40	RATE BASE	(sum lines 36 to 38)	24,318,506			0
		(sum lines 28, 34, 35, 39)	1,151,644,274			661,710,472
O&M						
41	Transmission	Schedule 11 (Note E)				
42	Western UGP		64,974,326	PTP/UGP	0.95700	62,180,419
43	Western RMR		40,812,431	PTP/RMR	0.00875	357,119
44	COE	COE Financial Stmt	59,862,815	PTP/COE	0.07428	4,446,610
45	Less Account 565	(Note E)	0	NA	1.00000	0
A&G						
46	Western UGP	Schedule 11 (Note F)	18,484,518	PTP/UGP	0.95700	17,689,681
47	Western RMR		10,413,957	PTP/RMR	0.00875	91,125
48	Less FERC Annual Fees		0	W/S	1.00000	0
49	Less EPRI & Reg. Comm. Exp. & Non-safety Ad	(Note G)	0	W/S	1.00000	0
50	Plus Transmission Related Reg. Comm. Exp	(Note G)	0	TE	0.00000	0
51	Common		0	CE	0.00000	0
52	Transmission Lease Payments		0	NA	1.00000	0
53	TOTAL O&M	(sum lines 41, 42, 43, 45, 46, 49, 50 less 44, 47, 48)	194,548,047			84,764,953
DEPRECIATION EXPENSE						
54	Transmission	Schedule 4				
55	Western UGP		30,110,552	PTP/UGP	0.95700	28,815,793
56	Western RMR		18,232,948	PTP/RMR	0.00875	159,543
57	COE		13,917,574	PTP/COE	0.07428	1,033,797
58	General		0	W/S	1.00000	0
59	Common		0	CE	0.00000	0
59	TOTAL DEPRECIATION	(sum lines 53 to 58)	62,261,074			30,009,133
TAXES OTHER THAN INCOME TAXES						
LABOR RELATED						
60	Payroll		0	W/S	1.00000	0
61	Highway and vehicle		0	W/S	1.00000	0
PLANT RELATED						
62	Property		0	GP	0.55587	0
63	Gross Receipts		0	GP	0.00000	0
64	Other		0	GP	0.55587	0
65	Payments in lieu of taxes		0	GP	0.55587	0
66	TOTAL OTHER TAXES	(sum lines 60 to 65)	0			0
INCOME TAXES						
67	T=1 - [(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p) =		0.00%	NA		
68	CIT=(T/(1-T)) * (1-(WCLTD/R)) =		0.00%			
	where WCLTD= (line 106) and R= (line 108) and FIT, SIT & p are as given in footnote I.					
69	1 / (1 - T) = (from line 67)		0.0000			
70	Amortized Investment Tax Credit	(enter negative)	0			0
71	Income Tax Calculation	(line 68 * line 74)	0	NA		0
72	ITC adjustment	(line 69 * line 70)	0	NP	0.58697	0
73	Total Income Taxes	(line 71 + line 72)	0			0
74	RETURN [Rate Base * Rate of Return]	(line 40 * line 105)	57,103,201	NA		32,810,293
75	REV. REQUIREMENT	(sum lines 52, 59, 66, 73, 74)	313,912,322			147,584,380

SUPPORTING CALCULATIONS AND NOTES									
TRANSMISSION PLANT INCLUDED IN IS RATES									
76	Total transmission plant	(line 12, column 3)						1,290,293,787	
77	Less transmission plant excluded from IS rates	(Note K)						0	
78	Less transmission plant included in OATT Ancillary Services	(Note L)						0	
79	Transmission plant included in IS rates	(line 76 less line 77 and 78)						1,290,293,787	
80	Percentage of transmission plant included in IS Rates	(line 79 / line 76)				TP=		1.00000	
TRANSMISSION EXPENSES									
81	Total transmission expenses	(sum lines 41 to 43, column 3)							
82	Less transmission expenses included in OATT Ancillary Services	(Note J)						0	
83	Included transmission expenses	(line 81 - line 82)						0	
84	Percentage of transmission expenses after adjustment (line 8 di	(line 83 / line 81)						0.00000	
85	Percentage of transmission plant included in IS Rates	(line 80)				TP		1.00000	
86	Percentage of transmission expenses included in IS Rates	(line 85 * line 84)				TE=		0.00000	
WAGES & SALARY ALLOCATOR (W&S)									
87	Production		\$	0	0.00	Allocation		0	
88	Transmission			21,778,508	1.00			21,778,508	
89	Distribution			0	0.00			0	W&S Allocator
90	Other			0	0.00			0	(\$ / Allocation)
91	Total	(sum lines 87 to 90)		21,778,508				21,778,508	= 1.00000
PERCENTAGE OF TOTAL PLANT ALLOCATOR PTP									
92	Transmission Plant in Service UGP		\$	1,205,183,618					
93	Total Plant in Service UGP			1,259,335,246					
94	UGP Percentage of Transmission Plant to Total Plant	(line 92 / line 93)				PTP/UGP	=	0.95700	
95	Transmission Plant in Service RMR			6,735,145					
96	Total Plant in Service RMR			769,708,741					
97	RMR Percentage of Transmission Plant to Total Plant	(line 95 / line 96)				PTP/RMR	=	0.00875	
98	Transmission Plant in Service COE			78,375,024					
99	Total Plant in Service COE			1,055,129,533					
100	COE Percentage of Transmission Plant to Total Plant	(line 98 / line 99)				PTP/COE	=	0.07428	
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		\$	\$41,211,711					
HFD Sch's 21RX & 21X Col 8									
106	Long Term Debt	Lines 23,25,26,29,30	\$	831,148,342	100%	Cost		0.0496	=WCLTD
107	Proprietary Capital			0	0%	(Note O)		0.1238	
108	Total (sum lines 31-32)	(sum lines 106 to 107)		831,148,342	100%			0.0496	=R
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	Load
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)						125,710	
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	
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 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 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 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 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 2015 Estimated Revenue Requirement Template

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Utilizing Financial Statement Results of Operations

Est for 12 Months Ending 9/30/2015

Western Area Power Administration

Line No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT (page 3, line 29)				\$ 141,122,511
	REVENUE CREDITS (Note R)	Total	Allocator		
2	Short-Term Firm Point-to-Point Transmission Service Credit	36,446	NA 1.00000		36,446
3	Non-Firm Point-to-Point Transmission Service Credit	17,421,585	NA 1.00000		17,421,585
4	Revenue from Existing Transmission Agreements	631,106	NA 1.00000		631,106
5	Scheduling, System Control, and Dispatch Service Credit	77,985	NA 1.00000		77,985
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				18,246,152
9	NET REVENUE REQUIREMENT (line 1 minus line 8)				\$ 122,876,359

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Utilizing Financial Statement Results of Operations

Est for 12 Months Ending 9/30/2015

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	1,057,492,594	NA	
2	Transmission	Schedule 1A Total	1,288,298,612	TP	1.00000
3	Distribution	Schedule 1A Total	32,107,899	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)		2,377,899,105	GP=	54.178%
	ACCUMULATED DEPRECIATION				
7	Production	Schedule 4	552,603,594	NA	
8	Transmission	Schedule 4	636,176,456	TP	1.00000
9	Distribution	Schedule 4	16,075,822	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)		1,204,855,872		
	NET PLANT IN SERVICE				
13	Production	(line 1- line 7)	504,889,000		
14	Transmission	(line 2- line 8)	652,122,156		652,122,156
15	Distribution	(line 3 - line 9)	16,032,077		
16	General & Intangible	(line 4 - line 10)	0		0
17	Common	(line 5 - line 11)	0		0
18	TOTAL NET PLANT (sum lines 13-17)		1,173,043,233	NP=	55.592%
	ADJUSTMENTS TO RATE BASE (Note B)				
19	Account No. 281 (enter negative)		0		zero
20	Account No. 282 (enter negative)		0	NP	0.55592
21	Account No. 283 (enter negative)		0	NP	0.55592
22	Account No. 190		0	NP	0.55592
23	Account No. 255 (enter negative)		0	NP	0.55592
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	21,342,941		0
		Bal Sheet - Other Assets			
27	Materials & Supplies (Note C)	- SGL 151191	0	TE	0.00000
28	Prepayments	Bal Sheet Other Assets	0	GP	0.54178
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		21,342,941		
30	RATE BASE (sum lines 18, 24, 25, and 29)		1,194,386,174		652,122,156

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Utilizing Financial Statement Results of Operations

Est for 12 Months Ending 9/30/2015

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		59,018,463	PTP/UGP 0.95606	56,425,192
1b	Western RMR		28,761,483	PTP/RMR 0.00932	267,991
1c	COE	COE Financial Stmt	51,423,384	PTP/COE 0.08484	4,362,815
2	Less Account 565 (Note E)			NA 1.00000	0
3	A&G (Note F)	Schedule 11			
3a	Western UGP		21,256,002	PTP/UGP 0.95606	20,322,014
3b	Western RMR		10,284,196	PTP/RMR 0.00932	95,825
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)		170,743,529		81,473,838
	DEPRECIATION EXPENSE				
9	Transmission (Note E)	Schedule 4			
9a	Western UGP		29,194,250	PTP/UGP 0.95606	27,911,455
9b	Western RMR		20,038,251	PTP/RMR 0.00932	186,711
9c	COE		10,327,814	PTP/COE 0.08484	876,223
10	General		0	W/S 1.00000	0
11	Common		0	CE 0.00000	0
12	TOTAL DEPRECIATION (Sum lines 9 - 11)		59,560,315		28,974,388
	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 0.54178	0
17	Gross Receipts		0	zero	0
18	Other		0	GP 0.54178	0
19	Payments in lieu of taxes		0	GP 0.54178	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 0.55592	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)]		56,181,102	NA	30,674,285
29	REV. REQUIREMENT (sum lines 8, 12,20,27,28)		286,484,946		141,122,511

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Utilizing Financial Statement Results of Operations

Est for 12 Months Ending 9/30/2015

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)	1,288,298,612
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)	1,288,298,612
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	18,621,930	1.00	18,621,930
14	Distribution	0	0.00	0
15	Other	0	0.00	0
16	Total (sum lines 12-15)	18,621,930		18,621,930 = 1.00000

PERCENTAGE OF TOTAL PLANT ALLOCATOR PTP (Note M)

	\$	
17	Transmission Plant in Service UGP	1,185,653,740
18	Total Plant in Service UGP	1,240,145,744
19	UGP Percentage of Transmission Plant to Total Plant (line 17 divided by line 18)	PTP/UGP = 0.95606
20	Transmission Plant in Service RMR	6,683,702
21	Total Plant in Service RMR	717,311,409
22	RMR Percentage of Transmission Plant to Total Plant (line 20 divided by line 22)	PTP/RMR = 0.00932
23	Transmission Plant in Service COE	95,961,170
24	Total Plant in Service COE	1,131,069,659
25	COE Percentage of Transmission Plant to Total Plant (line 23 divided by line 24)	PTP/COE = 0.08484

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)

	\$		Cost (Note O)	Weighted	=WCLTD
30	Long Term Interest Schedule 5	\$41,328,850			
	\$	%			
31	Long Term Debt	100%	0.0470	0.0470	=R
32	Proprietary Capital	0%	0.1238	0.0000	
33	Total (sum lines 22-23)	100%		0.0470	
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)	23
		\$0

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Utilizing Financial Statement Results of Operations

Est for 12 Months Ending 9/30/2015

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 2015 Actual Revenue Requirement Template

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Annual Transmission Revenue Requirement

For the 12 months ending 12/31/2015

Heartland Consumers Power District

Line No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT	(page 3, line 29)			\$ 1,105,998
	REVENUE CREDITS	(Note P)	Total	Allocator	
2	Account No. 454	(page 4, line 30)	1,093	TP 0.47166	\$516
3	Account No. 456.1	(page 4, line 33)	92,766	TP 0.47166	43,754
4	Revenue From Existing Transmission Agreements		0	NA 1.00000	0
5	Transmission Service Credits		0	NA 1.00000	0
6	TOTAL REVENUE CREDITS				44,270
	NET REVENUE REQUIREMENT	(line 1 minus line 6)			\$ 1,061,728

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Annual Transmission Revenue Requirement

For the 12 months ending 12/31/2015

Heartland Consumers Power District

Line No.	(1)	(2)	(3)	(4)	(5)
	RATE BASE:	Reference	Company Total	Allocator	Transmission (Col 3 times Col 4)
	GROSS PLANT IN SERVICE				
1	Production	Schedule A.1	44,781,967	NA	
2	Transmission	Schedule A.1	17,117,861	TP 0.47166	8,073,840
3	Distribution		0	NA	
4	General & Intangible	Schedule A.1	4,582,492	W/S 0.05144	235,727
5	Common		0	CE 0.05144	0
6	TOTAL GROSS PLANT (sum lines 1-5)		66,482,320	GP= 12.499%	8,309,567
	ACCUMULATED DEPRECIATION				
7	Production		32,156,209	NA	
8	Transmission		14,065,489	TP 0.47166	6,634,153
9	Distribution		0	NA	
10	General & Intangible		1,332,153	W/S 0.05144	68,527
11	Common		0	CE 0.05144	0
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		47,553,851		6,702,680
	NET PLANT IN SERVICE				
13	Production	(line 1 - line 7)	12,625,758		
14	Transmission	(line 2 - line 8)	3,052,372		1,439,687
15	Distribution	(line 3 - line 9)	0		
16	General & Intangible	(line 4 - line 10)	3,250,339		167,200
17	Common	(line 5 - line 11)	0		0
18	TOTAL NET PLANT (sum lines 13-17)		18,928,469	NP= 8.489%	1,606,887
	ADJUSTMENTS TO RATE BASE (Note A)				
19	Account No. 281 (enter negative)		0	zero	0
20	Account No. 282 (enter negative)		0	NP 0.08489	0
21	Account No. 283 (enter negative)		0	NP 0.08489	0
22	Account No. 190		0	NP 0.08489	0
23	Account No. 255 (enter negative)		0	NP 0.08489	0
24	TOTAL ADJUSTMENTS (sum lines 19 - 23)		0		0
25	LAND HELD FOR FUTURE USE (Note B)		0	TP 0.47166	0
	WORKING CAPITAL (Note C)				
26	CWC		477,179		87,957
27	Materials & Supplies (Note B)		0	TE 1.00000	0
28	Prepayments		321,977	GP 0.12499	40,244
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		799,156		128,201
30	RATE BASE (sum lines 18, 24, 25, and 29)		19,727,625		1,735,088

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Annual Transmission Revenue Requirement

For the 12 months ending 12/31/2015

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	5,439,290	TE	1.00000	5,439,290
1a	Less LSE Expenses included in Transmission O&M Accounts (Note D)		0		1.00000	0
2	Less Account 565		5,230,740	NA	1.00000	5,230,740
3	A&G (Note G)	Schedule A.2	3,671,278	W/S	0.05144	188,853
4	Less FERC Annual Fees		0	W/S	0.05144	0
5	Less EPRI & Reg. Comm. Exp. & Non-safety Ad(Note E)		388,646	W/S	0.05144	19,992
5a	Plus Transmission Related Reg. Comm. Exp. (Note E)		326,248	TE	1.00000	326,248
6	Common		0	CE	0.05144	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)		3,817,430			703,659
	DEPRECIATION EXPENSE					
9	Transmission		414,730	TP	0.47166	195,612
10	General		162,691	W/S	0.05144	8,369
11	Common		0	CE	0.05144	0
12	TOTAL DEPRECIATION (Sum lines 9 - 11)		577,421			203,981
	TAXES OTHER THAN INCOME TAXES (Note F)					
	LABOR RELATED					
13	Payroll		96,600	W/S	0.05144	4,969
14	Highway and vehicle		0	W/S	0.05144	0
	PLANT RELATED					
16	Property		188,868	GP	0.12499	23,606
17	Gross Receipts		9,660	NA	zero	0
18	Other		0	GP	0.12499	0
19	Payments in lieu of taxes		0	GP	0.12499	0
20	TOTAL OTHER TAXES (sum lines 13 - 19)		295,128			28,576
	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	0.08489	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)]		1,930,391	NA		169,782
29	REV. REQUIREMENT (sum lines 8, 12,20,27,28)		6,620,370			1,105,998

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Annual Transmission Revenue Requirement

For the 12 months ending 12/31/2015

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)	17,117,861
2	Less transmission plant excluded from IS rates (Note H)	8,818,159
3	Less transmission plant included in OATT Ancillary Services (Note I)	225,862
4	Transmission plant included in IS rates (line 1 less lines 2 & 3)	8,073,840
5	Percentage of transmission plant included in IS Rates (line 4 divided by line 1)	TP= 0.47166

TRANSMISSION EXPENSES

6	Total transmission expenses (page 3, line 1, column 3)	5,439,290
7	Less transmission expenses included in OATT Ancillary Services (Note J)	0
8	Included transmission expenses (line 7 less line 6)	5,439,290
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 0.47166
11	Percentage of transmission expenses included in IS Rates (Note K)	TE= 1.00000

WAGES & SALARY ALLOCATOR (W&S)

	\$	TP	Allocation	
12	Production	995,051	0.00	0
13	Transmission	148,686	0.47	70,129
14	Distribution	0	0.00	0
15	Other	219,571	0.00	0
16	Total (sum lines 12-15)	1,363,308	70,129	= 0.05144 = W/S

COMMON PLANT ALLOCATOR (CE) (Note L)

	\$	% Electric (line 17 / line 20)	Labor Ratio (line 16)	CE
17	Electric	66,482,320	1.00000	*
18	Gas	0		
19	Water	0		
20	Total (sum lines 17-19)	66,482,320	0.05144	= 0.05144

RETURN (R)

21	Long Term Interest	Schedule A.3	\$791,282
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	\$	%	Cost (Note M)	Weighted
22	Long Term Debt	Schedule A.3	15,350,000	36% 5.15% 0.0185 =WCLTD
23	Proprietary Capital	Schedule A.3	27,391,452	64% 12.38% 0.0793
24	Total (sum lines 22, 23)	42,741,452	100%	0.0979 =R

25	Proprietary Capital Cost Rate =	12.38%
26	TIER =	1.90

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)	\$1,093
----	--	---------

ACCOUNT 456.1 (OTHER ELECTRIC REVENUES)

31	a. Transmission charges for all transmission transactions	\$1,154,779
32	b. Transmission charges for all transmission transactions included in Divisor on page 1	\$1,062,013
33	Total of (a)-(b)	\$92,766

Revenue Requirement - Non-Levelized

Revenue Requirement Template
Annual Transmission Revenue Requirement

For the 12 months ending 12/31/2015

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.BA.
- 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 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.
- 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 2015 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 12/31/2015

Line No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT	(page 3, line 29)			\$ 870,421
	REVENUE CREDITS	(Note P)	Total	Allocator	
2	Account No. 454	(page 4, line 30)	24,740	TP 0.53223	\$13,167
3	Account No. 456.1	(page 4, line 33)	0	TP 0.53223	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				13,167
	NET REVENUE REQUIREMENT	(line 1 minus line 6)			\$ 857,254

Revenue Requirement - Non-Levelized

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

For the 12 months ending 12/31/2015

Line No.	(1)	(2)	(3)	(4)	(5)
	RATE BASE:	Reference	Company Total	Allocator	Transmission (Col 3 times Col 4)
1	GROSS PLANT IN SERVICE				
2	Production	Schedule A	45,903,468	NA	
3	Transmission	Schedule A	14,917,394	TP 0.53223	7,939,430
4	Distribution		0	NA	
5	General & Intangible	Schedule A	6,628,491	W/S 0.06919	458,621
6	Common		0	CE 0.06919	0
6	TOTAL GROSS PLANT (sum lines 1-5)		67,449,353	GP= 12.451%	8,398,051
7	ACCUMULATED DEPRECIATION				
8	Production	Schedule A	32,713,088	NA	
9	Transmission	Schedule A	12,465,966	TP 0.53223	6,634,715
10	Distribution		0	NA	
11	General & Intangible	Schedule A	3,272,150	W/S 0.06919	226,398
12	Common		0	CE 0.06919	0
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		48,451,204		6,861,114
13	NET PLANT IN SERVICE				
14	Production	(line 1 - line 7)	13,190,380		
15	Transmission	(line 2 - line 8)	2,451,428		1,304,715
16	Distribution	(line 3 - line 9)	0		
17	General & Intangible	(line 4 - line 10)	3,356,341		232,223
18	Common	(line 5 - line 11)	0		0
18	TOTAL NET PLANT (sum lines 13-17)		18,998,149	NP= 8.090%	1,536,938
19	ADJUSTMENTS TO RATE BASE (Note A)				
20	Account No. 281 (enter negative)		0	zero	0
21	Account No. 282 (enter negative)		0	NP 0.08090	0
22	Account No. 283 (enter negative)		0	NP 0.08090	0
23	Account No. 190		0	NP 0.08090	0
24	Account No. 255 (enter negative)		0	NP 0.08090	0
24	TOTAL ADJUSTMENTS (sum lines 19 - 23)		0		0
25	LAND HELD FOR FUTURE USE (Note B)		0	TP 0.53223	0
26	WORKING CAPITAL (Note C)				
27	CWC		564,831		59,883
28	Materials & Supplies (Note B)		0	TE 1.00000	0
29	Prepayments	Schedule A	321,977	GP 0.12451	40,089
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		886,808		99,972
30	RATE BASE (sum lines 18, 24, 25, and 29)		19,884,957		1,636,909

Revenue Requirement - Non-Levelized

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

For the 12 months ending 12/31/2015

	(1)	(2)	(3)	(4)	(5)	
Line No.		Reference	Company Total	Allocator	Transmission (Col 3 times Col 4)	
	O&M					
1	Transmission	Schedule A	233,500	TE	1.00000	233,500
1a	Less LSE Expenses included in Transmission O&M Accounts (Note D)		0		1.00000	0
2	Less Account 565	Schedule A	54,712	NA	1.00000	54,712
3	A&G (Note G)	Schedule A	4,339,859	W/S	0.06919	300,272
4	Less FERC Annual Fees		0	W/S	0.06919	0
5	Less EPRI & Reg. Comm. Exp. & Non-safety Ad(Note E)		0	W/S	0.06919	0
5a	Plus Transmission Related Reg. Comm. Exp. (Note E)		0	TE	1.00000	0
6	Common		0	CE	0.06919	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)		4,518,647			479,060
	DEPRECIATION EXPENSE					
9	Transmission	Schedule A	399,587	TP	0.53223	212,671
10	General	Schedule A	171,141	W/S	0.06919	11,841
11	Common		0	CE	0.06919	0
12	TOTAL DEPRECIATION (Sum lines 9 - 11)		570,728			224,512
	TAXES OTHER THAN INCOME TAXES (Note F)					
	LABOR RELATED					
13	Payroll	Schedule A	105,929	W/S	0.06919	7,329
14	Highway and vehicle		0	W/S	0.06919	0
	PLANT RELATED					
16	Property	Schedule A	155,263	GP	0.12451	19,332
17	Gross Receipts		0	NA	zero	0
18	Other		0	GP	0.12451	0
19	Payments in lieu of taxes		0	GP	0.12451	0
20	TOTAL OTHER TAXES (sum lines 13 - 19)		261,192			26,661
	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	0.08090	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)]		1,702,991	NA		140,188
29	REV. REQUIREMENT (sum lines 8, 12,20,27,28)		7,053,558			870,421

Revenue Requirement - Non-Levelized

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

For the 12 months ending 12/31/2015

Line
No.

SUPPORTING CALCULATIONS AND NOTES

TRANSMISSION PLANT INCLUDED IN IS RATES

1	Total transmission plant (page 2, line 2, column 3)	14,917,394
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)	7,939,430
5	Percentage of transmission plant included in IS Rates (line 4 divided by line 1)	TP= 0.53223

TRANSMISSION EXPENSES

6	Total transmission expenses (page 3, line 1, column 3)	233,500
7	Less transmission expenses included in OATT Ancillary Services (Note J)	0
8	Included transmission expenses (line 7 less line 6)	233,500
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 0.53223
11	Percentage of transmission expenses included in IS Rates (Note K)	TE= 1.00000

WAGES & SALARY ALLOCATOR (W&S)

		\$	TP	Allocation	
12	Production	Schedule A	1,332,673	0.00	0
13	Transmission	Schedule A	199,135	0.53	105,985
14	Distribution		0	0.00	0
15	Other		0	0.00	0
16	Total (sum lines 12-15)		1,531,808	105,985	= 0.06919 = W/S

COMMON PLANT ALLOCATOR (CE) (Note L)

		\$	% Electric (line 17 / line 20)	Labor Ratio (line 16)	CE
17	Electric	67,449,353	1.00000	*	0.06919
18	Gas	0			
19	Water	0			
20	Total (sum lines 17-19)	67,449,353			0.06919

RETURN (R)

21	Long Term Interest	Schedule A	\$1,344,366
----	--------------------	------------	-------------

		\$	%	Cost (Note M)	Weighted
22	Long Term Debt	Schedule A	27,044,174	52%	4.97%
23	Proprietary Capital	Schedule A	25,466,744	48%	12.38%
24	Total (sum lines 22, 23)		52,510,918	100%	0.0856 =R

25	Proprietary Capital Cost Rate =	12.38%
26	TIER =	1.72

REVENUE CREDITS

		Load
27	ACCOUNT 447 (SALES FOR RESALE)	
28	a. Bundled Non-RQ Sales for Resale (Note N)	0
29	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)	\$24,740
----	--	----------

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 12/31/2015

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.BA.									
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 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.									
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
2015 Actual
Revenue Requirement Template

Revenue Requirement Worksheet

Actual RUS Form 12 Data
BASIN ELECTRIC POWER COOPERATIVE

Actual - Average 2015

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)	\$ 105,095,117	\$ 67,700,478	\$ 7,037,663 \$ 6,573,198	\$ 30,356,976
REVENUE CREDITS					
		Total	Allocator		
2	Third Party Receipts	\$ (459,360) TP	1.00000	\$ (459,360)	\$ -
3					
4	Third Party Payments	\$ 97,532 TP	1.00000	\$ 97,532	\$ -
5	(line 2 + 4)			\$ (361,828)	\$ -
6	NET REVENUE REQUIREMENT (line 1+ 5)			\$ 67,338,650	\$ 464,465 \$ 30,356,976
7	TOTAL REVENUE REQUIREMENT WITH MBPP EAST			\$ 67,803,114	

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

Actual - Average 2015

Page 2

(1)	(2) Worksheets	(3)	(4) Allocator A	(5) Total Trans	(4a) Allocator B	(6) IS Transmission	(7) West (MBPP) Transmission	(8) Other Transmission
GROSS PLANT IN SERVICE (Note A)								
1	Production	Worksheet 1, L.1, C. d	4,483,718,374	NA	0.000%	-	NA	0.000%
2	Transmission - (Note B)	Worksheet 1, L.2. C.d	799,736,946	DA	100.000%	799,736,946	DA	100.000%
3	Distribution	-	-	NA	0.000%	-	NA	0.000%
4	General	Worksheet 1, L.4.C. d	201,145,491	-	-	-	-	-
4a	Direct Assign - Transmission (Note C)	47,265,227	DA	100.000%	47,265,227	DA	100.000%	47,265,227
4b	Direct Assign - Production	61,180,359	NA	0.000%	-	NA	0.000%	-
4c	Other	92,699,905	WS	10.667%	9,888,119	GP	Gross Plant	GP1
5	Intangible	Worksheet 1, L.4. C. d	79,116,783	DA	100.000%	79,116,783	DA	100.000%
6	TOTAL GROSS PLANT (sum lines 1,2,4,5)	Worksheet 1, L. 5. C.d	\$ 5,563,717,593		\$ 928,712,733		\$ 569,486,379	\$ 94,491,175
			GP		GP	Gross Plant	GP1	
						62.184%	10.985%	26.831%
ACCUMULATED DEPRECIATION								
7	Production	Worksheet 1, L.6. C. d	1,446,396,021	NA	0.000%	-	NA	0.000%
8	Transmission	Worksheet 1, L. 7. C. d	341,803,425	DA	100.000%	341,803,425	DA	100.000%
9	Distribution	-	-	NA	0.000%	-	NA	0.000%
10	General	Worksheet 1, L. 8. C. d	124,638,717	-	-	-	-	-
10a	Direct Assign - Transmission	27,548,400	DA	100.000%	27,548,400	DA	100.000%	27,548,400
10b	Direct Assign - Production	39,223,784	NA	0.000%	-	NA	0.000%	-
10c	Other	57,866,533	WS	10.667%	6,172,511	GP	Gross Plant	GP1
11	Intangible	Worksheet 1, L. 9. C. d	57,343,863	DA	100.000%	57,343,863	DA	100.000%
12	TOTAL ACCUM. DEPR (sum lines 7,8,10,11)	Worksheet 1, L. 10. C. d	\$ 1,970,182,025		\$ 423,217,197		\$ 277,361,802	\$ 59,442,603
								\$ 86,412,793
NET PLANT IN SERVICE								
13	Production	(line 1- line 7)	3,037,322,353	AUTO	-	-	AUTO	-
14	Transmission	(line 2- line 8)	457,933,521	AUTO	457,933,521	457,933,521	AUTO	457,933,521
15	Distribution	(line 3 - line 9)	-	AUTO	-	-	AUTO	-
16	General	(line 4 - line 10)	76,506,774	AUTO	-	-	AUTO	-
16a	Direct Assign	(line 4a - line 10a)	19,716,827	AUTO	19,716,827	19,716,827	AUTO	19,716,827
16b	Production	(line 4b - line 10b)	21,956,575	AUTO	-	-	AUTO	-
16c	Other	(line 4c - line 10c)	34,833,372	AUTO	3,715,608	3,715,608	AUTO	3,715,608
17	Intangible	(line 5 - line 11)	21,772,920	AUTO	24,129,580	24,129,580	AUTO	24,129,580
18	TOTAL NET PLANT (sum lines 13, 14, 16, 17)		\$ 3,593,535,567		\$ 505,495,535		\$ 292,124,577	\$ 35,048,573
								\$ 178,322,386
WORKING CAPITAL								
19	CWC (Note D)	one eighth of line 9, page 3	14,330,150	DA	5,836,975	5,836,975	DA	100.000%
20	Materials & Supplies Transmission	12h G, L.4. & L.5. C.d.	7,883,204	GP	7,883,204	7,883,204	GP	Gross Plant
21	Prepayments (Note D)		16,487,410	GP	1,758,680	1,758,680	GP	Gross Plant
22	TOTAL WORKING CAPITAL (sum lines 19-21)		\$ 38,700,764		\$ 15,478,859		\$ 10,165,221	\$ 1,466,510
								\$ 3,847,128
23	Rate Base		\$ 3,632,236,331		\$ 520,974,395		\$ 302,289,799	\$ 36,515,082
								\$ 182,169,514

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

Actual - Average 2015

Page 3

(1)	(2)	(3)	(4)	(5)	(4a)	(6)	(7)	(8)
Line No.	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.		37,724,790				
2	Direct Assignment	Accounting Records	20,594,031	DA	100.000%	20,594,031	DA	100.000%
3	Other	Accounting Records	17,130,759	TPW	100.000%	17,130,759	TPW	100.000%
4	A&G	12a, Section A, L.14.C.b.	76,916,407	-	-	-	-	-
5	Less Regulatory Fees (Note F)	Accounting Records	157,163	NA	0.000%	-	NA	0.000%
6	Production	RUS 12i - General Ledger Detail Rpt	3,351,996	NA	0.000%	-	NA	0.000%
7	Transmission (Note G)	Invoices; Acct Reports; Monthly Billing	1,277,018	DA	100.000%	609,410	510,455	157,153
8	Headquarters		72,130,230	WS	10.667%	7,693,992	GP	Gross Plant GP2
9	TOTAL O&M (sum lines 1 and 4)		\$ 114,641,197		\$ 46,695,800		\$ 33,356,004	\$ 3,258,544
DEPRECIATION & AMORTIZATION EXPENSE								
10	Depreciation and Amortization Expense	12A, Section A, L.22.C.b. Less Capital Leases	148,415,762					
11	Transmission	Accounting - RUS 350-356 Fixed Assets	15,169,203	DA	100.000%	15,169,203	DA	100.000%
12	Production	Accounting - RUS 310-316; 340-346 Fixed Assets	118,468,915	NA	0.000%	-	NA	0.000%
13	General Plant	Accounting - 389-398; 383	12,437,615	NA	0.000%	-	NA	0.000%
14	Transmission	Accounting Fixed Assets Report	3,273,334	DA	100.000%	3,273,334	DA	100.000%
15	Production	Accounting Fixed Assets Report	2,424,731	NA	0.000%	-	NA	0.000%
16	Other General Plant		6,739,550	WS	10.667%	718,895	GP	Gross Plant GP1
17	Other Amortization		2,340,029	DA	100.000%	2,050,151	DA	100.000%
18	TOTAL (Sum lines 10,13,17)		\$ 148,415,762		\$ 21,211,583		\$ 11,673,139	\$ 1,383,419
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	3,007,383	DA	100.000%	3,007,383	DA	Estimated
23	Production			NA	0.000%	-	NA	0.000%
24	TOTAL OTHER TAXES		\$ 3,007,383		\$ 3,007,383		\$ 2,838,553	\$ -
25	TOTAL OPERATING EXPENSES (Sum 9+18+24)		\$ 266,064,342		\$ 70,914,766		\$ 47,867,696	\$ 4,641,963
26	Return (page 2, line 23, column 3 * wcc)	WCC	\$ 238,305,594	WCC	Rate Base	\$ 34,180,351	WCC	Rate Base
27	REV. REQUIREMENT (sum lines 25+26)		\$ 504,369,936		\$ 105,095,117		\$ 67,700,478	\$ 7,037,663

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	66,255,195								
2	Transmission-East	Accounting Records	288,559								
3	Transmission-West	Accounting Records	410,381	WS	Trans % of total wages	10.667%	Gross Plant	GP1	62.184%	10.985%	26.831%
4	Transmission-Allocated	Accounting Records	7,212,244								
5	Distribution		-	TPW	Trans % excluding West		Note H	GP2	69.858%	0.000%	30.142%
6	Other Transmission		-								
7	Total Wages and Salaries (sum lines 1-6) (exclude adm)		\$74,166,379								

Note J	Weighted Cost of Capital	Percent	Rate	Weighted cost
2015 Actual AATR LTD	3,475,653,434	72.62%	4.944%	3.5905%
2015 Actual AATR Equity	1,310,192,570	27.38%	10.850%	2.9703%
	4,785,846,004	100.00%		6.5609%

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 2015 Estimated Revenue Requirement Template

Revenue Requirement Worksheet
RUS Form 12 Data
BASIN ELECTRIC POWER COOPERATIVE

Projection for 2015

Page 1

Line No.		Total	Allocator	Total Transmission	IS Transmission	West (MBPP) Transmission	Other Transmission
1	GROSS REVENUE REQUIREMENT (page 3, line 28) (MBPP West Excluded - 1-.065997)			\$ 116,038,391	\$ 69,652,208	\$ 8,224,866	\$ 38,161,316
						\$ (7,682,050)	
	REVENUE CREDITS						
2	Third Party Receipts	\$ (350,472)	TP	1.00000	\$ (350,472)		
3							
4	Third Party Payments		TP	1.00000	\$ 100,000		
5					\$ (250,472)	\$ -	\$ -
6	NET REVENUE REQUIREMENT (line 2 + 4) (line 1+ 5)				69,401,736	542,816	38,161,316
7	TOTAL REVENUE REQUIREMENT WITH MBPP EAST				\$ 69,944,553		

Revenue Requirement Worksheet
RUS form 12 Data
BASIN ELECTRIC POWER COOPERATIVE

Projection for 2015

Page 2

(1)	(2) Worksheets	(3)	(4) Allocator A	(5) Total Trans	(4a) Allocator B	(6) IS Transmission	(7) West (MBPP) Transmission	(8) Other Transmission
GROSS PLANT IN SERVICE								
1	Production (Note A)	12h.A.6.e	4,573,161,786	NA	0.000%	NA	0.000%	-
2	Transmission (Note B)	12h.A.11.e & 12h.A.23.e	906,775,867	DA	100.000%	906,775,867	DA	100.000%
3	Distribution	12h.A.16.e	-	NA	0.000%	NA	0.000%	-
4	General	12h.A.18.e	210,983,847					-
4a	Direct Assign - Transmission (Note C)		39,734,755	DA	100.000%	39,734,755	DA	100.000%
4b	Direct Assign - Production		57,991,828	NA	0.000%		NA	0.000%
4c	Other		113,257,264	WS	9.783%		WS	Gross Plant
5	Intangible	12h.A.1.e	78,246,546	DA	0.000%	78,246,546	DA	0.000%
6	TOTAL GROSS PLANT (sum lines 1,2,4,5)	12h.A.18.e & 12h.A.24.e	\$ 5,769,168,046			\$ 1,023,927,277		
					GP1	Gross Plant		
						58.154%	10.161%	31.685%
ACCUMULATED DEPRECIATION								
7	Production	12h.B.1-4.f	1,468,889,961	NA	0.000%	NA	0.000%	-
8	Transmission	12h.B.5.f & 12h.B.15.f	353,421,145	DA	100.000%	353,421,145	DA	100.000%
9	Distribution	12h.B.6.f	-	NA	0.000%	NA	0.000%	-
10	General	12h.B.7.f	121,565,744					-
10a	Direct Assign - Transmission		23,050,485	DA	100.000%	23,050,485	DA	100.000%
10b	Direct Assign - Production		37,092,658	NA	0.000%		NA	0.000%
10c	Other		61,422,601	WS	9.783%		GP1	Gross Plant
11	Intangible	12h.B.12.f	56,540,418	DA		56,540,418	DA	100.000%
12	TOTAL ACCUM. DEPR (sum lines 7,8,10,11)	12h.B.18.f less 12h.B.14.f	\$ 2,000,417,267			\$ 439,441,158		
						23,997,038	1,596,813	31,366,620
						\$ 275,302,211	\$ 62,993,394	\$ 101,145,553
NET PLANT IN SERVICE								
13	Production	(line 1- line 7)	3,104,271,825	AUTO		-	AUTO	-
14	Transmission	(line 2- line 8)	553,354,723	AUTO		553,354,723	AUTO	
15	Distribution	(line 3 - line 9)	-	AUTO		-	AUTO	-
16	General	(line 4 - line 10)	89,418,103	AUTO		-	AUTO	-
16a	Direct Assign	(line 4a - line 10a)	16,684,270	AUTO		16,684,270	AUTO	
16b	Production	(line 4b - line 10b)	20,899,170	AUTO		-	AUTO	-
16c	Other	(line 4c - line 10c)	51,834,663	AUTO		5,071,056	AUTO	
17	Intangible	(line 5 - line 11)	21,706,128	AUTO		9,376,070	AUTO	
18	TOTAL NET PLANT (sum lines 13, 14, 16, 17)		\$ 3,768,750,779			\$ 584,486,118		
						8,358,667	1,020,816	(3,412)
						\$ 318,765,245	\$ 36,158,267	\$ 229,562,606
WORKING CAPITAL								
19	CWC (Note D)	one eighth of line 9, page 3	16,990,778	DA	100.000%	7,009,803	DA	100.000%
20	Materials & Supplies Transmission	12h. G, L.4. L.5. C.d.	8,000,000	GP1	100.000%	8,000,000	GP1	Gross Plant
21	Prepayments (Note D)	12a.B.25	-	GP1	9.783%	-	GP1	Gross Plant
22	TOTAL WORKING CAPITAL (sum lines 19-21)		\$ 24,990,778			\$ 15,009,803		
						\$ 9,226,293	\$ 1,352,392	\$ 4,431,118
23	Rate Base		\$ 3,793,741,557			\$ 599,495,921		
						\$ 327,991,538	\$ 37,510,659	\$ 233,993,724

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

Projection for 2015

Page 3

Line No.	(1)	(2)	(4)	(5)	(4a)	(6)	(7)	(8)
		Reference	Allocator A	Total Transmission	Allocator B	IS Transmission	West (MBPP) Transmission	Other Transmission
	O&M							
1	Transmission less Account 565	Expense Worksheet #3		46,776,721				
2	Direct Assignment (Note E)	Accounting Records		29,450,000	DA	100.000%		
3	Other	Accounting Records		17,326,721	TPW	100.000%		
4	A&G	Expense Worksheet #3		89,149,503				
5	Less Regulatory Fees (Note F)	Accounting Records		200,000	NA	0.000%		
6	Production	Accounting Records		3,000,000	NA	0.000%		
7	Transmission (Note G)	Accounting Records		990,000	DA	page 4		
8	Headquarters			84,959,503	WS	9.783%		
9	TOTAL O&M (sum lines 1 and 4)			\$ 135,926,224				
	DEPRECIATION & AMORTIZATION EXPENSE							
10	Depreciation and Amortization Expense	Accounting Records		145,926,402				
11	Transmission	Accounting Records		15,000,000	DA	100.000%		
12	Production	Accounting Records		121,500,000	NA	0.000%		
13	General Plant	Accounting Records		10,000,000	NA	0.000%		
14	Transmission	Accounting Records		2,000,000	DA	100.000%		
15	Production	Accounting Records		4,000,000	NA	0.000%		
16	Hdqtrs General Plant			4,000,000	WS	9.783%		
17	Other Amortization			2,306,377	DA	0.000%		
18	TOTAL (Sum lines 10,13,17)	Expense Worksheet, L.20. C.b		\$ 148,806,377				
	TAXES OTHER THAN INCOME TAXES							
19	PLANT RELATED							
20	Property total	Expense Worksheet #3		3,007,383				
21	Tax Reclassification	Accounting Records		-	NA	0.000%		
22	Gross Receipts (Note I)	Expense Worksheet #3		3,007,383	DA	100.000%		
23	Production				NA	0.000%		
24	TOTAL OTHER TAXES			\$ 3,007,383				
25	TOTAL OPERATING EXPENSES (Sum 9+18+24)			\$ 287,739,984				
26	Return			\$ 238,216,292	WCC	Rate Base		
27	REV. REQUIREMENT (sum lines 25+26)			\$ 525,956,276				

A & G Allocation

WAGES AND SALARY ALLOCATOR (W/S)

	(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)		
Line #	From Accounting Report		TOTAL	Allocator	Percent		IS Transmission	West (MBPP) Transmission	Other Transmission		
1	Production	Accounting Records	60,107,628								
2	Transmission-East	Accounting Records	294,971								
3	Transmission-West	Accounting Records	431,593	WS	Trans % of total wages	9.783%	GP1	58.1541%	10.1611%	31.6848%	
4	Transmission-Allocated	Accounting Records	5,791,520								
5	Distribution		-	TPW	Trans % excluding MBPP West		Note H	GP2	64.732%	0.000%	35.268%
6	Other Transmission		-								
7	Total Wages and Salaries (sum lines 1-6) (exclude adm)		\$66,625,712								

Note J		Estimated Weighted Cost of Capital	Percent	Rate	cost
Estimated wksht #1	LTD	3,256,538,833	71.98%	4.50%	3.24%
Estimated wksht #1	Equity	1,267,610,656	28.02%	10.85%	3.04%
		4,524,149,489	100.00%		6.28%

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
2015 Actual
Revenue Requirement Template

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing EIA Form 412 Data

For the 12 months ended 12/31/15

MRES

Line No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT (page 3, line 31)				\$ 6,666,808
	REVENUE CREDITS (Note T)	Total	Allocator		
2	Account No. 454 (page 4, line 34)	314,511	TP 1.00000		314,511
3	Account No. 456.1 (page 4, line 37)	180,526	TP 1.00000		180,526
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)				495,037
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)				10.05
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)				\$ 6,171,771
	DIVISOR				
8	Average of 12 coincident system peaks for requirements (RQ) service		(Note A)		666,778
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)				666,778
16	Annual Cost (\$/kW/Yr) (line 7 / line 15)	9.256			
17	Network & P-to-P Rate (\$/kW/Mo) (line 11 / 12)	0.771			
		Peak Rate		Off-Peak Rate	
18	Point-To-Point Rate (\$/kW/Wk) (line 16 / 52; line 16 / 52)	0.178		\$0.178	
19	Point-To-Point Rate (\$/kW/Day) (line 16 / 260; line 16 / 365)	0.036	Capped at weekly rate	\$0.025	
20	Point-To-Point Rate (\$/MWh) (line 16 / 4,160; line 16 / 8,760 times 1,000)	2.225	Capped at weekly and daily rates	\$1.057	
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 12/31/15

Line No.	(1)	(2)	(3)	(4)	(5)
	RATE BASE:	EIA 412 Reference	MRES Company Total	Allocator	Transmission (Col 3 times Col 4)
	GROSS PLANT IN SERVICE (Note AA and GG)				
1	Production	IV.6.e	298,984,577	NA	
2	Transmission	IV.7.e less Line 2a	67,475,274	TP 1.00000	67,475,274
2a	Transmission for projects with FERC incentives (Note EE)		90,126,134	TP 1.00000	90,126,134
3	Distribution	IV.8.e	0	NA	
4	General & Intangible	IV.1.e & IV.9.e	24,653,943	W/S 0.18380	4,531,313
5	Common		0	CE 0.18380	0
6	TOTAL GROSS PLANT (sum lines 1-5)		481,239,928	GP= 33.691%	162,132,721
	ACCUMULATED DEPRECIATION (Note AA and GG)				
7	Production		180,732,492	NA	
8	Transmission		35,049,479	TP 1.00000	35,049,479
8a	Transmission for projects with FERC approved incentives (Note EE)		2,447,955	TP 1.00000	2,447,955
9	Distribution		0	NA	
10	General & Intangible		15,994,802	W/S 0.18380	2,939,792
11	Common		0	CE 0.18380	0
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		234,224,728		40,437,225
	NET PLANT IN SERVICE (Note GG)				
13	Production	(line 1- line 7)	118,252,085		
14	Transmission	(line 2- line 8)	32,425,795		32,425,795
14a	Transmission for projects with FERC approved incentives (line 2a - line 8a) (Note EE)		87,678,179		87,678,179
15	Distribution	(line 3 - line 9)	0		0
16	General & Intangible	(line 4 - line 10)	8,659,141		1,591,521
17	Common	(line 5 - line 11)	0		0
18	TOTAL NET PLANT (sum lines 13-17)		247,015,200	NP= 49.266%	121,695,496
18a	CWIP for projects with FERC approved incentives (Note CC and Note GG)		7,873,214	N/A 1.00000	7,873,214
	ADJUSTMENTS TO RATE BASE (Note F)				
19	Account No. 281 (enter negative)		0	zero	0
20	Account No. 282 (enter negative)		0	NP 0.49266	0
21	Account No. 283 (enter negative)		0	NP 0.49266	0
22	Account No. 190		0	NP 0.49266	0
23	Account No. 255 (enter negative)		0	NP 0.49266	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		1,917,594		830,832
27	Materials & Supplies (Note GG)	(Note G)	266,219	TE 0.99165	263,995
28	Prepayments (Note GG)	II.20.b	1,122,066	GP 0.33691	378,031
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		3,305,879		1,472,859
30	RATE BASE earning ACSR (lines 18 + 24 + 25 + 29 - 14a - 23a)		162,642,900		35,490,175
30a	RATE BASE earning HCSR (lines 14a + 18a + 23a)		95,551,393		95,551,393

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing EIA Form 412 Data

For the 12 months ended 12/31/15

Line No.	(1)	(2) EIA 412 Reference	(3) MRES Company Total	(4) Allocator	(5) Transmission (Col 3 times Col 4)
	O&M (Note BB)				
1	Transmission	VII.8.d	29,858,425	TE 0.99165	29,608,963
1a	Less LSE Expenses included in Transmission O&M Accounts (Note V)		0	1.00000	0
2	Less Account 565		25,764,991	TE 0.99165	25,549,729
3	A&G	VII.13.d	11,417,608	W/S 0.18380	2,098,518
4	Less FERC Annual Fees		0	W/S 0.18380	0
5	Less EPRI & Reg. Comm. Exp. & Non-safety Ad. (Note I)		814,233	W/S 0.18380	149,653
5a	Plus Transmission Related Reg. Comm. Exp. (Note I)		643,939	TE 0.99165	638,559
6	Common		0	CE 0.18380	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)		15,340,748		6,646,658
DEPRECIATION AND AMORTIZATION EXPENSE (Note AA)					
9	Transmission		3,133,290	TP 1.00000	3,133,290
9a	Abandoned Plant Amortization (Note DD)		0	N/A 1.00000	0
10	General & Intangible		856,152	W/S 0.18380	157,358
11	Common		0	CE 0.18380	0
12	TOTAL DEPRECIATION (sum lines 9 - 11)		3,989,442		3,290,648
TAXES OTHER THAN INCOME TAXES (Note J)					
LABOR RELATED					
13	Payroll		0	W/S 0.18380	0
14	Highway and vehicle		0	W/S 0.18380	0
PLANT RELATED					
16	Property		3,600,419	GP 0.33691	1,213,004
17	Gross Receipts		0	NA zero	0
18	Other		0	GP 0.33691	0
19	Payments in lieu of taxes		0	GP 0.33691	0
20	TOTAL OTHER TAXES (sum lines 13 - 19)		3,600,419		1,213,004
INCOME TAXES (Note K)					
21	$T = 1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\} =$		0.00%	NA	
22	$\text{CIT} = (T / 1 - T) * (1 - (\text{WCLTD} / \text{R})) =$		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 0.49266	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)]		18,617,102	NA	9,448,754
28a	RETURN from HCSR				
	[Rate Base (page 2, line 30a) * Rate of Return (page 4, line 30)]		1,446,820	NA	1,446,820
29	REV. REQUIREMENT (sum lines 8, 12, 20, 27, 28 and 28a)		42,994,531		22,045,883
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]		10,483,343		10,483,343
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]		4,895,732		4,895,732
31	REVENUE REQUIREMENT TO BE COLLECTED UNDER ATTACHMENT O (line 29 - line 30 - line 30a)		27,615,456		6,666,808

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing EIA Form 412 Data

For the 12 months ended 12/31/15

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)					157,601,408
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)					157,601,408
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)					29,858,425
7	Less transmission expenses included in OATT Ancillary Services (Note L)					249,462
8	Included transmission expenses (line 6 less line 7)					29,608,963
9	Percentage of transmission expenses after adjustment (line 8 divided by line 6)					0.99165
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=		0.99165
WAGES & SALARY ALLOCATOR (W&S)						
		\$	TP	Allocation		
12	Production	2,536,151	0.00	0		
13	Transmission	603,032	1.00	603,032		
14	Distribution	0	0.00	0	W&S Allocator	
15	Other	141,792	0.00	0	(\$ / Allocation)	
16	Total (sum lines 12-15)	3,280,975		603,032	=	0.18380 = W/S
COMMON PLANT ALLOCATOR (CE) (Note O)						
		\$		% Electric	Labor Ratio	
17	Electric	481,239,928		(line 17 / line 20)	(line 16)	CE
18	Gas	0		1.00000 *	0.18380 =	0.18380
19	Water	0				
20	Total (sum lines 17-19)	481,239,928				
ACTUAL CAPITAL STRUCTURE RETURN (ACSR)						
		\$				
21	Long Term Interest	III.16.b + III.17.b (Note U)				\$32,425,465
		\$	%	Cost (Note P)	Weighted	
22	Long Term Debt (Note GG)	II.37.b	565,498,077 78%	5.73%	0.0446 =WCLTD	
23	Proprietary Capital (Note GG)	II.32.b	161,520,098 22%	0.1238	0.0275	
24	Total (sum lines 22, 23)		727,018,175 100%		0.0721 =R	
25				Proprietary Capital Cost Rate =		12.38%
26				TIER =		1.26
HYPOTHETICAL CAPITAL STRUCTURE RETURN (HCSR) (NOTE FF)						
		%	Cost (Note P)	Weighted		
27	Long Term Debt (Cost of Long-term Debt from page 4, line 22)	55%	5.73%	0.0315 =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%		0.0872 =R		
30	Annual Allocation Factor for Incentive Return (line 29 minus line 24)					1.514%
REVENUE CREDITS						
						Load
ACCOUNT 447 (SALES FOR RESALE)						
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)					\$314,511
ACCOUNT 456.1 (OTHER ELECTRIC REVENUES)						
35	a. Transmission charges for all transmission transactions					\$36,738,515
36	b. Transmission charges for all transmission transactions included in Divisor on page 1					\$22,029,795
36a	c. Transmission charges associated with Schedules 26 and 37 (Note X)					\$9,618,817
36b	d. Transmission charges associated with Schedule 26-A (Note Z)					\$4,909,377
37	Total of (a)-(b)-(c)-(d)					\$180,526

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 2015 Estimated Revenue Requirement Template

Midwest ISO
FERC Electric Tariff, Fourth Revised Volume No. 1First Revised Sheet No. 2634
Superseding Original Sheet No. 2634Attachment O-MRES
Page 1 of 5Formula Rate - Non-Levelized
Clean VersionRate Formula Template
Utilizing EIA Form 412 Data

For the 12 months ended 12/31/2015

MRES

Line No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT (page 3, line 31)				\$ 5,098,063
	REVENUE CREDITS	(Note T)			
2	Account No. 454	(page 4, line 34)	Total	Allocator	
3	Account No. 456.1	(page 4, line 37)	135,156	TP 1.00000	135,156
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)		0	TP 1.00000	0
					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)			\$ 4,962,907
	DIVISOR				
8	Average of 12 coincident system peaks for requirements (RQ) service			(Note A)	667,836
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)				667,836
16	Annual Cost (\$/kW/Yr)	(line 7 / line 15)	7.431		
17	Network & P-to-P Rate (\$/kW/Mo) (line 11 / 12)		0.619		
18	Point-To-Point Rate (\$/kW/Wk)	(line 16 / 52; line 16 / 52)	0.143	Peak Rate	Off-Peak Rate
19	Point-To-Point Rate (\$/kW/Day)	(line 16 / 260; line 16 / 365)	0.029	Capped at weekly rate	\$0.143
20	Point-To-Point Rate (\$/MWh)	(line 16 / 4,160; line 16 / 8,760 times 1,000)	1.786	Capped at weekly and daily rates	\$0.020
					\$0.848
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 12/31/2015

	(1)	(2)	MRES		(5)
Line		EIA 412	(3)	(4)	Transmission
No.	RATE BASE:	Reference	Company Total	Allocator	(Col 3 times Col 4)
	GROSS PLANT IN SERVICE (Note AA and Note GG)				
1	Production	IV.6.e	305,008,726	NA	
2	Transmission	IV.7.e less Line 2a	72,048,184	TP 1.00000	72,048,184
2a	Transmission for projects with FERC approved incentives (Note EE)		87,233,135	TP 1.00000	87,233,135
3	Distribution	IV.8.e	0	NA	
4	General & Intangible	IV.1e and IV.9.e	25,085,003	W/S 0.16668	4,181,102
5	Common		0	CE 0.16668	0
6	TOTAL GROSS PLANT (sum lines 1-5)		489,375,048	GP= 33.402%	163,462,421
	ACCUMULATED DEPRECIATION (Note AA and Note GG)				
7	Production		182,463,969	NA	
8	Transmission		35,425,042	TP 1.00000	35,425,042
8a	Transmission for projects with FERC approved incentives (Note EE)		1,925,723	TP 1.00000	1,925,723
9	Distribution		0	NA	
10	General & Intangible		16,019,649	W/S 0.16668	2,670,113
11	Common		0	CE 0.16668	0
12	TOTAL ACCUM. DEPRECIATION (sum lines 7-11)		235,834,383		40,020,878
	NET PLANT IN SERVICE (Note GG)				
13	Production	(line 1 - line 7)	122,544,757		
14	Transmission	(line 2 - line 8)	36,623,142		36,623,142
14a	Transmission for projects with FERC approved incentives (Line 2a - line 8a) (Note EE)		85,307,412		85,307,412
15	Distribution	(line 3 - line 9)	0		
16	General & Intangible	(line 4 - line 10)	9,065,354		1,510,989
17	Common	(line 5 - line 11)	0		0
18	TOTAL NET PLANT (sum lines 13-17)		253,540,665	NP= 48.687%	123,441,543
18a	CWIP for projects with FERC approved incentives (Note CC and Note GG)		12,378,619	NA 1.00000	12,378,619
	ADJUSTMENTS TO RATE BASE (Note F)				
19	Account No. 281 (enter negative)		0	zero	0
20	Account No. 282 (enter negative)		0	NP 0.48687	0
21	Account No. 283 (enter negative)		0	NP 0.48687	0
22	Account No. 190		0	NP 0.48687	0
23	Account No. 255 (enter negative)		0	NP 0.48687	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		1,691,319		716,220
27	Materials & Supplies (Note GG)	(Note G)	294,413	TE 0.98793	290,859
28	Prepayments (Note GG)	II.20.b	2,006,509	GP 0.33402	670,220
29	TOTAL WORKING CAPITAL (sum lines 26 - 28)		3,992,241		1,677,299
30	RATE BASE earning ACSR (lines 18+24+25+29-14a-23a)		172,225,494		39,811,431
30a	RATE BASE earning HCSR (lines 14a+18a+23a)		97,686,031		97,686,031

Issued by: Stephen G. Kozey, Issuing Officer
Issued on: January 15, 2009

Effective: January 6, 2009

Midwest ISO
FERC Electric Tariff, Fourth Revised Volume No. 1Third Revised Sheet No. 2636
Superseding Second Revised Sheet No. 2636
Attachment O-MRES
Page 3 of 5

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing EIA Form 412 Data

For the 12 months ended 12/31/2015

Line No.	(1)	(2) EIA 412 Reference	MRES		(5) Transmission (Col 3 times Col 4)	
			(3) Company Total	(4) Allocator		
1	O&M (Note BB)		30,948,471	TE	0.98793	30,574,898
1a	Less LSE Expenses included in Transmission O&M Accounts (Note V)	VII.8.d	0		1.00000	0
2	Less Account 565		26,917,703	TE	0.98793	26,592,785
3	A&G	VII.13.d	9,828,782	W/S	0.16668	1,638,235
4	Less FERC Annual Fees		0	W/S	0.16668	0
5	Less EPRI & Reg. Comm. Exp. & Non-safety Ad. (Note I)		529,000	W/S	0.16668	88,172
5a	Plus Transmission Related Reg. Comm. Exp. (Note I)		200,000	TE	0.98793	197,586
6	Common		0	CE	0.16668	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)		13,530,550			5,729,762
DEPRECIATION AND AMORTIZATION EXPENSE (Note AA)						
9	Transmission		1,747,688	TP	1.00000	1,747,688
9a	Abandoned Plant Amortization (Note DD)		0	NA	1.00000	0
10	General & Intangible		808,514	W/S	0.16668	134,761
11	Common		0	CE	0.16668	0
12	TOTAL DEPRECIATION (sum lines 9 - 11)		2,556,202			1,882,449
TAXES OTHER THAN INCOME TAXES (Note J)						
LABOR RELATED						
13	Payroll		0	W/S	0.16668	0
14	Highway and vehicle		0	W/S	0.16668	0
PLANT RELATED						
16	Property		2,724,098	GP	0.33402	909,911
17	Gross Receipts		0	NA	zero	0
18	Other		0	GP	0.33402	0
19	Payments in lieu of taxes		0	GP	0.33402	0
20	TOTAL OTHER TAXES (sum lines 13 - 19)		2,724,098			909,911
INCOME TAXES						
21	$T = 1 - \{[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)\} =$	(Note K)	0.00%	NA		
22	$CTT = (T / 1 - T) * (1 - (WCLTD / R)) =$ 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	0.48687	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)]		16,511,124	NA		8,411,044
28a	RETURN from HCSR [Rate Base (page 2, line 30a) * Rate of Return (page 4, line 30)]		1,873,042	NA		1,873,042
29	REV. REQUIREMENT (sum lines 8, 12, 20, 27, 28 and 28a)		37,195,016			18,806,208
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]		9,367,540			9,367,540
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]		4,340,605			4,340,605
31	REVENUE REQUIREMENT TO BE COLLECTED UNDER ATTACHMENT O (line 29 - line 30 - line 30a)		23,486,871			5,098,063

Issued by: Stephen G. Kozey, Issuing Officer
Issued on: September 30, 2009

Effective: January 1, 2010

Midwest ISO
FERC Electric Tariff, Fourth Revised Volume No. 1First Revised Sheet No. 2637
Superseding Original Sheet No. 2637
Attachment O-MRES
Page 4 of 5

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing EIA Form 412 Data
MRES

For the 12 months ended 12/31/2015

Line No.	SUPPORTING CALCULATIONS AND NOTES			
1	TRANSMISSION PLANT INCLUDED IN ISO RATES			
2	Total transmission plant (page 2, line 2 and 2a, column 3)			72,048,184
3	Less transmission plant excluded from ISO rates (Note M)			0
4	Less transmission plant included in OATT Ancillary Services (Note N)			0
5	Transmission plant included in ISO rates (line 1 less lines 2 & 3)			72,048,184
6	Percentage of transmission plant included in ISO Rates (line 4 divided by line 1)		TP=	1.00000
7	TRANSMISSION EXPENSES			
8	Total transmission expenses (page 3, line 1, column 3)			30,948,471
9	Less transmission expenses included in OATT Ancillary Services (Note L)			373,573
10	Included transmission expenses (line 8 less line 9)			30,574,898
11	Percentage of transmission expenses after adjustment (line 8 divided by line 6)			0.98793
12	Percentage of transmission plant included in ISO Rates (line 5)		TP	1.00000
13	Percentage of transmission expenses included in ISO Rates (line 9 times line 10)		TE=	0.98793
14	WAGES & SALARY ALLOCATOR (W&S)			
15		\$	TP	Allocation
16	Production	2,345,784	0.00	0
17	Transmission	497,891	1.00	497,891
18	Distribution	0	0.00	0
19	Other	143,481	0.00	0
20	Total (sum lines 12-15)	2,987,156	497,891	= 0.16668 = W/S
21	COMMON PLANT ALLOCATOR (CE) (Note O)			
22		\$	% Electric	Labor Ratio
23	Electric	489,375,048	(line 17 / line 20)	(line 16)
24	Gas	0	1.00000 *	0.16668 =
25	Water	0		CE
26	Total (sum lines 17-19)	489,375,048		
27	ACTUAL CAPITAL STRUCTURE RETURN (ACSR)			
28	Long Term Interest	\$		
29		\$27,649,882		
30		\$	%	Cost (Note P)
31	Long Term Debt (Note GG)	617,273,550	79%	4.48%
32	Proprietary Capital (Note GG)	161,433,415	21%	0.1238
33	Total (sum lines 22, 23)	778,706,965	100%	0.0612 = R
34				Proprietary Capital Cost Rate = 12.38%
35				TIER = 1.37
36	HYPOTHETICAL CAPITAL STRUCTURE RETURN (HCSR) (NOTE FF)			
37		%	Cost (Note P)	Weighted
38	Long Term Debt 9 (Cost of Long-term Debt from page 4, line 22)	55%	4.48%	0.0246 = WCLTD
39	Proprietary Capital (Cost of Proprietary Capital from page 4, line 25)	45%	12.38%	0.0557
40	Total (sum lines 27, 28)	100%		0.0803 = R
41	Annual Allocation Factor for Incentive Return (line 29 minus line 24)			1.917%
42	REVENUE CREDITS			
43				Load
44	ACCOUNT 447 (SALES FOR RESALE)			
45	a. Bundled Non-RQ Sales for Resale	(Note Q)		0
46	b. Bundled Sales for Resale included in Divisor on page 1			0
47	Total of (a)-(b)			0
48	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note R)			\$135,156
49	ACCOUNT 456.1 (OTHER ELECTRIC REVENUES)			
50	a. Transmission charges for all transmission transactions			\$28,501,382
51	b. Transmission charges for all transmission transactions included in Divisor on page 1			\$28,501,382
52	c. Transmission charges associated with Schedules 26 and 37 (Note X)			\$0
53	d. Transmission charges associated with Schedule 26-A (Note Z)			\$0
54	Total of (a)-(b)-(c)-(d)			\$0

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

Second Revised Sheet No. 2638
Superseding First Revised Sheet No. 2638
Attachment O-MRES
Page 5 of 5
For the 12 months ended 12/31/2015

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.
- 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.
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- | | | | |
|------------------|-------|-------|---|
| 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).
- 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 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.

Issued by: Stephen G. Kozey, Issuing Officer
Issued on: June 18, 2010

Effective: June 19, 2010

NWPS
2015 Actual
Revenue Requirement Template

ADDENDUM 27 TO ATTACHMENT H Page 43 of 48

NorthWestern Corporation (South Dakota)

APPENDIX A

(For Rate Year Beginning April 1, 2016, Based on December 31, 2015 Data)

Shaded cells are input cells

Allocators

	Notes	FF1 Page # or Instruction	
Wages & Salary Allocation Factor			
1	Transmission Wages Expense	p354.21.b [From Inputs, Pg. 1, Ln. 61]	1,024,817
1a	Transmission under WAPA IS Tariff Factor	[From ATT-5, Ln. 1a]	34.70%
2	Total Wages Expense	p354.28.b [From Inputs, Pg. 1, Ln. 63]	12,172,229
3	Less A&G Wages Expense	p354.27.b [From Inputs, Pg. 1, Ln. 62]	3,633,791
4	Total Wages Less A&G Wages Expense	(Line 2 - Line 3)	8,538,438
5	Wages & Salary Allocator	(Line 1 * Line 1a) / Line 4	4.16%
Plant Allocation Factors			
6	Electric Plant in Service	p207.104.g [From Inputs, Pg. 1, Ln. 32]	720,279,932
7	Accumulated Depreciation (Total Electric Plant)	p219.29.c [From Inputs, Pg. 1, Ln. 44]	269,751,412
8	Accumulated Intangible Amortization (Other Utility Plant)	(Note A) p200.21.c [From Inputs, Pg. 1, Ln. 30]	-27,219
9	Total Accumulated Depreciation	(Line 7 + 8)	269,724,193
10	Net Plant	(Line 6 - Line 9)	450,555,739
11	Transmission Gross Plant under WAPA IS tariff (excluding Land Held for Future Use)	(Line 27 - Line 26)	52,032,630
12	Gross Plant Allocator	(Line 11 / Line 6)	7.22%
13	Transmission Net Plant under WAPA IS tariff (excluding Land Held for Future Use)	(Line 35 - Line 26)	32,598,570
14	Net Plant Allocator	(Line 13 / Line 10)	7.24%
T/D Pole Allocation Factor			
15	Gross Distribution Pole/Structure Investment (Acct 364)	p206.64.b [From Inputs, Pg. 1, Ln. 66]	36,650,446
16	Gross Transmission Pole/Structure Investment (Accts 354 + 355)	p206.51.b + p206.52.b [From Inputs, Pg. 1, Lns. 64 & 65]	41,750,487
17	Transmission Pole/Structure Investment (Accts 354 + 355) under WAPA IS tariff	From Inputs, Pg. 2, Line 22	14,512,199
18	Total Pole/Tower Gross Plant	(Line 15 + Line 16)	78,400,932
19	T/D Revenue Allocation Factor (For Pole Attachment Revenue)	(Line 17 / Line 18)	18.51%

Plant Calculations

Plant In Service			
20	Transmission Plant In Service under WAPA IS tariff	[From Inputs, Pg. 2, Ln. 13]	51,364,463
21	General	p207.99.g [From Inputs, Pg. 1, Ln. 41]	15,958,408
22	Intangible	p205.5.g [From Inputs, Pg. 1, Ln. 31]	85,316
23	Total General and Intangible Plant	(Line 21 + Line 22)	16,043,723
24	Wage & Salary Allocator	(Line 5)	4.16%
25	Total General and Intangible Functionalized to Transmission	(Line 23 * Line 24)	668,167
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)	52,032,630
Accumulated Depreciation			
28	Transmission Accumulated Depreciation for assets under WAPA IS tariff	(Note B) [From Inputs, Pg. 2, Ln. 14]	19,251,951
29	General Plant Accumulated Depreciation	p219.28.c [From Inputs, Pg. 1, Ln. 43]	4,399,917
30	Accumulated Intangible Amortization (Other Utility Plant)	(Line 8)	-27,219
31	Total Accumulated Depreciation	(Line 29 + 30)	4,372,698
32	Wage & Salary Allocator	(Line 5)	4.16%
33	Subtotal General and Intangible Accum. Depreciation Allocated to Transmission	(Line 31 * Line 32)	182,108
34	Total Accumulated Depreciation	(Sum Lines 28 + 33)	19,434,059
35	Total Net Property, Plant & Equipment	(Line 27 - Line 34)	32,598,570

Adjustment To Rate Base

Accumulated Deferred Income Taxes			
36	ADIT	[From ATT 1, Pg. 1, Ln. 32]	(3,821,592)
Prepayments			
37	Prepayments	(Note A) [From ATT-5, Ln. 37]	396,169
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)	4.16%
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]	1,384,963
42	Total Materials & Supplies Allocated to Transmission	(Line 40 + Line 41)	1,384,963
Cash Working Capital			
43	Operation & Maintenance Expense	(Line 66)	1,300,428
44	1/8th Rule	1/8	12.5%
45	Total Cash Working Capital Allocated to Transmission	(Line 43 * Line 44)	162,553
46	Non-Escrowed Funds	[From ATT-4, Line 3, Col. C]	(39,373)
47	Total Adjustment to Rate Base	(Lines 36 + 37 + 42 + 45 + 46)	(1,917,280)
48	Rate Base	(Line 35 + Line 47)	30,681,290

ADDENDUM 27 TO ATTACHMENT H Page 44 of 48
NorthWestern Corporation (South Dakota)
APPENDIX A
(For Rate Year Beginning April 1, 2016, Based on December 31, 2015 Data)

Operations & Maintenance Expense

Transmission O&M			
49	Transmission O&M	[From ATT-5, Ln. 49]	1,797,736
50	Less Account 565	[From ATT-5, Ln. 50]	845,160
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)	952,575
Allocated Administrative & General Expenses			
54	Total A&G	323.197b [From Inputs, Pg. 1, Ln. 50]	7,668,505
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]	11,644
59	Less General Advertising Exp Account 930.1	p323.191.b [From Inputs, Pg. 1, Ln. 49]	15,306
60	Administrative & General Expenses	Sum (Lines 54 to 55) - Sum (Lines 56 to 59)	7,641,555
61	Wage & Salary Allocator	(Line 5)	4.16%
62	Administrative & General Expenses Allocated to Transmission	(Line 60 * Line 61)	318,245
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]	29,607
65	Subtotal - Accounts 909 and 928 - Transmission Related	(Line 63 + Line 64)	29,607
66	Total Transmission O&M	(Lines 53 + 62 + 65)	1,300,428

Depreciation & Amortization Expense

Depreciation Expense			
67	Transmission Depreciation Expense for Assets under WAPA IS tariff	(Note B) p336.7.b&c&d [From Inputs, Pg. 2, Ln. 21]	1,633,691
68	General Depreciation Expense Including Amortization of Limited Term Plant	p336.10.b&c&d [From Inputs, Pg. 1, Lns. 58, 59, & 60]	997,534
69	Intangible Amortization	(Note A) p336.1.b&c&d&e [From Inputs, Lns. 51, 52, 53, & 54]	20,580
70	Total	(Line 68 + Line 69)	1,018,114
71	Wage & Salary Allocator	(Line 5)	4.16%
72	General Depreciation & Intangible Amortization Allocated to Transmission	(Line 70 * Line 71)	42,401
73	Total Transmission Depreciation & Amortization	(Lines 67 + 72)	1,676,092

Taxes Other than Income Taxes

74	Taxes Other than Income Taxes	[From ATT-2, Pg. 1, Ln. 14]	329,099
75	Total Taxes Other than Income Taxes	(Line 74)	329,099

Return \ Capitalization Calculations

Long Term Interest			
76	Long Term Interest & Hedging Costs	[From ATT-9, Pg. 2, Ln. 6]	83,838,261
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]	1,538,978,456
79	Less Accumulated Other Comprehensive Income Account 219	[From ATT-7, Pg. 1, Ln. 3, Col. F]	(8,681,030)
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]	2,550,544
82	Common Stock	(Line 78 - 79 - 80 - 81)	1,545,108,942
Capitalization			
83	Total Long Term Debt (Average)	[From ATT-6, Pg. 1, Ln. 1, Col A]	1,722,181,900
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]	1,545,108,942
86	Total Capitalization	(Sum Lines 83 to 85)	3,267,290,842
87	Debt %	Total Long Term Debt [From ATT-6, Pg. 1, Ln. 1, Col B]	52.71%
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]	47.29%
90	Debt Cost	Total Long Term Debt [From ATT-6, Pg. 1, Ln. 1, Col C]	4.95%
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]	10.15%
93	Weighted Cost of Debt	Total Long Term Debt (WCLTD) (Line 87 * Line 90)	2.61%
94	Weighted Cost of Preferred	Preferred Stock (Line 88 * Line 91)	0.00%
95	Weighted Cost of Common	Common Stock (Line 89 * Line 92)	4.80%
96	Rate of Return on Rate Base (ROR)	(Sum Lines 93 to 95)	7.41%
97	Investment Return = Rate Base * Rate of Return	(Line 48 * Line 96)	2,273,747

ADDENDUM 27 TO ATTACHMENT H Page 45 of 48

NorthWestern Corporation (South Dakota)

APPENDIX A

(For Rate Year Beginning April 1, 2016, Based on December 31, 2015 Data)

Composite Income Taxes

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	(Note G)	[From Inputs, Pg. 2, Ln. 3]	0.00%
101	T			35.00%
102	T / (1-T)			53.85%
ITC Adjustment				
103	Amortized Investment Tax Credit - Transmission Related		[From ATT-5, Ln. 103]	14,891
104	ITC Adjust. Allocated to Trans. - Grossed Up ITC Adjustment x 1 / (1-T)		(Line 103 * (1 / (1-Line 101)))	22,909
105	Income Tax Component =		(T/1-T) * Investment Return * (1-(WCLTD/ROR)) =	792,986
106	Total Income Taxes		(Line 105 - Line 104)	770,077

Revenue Requirement

Summary				
107	Net Property, Plant & Equipment		(Line 35)	32,598,570
108	Total Adjustment to Rate Base		(Line 47)	(1,917,280)
109	Rate Base		(Line 48)	30,681,290
110	Total Transmission O&M		(Line 66)	1,300,428
111	Total Transmission Depreciation & Amortization		(Line 73)	1,676,092
112	Taxes Other than Income		(Line 75)	329,099
113	Investment Return		(Line 97)	2,273,747
114	Income Taxes		(Line 106)	770,077
115	Gross Revenue Requirement		(Sum Lines 110 to 114)	6,349,443
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities				
116	Transmission Plant In Service under WAPA IS tariff		(Line 20)	51,364,463
117	Revenues from Direct Assigned Transmission F	(Note H)	[From ATT-5, Ln. 117]	0
118	Included Transmission Facilities		(Line 116 - Line 117)	51,364,463
119	Inclusion Ratio		(Line 118 / Line 116)	100.00%
120	Gross Revenue Requirement		(Line 115)	6,349,443
121	Adjusted Gross Revenue Requirement		(Line 119 * Line 120)	6,349,443
Revenue Credits & Adjustments				
122	Revenue Credits		[From ATT-3, Ln. 8]	55,123
122a	Refunds and Surcharges (Adjustments to Gross ATRR)			
122b	Total Revenue Credits and Adjustments		(Line 122 + Line 122a)	55,123
123	Total Net Revenue Requirement		(Line 121 - Line 122b)	6,294,320
124	WAPA Integrated System (IS) True Up of previous Rate Year			
125	Adjustments to prior Rate Year Revenue Requirement			
126	Annual Total Net Revenue Requirement		(Line 123 - Line 125)	6,294,320

Notes:

- A Electric portion only.
- B Includes only transmission assets under the WAPA IS tariff.
- 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 12/31/2015. Annual verification/updates will be documented on ATT 5.

NWPS

2015 Estimated Revenue Requirement Template

Line No.					Allocated Amount
1	GROSS REVENUE REQUIREMENT				\$ 6,307,023
2					
3					
4	REVENUE CREDITS	(Note T)	Total	Allocator	
5	Account No. 454		233,565	TP 100%	233,565
6	Account No. 456		1,530,643	GP= 9.8%	150,594
7	TOTAL REVENUE CREDITS				384,159
8					
9					
10	NET REVENUE REQUIREMENT				\$ 5,922,864
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	241,884,292		
20	Transmission	206.53.g	50,764,969	TP 100.0%	50,764,969
21	Distribution	206.69.g	194,933,343		
22	General & Intangible	206.5.g & 83.g	14,656,964	W/S 3.7%	542,869
23	Common	356.1	27,295,161	CE 2.9%	790,986
24	TOTAL GROSS PLANT		529,534,730	GP= 9.8%	52,098,824
25					
26	ACCUMULATED DEPRECIATION				
27	Production	219.18-22.c	129,802,036		
28	Transmission	219.23.c	17,924,378	TP 100.0%	17,924,378
29	Distribution	219.24.c	77,123,371		
30	General & Intangible	219.25.c	3,886,739	W/S 3.7%	143,958
31	Common	356.1	7,738,657	CE 2.9%	224,258
32	TOTAL ACCUMULATED DEPRECIATION		236,475,182		18,292,595
33					
34	NET PLANT IN SERVICE				
35	Production		112,082,256		
36	Transmission		32,840,591		32,840,591
37	Distribution		117,809,973		
38	General & Intangible		10,770,225		398,911
39	Common		19,556,504		566,728
40	TOTAL NET PLANT		293,059,548	NP= 11.54%	33,806,229
41					
42	ADJUSTMENTS TO RATE BASE	(Note F)			
43	Account No. 281 (enter negative)	273.8.k	0	NP 11.54%	-
44	Account No. 282 (enter negative)	275.2.k	(53,072,532)	NP 11.54%	(6,122,244)
45	Account No. 283 (enter negative)	277.9.k	-	NP 11.54%	-
46	Account No. 190	234.8.c	-	NP 11.54%	-
47	Account No. 255 (enter negative)	267.8.h	(756,526)	NP 11.54%	(87,270)
48	TOTAL ADJUSTMENTS		(53,829,058)		(6,209,514)
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	997,984	O&M/8	170,586
54	Materials & Supplies (Note G)	Transmission	0	GP 9.84%	0
55	Prepayments (Account 165)	111.46.d	0	GP 9.84%	0
56	TOTAL WORKING CAPITAL		997,984		170,586
57					
58	RATE BASE		240,228,474		27,767,301

(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	2,957,333	TE	100%
2	Less Account 565 - only 115KV pc 321.88.b	1,847,236		100%
3	A&G 323.168.b	7,029,139	W/S	3.7%
4	Less FERC Annual Fees	0	W/S	4%
5	Less EPRI & Reg. Comm. Exp. & Non-safety Ad. (Note I)	155,364	W/S	4%
6	Plus Transmission Related Reg. Comm. Exp. (Note I)	0	TE	100%
7	Common 356.1	0	CE	3%
8	Transmission Lease Payments	0		100%
9	TOTAL O&M	7,983,872		1,364,689
10				
11	DEPRECIATION EXPENSE			
12	Transmission - only 115KV assets 336.7.b	1,368,371	TP	100%
13	General 336.9.b	855,389	W/S	3.7%
14	Common 336.10.b	1,714,007	CE	2.9%
15	TOTAL DEPRECIATION	3,937,767		1,449,723
16				
17	TAXES OTHER THAN INCOME TAXES (Note J)			
18	LABOR RELATED			
19	Payroll 262.i	855,160	W/S	3.7%
20	Highway and vehicle 262.i	0	W/S	3.7%
21	PLANT RELATED			
22	Property 262.i	4,587,441	GP	9.8%
23	Gross Receipts 262.i (excluded)	185,084		0
24	Other 262.i	19,806	GP	9.8%
25	Payments in lieu of taxes	0	GP	9.8%
26	TOTAL OTHER TAXES	5,647,491		484,962
27				
28	INCOME TAXES (Note K)			
29	$T=1 - \{[(1 - \text{SIT}) * (1 - \text{FIT})] / (1 - \text{SIT} * \text{FIT} * p)\} =$	35.00%		
30	$\text{CIT}=(T/1-T) * (1-(\text{WCLTD}/\text{R})) =$	39.42%		
31	$1 / (1 - T) = (\text{from line 21})$	1.5385		
32	Amortized Investment Tax Credit (266.8f)	(756,526)	GP	9.8%
33				
34	Income Tax Calculation	8,162,224	GP	9.8%
35	ITC adjustment	(1,163,886)	GP	9.8%
36	Total Income Taxes	6,998,338		614,107
37				
38	RETURN	20,707,694	NA	2,393,541
39	[Rate Base * Rate of Return]			
40				
41	REV. REQUIREMENT	45,275,162		6,307,023

SUPPORTING CALCULATIONS AND NOTES

Line No.	TRANSMISSION PLANT INCLUDED IN ISO RATES				
1	Total transmission plant				128,874,439
2	Less transmission plant excluded from ISO rates (Note M)				78,109,470
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)		39.4%		50,764,969
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				2,957,333
11	Less transmission expenses included in OATT Ancillary Services (Note L)				0
12	Included transmission expenses				2,957,333
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	575,532	0.00	0	
21	SD Electric Transmission 354.19.b	438,103	1.00	438,103	
22	SD Electric Distribution 354.20.b	5,192,800	0.00	0	W&S Allocator
23	SD Electric Other 354.21,22,23.b	5,621,951	0.00	0	(\$ / Allocation)
24	Total	11,828,386		438,103 WS =	3.7%
25					
26	COMMON PLANT ALLOCATOR (CE) (Note O)				
27		\$		% Electric	W&S Allocator
28	Electric 200.3.c	580,354,887		(line 28 / line 31)	(line 24)
29	Gas 200.3.d	161,401,195		78.2%	*
30	Water 200.3.e	0			3.7% =
31	Total	741,756,081			2.9%

Line No.	RETURN (R)	\$	%	Cost (Note P)	Weighted
1	Long Term Debt (112, sum of 16d through 19d)	1,155,125,089	43.90%	5.3%	2.31% =WCLTD
2	Preferred Stock (112.3d)	0	0.00%	0.0%	0.0%
3	Common Stock (line 26)	1,030,670,000	56.10%	11.25%	6.31%
4	Total (sum lines 27-29)	2,185,795,089			8.62% =R
5					
6	REVENUE CREDITS				
7					Load
8	ACCOUNT 447 (SALES FOR RESALE) (310-311) (Note Q)				1,993,113
9					
10	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY) (Note R)				\$233,565
11					
12	ACCOUNT 456 (OTHER ELECTRIC REVENUES) (330.x.n)				\$1,530,643

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 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.