**Great River Energy**

**2015 Annual True-Up Supplemental Notes**

(Section II.E.5, 6, & 8 Requirements)

**Section II.E.5 – Formula reference changes to GRE’s Annual Operating Report**

* There were no FERC filed formula rate changes for formula references (page and line numbers) to GRE’s Annual Operating Report (AOR) in 2015.
* GRE has six lines on Attachment O-GRE that need formula references updated to GRE’s Annual Operating Report. They are listed below.
  + Page 2, Line 28 titled “Prepayments”
    - This line currently references 12a.B.24 of GRE’s AOR. The correct reference is 12a.B.25.
  + Page 3, Line 1 titled “Transmission”
    - This line currently references 12a.A.8.b + A.16.b of GRE’s AOR. The correct reference is 12a.A.8.b + A.17.b.
  + Page 3, Line 3 titled “A&G”
    - This line currently references 12a.A.13.b + A.18.b of GRE’s AOR. The correct reference is 12a.A.14.b + A.20.b.
  + Page 4, Line 21 titled “ Long Term Interest”
    - This line currently references 12a.A.22.b of GRE’s AOR. The correct reference is 12a.A.24.b.
  + Page 4, Line 22 titled “Long Term Debt”
    - This line current currently references 12a.B.45 + B.46 + B.51 + B.52 of GRE’s AOR. The correct reference is 12a.B.46 + B.47 + B.52 + B.53 + B.54.
  + Page 4, Line 23 titled “Proprietary Capital”
    - This line currently references 12a.B.38. The correct reference is 12a.B.39.
* GRE corrected these inaccurate references in a filing (ER16-348-000) accepted by FERC on May 20, 2016. These references will be corrected beginning with 2017 projected rates.

**Section II.E.6 – Material adjustments, foot notes, & adjustments not shown in GRE’s Annual Operating Report**

* GRE does not have any material adjustments made to GRE’s AOR data in determining formula inputs.
* Notes to GRE’s AOR are in Section C on page 5 of the report.
* In addition to the existing notes on GRE’s AOR, GRE has also classified long term interest costs of $2,868,820 as an operating expense related to the capacity purchase agreement with Dairyland Power Cooperative pertaining to the Genoa 3 settlement. GRE reports the amounts representing interest from two capital leases into its interest on long-term debt calculation. The amounts are $24,571 and $293,313 associated with capital leases of a dragline used in the Falkirk coal mining operation and railroad cars used in the operations of the Spiritwood Station generation facility, respectively.
* "Treatment of Plant Related to MTEP Project 2097" - to be in compliance with the MISO OATT, GRE removes 50% of the transmission plant and related depreciation associated with MTEP project 2097 from the transmission plant balances and moves them to production plant balances for the purposes of MISO rates. The amounts GRE reports on our Attachment O will not match GRE's AOR Form 12h, Section A, and Form 12h, Section B which reflect the balances GRE uses for member rate making purposes.

**Section II.E.8 – Accounting Changes**

* GRE does not have any accounting changes to report per Section II.E.8 of Attachment O – GRE.