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April 29, 2014

VIA ELECTRONIC FILING

Dr. Burl W. Haar
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
St. Paul, MN 55101-2147

Re: In the Matter of Minnesota Power's Renewable Resources
Rider and 2014 Renewable Factor
Docket No. E015/M-14-_____

Dear Dr. Haar:

Minnesota Power hereby submits the attached Petition seeking Minnesota Public Utilities Commission approval of its 2014 Renewable Factor. This Petition is filed pursuant to Minn. Stat. 216B.1645, subd. 2a for cost recovery of investments, expenditures and costs related to the development of the Bison 1 Wind Project and associated transmission upgrades, the Bison 2 Wind Project, the Bison 3 Wind Project and the Bison 4 Wind Project and associated transmission upgrades through Minnesota Power's Renewable Resources Rider.

Minnesota Power has included a Summary with this filing. As reflected in the Affidavit of Service, the Summary has been filed on the general service list utilized by Minnesota Power.

Please call me at 218-355-3601 with any questions related to this matter.

Yours truly,

A handwritten signature in black ink that reads "Lori Hoyum". The signature is fluid and cursive, with the first name "Lori" being more prominent.

Lori Hoyum

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**STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

In the Matter of Minnesota Power's Renewable Resources
Rider and 2014 Renewable Factor

Docket No. E015/M-14-_____

SUMMARY

Minnesota Power submits this Petition to the Minnesota Public Utilities Commission ("Commission") pursuant to Minn. Stat. § 216B.1645 and Minn. Rules 7829.1300. Minnesota Power is seeking Commission approval pursuant to Minn. Stat. § 216B.1645, subd 2a to update cost recovery of investments, expenditures and costs related to the development of the Bison 1 Wind Project and associated transmission upgrades, the Bison 2 Wind Project, the Bison 3 Wind Project, and the Bison 4 Wind Project and associated transmission upgrades through Minnesota Power's Commission-approved Rider for Renewable Resources.

**STATE OF MINNESOTA
BEFORE THE
MINNESOTA PUBLIC UTILITIES COMMISSION**

In the Matter of Minnesota Power’s Renewable Resources
Rider and 2014 Renewable Factor

Docket No. E015/M-14-_____

I. INTRODUCTION

Minnesota Power submits this Petition to the Minnesota Public Utilities Commission (“Commission”) pursuant to Minn. Stat. § 216B.1645 and Minn. Rules 7829.1300. Minnesota Power (“the Company”) is seeking Commission approval pursuant to Minn. Stat. § 216B.1645, subd. 2a to update cost recovery of incurred investments, expenditures and costs related to the development of the Bison 1 Wind Project and associated transmission upgrades (“Bison 1 Project”), the Bison 2 Wind Project (“Bison 2 Project”), the Bison 3 Wind Project (“Bison 3 Project”), and the Bison 4 Wind Project and associated transmission upgrades (“Bison 4 Project”) through Minnesota Power’s Commission-approved Rider for Renewable Resources (“Renewable Resources Rider”). Together, these projects make up the “Bison Projects.” Upon Commission approval, Minnesota Power will adjust the line item on customers’ monthly electric bills under the Renewable Adjustment.

On May 11, 2007, the Commission established Minnesota Power’s Renewable Resources Rider through an order approving recovery of, investments and expenditures for future renewable resource contracts, investments and expenditures allowed under Minn. Stat. § 216B.1645.¹ The existing Bison 1 Project cost recovery began in 2010 and additional Bison 1, 2 and 3 cost recoveries started in late 2013. Minnesota Power now seeks approval to adjust this Rider for recovery of additional investments and expenditures related to the Bison Projects.

Since the Company’s last Factor Filing,² the Commission approved Minnesota Power’s Petition³ for approval of investments and expenditures in the Bison 4 Wind Project for recovery through Minnesota Power’s Renewable Resources Rider. Construction has begun on the Bison 4

¹ Docket No. E015/M-07-216.

² Docket No. E015/M-13-410.

³ Docket No. E015/M-13-907.

Project, which will provide customers with 204.8 MW of nameplate capacity and associated energy. Additionally, the capacity of Minnesota Power's direct current transmission line ("DC Line") was increased from 500 MW to 550 MW, as a component of the Bison 1 Project. The Bison 1, 2, and 3 Projects are fully operational and have a combined capacity of 291.8 MW. The Bison Projects are described in more detail below.

A. Bison 1 Project

On March 23, 2009, Minnesota Power submitted a petition seeking Commission approval pursuant to Minn. Stat. § 216B.1645, subd. 1 for the investments and expenditures related to the development of the Bison 1 Project and associated transmission upgrades through Minnesota Power's Commission-approved Renewable Resources Rider. The Bison 1 Project is an 81.8 MW wind facility located southwest of Center, North Dakota, with the wind energy applied towards Minnesota Power's requirements under the Renewable Energy Standard ("RES"). Minn. Stat. § 216B.1691. The Bison 1 Project included upgrading Minnesota Power's existing DC Line between the Square Butte Substation in Center, North Dakota, and Minnesota Power's Arrowhead Substation near Duluth.⁴ The upgrade increased the DC Line capacity from 500 MW to 550 MW, facilitating the deliverability and reliability of the Bison 1 Project.

On July 7, 2009, the Commission issued an order finding that Minnesota Power's Bison 1 Project, including transmission related components, qualifies as an eligible technology under Minn. Stat. § 216B.1691, its generated energy is a reasonable means by which to meet Minnesota Power's renewable energy standard obligations, and the project is prudent and reasonable when compared to alternative approaches for meeting these obligations.⁵

On July 21, 2010, the Commission issued an order approving Minnesota Power's 2010 rate adjustment mechanism ("2010 Renewable Resources Factor") under its Renewable Resources Rider to recover costs related to the Bison 1 Project.⁶

B. Bison 2 Project

On March 24, 2011, Minnesota Power submitted a petition seeking Commission approval pursuant to Minn. Stat. § 216B.1645, subd. 1 for the investments and expenditures related to the

⁴ Docket No. E015/PA-09-526.

⁵ Docket No. E015/M-09-285.

⁶ Docket No. E015/M-10-273.

development of the Bison 2 Project through Minnesota Power's Commission-approved Renewable Resources Rider. The Bison 2 Project is a 105 MW wind facility located in Oliver and Morton Counties in central North Dakota, with the wind energy applied towards Minnesota Power's requirements under the RES.

On September 8, 2011, the Commission issued an order finding that Minnesota Power's Bison 2 Project qualifies as an eligible technology under Minn. Stat. § 216B.1691 and approved the related investment and expenditures.⁷

C. Bison 3 Project

On June 21, 2011, Minnesota Power submitted a petition seeking Commission approval pursuant to Minn. Stat. § 216B.1645, subd. 1 for the investments and expenditures related to the development of the Bison 3 Project through Minnesota Power's Commission-approved Renewable Resources Rider. The Bison 3 Project is also a 105 MW wind facility located in Oliver and Morton Counties in central North Dakota, with the wind energy applied towards Minnesota Power's requirements under the RES.

On November 2, 2011, the Commission issued an order finding that Minnesota Power's Bison 3 Project qualifies as an eligible technology under Minn. Stat. § 216B.1691 and approved the related investment and expenditures.⁸

D. Bison 4 Project

On September 27, 2013, Minnesota Power submitted a petition seeking Commission approval pursuant to Minn. Stat. § 216B.1645, subd. 1 for the investments and expenditures related to the development of the Bison 4 Project through Minnesota Power's Commission-approved Renewable Resources Rider. The Bison 4 Project is a 204.8 MW wind facility located in Oliver County in central North Dakota, with the wind energy applied towards Minnesota Power's requirements under the RES. The Bison 4 Project includes expanding the existing Bison Substation, constructing a new Tri-County Substation, and constructing 11 miles of 230 kV transmission line connecting the two substations. In addition, a component of this project is upgrading the capacity of the Center-Heskett 230 kV transmission line that runs between Center

⁷ Docket No. E015/M-11-234.

⁸ Docket No. E015/M-11-626.

and Mandan, North Dakota to support the injection of additional wind energy onto the alternating current (AC) system.⁹

On January 17, 2014, the Commission issued an order finding that Minnesota Power's Bison 4 Project qualifies as an eligible technology under Minn. Stat. § 216B.1691 and approved the related investment and expenditures.

E. Renewable Resources Factor

On December 3, 2013, the Commission issued an order approving Minnesota Power's 2013 rate adjustment mechanism ("2013 Renewable Resources Factor") under its Renewable Resources Rider to recover costs related to the Bison 1, 2, and 3 Projects.¹⁰ The approved 2013 Renewable Resources Factor is currently being applied to customer bills. Minnesota Power now seeks approval to update the Renewable Resources Rider for recovery beginning in 2014 for its additional investments and expenditures associated with the Bison Projects.

⁹ Docket No. E015/M-13-907.

¹⁰ Docket No. E015/M-13-410.

II. PROCEDURAL MATTERS

A. General Filing Information

Pursuant to Minn. Stat. § 216B.16, subd. 1 and Minn. Rule 7829.1300, Minnesota Power provides the following required general filing information.

1. **Summary of Filing (Minn. Rule 7829.1300, subp.1)**

A one-paragraph summary accompanies this Petition.

2. **Service on Other Parties (Minn. Rule 7829.1300, subp. 2)**

Pursuant to Minn. Stat. § 216.17, subd. 3 and Minn. Rules 7829.1300, subp. 2, Minnesota Power eFiles the Petition on the Minnesota Department of Commerce Division of Energy Resources and the Minnesota Office of the Attorney General – Antitrust and Utilities Division. A summary of the filing prepared in accordance with Minn. Rules 7829.1300, subp. 1 is being served on Minnesota Power’s general service list.

3. **Name, Address and Telephone Number of Utility (Minn. Rule 7829.1300, subp. 4(A))**

Minnesota Power
30 West Superior Street
Duluth, MN 55802
(218) 722–2641

4. **Name, Address and Telephone Number of Utility Attorney (Minn. Rule 7829.1300, subp. 4(B))**

David Moeller
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5. **Date of Filing and Date Proposed Rate Takes Effect (Minn. Rule 7829.1300, subp. 4(C))**

This Petition is being filed on April 29, 2014. Minn. Rule 7825.3200 requires that utilities serve notice to the Commission at least 90 days prior to the proposed effective date of

modified rates. Minnesota Power is not proposing to implement the 2014 Renewable Resources Factor without prior Commission approval.

6. Statute Controlling Schedule for Processing the Filing (Minn. Rule 7829.1300, subp. 4(D))

This Petition is made pursuant to Minn. Stat. § 216B.1645, subd. 2a. Minn. Rule 7825.3200 requires that utilities serve notice to the Commission at least 90 days prior to the proposed effective date of modified rates. Furthermore, Minnesota Power’s proposed 2014 Renewable Resources Factor falls within the definition of a “Miscellaneous Tariff Filing” under Minn. Rules 7829.0100, subp. 11 and 7829.1400, subp. 1 and 4 permitting comments in response to a miscellaneous filing to be filed within 30 days, and reply comments to be filed no later than 10 days thereafter.

7. Utility Employee Responsible for Filing (Minn. Rule 7829.1300, subp. 4(E))

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8. Impact on Rates and Services (Minn. Rule 7829.1300, subp. 4(F))

The 2014 Renewable Resources Factor will have no effect on Minnesota Power’s base rates. The additional information required under Minn. Rule 7829.1300, subp. 4(F) is included throughout this Petition.

9. Service List (Minn. Rule 7829.0700)

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III. RENEWABLE RESOURCES RIDER AUTHORIZATION

Minn. Stat. § 216B.1645, subd. 2a allows the Commission to approve a schedule that provides for the automatic adjustment of charges to recover prudently incurred investments, expenses, or costs associated with facilities constructed, owned, or operated by a utility to satisfy the requirements of section 216B.1691, provided those facilities were previously approved by the Commission. Under Minn. Stat. § 216B.1645, subd. 2a, the Commission may approve, or approve as modified, a rate schedule that:

- (1) allows a utility to recover directly from customers on a timely basis the costs of qualifying renewable energy projects, including:
 - (i) return on investment;
 - (ii) depreciation;
 - (iii) ongoing operation and maintenance costs;
 - (iv) taxes; and
 - (v) costs of transmission and other ancillary expenses directly allocable to transmitting electricity generated from a project meeting the specifications of this paragraph;
- (2) provides a current return on construction work in progress, provided that recovery of these costs from Minnesota ratepayers is not sought through any other mechanism;
- (3) allows recovery of other expenses incurred that are directly related to a renewable energy project, including expenses for energy storage, provided that the utility demonstrates to the commission's satisfaction that the expenses improve project economics, ensure project implementation, advance research and understanding of how storage devices may improve renewable energy projects, or facilitate coordination with the development of transmission necessary to transport energy produced by the project to market;
- (4) allocates recoverable costs appropriately between wholesale and retail customers; and
- (5) terminates recovery when costs have been fully recovered or have otherwise been reflected in a utility's rates.

IV. 2014 RENEWABLE RESOURCES FACTOR

A. Description of Facilities (Minn. Stat. § 216B.1645, subd. 2a(b)(1))

1. **Bison 1 Project**

As detailed in Minnesota Power's March 23, 2009, Petition,¹¹ the Bison 1 Project is an 81.8 MW wind facility located southwest of Center, North Dakota. The Bison 1 Project was constructed in two phases. Phase 1 of the Project, consisting of sixteen Siemens SWT-2.3-101 gear-driven turbines generating 36.8 MW of wind energy, became commercially operational on December 8, 2010. Phase 2 of the Project, consisting of fifteen 3.0 MW SWT-3.0-101 direct drive or "gearless" turbines generating 45 MW of wind energy, became fully operational on January 31, 2012. In addition, a component of this Project was the upgrading of the DC Line terminals to increase the DC Line capacity from 500 MW to 550 MW. The DC Line upgrade was completed in November 2013.

2. **Bison 2 Project**

As detailed in Minnesota Power's March 24, 2011, Petition,¹² the Bison 2 Project is a 105 MW wind energy facility located in Oliver and Morton Counties in central North Dakota. The project consists of 35 Siemens SWT-3.0-101 turbines and interconnects to the electric grid at the Square Butte Substation, which allows the wind energy to flow via Minnesota Power's existing DC Line and provides a cost competitive energy and capacity resource for Minnesota Power's customers. The project became commercially operational on December 18, 2012.

3. **Bison 3 Project**

As detailed in Minnesota Power's June 21, 2011, Petition,¹³ the Bison 3 Project is also a 105 MW wind energy facility located in Oliver and Morton Counties in central North Dakota. The project consists of 35 Siemens SWT-3.0-101 turbines and interconnects to the electric grid at the Square Butte Substation, which allows the wind energy to flow via Minnesota Power's existing DC Line. The project became commercially operational on December 18, 2012.

¹¹ Docket No. E015/M-09-285.

¹² Docket No. E015/M-11-234.

¹³ Docket No. E015/M-11-626.

4. Bison 4 Project

As detailed in Minnesota Power's September 27, 2013 Petition,¹⁴ the Bison 4 Project is a 204.8 MW wind energy facility currently under construction in Oliver County in central North Dakota. The Bison 4 Project will consist of 64 Siemens 3.2 MW SWT-3.2-113 turbines and interconnects to the electric grid at the Square Butte Substation, which allows the wind energy to flow via Minnesota Power's existing DC Line or the AC system. The Bison 4 Project includes expanding the existing Bison Substation, constructing a new Tri-County Substation, and constructing 11 miles of 230 kV transmission line connecting the two substations. The project is planned to be commercially operational in December 2014. In addition, a component of this project is upgrading the capacity of the Center-Heskett 230 kV transmission line that runs between Center and Mandan, North Dakota from a summer emergency rating of 438 MVA to 591 MVA. The upgrade is required to prevent the additional AC system injection by the Bison 4 Project from overloading the Center-Heskett 230 kV line for critical AC system contingencies.

B. Project Schedule and Permitting (Minn. Stat. § 216B.1645, subd. 2a(b)(2))

As mentioned above, all generating turbines at the Bison 1, 2, and 3 Projects have been placed in service and are currently operational. The capacity upgrade to the DC Line was placed in service in November 2013. The Bison 4 Project has obtained all of the required permits.¹⁵ Construction of the Bison 4 Project and associated transmission system improvements has begun and is on schedule for completion in December 2014. The upgrade of the Center-Heskett 230 kV line is expected to be completed by fall 2014, prior to the planned in-service date of the Bison 4 Project.

¹⁴ Docket No. E015/M-13-907

¹⁵ NDPSC Case No. PU-13-127 and NDSPC Case No. PU-11-620.

C. Minnesota Power's Costs (Minn. Stat. § 216B.1645, subd. 2a(b)(3 & 4))

Minnesota Power has employed multiple steps to help ensure the lowest costs to customers on the Bison Projects. Minn. Stat. § 216B.1645, subd. 2a(b)(4). Minnesota Power utilized its standard purchasing procedures to obtain competitive quotations for major purchases and award contracts to the lowest bidder(s), unless a better overall value could be obtained. Minnesota Power will provide any additional information deemed necessary, as part of notice and comment, for the Commission to conclude that “the utility’s efforts to ensure that costs of the facilities are reasonable and were prudently incurred.” Minn. Stat. § 216B.1645, subd. 2a(b)(4).

Based on the original Petition, Minnesota Power projected that the Bison 1 Project, including the associated transmission upgrades to the DC Line, would have total projected capital expenditures of approximately \$177.6 million, with the wind generation project estimated at \$172.0 million and the associated upgrades to the DC Line estimated at \$5.6 million. As the final project costs are closed out, Minnesota Power anticipates the overall project costs to be \$177.5 million, within the original project budget. Refer to Exhibit B-3, pages 1-9, for additional detail on Bison 1 Project expenditures utilized in estimating the revenue requirements.

Minnesota Power seized a market opportunity to deliver greater value to its customers by negotiating a turbine supply agreement amendment with Siemens to replace the originally planned seventeen 2.3 MW wind turbines for Bison 1 Phase 2 with fifteen 3.0 MW wind turbines at a net neutral cost to the project, effectively creating more renewable energy and capacity for Minnesota Power customers at the same price. The resulting Bison 1 Project has a nameplate capacity of 81.8 MW, adding 5.9 MW of additional zero emission renewable capacity.

Based on the original Petitions, Minnesota Power projected that the Bison 2 and Bison 3 Projects would have total projected capital expenditures of approximately \$157 million for each project. Based on the most recent estimates, the overall Bison 2 Project is estimated at \$149.3 million and the Bison 3 Project is estimated at \$150.1 million. As the final project costs are closed out, Minnesota Power anticipates the projects to be under the original budgets. Refer to Exhibit B-3, pages 10-13, for additional detail on the Bison 2 and Bison 3 Projects expenditures.

As detailed in Minnesota Power's September 27, 2013 Petition,¹⁶ Minnesota Power projects that the Bison 4 Project and associated transmission system improvements will have total projected capital expenditures of approximately \$345 million. Minnesota Power currently forecasts the project will be completed within budget. Refer to Exhibit B-3, pages 14-23, for detail on the Bison 4 Project expenditures and total expenditures for all Bison Projects.

D. Revenue Requirements

Retail revenue requirements proposed to be collected through the 2014 Renewable Resources Rider are \$85.8 million, consisting of a \$34.1 million tracker balance through the end of 2013 and \$51.7 million in projected revenue requirements for 2014. A description of the revenue requirement components is provided below. The 2014 Renewable Adjustment Factors shown in Exhibit A-1 are proposed to be effective on August 1, 2014. Exhibit B-1 summarizes the revenue requirements, cost allocation, rate design, 2014 revenue requirements and the 2013 and 2014 trackers. The revenue requirement calculations for each project are included in Exhibits B-2.

1. Return on Construction Work in Progress ("CWIP")

Minnesota Power will record capital expenditures related to the Renewable Resources Rider in Federal Energy Regulatory Commission ("FERC") Account 107 – CWIP. Minnesota Power is requesting a current return on CWIP on the components that are not yet placed in-service beginning when cost recovery under the Rider is approved by the Commission. A return on CWIP will be the only component of revenue requirements recovered under the Rider until the components not yet in-service are placed in-service. Consistent with the terms of the 2011 Factor Filing and subsequent filings, internal capitalized costs are excluded from the CWIP balances as shown in Exhibit B-3. In compliance with the terms of the 2013 Factor Filing, allowance for funds used during construction ("AFUDC") on internal capitalized costs are excluded from CWIP balances as shown in Exhibit B-3.

¹⁶ Docket No. E015/M-13-907.

a) Allowance for Funds Used During Construction (“AFUDC”)

The Company will calculate AFUDC for the Bison Projects and record an offsetting regulatory liability (referred to as a “contra” entry) equaling 100 percent of the Bison Projects’ AFUDC and include that regulatory liability as a reduction to rate base through an entry to “Pre-funded AFUDC Regulatory Liability.” After the Bison Projects are placed in-service, the amount of the Pre-funded AFUDC Regulatory Liability will be amortized over the lives of the projects.

In a December 2010 Order, FERC prescribed specific accounting treatment, which requires the Company to record the Pre-funded AFUDC Regulatory Liability by debiting Account 407.3, Regulatory Debits, and crediting Account 254, Other Regulatory Liabilities, in accordance with the instructions of those accounts. In addition, the Company will amortize the Pre-funded AFUDC Regulatory Liability as an offset to depreciation expense by debiting Account 254 and crediting Account 407.4, Regulatory Credits. The Company will maintain all necessary controls to ensure the amount of the Pre-funded AFUDC Regulatory Liability recorded in Account 254 includes the total amount of AFUDC accrued on the Bison Projects. This FERC-approved methodology for the application of AFUDC is currently being applied to all Minnesota Power current cost recovery rider projects.

b) Return on Investment – CWIP

Revenue requirements during the construction phase of the projects will be based on the average monthly CWIP balance of the Bison Projects. The Return on Investment – CWIP will be calculated on the average of the beginning and ending monthly CWIP balance until the projects are placed in-service. The components of the revenue requirement will include an after-tax return on equity component, current and deferred income taxes, and interest expense. The total annual revenue requirements are the sum of the monthly current return on CWIP calculations until the projects are placed in-service. At that time, the ending CWIP balance is transferred to plant in-service and Minnesota Power will begin to recover full revenue requirements. Internal capitalized costs and AFUDC on internal costs are excluded from the CWIP balances as shown in Exhibit B-3.

(i) Return on Equity Component

The return on investment will be based on Minnesota Power's last retail rate case.¹⁷ Minnesota Power will use the average monthly CWIP balance multiplied by the after-tax equity return rate and the equity percentage of the allowed capital structure from the last rate case to calculate the return on equity component of the revenue requirement calculation.

$$[Return\ on\ Equity\ Component = Average\ Monthly\ CWIP\ Balance\ X\ After-Tax\ Equity\ Return\ Rate\ X\ Capital\ Structure\ Equity\ Percentage]$$

(ii) Income Tax Expense Component

Minnesota Power will include a component of the revenue requirement calculation to recover the effective rate of taxes. This represents both current and deferred income taxes. The income tax amount will be based upon the Return on Equity component of the revenue requirement to equate it to a pretax amount.

$$[Income\ Taxes = Return\ on\ Equity\ Component\ X\ 1/(1-41.37\%)\ X\ 41.37\%]$$

(iii) Interest Expense Component

Minnesota Power will include a component of the revenue requirement calculation to recover an equivalent amount of interest expense that would be incurred given the investment in the Bison Projects. The interest component will be calculated based on the average monthly CWIP balance times the debt rate approved in the last rate case times the debt percentage of the allowed capital structure from the last rate case.

$$[Interest\ Expense = Average\ Monthly\ CWIP\ Balance\ X\ Debt\ Rate\ X\ Capital\ Structure\ Debt\ Percentage]$$

¹⁷ Docket No. E015/GR-09-1151.

2. Full Revenue Requirements – In-service

Full revenue requirements will be based on the Original Installed Cost (“OIC”) when the Bison Projects are placed in-service. Internal capitalized costs and AFUDC on internal costs are excluded from the OIC balances as shown in Exhibit B-3. As described in greater detail below, the in-service revenue requirements will be calculated using the adjusted average monthly rate base for the Bison Projects plus related expenses. The components of the revenue requirement will include an after-tax return on investment, current and deferred income taxes, interest expense, depreciation expense, property taxes, applicable PTCs and NDITCs and other incremental operation and maintenance (“O&M”) expenses related to the Bison Projects.

a) Adjusted Average Rate Base

Adjusted average rate base will be calculated using the monthly balance of the Bison Projects’ OIC reduced by the accumulated depreciation for the Bison Projects. The adjusted average rate base will also be adjusted for any differences between book and tax depreciation expense through accumulated deferred income taxes. To the extent the Company is unable to utilize tax deductions generated by the Bison Projects deferred tax assets will be established and included under the Hybrid method as discussed in Section 3. “Treatment of Deferred Taxes” starting on page 18.

b) Return on Equity Component

The return on investment calculation will be based on Minnesota Power’s last retail rate case.¹⁸ Minnesota Power will use the average monthly adjusted rate base multiplied by the after-tax equity return rate and the equity percentage of the allowed capital structure from the last rate case to calculate the return on equity component of revenue requirements.

[Return on Equity Component = Average Monthly Adjusted Rate Base X After-tax Equity Return Rate X Capital Structure Equity Percentage]

¹⁸ Docket No. E015/GR-09-1151.

c) Income Tax Expense Component

Minnesota Power will include a component of the revenue requirement calculation to recover the effective rate of taxes. This represents both current and deferred income taxes. The income tax amount will be based upon the Return on Equity component of the revenue requirement to equate it to a pre-tax amount.

$$[Income\ Taxes = Return\ on\ Equity\ Component \times 1/(1-41.37\%) \times 41.37\%]$$

d) Interest Expense Component

Minnesota Power will include a component of the revenue requirement calculation to recover an equivalent amount of interest expense that would be incurred given the investment in the Bison Projects. The interest component will be calculated based on the average monthly adjusted rate base times the debt rate approved in the last rate case times the debt percentage of the allowed capital structure from the last rate case.

$$[Interest\ Expense = Average\ Monthly\ Adjusted\ Rate\ Base \times Debt\ Rate \times Capital\ Structure\ Debt\ Percentage]$$

e) Depreciation Expense Component

Once the assets are placed in service, depreciation on the Bison Projects will be recovered through the Rider. Depreciation expense will be calculated on a straight line basis over the lives of the projects on the components and will begin as the assets are placed in-service.

f) Property Tax Component

Once the assets are placed in service, property taxes on the Bison Projects will be recovered through the Rider. Property tax on wind generation assets in North Dakota is a combination of wind generation rated capacity and actual kilowatt hours generated. Transmission assets in North Dakota are taxed on a per mile rate.

g) O&M Expense Component

O&M expenses related to the Bison Projects will also be recovered through the Rider. Minnesota Power anticipates these O&M expenses to be in line with the originally estimated

expenses outlined in the Plan Petitions. Major components of O&M expense at the Bison Projects include costs related to labor, offices, and services including maintenance and insurance.

h) Production Tax Credits

The Production Tax Credits (“PTCs”) generated from the wind projects are credited as an offset to revenue requirements in the year they are generated. However, as a result of Minnesota Power’s tax net operating losses (“NOLs”), as described in the deferred tax section below, the cash benefits of the PTCs from these projects will not be realized in the year generated, but deferred for future realization as deferred tax assets. These deferred tax assets have been applied as an addition to rate base in calculating revenue requirements.

i) North Dakota Investment Tax Credits

The Bison Projects qualify for the North Dakota Investment Tax Credit (“ND ITC”). Currently no North Dakota income taxes are charged to revenue requirements. To the extent Minnesota Power generates taxable income in North Dakota in the future, any resulting income taxes will be offset by the use of this nonrefundable credit. Minnesota Power will offset future Renewable Resources Rider revenue requirements with ND ITC once they have been realized. Based upon Minnesota Power’s current estimates of corporate North Dakota income taxes, it is not anticipated that the Company will be able to fully utilize these tax credits at this time.

E. Rate Calculation and Customer Impact

Minnesota Power has calculated its proposed 2014 Renewable Adjustment Factors as shown in Exhibit A-1. Minn. Stat. § 216B.1645, subd. 2a(b)(3). Exhibit B-1 summarizes the revenue requirements, tracker balance, cost allocation, and rate design for the 2014 Renewable Adjustment Factors. Minnesota Power proposes to maintain the current Renewable Adjustment Factor rate design that incorporates demand (\$/kW-month) and energy (¢/kWh) adders for the Large Power (“LP”) class and an average energy (¢/kWh) adder that is applied to all other retail classes. Specifically, the LP revenue requirements, including any over/under tracker balance, will continue to be split between demand and energy based on LP’s base rate demand and energy revenue split of approximately 60 percent demand and 40 percent energy from Minnesota Power’s last retail rate case. The LP demand rate adder will continue to be calculated as 60 percent of the projected LP revenue requirement divided by the LP class Billing Demand (kW-

month) from Minnesota Power's most recent budget. The LP energy rate adder will be calculated as 40 percent of the projected LP revenue requirement divided by the LP energy (kilowatt-hour) sales from Minnesota Power's most recent budget. The Renewable Adjustment Factor for the other non-LP classes will continue to be calculated as an average energy-based (¢/kWh) charge consisting of the projected revenue requirements, including any over/under tracker balance, divided by the total energy (kWh) sales of the other non-LP classes from Minnesota Power's most recent budget.

Minnesota Power has utilized the appropriate authorized rates of return, the jurisdictional Power Supply Production Demand allocators, and the jurisdictional Power Supply Transmission Demand allocators, based on those approved by the Commission in Minnesota Power's last retail rate case¹⁹ and as approved in previous Renewable Resources Rider Factor filings. Refer to Exhibit B-2 for further detail on the revenue requirement calculations by project, Exhibit B-3 for additional detail on the capital expenditures, Exhibit B-4 for authorized rates of return, and Exhibit B-5 for the allocation factors from Minnesota Power's last retail rate case.

1. Tracker Mechanism

In support of the Renewable Resources Rider Factor filings, Minnesota Power has implemented a tracker mechanism to account for the balance of actual revenue requirements and cash collected from customers. The trackers indicate the actual monthly Minnesota jurisdictional revenue requirements, actual cash collections, and over/under balances. Refer to Exhibit B-1, page 2 of 7, for a summary of the 2013 tracker and to Exhibit B-1, pages 6-7, for details of the 2013 tracker.

2. Change in Format of Calculation

As noted above, Minnesota Power is excluding AFUDC on internal capitalized costs from the CWIP and OIC balances in compliance with the terms of the 2013 Renewable Resources Rider Factor Filing. This adjustment has been added as shown in Exhibit B-3. Minnesota Power is also presenting the revenue requirement calculations for each project in Exhibit B-3 on a monthly basis instead of on an annual basis as in past factor filings.

¹⁹ Docket No. E015/GR-09-1151 and E015/GR-08-415.

3. Treatment of Deferred Taxes

In the Company's approved 2011 Transmission Factor Filing,²⁰ the Commission reviewed Minnesota Power's methodology of applying the Deferred Tax Assets ("DTA") for NOLs to the Company's riders and approved the use of the hybrid approach for accounting for NOLs in its riders. Under the hybrid method, the NOL DTA amount added to rate base in each year by each project is based on the lower of the stand-alone and consolidated methods. The approved hybrid methodology is currently being applied to all Minnesota Power current cost recovery rider projects.

As an update to the facts used in the 2011 Transmission Factor Filing, Minnesota Power does not project an NOL for 2014 and will begin using its NOL carry-forward in 2014. Minnesota Power will continue using the NOL carry-forwards through approximately 2018, when Minnesota Power expects to have fully utilized the NOL carry-forwards.

The inclusion of the NOL DTAs is coordinated between both the Transmission Factor Filing and the Renewable Factor Filing to ensure total NOL DTAs included in both filings is being limited to the total Minnesota Power available NOL. Refer to Exhibit B-2 for detailed calculations regarding the hybrid method and the inclusion of the DTA in rate.

4. Customer Impact

Table 1 below summarizes the estimated rate impacts by customer class assuming the 2014 Renewable Adjustment Factors are implemented on August 1, 2014.

²⁰ Docket No. E015/M-11-695.

Table 1. Estimated Customer Impact

Proposed Effective Date	8/1/2014
Rate Class Impacts 1/	
Residential	
Average Current Rate (¢/kWh)	10.032
Increase (¢/kWh)	0.488
Increase (%)	4.86
Average Impact (\$/month)	3.96
General Service	
Average Current Rate (¢/kWh)	10.027
Increase (¢/kWh)	0.488
Increase (%)	4.87
Average Impact (\$/month)	13.54
Large Light & Power	
Average Current Rate (¢/kWh)	8.109
Increase (¢/kWh)	0.488
Increase (%)	6.02
Average Impact (\$/month)	1,112.26
Large Power	
Average Current Rate (¢/kWh)	5.716
Increase (demand + energy combined) (¢/kWh)	0.416
Increase (%)	7.27
Average Impact (\$/month)	230,935
Municipal Pumping	
Average Rate (¢/kWh)	9.174
Increase (¢/kWh)	0.488
Increase (%)	5.32
Average Impact (\$/month)	59.17
Lighting	
Average Rate (¢/kWh)	15.653
Increase (¢/kWh)	0.488
Increase (%)	3.12
Average Impact (\$/month)	0.71

Notes:

1/ Average current rates are 2014 estimated rates based on Final General Rates in 2009 Rate Case without riders (E015/GR-09-1151) adjusted to include current rider rates. Current rider rates include Renewable Resources Rider rates, Transmission Cost Recovery Rider rates, current 2014 Conservation Program Adjustment rate, and estimated 2014 Fuel and Purchased Energy Adjustment. Average \$/month impact based on 2014 budgeted billing units. Increase in cents/kWh is the incremental increase due to the new factor being implemented (new Renewable factor minus old Renewable factor).

F. Project Benefits in Promoting Renewable Energy (Minn. Stat. § 216B.1645, subd. 2a(b)(5))

The project benefits in promoting renewable energy were described in Minnesota Power's initial plan filings for each of the projects and confirmed by Commission Order for the Bison Projects. Together these projects are key components of Minnesota Power's proactive renewable plan to cost effectively meet Minnesota's 25 percent by 2025 RES. The development of the Bison 4 Project raises the contribution of renewable energy from the Bison Projects from 8 percent to approximately 15 percent²¹ of Minnesota Power's 25 percent renewable energy supply.

²¹ Docket No. E-015/M-105-273.

V. CONCLUSION

Minnesota Power believes the Renewable Resources Rider will appropriately recover the current costs associated with the Bison Projects and respectfully requests that the Commission approve Minnesota Power's 2014 Renewable Factor.

Dated: April 29, 2014

Respectfully submitted,

A handwritten signature in cursive script that reads "Lori Hoyum".

Lori Hoyum
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Duluth, MN 55802
(218) 355-3601
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MINNESOTA POWER
ELECTRIC RATE BOOK - VOLUME I

SECTION V PAGE NO. 85
REVISION 56

RIDER FOR RENEWABLE RESOURCES

Applicable to electric service under all Company's Retail Rate Schedules except Competitive Rate Schedules – Rate Codes 73 and 79. In addition, this Rider is applicable to service under Company's Rider for Large Power Interruptible Service and Rider for Large Power Incremental Production Service.

The following charges are applicable in addition to all charges for service being taken under Company's standard rate schedules:

Large Power Customers \$~~3.45~~~~1.70~~ per kW-month
for all Billing Demand kW

and

~~0.329~~~~0.163~~¢ per kWh
for all kWh

All other applicable Retail Rate Customers ~~1.102~~~~0.614~~¢ per kWh
for all kWh

Filing Date May 31, 2013 MPUC Docket No. E015/M-13-410
Effective Date December 3, 2013 Order Date December 3, 2013

Approved by: Marcia A. Podratz
Marcia A. Podratz
Director - Rates

**MINNESOTA POWER
ELECTRIC RATE BOOK - VOLUME I**

SECTION V **PAGE NO.** 85
REVISION 6

RIDER FOR RENEWABLE RESOURCES

Applicable to electric service under all Company's Retail Rate Schedules except Competitive Rate Schedules – Rate Codes 73 and 79. In addition, this Rider is applicable to service under Company's Rider for Large Power Interruptible Service and Rider for Large Power Incremental Production Service.

The following charges are applicable in addition to all charges for service being taken under Company's standard rate schedules:

Large Power Customers	\$3.45 per kW-month for all Billing Demand kW
	and
	0.329¢ per kWh for all kWh
All other applicable Retail Rate Customers	1.102¢ per kWh for all kWh

Filing Date _____ **MPUC Docket No.** _____
Effective Date _____ **Order Date** _____

Approved by: Marcia A. Podratz
Marcia A. Podratz
Director - Rates

Minnesota Power
Renewable Resources Rider: 2014 Factor Filing
Summary: Revenue Requirements, Cost Allocation and Rate Design

<u>2013 Tracker Balance (\$)</u>	<u>Total</u>
MN Jurisdiction	34,121,430
Large Power	16,995,579
All Other Retail Classes	17,125,851

<u>2014 Revenue Requirements (\$)</u>	
MN Jurisdiction	51,677,295
Large Power	32,303,586
All Other Retail Classes	19,373,709

<u>Total 2014 Factor Revenue Requirements (\$)</u>	
MN Jurisdiction	85,798,725
Large Power	49,299,165
All Other Retail Classes	36,499,560

<u>Billing Units 1/</u>			
Large Power	kW - month		715,217
	kWh		5,998,692,000
All Other Retail Classes	kWh		3,310,820,000

<u>Billing Factors 2/</u>			
		<u>Proposed</u>	
		<u>8/1/2014</u>	
Large Power	\$/kW - month		3.45
	¢/kWh		0.329
All Other Retail Classes	¢/kWh		1.102

		<u>Current Rate</u>	<u>Proposed</u>	<u>Increase</u>
Large Power	(\$/kW - month)	1.70	3.45	1.75
	(¢/kWh)	0.163	0.33	0.166
All Other Classes	(¢/kWh)	0.614	1.10	0.488

Notes:

1/ 2014 Budget.

2/ The LP rate design is a demand rate adder (\$/kW-month) and an energy adder (¢/kWh). The LP allocated costs are to be split between demand and energy on the 2010 base rate demand and energy revenue split of approximately 60% demand and 40% energy per results of MP's most recent MPUC rate case (Docket No. E015/GR-09-1151). All other retail classes will have an energy adder (¢/kWh).

Minnesota Power
Renewable Resources Rider: 2014 Factor Filing
Tracker Summary

2012 Ending Tracker (Over)/Under Collection

MN Jurisdiction	16,076,937
Large Power	6,981,717
All Other Retail Classes	9,095,219

2013 Revenue Requirements

	Allocation /1	
MN Jurisdiction	1.0000	35,199,437
Large Power	0.6251	22,003,242
All Other Retail Classes	0.3749	13,196,194

2013 Cash Collections

MN Jurisdiction	(17,154,943)
Large Power	(11,989,381)
All Other Retail Classes	(5,165,562)

2013 Ending Tracker (Over)/Under Collection

MN Jurisdiction	34,121,430
Large Power	16,995,579
All Other Retail Classes	17,125,851

1/ Allocators from MP's 2009 MPUC rate case Docket No. E-015/GR-09-1151. Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider: 2014 Factor Filing
Summary: 2014 Revenue Requirements and Class Allocations

Minnesota Jurisdictional Revenue Requirements (\$)

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Total
Bison I Wind Phase IA:	395,423	534,372	432,723	447,340	384,742	477,639	498,984	431,361	341,799	336,131	276,882	303,080	4,860,475
Bison I Wind Phase 1B: 2011	199,451	268,793	221,213	237,683	215,662	271,140	290,744	265,989	230,418	236,751	216,371	238,642	2,892,859
Bison I Wind Phase 1B: 2012	145,535	225,188	171,231	190,464	165,711	229,516	252,326	224,444	184,204	191,844	168,959	194,579	2,344,000
Collector Transmission Components	148,494	147,839	147,187	146,537	145,889	145,243	144,600	143,053	139,885	136,717	133,549	130,381	1,709,376
50 MW DC Line Upgrade Phase 1													-
Group 1	16,193	16,127	16,061	15,994	15,929	15,863	15,738	15,426	15,114	14,802	14,490	14,178	185,915
Group 2	8,436	8,407	8,377	8,348	8,319	8,290	8,262	8,233	8,204	8,176	8,147	8,119	99,318
Group 3	4,192	4,172	4,153	4,133	4,114	4,095	4,076	4,057	4,038	4,019	4,000	3,981	49,030
50 MW DC Line Upgrade Phase 2	28,078	25,942	24,184	24,084	23,985	23,886	23,787	23,689	23,591	23,493	23,395	23,298	291,412
Bison 2 Wind	496,670	870,338	626,832	690,032	600,301	883,535	971,534	856,531	694,211	712,161	600,908	728,009	8,731,061
Bison 2 Substation addition	38,570	38,390	38,211	38,033	37,855	37,678	37,502	37,326	37,150	36,975	36,801	36,628	451,120
Bison 3 Wind	276,914	646,607	399,395	458,508	364,631	644,122	729,153	611,125	445,196	459,232	345,039	471,973	5,851,896
Bison 3 Substation addition	41,497	41,303	41,111	40,919	40,728	40,537	40,347	40,157	39,969	39,781	39,593	39,406	485,347
Bison 4 Wind	-	851,331	1,364,112	1,604,865	1,834,164	2,017,038	2,175,692	2,206,088	2,232,917	2,259,418	2,346,345	3,154,080	22,046,050
Bison 4 Substation addition	-	22,746	27,425	32,332	37,467	41,125	42,069	42,089	42,109	42,118	42,118	45,557	417,155
Bison 4 Tri-County Substation	-	19,935	30,081	36,665	40,761	43,450	44,265	44,308	44,336	44,359	44,384	47,939	440,482
Bison 4 230 kV Transmission Line Ext	-	42,963	43,611	47,533	54,197	63,948	70,222	69,932	69,643	69,353	69,064	68,774	669,240
Center-Hesket Line	-	6,985	6,985	6,985	6,985	6,985	13,940	20,864	20,801	20,739	20,676	20,614	152,560
Total MN Juris Revenue Requirements	1,799,452	3,771,439	3,602,892	4,030,457	3,981,440	4,954,090	5,363,240	5,044,671	4,573,584	4,636,068	4,390,723	5,529,238	51,677,295

Allocation to Class

	Alloc /1													
Total MN Juris Revenue Requirements	1.0000	1,799,452	3,771,439	3,602,892	4,030,457	3,981,440	4,954,090	5,363,240	5,044,671	4,573,584	4,636,068	4,390,723	5,529,238	51,677,295
Large Power	0.6251	1,124,841	2,357,534	2,252,175	2,519,447	2,488,807	3,096,812	3,352,572	3,153,435	2,858,957	2,898,016	2,744,651	3,456,338	32,303,586
All Other Retail Classes	0.375	674,611	1,413,904	1,350,717	1,511,010	1,492,633	1,857,278	2,010,667	1,891,237	1,714,627	1,738,052	1,646,073	2,072,900	19,373,709

1/ Allocators from MP's 2009 MPUC rate case Docket No. E-015/GR-09-1151. Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Total Sum All Projects

2014 Renewable Resource Rider Tracker

Section Line	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Total Year Dec-14
A Book Basis of Property														
0 CWIP (net of contra AFDC & internal costs)	-	57,793,723	170,829,968	185,232,693	232,738,169	244,504,906	271,921,804	274,949,055	278,369,040	281,422,608	284,759,884	302,364,947	-	-
1 Plant in Service (net of contra AFDC & Internal costs)	465,531,323	465,454,431	465,109,554	465,109,554	465,109,554	465,109,554	472,471,108	474,804,206	474,804,206	474,804,206	474,804,206	474,804,206	803,019,958	803,019,958
2 Total Accumulated Depreciation	21,308,492	22,407,751	23,506,536	24,604,935	25,703,334	26,801,733	27,908,384	29,025,900	30,146,031	31,266,162	32,386,293	33,506,425	35,016,522	35,016,522
3 Net Plant	444,222,830	443,046,681	441,603,018	440,504,618	439,406,219	438,307,820	444,562,725	445,778,306	444,658,175	443,538,044	442,417,913	441,297,782	768,003,437	768,003,437
4 Total Depreciation	1,098,833	1,099,258	1,098,786	1,098,399	1,098,399	1,098,399	1,106,650	1,117,516	1,120,131	1,120,131	1,120,131	1,120,131	1,510,097	13,708,029
5 Book Depreciation Rate (35 year book life)	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
B Tax Basis of Property														
1 Plant in Service	465,531,323	465,454,431	465,109,554	465,109,554	465,109,554	465,109,554	472,471,108	474,804,206	474,804,206	474,804,206	474,804,206	474,804,206	803,019,958	803,019,958
2 Accumulated Depreciation	358,882,191	362,270,157	365,655,380	369,040,603	372,425,826	375,811,049	379,262,000	383,166,620	386,629,392	390,092,163	393,554,935	397,017,706	417,927,401	417,927,401
3 Net Plant	106,649,132	103,184,274	99,454,174	96,068,951	92,683,728	89,298,505	93,209,108	91,637,586	88,174,814	84,712,043	81,249,272	77,786,500	385,092,557	385,092,557
4 Bonus Depreciation	225,027	-	-	-	-	-	-	441,849	-	-	-	-	1,467,645	1,909,494
5 Total Tax Depreciation (including bonus)	5,601,624	3,387,966	3,385,223	3,385,223	3,385,223	3,385,223	3,450,951	3,904,620	3,462,771	3,462,771	3,462,771	3,462,771	20,909,695	59,045,210
6 Tax Book Difference	337,573,698	339,862,406	342,148,844	344,435,668	346,722,492	349,009,316	351,353,617	354,140,721	356,483,361	358,826,001	361,168,641	363,511,281	382,910,880	382,910,880
7 Income Tax Rate	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
8 Accumulated Deferred Income Tax Liability	139,654,239	140,601,078	141,546,977	142,493,036	143,439,095	144,385,154	145,354,991	146,508,016	147,477,166	148,446,317	149,415,467	150,384,617	158,410,231	158,410,231
9 Deferred Tax Expense debit / (Credit)	1,862,805	946,838	945,899	946,059	946,059	946,059	969,837	1,153,025	969,150	969,150	969,150	969,150	8,025,614	18,755,992
10 ADITA for NOL Carryforward	107,774,148	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Carryforward utilized	-	(2,695,658)	(2,695,658)	(2,695,658)	(2,695,658)	(2,695,658)	(2,695,658)	(2,695,658)	(2,695,658)	(2,695,658)	(2,695,658)	(2,695,658)	(2,695,658)	(32,347,895)
12 ADITA - NOL	107,774,148	105,078,490	102,382,832	99,687,174	96,991,516	94,295,858	91,600,200	88,904,542	86,208,885	83,513,227	80,817,569	78,121,911	75,426,253	75,426,253
13 Energy (MWh)	84,449	103,973	72,059	93,526	87,750	96,458	71,910	63,957	74,353	89,212	87,530	97,289	86,559	1,024,576
14 Fed Production Tax Credit (\$/MWh)	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
15 Fed Production Tax Credit (\$)	1,942,327	2,391,374	1,657,364	2,151,092	2,018,256	2,218,525	1,653,938	1,471,007	1,710,121	2,051,883	2,013,187	2,237,637	1,990,864	23,565,248
16 Utilized PTC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17 ADITA for PTC	27,183,109	29,574,483	31,231,847	33,382,939	35,401,195	37,619,720	39,273,658	40,744,665	42,454,786	44,506,669	46,519,856	48,757,493	50,748,357	50,748,357
C-1 Revenue Requirements - Consolidated NOL														
1 Net Plant	444,222,830	443,046,681	441,603,018	440,504,618	439,406,219	438,307,820	444,562,725	445,778,306	444,658,175	443,538,044	442,417,913	441,297,782	768,003,437	768,003,437
2 Less: ADITL - Def Taxes	(139,654,239)	(140,601,078)	(141,546,977)	(142,493,036)	(143,439,095)	(144,385,154)	(145,354,991)	(146,508,016)	(147,477,166)	(148,446,317)	(149,415,467)	(150,384,617)	(158,410,231)	(158,410,231)
3 Plus: ADITA - NOL	107,774,148	105,078,490	102,382,832	99,687,174	96,991,516	94,295,858	91,600,200	88,904,542	86,208,885	83,513,227	80,817,569	78,121,911	75,426,253	75,426,253
4 Plus: ADITA - PTC	27,183,109	29,574,483	31,231,847	33,382,939	35,401,195	37,619,720	39,273,658	40,744,665	42,454,786	44,506,669	46,519,856	48,757,493	50,748,357	50,748,357
5 Rate Base	439,525,848	437,098,576	433,670,720	431,081,696	428,359,836	425,838,245	430,081,591	428,919,498	425,844,680	423,111,623	420,339,871	417,792,569	735,767,816	735,767,816
6 Average Rate Base	439,281,481	438,312,212	435,384,648	432,376,208	429,720,766	427,099,040	427,959,918	429,500,545	427,382,089	424,478,151	421,725,747	419,066,220	576,780,192	440,815,478
7 Current Return on CWIP	-	-	1,157,407	1,802,567	2,115,977	2,416,043	2,614,410	2,768,534	2,801,173	2,833,945	2,866,299	2,972,319	1,530,723	25,879,398
8 Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 After Tax Return on Equity	2,062,551	2,058,000	2,044,254	2,030,129	2,017,661	2,005,351	2,009,393	2,016,627	2,006,680	1,993,045	1,980,122	1,967,635	2,708,146	24,837,043
10 Income Tax Component	1,455,362	1,452,150	1,442,451	1,432,484	1,423,686	1,415,000	1,417,853	1,422,957	1,415,938	1,406,317	1,397,198	1,388,387	1,910,902	17,525,325
11 Interest Expense Component	929,812	927,761	921,564	915,196	909,576	904,026	905,848	909,109	904,625	898,479	892,653	887,023	1,220,851	11,196,713
12 Total Return on Average Rate Base	4,447,725	4,437,911	4,408,270	4,377,809	4,350,923	4,324,378	4,333,094	4,348,693	4,327,244	4,297,841	4,269,973	4,243,045	5,839,899	53,559,081
13 Operation & Maintenance Expense	542,512	790,717	790,717	790,717	790,717	790,717	790,717	790,717	790,717	790,717	790,717	790,717	1,212,307	9,910,192
14 Depreciation Expense	1,098,833	1,099,258	1,098,786	1,098,399	1,098,399	1,098,399	1,106,650	1,117,516	1,120,131	1,120,131	1,120,131	1,120,131	1,510,097	13,708,029
15 Property Tax	78,149	106,819	106,819	106,819	106,819	106,819	106,819	106,819	106,819	106,819	106,819	106,819	1,281,825	1,281,825
16 Federal Production Tax Credit	(3,312,855)	(4,078,755)	(2,826,819)	(3,668,927)	(3,442,361)	(3,783,942)	(2,820,975)	(2,508,967)	(2,916,802)	(3,499,715)	(3,433,715)	(3,816,539)	(3,395,640)	(40,193,157)
17 ND Investment Tax Credit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18 Revenue Requirements	2,854,363	2,355,950	4,735,180	4,507,384	5,020,474	4,952,414	6,130,715	6,623,311	6,229,281	5,649,739	5,720,224	5,416,493	6,804,205	64,145,368

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Total Sum All Projects

2014 Renewable Resource Rider Tracker

Section Line	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Total Year Dec-14
C-2 Revenue Requirements - Stand Alone NOL														
1 Net Plant	444,222,830	443,046,681	441,603,018	440,504,618	439,406,219	438,307,820	444,562,725	445,778,306	444,658,175	443,538,044	442,417,913	441,297,782	768,003,437	768,003,437
2 Less: ADITL - Def Taxes	(139,654,239)	(140,601,078)	(141,546,977)	(142,493,036)	(143,439,095)	(144,385,154)	(145,354,991)	(146,508,016)	(147,477,166)	(148,446,317)	(149,415,467)	(150,384,617)	(158,410,231)	(158,410,231)
3 Plus: ADITA - NOL (Stand Alone)	110,251,999	111,448,083	111,685,217	112,146,149	112,541,635	113,029,374	113,258,947	113,570,055	113,819,889	114,226,738	114,612,149	115,096,656	115,762,663	115,762,663
4 Plus: ADITA - PTC	27,183,109	29,574,483	31,231,847	33,382,939	35,401,195	37,619,720	39,273,658	40,744,665	42,454,786	44,506,669	46,519,856	48,757,493	50,748,357	50,748,357
5 Rate Base	442,003,699	443,468,169	442,973,105	443,540,671	443,909,955	444,571,761	451,740,338	453,585,010	453,455,684	453,825,134	454,134,451	454,767,314	776,104,226	776,104,226
6 Average Rate Base	441,833,065	442,735,934	443,220,637	443,256,888	443,725,313	444,240,858	448,156,049	452,662,674	453,520,347	453,640,409	453,979,793	454,450,882	615,435,770	462,418,796
7 Current Return on CWIP	-	-	1,157,407	1,802,567	2,115,977	2,416,043	2,614,410	2,768,534	2,801,173	2,833,945	2,866,299	2,972,319	1,530,723	25,879,398
8 Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 After Tax Return on Equity	2,074,531	2,078,771	2,081,046	2,081,217	2,083,416	2,085,837	2,104,220	2,125,380	2,129,407	2,129,970	2,131,564	2,133,776	2,889,645	26,054,247
10 Income Tax Component	1,463,815	1,466,806	1,468,412	1,468,532	1,470,084	1,471,792	1,484,763	1,499,694	1,502,536	1,502,933	1,504,058	1,505,618	2,038,969	18,384,199
11 Interest Expense Component	935,213	937,124	938,150	938,227	939,219	940,310	948,597	958,136	959,951	960,206	960,924	961,921	1,302,672	11,745,437
12 Total Return on Average Rate Base	4,473,560	4,482,701	4,487,609	4,487,976	4,492,719	4,497,939	4,537,580	4,583,210	4,593,894	4,593,109	4,596,545	4,601,315	6,231,287	56,183,884
13 Operation & Maintenance Expense	542,512	790,717	790,717	790,717	790,717	790,717	790,717	790,717	790,717	790,717	790,717	790,717	1,212,307	9,910,192
14 Depreciation Expense	1,098,833	1,099,258	1,098,786	1,098,399	1,098,399	1,098,399	1,106,650	1,117,516	1,120,131	1,120,131	1,120,131	1,120,131	1,510,097	13,708,029
15 Property Tax	78,149	106,819	106,819	106,819	106,819	106,819	106,819	106,819	106,819	106,819	106,819	106,819	106,819	1,281,825
16 Federal Production Tax Credit	(3,312,855)	(4,078,755)	(2,826,819)	(3,668,927)	(3,442,361)	(3,783,942)	(2,820,975)	(2,508,967)	(2,916,802)	(3,499,715)	(3,433,715)	(3,816,539)	(3,395,640)	(40,193,157)
17 ND Investment Tax Credit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18 Revenue Requirements	2,880,198	2,400,740	4,814,519	4,617,551	5,162,270	5,125,975	6,335,201	6,857,828	6,493,931	5,945,006	6,046,796	5,774,762	7,195,592	66,770,171
D Stand Alone Taxable Income or Loss (NOL)														
1 Revenue Requirements	2,880,198	2,400,740	4,814,519	4,617,551	5,162,270	5,125,975	6,335,201	6,857,828	6,493,931	5,945,006	6,046,796	5,774,762	7,195,592	66,770,171
2 Tax Depreciation	5,601,624	3,387,966	3,385,223	3,385,223	3,385,223	3,385,223	3,450,951	3,904,620	3,462,771	3,462,771	3,462,771	3,462,771	20,909,695	59,045,210
3 Property Tax	78,149	106,819	106,819	106,819	106,819	106,819	106,819	106,819	106,819	106,819	106,819	106,819	106,819	1,281,825
4 Interest Expense (including on CWIP)	935,213	937,124	1,180,110	1,315,060	1,381,571	1,445,392	1,495,149	1,536,908	1,545,546	1,552,652	1,560,134	1,583,295	1,622,675	17,155,616
5 Operation & Maintenance Expense	542,512	790,717	790,717	790,717	790,717	790,717	790,717	790,717	790,717	790,717	790,717	790,717	1,212,307	9,910,192
6 Total Tax Deduction	7,157,498	5,222,626	5,462,869	5,597,819	5,664,330	5,728,151	5,843,635	6,339,063	5,905,853	5,912,959	5,920,441	5,943,602	23,851,496	87,392,843
7 Taxable Income (NOL)	(4,277,300)	(2,821,886)	(648,350)	(980,268)	(502,059)	(602,176)	491,566	518,764	588,077	32,048	126,355	(168,839)	(16,655,904)	(20,622,672)
8 Current tax expense	(1,769,519)	(1,167,414)	(268,221)	(405,535)	(207,703)	(249,120)	203,360	214,611	243,288	13,258	52,272	(69,849)	(6,890,549)	(8,531,602)
9 Taxable Income (NOL)	(4,277,300)	(2,821,886)	(648,350)	(980,268)	(502,059)	(602,176)	491,566	518,764	588,077	32,048	126,355	(168,839)	(16,655,904)	(20,622,672)
10 NOL carryforward	(285,890,021)	(290,167,321)	(292,989,207)	(294,553,005)	(296,959,007)	(299,134,691)	(301,647,828)	(303,195,993)	(304,837,140)	(306,473,669)	(308,691,853)	(310,841,025)	(313,368,953)	(290,167,321)
11 Taxable Income after NOL carryforward /7	(290,167,321)	(292,989,207)	(293,637,557)	(295,533,273)	(297,461,066)	(299,736,867)	(301,156,262)	(302,641,616)	(304,249,063)	(306,441,621)	(308,565,498)	(311,009,865)	(311,026,866)	(310,789,993)
12 Expected stand alone ADITA NOL	110,251,999	111,448,083	111,685,217	112,146,149	112,541,635	113,029,374	113,258,947	113,570,055	113,819,889	114,226,738	114,612,149	115,096,656	115,762,663	115,762,663
13 Annual Fed Production Tax Credit (\$)	1,942,327	2,391,374	1,657,364	2,151,092	2,018,256	2,218,525	1,653,938	1,471,007	1,710,121	2,051,883	2,013,187	2,237,637	1,990,864	23,565,248
14 Utilized PTC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15 ADITA for PTC	27,183,109	29,574,483	31,231,847	33,382,939	35,401,195	37,619,720	39,273,658	40,744,665	42,454,786	44,506,669	46,519,856	48,757,493	50,748,357	50,748,357
E Summary: Revenue Requirements														
1 Revenue Requirement: Consolidated		2,355,950	4,735,180	4,507,384	5,020,474	4,952,414	6,130,715	6,623,311	6,229,281	5,649,739	5,720,224	5,416,493	6,804,205	64,145,368
2 Revenue Requirement: Stand Alone		2,400,740	4,814,519	4,617,551	5,162,270	5,125,975	6,335,201	6,857,828	6,493,931	5,945,006	6,046,796	5,774,762	7,195,592	66,770,171
3 Revenue Requirement: Rider 1/		2,213,952	4,624,561	4,419,938	4,942,242	4,883,502	6,070,454	6,570,272	6,182,157	5,607,480	5,683,363	5,383,922	6,772,252	63,354,094
4 MN Jurisdictional Revenue Requirement		1,799,452	3,771,439	3,602,892	4,030,457	3,981,440	4,954,090	5,363,240	5,044,671	4,573,584	4,636,068	4,390,723	5,529,238	51,677,295
F Monthly Entry														
1 Monthly Entry needed		1,799,452	3,771,439	3,602,892	4,030,457	3,981,440	4,954,090	5,363,240	5,044,671	4,573,584	4,636,068	4,390,723	5,529,238	
2 Cumulative Year		1,799,452	5,570,890	9,173,783	13,204,240	17,185,680	22,139,770	27,503,010	32,547,681	37,121,265	41,757,334	46,148,057	51,677,295	
3 Booked YTD		1,799,452	5,570,890	9,173,783	13,204,240	17,185,680	22,139,770	27,503,010	32,547,681	37,121,265	41,757,334	46,148,057	51,677,295	
4 Entry Needed		1,799,452	3,771,439	3,602,892	4,030,457	3,981,440	4,954,090	5,363,240	5,044,671	4,573,584	4,636,068	4,390,723	5,529,238	
G Tracker														
1 Cash Collections														
2 Monthly (Over)/Under collection		1,799,452	3,771,439	3,602,892	4,030,457	3,981,440	4,954,090	5,363,240	5,044,671	4,573,584	4,636,068	4,390,723	5,529,238	
3 Cumulative (Over)/Under Balance	34,121,431	35,920,883	39,692,322	43,295,214	47,325,671	51,307,111	56,261,201	61,624,441	66,669,112	71,242,697	75,878,765	80,269,488	85,798,726	

1/ Lesser of E1 or E2. For the sum of all projects, beginning 3/2014, E3 does not equal the lesser of E1 or E2. This is due to the utilization of NOL carryforwards that results in each individual projects' lower requirement changing from stand-alone to consolidated at different times.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Total Sum All Projects

2013 Renewable Resource Rider Tracker

Section Line	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total Year Dec-13
A Book Basis of Property														
0 CWIP (net of contra AFDC & internal costs)	-	-	-	-	-	-	23,989	13,262	26,791	851,063	878,923	-	-	-
1 Plant in Service (net of contra AFDC & Internal costs)	461,984,811	457,381,428	462,263,319	462,381,236	462,409,693	462,423,349	462,579,120	462,581,992	462,585,235	462,664,109	462,705,770	465,081,269	465,531,323	465,531,323
2 Total Accumulated Depreciation	8,201,646	9,287,460	10,373,604	11,465,701	12,557,972	13,650,292	14,742,814	15,835,525	16,928,243	18,021,053	19,114,000	20,209,659	21,308,492	21,308,492
3 Net Plant	453,783,165	448,093,968	451,889,715	450,915,535	449,851,721	448,773,057	447,836,306	446,746,467	445,656,992	444,643,056	443,591,770	444,871,609	444,222,830	444,222,830
4 Total Depreciation	752,820	1,085,814	1,086,145	1,092,097	1,092,271	1,092,321	1,092,522	1,092,711	1,092,718	1,092,810	1,092,948	1,095,659	1,098,833	13,106,846
5 Book Depreciation Rate (35 year book life)	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
B Tax Basis of Property														
1 Plant in Service	461,984,811	457,381,428	462,263,319	462,381,236	462,409,693	462,423,349	462,579,120	462,581,992	462,585,235	462,664,109	462,705,770	465,081,269	465,531,323	465,531,323
2 Accumulated Depreciation	293,168,336	296,144,747	303,908,169	309,290,772	314,628,959	319,959,867	325,364,045	330,691,820	336,019,845	341,386,197	346,735,076	353,280,566	358,882,191	358,882,191
3 Net Plant	168,816,475	161,236,681	158,355,150	153,090,464	147,780,734	142,463,482	137,215,075	131,890,172	126,565,390	121,277,912	115,970,695	111,800,702	106,649,132	106,649,132
4 Bonus Depreciation	142,180,024	(2,301,692)	2,440,946	58,958	14,229	6,828	77,886	1,436	1,621	39,437	20,831	1,187,749	225,027	1,773,256
5 Total Tax Depreciation (including bonus)	150,468,225	2,976,411	7,763,421	5,382,603	5,338,187	5,330,908	5,404,179	5,327,775	5,328,025	5,366,352	5,348,878	6,545,491	5,601,624	65,713,855
6 Tax Book Difference	284,966,690	286,857,287	293,534,564	297,825,071	302,070,987	306,309,574	310,621,231	314,856,295	319,091,602	323,365,144	327,621,075	333,070,907	337,573,698	337,573,698
7 Income Tax Rate	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
8 Accumulated Deferred Income Tax Liability	117,890,720	118,672,860	121,435,249	123,210,232	124,966,767	126,720,271	128,504,003	130,256,049	132,008,196	133,776,160	135,536,839	137,791,434	139,654,239	139,654,239
9 Deferred Tax Expense debit / (Credit)	61,937,263	782,140	2,762,389	1,774,983	1,756,535	1,753,504	1,752,147	1,752,046	1,752,147	1,760,679	2,254,595	1,862,809	1,862,809	21,763,519
10 ADITA for NOL Carryforward	101,274,925	95,894,743	97,408,976	98,401,215	99,370,436	100,336,701	101,337,824	102,308,640	103,279,052	104,265,847	105,242,879	106,716,158	107,774,148	107,774,148
11 Carryforward utilized	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 ADITA - NOL	101,274,925	95,894,743	97,408,976	98,401,215	99,370,436	100,336,701	101,337,824	102,308,640	103,279,052	104,265,847	105,242,879	106,716,158	107,774,148	107,774,148
13 Energy (MWh)	33,035	79,669	54,450	68,916	74,792	71,198	39,951	45,520	43,249	63,313	70,154	85,138	84,449	780,799
14 Fed Production Tax Credit (\$/MWh)	22.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
15 Fed Production Tax Credit (\$)	726,770	1,832,387	1,252,350	1,585,068	1,720,216	1,637,554	918,873	1,046,960	994,727	1,456,199	1,613,542	1,958,174	1,942,327	17,958,377
16 Utilized PTC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
17 ADITA for PTC	9,224,732	11,057,119	12,309,469	13,894,537	15,614,753	17,252,307	18,171,180	19,218,140	20,212,867	21,669,066	23,282,608	25,240,782	27,183,109	27,183,109
C-1 Revenue Requirements - Consolidated NOL														
1 Net Plant	453,783,165	448,093,968	451,889,715	450,915,535	449,851,721	448,773,057	447,836,306	446,746,467	445,656,992	444,643,056	443,591,770	444,871,609	444,222,830	444,222,830
2 Less: ADITL - Def Taxes	(117,890,720)	(118,672,860)	(121,435,249)	(123,210,232)	(124,966,767)	(126,720,271)	(128,504,003)	(130,256,049)	(132,008,196)	(133,776,160)	(135,536,839)	(137,791,434)	(139,654,239)	(139,654,239)
3 Plus: ADITA - NOL	101,274,925	95,894,743	97,408,976	98,401,215	99,370,436	100,336,701	101,337,824	102,308,640	103,279,052	104,265,847	105,242,879	106,716,158	107,774,148	107,774,148
4 Plus: ADITA - PTC	9,224,732	11,057,119	12,309,469	13,894,537	15,614,753	17,252,307	18,171,180	19,218,140	20,212,867	21,669,066	23,282,608	25,240,782	27,183,109	27,183,109
5 Rate Base	446,392,102	436,372,970	440,172,910	440,001,055	439,801,143	439,641,794	438,841,307	438,017,197	437,140,715	436,801,809	436,580,418	439,037,115	439,525,848	439,525,848
6 Average Rate Base	312,533,000	441,382,536	438,272,940	440,086,983	439,935,599	439,755,969	439,241,550	438,429,252	437,578,956	436,971,262	436,691,114	437,808,766	439,281,481	438,786,367
7 Current Return on CWIP	1,321,070	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 After Tax Return on Equity	1,467,431	2,072,416	2,057,816	2,066,333	2,065,622	2,064,779	2,062,364	2,058,550	2,054,557	2,051,704	2,050,389	2,055,636	2,062,551	24,722,716
10 Income Tax Component	1,035,437	1,462,322	1,452,020	1,458,030	1,457,529	1,456,934	1,455,229	1,452,538	1,449,721	1,447,708	1,446,779	1,450,482	1,455,362	17,444,654
11 Interest Expense Component	661,528	934,260	927,678	931,517	931,197	930,817	929,728	928,009	926,209	924,923	924,330	926,695	929,812	11,145,174
12 Total Return on Average Rate Base	3,164,397	4,468,998	4,437,514	4,455,881	4,454,348	4,452,529	4,447,321	4,439,096	4,430,487	4,424,334	4,421,498	4,432,814	4,447,725	53,312,544
13 Operation & Maintenance Expense	650,758	635,405	653,149	638,588	638,588	638,588	637,658	637,658	637,658	637,658	637,658	637,658	637,658	8,071,429
14 Depreciation Expense	752,820	1,085,814	1,086,145	1,092,097	1,092,271	1,092,321	1,092,522	1,092,711	1,092,718	1,092,810	1,092,948	1,095,659	1,098,833	13,106,846
15 Property Tax	20,128	78,149	78,149	78,149	78,149	78,149	78,149	78,149	78,149	78,149	78,149	78,149	78,149	937,783
16 Federal Production Tax Credit	(1,239,587)	(3,125,340)	(2,136,023)	(2,703,510)	(2,934,020)	(2,793,031)	(1,567,240)	(1,785,707)	(1,696,618)	(2,483,710)	(2,752,076)	(3,339,884)	(3,312,855)	(30,630,014)
17 ND Investment Tax Credit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18 Revenue Requirements	4,669,586	3,143,025	4,118,933	3,561,204	3,491,655	3,515,727	4,688,409	4,579,817	4,605,298	3,784,089	3,459,073	2,996,994	2,854,363	44,798,588

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Total Sum All Projects

2013 Renewable Resource Rider Tracker

Section Line	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Total Year Dec-13
C-2 Revenue Requirements - Stand Alone NOL														
1 Net Plant	453,783,165	448,093,968	451,889,715	450,915,535	449,851,721	448,773,057	447,836,306	446,746,467	445,656,992	444,643,056	443,591,770	444,871,609	444,222,830	444,222,830
2 Less: ADITL - Def Taxes	(117,890,720)	(118,672,860)	(121,435,249)	(123,210,232)	(124,966,767)	(126,720,271)	(128,504,003)	(130,256,049)	(132,008,196)	(133,776,160)	(135,536,839)	(137,791,434)	(139,654,239)	(139,654,239)
3 Plus: ADITA - NOL (Stand Alone)	102,854,620	102,270,672	103,346,703	104,036,303	104,776,753	105,461,909	105,850,141	106,274,195	106,680,164	107,314,034	108,004,597	109,341,474	110,251,999	110,251,999
4 Plus: ADITA - PTC	9,224,732	11,057,119	12,309,469	13,894,537	15,614,753	17,252,307	18,171,180	19,218,140	20,212,867	21,669,066	23,282,608	25,240,782	27,183,109	27,183,109
5 Rate Base	447,971,797	442,748,899	446,110,637	445,636,143	445,276,460	444,767,002	443,353,624	441,982,753	440,541,827	439,849,996	439,342,136	441,662,431	442,003,699	442,003,699
6 Average Rate Base	309,348,414	445,360,348	444,429,768	445,873,390	445,456,301	445,021,731	444,060,313	442,668,188	441,262,290	440,195,911	439,596,066	440,502,284	441,833,065	443,021,638
7 Current Return on CWIP	1,321,070	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 After Tax Return on Equity	1,452,478	2,091,093	2,086,724	2,093,502	2,091,544	2,089,503	2,084,989	2,078,453	2,071,851	2,066,845	2,064,028	2,068,283	2,074,531	24,961,345
10 Income Tax Component	1,024,887	1,475,501	1,472,418	1,477,201	1,475,819	1,474,379	1,471,194	1,466,582	1,461,924	1,458,391	1,456,404	1,459,406	1,463,815	17,613,034
11 Interest Expense Component	654,787	942,679	940,710	943,765	942,883	941,963	939,928	936,981	934,005	931,748	930,478	932,397	935,213	11,252,750
12 Total Return on Average Rate Base	3,132,153	4,509,274	4,499,851	4,514,468	4,510,245	4,505,845	4,496,111	4,482,015	4,467,781	4,456,984	4,450,910	4,460,086	4,473,560	53,827,129
13 Operation & Maintenance Expense	650,758	635,405	653,149	638,588	638,588	638,588	637,658	637,658	637,658	637,658	637,658	637,658	637,658	8,071,429
14 Depreciation Expense	752,820	1,085,814	1,086,145	1,092,097	1,092,271	1,092,321	1,092,522	1,092,711	1,092,718	1,092,810	1,092,948	1,095,659	1,098,833	13,106,846
15 Property Tax	20,128	78,149	78,149	78,149	78,149	78,149	78,149	78,149	78,149	78,149	78,149	78,149	78,149	937,783
16 Federal Production Tax Credit	(1,239,587)	(3,125,340)	(2,136,023)	(2,703,510)	(2,934,020)	(2,793,031)	(1,567,240)	(1,785,707)	(1,696,618)	(2,483,710)	(2,752,076)	(3,339,884)	(3,312,855)	(30,630,014)
17 ND Investment Tax Credit	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18 Revenue Requirements	4,637,342	3,183,301	4,181,271	3,619,791	3,547,552	3,569,043	4,737,199	4,622,737	4,642,591	3,816,739	3,488,486	3,024,266	2,880,198	45,313,174
D Stand Alone Taxable Income or Loss (NOL)														
1 Revenue Requirements	4,637,342	3,183,301	4,181,271	3,619,791	3,547,552	3,569,043	4,737,199	4,622,737	4,642,591	3,816,739	3,488,486	3,024,266	2,880,198	45,313,174
2 Tax Depreciation	150,468,225	2,976,411	7,763,421	5,382,603	5,338,187	5,330,908	5,404,179	5,327,775	5,328,025	5,366,352	5,348,878	6,545,491	5,601,624	65,713,855
3 Property Tax	20,128	78,149	78,149	78,149	78,149	78,149	78,149	78,149	78,149	78,149	78,149	78,149	78,149	937,783
4 Interest Expense (including on CWIP)	930,962	942,679	940,710	943,765	942,883	941,963	939,928	936,981	934,005	931,748	930,478	932,397	935,213	11,252,750
5 Operation & Maintenance Expense	650,758	635,405	653,149	638,588	638,588	638,588	637,658	637,658	637,658	637,658	637,658	637,658	637,658	8,071,429
6 Total Tax Deduction	152,070,073	4,632,644	9,435,429	7,043,105	7,160,126	7,036,779	7,059,913	7,098,473	7,040,741	7,048,755	6,976,060	8,286,293	7,157,498	85,975,817
7 Taxable Income (NOL)	(147,432,731)	(1,449,344)	(5,254,158)	(3,423,314)	(3,612,574)	(3,467,736)	(2,322,714)	(2,475,737)	(2,398,150)	(3,232,016)	(3,487,575)	(5,262,027)	(4,277,300)	(40,662,643)
8 Current tax expense	(60,992,921)	(599,594)	(2,173,645)	(1,416,226)	(1,494,523)	(1,434,601)	(960,908)	(1,024,214)	(992,115)	(1,337,086)	(1,442,808)	(2,176,902)	(1,769,519)	(16,822,141)
9 Taxable Income (NOL)	(147,432,731)	(1,449,344)	(5,254,158)	(3,423,314)	(3,612,574)	(3,467,736)	(2,322,714)	(2,475,737)	(2,398,150)	(3,232,016)	(3,487,575)	(5,262,027)	(4,277,300)	(40,662,643)
10 NOL carryforward	(116,037,198)	(249,504,678)	(250,954,022)	(256,208,180)	(259,631,494)	(263,244,067)	(266,711,803)	(269,034,517)	(271,510,254)	(273,908,403)	(277,140,419)	(280,627,994)	(285,890,021)	(249,504,678)
11 Taxable Income after NOL carryforward	(249,504,678)	(250,954,022)	(256,208,180)	(259,631,494)	(263,244,067)	(266,711,803)	(269,034,517)	(271,510,254)	(273,908,403)	(277,140,419)	(280,627,994)	(285,890,021)	(290,167,321)	(290,167,321)
12 Expected stand alone ADITA NOL	102,854,620	102,270,672	103,346,703	104,036,303	104,776,753	105,461,909	105,850,141	106,274,195	106,680,164	107,314,034	108,004,597	109,341,474	110,251,999	110,251,999
13 Annual Fed Production Tax Credit (\$)	726,770	1,832,387	1,252,350	1,585,068	1,720,216	1,637,554	918,873	1,046,960	994,727	1,456,199	1,613,542	1,958,174	1,942,327	17,958,377
14 Utilized PTC	-	-	-	-	-	-	-	-	-	-	-	-	-	-
15 ADITA for PTC	9,224,732	11,057,119	12,309,469	13,894,537	15,614,753	17,252,307	18,171,180	19,218,140	20,212,867	21,669,066	23,282,608	25,240,782	27,183,109	27,183,109
E Summary: Revenue Requirements														
1 Revenue Requirement: Consolidated		3,143,025	4,118,933	3,561,204	3,491,655	3,515,727	4,688,409	4,579,817	4,605,298	3,784,089	3,459,073	2,996,994	2,854,363	44,798,588
2 Revenue Requirement: Stand Alone		3,183,301	4,181,271	3,619,791	3,547,552	3,569,043	4,737,199	4,622,737	4,642,591	3,816,739	3,488,486	3,024,266	2,880,198	45,313,174
3 Revenue Requirement: Rider 1/		3,024,731	3,997,652	3,436,172	3,363,933	3,385,424	4,553,579	4,439,117	4,458,972	3,633,119	3,304,866	2,840,647	2,696,579	43,134,792
4 MN Jurisdictional Revenue Requirement		2,465,744	3,263,771	2,803,329	2,744,148	2,761,840	3,719,991	3,626,179	3,642,530	2,965,235	2,696,054	2,314,727	2,195,888	35,199,437
F Monthly Entry														
1 Monthly Entry needed		2,465,744	3,263,771	2,803,329	2,744,148	2,761,840	3,719,991	3,626,179	3,642,530	2,965,235	2,696,054	2,314,727	2,195,888	
2 Cumulative Year		2,465,744	5,729,515	8,532,844	11,276,992	14,038,831	17,758,822	21,385,001	25,027,531	27,992,767	30,688,821	33,003,548	35,199,437	
3 Booked YTD		2,465,744	5,729,515	8,532,844	11,276,992	14,038,831	17,758,822	21,385,001	25,027,531	27,992,767	30,688,821	33,003,548	35,199,437	
4 Entry Needed		2,465,744	3,263,771	2,803,329	2,744,148	2,761,840	3,719,991	3,626,179	3,642,530	2,965,235	2,696,054	2,314,727	2,195,888	
G Tracker														
1 Cash Collections		(1,382,112)	(1,330,844)	(1,341,399)	(1,243,299)	(1,279,375)	(1,257,487)	(1,311,513)	(1,300,723)	(1,298,020)	(1,237,343)	(1,277,061)	(2,895,766)	(17,154,942)
2 Monthly (Over)/Under collection		1,083,632	1,932,927	1,461,930	1,500,849	1,482,465	2,462,504	2,314,666	2,341,807	1,667,215	1,458,711	1,037,666	(699,878)	18,044,495
3 Cumulative (Over)/Under Balance	16,076,937	17,160,569	19,093,496	20,555,426	22,056,274	23,538,739	26,001,243	28,315,909	30,657,716	32,324,931	33,783,643	34,821,309	34,121,431	34,121,431

1/ Lesser of E1 or E2.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 1 Wind Phase 1A: 36.8MW

Bison 1 Wind Phase 1A: 36.8 MW

Project ID # 104049
In Service 11/19/2010

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348
	2 Total Accumulated Depreciation	4,815,933	4,998,551	5,181,168	5,363,786	5,546,403	5,729,021	5,911,638	6,094,256	6,276,873	6,459,491	6,642,108	6,824,726
	3 Net Plant	71,883,415	71,700,797	71,518,180	71,335,562	71,152,945	70,970,327	70,787,710	70,605,092	70,422,475	70,239,857	70,057,240	69,874,623
	4 Total Depreciation	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617
	5 Book Depreciation Rate (35 year book life)	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
B	Tax Basis of Property												
	1 Plant in Service	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348
	2 Accumulated Depreciation	66,061,648	66,428,466	66,795,283	67,162,100	67,528,917	67,895,735	68,262,552	68,629,369	68,996,186	69,363,004	69,729,821	70,096,638
	3 Net Plant	10,637,700	10,270,883	9,904,066	9,537,248	9,170,431	8,803,614	8,436,797	8,069,979	7,703,162	7,336,345	6,969,528	6,602,710
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)	-	-	-	-	-	-	-	-	-	-	-	-
	5 Total Tax Depreciation (including bonus)	366,817	366,817	366,817	366,817	366,817	366,817	366,817	366,817	366,817	366,817	366,817	366,817
	6 Tax Book Difference	61,245,715	61,429,915	61,614,114	61,798,314	61,982,514	62,166,714	62,350,913	62,535,113	62,719,313	62,903,513	63,087,712	63,271,912
	7 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	25,337,352	25,413,556	25,489,759	25,565,963	25,642,166	25,718,369	25,794,573	25,870,776	25,946,980	26,023,183	26,099,387	26,175,590
	9 Deferred Tax Expense debit / (Credit)	76,203	76,203	76,203	76,203	76,203	76,203	76,203	76,203	76,203	76,203	76,203	76,203
	10 ADITA for NOL Carryforward 2/	25,337,352	25,413,556	25,489,759	25,565,963	25,642,166	25,718,369	25,794,573	25,870,776	25,946,980	26,023,183	26,099,387	26,175,590
	11 Carryforward utilized												
	12 ADITA - NOL	25,337,352	25,413,556	25,489,759	25,565,963	25,642,166	25,718,369	25,794,573	25,870,776	25,946,980	26,023,183	26,099,387	26,175,590
	13 Energy (MWh)	13,149	8,075	9,926	10,838	9,843	5,416	6,267	5,826	9,018	10,118	12,162	12,271
	14 Fed Production Tax Credit (\$/MWh)	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
	15 Fed Production Tax Credit (\$)	302,427	185,725	228,298	249,274	226,389	124,568	144,141	133,998	207,414	232,714	279,726	282,233
	16 Utilized PTC /3												
	17 ADITA for PTC	5,940,719	6,126,444	6,354,742	6,604,016	6,830,405	6,954,973	7,099,114	7,233,112	7,440,526	7,673,240	7,952,966	8,235,199
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	71,883,415	71,700,797	71,518,180	71,335,562	71,152,945	70,970,327	70,787,710	70,605,092	70,422,475	70,239,857	70,057,240	69,874,623
	2 Less: ADITL - Def Taxes	(25,337,352)	(25,413,556)	(25,489,759)	(25,565,963)	(25,642,166)	(25,718,369)	(25,794,573)	(25,870,776)	(25,946,980)	(26,023,183)	(26,099,387)	(26,175,590)
	3 Plus: ADITA - NOL	25,337,352	25,413,556	25,489,759	25,565,963	25,642,166	25,718,369	25,794,573	25,870,776	25,946,980	26,023,183	26,099,387	26,175,590
	4 Plus: ADITA - PTC	5,940,719	6,126,444	6,354,742	6,604,016	6,830,405	6,954,973	7,099,114	7,233,112	7,440,526	7,673,240	7,952,966	8,235,199
	5 Rate Base	77,824,134	77,827,241	77,872,922	77,939,578	77,983,350	77,925,300	77,886,824	77,838,204	77,863,001	77,913,097	78,010,206	78,109,822
	6 Average Rate Base	77,764,229	77,825,688	77,850,082	77,906,250	77,961,464	77,954,325	77,906,062	77,862,514	77,850,603	77,888,049	77,961,652	78,060,014
	7 Current Return on CWIP 4/												
	8 Return on Average Rate Base 4/												
	9 After Tax Return on Equity	365,125	365,414	365,528	365,792	366,051	366,018	365,791	365,587	365,531	365,706	366,052	366,514
	10 Income Tax Component	257,637	257,840	257,921	258,107	258,290	258,267	258,107	257,962	257,923	258,047	258,291	258,617
	11 Interest Expense Component	164,601	164,731	164,783	164,902	165,018	165,003	164,901	164,809	164,784	164,863	165,019	165,227
	12 Total Return on Average Rate Base	787,363	787,985	788,232	788,801	789,360	789,288	788,799	788,358	788,237	788,616	789,362	790,358
	13 Operation & Maintenance Expense	87,406	89,847	87,844	110,173	94,333	87,716	103,936	96,369	92,510	85,088	100,454	74,628
	14 Depreciation Expense	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617
	15 Property Tax	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143
	16 Federal Production Tax Credit 5/	(515,823)	(316,775)	(389,388)	(425,165)	(386,132)	(212,465)	(245,849)	(228,549)	(353,768)	(396,920)	(477,104)	(481,380)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	550,706	752,817	678,448	665,569	689,321	856,299	838,646	847,939	718,739	668,545	604,472	575,366

1/ Minnesota Composite Income Tax Rate.
2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.
3/ ADITA for PTCs are utilized after all ADITA NOL are utilized, both on a FIFO basis.
4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).
6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. The ITC will be credited to revenue requirements as utilized.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 1 Wind Phase 1A: 36.8MW

Bison 1 Wind Phase 1A: 36.8 MW

Project ID # 104049
In Service 11/19/2010

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	71,883,415	71,700,797	71,518,180	71,335,562	71,152,945	70,970,327	70,787,710	70,605,092	70,422,475	70,239,857	70,057,240	69,874,623
	2 Less: ADITL - Def Taxes	(25,337,352)	(25,413,556)	(25,489,759)	(25,565,963)	(25,642,166)	(25,718,369)	(25,794,573)	(25,870,776)	(25,946,980)	(26,023,183)	(26,099,387)	(26,175,590)
	3 Plus: ADITA - NOL (Stand Alone)	21,628,398	21,590,288	21,582,466	21,589,512	21,580,484	21,500,033	21,434,049	21,361,534	21,341,267	21,339,019	21,369,903	21,402,378
	4 Plus: ADITA - PTC	5,940,719	6,126,444	6,354,742	6,604,016	6,830,405	6,954,973	7,099,114	7,233,112	7,440,526	7,673,240	7,952,966	8,235,199
	5 Rate Base	74,115,180	74,003,974	73,965,629	73,963,128	73,921,668	73,706,964	73,526,300	73,328,962	73,257,288	73,228,933	73,280,722	73,336,609
	6 Average Rate Base	74,071,278	74,059,577	73,984,801	73,964,378	73,942,398	73,814,316	73,616,632	73,427,631	73,293,125	73,243,111	73,254,828	73,308,666
	7 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	9 After Tax Return on Equity	347,786	347,731	347,380	347,284	347,181	346,579	345,651	344,764	344,132	343,897	343,952	344,205
	10 Income Tax Component	245,402	245,363	245,115	245,048	244,975	244,551	243,896	243,269	242,824	242,658	242,697	242,875
	11 Interest Expense Component	156,784	156,759	156,601	156,558	156,511	156,240	155,822	155,422	155,137	155,031	155,056	155,170
	12 Total Return on Average Rate Base	749,972	749,853	749,096	748,889	748,667	747,370	745,368	743,455	742,093	741,586	741,705	742,250
	13 Operation & Maintenance Expense	87,406	89,847	87,844	110,173	94,333	87,716	103,936	96,369	92,510	85,088	100,454	74,628
	14 Depreciation Expense	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617
	15 Property Tax	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143
	16 Federal Production Tax Credit 5/	(515,823)	(316,775)	(389,388)	(425,165)	(386,132)	(212,465)	(245,849)	(228,549)	(353,768)	(396,920)	(477,104)	(481,380)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	513,315	714,686	639,312	625,657	648,628	814,381	795,216	803,035	672,595	621,515	556,815	527,258
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	513,315	714,686	639,312	625,657	648,628	814,381	795,216	803,035	672,595	621,515	556,815	527,258
	2 Tax Depreciation	366,817	366,817	366,817	366,817	366,817	366,817	366,817	366,817	366,817	366,817	366,817	366,817
	3 Property Tax	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143	9,143
	4 Interest Expense (including on CWIP)	156,784	156,759	156,601	156,558	156,511	156,240	155,822	155,422	155,137	155,031	155,056	155,170
	5 Operation & Maintenance Expense	87,406	89,847	87,844	110,173	94,333	87,716	103,936	96,369	92,510	85,088	100,454	74,628
	6 Total Tax Deduction	620,150	622,566	620,405	642,690	626,804	619,916	635,718	627,751	623,607	616,079	631,470	605,758
	7 Taxable Income (NOL)	(106,835)	92,119	18,908	(17,033)	21,824	194,465	159,498	175,285	48,988	5,436	(74,655)	(78,499)
	8 Current tax expense	(44,198)	38,110	7,822	(7,047)	9,029	80,450	65,984	72,515	20,266	2,249	(30,885)	(32,475)
	9 Taxable Income (NOL)	(106,835)	92,119	18,908	(17,033)	21,824	194,465	159,498	175,285	48,988	5,436	(74,655)	(78,499)
	10 NOL carryforward	(52,173,555)	(52,280,391)	(52,188,271)	(52,169,364)	(52,186,397)	(52,164,573)	(51,970,108)	(51,810,609)	(51,635,325)	(51,586,336)	(51,580,900)	(51,655,555)
	11 Taxable Income after NOL carryforward 7/	(52,280,391)	(52,188,271)	(52,169,364)	(52,186,397)	(52,164,573)	(51,970,108)	(51,810,609)	(51,635,325)	(51,586,336)	(51,580,900)	(51,655,555)	(51,734,054)
	12 Expected stand alone ADITA NOL	21,628,398	21,590,288	21,582,466	21,589,512	21,580,484	21,500,033	21,434,049	21,361,534	21,341,267	21,339,019	21,369,903	21,402,378
	13 Annual Fed Production Tax Credit (\$)	302,427	185,725	228,298	249,274	226,389	124,568	144,141	133,998	207,414	232,714	279,726	282,233
	14 Utilized PTC 8/	-	-	-	-	-	-	-	-	-	-	-	-
	15 ADITA for PTC	5,940,719	6,126,444	6,354,742	6,604,016	6,830,405	6,954,973	7,099,114	7,233,112	7,440,526	7,673,240	7,952,966	8,235,199
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	550,706	752,817	678,448	665,569	689,321	856,299	838,646	847,939	718,739	668,545	604,472	575,366
	2 Revenue Requirement: Stand Alone	513,315	714,686	639,312	625,657	648,628	814,381	795,216	803,035	672,595	621,515	556,815	527,258
	3 Revenue Requirement: Rider 9/	513,315	714,686	639,312	625,657	648,628	814,381	795,216	803,035	672,595	621,515	556,815	527,258
	4 MN Jurisdictional Allocator 10/	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017
	5 MN Jurisdictional Revenue Requirement	421,005	586,164	524,345	513,145	531,985	667,931	652,212	658,626	551,642	509,748	456,683	432,442

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).
6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. Will credit to revenue requirements as utilized.
7/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.
8/ PTC utilization limited to 75% of annual Federal tax liability calculated at 35% times Taxable Income after NOL carryforward.
9/ Lesser of E1 or E2.
10/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 1 Wind Phase 1A: 36.8MW

Bison 1 Wind Phase 1A: 36.8 MW

Project ID # 104049
In Service 11/19/2010

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348
	2 Total Accumulated Depreciation	7,007,343	7,189,961	7,372,578	7,555,196	7,737,813	7,920,431	8,103,048	8,285,666	8,468,283	8,650,901	8,833,518	9,016,136
	3 Net Plant	69,692,005	69,509,388	69,326,770	69,144,153	68,961,535	68,778,918	68,596,300	68,413,683	68,231,065	68,048,448	67,865,830	67,683,213
	4 Total Depreciation	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617
	5 Book Depreciation Rate (35 year book life)	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
B	Tax Basis of Property												
	1 Plant in Service	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348	76,699,348
	2 Accumulated Depreciation	70,463,512	70,830,386	71,197,261	71,564,135	71,931,009	72,297,883	72,664,758	73,031,632	73,398,506	73,765,380	74,132,254	74,499,129
	3 Net Plant	6,235,836	5,868,962	5,502,088	5,135,214	4,768,339	4,401,465	4,034,591	3,667,717	3,300,842	2,933,968	2,567,094	2,200,220
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)												
	5 Total Tax Depreciation (including bonus)	366,874	366,874	366,874	366,874	366,874	366,874	366,874	366,874	366,874	366,874	366,874	366,874
	6 Tax Book Difference	63,456,169	63,640,426	63,824,682	64,008,939	64,193,196	64,377,452	64,561,709	64,745,966	64,930,223	65,114,479	65,298,736	65,482,993
	7 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	26,251,817	26,328,044	26,404,271	26,480,498	26,556,725	26,632,952	26,709,179	26,785,406	26,861,633	26,937,860	27,014,087	27,090,314
	9 Deferred Tax Expense debit / (Credit)	76,227	76,227	76,227	76,227	76,227	76,227	76,227	76,227	76,227	76,227	76,227	76,227
	10 ADITA for NOL Carryforward 2/												
	11 Carryforward utilized	(2,181,299)	(2,181,299)	(2,181,299)	(2,181,299)	(2,181,299)	(2,181,299)	(2,181,299)	(2,181,299)	(2,181,299)	(2,181,299)	(2,181,299)	(2,181,299)
	12 ADITA - NOL	23,994,291	21,812,992	19,631,693	17,450,393	15,269,094	13,087,795	10,906,496	8,725,197	6,543,898	4,362,598	2,181,299	(0)
	13 Energy (MWh)	14,157	9,850	12,819	11,808	13,198	9,749	8,510	10,037	12,257	11,875	13,161	11,791
	14 Fed Production Tax Credit (\$/MWh)	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
	15 Fed Production Tax Credit (\$)	325,611	226,550	294,837	271,584	303,554	224,227	195,730	230,851	281,911	273,125	302,703	271,193
	16 Utilized PTC /3												
	17 ADITA for PTC	8,560,810	8,787,360	9,082,197	9,353,781	9,657,335	9,881,562	10,077,292	10,308,143	10,590,054	10,863,179	11,165,882	11,437,075
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	69,692,005	69,509,388	69,326,770	69,144,153	68,961,535	68,778,918	68,596,300	68,413,683	68,231,065	68,048,448	67,865,830	67,683,213
	2 Less: ADITL - Def Taxes	(26,251,817)	(26,328,044)	(26,404,271)	(26,480,498)	(26,556,725)	(26,632,952)	(26,709,179)	(26,785,406)	(26,861,633)	(26,937,860)	(27,014,087)	(27,090,314)
	3 Plus: ADITA - NOL	23,994,291	21,812,992	19,631,693	17,450,393	15,269,094	13,087,795	10,906,496	8,725,197	6,543,898	4,362,598	2,181,299	(0)
	4 Plus: ADITA - PTC	8,560,810	8,787,360	9,082,197	9,353,781	9,657,335	9,881,562	10,077,292	10,308,143	10,590,054	10,863,179	11,165,882	11,437,075
	5 Rate Base	75,995,289	73,781,695	71,636,388	69,467,829	67,331,239	65,115,322	62,870,909	60,661,616	58,503,383	56,336,365	54,198,924	52,029,973
	6 Average Rate Base	77,052,555	74,888,492	72,709,042	70,552,109	68,399,534	66,223,281	63,993,116	61,766,262	59,582,500	57,419,874	55,267,644	53,114,449
	7 Current Return on CWIP 4/												
	8 Return on Average Rate Base 4/												
	9 After Tax Return on Equity	361,784	351,623	341,390	331,262	321,155	310,937	300,466	290,010	279,757	269,603	259,497	249,387
	10 Income Tax Component	255,279	248,109	240,889	233,743	226,614	219,401	212,012	204,635	197,400	190,235	183,104	175,971
	11 Interest Expense Component	163,095	158,514	153,901	149,335	144,779	140,173	135,452	130,739	126,116	121,539	116,983	112,426
	12 Total Return on Average Rate Base	780,157	758,246	736,179	714,340	692,545	670,511	647,930	625,383	603,273	581,376	559,585	537,784
	13 Operation & Maintenance Expense	99,327	99,327	99,327	99,327	99,327	99,327	99,327	99,327	99,327	99,327	99,327	99,327
	14 Depreciation Expense	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617
	15 Property Tax	12,356	12,356	12,356	12,356	12,356	12,356	12,356	12,356	12,356	12,356	12,356	12,356
	16 Federal Production Tax Credit 5/	(555,366)	(386,406)	(502,877)	(463,217)	(517,745)	(382,444)	(333,839)	(393,742)	(480,831)	(465,845)	(516,294)	(462,550)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	519,091	666,139	527,601	545,423	469,100	582,366	608,391	525,941	416,742	409,831	337,591	369,534

1/ Minnesota Composite Income Tax Rate.
2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.
3/ ADITA for PTCs are utilized after all ADITA NOL are utilized, both on a FIFO basis.
4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).
6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. The ITC will be credited to revenue requirements as utilized.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 1 Wind Phase 1A: 36.8MW

Bison 1 Wind Phase 1A: 36.8 MW

Project ID # 104049
In Service 11/19/2010

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	69,692,005	69,509,388	69,326,770	69,144,153	68,961,535	68,778,918	68,596,300	68,413,683	68,231,065	68,048,448	67,865,830	67,683,213
	2 Less: ADITL - Def Taxes	(26,251,817)	(26,328,044)	(26,404,271)	(26,480,498)	(26,556,725)	(26,632,952)	(26,709,179)	(26,785,406)	(26,861,633)	(26,937,860)	(27,014,087)	(27,090,314)
	3 Plus: ADITA - NOL (Stand Alone)	21,465,178	21,457,930	21,498,804	21,523,082	21,569,705	21,560,277	21,530,966	21,526,644	21,558,314	21,583,627	21,629,597	21,653,125
	4 Plus: ADITA - PTC	8,560,810	8,787,360	9,082,197	9,353,781	9,657,335	9,881,562	10,077,292	10,308,143	10,590,054	10,863,179	11,165,882	11,437,075
	5 Rate Base	73,466,176	73,426,633	73,503,500	73,540,517	73,631,850	73,587,804	73,495,379	73,463,063	73,517,800	73,557,393	73,647,222	73,683,098
	6 Average Rate Base	73,401,393	73,446,405	73,465,067	73,522,009	73,586,184	73,609,827	73,541,592	73,479,221	73,490,432	73,537,597	73,602,308	73,665,160
	7 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	9 After Tax Return on Equity	344,640	344,852	344,939	345,207	345,508	345,619	345,299	345,006	345,058	345,280	345,584	345,879
	10 Income Tax Component	243,182	243,332	243,393	243,582	243,795	243,873	243,647	243,440	243,477	243,634	243,848	244,056
	11 Interest Expense Component	155,366	155,462	155,501	155,622	155,757	155,807	155,663	155,531	155,555	155,655	155,792	155,925
	12 Total Return on Average Rate Base	743,189	743,645	743,834	744,410	745,060	745,300	744,609	743,977	744,091	744,568	745,223	745,860
	13 Operation & Maintenance Expense	99,327	99,327	99,327	99,327	99,327	99,327	99,327	99,327	99,327	99,327	99,327	99,327
	14 Depreciation Expense	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617	182,617
	15 Property Tax	12,356	12,356	12,356	12,356	12,356	12,356	12,356	12,356	12,356	12,356	12,356	12,356
	16 Federal Production Tax Credit 5/	(555,366)	(386,406)	(502,877)	(463,217)	(517,745)	(382,444)	(333,839)	(393,742)	(480,831)	(465,845)	(516,294)	(462,550)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	482,123	651,538	535,256	575,493	521,615	657,155	705,069	644,535	557,560	573,023	523,229	577,610
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	482,123	651,538	535,256	575,493	521,615	657,155	705,069	644,535	557,560	573,023	523,229	577,610
	2 Tax Depreciation	366,874	366,874	366,874	366,874	366,874	366,874	366,874	366,874	366,874	366,874	366,874	366,874
	3 Property Tax	12,356	12,356	12,356	12,356	12,356	12,356	12,356	12,356	12,356	12,356	12,356	12,356
	4 Interest Expense (including on CWIP)	155,366	155,462	155,501	155,622	155,757	155,807	155,663	155,531	155,555	155,655	155,792	155,925
	5 Operation & Maintenance Expense	99,327	99,327	99,327	99,327	99,327	99,327	99,327	99,327	99,327	99,327	99,327	99,327
	6 Total Tax Deduction	633,923	634,018	634,057	634,178	634,314	634,364	634,219	634,087	634,111	634,211	634,348	634,481
	7 Taxable Income (NOL)	(151,800)	17,520	(98,801)	(58,685)	(112,699)	22,791	70,850	10,447	(76,551)	(61,188)	(111,119)	(56,871)
	8 Current tax expense	(62,800)	7,248	(40,874)	(24,278)	(46,624)	9,429	29,310	4,322	(31,669)	(25,314)	(45,970)	(23,528)
	9 Taxable Income (NOL)	(151,800)	17,520	(98,801)	(58,685)	(112,699)	22,791	70,850	10,447	(76,551)	(61,188)	(111,119)	(56,871)
	10 NOL carryforward	(51,734,054)	(51,885,854)	(51,868,334)	(51,967,135)	(52,025,820)	(52,138,519)	(52,115,728)	(52,044,878)	(52,034,431)	(52,110,983)	(52,172,171)	(52,283,290)
	11 Taxable Income after NOL carryforward 7/	(51,885,854)	(51,868,334)	(51,967,135)	(52,025,820)	(52,138,519)	(52,115,728)	(52,044,878)	(52,034,431)	(52,110,983)	(52,172,171)	(52,283,290)	(52,340,161)
	12 Expected stand alone ADITA NOL	21,465,178	21,457,930	21,498,804	21,523,082	21,569,705	21,560,277	21,530,966	21,526,644	21,558,314	21,583,627	21,629,597	21,653,125
	13 Annual Fed Production Tax Credit (\$)	325,611	226,550	294,837	271,584	303,554	224,227	195,730	230,851	281,911	273,125	302,703	271,193
	14 Utilized PTC 8/	-	-	-	-	-	-	-	-	-	-	-	-
	15 ADITA for PTC	8,560,810	8,787,360	9,082,197	9,353,781	9,657,335	9,881,562	10,077,292	10,308,143	10,590,054	10,863,179	11,165,882	11,437,075
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	519,091	666,139	527,601	545,423	469,100	582,366	608,391	525,941	416,742	409,831	337,591	369,534
	2 Revenue Requirement: Stand Alone	482,123	651,538	535,256	575,493	521,615	657,155	705,069	644,535	557,560	573,023	523,229	577,610
	3 Revenue Requirement: Rider 9/	482,123	651,538	527,601	545,423	469,100	582,366	608,391	525,941	416,742	409,831	337,591	369,534
	4 MN Jurisdictional Allocator 10/	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017
	5 MN Jurisdictional Revenue Requirement	395,423	534,372	432,723	447,340	384,742	477,639	498,984	431,361	341,799	336,131	276,882	303,080

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).
6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. Will credit to revenue requirements as utilized.
7/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.
8/ PTC utilization limited to 75% of annual Federal tax liability calculated at 35% times Taxable Income after NOL carryforward.
9/ Lesser of E1 or E2.
10/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 1 Wind Phase 1B 2011: 7 Turbines

Bison 1 Wind Phase 1B 2011: 7 Turbines

Project ID # 104432
In Service 12/28/2011

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709
	2 Total Accumulated Depreciation	1,241,278	1,332,777	1,424,276	1,515,776	1,607,275	1,698,774	1,790,274	1,881,773	1,973,272	2,064,772	2,156,271	2,247,770
	3 Net Plant	37,188,431	37,096,932	37,005,433	36,913,933	36,822,434	36,730,935	36,639,436	36,547,936	36,456,437	36,364,938	36,273,438	36,181,939
	4 Total Depreciation	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499
	5 Book Depreciation Rate (35 year book life)	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
B	Tax Basis of Property												
	1 Plant in Service	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709
	2 Accumulated Depreciation	38,578,896	38,573,751	38,568,607	38,563,463	38,558,318	38,553,174	38,548,030	38,542,885	38,537,741	38,532,597	38,527,452	38,522,308
	3 Net Plant	(149,187)	(144,042)	(138,898)	(133,754)	(128,609)	(123,465)	(118,320)	(113,176)	(108,032)	(102,887)	(97,743)	(92,599)
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)	-	-	-	-	-	-	-	-	-	-	-	-
	5 Total Tax Depreciation (including bonus)	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)
	6 Tax Book Difference	37,337,618	37,240,974	37,144,331	37,047,687	36,951,043	36,854,400	36,757,756	36,661,112	36,564,469	36,467,825	36,371,181	36,274,538
	7 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	15,446,573	15,406,591	15,366,610	15,326,628	15,286,647	15,246,665	15,206,684	15,166,702	15,126,721	15,086,739	15,046,758	15,006,776
	9 Deferred Tax Expense debit / (Credit)	(39,981)	(39,981)	(39,981)	(39,981)	(39,981)	(39,981)	(39,981)	(39,981)	(39,981)	(39,981)	(39,981)	(39,981)
	10 ADITA for NOL Carryforward 2/	15,446,573	15,406,591	15,366,610	15,326,628	15,286,647	15,246,665	15,206,684	15,166,702	15,126,721	15,086,739	15,046,758	15,006,776
	11 Carryforward utilized												
	12 ADITA - NOL	15,446,573	15,406,591	15,366,610	15,326,628	15,286,647	15,246,665	15,206,684	15,166,702	15,126,721	15,086,739	15,046,758	15,006,776
	13 Energy (MWh)	6,561	4,029	4,952	5,408	4,912	2,702	3,127	2,907	4,500	5,049	6,069	6,122
	14 Fed Production Tax Credit (\$/MWh)	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
	15 Fed Production Tax Credit (\$)	150,900	92,667	113,900	124,387	112,966	62,146	71,921	66,861	103,500	116,127	139,587	140,806
	16 Utilized PTC /3												
	17 ADITA for PTC	1,444,500	1,537,167	1,651,067	1,775,454	1,888,419	1,950,565	2,022,486	2,089,347	2,192,847	2,308,974	2,448,561	2,589,367
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	37,188,431	37,096,932	37,005,433	36,913,933	36,822,434	36,730,935	36,639,436	36,547,936	36,456,437	36,364,938	36,273,438	36,181,939
	2 Less: ADITL - Def Taxes	(15,446,573)	(15,406,591)	(15,366,610)	(15,326,628)	(15,286,647)	(15,246,665)	(15,206,684)	(15,166,702)	(15,126,721)	(15,086,739)	(15,046,758)	(15,006,776)
	3 Plus: ADITA - NOL	15,446,573	15,406,591	15,366,610	15,326,628	15,286,647	15,246,665	15,206,684	15,166,702	15,126,721	15,086,739	15,046,758	15,006,776
	4 Plus: ADITA - PTC	1,444,500	1,537,167	1,651,067	1,775,454	1,888,419	1,950,565	2,022,486	2,089,347	2,192,847	2,308,974	2,448,561	2,589,367
	5 Rate Base	38,632,931	38,634,100	38,656,500	38,689,387	38,710,854	38,681,500	38,661,922	38,637,284	38,649,284	38,673,912	38,722,000	38,771,306
	6 Average Rate Base	38,603,231	38,633,515	38,645,300	38,672,943	38,700,120	38,696,177	38,671,711	38,649,603	38,643,284	38,661,598	38,697,956	38,746,653
	7 Current Return on CWIP 4/												
	8 Return on Average Rate Base 4/												
	9 After Tax Return on Equity	181,253	181,395	181,451	181,580	181,708	181,690	181,575	181,471	181,441	181,527	181,698	181,927
	10 Income Tax Component	127,894	127,995	128,034	128,125	128,215	128,202	128,121	128,048	128,027	128,088	128,208	128,370
	11 Interest Expense Component	81,710	81,774	81,799	81,858	81,915	81,907	81,855	81,808	81,795	81,834	81,911	82,014
	12 Total Return on Average Rate Base	390,858	391,164	391,284	391,564	391,839	391,799	391,551	391,327	391,263	391,449	391,817	392,310
	13 Operation & Maintenance Expense	43,612	44,830	43,831	54,972	47,068	43,767	51,860	48,084	46,159	42,456	50,122	37,236
	14 Depreciation Expense	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499
	15 Property Tax	5,217	5,217	5,217	5,217	5,217	5,217	5,217	5,217	5,217	5,217	5,217	5,217
	16 Federal Production Tax Credit 5/	(257,377)	(158,055)	(194,268)	(212,155)	(192,676)	(105,997)	(122,669)	(114,039)	(176,531)	(198,068)	(238,081)	(240,160)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	273,810	374,656	337,562	331,096	342,948	426,285	417,458	422,089	357,608	332,553	300,574	286,102

1/ Minnesota Composite Income Tax Rate.
2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.
3/ ADITA for PTCs are utilized after all ADITA NOL are utilized, both on a FIFO basis.
4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).
6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. The ITC will be credited to revenue requirements as utilized.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 1 Wind Phase 1B 2011: 7 Turbines

Bison 1 Wind Phase 1B 2011: 7 Turbines

Project ID # 104432
In Service 12/28/2011

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	37,188,431	37,096,932	37,005,433	36,913,933	36,822,434	36,730,935	36,639,436	36,547,936	36,456,437	36,364,938	36,273,438	36,181,939
	2 Less: ADITL - Def Taxes	(15,446,573)	(15,406,591)	(15,366,610)	(15,326,628)	(15,286,647)	(15,246,665)	(15,206,684)	(15,166,702)	(15,126,721)	(15,086,739)	(15,046,758)	(15,006,776)
	3 Plus: ADITA - NOL (Stand Alone)	13,205,056	13,109,984	13,030,013	12,957,470	12,876,900	12,760,677	12,651,673	12,539,406	12,453,209	12,375,999	12,315,319	12,255,405
	4 Plus: ADITA - PTC	1,444,500	1,537,167	1,651,067	1,775,454	1,888,419	1,950,565	2,022,486	2,089,347	2,192,847	2,308,974	2,448,561	2,589,367
	5 Rate Base	36,391,415	36,337,492	36,319,903	36,320,229	36,301,107	36,195,512	36,106,911	36,009,987	35,975,773	35,963,172	35,990,561	36,019,935
	6 Average Rate Base	36,368,722	36,364,454	36,328,698	36,320,066	36,310,668	36,248,310	36,151,212	36,058,449	35,992,880	35,969,472	35,976,866	36,005,248
	7 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	9 After Tax Return on Equity	170,761	170,741	170,574	170,533	170,489	170,196	169,740	169,305	168,997	168,887	168,922	169,055
	10 Income Tax Component	120,491	120,477	120,359	120,330	120,299	120,092	119,771	119,463	119,246	119,169	119,193	119,287
	11 Interest Expense Component	76,980	76,971	76,896	76,877	76,858	76,726	76,520	76,324	76,185	76,135	76,151	76,211
	12 Total Return on Average Rate Base	368,233	368,190	367,828	367,741	367,646	367,014	366,031	365,092	364,428	364,191	364,266	364,553
	13 Operation & Maintenance Expense	43,612	44,830	43,831	54,972	47,068	43,767	51,860	48,084	46,159	42,456	50,122	37,236
	14 Depreciation Expense	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499
	15 Property Tax	5,217	5,217	5,217	5,217	5,217	5,217	5,217	5,217	5,217	5,217	5,217	5,217
	16 Federal Production Tax Credit 5/	(257,377)	(158,055)	(194,268)	(212,155)	(192,676)	(105,997)	(122,669)	(114,039)	(176,531)	(198,068)	(238,081)	(240,160)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	251,185	351,682	314,107	307,273	318,755	401,501	391,938	395,854	330,772	305,296	273,023	258,345
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	251,185	351,682	314,107	307,273	318,755	401,501	391,938	395,854	330,772	305,296	273,023	258,345
	2 Tax Depreciation	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)	(5,144)
	3 Property Tax	5,217	5,217	5,217	5,217	5,217	5,217	5,217	5,217	5,217	5,217	5,217	5,217
	4 Interest Expense (including on CWIP)	76,980	76,971	76,896	76,877	76,858	76,726	76,520	76,324	76,185	76,135	76,151	76,211
	5 Operation & Maintenance Expense	43,612	44,830	43,831	54,972	47,068	43,767	51,860	48,084	46,159	42,456	50,122	37,236
	6 Total Tax Deduction	120,665	121,874	120,799	131,922	123,999	120,565	128,453	124,481	122,416	118,664	126,346	113,520
	7 Taxable Income (NOL)	130,520	229,808	193,308	175,351	194,756	280,935	263,485	271,373	208,356	186,632	146,677	144,825
	8 Current tax expense	53,996	95,071	79,971	72,543	80,571	116,223	109,004	112,267	86,197	77,210	60,680	59,914
	9 Taxable Income (NOL)	130,520	229,808	193,308	175,351	194,756	280,935	263,485	271,373	208,356	186,632	146,677	144,825
	10 NOL carryforward	(32,049,920)	(31,919,400)	(31,689,593)	(31,496,285)	(31,320,933)	(31,126,177)	(30,845,242)	(30,581,757)	(30,310,384)	(30,102,028)	(29,915,396)	(29,768,719)
	11 Taxable Income after NOL carryforward 7/	(31,919,400)	(31,689,593)	(31,496,285)	(31,320,933)	(31,126,177)	(30,845,242)	(30,581,757)	(30,310,384)	(30,102,028)	(29,915,396)	(29,768,719)	(29,623,894)
	12 Expected stand alone ADITA NOL	13,205,056	13,109,984	13,030,013	12,957,470	12,876,900	12,760,677	12,651,673	12,539,406	12,453,209	12,375,999	12,315,319	12,255,405
	13 Annual Fed Production Tax Credit (\$)	150,900	92,667	113,900	124,387	112,966	62,146	71,921	66,861	103,500	116,127	139,587	140,806
	14 Utilized PTC 8/	-	-	-	-	-	-	-	-	-	-	-	-
	15 ADITA for PTC	1,444,500	1,537,167	1,651,067	1,775,454	1,888,419	1,950,565	2,022,486	2,089,347	2,192,847	2,308,974	2,448,561	2,589,367
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	273,810	374,656	337,562	331,096	342,948	426,285	417,458	422,089	357,608	332,553	300,574	286,102
	2 Revenue Requirement: Stand Alone	251,185	351,682	314,107	307,273	318,755	401,501	391,938	395,854	330,772	305,296	273,023	258,345
	3 Revenue Requirement: Rider 9/	251,185	351,682	314,107	307,273	318,755	401,501	391,938	395,854	330,772	305,296	273,023	258,345
	4 MN Jurisdictional Allocator 10/	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017
	5 MN Jurisdictional Revenue Requirement	206,015	288,439	257,621	252,016	261,433	329,299	321,456	324,667	271,290	250,394	223,925	211,887

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).

6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. Will credit to revenue requirements as utilized.

7/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

8/ PTC utilization limited to 75% of annual Federal tax liability calculated at 35% times Taxable Income after NOL carryforward.

9/ Lesser of E1 or E2.

10/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 1 Wind Phase 1B 2011: 7 Turbines

Bison 1 Wind Phase 1B 2011: 7 Turbines

Project ID # 104432
In Service 12/28/2011

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709
	2 Total Accumulated Depreciation	2,339,269	2,430,769	2,522,268	2,613,767	2,705,267	2,796,766	2,888,265	2,979,765	3,071,264	3,162,763	3,254,263	3,345,762
	3 Net Plant	36,090,440	35,998,940	35,907,441	35,815,942	35,724,442	35,632,943	35,541,444	35,449,945	35,358,445	35,266,946	35,175,447	35,083,947
	4 Total Depreciation	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499
	5 Book Depreciation Rate (35 year book life)	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
B	Tax Basis of Property												
	1 Plant in Service	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709	38,429,709
	2 Accumulated Depreciation	38,519,221	38,516,135	38,513,048	38,509,961	38,506,875	38,503,788	38,500,701	38,497,615	38,494,528	38,491,442	38,488,355	38,485,268
	3 Net Plant	(89,512)	(86,425)	(83,339)	(80,252)	(77,166)	(74,079)	(70,992)	(67,906)	(64,819)	(61,732)	(58,646)	(55,559)
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)												
	5 Total Tax Depreciation (including bonus)	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)
	6 Tax Book Difference	36,179,952	36,085,366	35,990,780	35,896,194	35,801,608	35,707,022	35,612,436	35,517,850	35,423,264	35,328,678	35,234,092	35,139,506
	7 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	14,967,646	14,928,516	14,889,386	14,850,255	14,811,125	14,771,995	14,732,865	14,693,735	14,654,604	14,615,474	14,576,344	14,537,214
	9 Deferred Tax Expense debit / (Credit)	(39,130)	(39,130)	(39,130)	(39,130)	(39,130)	(39,130)	(39,130)	(39,130)	(39,130)	(39,130)	(39,130)	(39,130)
	10 ADITA for NOL Carryforward 2/												
	11 Carryforward utilized	(117,918)	(117,918)	(117,918)	(117,918)	(117,918)	(117,918)	(117,918)	(117,918)	(117,918)	(117,918)	(117,918)	(117,918)
	12 ADITA - NOL	14,888,858	14,770,940	14,653,022	14,535,104	14,417,186	14,299,267	14,181,349	14,063,431	13,945,513	13,827,595	13,709,677	13,591,759
	13 Energy (MWh)	7,063	4,914	6,396	5,892	6,585	4,864	4,246	5,008	6,115	5,925	6,567	5,883
	14 Fed Production Tax Credit (\$/MWh)	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
	15 Fed Production Tax Credit (\$)	162,455	113,028	147,104	135,508	151,449	111,870	97,662	115,183	140,652	136,273	151,042	135,317
	16 Utilized PTC /3												
	17 ADITA for PTC	2,751,822	2,864,850	3,011,955	3,147,463	3,298,912	3,410,782	3,508,444	3,623,626	3,764,278	3,900,551	4,051,594	4,186,911
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	36,090,440	35,998,940	35,907,441	35,815,942	35,724,442	35,632,943	35,541,444	35,449,945	35,358,445	35,266,946	35,175,447	35,083,947
	2 Less: ADITL - Def Taxes	(14,967,646)	(14,928,516)	(14,889,386)	(14,850,255)	(14,811,125)	(14,771,995)	(14,732,865)	(14,693,735)	(14,654,604)	(14,615,474)	(14,576,344)	(14,537,214)
	3 Plus: ADITA - NOL	14,888,858	14,770,940	14,653,022	14,535,104	14,417,186	14,299,267	14,181,349	14,063,431	13,945,513	13,827,595	13,709,677	13,591,759
	4 Plus: ADITA - PTC	2,751,822	2,864,850	3,011,955	3,147,463	3,298,912	3,410,782	3,508,444	3,623,626	3,764,278	3,900,551	4,051,594	4,186,911
	5 Rate Base	38,763,474	38,706,215	38,683,032	38,648,253	38,629,415	38,570,997	38,498,372	38,443,267	38,413,632	38,379,618	38,360,373	38,325,403
	6 Average Rate Base	38,767,390	38,734,844	38,694,623	38,665,643	38,638,834	38,600,206	38,534,685	38,470,820	38,428,450	38,396,625	38,369,996	38,342,888
	7 Current Return on CWIP 4/												
	8 Return on Average Rate Base 4/												
	9 After Tax Return on Equity	182,024	181,871	181,682	181,546	181,420	181,239	180,931	180,631	180,432	180,283	180,158	180,031
	10 Income Tax Component	128,438	128,330	128,197	128,101	128,012	127,884	127,667	127,456	127,315	127,210	127,122	127,032
	11 Interest Expense Component	82,058	81,989	81,904	81,842	81,786	81,704	81,565	81,430	81,340	81,273	81,216	81,159
	12 Total Return on Average Rate Base	392,520	392,190	391,783	391,490	391,218	390,827	390,164	389,517	389,088	388,766	388,496	388,222
	13 Operation & Maintenance Expense	56,681	56,681	56,681	56,681	56,681	56,681	56,681	56,681	56,681	56,681	56,681	56,681
	14 Depreciation Expense	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499
	15 Property Tax	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051
	16 Federal Production Tax Credit 5/	(277,085)	(192,782)	(250,903)	(231,125)	(258,313)	(190,806)	(166,573)	(196,457)	(239,898)	(232,429)	(257,619)	(230,798)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	270,666	354,640	296,111	315,596	288,136	355,252	378,821	348,291	304,421	311,567	286,108	312,654

1/ Minnesota Composite Income Tax Rate.
2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.
3/ ADITA for PTCs are utilized after all ADITA NOL are utilized, both on a FIFO basis.
4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).
6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. The ITC will be credited to revenue requirements as utilized.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 1 Wind Phase 1B 2011: 7 Turbines

Bison 1 Wind Phase 1B 2011: 7 Turbines

Project ID # 104432
In Service 12/28/2011

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	36,090,440	35,998,940	35,907,441	35,815,942	35,724,442	35,632,943	35,541,444	35,449,945	35,358,445	35,266,946	35,175,447	35,083,947
	2 Less: ADITL - Def Taxes	(14,967,646)	(14,928,516)	(14,889,386)	(14,850,255)	(14,811,125)	(14,771,995)	(14,732,865)	(14,693,735)	(14,654,604)	(14,615,474)	(14,576,344)	(14,537,214)
	3 Plus: ADITA - NOL (Stand Alone)	12,211,459	12,132,558	12,077,666	12,014,493	11,962,456	11,882,448	11,792,523	11,715,058	11,655,542	11,592,853	11,540,474	11,476,890
	4 Plus: ADITA - PTC	2,751,822	2,864,850	3,011,955	3,147,463	3,298,912	3,410,782	3,508,444	3,623,626	3,764,278	3,900,551	4,051,594	4,186,911
	5 Rate Base	36,086,075	36,067,833	36,107,676	36,127,642	36,174,685	36,154,178	36,109,546	36,094,894	36,123,661	36,144,876	36,191,170	36,210,534
	6 Average Rate Base	36,053,005	36,076,954	36,087,754	36,117,659	36,151,164	36,164,432	36,131,862	36,102,220	36,109,278	36,134,269	36,168,023	36,200,852
	7 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	9 After Tax Return on Equity	169,279	169,392	169,442	169,583	169,740	169,802	169,649	169,510	169,543	169,661	169,819	169,973
	10 Income Tax Component	119,445	119,525	119,561	119,660	119,771	119,815	119,707	119,608	119,632	119,715	119,826	119,935
	11 Interest Expense Component	76,312	76,363	76,386	76,449	76,520	76,548	76,479	76,416	76,431	76,484	76,556	76,625
	12 Total Return on Average Rate Base	365,037	365,279	365,389	365,691	366,031	366,165	365,835	365,535	365,606	365,859	366,201	366,534
	13 Operation & Maintenance Expense	56,681	56,681	56,681	56,681	56,681	56,681	56,681	56,681	56,681	56,681	56,681	56,681
	14 Depreciation Expense	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499	91,499
	15 Property Tax	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051
	16 Federal Production Tax Credit 5/	(277,085)	(192,782)	(250,903)	(231,125)	(258,313)	(190,806)	(166,573)	(196,457)	(239,898)	(232,429)	(257,619)	(230,798)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	243,183	327,729	269,716	289,798	262,948	330,590	354,493	324,309	280,940	288,661	263,813	290,966
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	243,183	327,729	269,716	289,798	262,948	330,590	354,493	324,309	280,940	288,661	263,813	290,966
	2 Tax Depreciation	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)	(3,087)
	3 Property Tax	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051	7,051
	4 Interest Expense (including on CWIP)	76,312	76,363	76,386	76,449	76,520	76,548	76,479	76,416	76,431	76,484	76,556	76,625
	5 Operation & Maintenance Expense	56,681	56,681	56,681	56,681	56,681	56,681	56,681	56,681	56,681	56,681	56,681	56,681
	6 Total Tax Deduction	136,957	137,008	137,031	137,094	137,165	137,193	137,124	137,061	137,076	137,129	137,201	137,270
	7 Taxable Income (NOL)	106,225	190,721	132,686	152,704	125,783	193,397	217,369	187,248	143,864	151,532	126,612	153,696
	8 Current tax expense	43,945	78,901	54,892	63,173	52,037	80,008	89,925	77,464	59,516	62,689	52,379	63,584
	9 Taxable Income (NOL)	106,225	190,721	132,686	152,704	125,783	193,397	217,369	187,248	143,864	151,532	126,612	153,696
	10 NOL carryforward	(29,623,894)	(29,517,668)	(29,326,948)	(29,194,262)	(29,041,558)	(28,915,775)	(28,722,379)	(28,505,010)	(28,317,762)	(28,173,899)	(28,022,367)	(27,895,755)
	11 Taxable Income after NOL carryforward 7/	(29,517,668)	(29,326,948)	(29,194,262)	(29,041,558)	(28,915,775)	(28,722,379)	(28,505,010)	(28,317,762)	(28,173,899)	(28,022,367)	(27,895,755)	(27,742,059)
	12 Expected stand alone ADITA NOL	12,211,459	12,132,558	12,077,666	12,014,493	11,962,456	11,882,448	11,792,523	11,715,058	11,655,542	11,592,853	11,540,474	11,476,890
	13 Annual Fed Production Tax Credit (\$)	162,455	113,028	147,104	135,508	151,449	111,870	97,662	115,183	140,652	136,273	151,042	135,317
	14 Utilized PTC 8/	-	-	-	-	-	-	-	-	-	-	-	-
	15 ADITA for PTC	2,751,822	2,864,850	3,011,955	3,147,463	3,298,912	3,410,782	3,508,444	3,623,626	3,764,278	3,900,551	4,051,594	4,186,911
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	270,666	354,640	296,111	315,596	288,136	355,252	378,821	348,291	304,421	311,567	286,108	312,654
	2 Revenue Requirement: Stand Alone	243,183	327,729	269,716	289,798	262,948	330,590	354,493	324,309	280,940	288,661	263,813	290,966
	3 Revenue Requirement: Rider 9/	243,183	327,729	269,716	289,798	262,948	330,590	354,493	324,309	280,940	288,661	263,813	290,966
	4 MN Jurisdictional Allocator 10/	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017
	5 MN Jurisdictional Revenue Requirement	199,451	268,793	221,213	237,683	215,662	271,140	290,744	265,989	230,418	236,751	216,371	238,642

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).
6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. Will credit to revenue requirements as utilized.
7/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.
8/ PTC utilization limited to 75% of annual Federal tax liability calculated at 35% times Taxable Income after NOL carryforward.
9/ Lesser of E1 or E2.
10/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 1 Wind Phase 1B 2012: 8 Turbines

Bison 1 Wind Phase 1B 2012: 8 Turbines

Project ID # 105492
In Service 1/31/2012

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616
	2 Total Accumulated Depreciation	976,508	1,055,512	1,134,516	1,213,520	1,292,524	1,371,527	1,450,531	1,529,535	1,608,539	1,687,543	1,766,547	1,845,551
	3 Net Plant	32,205,108	32,126,104	32,047,100	31,968,096	31,889,092	31,810,088	31,731,085	31,652,081	31,573,077	31,494,073	31,415,069	31,336,065
	4 Total Depreciation	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004
	5 Book Depreciation Rate (35 year book life)	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
B	Tax Basis of Property												
	1 Plant in Service	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616
	2 Accumulated Depreciation	22,739,075	23,099,163	23,459,251	23,819,338	24,179,426	24,539,513	24,899,601	25,259,689	25,619,776	25,979,864	26,339,952	26,700,039
	3 Net Plant	10,442,540	10,082,453	9,722,365	9,362,278	9,002,190	8,642,102	8,282,015	7,921,927	7,561,840	7,201,752	6,841,664	6,481,577
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)	-	-	-	-	-	-	-	-	-	-	-	-
	5 Total Tax Depreciation (including bonus)	360,088	360,088	360,088	360,088	360,088	360,088	360,088	360,088	360,088	360,088	360,088	360,088
	6 Tax Book Difference	21,762,567	22,043,651	22,324,735	22,605,819	22,886,902	23,167,986	23,449,070	23,730,154	24,011,237	24,292,321	24,573,405	24,854,489
	7 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	9,003,174	9,119,458	9,235,743	9,352,027	9,468,311	9,584,596	9,700,880	9,817,165	9,933,449	10,049,733	10,166,018	10,282,302
	9 Deferred Tax Expense debit / (Credit)	116,284	116,284	116,284	116,284	116,284	116,284	116,284	116,284	116,284	116,284	116,284	116,284
	10 ADITA for NOL Carryforward 2/	9,003,174	9,119,458	9,235,743	9,352,027	9,468,311	9,584,596	9,700,880	9,817,165	9,933,449	10,049,733	10,166,018	10,282,302
	11 Carryforward utilized												
	12 ADITA - NOL	9,003,174	9,119,458	9,235,743	9,352,027	9,468,311	9,584,596	9,700,880	9,817,165	9,933,449	10,049,733	10,166,018	10,282,302
	13 Energy (MWh)	7,497	4,604	5,659	6,180	5,612	3,088	3,573	3,322	5,142	5,769	6,934	6,996
	14 Fed Production Tax Credit (\$/MWh)	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
	15 Fed Production Tax Credit (\$)	172,434	105,892	130,153	142,137	129,086	71,024	82,179	76,406	118,266	132,687	159,482	160,908
	16 Utilized PTC /3												
	17 ADITA for PTC	1,650,636	1,756,528	1,886,681	2,028,818	2,157,905	2,228,929	2,311,108	2,387,514	2,505,780	2,638,467	2,797,949	2,958,857
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	32,205,108	32,126,104	32,047,100	31,968,096	31,889,092	31,810,088	31,731,085	31,652,081	31,573,077	31,494,073	31,415,069	31,336,065
	2 Less: ADITL - Def Taxes	(9,003,174)	(9,119,458)	(9,235,743)	(9,352,027)	(9,468,311)	(9,584,596)	(9,700,880)	(9,817,165)	(9,933,449)	(10,049,733)	(10,166,018)	(10,282,302)
	3 Plus: ADITA - NOL	9,003,174	9,119,458	9,235,743	9,352,027	9,468,311	9,584,596	9,700,880	9,817,165	9,933,449	10,049,733	10,166,018	10,282,302
	4 Plus: ADITA - PTC	1,650,636	1,756,528	1,886,681	2,028,818	2,157,905	2,228,929	2,311,108	2,387,514	2,505,780	2,638,467	2,797,949	2,958,857
	5 Rate Base	33,855,744	33,882,631	33,933,781	33,996,914	34,046,997	34,039,017	34,042,192	34,039,594	34,078,857	34,132,540	34,213,018	34,294,922
	6 Average Rate Base	33,809,029	33,869,188	33,908,206	33,965,348	34,021,956	34,043,007	34,040,605	34,040,893	34,059,225	34,105,698	34,172,779	34,253,970
	7 Current Return on CWIP 4/												
	8 Return on Average Rate Base 4/												
	9 After Tax Return on Equity	158,743	159,025	159,209	159,477	159,743	159,842	159,830	159,832	159,918	160,136	160,451	160,832
	10 Income Tax Component	112,011	112,210	112,340	112,529	112,716	112,786	112,778	112,779	112,840	112,994	113,216	113,485
	11 Interest Expense Component	71,562	71,690	71,772	71,893	72,013	72,058	72,053	72,053	72,092	72,190	72,332	72,504
	12 Total Return on Average Rate Base	342,316	342,926	343,321	343,899	344,472	344,685	344,661	344,664	344,850	345,320	345,999	346,821
	13 Operation & Maintenance Expense	49,836	51,227	50,085	62,816	53,785	50,012	59,260	54,946	52,746	48,514	57,275	42,550
	14 Depreciation Expense	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004
	15 Property Tax	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963
	16 Federal Production Tax Credit 5/	(294,105)	(180,610)	(221,991)	(242,431)	(220,171)	(121,139)	(140,165)	(130,319)	(201,716)	(226,312)	(272,014)	(274,447)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	183,013	298,510	256,381	249,251	263,053	358,525	348,722	354,258	280,846	252,488	216,226	199,891

1/ Minnesota Composite Income Tax Rate.
2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.
3/ ADITA for PTCs are utilized after all ADITA NOL are utilized, both on a FIFO basis.
4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).
6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. The ITC will be credited to revenue requirements as utilized.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 1 Wind Phase 1B 2012: 8 Turbines

Bison 1 Wind Phase 1B 2012: 8 Turbines

Project ID # 105492
In Service 1/31/2012

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	32,205,108	32,126,104	32,047,100	31,968,096	31,889,092	31,810,088	31,731,085	31,652,081	31,573,077	31,494,073	31,415,069	31,336,065
	2 Less: ADITL - Def Taxes	(9,003,174)	(9,119,458)	(9,235,743)	(9,352,027)	(9,468,311)	(9,584,596)	(9,700,880)	(9,817,165)	(9,933,449)	(10,049,733)	(10,166,018)	(10,282,302)
	3 Plus: ADITA - NOL (Stand Alone)	8,747,996	8,827,694	8,924,476	9,029,575	9,125,330	9,180,181	9,243,102	9,302,132	9,390,778	9,489,521	9,606,976	9,725,163
	4 Plus: ADITA - PTC	1,650,636	1,756,528	1,886,681	2,028,818	2,157,905	2,228,929	2,311,108	2,387,514	2,505,780	2,638,467	2,797,949	2,958,857
	5 Rate Base	33,600,566	33,590,867	33,622,514	33,674,462	33,704,015	33,634,602	33,584,414	33,524,562	33,536,186	33,572,327	33,653,976	33,737,783
	6 Average Rate Base	33,548,589	33,595,716	33,606,691	33,648,488	33,689,239	33,669,309	33,609,508	33,554,488	33,530,374	33,554,257	33,613,152	33,695,880
	7 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	9 After Tax Return on Equity	157,520	157,741	157,793	157,989	158,181	158,087	157,806	157,548	157,435	157,547	157,823	158,212
	10 Income Tax Component	111,148	111,304	111,341	111,479	111,614	111,548	111,350	111,088	111,167	111,167	111,362	111,636
	11 Interest Expense Component	71,011	71,111	71,134	71,223	71,309	71,267	71,140	71,024	70,973	71,023	71,148	71,323
	12 Total Return on Average Rate Base	339,679	340,157	340,268	340,691	341,104	340,902	340,296	339,739	339,495	339,737	340,333	341,171
	13 Operation & Maintenance Expense	49,836	51,227	50,085	62,816	53,785	50,012	59,260	54,946	52,746	48,514	57,275	42,550
	14 Depreciation Expense	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004
	15 Property Tax	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963
	16 Federal Production Tax Credit 5/	(294,105)	(180,610)	(221,991)	(242,431)	(220,171)	(121,139)	(140,165)	(130,319)	(201,716)	(226,312)	(272,014)	(274,447)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	180,376	295,741	253,328	246,043	259,684	354,741	344,358	349,333	275,491	246,905	210,560	194,241
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	180,376	295,741	253,328	246,043	259,684	354,741	344,358	349,333	275,491	246,905	210,560	194,241
	2 Tax Depreciation	360,088	360,088	360,088	360,088	360,088	360,088	360,088	360,088	360,088	360,088	360,088	360,088
	3 Property Tax	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963	5,963
	4 Interest Expense (including on CWIP)	71,011	71,111	71,134	71,223	71,309	71,267	71,140	71,024	70,973	71,023	71,148	71,323
	5 Operation & Maintenance Expense	49,836	51,227	50,085	62,816	53,785	50,012	59,260	54,946	52,746	48,514	57,275	42,550
	6 Total Tax Deduction	486,897	488,389	487,270	500,089	491,144	487,329	496,451	492,020	489,768	485,588	494,473	479,923
	7 Taxable Income (NOL)	(306,521)	(192,648)	(233,941)	(254,046)	(231,460)	(132,588)	(152,093)	(142,687)	(214,277)	(238,683)	(283,913)	(285,682)
	8 Current tax expense	(126,808)	(79,698)	(96,782)	(105,099)	(95,755)	(54,852)	(62,921)	(59,030)	(88,646)	(98,743)	(117,455)	(118,187)
	9 Taxable Income (NOL)	(306,521)	(192,648)	(233,941)	(254,046)	(231,460)	(132,588)	(152,093)	(142,687)	(214,277)	(238,683)	(283,913)	(285,682)
	10 NOL carryforward	(20,839,226)	(21,145,747)	(21,338,395)	(21,572,337)	(21,826,383)	(22,057,843)	(22,190,431)	(22,342,524)	(22,485,212)	(22,699,489)	(22,938,171)	(23,222,084)
	11 Taxable Income after NOL carryforward 7/	(21,145,747)	(21,338,395)	(21,572,337)	(21,826,383)	(22,057,843)	(22,190,431)	(22,342,524)	(22,485,212)	(22,699,489)	(22,938,171)	(23,222,084)	(23,507,766)
	12 Expected stand alone ADITA NOL	8,747,996	8,827,694	8,924,476	9,029,575	9,125,330	9,180,181	9,243,102	9,302,132	9,390,778	9,489,521	9,606,976	9,725,163
	13 Annual Fed Production Tax Credit (\$)	172,434	105,892	130,153	142,137	129,086	71,024	82,179	76,406	118,266	132,687	159,482	160,908
	14 Utilized PTC 8/	-	-	-	-	-	-	-	-	-	-	-	-
	15 ADITA for PTC	1,650,636	1,756,528	1,886,681	2,028,818	2,157,905	2,228,929	2,311,108	2,387,514	2,505,780	2,638,467	2,797,949	2,958,857
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	183,013	298,510	256,381	249,251	263,053	358,525	348,722	354,258	280,846	252,488	216,226	199,891
	2 Revenue Requirement: Stand Alone	180,376	295,741	253,328	246,043	259,684	354,741	344,358	349,333	275,491	246,905	210,560	194,241
	3 Revenue Requirement: Rider 9/	180,376	295,741	253,328	246,043	259,684	354,741	344,358	349,333	275,491	246,905	210,560	194,241
	4 MN Jurisdictional Allocator 10/	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017
	5 MN Jurisdictional Revenue Requirement	147,939	242,558	207,772	201,797	212,985	290,948	282,432	286,512	225,950	202,504	172,695	159,310

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).

6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. Will credit to revenue requirements as utilized.

7/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

8/ PTC utilization limited to 75% of annual Federal tax liability calculated at 35% times Taxable Income after NOL carryforward.

9/ Lesser of E1 or E2.

10/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 1 Wind Phase 1B 2012: 8 Turbines

Bison 1 Wind Phase 1B 2012: 8 Turbines

Project ID # 105492
In Service 1/31/2012

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616
	2 Total Accumulated Depreciation	1,924,554	2,003,558	2,082,562	2,161,566	2,240,570	2,319,574	2,398,577	2,477,581	2,556,585	2,635,589	2,714,593	2,793,597
	3 Net Plant	31,257,062	31,178,058	31,099,054	31,020,050	30,941,046	30,862,042	30,783,038	30,704,035	30,625,031	30,546,027	30,467,023	30,388,019
	4 Total Depreciation	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004
	5 Book Depreciation Rate (35 year book life)	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
B	Tax Basis of Property												
	1 Plant in Service	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616	33,181,616
	2 Accumulated Depreciation	26,916,092	27,132,144	27,348,197	27,564,249	27,780,302	27,996,354	28,212,407	28,428,460	28,644,512	28,860,565	29,076,617	29,292,670
	3 Net Plant	6,265,524	6,049,472	5,833,419	5,617,367	5,401,314	5,185,261	4,969,209	4,753,156	4,537,104	4,321,051	4,104,999	3,888,946
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)												
	5 Total Tax Depreciation (including bonus)	216,053	216,053	216,053	216,053	216,053	216,053	216,053	216,053	216,053	216,053	216,053	216,053
	6 Tax Book Difference	24,991,537	25,128,586	25,265,635	25,402,683	25,539,732	25,676,781	25,813,830	25,950,878	26,087,927	26,224,976	26,362,024	26,499,073
	7 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	10,338,999	10,395,696	10,452,393	10,509,090	10,565,787	10,622,484	10,679,181	10,735,878	10,792,575	10,849,272	10,905,969	10,962,667
	9 Deferred Tax Expense debit / (Credit)	56,697	56,697	56,697	56,697	56,697	56,697	56,697	56,697	56,697	56,697	56,697	56,697
	10 ADITA for NOL Carryforward 2/												
	11 Carryforward utilized												
	12 ADITA - NOL	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302
	13 Energy (MWh)	8,071	5,616	7,309	6,732	7,524	5,558	4,852	5,723	6,988	6,770	7,504	6,723
	14 Fed Production Tax Credit (\$/MWh)	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
	15 Fed Production Tax Credit (\$)	185,638	129,157	168,097	154,846	173,061	127,834	111,599	131,620	160,724	155,720	172,597	154,627
	16 Utilized PTC /3												
	17 ADITA for PTC	3,144,495	3,273,652	3,441,749	3,596,595	3,769,656	3,897,490	4,009,089	4,140,708	4,301,432	4,457,152	4,629,749	4,784,376
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	31,257,062	31,178,058	31,099,054	31,020,050	30,941,046	30,862,042	30,783,038	30,704,035	30,625,031	30,546,027	30,467,023	30,388,019
	2 Less: ADITL - Def Taxes	(10,338,999)	(10,395,696)	(10,452,393)	(10,509,090)	(10,565,787)	(10,622,484)	(10,679,181)	(10,735,878)	(10,792,575)	(10,849,272)	(10,905,969)	(10,962,667)
	3 Plus: ADITA - NOL	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302	10,282,302
	4 Plus: ADITA - PTC	3,144,495	3,273,652	3,441,749	3,596,595	3,769,656	3,897,490	4,009,089	4,140,708	4,301,432	4,457,152	4,629,749	4,784,376
	5 Rate Base	34,344,859	34,338,315	34,370,711	34,389,856	34,427,217	34,419,350	34,395,248	34,391,166	34,416,189	34,436,208	34,473,104	34,492,030
	6 Average Rate Base	34,319,891	34,341,587	34,354,513	34,380,284	34,408,537	34,423,283	34,407,299	34,393,207	34,403,678	34,426,199	34,454,656	34,482,567
	7 Current Return on CWIP 4/												
	8 Return on Average Rate Base 4/												
	9 After Tax Return on Equity	161,142	161,243	161,304	161,425	161,558	161,627	161,552	161,486	161,535	161,641	161,774	161,905
	10 Income Tax Component	113,704	113,775	113,818	113,904	113,997	114,046	113,993	113,946	113,997	114,056	114,150	114,242
	11 Interest Expense Component	72,644	72,690	72,717	72,772	72,831	72,863	72,829	72,799	72,821	72,869	72,929	72,988
	12 Total Return on Average Rate Base	347,489	347,709	347,839	348,100	348,386	348,536	348,374	348,231	348,337	348,565	348,853	349,136
	13 Operation & Maintenance Expense	64,778	64,778	64,778	64,778	64,778	64,778	64,778	64,778	64,778	64,778	64,778	64,778
	14 Depreciation Expense	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004
	15 Property Tax	8,058	8,058	8,058	8,058	8,058	8,058	8,058	8,058	8,058	8,058	8,058	8,058
	16 Federal Production Tax Credit 5/	(316,626)	(220,292)	(286,708)	(264,107)	(295,176)	(218,035)	(190,344)	(224,492)	(274,132)	(265,598)	(294,383)	(263,734)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	182,703	279,256	212,972	235,833	205,051	282,341	309,870	275,579	226,045	234,807	206,311	237,242

1/ Minnesota Composite Income Tax Rate.
2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.
3/ ADITA for PTCs are utilized after all ADITA NOL are utilized, both on a FIFO basis.
4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).
6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. The ITC will be credited to revenue requirements as utilized.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 1 Wind Phase 1B 2012: 8 Turbines

Bison 1 Wind Phase 1B 2012: 8 Turbines

Project ID # 105492
In Service 1/31/2012

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	31,257,062	31,178,058	31,099,054	31,020,050	30,941,046	30,862,042	30,783,038	30,704,035	30,625,031	30,546,027	30,467,023	30,388,019
	2 Less: ADITL - Def Taxes	(10,338,999)	(10,395,696)	(10,452,393)	(10,509,090)	(10,565,787)	(10,622,484)	(10,679,181)	(10,735,878)	(10,792,575)	(10,849,272)	(10,905,969)	(10,962,667)
	3 Plus: ADITA - NOL (Stand Alone)	9,800,865	9,836,458	9,899,321	9,952,556	10,018,354	10,052,025	10,074,200	10,110,453	10,167,053	10,219,866	10,284,300	10,335,769
	4 Plus: ADITA - PTC	3,144,495	3,273,652	3,441,749	3,596,595	3,769,656	3,897,490	4,009,089	4,140,708	4,301,432	4,457,152	4,629,749	4,784,376
	5 Rate Base	33,863,422	33,892,472	33,987,731	34,060,111	34,163,269	34,189,073	34,187,146	34,219,318	34,300,940	34,373,772	34,475,102	34,545,498
	6 Average Rate Base	33,800,603	33,877,947	33,940,101	34,023,921	34,111,690	34,176,171	34,188,109	34,203,232	34,260,129	34,337,356	34,424,437	34,510,300
	7 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	9 After Tax Return on Equity	158,703	159,067	159,358	159,752	160,164	160,467	160,523	160,594	160,861	161,224	161,632	162,036
	10 Income Tax Component	111,983	112,239	112,445	112,723	113,014	113,227	113,267	113,317	113,506	113,761	114,050	114,334
	11 Interest Expense Component	71,545	71,708	71,840	72,017	72,203	72,340	72,365	72,397	72,517	72,681	72,865	73,047
	12 Total Return on Average Rate Base	342,231	343,014	343,644	344,492	345,381	346,034	346,155	346,308	346,884	347,666	348,547	349,417
	13 Operation & Maintenance Expense	64,778	64,778	64,778	64,778	64,778	64,778	64,778	64,778	64,778	64,778	64,778	64,778
	14 Depreciation Expense	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004	79,004
	15 Property Tax	8,058	8,058	8,058	8,058	8,058	8,058	8,058	8,058	8,058	8,058	8,058	8,058
	16 Federal Production Tax Credit 5/	(316,626)	(220,292)	(286,708)	(264,107)	(295,176)	(218,035)	(190,344)	(224,492)	(274,132)	(265,598)	(294,383)	(263,734)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	177,445	274,562	208,776	232,225	202,045	279,839	307,651	273,656	224,592	233,908	206,005	237,523
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	177,445	274,562	208,776	232,225	202,045	279,839	307,651	273,656	224,592	233,908	206,005	237,523
	2 Tax Depreciation	216,053	216,053	216,053	216,053	216,053	216,053	216,053	216,053	216,053	216,053	216,053	216,053
	3 Property Tax	8,058	8,058	8,058	8,058	8,058	8,058	8,058	8,058	8,058	8,058	8,058	8,058
	4 Interest Expense (including on CWIP)	71,545	71,708	71,840	72,017	72,203	72,340	72,365	72,397	72,517	72,681	72,865	73,047
	5 Operation & Maintenance Expense	64,778	64,778	64,778	64,778	64,778	64,778	64,778	64,778	64,778	64,778	64,778	64,778
	6 Total Tax Deduction	360,433	360,597	360,729	360,906	361,092	361,228	361,254	361,286	361,406	361,569	361,754	361,936
	7 Taxable Income (NOL)	(182,988)	(86,035)	(151,953)	(128,681)	(159,047)	(81,389)	(53,603)	(87,630)	(136,814)	(127,662)	(155,749)	(124,413)
	8 Current tax expense	(75,702)	(35,593)	(62,863)	(53,235)	(65,798)	(33,671)	(22,176)	(36,252)	(56,600)	(52,814)	(64,433)	(51,470)
	9 Taxable Income (NOL)	(182,988)	(86,035)	(151,953)	(128,681)	(159,047)	(81,389)	(53,603)	(87,630)	(136,814)	(127,662)	(155,749)	(124,413)
	10 NOL carryforward	(23,507,766)	(23,690,755)	(23,776,790)	(23,928,743)	(24,057,424)	(24,216,470)	(24,297,860)	(24,351,463)	(24,439,092)	(24,575,907)	(24,703,568)	(24,859,317)
	11 Taxable Income after NOL carryforward 7/	(23,690,755)	(23,776,790)	(23,928,743)	(24,057,424)	(24,216,470)	(24,297,860)	(24,351,463)	(24,439,092)	(24,575,907)	(24,703,568)	(24,859,317)	(24,983,730)
	12 Expected stand alone ADITA NOL	9,800,865	9,836,458	9,899,321	9,952,556	10,018,354	10,052,025	10,074,200	10,110,453	10,167,053	10,219,866	10,284,300	10,335,769
	13 Annual Fed Production Tax Credit (\$)	185,638	129,157	168,097	154,846	173,061	127,834	111,599	131,620	160,724	155,720	172,597	154,627
	14 Utilized PTC 8/	-	-	-	-	-	-	-	-	-	-	-	-
	15 ADITA for PTC	3,144,495	3,273,652	3,441,749	3,596,595	3,769,656	3,897,490	4,009,089	4,140,708	4,301,432	4,457,152	4,629,749	4,784,376
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	182,703	279,256	212,972	235,833	205,051	282,341	309,870	275,579	226,045	234,807	206,311	237,242
	2 Revenue Requirement: Stand Alone	177,445	274,562	208,776	232,225	202,045	279,839	307,651	273,656	224,592	233,908	206,005	237,523
	3 Revenue Requirement: Rider 9/	177,445	274,562	208,776	232,225	202,045	279,839	307,651	273,656	224,592	233,908	206,005	237,242
	4 MN Jurisdictional Allocator 10/	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017
	5 MN Jurisdictional Revenue Requirement	145,535	225,188	171,231	190,464	165,711	229,516	252,326	224,444	184,204	191,844	168,959	194,579

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).

6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. Will credit to revenue requirements as utilized.

7/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

8/ PTC utilization limited to 75% of annual Federal tax liability calculated at 35% times Taxable Income after NOL carryforward.

9/ Lesser of E1 or E2.

10/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Collector Transmission Components

Bison 1 Wind - Collector Transmission Components 1/

In Service 9/23/2010

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872
	2 Total Accumulated Depreciation	1,028,396	1,064,594	1,100,792	1,136,990	1,173,188	1,209,386	1,245,584	1,281,782	1,317,980	1,354,178	1,390,376	1,426,574
	3 Net Plant	16,995,476	16,959,278	16,923,080	16,886,882	16,850,684	16,814,486	16,778,288	16,742,090	16,705,892	16,669,694	16,633,496	16,597,298
	4 Total Depreciation	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198
	5 Book Depreciation Rate (2.41% pa)	0.201%	0.201%	0.201%	0.201%	0.201%	0.201%	0.201%	0.201%	0.201%	0.201%	0.201%	0.201%
B	Tax Basis of Property												
	1 Plant in Service	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872
	2 Accumulated Depreciation	11,273,969	11,330,728	11,387,487	11,444,246	11,501,005	11,557,764	11,614,523	11,671,282	11,728,041	11,784,800	11,841,559	11,898,318
	3 Net Plant	6,749,903	6,693,144	6,636,385	6,579,626	6,522,867	6,466,108	6,409,349	6,352,590	6,295,831	6,239,072	6,182,313	6,125,554
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)	-	-	-	-	-	-	-	-	-	-	-	-
	5 Total Tax Depreciation (including bonus)	56,759	56,759	56,759	56,759	56,759	56,759	56,759	56,759	56,759	56,759	56,759	56,759
	6 Tax Book Difference	10,245,572	10,266,133	10,286,695	10,307,256	10,327,817	10,348,378	10,368,939	10,389,500	10,410,061	10,430,622	10,451,183	10,471,745
	7 Income Tax Rate 2/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	4,238,593	4,247,099	4,255,606	4,264,112	4,272,618	4,281,124	4,289,630	4,298,136	4,306,642	4,315,148	4,323,655	4,332,161
	9 Deferred Tax Expense debit / (Credit)	8,506	8,506	8,506	8,506	8,506	8,506	8,506	8,506	8,506	8,506	8,506	8,506
	10 ADITA for NOL Carryforward 3/	4,238,593	4,247,099	4,255,606	4,264,112	4,272,618	4,281,124	4,289,630	4,298,136	4,306,642	4,315,148	4,323,655	4,332,161
	11 Carryforward utilized												
	12 ADITA - NOL	4,238,593	4,247,099	4,255,606	4,264,112	4,272,618	4,281,124	4,289,630	4,298,136	4,306,642	4,315,148	4,323,655	4,332,161
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	16,995,476	16,959,278	16,923,080	16,886,882	16,850,684	16,814,486	16,778,288	16,742,090	16,705,892	16,669,694	16,633,496	16,597,298
	2 Less: ADITL - Def Taxes	(4,238,593)	(4,247,099)	(4,255,606)	(4,264,112)	(4,272,618)	(4,281,124)	(4,289,630)	(4,298,136)	(4,306,642)	(4,315,148)	(4,323,655)	(4,332,161)
	3 Plus: ADITA - NOL	4,238,593	4,247,099	4,255,606	4,264,112	4,272,618	4,281,124	4,289,630	4,298,136	4,306,642	4,315,148	4,323,655	4,332,161
	4 Rate Base	16,995,476	16,959,278	16,923,080	16,886,882	16,850,684	16,814,486	16,778,288	16,742,090	16,705,892	16,669,694	16,633,496	16,597,298
	5 Average Rate Base	17,013,575	16,977,377	16,941,179	16,904,981	16,868,783	16,832,585	16,796,387	16,760,189	16,723,991	16,687,793	16,651,595	16,615,397
	6 Current Return on CWIP 4/												
	7 Return on Average Rate Base 4/												
	8 After Tax Return on Equity	79,884	79,714	79,544	79,374	79,204	79,034	78,864	78,694	78,524	78,354	78,184	78,014
	9 Income Tax Component	56,367	56,247	56,127	56,007	55,887	55,767	55,647	55,527	55,407	55,287	55,168	55,048
	10 Interest Expense Component	36,012	35,935	35,859	35,782	35,706	35,629	35,552	35,476	35,399	35,322	35,246	35,169
	11 Total Return on Average Rate Base	172,262	171,896	171,529	171,163	170,796	170,430	170,063	169,697	169,330	168,964	168,597	168,231
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198
	14 Property Tax	369	369	369	369	369	369	369	369	369	369	369	369
	15 Revenue Requirements	208,830	208,463	208,097	207,730	207,364	206,997	206,631	206,264	205,898	205,531	205,165	204,798

1/ Includes the following sub-projects: ID# 104429, 230kV Transmission Line, ID#104430, 34.5/230kV Collector Substation, ID#104431, Square Butte 230kV Sub modification.

2/ Minnesota Composite Income Tax Rate.

3/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415. Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Collector Transmission Components

Bison 1 Wind - Collector Transmission Components 1/

In Service 9/23/2010

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	16,995,476	16,959,278	16,923,080	16,886,882	16,850,684	16,814,486	16,778,288	16,742,090	16,705,892	16,669,694	16,633,496	16,597,298
	2 Less: ADITL - Def Taxes	(4,238,593)	(4,247,099)	(4,255,606)	(4,264,112)	(4,272,618)	(4,281,124)	(4,289,630)	(4,298,136)	(4,306,642)	(4,315,148)	(4,323,655)	(4,332,161)
	3 Plus: ADITA - NOL (Stand Alone)	2,486,055	2,444,204	2,402,639	2,361,359	2,320,364	2,279,653	2,239,224	2,199,076	2,159,209	2,119,622	2,080,314	2,041,284
	4 Rate Base	15,242,937	15,156,382	15,070,113	14,984,129	14,898,430	14,813,015	14,727,882	14,643,030	14,558,459	14,474,168	14,390,156	14,306,422
	5 Average Rate Base	15,286,358	15,199,660	15,113,248	15,027,121	14,941,280	14,855,723	14,770,449	14,685,456	14,600,744	14,516,313	14,432,162	14,348,289
	6 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	7 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	71,774	71,367	70,961	70,557	70,154	69,752	69,351	68,952	68,555	68,158	67,763	67,369
	9 Income Tax Component	50,644	50,357	50,071	49,786	49,501	49,218	48,935	48,654	48,373	48,093	47,814	47,537
	10 Interest Expense Component	32,356	32,173	31,990	31,807	31,626	31,445	31,264	31,084	30,905	30,726	30,548	30,371
	11 Total Return on Average Rate Base	154,774	153,897	153,022	152,150	151,280	150,414	149,551	148,690	147,833	146,978	146,126	145,276
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198
	14 Property Tax	369	369	369	369	369	369	369	369	369	369	369	369
	15 Revenue Requirements	191,341	190,464	189,589	188,717	187,848	186,981	186,118	185,257	184,400	183,545	182,693	181,844
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	191,341	190,464	189,589	188,717	187,848	186,981	186,118	185,257	184,400	183,545	182,693	181,844
	2 Tax Depreciation	56,759	56,759	56,759	56,759	56,759	56,759	56,759	56,759	56,759	56,759	56,759	56,759
	3 Property Tax	369	369	369	369	369	369	369	369	369	369	369	369
	4 Interest Expense (including on CWIP)	32,356	32,173	31,990	31,807	31,626	31,445	31,264	31,084	30,905	30,726	30,548	30,371
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	89,484	89,301	89,118	88,936	88,754	88,573	88,392	88,212	88,033	87,854	87,676	87,499
	7 Taxable Income (NOL)	101,857	101,163	100,471	99,781	99,094	98,408	97,726	97,045	96,367	95,690	95,016	94,345
	8 Current tax expense	42,138	41,851	41,565	41,279	40,995	40,712	40,429	40,147	39,867	39,587	39,308	39,030
	9 Taxable Income (NOL)	101,857	101,163	100,471	99,781	99,094	98,408	97,726	97,045	96,367	95,690	95,016	94,345
	10 NOL carryforward 5/	(6,111,175)	(6,009,318)	(5,908,155)	(5,807,684)	(5,707,903)	(5,608,809)	(5,510,401)	(5,412,675)	(5,315,630)	(5,219,264)	(5,123,573)	(5,028,557)
	11 Taxable Income after NOL carryforward	(6,009,318)	(5,908,155)	(5,807,684)	(5,707,903)	(5,608,809)	(5,510,401)	(5,412,675)	(5,315,630)	(5,219,264)	(5,123,573)	(5,028,557)	(4,934,212)
	12 Expected stand alone ADITA NOL	2,486,055	2,444,204	2,402,639	2,361,359	2,320,364	2,279,653	2,239,224	2,199,076	2,159,209	2,119,622	2,080,314	2,041,284
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	208,830	208,463	208,097	207,730	207,364	206,997	206,631	206,264	205,898	205,531	205,165	204,798
	2 Revenue Requirement: Stand Alone	191,341	190,464	189,589	188,717	187,848	186,981	186,118	185,257	184,400	183,545	182,693	181,844
	3 Revenue Requirement: Rider 6/	191,341	190,464	189,589	188,717	187,848	186,981	186,118	185,257	184,400	183,545	182,693	181,844
	4 MN Jurisdictional Allocator 7/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	148,424	147,743	147,064	146,388	145,713	145,041	144,372	143,704	143,039	142,376	141,715	141,056

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

6/ Lesser of E1 or E2.

7/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Collector Transmission Components

Bison 1 Wind - Collector Transmission Components 1/

In Service 9/23/2010

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872
	2 Total Accumulated Depreciation	1,462,772	1,498,970	1,535,168	1,571,366	1,607,564	1,643,761	1,679,959	1,716,157	1,752,355	1,788,553	1,824,751	1,860,949
	3 Net Plant	16,561,100	16,524,902	16,488,704	16,452,507	16,416,309	16,380,111	16,343,913	16,307,715	16,271,517	16,235,319	16,199,121	16,162,923
	4 Total Depreciation	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198
	5 Book Depreciation Rate (2.41% pa)	0.201%	0.201%	0.201%	0.201%	0.201%	0.201%	0.201%	0.201%	0.201%	0.201%	0.201%	0.201%
B	Tax Basis of Property												
	1 Plant in Service	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872	18,023,872
	2 Accumulated Depreciation	11,949,402	12,000,485	12,051,568	12,102,651	12,153,734	12,204,817	12,255,901	12,306,984	12,358,067	12,409,150	12,460,233	12,511,317
	3 Net Plant	6,074,471	6,023,387	5,972,304	5,921,221	5,870,138	5,819,055	5,767,972	5,716,888	5,665,805	5,614,722	5,563,639	5,512,556
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)												
	5 Total Tax Depreciation (including bonus)	51,083	51,083	51,083	51,083	51,083	51,083	51,083	51,083	51,083	51,083	51,083	51,083
	6 Tax Book Difference	10,486,630	10,501,515	10,516,400	10,531,285	10,546,171	10,561,056	10,575,941	10,590,826	10,605,712	10,620,597	10,635,482	10,650,367
	7 Income Tax Rate 2/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	4,338,319	4,344,477	4,350,635	4,356,793	4,362,951	4,369,109	4,375,267	4,381,425	4,387,583	4,393,741	4,399,899	4,406,057
	9 Deferred Tax Expense debit / (Credit)	6,158	6,158	6,158	6,158	6,158	6,158	6,158	6,158	6,158	6,158	6,158	6,158
	10 ADITA for NOL Carryforward 3/												
	11 Carryforward utilized	(361,013)	(361,013)	(361,013)	(361,013)	(361,013)	(361,013)	(361,013)	(361,013)	(361,013)	(361,013)	(361,013)	(361,013)
	12 ADITA - NOL	3,971,147	3,610,134	3,249,121	2,888,107	2,527,094	2,166,080	1,805,067	1,444,054	1,083,040	722,027	361,013	(0)
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	16,561,100	16,524,902	16,488,704	16,452,507	16,416,309	16,380,111	16,343,913	16,307,715	16,271,517	16,235,319	16,199,121	16,162,923
	2 Less: ADITL - Def Taxes	(4,338,319)	(4,344,477)	(4,350,635)	(4,356,793)	(4,362,951)	(4,369,109)	(4,375,267)	(4,381,425)	(4,387,583)	(4,393,741)	(4,399,899)	(4,406,057)
	3 Plus: ADITA - NOL	3,971,147	3,610,134	3,249,121	2,888,107	2,527,094	2,166,080	1,805,067	1,444,054	1,083,040	722,027	361,013	(0)
	4 Rate Base	16,193,929	15,790,560	15,387,190	14,983,821	14,580,452	14,177,082	13,773,713	13,370,343	12,966,974	12,563,605	12,160,235	11,756,866
	5 Average Rate Base	16,395,614	15,992,244	15,588,875	15,185,506	14,782,136	14,378,767	13,975,397	13,572,028	13,168,659	12,765,289	12,361,920	11,958,551
	6 Current Return on CWIP 4/												
	7 Return on Average Rate Base 4/												
	8 After Tax Return on Equity	76,982	75,088	73,194	71,300	69,406	67,512	65,618	63,725	61,831	59,937	58,043	56,149
	9 Income Tax Component	54,319	52,983	51,647	50,310	48,974	47,638	46,301	44,965	43,628	42,292	40,956	39,619
	10 Interest Expense Component	34,704	33,850	32,996	32,143	31,289	30,435	29,581	28,727	27,874	27,020	26,166	25,312
	11 Total Return on Average Rate Base	166,006	161,921	157,837	153,753	149,669	145,585	141,501	137,417	133,333	129,249	125,164	121,080
	12 Operation & Maintenance Expense	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250
	13 Depreciation Expense	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198
	14 Property Tax	554	554	554	554	554	554	554	554	554	554	554	554
	15 Revenue Requirements	213,007	208,923	204,839	200,755	196,671	192,587	188,503	184,419	180,334	176,250	172,166	168,082

1/ Includes the following sub-projects: ID# 104429, 230kV Transmission Line, ID#104430, 34.5/230kV Collector Substation, ID#104431, Square Butte 230kV Sub modification.

2/ Minnesota Composite Income Tax Rate.

3/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415. Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Collector Transmission Components

Bison 1 Wind - Collector Transmission Components 1/

In Service 9/23/2010

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	16,561,100	16,524,902	16,488,704	16,452,507	16,416,309	16,380,111	16,343,913	16,307,715	16,271,517	16,235,319	16,199,121	16,162,923
	2 Less: ADITL - Def Taxes	(4,338,319)	(4,344,477)	(4,350,635)	(4,356,793)	(4,362,951)	(4,369,109)	(4,375,267)	(4,381,425)	(4,387,583)	(4,393,741)	(4,399,899)	(4,406,057)
	3 Plus: ADITA - NOL (Stand Alone)	2,000,182	1,959,356	1,918,806	1,878,530	1,838,527	1,798,797	1,759,338	1,720,149	1,681,231	1,642,581	1,604,199	1,566,084
	4 Rate Base	14,222,964	14,139,782	14,056,876	13,974,244	13,891,885	13,809,799	13,727,984	13,646,439	13,565,165	13,484,159	13,403,421	13,322,950
	5 Average Rate Base	14,264,693	14,181,373	14,098,329	14,015,560	13,933,064	13,850,842	13,768,891	13,687,211	13,605,802	13,524,662	13,443,790	13,363,185
	6 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	7 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	66,977	66,586	66,196	65,807	65,420	65,034	64,649	64,265	63,883	63,502	63,122	62,744
	9 Income Tax Component	47,260	46,984	46,708	46,434	46,161	45,889	45,617	45,346	45,077	44,808	44,540	44,273
	10 Interest Expense Component	30,194	30,017	29,841	29,666	29,492	29,318	29,144	28,971	28,799	28,627	28,456	28,285
	11 Total Return on Average Rate Base	144,430	143,586	142,746	141,908	141,072	140,240	139,410	138,583	137,759	136,937	136,118	135,302
	12 Operation & Maintenance Expense	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250
	13 Depreciation Expense	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198	36,198
	14 Property Tax	554	554	554	554	554	554	554	554	554	554	554	554
	15 Revenue Requirements	191,432	190,588	189,747	188,909	188,074	187,242	186,412	185,585	184,761	183,939	183,120	182,304
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	191,432	190,588	189,747	188,909	188,074	187,242	186,412	185,585	184,761	183,939	183,120	182,304
	2 Tax Depreciation	51,083	51,083	51,083	51,083	51,083	51,083	51,083	51,083	51,083	51,083	51,083	51,083
	3 Property Tax	554	554	554	554	554	554	554	554	554	554	554	554
	4 Interest Expense (including on CWIP)	30,194	30,017	29,841	29,666	29,492	29,318	29,144	28,971	28,799	28,627	28,456	28,285
	5 Operation & Maintenance Expense	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250	10,250
	6 Total Tax Deduction	92,081	91,904	91,728	91,553	91,379	91,205	91,031	90,858	90,686	90,514	90,343	90,172
	7 Taxable Income (NOL)	99,351	98,684	98,019	97,356	96,695	96,037	95,381	94,727	94,075	93,425	92,777	92,132
	8 Current tax expense	41,102	40,826	40,550	40,276	40,003	39,730	39,459	39,188	38,919	38,650	38,382	38,115
	9 Taxable Income (NOL)	99,351	98,684	98,019	97,356	96,695	96,037	95,381	94,727	94,075	93,425	92,777	92,132
	10 NOL carryforward 5/	(4,934,212)	(4,834,861)	(4,736,177)	(4,638,158)	(4,540,802)	(4,444,107)	(4,348,070)	(4,252,689)	(4,157,963)	(4,063,888)	(3,970,463)	(3,877,686)
	11 Taxable Income after NOL carryforward	(4,834,861)	(4,736,177)	(4,638,158)	(4,540,802)	(4,444,107)	(4,348,070)	(4,252,689)	(4,157,963)	(4,063,888)	(3,970,463)	(3,877,686)	(3,785,555)
	12 Expected stand alone ADITA NOL	2,000,182	1,959,356	1,918,806	1,878,530	1,838,527	1,798,797	1,759,338	1,720,149	1,681,231	1,642,581	1,604,199	1,566,084
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	213,007	208,923	204,839	200,755	196,671	192,587	188,503	184,419	180,334	176,250	172,166	168,082
	2 Revenue Requirement: Stand Alone	191,432	190,588	189,747	188,909	188,074	187,242	186,412	185,585	184,761	183,939	183,120	182,304
	3 Revenue Requirement: Rider 6/	191,432	190,588	189,747	188,909	188,074	187,242	186,412	184,419	180,334	176,250	172,166	168,082
	4 MN Jurisdictional Allocator 7/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	148,494	147,839	147,187	146,537	145,889	145,243	144,600	143,053	139,885	136,717	133,549	130,381

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
5/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.
6/ Lesser of E1 or E2.
7/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 1 Group 1

50MW DC Line Upgrade Phase 1 Group 1

Note 1/
In Service 11/15/2010

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940
	2 Total Accumulated Depreciation	94,638	98,344	102,051	105,757	109,463	113,169	116,875	120,581	124,287	127,993	131,700	135,406
	3 Net Plant	1,684,302	1,680,596	1,676,889	1,673,183	1,669,477	1,665,771	1,662,065	1,658,359	1,654,653	1,650,947	1,647,240	1,643,534
	4 Total Depreciation	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706
	5 Book Depreciation Rate (2.5% pa)	0.208%	0.208%	0.208%	0.208%	0.208%	0.208%	0.208%	0.208%	0.208%	0.208%	0.208%	0.208%
B	Tax Basis of Property												
	1 Plant in Service	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940
	2 Accumulated Depreciation	1,100,248	1,105,955	1,111,662	1,117,369	1,123,076	1,128,783	1,134,490	1,140,197	1,145,904	1,151,611	1,157,318	1,163,025
	3 Net Plant	678,692	672,985	667,278	661,571	655,864	650,157	644,450	638,743	633,036	627,329	621,622	615,915
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)	-	-	-	-	-	-	-	-	-	-	-	-
	5 Total Tax Depreciation (including bonus)	5,707	5,707	5,707	5,707	5,707	5,707	5,707	5,707	5,707	5,707	5,707	5,707
	6 Tax Book Difference	1,005,610	1,007,611	1,009,612	1,011,612	1,013,613	1,015,614	1,017,615	1,019,616	1,021,617	1,023,618	1,025,619	1,027,620
	7 Income Tax Rate 2/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	416,021	416,849	417,676	418,504	419,332	420,160	420,987	421,815	422,643	423,471	424,298	425,126
	9 Deferred Tax Expense debit / (Credit)	828	828	828	828	828	828	828	828	828	828	828	828
	10 ADITA for NOL Carryforward 3/	416,021	416,849	417,676	418,504	419,332	420,160	420,987	421,815	422,643	423,471	424,298	425,126
	11 Carryforward utilized												
	12 ADITA - NOL	416,021	416,849	417,676	418,504	419,332	420,160	420,987	421,815	422,643	423,471	424,298	425,126
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	1,684,302	1,680,596	1,676,889	1,673,183	1,669,477	1,665,771	1,662,065	1,658,359	1,654,653	1,650,947	1,647,240	1,643,534
	2 Less: ADITL - Def Taxes	(416,021)	(416,849)	(417,676)	(418,504)	(419,332)	(420,160)	(420,987)	(421,815)	(422,643)	(423,471)	(424,298)	(425,126)
	3 Plus: ADITA - NOL	416,021	416,849	417,676	418,504	419,332	420,160	420,987	421,815	422,643	423,471	424,298	425,126
	4 Rate Base	1,684,302	1,680,596	1,676,889	1,673,183	1,669,477	1,665,771	1,662,065	1,658,359	1,654,653	1,650,947	1,647,240	1,643,534
	5 Average Rate Base	1,686,155	1,682,449	1,678,742	1,675,036	1,671,330	1,667,624	1,663,918	1,660,212	1,656,506	1,652,800	1,649,093	1,645,387
	6 Current Return on CWIP 4/												
	7 Return on Average Rate Base 4/												
	8 After Tax Return on Equity	7,917	7,900	7,882	7,865	7,847	7,830	7,813	7,795	7,778	7,760	7,743	7,726
	9 Income Tax Component	5,586	5,574	5,562	5,549	5,537	5,525	5,513	5,500	5,488	5,476	5,464	5,451
	10 Interest Expense Component	3,569	3,561	3,553	3,545	3,538	3,530	3,522	3,514	3,506	3,498	3,491	3,483
	11 Total Return on Average Rate Base	17,072	17,035	16,997	16,960	16,922	16,885	16,847	16,810	16,772	16,735	16,697	16,660
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706
	14 Property Tax	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556
	15 Revenue Requirements	23,335	23,297	23,260	23,222	23,185	23,147	23,110	23,072	23,035	22,997	22,960	22,922

1/ Includes the following sub-projects: ID# 104508 Arrowhead DC Substation Replace Converter Transformer Heat Exchangers, ID# 104509 Arrowhead DC Substation Upgrade Smoothing Reactor, ID# 104510 Square Butte DC Substation Replace Converter Transformer Heat Exchangers.

2/ Minnesota Composite Income Tax Rate.

3/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415. Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 1 Group 1

50MW DC Line Upgrade Phase 1 Group 1

Note 1/
In Service 11/15/2010

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	1,684,302	1,680,596	1,676,889	1,673,183	1,669,477	1,665,771	1,662,065	1,658,359	1,654,653	1,650,947	1,647,240	1,643,534
	2 Less: ADITL - Def Taxes	(416,021)	(416,849)	(417,676)	(418,504)	(419,332)	(420,160)	(420,987)	(421,815)	(422,643)	(423,471)	(424,298)	(425,126)
	3 Plus: ADITA - NOL (Stand Alone)	274,507	270,238	265,999	261,788	257,606	253,453	249,328	245,233	241,166	237,127	233,116	229,134
	4 Rate Base	1,542,788	1,533,985	1,525,212	1,516,467	1,507,751	1,499,064	1,490,406	1,481,777	1,473,176	1,464,603	1,456,058	1,447,542
	5 Average Rate Base	1,547,204	1,538,386	1,529,599	1,520,840	1,512,109	1,503,408	1,494,735	1,486,091	1,477,476	1,468,889	1,460,330	1,451,800
	6 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	7 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	7,265	7,223	7,182	7,141	7,100	7,059	7,018	6,978	6,937	6,897	6,857	6,817
	9 Income Tax Component	5,126	5,097	5,068	5,039	5,010	4,981	4,952	4,923	4,895	4,867	4,838	4,810
	10 Interest Expense Component	3,275	3,256	3,238	3,219	3,201	3,182	3,164	3,146	3,127	3,109	3,091	3,073
	11 Total Return on Average Rate Base	15,665	15,576	15,487	15,399	15,310	15,222	15,134	15,047	14,959	14,873	14,786	14,699
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706
	14 Property Tax	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556
	17 Revenue Requirements	21,928	21,839	21,750	21,661	21,573	21,484	21,397	21,309	21,222	21,135	21,048	20,962
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	21,928	21,839	21,750	21,661	21,573	21,484	21,397	21,309	21,222	21,135	21,048	20,962
	2 Tax Depreciation	5,707	5,707	5,707	5,707	5,707	5,707	5,707	5,707	5,707	5,707	5,707	5,707
	3 Property Tax	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556
	4 Interest Expense (including on CWIP)	3,275	3,256	3,238	3,219	3,201	3,182	3,164	3,146	3,127	3,109	3,091	3,073
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	11,538	11,520	11,501	11,482	11,464	11,446	11,427	11,409	11,391	11,373	11,354	11,336
	7 Taxable Income (NOL)	10,390	10,319	10,249	10,178	10,109	10,039	9,969	9,900	9,831	9,762	9,694	9,626
	8 Current tax expense	4,298	4,269	4,240	4,211	4,182	4,153	4,124	4,096	4,067	4,039	4,010	3,982
	9 Taxable Income (NOL)	10,390	10,319	10,249	10,178	10,109	10,039	9,969	9,900	9,831	9,762	9,694	9,626
	10 NOL carryforward	(673,932)	(663,542)	(653,223)	(642,975)	(632,796)	(622,688)	(612,649)	(602,679)	(592,779)	(582,948)	(573,185)	(563,491)
	11 Taxable Income after NOL carryforward 5/	(663,542)	(653,223)	(642,975)	(632,796)	(622,688)	(612,649)	(602,679)	(592,779)	(582,948)	(573,185)	(563,491)	(553,866)
	12 Expected stand alone ADITA NOL	274,507	270,238	265,999	261,788	257,606	253,453	249,328	245,233	241,166	237,127	233,116	229,134
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	23,335	23,297	23,260	23,222	23,185	23,147	23,110	23,072	23,035	22,997	22,960	22,922
	2 Revenue Requirement: Stand Alone	21,928	21,839	21,750	21,661	21,573	21,484	21,397	21,309	21,222	21,135	21,048	20,962
	3 Revenue Requirement: Rider 6/	21,928	21,839	21,750	21,661	21,573	21,484	21,397	21,309	21,222	21,135	21,048	20,962
	4 MN Jurisdictional Allocator 7/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	17,009	16,940	16,871	16,802	16,734	16,665	16,597	16,529	16,462	16,394	16,327	16,260

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

6/ Lesser of E1 or E2.

7/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 1 Group 1

50MW DC Line Upgrade Phase 1 Group 1

Note 1/
In Service 11/15/2010

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940
	2 Total Accumulated Depreciation	139,112	142,818	146,524	150,230	153,936	157,642	161,349	165,055	168,761	172,467	176,173	179,879
	3 Net Plant	1,639,828	1,636,122	1,632,416	1,628,710	1,625,004	1,621,298	1,617,591	1,613,885	1,610,179	1,606,473	1,602,767	1,599,061
	4 Total Depreciation	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706
	5 Book Depreciation Rate (2.5% pa)	0.208%	0.208%	0.208%	0.208%	0.208%	0.208%	0.208%	0.208%	0.208%	0.208%	0.208%	0.208%
B	Tax Basis of Property												
	1 Plant in Service	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940	1,778,940
	2 Accumulated Depreciation	1,168,162	1,173,298	1,178,434	1,183,571	1,188,707	1,193,843	1,198,980	1,204,116	1,209,252	1,214,389	1,219,525	1,224,661
	3 Net Plant	610,778	605,642	600,506	595,369	590,233	585,097	579,960	574,824	569,688	564,551	559,415	554,279
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)												
	5 Total Tax Depreciation (including bonus)	5,136	5,136	5,136	5,136	5,136	5,136	5,136	5,136	5,136	5,136	5,136	5,136
	6 Tax Book Difference	1,029,050	1,030,480	1,031,910	1,033,341	1,034,771	1,036,201	1,037,631	1,039,061	1,040,492	1,041,922	1,043,352	1,044,782
	7 Income Tax Rate 2/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	425,718	426,310	426,901	427,493	428,085	428,676	429,268	429,860	430,451	431,043	431,635	432,226
	9 Deferred Tax Expense debit / (Credit)	592	592	592	592	592	592	592	592	592	592	592	592
	10 ADITA for NOL Carryforward 3/												
	11 Carryforward utilized	(35,427)	(35,427)	(35,427)	(35,427)	(35,427)	(35,427)	(35,427)	(35,427)	(35,427)	(35,427)	(35,427)	(35,427)
	12 ADITA - NOL	389,699	354,272	318,845	283,418	247,990	212,563	177,136	141,709	106,282	70,854	35,427	0
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	1,639,828	1,636,122	1,632,416	1,628,710	1,625,004	1,621,298	1,617,591	1,613,885	1,610,179	1,606,473	1,602,767	1,599,061
	2 Less: ADITL - Def Taxes	(425,718)	(426,310)	(426,901)	(427,493)	(428,085)	(428,676)	(429,268)	(429,860)	(430,451)	(431,043)	(431,635)	(432,226)
	3 Plus: ADITA - NOL	389,699	354,272	318,845	283,418	247,990	212,563	177,136	141,709	106,282	70,854	35,427	0
	4 Rate Base	1,603,809	1,564,084	1,524,359	1,484,634	1,444,909	1,405,184	1,365,459	1,325,734	1,286,009	1,246,284	1,206,559	1,166,834
	5 Average Rate Base	1,623,672	1,583,947	1,544,222	1,504,497	1,464,772	1,425,047	1,385,322	1,345,597	1,305,872	1,266,147	1,226,422	1,186,697
	6 Current Return on CWIP 4/												
	7 Return on Average Rate Base 4/												
	8 After Tax Return on Equity	7,624	7,437	7,251	7,064	6,878	6,691	6,504	6,318	6,131	5,945	5,758	5,572
	9 Income Tax Component	5,379	5,248	5,116	4,984	4,853	4,721	4,590	4,458	4,326	4,195	4,063	3,932
	10 Interest Expense Component	3,437	3,353	3,269	3,185	3,100	3,016	2,932	2,848	2,764	2,680	2,596	2,512
	11 Total Return on Average Rate Base	16,440	16,037	15,635	15,233	14,831	14,429	14,026	13,624	13,222	12,820	12,418	12,015
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706
	14 Property Tax	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556
	15 Revenue Requirements	22,702	22,300	21,898	21,495	21,093	20,691	20,289	19,887	19,484	19,082	18,680	18,278

1/ Includes the following sub-projects: ID# 104508 Arrowhead DC Substation Replace Converter Transformer Heat Exchangers, ID# 104509 Arrowhead DC Substation Upgrade Smoothing Reactor, ID# 104510 Square Butte DC Substation Replace Converter Transformer Heat Exchangers.

2/ Minnesota Composite Income Tax Rate.

3/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 1 Group 1

50MW DC Line Upgrade Phase 1 Group 1

Note 1/
In Service 11/15/2010

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	1,639,828	1,636,122	1,632,416	1,628,710	1,625,004	1,621,298	1,617,591	1,613,885	1,610,179	1,606,473	1,602,767	1,599,061
	2 Less: ADITL - Def Taxes	(425,718)	(426,310)	(426,901)	(427,493)	(428,085)	(428,676)	(429,268)	(429,860)	(430,451)	(431,043)	(431,635)	(432,226)
	3 Plus: ADITA - NOL (Stand Alone)	224,944	220,782	216,648	212,542	208,464	204,413	200,390	196,395	192,427	188,486	184,573	180,686
	4 Rate Base	1,439,054	1,430,594	1,422,163	1,413,759	1,405,383	1,397,034	1,388,713	1,380,421	1,372,155	1,363,916	1,355,705	1,347,520
	5 Average Rate Base	1,443,298	1,434,824	1,426,379	1,417,961	1,409,571	1,401,209	1,392,874	1,384,567	1,376,288	1,368,035	1,359,811	1,351,613
	6 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	7 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	6,777	6,737	6,697	6,658	6,618	6,579	6,540	6,501	6,462	6,423	6,385	6,346
	9 Income Tax Component	4,782	4,754	4,726	4,698	4,670	4,642	4,615	4,587	4,560	4,532	4,505	4,478
	10 Interest Expense Component	3,055	3,037	3,019	3,001	2,984	2,966	2,948	2,931	2,913	2,896	2,878	2,861
	11 Total Return on Average Rate Base	14,613	14,528	14,442	14,357	14,272	14,187	14,103	14,019	13,935	13,851	13,768	13,685
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706	3,706
	14 Property Tax	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556
	17 Revenue Requirements	20,876	20,790	20,705	20,619	20,534	20,450	20,365	20,281	20,197	20,114	20,031	19,948
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	20,876	20,790	20,705	20,619	20,534	20,450	20,365	20,281	20,197	20,114	20,031	19,948
	2 Tax Depreciation	5,136	5,136	5,136	5,136	5,136	5,136	5,136	5,136	5,136	5,136	5,136	5,136
	3 Property Tax	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556	2,556
	4 Interest Expense (including on CWIP)	3,055	3,037	3,019	3,001	2,984	2,966	2,948	2,931	2,913	2,896	2,878	2,861
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	10,748	10,730	10,712	10,694	10,676	10,659	10,641	10,623	10,606	10,588	10,571	10,554
	7 Taxable Income (NOL)	10,128	10,060	9,993	9,925	9,858	9,791	9,724	9,658	9,592	9,525	9,460	9,394
	8 Current tax expense	4,190	4,162	4,134	4,106	4,078	4,051	4,023	3,995	3,968	3,941	3,913	3,886
	9 Taxable Income (NOL)	10,128	10,060	9,993	9,925	9,858	9,791	9,724	9,658	9,592	9,525	9,460	9,394
	10 NOL carryforward	(553,866)	(543,738)	(533,677)	(523,685)	(513,759)	(503,901)	(494,110)	(484,386)	(474,728)	(465,136)	(455,611)	(446,151)
	11 Taxable Income after NOL carryforward 5/	(543,738)	(533,677)	(523,685)	(513,759)	(503,901)	(494,110)	(484,386)	(474,728)	(465,136)	(455,611)	(446,151)	(436,757)
	12 Expected stand alone ADITA NOL	224,944	220,782	216,648	212,542	208,464	204,413	200,390	196,395	192,427	188,486	184,573	180,686
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	22,702	22,300	21,898	21,495	21,093	20,691	20,289	19,887	19,484	19,082	18,680	18,278
	2 Revenue Requirement: Stand Alone	20,876	20,790	20,705	20,619	20,534	20,450	20,365	20,281	20,197	20,114	20,031	19,948
	3 Revenue Requirement: Rider 6/	20,876	20,790	20,705	20,619	20,534	20,450	20,289	19,887	19,484	19,082	18,680	18,278
	4 MN Jurisdictional Allocator 7/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	16,193	16,127	16,061	15,994	15,929	15,863	15,738	15,426	15,114	14,802	14,490	14,178

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
5/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.
6/ Lesser of E1 or E2.
7/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 1 Group 2

50MW DC Line Upgrade Phase 1 Group 2

Note 1/
In Service 12/20/2012

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	710,060	710,132	710,382	710,415	710,556	710,883	711,042	711,042	711,042	711,283	711,289	711,289
	2 Total Accumulated Depreciation	2,381	3,973	5,565	7,157	8,750	10,343	11,937	13,531	15,125	16,719	18,313	19,908
	3 Net Plant	707,679	706,160	704,818	703,258	701,806	700,540	699,105	697,511	695,918	694,564	692,976	691,381
	4 Total Depreciation	1,588	1,592	1,592	1,592	1,593	1,593	1,594	1,594	1,594	1,594	1,594	1,594
	5 Book Depreciation Rate (2.69% pa)	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%
B	Tax Basis of Property												
	1 Plant in Service	710,060	710,132	710,382	710,415	710,556	710,883	711,042	711,042	711,042	711,283	711,289	711,289
	2 Accumulated Depreciation	362,365	365,319	368,361	371,296	374,284	377,367	380,367	383,287	386,207	389,249	392,174	395,096
	3 Net Plant	347,694	344,814	342,021	339,120	336,272	333,516	330,676	327,756	324,836	322,034	319,115	316,193
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)	1,531	36	125	16	70	164	80	-	-	120	3	-
	5 Total Tax Depreciation (including bonus)	4,448	2,953	3,043	2,934	2,988	3,083	3,000	2,920	2,920	3,042	2,925	2,922
	6 Tax Book Difference	359,985	361,346	362,797	364,138	365,534	367,024	368,430	369,756	371,082	372,530	373,861	375,188
	7 Income Tax Rate 2/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	148,926	149,489	150,089	150,644	151,221	151,838	152,419	152,968	153,517	154,116	154,666	155,215
	9 Deferred Tax Expense debit / (Credit)	1,183	563	600	555	577	616	582	549	549	599	550	549
	10 ADITA for NOL Carryforward 3/	148,926	149,489	150,089	150,644	151,221	151,838	152,419	152,968	153,517	154,116	154,666	155,215
	11 Carryforward utilized												
	12 ADITA - NOL	148,926	149,489	150,089	150,644	151,221	151,838	152,419	152,968	153,517	154,116	154,666	155,215
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	707,679	706,160	704,818	703,258	701,806	700,540	699,105	697,511	695,918	694,564	692,976	691,381
	2 Less: ADITL - Def Taxes	(148,926)	(149,489)	(150,089)	(150,644)	(151,221)	(151,838)	(152,419)	(152,968)	(153,517)	(154,116)	(154,666)	(155,215)
	3 Plus: ADITA - NOL	148,926	149,489	150,089	150,644	151,221	151,838	152,419	152,968	153,517	154,116	154,666	155,215
	4 Rate Base	707,679	706,160	704,818	703,258	701,806	700,540	699,105	697,511	695,918	694,564	692,976	691,381
	5 Average Rate Base	706,942	706,919	705,489	704,038	702,532	701,173	699,823	698,308	696,714	695,241	693,770	692,179
	6 Current Return on CWIP 4/												
	7 Return on Average Rate Base 4/												
	8 After Tax Return on Equity	3,319	3,319	3,312	3,306	3,299	3,292	3,286	3,279	3,271	3,264	3,257	3,250
	9 Income Tax Component	2,342	2,342	2,337	2,333	2,328	2,323	2,319	2,314	2,308	2,303	2,298	2,293
	10 Interest Expense Component	1,496	1,496	1,493	1,490	1,487	1,484	1,481	1,478	1,475	1,472	1,468	1,465
	11 Total Return on Average Rate Base	7,158	7,158	7,143	7,128	7,113	7,099	7,086	7,070	7,054	7,039	7,024	7,008
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	1,588	1,592	1,592	1,592	1,593	1,593	1,594	1,594	1,594	1,594	1,594	1,594
	14 Property Tax	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729
	15 Revenue Requirements	11,475	11,478	11,464	11,449	11,434	11,421	11,408	11,393	11,377	11,362	11,347	11,331

1/ Includes the following project: Project ID #105109 Arrowhead DC Substation - Install 40 Mvar Capacitor Bank

2/ Minnesota Composite Income Tax Rate.

3/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415. Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 1 Group 2

50MW DC Line Upgrade Phase 1 Group 2

Note 1/
In Service 12/20/2012

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	707,679	706,160	704,818	703,258	701,806	700,540	699,105	697,511	695,918	694,564	692,976	691,381
	2 Less: ADITL - Def Taxes	(148,926)	(149,489)	(150,089)	(150,644)	(151,221)	(151,838)	(152,419)	(152,968)	(153,517)	(154,116)	(154,666)	(155,215)
	3 Plus: ADITA - NOL (Stand Alone)	130,949	129,234	127,567	125,868	124,204	122,591	120,954	119,297	117,653	116,071	114,453	112,845
	4 Rate Base	689,702	685,905	682,296	678,482	674,788	671,293	667,640	663,840	660,054	656,519	652,763	649,011
	5 Average Rate Base	690,109	687,804	684,100	680,389	676,635	673,041	669,467	665,740	661,947	658,287	654,641	650,887
	6 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	7 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	3,240	3,229	3,212	3,195	3,177	3,160	3,143	3,126	3,108	3,091	3,074	3,056
	9 Income Tax Component	2,286	2,279	2,266	2,254	2,242	2,230	2,218	2,206	2,193	2,181	2,169	2,156
	10 Interest Expense Component	1,461	1,456	1,448	1,440	1,432	1,425	1,417	1,409	1,401	1,393	1,386	1,378
	11 Total Return on Average Rate Base	6,987	6,964	6,927	6,889	6,851	6,815	6,778	6,741	6,702	6,665	6,628	6,590
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	1,588	1,592	1,592	1,592	1,593	1,593	1,594	1,594	1,594	1,594	1,594	1,594
	14 Property Tax	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729
	15 Revenue Requirements	11,304	11,284	11,247	11,210	11,172	11,136	11,101	11,063	11,025	10,988	10,951	10,913
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	11,304	11,284	11,247	11,210	11,172	11,136	11,101	11,063	11,025	10,988	10,951	10,913
	2 Tax Depreciation	4,448	2,953	3,043	2,934	2,988	3,083	3,000	2,920	2,920	3,042	2,925	2,922
	3 Property Tax	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729
	4 Interest Expense (including on CWIP)	1,461	1,456	1,448	1,440	1,432	1,425	1,417	1,409	1,401	1,393	1,386	1,378
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	8,637	7,138	7,219	7,103	7,149	7,236	7,145	7,058	7,050	7,164	7,039	7,028
	7 Taxable Income (NOL)	2,667	4,147	4,028	4,107	4,023	3,900	3,955	4,005	3,975	3,824	3,912	3,885
	8 Current tax expense	1,103	1,715	1,666	1,699	1,664	1,613	1,636	1,657	1,644	1,582	1,618	1,607
	9 Taxable Income (NOL)	2,667	4,147	4,028	4,107	4,023	3,900	3,955	4,005	3,975	3,824	3,912	3,885
	10 NOL carryforward	(319,199)	(316,532)	(312,385)	(308,357)	(304,250)	(300,227)	(296,327)	(292,372)	(288,366)	(284,391)	(280,568)	(276,656)
	11 Taxable Income after NOL carryforward 5/	(316,532)	(312,385)	(308,357)	(304,250)	(300,227)	(296,327)	(292,372)	(288,366)	(284,391)	(280,568)	(276,656)	(272,771)
	12 Expected stand alone ADITA NOL	130,949	129,234	127,567	125,868	124,204	122,591	120,954	119,297	117,653	116,071	114,453	112,845
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	11,475	11,478	11,464	11,449	11,434	11,421	11,408	11,393	11,377	11,362	11,347	11,331
	2 Revenue Requirement: Stand Alone	11,304	11,284	11,247	11,210	11,172	11,136	11,101	11,063	11,025	10,988	10,951	10,913
	3 Revenue Requirement: Rider 6/	11,304	11,284	11,247	11,210	11,172	11,136	11,101	11,063	11,025	10,988	10,951	10,913
	4 MN Jurisdictional Allocator 7/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	8,769	8,753	8,724	8,696	8,666	8,638	8,611	8,582	8,552	8,523	8,495	8,465

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
5/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.
6/ Lesser of E1 or E2.
7/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 1 Group 2

50MW DC Line Upgrade Phase 1 Group 2

Note 1/
In Service 12/20/2012

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	711,289	711,289	711,289	711,289	711,289	711,289	711,289	711,289	711,289	711,289	711,289	711,289
	2 Total Accumulated Depreciation	21,502	23,097	24,691	26,286	27,880	29,475	31,069	32,664	34,258	35,852	37,447	39,041
	3 Net Plant	689,787	688,192	686,598	685,003	683,409	681,814	680,220	678,626	677,031	675,437	673,842	672,248
	4 Total Depreciation	1,594	1,594	1,594	1,594	1,594	1,594	1,594	1,594	1,594	1,594	1,594	1,594
	5 Book Depreciation Rate (2.69% pa)	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%
B	Tax Basis of Property												
	1 Plant in Service	711,289	711,289	711,289	711,289	711,289	711,289	711,289	711,289	711,289	711,289	711,289	711,289
	2 Accumulated Depreciation	397,732	400,368	403,004	405,640	408,275	410,911	413,547	416,183	418,819	421,454	424,090	426,726
	3 Net Plant	313,557	310,921	308,285	305,650	303,014	300,378	297,742	295,106	292,470	289,835	287,199	284,563
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)												
	5 Total Tax Depreciation (including bonus)	2,636	2,636	2,636	2,636	2,636	2,636	2,636	2,636	2,636	2,636	2,636	2,636
	6 Tax Book Difference	376,230	377,271	378,313	379,354	380,395	381,437	382,478	383,519	384,561	385,602	386,643	387,685
	7 Income Tax Rate 2/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	155,646	156,077	156,508	156,939	157,370	157,800	158,231	158,662	159,093	159,524	159,954	160,385
	9 Deferred Tax Expense debit / (Credit)	431	431	431	431	431	431	431	431	431	431	431	431
	10 ADITA for NOL Carryforward 3/												
	11 Carryforward utilized												
	12 ADITA - NOL	155,215	155,215	155,215	155,215	155,215	155,215	155,215	155,215	155,215	155,215	155,215	155,215
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	689,787	688,192	686,598	685,003	683,409	681,814	680,220	678,626	677,031	675,437	673,842	672,248
	2 Less: ADITL - Def Taxes	(155,646)	(156,077)	(156,508)	(156,939)	(157,370)	(157,800)	(158,231)	(158,662)	(159,093)	(159,524)	(159,954)	(160,385)
	3 Plus: ADITA - NOL	155,215	155,215	155,215	155,215	155,215	155,215	155,215	155,215	155,215	155,215	155,215	155,215
	4 Rate Base	689,356	687,331	685,305	683,280	681,255	679,230	677,204	675,179	673,154	671,128	669,103	667,078
	5 Average Rate Base	690,369	688,343	686,318	684,293	682,268	680,242	678,217	676,192	674,166	672,141	670,116	668,091
	6 Current Return on CWIP 4/												
	7 Return on Average Rate Base 4/												
	8 After Tax Return on Equity	3,241	3,232	3,222	3,213	3,203	3,194	3,184	3,175	3,165	3,156	3,146	3,137
	9 Income Tax Component	2,287	2,281	2,274	2,267	2,260	2,254	2,247	2,240	2,234	2,227	2,220	2,213
	10 Interest Expense Component	1,461	1,457	1,453	1,448	1,444	1,440	1,436	1,431	1,427	1,423	1,418	1,414
	11 Total Return on Average Rate Base	6,990	6,969	6,949	6,928	6,908	6,887	6,867	6,846	6,826	6,805	6,785	6,764
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	1,594	1,594	1,594	1,594	1,594	1,594	1,594	1,594	1,594	1,594	1,594	1,594
	14 Property Tax	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729
	15 Revenue Requirements	11,313	11,292	11,272	11,251	11,231	11,210	11,190	11,169	11,149	11,128	11,108	11,087

1/ Includes the following project: Project ID #105109 Arrowhead DC Substation - Install 40 Mvar Capacitor Bank

2/ Minnesota Composite Income Tax Rate.

3/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415. Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 1 Group 2

50MW DC Line Upgrade Phase 1 Group 2

Note 1/
In Service 12/20/2012

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	689,787	688,192	686,598	685,003	683,409	681,814	680,220	678,626	677,031	675,437	673,842	672,248
	2 Less: ADITL - Def Taxes	(155,646)	(156,077)	(156,508)	(156,939)	(157,370)	(157,800)	(158,231)	(158,662)	(159,093)	(159,524)	(159,954)	(160,385)
	3 Plus: ADITA - NOL (Stand Alone)	111,132	109,431	107,743	106,067	104,403	102,751	101,111	99,484	97,868	96,265	94,673	93,094
	4 Rate Base	645,273	641,546	637,833	634,132	630,442	626,765	623,100	619,448	615,806	612,178	608,561	604,956
	5 Average Rate Base	647,142	643,409	639,690	635,982	632,287	628,604	624,932	621,274	617,627	613,992	610,369	606,759
	6 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	7 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	3,039	3,021	3,004	2,986	2,969	2,951	2,934	2,917	2,900	2,883	2,866	2,849
	9 Income Tax Component	2,144	2,132	2,119	2,107	2,095	2,083	2,070	2,058	2,046	2,034	2,022	2,010
	10 Interest Expense Component	1,370	1,362	1,354	1,346	1,338	1,331	1,323	1,315	1,307	1,300	1,292	1,284
	11 Total Return on Average Rate Base	6,552	6,515	6,477	6,439	6,402	6,365	6,327	6,290	6,253	6,217	6,180	6,143
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	1,594	1,594	1,594	1,594	1,594	1,594	1,594	1,594	1,594	1,594	1,594	1,594
	14 Property Tax	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729
	15 Revenue Requirements	10,875	10,837	10,800	10,762	10,725	10,688	10,650	10,613	10,576	10,540	10,503	10,466
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	10,875	10,837	10,800	10,762	10,725	10,688	10,650	10,613	10,576	10,540	10,503	10,466
	2 Tax Depreciation	2,636	2,636	2,636	2,636	2,636	2,636	2,636	2,636	2,636	2,636	2,636	2,636
	3 Property Tax	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729	2,729
	4 Interest Expense (including on CWIP)	1,370	1,362	1,354	1,346	1,338	1,331	1,323	1,315	1,307	1,300	1,292	1,284
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	6,734	6,726	6,718	6,710	6,703	6,695	6,687	6,679	6,672	6,664	6,656	6,649
	7 Taxable Income (NOL)	4,141	4,111	4,081	4,052	4,022	3,993	3,963	3,934	3,905	3,876	3,847	3,818
	8 Current tax expense	1,713	1,701	1,689	1,676	1,664	1,652	1,640	1,628	1,615	1,603	1,591	1,579
	9 Taxable Income (NOL)	4,141	4,111	4,081	4,052	4,022	3,993	3,963	3,934	3,905	3,876	3,847	3,818
	10 NOL carryforward	(272,771)	(268,630)	(264,519)	(260,437)	(256,385)	(252,363)	(248,370)	(244,407)	(240,473)	(236,568)	(232,692)	(228,846)
	11 Taxable Income after NOL carryforward 5/	(268,630)	(264,519)	(260,437)	(256,385)	(252,363)	(248,370)	(244,407)	(240,473)	(236,568)	(232,692)	(228,846)	(225,028)
	12 Expected stand alone ADITA NOL	111,132	109,431	107,743	106,067	104,403	102,751	101,111	99,484	97,868	96,265	94,673	93,094
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	11,313	11,292	11,272	11,251	11,231	11,210	11,190	11,169	11,149	11,128	11,108	11,087
	2 Revenue Requirement: Stand Alone	10,875	10,837	10,800	10,762	10,725	10,688	10,650	10,613	10,576	10,540	10,503	10,466
	3 Revenue Requirement: Rider 6/	10,875	10,837	10,800	10,762	10,725	10,688	10,650	10,613	10,576	10,540	10,503	10,466
	4 MN Jurisdictional Allocator 7/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	8,436	8,407	8,377	8,348	8,319	8,290	8,262	8,233	8,204	8,176	8,147	8,119

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
5/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.
6/ Lesser of E1 or E2.
7/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 1 Group 3

50MW DC Line Upgrade Phase 1 Group 3

Note 1/
In Service 11/15/2012

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	484,905	484,905	484,905	484,905	484,905	484,905	484,905	484,905	484,905	484,905	484,905	472,509
	2 Total Accumulated Depreciation	2,717	3,804	4,891	5,978	7,065	8,152	9,239	10,326	11,413	12,500	13,587	14,661
	3 Net Plant	482,188	481,101	480,014	478,927	477,840	476,753	475,666	474,579	473,492	472,405	471,318	457,849
	4 Total Depreciation	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,073
	5 Book Depreciation Rate (2.69% pa)	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%
B	Tax Basis of Property												
	1 Plant in Service	484,905	484,905	484,905	484,905	484,905	484,905	484,905	484,905	484,905	484,905	484,905	472,509
	2 Accumulated Depreciation	247,479	249,476	251,472	253,468	255,464	257,460	259,457	261,453	263,449	265,445	267,441	262,930
	3 Net Plant	237,426	235,429	233,433	231,437	229,441	227,445	225,449	223,452	221,456	219,460	217,464	209,580
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)	-	-	-	-	-	-	-	-	-	-	-	(6,198)
	5 Total Tax Depreciation (including bonus)	1,996	1,996	1,996	1,996	1,996	1,996	1,996	1,996	1,996	1,996	1,996	(4,512)
	6 Tax Book Difference	244,762	245,671	246,580	247,489	248,399	249,308	250,217	251,126	252,035	252,945	253,854	248,269
	7 Income Tax Rate 2/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	101,258	101,634	102,010	102,386	102,763	103,139	103,515	103,891	104,267	104,643	105,019	102,709
	9 Deferred Tax Expense debit / (Credit)	376	376	376	376	376	376	376	376	376	376	376	(2,310)
	10 ADITA for NOL Carryforward 3/	101,258	101,634	102,010	102,386	102,763	103,139	103,515	103,891	104,267	104,643	105,019	102,709
	11 Carryforward utilized												
	12 ADITA - NOL	101,258	101,634	102,010	102,386	102,763	103,139	103,515	103,891	104,267	104,643	105,019	102,709
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	482,188	481,101	480,014	478,927	477,840	476,753	475,666	474,579	473,492	472,405	471,318	457,849
	2 Less: ADITL - Def Taxes	(101,258)	(101,634)	(102,010)	(102,386)	(102,763)	(103,139)	(103,515)	(103,891)	(104,267)	(104,643)	(105,019)	(102,709)
	3 Plus: ADITA - NOL	101,258	101,634	102,010	102,386	102,763	103,139	103,515	103,891	104,267	104,643	105,019	102,709
	4 Rate Base	482,188	481,101	480,014	478,927	477,840	476,753	475,666	474,579	473,492	472,405	471,318	457,849
	5 Average Rate Base	482,731	481,644	480,557	479,470	478,383	477,296	476,209	475,122	474,035	472,948	471,861	464,583
	6 Current Return on CWIP 4/												
	7 Return on Average Rate Base 4/												
	8 After Tax Return on Equity	2,267	2,261	2,256	2,251	2,246	2,241	2,236	2,231	2,226	2,221	2,216	2,181
	9 Income Tax Component	1,599	1,596	1,592	1,589	1,585	1,581	1,578	1,574	1,571	1,567	1,563	1,539
	10 Interest Expense Component	1,022	1,019	1,017	1,015	1,013	1,010	1,008	1,006	1,003	1,001	999	983
	11 Total Return on Average Rate Base	4,888	4,877	4,866	4,855	4,844	4,833	4,822	4,811	4,800	4,789	4,778	4,704
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,073
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	5,975	5,964	5,953	5,942	5,931	5,920	5,909	5,898	5,887	5,876	5,865	5,777

1/ Includes the following project ID# 105422: Bison 230 kV Substation - Install 25 Mvar Capacitor Bank
2/ Minnesota Composite Income Tax Rate.
3/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.
4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 1 Group 3

50MW DC Line Upgrade Phase 1 Group 3

Note 1/
In Service 11/15/2012

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	482,188	481,101	480,014	478,927	477,840	476,753	475,666	474,579	473,492	472,405	471,318	457,849
	2 Less: ADITL - Def Taxes	(101,258)	(101,634)	(102,010)	(102,386)	(102,763)	(103,139)	(103,515)	(103,891)	(104,267)	(104,643)	(105,019)	(102,709)
	3 Plus: ADITA - NOL (Stand Alone)	90,366	89,185	88,013	86,850	85,695	84,549	83,411	82,282	81,162	80,050	78,947	75,186
	4 Rate Base	471,296	468,651	466,016	463,390	460,772	458,163	455,562	452,970	450,387	447,811	445,245	430,326
	5 Average Rate Base	472,622	469,974	467,334	464,703	462,081	459,467	456,862	454,266	451,678	449,099	446,528	437,786
	6 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	7 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	2,219	2,207	2,194	2,182	2,170	2,157	2,145	2,133	2,121	2,109	2,097	2,056
	9 Income Tax Component	1,566	1,557	1,548	1,540	1,531	1,522	1,514	1,505	1,496	1,488	1,479	1,450
	10 Interest Expense Component	1,000	995	989	984	978	973	967	962	956	951	945	927
	11 Total Return on Average Rate Base	4,785	4,758	4,732	4,705	4,679	4,652	4,626	4,599	4,573	4,547	4,521	4,433
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,087	1,073
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Revenue Requirements	5,872	5,845	5,819	5,792	5,766	5,739	5,713	5,686	5,660	5,634	5,608	5,506
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	5,872	5,845	5,819	5,792	5,766	5,739	5,713	5,686	5,660	5,634	5,608	5,506
	2 Tax Depreciation	1,996	1,996	1,996	1,996	1,996	1,996	1,996	1,996	1,996	1,996	1,996	(4,512)
	3 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	4 Interest Expense (including on CWIP)	1,000	995	989	984	978	973	967	962	956	951	945	927
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	2,997	2,991	2,985	2,980	2,974	2,969	2,963	2,958	2,952	2,947	2,941	(3,585)
	7 Taxable Income (NOL)	2,876	2,855	2,833	2,812	2,791	2,770	2,750	2,729	2,708	2,687	2,667	9,091
	8 Current tax expense	1,190	1,181	1,172	1,163	1,155	1,146	1,137	1,129	1,120	1,112	1,103	3,761
	9 Taxable Income (NOL)	2,876	2,855	2,833	2,812	2,791	2,770	2,750	2,729	2,708	2,687	2,667	9,091
	10 NOL carryforward	(221,310)	(218,434)	(215,579)	(212,746)	(209,934)	(207,142)	(204,372)	(201,623)	(198,894)	(196,186)	(193,498)	(190,832)
	11 Taxable Income after NOL carryforward 5/	(218,434)	(215,579)	(212,746)	(209,934)	(207,142)	(204,372)	(201,623)	(198,894)	(196,186)	(193,498)	(190,832)	(181,741)
	12 Expected stand alone ADITA NOL	90,366	89,185	88,013	86,850	85,695	84,549	83,411	82,282	81,162	80,050	78,947	75,186
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	5,975	5,964	5,953	5,942	5,931	5,920	5,909	5,898	5,887	5,876	5,865	5,777
	2 Revenue Requirement: Stand Alone	5,872	5,845	5,819	5,792	5,766	5,739	5,713	5,686	5,660	5,634	5,608	5,506
	3 Revenue Requirement: Rider 6/	5,872	5,845	5,819	5,792	5,766	5,739	5,713	5,686	5,660	5,634	5,608	5,506
	4 MN Jurisdictional Allocator 7/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	4,555	4,534	4,514	4,493	4,472	4,452	4,431	4,411	4,391	4,370	4,350	4,271

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

6/ Lesser of E1 or E2.

7/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 1 Group 3

50MW DC Line Upgrade Phase 1 Group 3

Note 1/
In Service 11/15/2012

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	472,509	472,509	472,509	472,509	472,509	472,509	472,509	472,509	472,509	472,509	472,509	472,509
	2 Total Accumulated Depreciation	15,720	16,779	17,838	18,897	19,957	21,016	22,075	23,134	24,193	25,253	26,312	27,371
	3 Net Plant	456,790	455,730	454,671	453,612	452,553	451,494	450,434	449,375	448,316	447,257	446,198	445,138
	4 Total Depreciation	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059
	5 Book Depreciation Rate (2.69% pa)	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%
B	Tax Basis of Property												
	1 Plant in Service	472,509	472,509	472,509	472,509	472,509	472,509	472,509	472,509	472,509	472,509	472,509	472,509
	2 Accumulated Depreciation	264,677	266,424	268,171	269,918	271,665	273,412	275,159	276,907	278,654	280,401	282,148	283,895
	3 Net Plant	207,832	206,085	204,338	202,591	200,844	199,097	197,350	195,603	193,856	192,109	190,361	188,614
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)												
	5 Total Tax Depreciation (including bonus)	1,747	1,747	1,747	1,747	1,747	1,747	1,747	1,747	1,747	1,747	1,747	1,747
	6 Tax Book Difference	248,957	249,645	250,333	251,021	251,709	252,397	253,084	253,772	254,460	255,148	255,836	256,524
	7 Income Tax Rate 2/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	102,994	103,278	103,563	103,847	104,132	104,416	104,701	104,986	105,270	105,555	105,839	106,124
	9 Deferred Tax Expense debit / (Credit)	285	285	285	285	285	285	285	285	285	285	285	285
	10 ADITA for NOL Carryforward 3/												
	11 Carryforward utilized												
	12 ADITA - NOL	102,709	102,709	102,709	102,709	102,709	102,709	102,709	102,709	102,709	102,709	102,709	102,709
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	456,790	455,730	454,671	453,612	452,553	451,494	450,434	449,375	448,316	447,257	446,198	445,138
	2 Less: ADITL - Def Taxes	(102,994)	(103,278)	(103,563)	(103,847)	(104,132)	(104,416)	(104,701)	(104,986)	(105,270)	(105,555)	(105,839)	(106,124)
	3 Plus: ADITA - NOL	102,709	102,709	102,709	102,709	102,709	102,709	102,709	102,709	102,709	102,709	102,709	102,709
	4 Rate Base	456,505	455,161	453,817	452,474	451,130	449,786	448,442	447,098	445,755	444,411	443,067	441,723
	5 Average Rate Base	457,177	455,833	454,489	453,146	451,802	450,458	449,114	447,770	446,427	445,083	443,739	442,395
	6 Current Return on CWIP 4/												
	7 Return on Average Rate Base 4/												
	8 After Tax Return on Equity	2,147	2,140	2,134	2,128	2,121	2,115	2,109	2,102	2,096	2,090	2,083	2,077
	9 Income Tax Component	1,515	1,510	1,506	1,501	1,497	1,492	1,488	1,483	1,479	1,475	1,470	1,466
	10 Interest Expense Component	968	965	962	959	956	953	951	948	945	942	939	936
	11 Total Return on Average Rate Base	4,629	4,615	4,602	4,588	4,574	4,561	4,547	4,534	4,520	4,506	4,493	4,479
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	5,688	5,675	5,661	5,647	5,634	5,620	5,606	5,593	5,579	5,566	5,552	5,538

1/ Includes the following project ID# 105422: Bison 230 kV Substation - Install 25 Mvar Capacitor Bank
2/ Minnesota Composite Income Tax Rate.
3/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.
4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 1 Group 3

50MW DC Line Upgrade Phase 1 Group 3

Note 1/
In Service 11/15/2012

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	456,790	455,730	454,671	453,612	452,553	451,494	450,434	449,375	448,316	447,257	446,198	445,138
	2 Less: ADITL - Def Taxes	(102,994)	(103,278)	(103,563)	(103,847)	(104,132)	(104,416)	(104,701)	(104,986)	(105,270)	(105,555)	(105,839)	(106,124)
	3 Plus: ADITA - NOL (Stand Alone)	74,049	72,921	71,800	70,687	69,583	68,487	67,399	66,319	65,246	64,182	63,126	62,078
	4 Rate Base	427,845	425,373	422,908	420,452	418,004	415,564	413,132	410,709	408,292	405,884	403,484	401,092
	5 Average Rate Base	429,085	426,609	424,141	421,680	419,228	416,784	414,348	411,920	409,500	407,088	404,684	402,288
	6 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	7 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	2,015	2,003	1,991	1,980	1,968	1,957	1,945	1,934	1,923	1,911	1,900	1,889
	9 Income Tax Component	1,422	1,413	1,405	1,397	1,389	1,381	1,373	1,365	1,357	1,349	1,341	1,333
	10 Interest Expense Component	908	903	898	893	887	882	877	872	867	862	857	852
	11 Total Return on Average Rate Base	4,344	4,319	4,294	4,270	4,245	4,220	4,195	4,171	4,146	4,122	4,097	4,073
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059	1,059
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Revenue Requirements	5,404	5,379	5,354	5,329	5,304	5,279	5,254	5,230	5,205	5,181	5,157	5,132
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	5,404	5,379	5,354	5,329	5,304	5,279	5,254	5,230	5,205	5,181	5,157	5,132
	2 Tax Depreciation	1,747	1,747	1,747	1,747	1,747	1,747	1,747	1,747	1,747	1,747	1,747	1,747
	3 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	4 Interest Expense (including on CWIP)	908	903	898	893	887	882	877	872	867	862	857	852
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	2,655	2,650	2,645	2,640	2,634	2,629	2,624	2,619	2,614	2,609	2,604	2,599
	7 Taxable Income (NOL)	2,748	2,729	2,709	2,689	2,669	2,650	2,630	2,611	2,592	2,572	2,553	2,534
	8 Current tax expense	1,137	1,129	1,121	1,112	1,104	1,096	1,088	1,080	1,072	1,064	1,056	1,048
	9 Taxable Income (NOL)	2,748	2,729	2,709	2,689	2,669	2,650	2,630	2,611	2,592	2,572	2,553	2,534
	10 NOL carryforward	(181,741)	(178,993)	(176,264)	(173,555)	(170,866)	(168,197)	(165,547)	(162,917)	(160,306)	(157,714)	(155,142)	(152,589)
	11 Taxable Income after NOL carryforward 5/	(178,993)	(176,264)	(173,555)	(170,866)	(168,197)	(165,547)	(162,917)	(160,306)	(157,714)	(155,142)	(152,589)	(150,055)
	12 Expected stand alone ADITA NOL	74,049	72,921	71,800	70,687	69,583	68,487	67,399	66,319	65,246	64,182	63,126	62,078
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	5,688	5,675	5,661	5,647	5,634	5,620	5,606	5,593	5,579	5,566	5,552	5,538
	2 Revenue Requirement: Stand Alone	5,404	5,379	5,354	5,329	5,304	5,279	5,254	5,230	5,205	5,181	5,157	5,132
	3 Revenue Requirement: Rider 6/	5,404	5,379	5,354	5,329	5,304	5,279	5,254	5,230	5,205	5,181	5,157	5,132
	4 MN Jurisdictional Allocator 7/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	4,192	4,172	4,153	4,133	4,114	4,095	4,076	4,057	4,038	4,019	4,000	3,981

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

6/ Lesser of E1 or E2.

7/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 2

50MW DC Line Upgrade Phase 2

Note 1/
In Service 11/22/2013

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)	-	-	-	-	-	23,989	13,262	26,791	851,063	878,923	-	-
	1 Plant in Service (net of contra AFDC & Internal costs)	-	-	-	-	-	-	-	-	-	-	2,375,477	2,745,202
	2 Total Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	2,663	8,402
	3 Net Plant	-	-	-	-	-	-	-	-	-	-	2,372,814	2,736,800
	4 Total Depreciation	-	-	-	-	-	-	-	-	-	-	2,663	5,739
	5 Book Depreciation Rate (2.69% pa)	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%
B	Tax Basis of Property												
	1 Plant in Service	-	-	-	-	-	-	-	-	-	-	2,375,477	2,745,202
	2 Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	1,217,432	1,441,231
	3 Net Plant	-	-	-	-	-	-	-	-	-	-	1,158,045	1,303,971
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)	-	-	-	-	-	-	-	-	-	-	1,187,738	184,863
	5 Total Tax Depreciation (including bonus)	-	-	-	-	-	-	-	-	-	-	1,217,432	223,799
	6 Tax Book Difference	-	-	-	-	-	-	-	-	-	-	1,214,769	1,432,829
	7 Income Tax Rate 2/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	-	-	-	-	-	-	-	-	-	-	502,550	592,761
	9 Deferred Tax Expense debit / (Credit)	-	-	-	-	-	-	-	-	-	-	502,550	90,211
	10 ADITA for NOL Carryforward 3/	-	-	-	-	-	-	-	-	-	-	502,550	592,761
	11 Carryforward utilized	-	-	-	-	-	-	-	-	-	-	-	-
	12 ADITA - NOL	-	-	-	-	-	-	-	-	-	-	502,550	592,761
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	2,372,814	2,736,800
	2 Less: ADITL - Def Taxes	-	-	-	-	-	-	-	-	-	-	(502,550)	(592,761)
	3 Plus: ADITA - NOL	-	-	-	-	-	-	-	-	-	-	502,550	592,761
	4 Rate Base	-	-	-	-	-	-	-	-	-	-	2,372,814	2,736,800
	5 Average Rate Base	-	-	-	-	-	-	-	-	-	-	1,186,407	2,554,807
	6 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	7 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	5,571	11,996
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	3,931	8,464
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	2,511	5,408
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	12,012	25,867
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	2,663	5,739
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Revenue Requirements	-	-	-	-	-	-	-	-	-	-	14,675	31,607

1/ Includes the following project ID#s 106273, 106275, 106274, 106276.

2/ Minnesota Composite Income Tax Rate.

3/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 2

50MW DC Line Upgrade Phase 2

Note 1/
In Service 11/22/2013

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	2,372,814	2,736,800
	2 Less: ADITL - Def Taxes	-	-	-	-	-	-	-	-	-	-	(502,550)	(592,761)
	3 Plus: ADITA - NOL (Stand Alone)	-	-	-	-	-	-	-	-	-	-	498,626	580,400
	4 Rate Base	-	-	-	-	-	-	-	-	-	-	2,368,890	2,724,439
	5 Average Rate Base	-	-	-	-	-	-	-	-	-	-	1,184,445	2,546,665
	6 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	7 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	5,561	11,957
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	3,924	8,437
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	2,507	5,390
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	11,993	25,785
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	2,663	5,739
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Revenue Requirements	-	-	-	-	-	-	-	-	-	-	14,655	31,524
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	-	-	-	-	-	-	-	-	-	-	14,655	31,524
	2 Tax Depreciation	-	-	-	-	-	-	-	-	-	-	1,217,432	223,799
	3 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	4 Interest Expense (including on CWIP)	-	-	-	-	-	-	-	-	-	-	2,507	5,390
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	-	-	-	-	-	-	-	-	-	-	1,219,939	229,190
	7 Taxable Income (NOL)	-	-	-	-	-	-	-	-	-	-	(1,205,284)	(197,665)
	8 Current tax expense	-	-	-	-	-	-	-	-	-	-	(498,626)	(81,774)
	9 Taxable Income (NOL)	-	-	-	-	-	-	-	-	-	-	(1,205,284)	(197,665)
	10 NOL carryforward	-	-	-	-	-	-	-	-	-	-	-	(1,205,284)
	11 Taxable Income after NOL carryforward 5/	-	-	-	-	-	-	-	-	-	-	(1,205,284)	(1,402,949)
	12 Expected stand alone ADITA NOL	-	-	-	-	-	-	-	-	-	-	498,626	580,400
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	-	-	-	-	-	-	-	-	-	-	14,675	31,607
	2 Revenue Requirement: Stand Alone	-	-	-	-	-	-	-	-	-	-	14,655	31,524
	3 Revenue Requirement: Rider 6/	-	-	-	-	-	-	-	-	-	-	14,655	31,524
	4 MN Jurisdictional Allocator 7/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	-	-	-	-	-	-	-	-	-	-	11,368	24,453

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-5.
5/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.
6/ Lesser of E1 or E2.
7/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 2

50MW DC Line Upgrade Phase 2

Note 1/
In Service 11/22/2013

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	2,668,302	2,323,423	2,323,423	2,323,423	2,323,423	2,323,423	2,323,423	2,323,423	2,323,423	2,323,423	2,323,423	2,323,423
	2 Total Accumulated Depreciation	14,470	20,064	25,273	30,481	35,689	40,898	46,106	51,315	56,523	61,731	66,940	72,148
	3 Net Plant	2,653,833	2,303,359	2,298,150	2,292,942	2,287,734	2,282,525	2,277,317	2,272,109	2,266,900	2,261,692	2,256,484	2,251,275
	4 Total Depreciation	6,068	5,595	5,208	5,208	5,208	5,208	5,208	5,208	5,208	5,208	5,208	5,208
	5 Book Depreciation Rate (2.69% pa)	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%	0.22%
B	Tax Basis of Property												
	1 Plant in Service	2,668,302	2,323,423	2,323,423	2,323,423	2,323,423	2,323,423	2,323,423	2,323,423	2,323,423	2,323,423	2,323,423	2,323,423
	2 Accumulated Depreciation	1,451,537	1,459,099	1,466,662	1,474,224	1,481,786	1,489,349	1,496,911	1,504,473	1,512,036	1,519,598	1,527,160	1,534,723
	3 Net Plant	1,216,766	864,324	856,762	849,199	841,637	834,075	826,512	818,950	811,388	803,825	796,263	788,701
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)	-	-	-	-	-	-	-	-	-	-	-	-
	5 Total Tax Depreciation (including bonus)	10,306	7,562	7,562	7,562	7,562	7,562	7,562	7,562	7,562	7,562	7,562	7,562
	6 Tax Book Difference	1,437,067	1,439,035	1,441,389	1,443,743	1,446,097	1,448,451	1,450,805	1,453,159	1,455,513	1,457,867	1,460,221	1,462,575
	7 Income Tax Rate 2/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	594,515	595,329	596,303	597,276	598,250	599,224	600,198	601,172	602,146	603,119	604,093	605,067
	9 Deferred Tax Expense debit / (Credit)	1,753	814	974	974	974	974	974	974	974	974	974	974
	10 ADITA for NOL Carryforward 3/												
	11 Carryforward utilized												
	12 ADITA - NOL	592,761	592,761	592,761	592,761	592,761	592,761	592,761	592,761	592,761	592,761	592,761	592,761
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	2,653,833	2,303,359	2,298,150	2,292,942	2,287,734	2,282,525	2,277,317	2,272,109	2,266,900	2,261,692	2,256,484	2,251,275
	2 Less: ADITL - Def Taxes	(594,515)	(595,329)	(596,303)	(597,276)	(598,250)	(599,224)	(600,198)	(601,172)	(602,146)	(603,119)	(604,093)	(605,067)
	3 Plus: ADITA - NOL	592,761	592,761	592,761	592,761	592,761	592,761	592,761	592,761	592,761	592,761	592,761	592,761
	4 Rate Base	2,652,080	2,300,792	2,294,609	2,288,427	2,282,245	2,276,063	2,269,881	2,263,698	2,257,516	2,251,334	2,245,152	2,238,970
	5 Average Rate Base	2,694,440	2,476,436	2,297,700	2,291,518	2,285,336	2,279,154	2,272,972	2,266,790	2,260,607	2,254,425	2,248,243	2,242,061
	6 Current Return on CWIP 4/												
	7 Return on Average Rate Base 4/												
	8 After Tax Return on Equity	12,651	11,628	10,788	10,759	10,730	10,701	10,672	10,643	10,614	10,585	10,556	10,527
	9 Income Tax Component	8,927	8,205	7,612	7,592	7,571	7,551	7,530	7,510	7,490	7,469	7,449	7,428
	10 Interest Expense Component	5,703	5,242	4,863	4,850	4,837	4,824	4,811	4,798	4,785	4,772	4,759	4,746
	11 Total Return on Average Rate Base	27,281	25,074	23,264	23,202	23,139	23,076	23,014	22,951	22,889	22,826	22,763	22,701
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	6,068	5,595	5,208	5,208	5,208	5,208	5,208	5,208	5,208	5,208	5,208	5,208
	14 Property Tax	3,009	3,009	3,009	3,009	3,009	3,009	3,009	3,009	3,009	3,009	3,009	3,009
	15 Revenue Requirements	36,358	33,678	31,482	31,419	31,356	31,294	31,231	31,169	31,106	31,043	30,981	30,918

1/ Includes the following project ID#s 106273, 106275, 106274, 106276.

2/ Minnesota Composite Income Tax Rate.

3/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: 50MW DC Line Upgrade Phase 2

50MW DC Line Upgrade Phase 2

Note 1/
In Service 11/22/2013

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	2,653,833	2,303,359	2,298,150	2,292,942	2,287,734	2,282,525	2,277,317	2,272,109	2,266,900	2,261,692	2,256,484	2,251,275
	2 Less: ADITL - Def Taxes	(594,515)	(595,329)	(596,303)	(597,276)	(598,250)	(599,224)	(600,198)	(601,172)	(602,146)	(603,119)	(604,093)	(605,067)
	3 Plus: ADITA - NOL (Stand Alone)	573,279	565,965	559,426	552,930	546,475	540,062	533,690	527,360	521,072	514,824	508,618	502,453
	4 Rate Base	2,632,597	2,273,995	2,261,274	2,248,596	2,235,959	2,223,363	2,210,809	2,198,297	2,185,827	2,173,397	2,161,008	2,148,661
	5 Average Rate Base	2,678,518	2,453,296	2,267,635	2,254,935	2,242,277	2,229,661	2,217,086	2,204,553	2,192,062	2,179,612	2,167,202	2,154,835
	6 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	7 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	12,576	11,519	10,647	10,588	10,528	10,469	10,410	10,351	10,292	10,234	10,176	10,118
	9 Income Tax Component	8,874	8,128	7,513	7,471	7,429	7,387	7,345	7,304	7,262	7,221	7,180	7,139
	10 Interest Expense Component	5,670	5,193	4,800	4,773	4,746	4,719	4,693	4,666	4,640	4,614	4,587	4,561
	11 Total Return on Average Rate Base	27,120	24,840	22,960	22,831	22,703	22,575	22,448	22,321	22,195	22,069	21,943	21,818
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	6,068	5,595	5,208	5,208	5,208	5,208	5,208	5,208	5,208	5,208	5,208	5,208
	14 Property Tax	3,009	3,009	3,009	3,009	3,009	3,009	3,009	3,009	3,009	3,009	3,009	3,009
	15 Revenue Requirements	36,197	33,444	31,177	31,049	30,920	30,793	30,665	30,538	30,412	30,286	30,160	30,035
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	36,197	33,444	31,177	31,049	30,920	30,793	30,665	30,538	30,412	30,286	30,160	30,035
	2 Tax Depreciation	10,306	7,562	7,562	7,562	7,562	7,562	7,562	7,562	7,562	7,562	7,562	7,562
	3 Property Tax	3,009	3,009	3,009	3,009	3,009	3,009	3,009	3,009	3,009	3,009	3,009	3,009
	4 Interest Expense (including on CWIP)	5,670	5,193	4,800	4,773	4,746	4,719	4,693	4,666	4,640	4,614	4,587	4,561
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	18,984	15,764	15,371	15,344	15,317	15,291	15,264	15,238	15,211	15,185	15,159	15,132
	7 Taxable Income (NOL)	17,212	17,679	15,806	15,704	15,603	15,502	15,401	15,301	15,201	15,101	15,002	14,903
	8 Current tax expense	7,121	7,314	6,539	6,497	6,455	6,413	6,371	6,330	6,289	6,247	6,206	6,165
	9 Taxable Income (NOL)	17,212	17,679	15,806	15,704	15,603	15,502	15,401	15,301	15,201	15,101	15,002	14,903
	10 NOL carryforward	(1,402,949)	(1,385,737)	(1,368,058)	(1,352,252)	(1,336,547)	(1,320,944)	(1,305,443)	(1,290,041)	(1,274,741)	(1,259,540)	(1,244,439)	(1,229,437)
	11 Taxable Income after NOL carryforward 5/	(1,385,737)	(1,368,058)	(1,352,252)	(1,336,547)	(1,320,944)	(1,305,443)	(1,290,041)	(1,274,741)	(1,259,540)	(1,244,439)	(1,229,437)	(1,214,534)
	12 Expected stand alone ADITA NOL	573,279	565,965	559,426	552,930	546,475	540,062	533,690	527,360	521,072	514,824	508,618	502,453
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	36,358	33,678	31,482	31,419	31,356	31,294	31,231	31,169	31,106	31,043	30,981	30,918
	2 Revenue Requirement: Stand Alone	36,197	33,444	31,177	31,049	30,920	30,793	30,665	30,538	30,412	30,286	30,160	30,035
	3 Revenue Requirement: Rider 6/	36,197	33,444	31,177	31,049	30,920	30,793	30,665	30,538	30,412	30,286	30,160	30,035
	4 MN Jurisdictional Allocator 7/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	28,078	25,942	24,184	24,084	23,985	23,886	23,787	23,689	23,591	23,493	23,395	23,298

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-5.

5/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

6/ Lesser of E1 or E2.

7/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 2 Wind 105MW

Bison 2 Wind 105 MW

Project ID#105110

In Service 12/18/2012

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	138,660,866	141,287,831	141,395,388	141,393,014	141,371,903	141,519,467	141,521,786	141,522,303	141,523,279	141,543,439	141,543,439	141,549,957
	2 Total Accumulated Depreciation	511,289	844,561	1,181,089	1,517,742	1,854,367	2,191,142	2,528,096	2,865,053	3,202,012	3,538,996	3,876,005	4,213,021
	3 Net Plant	138,149,577	140,443,270	140,214,299	139,875,272	139,517,536	139,328,324	138,993,690	138,657,249	138,321,267	138,004,442	137,667,434	137,336,937
	4 Total Depreciation	338,181	333,272	336,528	336,653	336,625	336,775	336,954	336,957	336,959	336,984	337,008	337,016
	5 Book Depreciation Rate (35 year book life)	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
B	Tax Basis of Property												
	1 Plant in Service	138,660,866	141,287,831	141,395,388	141,393,014	141,371,903	141,519,467	141,521,786	141,522,303	141,523,279	141,543,439	141,543,439	141,549,957
	2 Accumulated Depreciation	75,211,797	78,795,250	81,120,075	83,389,909	85,650,109	87,996,756	90,270,819	92,543,990	94,817,416	97,101,106	99,374,715	101,652,236
	3 Net Plant	63,449,069	62,492,581	60,275,313	58,003,105	55,721,793	53,522,711	51,250,968	48,978,313	46,705,863	44,442,333	42,168,723	39,897,721
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)	(3,375,054)	1,313,483	53,778	(1,187)	(10,556)	73,782	1,160	258	488	10,080	-	3,259
	5 Total Tax Depreciation (including bonus)	(1,128,964)	3,583,454	2,324,825	2,269,833	2,260,201	2,346,646	2,274,063	2,273,172	2,273,426	2,283,689	2,273,610	2,277,521
	6 Tax Book Difference	74,700,508	77,950,689	79,938,986	81,872,167	83,795,743	85,805,613	87,742,723	89,678,937	91,615,404	93,562,109	95,498,711	97,439,216
	7 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	30,903,600	32,248,200	33,070,759	33,870,515	34,666,299	35,497,782	36,299,164	37,100,176	37,901,293	38,706,645	39,507,817	40,310,604
	9 Deferred Tax Expense debit / (Credit)	(606,958)	1,344,600	822,559	799,757	795,783	831,484	801,382	801,012	801,116	805,352	801,172	802,787
	10 ADITA for NOL Carryforward 2/	30,903,600	32,248,200	33,070,759	33,870,515	34,666,299	35,497,782	36,299,164	37,100,176	37,901,293	38,706,645	39,507,817	40,310,604
	11 Carryforward utilized												
	12 ADITA - NOL	30,903,600	32,248,200	33,070,759	33,870,515	34,666,299	35,497,782	36,299,164	37,100,176	37,901,293	38,706,645	39,507,817	40,310,604
	13 Energy (MWh)	26,696	19,127	23,890	26,575	25,424	14,077	16,262	15,952	22,303	24,116	29,416	28,861
	14 Fed Production Tax Credit (\$/MWh)	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
	15 Fed Production Tax Credit (\$)	614,008	439,921	549,470	611,225	584,752	323,771	374,026	366,896	512,969	554,668	676,568	663,803
	16 Utilized PTC /3												
	17 ADITA for PTC	1,182,312	1,622,233	2,171,703	2,782,928	3,367,680	3,691,451	4,065,477	4,432,373	4,945,342	5,500,010	6,176,578	6,840,381
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	138,149,577	140,443,270	140,214,299	139,875,272	139,517,536	139,328,324	138,993,690	138,657,249	138,321,267	138,004,442	137,667,434	137,336,937
	2 Less: ADITL - Def Taxes	(30,903,600)	(32,248,200)	(33,070,759)	(33,870,515)	(34,666,299)	(35,497,782)	(36,299,164)	(37,100,176)	(37,901,293)	(38,706,645)	(39,507,817)	(40,310,604)
	3 Plus: ADITA - NOL	30,903,600	32,248,200	33,070,759	33,870,515	34,666,299	35,497,782	36,299,164	37,100,176	37,901,293	38,706,645	39,507,817	40,310,604
	4 Plus: ADITA - PTC	1,182,312	1,622,233	2,171,703	2,782,928	3,367,680	3,691,451	4,065,477	4,432,373	4,945,342	5,500,010	6,176,578	6,840,381
	5 Rate Base	139,331,889	142,065,503	142,386,002	142,658,200	142,885,216	143,019,775	143,059,167	143,089,622	143,266,609	143,504,452	143,844,012	144,177,318
	6 Average Rate Base	142,569,029	140,698,696	142,225,752	142,522,101	142,771,708	142,952,496	143,039,471	143,074,395	143,178,116	143,385,531	143,674,232	144,010,665
	7 Current Return on CWIP 4/												
	8 Return on Average Rate Base 4/												
	9 After Tax Return on Equity	669,402	660,620	667,790	669,182	670,354	671,202	671,611	671,775	672,262	673,236	674,591	676,171
	10 Income Tax Component	472,338	466,142	471,201	472,183	473,010	473,609	473,897	474,013	474,356	475,043	476,000	477,115
	11 Interest Expense Component	301,771	297,812	301,045	301,672	302,200	302,583	302,767	302,841	303,060	303,499	304,110	304,823
	12 Total Return on Average Rate Base	1,443,511	1,424,574	1,440,036	1,443,036	1,445,564	1,447,394	1,448,275	1,448,628	1,449,678	1,451,778	1,454,702	1,458,108
	13 Operation & Maintenance Expense	231,854	238,329	233,015	292,245	250,228	232,676	275,701	255,629	245,392	225,706	266,465	197,958
	14 Depreciation Expense	338,181	333,272	336,528	336,653	336,625	336,775	336,954	336,957	336,959	336,984	337,008	337,016
	15 Property Tax	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086
	16 Federal Production Tax Credit 5/	(1,047,259)	(750,334)	(937,182)	(1,042,512)	(997,360)	(552,228)	(637,943)	(625,782)	(874,926)	(946,048)	(1,153,962)	(1,132,190)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	992,373	1,271,927	1,098,483	1,055,507	1,061,143	1,490,704	1,449,072	1,441,519	1,183,190	1,094,506	930,299	886,978

1/ Minnesota Composite Income Tax Rate.

2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

3/ ADITA for PTCs are utilized after all ADITA NOL are utilized, both on a FIFO basis.

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).

6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. The ITC will be credited to revenue requirements as utilized.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 2 Wind 105MW

Bison 2 Wind 105 MW
Project ID#105110
In Service 12/18/2012

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	138,149,577	140,443,270	140,214,299	139,875,272	139,517,536	139,328,324	138,993,690	138,657,249	138,321,267	138,004,442	137,667,434	137,336,937
	2 Less: ADITL - Def Taxes	(30,903,600)	(32,248,200)	(33,070,759)	(33,870,515)	(34,666,299)	(35,497,782)	(36,299,164)	(37,100,176)	(37,901,293)	(38,706,645)	(39,507,817)	(40,310,604)
	3 Plus: ADITA - NOL (Stand Alone)	27,549,164	28,749,389	29,500,170	30,270,909	31,018,296	31,617,099	32,221,685	32,821,413	33,524,468	34,260,772	35,078,042	35,886,768
	4 Plus: ADITA - PTC	1,182,312	1,622,233	2,171,703	2,782,928	3,367,680	3,691,451	4,065,477	4,432,373	4,945,342	5,500,010	6,176,578	6,840,381
	5 Rate Base	135,977,453	138,566,692	138,815,413	139,058,594	139,237,213	139,139,092	138,981,688	138,810,859	138,889,784	139,058,580	139,414,237	139,753,482
	6 Average Rate Base	139,228,603	137,272,072	138,691,053	138,937,004	139,147,904	139,188,153	139,060,390	138,896,274	138,850,322	138,974,182	139,236,409	139,583,860
	7 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	9 After Tax Return on Equity	653,718	644,531	651,194	652,349	653,339	653,528	652,928	652,157	651,942	652,523	653,754	655,386
	10 Income Tax Component	461,271	454,789	459,490	460,305	461,004	461,137	460,714	460,170	460,018	460,428	461,297	462,448
	11 Interest Expense Component	294,701	290,559	293,563	294,083	294,530	294,615	294,344	293,997	293,900	294,162	294,717	295,453
	12 Total Return on Average Rate Base	1,409,690	1,389,880	1,404,247	1,406,737	1,408,873	1,409,280	1,407,986	1,406,325	1,405,860	1,407,114	1,409,769	1,413,287
	13 Operation & Maintenance Expense	231,854	238,329	233,015	292,245	250,228	232,676	275,701	255,629	245,392	225,706	266,465	197,958
	14 Depreciation Expense	338,181	333,272	336,528	336,653	336,625	336,775	336,954	336,957	336,984	336,984	337,008	337,016
	15 Property Tax	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086
	16 Federal Production Tax Credit 5/	(1,047,259)	(750,334)	(937,182)	(1,042,512)	(997,360)	(552,228)	(637,943)	(625,782)	(874,926)	(946,048)	(1,153,962)	(1,132,190)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	958,551	1,237,232	1,062,694	1,019,208	1,024,452	1,452,590	1,408,784	1,399,215	1,139,371	1,049,841	885,366	842,157
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	958,551	1,237,232	1,062,694	1,019,208	1,024,452	1,452,590	1,408,784	1,399,215	1,139,371	1,049,841	885,366	842,157
	2 Tax Depreciation	(1,128,964)	3,583,454	2,324,825	2,269,833	2,260,201	2,346,646	2,274,063	2,273,172	2,273,426	2,283,689	2,273,610	2,277,521
	3 Property Tax	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086
	4 Interest Expense (including on CWIP)	294,701	290,559	293,563	294,083	294,530	294,615	294,344	293,997	293,900	294,162	294,717	295,453
	5 Operation & Maintenance Expense	231,854	238,329	233,015	292,245	250,228	232,676	275,701	255,629	245,392	225,706	266,465	197,958
	6 Total Tax Deduction	(576,324)	4,138,428	2,877,489	2,882,247	2,831,045	2,900,023	2,870,194	2,848,884	2,838,804	2,829,643	2,860,878	2,797,017
	7 Taxable Income (NOL)	1,534,875	(2,901,195)	(1,814,796)	(1,863,039)	(1,806,593)	(1,447,433)	(1,461,410)	(1,449,669)	(1,699,433)	(1,779,802)	(1,975,512)	(1,954,861)
	8 Current tax expense	634,978	(1,200,224)	(750,781)	(770,739)	(747,387)	(598,803)	(604,585)	(599,728)	(703,055)	(736,304)	(817,269)	(808,726)
	9 Taxable Income (NOL)	1,534,875	(2,901,195)	(1,814,796)	(1,863,039)	(1,806,593)	(1,447,433)	(1,461,410)	(1,449,669)	(1,699,433)	(1,779,802)	(1,975,512)	(1,954,861)
	10 NOL carryforward	(68,127,005)	(66,592,130)	(69,493,326)	(71,308,121)	(73,171,160)	(74,977,753)	(76,425,186)	(77,886,596)	(79,336,265)	(81,035,698)	(82,815,500)	(84,791,012)
	11 Taxable Income after NOL carryforward 7/	(66,592,130)	(69,493,326)	(71,308,121)	(73,171,160)	(74,977,753)	(76,425,186)	(77,886,596)	(79,336,265)	(81,035,698)	(82,815,500)	(84,791,012)	(86,745,873)
	12 Expected stand alone ADITA NOL	27,549,164	28,749,389	29,500,170	30,270,909	31,018,296	31,617,099	32,221,685	32,821,413	33,524,468	34,260,772	35,078,042	35,886,768
	13 Annual Fed Production Tax Credit (\$)	614,008	439,921	549,470	611,225	584,752	323,771	374,026	366,896	512,969	554,668	676,568	663,803
	14 Utilized PTC 8/	-	-	-	-	-	-	-	-	-	-	-	-
	15 ADITA for PTC	1,182,312	1,622,233	2,171,703	2,782,928	3,367,680	3,691,451	4,065,477	4,432,373	4,945,342	5,500,010	6,176,578	6,840,381
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	992,373	1,271,927	1,098,483	1,055,507	1,061,143	1,490,704	1,449,072	1,441,519	1,183,190	1,094,506	930,299	886,978
	2 Revenue Requirement: Stand Alone	958,551	1,237,232	1,062,694	1,019,208	1,024,452	1,452,590	1,408,784	1,399,215	1,139,371	1,049,841	885,366	842,157
	3 Revenue Requirement: Rider 9/	958,551	1,237,232	1,062,694	1,019,208	1,024,452	1,452,590	1,408,784	1,399,215	1,139,371	1,049,841	885,366	842,157
	4 MN Jurisdictional Allocator 10/	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017
	5 MN Jurisdictional Revenue Requirement	786,175	1,014,741	871,590	835,924	840,225	1,191,371	1,155,443	1,147,594	934,478	861,048	726,150	690,712

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).

6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. Will credit to revenue requirements as utilized.

7/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

8/ PTC utilization limited to 75% of annual Federal tax liability calculated at 35% times Taxable Income after NOL carryforward.

9/ Lesser of E1 or E2.

10/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 2 Wind 105MW

Bison 2 Wind 105 MW
Project ID#105110
In Service 12/18/2012

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957
	2 Total Accumulated Depreciation	4,550,044	4,887,068	5,224,092	5,561,115	5,898,139	6,235,163	6,572,187	6,909,210	7,246,234	7,583,258	7,920,281	8,257,305
	3 Net Plant	136,999,913	136,662,889	136,325,866	135,988,842	135,651,818	135,314,794	134,977,771	134,640,747	134,303,723	133,966,700	133,629,676	133,292,652
	4 Total Depreciation	337,024	337,024	337,024	337,024	337,024	337,024	337,024	337,024	337,024	337,024	337,024	337,024
	5 Book Depreciation Rate (35 year book life)	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
B	Tax Basis of Property												
	1 Plant in Service	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957	141,549,957
	2 Accumulated Depreciation	102,982,160	104,312,084	105,642,008	106,971,932	108,301,856	109,631,781	110,961,705	112,291,629	113,621,553	114,951,477	116,281,401	117,611,325
	3 Net Plant	38,567,797	37,237,873	35,907,949	34,578,025	33,248,101	31,918,177	30,588,253	29,258,329	27,928,405	26,598,481	25,268,557	23,938,633
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)												
	5 Total Tax Depreciation (including bonus)	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924
	6 Tax Book Difference	98,432,116	99,425,016	100,417,917	101,410,817	102,403,717	103,396,618	104,389,518	105,382,418	106,375,319	107,368,219	108,361,119	109,354,020
	7 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	40,721,366	41,132,129	41,542,892	41,953,655	42,364,418	42,775,181	43,185,944	43,596,706	44,007,469	44,418,232	44,828,995	45,239,758
	9 Deferred Tax Expense debit / (Credit)	410,763	410,763	410,763	410,763	410,763	410,763	410,763	410,763	410,763	410,763	410,763	410,763
	10 ADITA for NOL Carryforward 2/												
	11 Carryforward utilized												
	12 ADITA - NOL	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604
	13 Energy (MWh)	37,341	25,840	33,501	31,659	34,575	25,870	23,174	26,793	31,926	31,480	35,028	31,081
	14 Fed Production Tax Credit (\$/MWh)	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
	15 Fed Production Tax Credit (\$)	858,835	594,314	770,527	728,159	795,230	595,004	533,008	616,234	734,298	724,034	805,648	714,863
	16 Utilized PTC /3												
	17 ADITA for PTC	7,699,216	8,293,530	9,064,057	9,792,216	10,587,446	11,182,450	11,715,458	12,331,692	13,065,991	13,790,025	14,595,672	15,310,536
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	136,999,913	136,662,889	136,325,866	135,988,842	135,651,818	135,314,794	134,977,771	134,640,747	134,303,723	133,966,700	133,629,676	133,292,652
	2 Less: ADITL - Def Taxes	(40,721,366)	(41,132,129)	(41,542,892)	(41,953,655)	(42,364,418)	(42,775,181)	(43,185,944)	(43,596,706)	(44,007,469)	(44,418,232)	(44,828,995)	(45,239,758)
	3 Plus: ADITA - NOL	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604	40,310,604
	4 Plus: ADITA - PTC	7,699,216	8,293,530	9,064,057	9,792,216	10,587,446	11,182,450	11,715,458	12,331,692	13,065,991	13,790,025	14,595,672	15,310,536
	5 Rate Base	144,288,366	144,134,894	144,157,634	144,138,007	144,185,450	144,032,667	143,817,889	143,686,337	143,672,848	143,649,096	143,706,957	143,674,033
	6 Average Rate Base	144,232,842	144,211,630	144,146,264	144,147,820	144,161,728	144,109,059	143,925,278	143,752,113	143,679,592	143,660,972	143,678,026	143,690,495
	7 Current Return on CWIP 4/												
	8 Return on Average Rate Base 4/												
	9 After Tax Return on Equity	677,214	677,114	676,808	676,815	676,880	676,633	675,770	674,957	674,616	674,529	674,609	674,668
	10 Income Tax Component	477,851	477,780	477,564	477,569	477,615	477,441	476,832	476,258	476,018	475,956	476,012	476,054
	11 Interest Expense Component	305,293	305,248	305,110	305,113	305,142	305,031	304,642	304,275	304,122	304,082	304,118	304,145
	12 Total Return on Average Rate Base	1,460,358	1,460,143	1,459,481	1,459,497	1,459,638	1,459,104	1,457,243	1,455,490	1,454,756	1,454,567	1,454,740	1,454,866
	13 Operation & Maintenance Expense	279,767	279,767	279,767	279,767	279,767	279,767	279,767	279,767	279,767	279,767	279,767	279,767
	14 Depreciation Expense	337,024	337,024	337,024	337,024	337,024	337,024	337,024	337,024	337,024	337,024	337,024	337,024
	15 Property Tax	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254
	16 Federal Production Tax Credit 5/	(1,464,839)	(1,013,669)	(1,314,219)	(1,241,956)	(1,356,354)	(1,014,845)	(909,105)	(1,051,056)	(1,252,427)	(1,234,921)	(1,374,122)	(1,219,279)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	647,563	1,098,518	797,306	869,585	755,328	1,096,304	1,200,183	1,056,479	854,373	871,691	732,663	887,632

1/ Minnesota Composite Income Tax Rate.

2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

3/ ADITA for PTCs are utilized after all ADITA NOL are utilized, both on a FIFO basis.

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).

6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. The ITC will be credited to revenue requirements as utilized.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 2 Wind 105MW

Bison 2 Wind 105 MW
Project ID#105110
In Service 12/18/2012

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	136,999,913	136,662,889	136,325,866	135,988,842	135,651,818	135,314,794	134,977,771	134,640,747	134,303,723	133,966,700	133,629,676	133,292,652
	2 Less: ADITL - Def Taxes	(40,721,366)	(41,132,129)	(41,542,892)	(41,953,655)	(42,364,418)	(42,775,181)	(43,185,944)	(43,596,706)	(44,007,469)	(44,418,232)	(44,828,995)	(45,239,758)
	3 Plus: ADITA - NOL (Stand Alone)	36,439,425	36,803,984	37,291,686	37,747,924	38,249,854	38,609,250	38,924,393	39,297,695	39,753,171	40,199,972	40,702,730	41,139,832
	4 Plus: ADITA - PTC	7,699,216	8,293,530	9,064,057	9,792,216	10,587,446	11,182,450	11,715,458	12,331,692	13,065,991	13,790,025	14,595,672	15,310,536
	5 Rate Base	140,417,188	140,628,274	141,138,717	141,575,327	142,124,701	142,331,314	142,431,679	142,673,428	143,115,416	143,538,464	144,099,083	144,503,262
	6 Average Rate Base	140,085,335	140,522,731	140,883,496	141,357,022	141,850,014	142,228,007	142,381,496	142,552,553	142,894,422	143,326,940	143,818,774	144,301,173
	7 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
	8 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
	9 After Tax Return on Equity	657,740	659,794	661,488	663,711	666,026	667,801	668,521	669,325	670,930	672,961	675,270	677,535
	10 Income Tax Component	464,110	465,559	466,754	468,323	469,956	471,208	471,717	472,284	473,416	474,849	476,479	478,077
	11 Interest Expense Component	296,514	297,440	298,203	299,206	300,249	301,049	301,374	301,736	302,460	303,375	304,416	305,437
	12 Total Return on Average Rate Base	1,418,364	1,422,793	1,426,445	1,431,240	1,436,231	1,440,059	1,441,613	1,443,345	1,446,806	1,451,185	1,456,165	1,461,049
	13 Operation & Maintenance Expense	279,767	279,767	279,767	279,767	279,767	279,767	279,767	279,767	279,767	279,767	279,767	279,767
	14 Depreciation Expense	337,024	337,024	337,024	337,024	337,024	337,024	337,024	337,024	337,024	337,024	337,024	337,024
	15 Property Tax	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254
	16 Federal Production Tax Credit 5/	(1,464,839)	(1,013,669)	(1,314,219)	(1,241,956)	(1,356,354)	(1,014,845)	(909,105)	(1,051,056)	(1,252,427)	(1,234,921)	(1,374,122)	(1,219,279)
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	605,570	1,061,168	764,270	841,328	731,922	1,077,258	1,184,552	1,044,333	846,423	868,308	734,088	893,815
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	605,570	1,061,168	764,270	841,328	731,922	1,077,258	1,184,552	1,044,333	846,423	868,308	734,088	893,815
	2 Tax Depreciation	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924	1,329,924
	3 Property Tax	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254
	4 Interest Expense (including on CWIP)	296,514	297,440	298,203	299,206	300,249	301,049	301,374	301,736	302,460	303,375	304,416	305,437
	5 Operation & Maintenance Expense	279,767	279,767	279,767	279,767	279,767	279,767	279,767	279,767	279,767	279,767	279,767	279,767
	6 Total Tax Deduction	1,941,459	1,942,385	1,943,148	1,944,151	1,945,194	1,945,994	1,946,319	1,946,681	1,947,405	1,948,320	1,949,361	1,950,382
	7 Taxable Income (NOL)	(1,335,889)	(881,217)	(1,178,878)	(1,102,822)	(1,213,272)	(868,736)	(761,767)	(902,348)	(1,100,981)	(1,080,012)	(1,215,273)	(1,056,567)
	8 Current tax expense	(552,657)	(364,559)	(487,702)	(456,238)	(501,931)	(359,396)	(315,143)	(373,301)	(455,476)	(446,801)	(502,759)	(437,102)
	9 Taxable Income (NOL)	(1,335,889)	(881,217)	(1,178,878)	(1,102,822)	(1,213,272)	(868,736)	(761,767)	(902,348)	(1,100,981)	(1,080,012)	(1,215,273)	(1,056,567)
	10 NOL carryforward	(86,745,873)	(88,081,762)	(88,962,979)	(90,141,857)	(91,244,679)	(92,457,951)	(93,326,687)	(94,088,454)	(94,990,802)	(96,091,783)	(97,171,795)	(98,387,068)
	11 Taxable Income after NOL carryforward 7/	(88,081,762)	(88,962,979)	(90,141,857)	(91,244,679)	(92,457,951)	(93,326,687)	(94,088,454)	(94,990,802)	(96,091,783)	(97,171,795)	(98,387,068)	(99,443,635)
	12 Expected stand alone ADITA NOL	36,439,425	36,803,984	37,291,686	37,747,924	38,249,854	38,609,250	38,924,393	39,297,695	39,753,171	40,199,972	40,702,730	41,139,832
	13 Annual Fed Production Tax Credit (\$)	858,835	594,314	770,527	728,159	795,230	595,004	533,008	616,234	734,298	724,034	805,648	714,863
	14 Utilized PTC 8/	-	-	-	-	-	-	-	-	-	-	-	-
	15 ADITA for PTC	7,699,216	8,293,530	9,064,057	9,792,216	10,587,446	11,182,450	11,715,458	12,331,692	13,065,991	13,790,025	14,595,672	15,310,536
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	647,563	1,098,518	797,306	869,585	755,328	1,096,304	1,200,183	1,056,479	854,373	871,691	732,663	887,632
	2 Revenue Requirement: Stand Alone	605,570	1,061,168	764,270	841,328	731,922	1,077,258	1,184,552	1,044,333	846,423	868,308	734,088	893,815
	3 Revenue Requirement: Rider 9/	605,570	1,061,168	764,270	841,328	731,922	1,077,258	1,184,552	1,044,333	846,423	868,308	732,663	887,632
	4 MN Jurisdictional Allocator 10/	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017
	5 MN Jurisdictional Revenue Requirement	496,670	870,338	626,832	690,032	600,301	883,535	971,534	856,531	694,211	712,161	600,908	728,009

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).

6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. Will credit to revenue requirements as utilized.

7/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

8/ PTC utilization limited to 75% of annual Federal tax liability calculated at 35% times Taxable Income after NOL carryforward.

9/ Lesser of E1 or E2.

10/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 2 Substation Addition

Bison Substation Additions for Bison 2 Wind

Project ID#105111
In Service 7/24/2012

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	4,262,327	4,262,398	4,262,419	4,262,539	4,262,734	4,263,232	4,263,232	4,263,232	4,263,232	4,269,279	4,269,279	4,392,241
	2 Total Accumulated Depreciation	60,193	69,748	79,303	88,858	98,413	107,969	117,526	127,083	136,639	146,203	155,773	165,481
	3 Net Plant	4,202,135	4,192,650	4,183,117	4,173,681	4,164,321	4,155,263	4,145,706	4,136,149	4,126,593	4,123,076	4,113,505	4,226,760
	4 Total Depreciation	9,552	9,555	9,555	9,555	9,555	9,556	9,557	9,557	9,557	9,564	9,570	9,708
	5 Book Depreciation Rate (2.69% pa)	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%
B	Tax Basis of Property												
	1 Plant in Service	4,262,327	4,262,398	4,262,419	4,262,539	4,262,734	4,263,232	4,263,232	4,263,232	4,263,232	4,269,279	4,269,279	4,392,241
	2 Accumulated Depreciation	2,227,239	2,244,380	2,261,497	2,278,663	2,295,868	2,313,226	2,330,334	2,347,443	2,364,552	2,384,734	2,401,893	2,483,608
	3 Net Plant	2,035,088	2,018,017	2,000,922	1,983,875	1,966,866	1,950,006	1,932,898	1,915,789	1,898,680	1,884,544	1,867,385	1,908,634
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)	1,129	35	11	60	98	249	-	-	-	3,023	-	61,481
	5 Total Tax Depreciation (including bonus)	18,235	17,141	17,117	17,166	17,205	17,358	17,109	17,109	17,109	20,182	17,159	81,715
	6 Tax Book Difference	2,167,047	2,174,633	2,182,195	2,189,806	2,197,455	2,205,256	2,212,808	2,220,360	2,227,912	2,238,531	2,246,120	2,318,126
	7 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	896,507	899,646	902,774	905,923	909,087	912,315	915,439	918,563	921,687	926,080	929,220	959,009
	9 Deferred Tax Expense debit / (Credit)	3,592	3,138	3,128	3,149	3,164	3,228	3,124	3,124	3,124	4,393	3,139	29,789
	10 ADITA for NOL Carryforward 2/	896,507	899,646	902,774	905,923	909,087	912,315	915,439	918,563	921,687	926,080	929,220	959,009
	11 Carryforward utilized												
	12 ADITA - NOL	896,507	899,646	902,774	905,923	909,087	912,315	915,439	918,563	921,687	926,080	929,220	959,009
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	4,202,135	4,192,650	4,183,117	4,173,681	4,164,321	4,155,263	4,145,706	4,136,149	4,126,593	4,123,076	4,113,505	4,226,760
	2 Less: ADITL - Def Taxes	(896,507)	(899,646)	(902,774)	(905,923)	(909,087)	(912,315)	(915,439)	(918,563)	(921,687)	(926,080)	(929,220)	(959,009)
	3 Plus: ADITA - NOL	896,507	899,646	902,774	905,923	909,087	912,315	915,439	918,563	921,687	926,080	929,220	959,009
	4 Rate Base	4,202,135	4,192,650	4,183,117	4,173,681	4,164,321	4,155,263	4,145,706	4,136,149	4,126,593	4,123,076	4,113,505	4,226,760
	5 Average Rate Base	4,205,781	4,197,392	4,187,883	4,178,399	4,169,001	4,159,792	4,150,485	4,140,928	4,131,371	4,124,834	4,118,291	4,170,133
	6 Current Return on CWIP 3/												
	7 Return on Average Rate Base 3/												
	8 After Tax Return on Equity	19,747	19,708	19,663	19,619	19,575	19,531	19,488	19,443	19,398	19,367	19,337	19,580
	9 Income Tax Component	13,934	13,906	13,875	13,843	13,812	13,782	13,751	13,719	13,687	13,666	13,644	13,816
	10 Interest Expense Component	8,902	8,884	8,864	8,844	8,824	8,805	8,785	8,765	8,745	8,731	8,717	8,827
	11 Total Return on Average Rate Base	42,584	42,499	42,402	42,306	42,211	42,118	42,024	41,927	41,830	41,764	41,698	42,223
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	9,552	9,555	9,555	9,555	9,555	9,556	9,557	9,557	9,557	9,564	9,570	9,708
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Revenue Requirements	52,136	52,053	51,957	51,861	51,767	51,674	51,580	51,484	51,387	51,327	51,268	51,931

1/ Minnesota Composite Income Tax Rate.
2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.
3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 2 Substation Addition

Bison Substation Additions for Bison 2 Wind

Project ID#105111
In Service 7/24/2012

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	4,202,135	4,192,650	4,183,117	4,173,681	4,164,321	4,155,263	4,145,706	4,136,149	4,126,593	4,123,076	4,113,505	4,226,760
	2 Less: ADITL - Def Taxes	(896,507)	(899,646)	(902,774)	(905,923)	(909,087)	(912,315)	(915,439)	(918,563)	(921,687)	(926,080)	(929,220)	(959,009)
	3 Plus: ADITA - NOL (Stand Alone)	763,650	753,345	743,105	732,962	722,909	712,993	703,049	693,179	683,384	674,922	665,271	682,140
	4 Rate Base	4,069,277	4,046,349	4,023,448	4,000,721	3,978,143	3,955,941	3,933,316	3,910,765	3,888,289	3,871,917	3,849,557	3,949,891
	5 Average Rate Base	4,079,682	4,057,813	4,034,899	4,012,084	3,989,432	3,967,042	3,944,629	3,922,041	3,899,527	3,880,103	3,860,737	3,899,724
	6 Current Return on CWIP 3/	-	-	-	-	-	-	-	-	-	-	-	-
	7 Return on Average Rate Base 3/	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	19,155	19,053	18,945	18,838	18,732	18,626	18,521	18,415	18,309	18,218	18,127	18,310
	9 Income Tax Component	13,516	13,444	13,368	13,292	13,217	13,143	13,069	12,994	12,919	12,855	12,791	12,920
	10 Interest Expense Component	8,635	8,589	8,541	8,492	8,444	8,397	8,349	8,302	8,254	8,213	8,172	8,254
	11 Total Return on Average Rate Base	41,307	41,085	40,853	40,622	40,393	40,166	39,939	39,711	39,483	39,286	39,090	39,485
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	9,552	9,555	9,555	9,555	9,555	9,555	9,557	9,557	9,557	9,564	9,570	9,708
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	17 Revenue Requirements	50,859	50,640	50,408	50,177	49,948	49,722	49,496	49,267	49,039	48,850	48,660	49,193
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	50,859	50,640	50,408	50,177	49,948	49,722	49,496	49,267	49,039	48,850	48,660	49,193
	2 Tax Depreciation	18,235	17,141	17,117	17,166	17,205	17,358	17,109	17,109	17,109	20,182	17,159	81,715
	3 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	4 Interest Expense (including on CWIP)	8,635	8,589	8,541	8,492	8,444	8,397	8,349	8,302	8,254	8,213	8,172	8,254
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	26,870	25,730	25,657	25,658	25,649	25,755	25,458	25,410	25,363	28,395	25,331	89,969
	7 Taxable Income (NOL)	23,989	24,910	24,751	24,519	24,300	23,968	24,038	23,857	23,677	20,454	23,329	(40,776)
	8 Current tax expense	9,924	10,305	10,239	10,144	10,053	9,915	9,944	9,870	9,795	8,462	9,651	(16,869)
	9 Taxable Income (NOL)	23,989	24,910	24,751	24,519	24,300	23,968	24,038	23,857	23,677	20,454	23,329	(40,776)
	10 NOL carryforward 4/	(1,869,891)	(1,845,902)	(1,820,992)	(1,796,241)	(1,771,722)	(1,747,423)	(1,723,455)	(1,699,417)	(1,675,560)	(1,651,883)	(1,631,429)	(1,608,100)
	11 Taxable Income after NOL carryforward	(1,845,902)	(1,820,992)	(1,796,241)	(1,771,722)	(1,747,423)	(1,723,455)	(1,699,417)	(1,675,560)	(1,651,883)	(1,631,429)	(1,608,100)	(1,648,876)
	12 Expected stand alone ADITA NOL	763,650	753,345	743,105	732,962	722,909	712,993	703,049	693,179	683,384	674,922	665,271	682,140
	13 Annual Fed Production Tax Credit (\$)	-	-	-	-	-	-	-	-	-	-	-	-
	14 Utilized PTC	-	-	-	-	-	-	-	-	-	-	-	-
	15 ADITA for PTC	-	-	-	-	-	-	-	-	-	-	-	-
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	52,136	52,053	51,957	51,861	51,767	51,674	51,580	51,484	51,387	51,327	51,268	51,931
	2 Revenue Requirement: Stand Alone	50,859	50,640	50,408	50,177	49,948	49,722	49,496	49,267	49,039	48,850	48,660	49,193
	3 Revenue Requirement: Rider 5/	50,859	50,640	50,408	50,177	49,948	49,722	49,496	49,267	49,039	48,850	48,660	49,193
	4 MN Jurisdictional Allocator 6/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	39,451	39,282	39,102	38,923	38,745	38,570	38,394	38,217	38,040	37,893	37,746	38,159

3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
4/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.
5/ Lesser of E1 or E2.
6/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 2 Substation Addition

Bison Substation Additions for Bison 2 Wind

Project ID#105111
In Service 7/24/2012

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241
	2 Total Accumulated Depreciation	175,327	185,173	195,019	204,865	214,711	224,557	234,403	244,249	254,095	263,941	273,787	283,633
	3 Net Plant	4,216,914	4,207,068	4,197,222	4,187,376	4,177,530	4,167,684	4,157,838	4,147,993	4,138,147	4,128,301	4,118,455	4,108,609
	4 Total Depreciation	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846
	5 Book Depreciation Rate (2.69% pa)	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%
B	Tax Basis of Property												
	1 Plant in Service	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241	4,392,241
	2 Accumulated Depreciation	2,499,510	2,515,412	2,531,314	2,547,215	2,563,117	2,579,019	2,594,921	2,610,823	2,626,725	2,642,627	2,658,529	2,674,430
	3 Net Plant	1,892,732	1,876,830	1,860,928	1,845,026	1,829,124	1,813,222	1,797,320	1,781,419	1,765,517	1,749,615	1,733,713	1,717,811
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)												
	5 Total Tax Depreciation (including bonus)	15,902	15,902	15,902	15,902	15,902	15,902	15,902	15,902	15,902	15,902	15,902	15,902
	6 Tax Book Difference	2,324,182	2,330,238	2,336,294	2,342,350	2,348,406	2,354,462	2,360,518	2,366,574	2,372,630	2,378,686	2,384,742	2,390,798
	7 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	961,514	964,020	966,525	969,030	971,536	974,041	976,546	979,052	981,557	984,062	986,568	989,073
	9 Deferred Tax Expense debit / (Credit)	2,505	2,505	2,505	2,505	2,505	2,505	2,505	2,505	2,505	2,505	2,505	2,505
	10 ADITA for NOL Carryforward 2/												
	11 Carryforward utilized												
	12 ADITA - NOL	959,009	959,009	959,009	959,009	959,009	959,009	959,009	959,009	959,009	959,009	959,009	959,009
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	4,216,914	4,207,068	4,197,222	4,187,376	4,177,530	4,167,684	4,157,838	4,147,993	4,138,147	4,128,301	4,118,455	4,108,609
	2 Less: ADITL - Def Taxes	(961,514)	(964,020)	(966,525)	(969,030)	(971,536)	(974,041)	(976,546)	(979,052)	(981,557)	(984,062)	(986,568)	(989,073)
	3 Plus: ADITA - NOL	959,009	959,009	959,009	959,009	959,009	959,009	959,009	959,009	959,009	959,009	959,009	959,009
	4 Rate Base	4,214,409	4,202,058	4,189,706	4,177,355	4,165,004	4,152,652	4,140,301	4,127,950	4,115,599	4,103,247	4,090,896	4,078,545
	5 Average Rate Base	4,220,584	4,208,233	4,195,882	4,183,531	4,171,179	4,158,828	4,146,477	4,134,125	4,121,774	4,109,423	4,097,072	4,084,720
	6 Current Return on CWIP 3/												
	7 Return on Average Rate Base 3/												
	8 After Tax Return on Equity	19,817	19,759	19,701	19,643	19,585	19,527	19,469	19,411	19,353	19,295	19,237	19,179
	9 Income Tax Component	13,983	13,942	13,901	13,860	13,819	13,778	13,737	13,697	13,656	13,615	13,574	13,533
	10 Interest Expense Component	8,934	8,907	8,881	8,855	8,829	8,803	8,777	8,751	8,724	8,698	8,672	8,646
	11 Total Return on Average Rate Base	42,733	42,608	42,483	42,358	42,233	42,108	41,983	41,858	41,733	41,608	41,483	41,358
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Revenue Requirements	52,579	52,454	52,329	52,204	52,079	51,954	51,829	51,704	51,579	51,454	51,329	51,204

1/ Minnesota Composite Income Tax Rate.

2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 2 Substation Addition

Bison Substation Additions for Bison 2 Wind

Project ID#105111
In Service 7/24/2012

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	4,216,914	4,207,068	4,197,222	4,187,376	4,177,530	4,167,684	4,157,838	4,147,993	4,138,147	4,128,301	4,118,455	4,108,609
	2 Less: ADITL - Def Taxes	(961,514)	(964,020)	(966,525)	(969,030)	(971,536)	(974,041)	(976,546)	(979,052)	(981,557)	(984,062)	(986,568)	(989,073)
	3 Plus: ADITA - NOL (Stand Alone)	671,597	661,130	650,738	640,422	630,180	620,013	609,921	599,903	589,959	580,089	570,292	560,568
	4 Rate Base	3,926,997	3,904,179	3,881,435	3,858,768	3,836,175	3,813,656	3,791,213	3,768,844	3,746,549	3,724,327	3,702,179	3,680,104
	5 Average Rate Base	3,938,444	3,915,588	3,892,807	3,870,102	3,847,471	3,824,916	3,802,435	3,780,029	3,757,696	3,735,438	3,713,253	3,691,141
	6 Current Return on CWIP 3/	-	-	-	-	-	-	-	-	-	-	-	-
	7 Return on Average Rate Base 3/	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	18,492	18,385	18,278	18,171	18,065	17,959	17,854	17,748	17,643	17,539	17,435	17,331
	9 Income Tax Component	13,048	12,973	12,897	12,822	12,747	12,672	12,598	12,523	12,449	12,376	12,302	12,229
	10 Interest Expense Component	8,336	8,288	8,240	8,192	8,144	8,096	8,048	8,001	7,954	7,907	7,860	7,813
	11 Total Return on Average Rate Base	39,877	39,645	39,415	39,185	38,956	38,727	38,500	38,273	38,047	37,821	37,597	37,373
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846	9,846
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	17 Revenue Requirements	49,723	49,491	49,261	49,031	48,802	48,573	48,346	48,119	47,893	47,667	47,443	47,219
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	49,723	49,491	49,261	49,031	48,802	48,573	48,346	48,119	47,893	47,667	47,443	47,219
	2 Tax Depreciation	15,902	15,902	15,902	15,902	15,902	15,902	15,902	15,902	15,902	15,902	15,902	15,902
	3 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	4 Interest Expense (including on CWIP)	8,336	8,288	8,240	8,192	8,144	8,096	8,048	8,001	7,954	7,907	7,860	7,813
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	24,238	24,190	24,142	24,094	24,046	23,998	23,950	23,903	23,856	23,809	23,762	23,715
	7 Taxable Income (NOL)	25,484	25,301	25,119	24,937	24,756	24,575	24,395	24,216	24,037	23,859	23,681	23,504
	8 Current tax expense	10,543	10,467	10,392	10,316	10,242	10,167	10,092	10,018	9,944	9,870	9,797	9,724
	9 Taxable Income (NOL)	25,484	25,301	25,119	24,937	24,756	24,575	24,395	24,216	24,037	23,859	23,681	23,504
	10 NOL carryforward 4/	(1,648,876)	(1,623,391)	(1,598,090)	(1,572,971)	(1,548,034)	(1,523,278)	(1,498,703)	(1,474,308)	(1,450,092)	(1,426,055)	(1,402,196)	(1,378,515)
	11 Taxable Income after NOL carryforward	(1,623,391)	(1,598,090)	(1,572,971)	(1,548,034)	(1,523,278)	(1,498,703)	(1,474,308)	(1,450,092)	(1,426,055)	(1,402,196)	(1,378,515)	(1,355,011)
	12 Expected stand alone ADITA NOL	671,597	661,130	650,738	640,422	630,180	620,013	609,921	599,903	589,959	580,089	570,292	560,568
	13 Annual Fed Production Tax Credit (\$)	-	-	-	-	-	-	-	-	-	-	-	-
	14 Utilized PTC	-	-	-	-	-	-	-	-	-	-	-	-
	15 ADITA for PTC	-	-	-	-	-	-	-	-	-	-	-	-
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	52,579	52,454	52,329	52,204	52,079	51,954	51,829	51,704	51,579	51,454	51,329	51,204
	2 Revenue Requirement: Stand Alone	49,723	49,491	49,261	49,031	48,802	48,573	48,346	48,119	47,893	47,667	47,443	47,219
	3 Revenue Requirement: Rider 5/	49,723	49,491	49,261	49,031	48,802	48,573	48,346	48,119	47,893	47,667	47,443	47,219
	4 MN Jurisdictional Allocator 6/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	38,570	38,390	38,211	38,033	37,855	37,678	37,502	37,326	37,150	36,975	36,801	36,628

3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
4/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.
5/ Lesser of E1 or E2.
6/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 3 Wind 105MW

Bison 3 Wind 105 MW
ProjectID# 105441
In Service 12/18/2012

Section Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
A Book Basis of Property												
0 CWIP (net of contra AFDC & internal costs)												
1 Plant in Service (net of contra AFDC & Internal costs)	140,376,963	142,630,752	142,639,747	142,670,257	142,699,805	142,706,860	142,707,253	142,709,979	142,709,979	142,721,235	142,721,250	142,816,119
2 Total Accumulated Depreciation	496,251	833,165	1,172,773	1,512,428	1,852,154	2,191,924	2,531,703	2,871,485	3,211,271	3,551,070	3,890,882	4,230,808
3 Net Plant	139,880,711	141,797,587	141,466,974	141,157,830	140,847,651	140,514,936	140,175,550	139,838,494	139,498,708	139,170,165	138,830,368	138,585,311
4 Total Depreciation	331,683	336,914	339,608	339,655	339,726	339,770	339,779	339,782	339,786	339,799	339,812	339,925
5 Book Depreciation Rate (35 year book life)	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
B Tax Basis of Property												
1 Plant in Service	140,376,963	142,630,752	142,639,747	142,670,257	142,699,805	142,706,860	142,707,253	142,709,979	142,709,979	142,721,235	142,721,250	142,816,119
2 Accumulated Depreciation	75,850,996	79,204,966	81,436,629	83,679,388	85,922,036	88,153,538	90,381,715	92,611,114	94,839,149	97,073,188	99,301,607	101,586,940
3 Net Plant	64,525,967	63,425,786	61,203,119	58,990,869	56,777,769	54,553,322	52,325,538	50,098,865	47,870,830	45,648,047	43,419,643	41,229,179
4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)	1,069,922	1,126,895	4,498	15,255	14,774	3,528	196	1,363	-	5,628	8	47,434
5 Total Tax Depreciation (including bonus)	3,276,509	3,353,970	2,231,663	2,242,759	2,242,647	2,231,502	2,228,177	2,229,399	2,228,036	2,234,039	2,228,419	2,285,333
6 Tax Book Difference	75,354,744	78,371,801	80,263,856	82,166,960	84,069,881	85,961,614	87,850,012	89,739,629	91,627,879	93,522,118	95,410,725	97,356,132
7 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
8 Accumulated Deferred Income Tax Liability	31,174,258	32,422,414	33,205,157	33,992,471	34,779,710	35,562,320	36,343,550	37,125,284	37,906,453	38,690,100	39,471,417	40,276,232
9 Deferred Tax Expense debit / (Credit)	1,218,274	1,248,156	782,743	787,314	787,238	782,610	781,231	781,734	781,169	783,647	781,317	804,815
10 ADITA for NOL Carryforward 2/	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140
11 Carryforward utilized												
12 ADITA - NOL	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140
13 Energy (MWh)	25,766	18,615	24,489	25,791	25,407	14,668	16,291	15,242	22,350	25,102	30,557	30,199
14 Fed Production Tax Credit (\$/MWh)	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
15 Fed Production Tax Credit (\$)	592,618	428,145	563,247	593,193	584,361	337,364	374,693	350,566	514,050	577,346	702,811	694,577
16 Utilized PTC /3												
17 ADITA for PTC	838,952	1,267,097	1,830,344	2,423,537	3,007,898	3,345,262	3,719,955	4,070,521	4,584,571	5,161,917	5,864,728	6,559,305
C-1 Revenue Requirements - Consolidated NOL												
1 Net Plant	139,880,711	141,797,587	141,466,974	141,157,830	140,847,651	140,514,936	140,175,550	139,838,494	139,498,708	139,170,165	138,830,368	138,585,311
2 Less: ADITL - Def Taxes	(31,174,258)	(32,422,414)	(33,205,157)	(33,992,471)	(34,779,710)	(35,562,320)	(36,343,550)	(37,125,284)	(37,906,453)	(38,690,100)	(39,471,417)	(40,276,232)
3 Plus: ADITA - NOL	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140
4 Plus: ADITA - PTC	838,952	1,267,097	1,830,344	2,423,537	3,007,898	3,345,262	3,719,955	4,070,521	4,584,571	5,161,917	5,864,728	6,559,305
5 Rate Base	117,941,546	119,038,410	118,488,302	117,985,036	117,471,979	116,694,019	115,948,095	115,179,871	114,572,967	114,038,122	113,619,819	113,264,525
6 Average Rate Base	119,822,318	118,489,978	118,763,356	118,236,669	117,728,507	117,082,999	116,321,057	115,563,983	114,876,419	114,305,544	113,828,971	113,442,172
7 Current Return on CWIP 4/												
8 Return on Average Rate Base 4/												
9 After Tax Return on Equity	562,600	556,344	557,628	555,155	552,769	549,738	546,160	542,606	539,377	536,697	534,459	532,643
10 Income Tax Component	396,977	392,563	393,469	391,724	390,040	387,902	385,377	382,869	380,591	378,700	377,121	375,840
11 Interest Expense Component	253,624	250,804	251,382	250,268	249,192	247,826	246,213	244,610	243,155	241,947	240,938	240,119
12 Total Return on Average Rate Base	1,213,201	1,199,711	1,202,479	1,197,146	1,192,001	1,185,465	1,177,751	1,170,085	1,163,124	1,157,344	1,152,518	1,148,602
13 Operation & Maintenance Expense	222,697	228,916	223,813	220,703	240,346	223,487	264,812	245,533	235,700	216,791	255,941	190,140
14 Depreciation Expense	331,683	336,914	339,608	339,655	339,726	339,770	339,779	339,782	339,786	339,799	339,812	339,925
15 Property Tax	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086
16 Federal Production Tax Credit 5/	(1,010,776)	(730,249)	(960,681)	(1,011,757)	(996,693)	(575,412)	(639,081)	(597,929)	(876,770)	(984,728)	(1,198,722)	(1,184,678)
17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
18 Revenue Requirements	782,891	1,061,378	831,305	831,833	801,466	1,199,396	1,169,347	1,183,558	887,926	755,292	575,635	520,075

1/ Minnesota Composite Income Tax Rate.

2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

3/ ADITA for PTCs are utilized after all ADITA NOL are utilized, both on a FIFO basis.

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).

6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. The ITC will be credited to revenue requirements as utilized.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 3 Wind 105MW

Bison 3 Wind 105 MW
ProjectID# 105441
In Service 12/18/2012

Section Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
C-2 Revenue Requirements - Stand Alone NOL												
1 Net Plant	139,880,711	141,797,587	141,466,974	141,157,830	140,847,651	140,514,936	140,175,550	139,838,494	139,498,708	139,170,165	138,830,368	138,585,311
2 Less: ADITL - Def Taxes	(31,174,258)	(32,422,414)	(33,205,157)	(33,992,471)	(34,779,710)	(35,562,320)	(36,343,550)	(37,125,284)	(37,906,453)	(38,690,100)	(39,471,417)	(40,276,232)
3 Plus: ADITA - NOL (Stand Alone)	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376
4 Plus: ADITA - PTC	838,952	1,267,097	1,830,344	2,423,537	3,007,898	3,345,262	3,719,955	4,070,521	4,584,571	5,161,917	5,864,728	6,559,305
5 Rate Base	136,076,782	137,173,646	136,623,537	136,120,271	135,607,215	134,829,254	134,083,331	133,315,107	132,708,202	132,173,358	131,755,055	131,399,761
6 Average Rate Base	135,483,515	136,625,214	136,898,592	136,371,904	135,863,743	135,218,235	134,456,293	133,699,219	133,011,654	132,440,780	131,964,206	131,577,408
7 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
8 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
9 After Tax Return on Equity	636,133	641,494	642,778	640,305	637,919	634,888	631,310	627,756	624,527	621,847	619,609	617,793
10 Income Tax Component	448,864	452,646	453,552	451,807	450,123	447,985	445,460	442,952	440,674	438,783	437,204	435,923
11 Interest Expense Component	286,773	289,190	289,769	288,654	287,578	286,212	284,599	282,997	281,541	280,333	279,324	278,506
12 Total Return on Average Rate Base	1,371,771	1,383,330	1,386,098	1,380,766	1,375,620	1,369,085	1,361,910	1,353,705	1,346,743	1,340,963	1,336,138	1,332,221
13 Operation & Maintenance Expense	222,697	228,916	223,813	280,703	240,346	223,487	264,812	245,533	235,700	216,791	255,941	190,140
14 Depreciation Expense	331,683	336,914	339,608	339,655	339,726	339,770	339,779	339,782	339,786	339,799	339,812	339,925
15 Property Tax	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086
16 Federal Production Tax Credit 5/	(1,017,776)	(730,249)	(960,681)	(1,011,757)	(996,693)	(575,412)	(639,081)	(597,929)	(876,770)	(984,728)	(1,198,722)	(1,184,678)
17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
18 Revenue Requirements	941,461	1,244,997	1,014,924	1,015,452	985,085	1,383,015	1,352,966	1,367,177	1,071,545	938,912	759,255	703,694
D Stand Alone Taxable Income or Loss (NOL)												
1 Revenue Requirements	941,461	1,244,997	1,014,924	1,015,452	985,085	1,383,015	1,352,966	1,367,177	1,071,545	938,912	759,255	703,694
2 Tax Depreciation	3,276,509	3,383,970	2,231,663	2,242,647	2,242,647	2,231,502	2,228,177	2,229,399	2,228,036	2,234,039	2,228,419	2,285,333
3 Property Tax	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086	26,086
4 Interest Expense (including on CWIP)	286,773	289,190	289,769	288,654	287,578	286,212	284,599	282,997	281,541	280,333	279,324	278,506
5 Operation & Maintenance Expense	222,697	228,916	223,813	280,703	240,346	223,487	264,812	245,533	235,700	216,791	255,941	190,140
6 Total Tax Deduction	3,812,065	3,898,162	2,771,330	2,838,202	2,796,657	2,767,287	2,803,675	2,784,015	2,771,363	2,757,249	2,789,770	2,780,065
7 Taxable Income (NOL)	(2,870,604)	(2,653,165)	(1,756,406)	(1,822,750)	(1,811,572)	(1,384,271)	(1,450,709)	(1,416,838)	(1,699,818)	(1,818,338)	(2,030,516)	(2,076,370)
8 Current tax expense	(1,187,569)	(1,097,614)	(726,625)	(754,072)	(749,447)	(572,673)	(600,158)	(586,146)	(703,215)	(752,246)	(840,024)	(858,994)
9 Taxable Income (NOL)	(2,870,604)	(2,653,165)	(1,756,406)	(1,822,750)	(1,811,572)	(1,384,271)	(1,450,709)	(1,416,838)	(1,699,818)	(1,818,338)	(2,030,516)	(2,076,370)
10 NOL carryforward	(65,005,592)	(67,876,197)	(70,529,362)	(72,285,768)	(74,108,517)	(75,920,089)	(77,304,361)	(78,755,069)	(80,171,907)	(81,871,725)	(83,690,063)	(85,720,578)
11 Taxable Income after NOL carryforward 7/	(67,876,197)	(70,529,362)	(72,285,768)	(74,108,517)	(75,920,089)	(77,304,361)	(78,755,069)	(80,171,907)	(81,871,725)	(83,690,063)	(85,720,578)	(87,796,949)
12 Expected stand alone ADITA NOL	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376	26,531,376
13 Annual Fed Production Tax Credit (\$)	592,618	428,145	563,247	593,193	584,361	337,364	374,693	350,566	514,050	577,346	702,811	694,577
14 Utilized PTC 8/	-	-	-	-	-	-	-	-	-	-	-	-
15 ADITA for PTC	838,952	1,267,097	1,830,344	2,423,537	3,007,898	3,345,262	3,719,955	4,070,521	4,584,571	5,161,917	5,864,728	6,559,305
E Summary: Revenue Requirements												
1 Revenue Requirement: Consolidated	782,891	1,061,378	831,305	831,833	801,466	1,199,396	1,169,347	1,183,558	887,926	755,292	575,635	520,075
2 Revenue Requirement: Stand Alone	941,461	1,244,997	1,014,924	1,015,452	985,085	1,383,015	1,352,966	1,367,177	1,071,545	938,912	759,255	703,694
3 Revenue Requirement: Rider 9/	782,891	1,061,378	831,305	831,833	801,466	1,199,396	1,169,347	1,183,558	887,926	755,292	575,635	520,075
4 MN Jurisdictional Allocator 10/	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017
5 MN Jurisdictional Revenue Requirement	642,104	870,510	681,811	682,244	657,339	983,709	959,063	970,719	728,250	619,468	472,119	426,550

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).

6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. Will credit to revenue requirements as utilized.

7/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

8/ PTC utilization limited to 75% of annual Federal tax liability calculated at 35% times Taxable Income after NOL carryforward.

9/ Lesser of E1 or E2.

10/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 3 Wind 105MW

Bison 3 Wind 105 MW
ProjectID# 105441
In Service 12/18/2012

Section Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A Book Basis of Property												
0 CWIP (net of contra AFDC & internal costs)												
1 Plant in Service (net of contra AFDC & Internal costs)	142,816,128	142,816,129	142,816,129	142,816,129	142,816,129	142,816,129	142,816,129	142,816,129	142,816,129	142,816,129	142,816,129	142,816,129
2 Total Accumulated Depreciation	4,570,846	4,910,885	5,250,923	5,590,961	5,931,000	6,271,038	6,611,077	6,951,115	7,291,153	7,631,192	7,971,230	8,311,269
3 Net Plant	138,245,281	137,905,245	137,565,206	137,225,168	136,885,130	136,545,091	136,205,053	135,865,014	135,524,976	135,184,937	134,844,899	134,504,861
4 Total Depreciation	340,038	340,038	340,038	340,038	340,038	340,038	340,038	340,038	340,038	340,038	340,038	340,038
5 Book Depreciation Rate (35 year book life)	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
B Tax Basis of Property												
1 Plant in Service	142,816,128	142,816,129	142,816,129	142,816,129	142,816,129	142,816,129	142,816,129	142,816,129	142,816,129	142,816,129	142,816,129	142,816,129
2 Accumulated Depreciation	102,961,246	104,335,553	105,709,859	107,084,165	108,458,471	109,832,778	111,207,084	112,581,390	113,955,696	115,330,003	116,704,309	118,078,615
3 Net Plant	39,854,881	38,480,577	37,106,270	35,731,964	34,357,658	32,983,352	31,609,045	30,234,739	28,860,433	27,486,127	26,111,820	24,737,514
4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)												
5 Total Tax Depreciation (including bonus)	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306
6 Tax Book Difference	98,390,400	99,424,668	100,458,936	101,493,204	102,527,472	103,561,740	104,596,007	105,630,275	106,664,543	107,698,811	108,733,079	109,767,347
7 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
8 Accumulated Deferred Income Tax Liability	40,704,109	41,131,985	41,559,862	41,987,738	42,415,615	42,843,492	43,271,368	43,699,245	44,127,121	44,554,998	44,982,875	45,410,751
9 Deferred Tax Expense debit / (Credit)	427,877	427,877	427,877	427,877	427,877	427,877	427,877	427,877	427,877	427,877	427,877	427,877
10 ADITA for NOL Carryforward 2/												
11 Carryforward utilized												
12 ADITA - NOL	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140
13 Energy (MWh)	37,341	25,840	33,501	31,659	34,575	25,870	23,174	26,793	31,926	31,480	35,028	31,081
14 Fed Production Tax Credit (\$/MWh)	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
15 Fed Production Tax Credit (\$)	858,835	594,314	770,527	728,159	795,230	595,004	533,008	616,234	734,298	724,034	805,648	714,863
16 Utilized PTC /3												
17 ADITA for PTC	7,418,140	8,012,454	8,782,981	9,511,140	10,306,370	10,901,374	11,434,382	12,050,616	12,784,915	13,508,949	14,314,596	15,029,460
C-1 Revenue Requirements - Consolidated NOL												
1 Net Plant	138,245,281	137,905,245	137,565,206	137,225,168	136,885,130	136,545,091	136,205,053	135,865,014	135,524,976	135,184,937	134,844,899	134,504,861
2 Less: ADITL - Def Taxes	(40,704,109)	(41,131,985)	(41,559,862)	(41,987,738)	(42,415,615)	(42,843,492)	(43,271,368)	(43,699,245)	(44,127,121)	(44,554,998)	(44,982,875)	(45,410,751)
3 Plus: ADITA - NOL	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140	8,396,140
4 Plus: ADITA - PTC	7,418,140	8,012,454	8,782,981	9,511,140	10,306,370	10,901,374	11,434,382	12,050,616	12,784,915	13,508,949	14,314,596	15,029,460
5 Rate Base	113,355,453	113,181,854	113,184,466	113,144,710	113,172,025	112,999,114	112,764,207	112,612,526	112,578,909	112,535,029	112,572,761	112,519,709
6 Average Rate Base	113,309,989	113,268,654	113,183,160	113,164,588	113,158,368	113,085,570	112,881,661	112,688,367	112,595,718	112,556,969	112,553,895	112,546,235
7 Current Return on CWIP 4/												
8 Return on Average Rate Base 4/												
9 After Tax Return on Equity	532,023	531,828	531,427	531,340	531,311	530,969	530,011	529,104	528,669	528,487	528,472	528,436
10 Income Tax Component	375,402	375,265	374,981	374,920	374,899	374,658	373,983	373,342	373,035	372,907	372,897	372,871
11 Interest Expense Component	239,839	239,752	239,571	239,532	239,519	239,364	238,933	238,524	238,328	238,246	238,239	238,223
12 Total Return on Average Rate Base	1,147,264	1,146,845	1,145,979	1,145,791	1,145,728	1,144,991	1,142,927	1,140,970	1,140,032	1,139,639	1,139,608	1,139,531
13 Operation & Maintenance Expense	279,914	279,914	279,914	279,914	279,914	279,914	279,914	279,914	279,914	279,914	279,914	279,914
14 Depreciation Expense	340,038	340,038	340,038	340,038	340,038	340,038	340,038	340,038	340,038	340,038	340,038	340,038
15 Property Tax	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254
16 Federal Production Tax Credit 5/	(1,464,839)	(1,013,669)	(1,314,219)	(1,241,956)	(1,356,354)	(1,014,845)	(909,105)	(1,051,056)	(1,252,427)	(1,234,921)	(1,374,122)	(1,219,279)
17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
18 Revenue Requirements	337,630	788,381	486,966	559,041	444,580	785,352	889,027	745,119	542,810	559,923	420,692	575,457

1/ Minnesota Composite Income Tax Rate.

2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

3/ ADITA for PTCs are utilized after all ADITA NOL are utilized, both on a FIFO basis.

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).

6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. The ITC will be credited to revenue requirements as utilized.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 3 Wind 105MW

Bison 3 Wind 105 MW
ProjectID# 105441
In Service 12/18/2012

Section Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2 Revenue Requirements - Stand Alone NOL												
1 Net Plant	138,245,281	137,905,245	137,565,206	137,225,168	136,885,130	136,545,091	136,205,053	135,865,014	135,524,976	135,184,937	134,844,899	134,504,861
2 Less: ADITL - Def Taxes	(40,704,109)	(41,131,985)	(41,559,862)	(41,987,738)	(42,415,615)	(42,843,492)	(43,271,368)	(43,699,245)	(44,127,121)	(44,554,998)	(44,982,875)	(45,410,751)
3 Plus: ADITA - NOL (Stand Alone)	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407
4 Plus: ADITA - PTC	7,418,140	8,012,454	8,782,981	9,511,140	10,306,370	10,901,374	11,434,382	12,050,616	12,784,915	13,508,949	14,314,596	15,029,460
5 Rate Base	132,116,720	131,943,121	131,945,733	131,905,977	131,933,292	131,760,381	131,525,474	131,373,793	131,340,176	131,296,295	131,334,028	131,280,976
6 Average Rate Base	131,758,240	132,029,920	131,944,427	131,925,855	131,919,634	131,846,836	131,642,927	131,449,633	131,356,984	131,318,236	131,315,162	131,307,502
7 Current Return on CWIP 4/	-	-	-	-	-	-	-	-	-	-	-	-
8 Return on Average Rate Base 4/	-	-	-	-	-	-	-	-	-	-	-	-
9 After Tax Return on Equity	618,642	619,918	619,516	619,429	619,400	619,058	618,101	617,193	616,758	616,576	616,562	616,526
10 Income Tax Component	436,522	437,422	437,138	437,077	437,056	436,815	436,140	435,499	435,192	435,064	435,054	435,028
11 Interest Expense Component	278,888	279,463	279,282	279,243	279,230	279,076	278,644	278,235	278,039	277,957	277,950	277,934
12 Total Return on Average Rate Base	1,334,052	1,336,803	1,335,937	1,335,749	1,335,686	1,334,949	1,332,885	1,330,928	1,329,989	1,329,597	1,329,566	1,329,488
13 Operation & Maintenance Expense	279,914	279,914	279,914	279,914	279,914	279,914	279,914	279,914	279,914	279,914	279,914	279,914
14 Depreciation Expense	340,038	340,038	340,038	340,038	340,038	340,038	340,038	340,038	340,038	340,038	340,038	340,038
15 Property Tax	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254
16 Federal Production Tax Credit 5/	(1,464,839)	(1,013,669)	(1,314,219)	(1,241,956)	(1,356,354)	(1,014,845)	(909,105)	(1,051,056)	(1,252,427)	(1,234,921)	(1,374,122)	(1,219,279)
17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
18 Revenue Requirements	524,419	978,339	676,923	748,999	634,538	975,310	1,078,985	935,077	732,768	749,881	610,650	765,415
D Stand Alone Taxable Income or Loss (NOL)												
1 Revenue Requirements	524,419	978,339	676,923	748,999	634,538	975,310	1,078,985	935,077	732,768	749,881	610,650	765,415
2 Tax Depreciation	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306	1,374,306
3 Property Tax	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254	35,254
4 Interest Expense (including on CWIP)	278,888	279,463	279,282	279,243	279,230	279,076	278,644	278,235	278,039	277,957	277,950	277,934
5 Operation & Maintenance Expense	279,914	279,914	279,914	279,914	279,914	279,914	279,914	279,914	279,914	279,914	279,914	279,914
6 Total Tax Deduction	1,968,362	1,968,937	1,968,756	1,968,703	1,968,549	1,968,118	1,967,708	1,967,512	1,967,430	1,967,424	1,967,408	1,967,408
7 Taxable Income (NOL)	(1,443,943)	(990,598)	(1,291,832)	(1,219,718)	(1,334,165)	(993,240)	(889,133)	(1,032,631)	(1,234,745)	(1,217,549)	(1,356,774)	(1,201,992)
8 Current tax expense	(597,359)	(409,810)	(534,431)	(504,597)	(551,944)	(410,903)	(367,834)	(427,199)	(510,814)	(503,700)	(561,297)	(497,264)
9 Taxable Income (NOL)	(1,443,943)	(990,598)	(1,291,832)	(1,219,718)	(1,334,165)	(993,240)	(889,133)	(1,032,631)	(1,234,745)	(1,217,549)	(1,356,774)	(1,201,992)
10 NOL carryforward	(87,796,949)	(89,240,891)	(90,231,489)	(91,523,321)	(92,743,039)	(94,077,204)	(95,070,444)	(95,959,577)	(96,992,208)	(98,226,952)	(99,444,501)	(100,801,275)
11 Taxable Income after NOL carryforward 7/	(89,240,891)	(90,231,489)	(91,523,321)	(92,743,039)	(94,077,204)	(95,070,444)	(95,959,577)	(96,992,208)	(98,226,952)	(99,444,501)	(100,801,275)	(102,003,268)
12 Expected stand alone ADITA NOL	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407	27,157,407
13 Annual Fed Production Tax Credit (\$)	858,835	594,314	770,527	728,159	795,230	595,004	533,008	616,234	734,298	724,034	805,648	714,863
14 Utilized PTC 8/	-	-	-	-	-	-	-	-	-	-	-	-
15 ADITA for PTC	7,418,140	8,012,454	8,782,981	9,511,140	10,306,370	10,901,374	11,434,382	12,050,616	12,784,915	13,508,949	14,314,596	15,029,460
E Summary: Revenue Requirements												
1 Revenue Requirement: Consolidated	337,630	788,381	486,966	559,041	444,580	785,352	889,027	745,119	542,810	559,923	420,692	575,457
2 Revenue Requirement: Stand Alone	524,419	978,339	676,923	748,999	634,538	975,310	1,078,985	935,077	732,768	749,881	610,650	765,415
3 Revenue Requirement: Rider 9/	337,630	788,381	486,966	559,041	444,580	785,352	889,027	745,119	542,810	559,923	420,692	575,457
4 MN Jurisdictional Allocator 10/	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017
5 MN Jurisdictional Revenue Requirement	276,914	646,607	399,395	458,508	364,631	644,122	729,153	611,125	445,196	459,232	345,039	471,973

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).

6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. Will credit to revenue requirements as utilized.

7/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

8/ PTC utilization limited to 75% of annual Federal tax liability calculated at 35% times Taxable Income after NOL carryforward.

9/ Lesser of E1 or E2.

10/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 3 Substation Addition

Bison Substation Additions for Bison 3 Wind

Project ID# 105440
In Service 8/1/2012

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	4,772,821	4,773,815	4,774,908	4,775,077	4,779,961	4,780,288	4,780,288	4,780,288	4,858,185	4,862,144	4,862,144	4,730,519
	2 Total Accumulated Depreciation	57,874	68,574	79,277	89,980	100,690	111,406	122,121	132,837	143,640	154,535	165,434	176,186
	3 Net Plant	4,714,947	4,705,241	4,695,632	4,685,096	4,679,271	4,668,882	4,658,166	4,647,451	4,714,545	4,707,609	4,696,710	4,554,332
	4 Total Depreciation	10,697	10,700	10,703	10,704	10,710	10,715	10,716	10,716	10,803	10,895	10,899	10,752
	5 Book Depreciation Rate (2.69% pa)	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%
B	Tax Basis of Property												
	1 Plant in Service	4,772,821	4,773,815	4,774,908	4,775,077	4,779,961	4,780,288	4,780,288	4,780,288	4,858,185	4,862,144	4,862,144	4,730,519
	2 Accumulated Depreciation	2,491,034	2,510,714	2,530,448	2,549,719	2,571,363	2,590,730	2,609,933	2,629,136	2,687,775	2,709,478	2,729,201	2,679,821
	3 Net Plant	2,281,787	2,263,100	2,244,461	2,225,358	2,208,598	2,189,558	2,170,355	2,151,151	2,170,410	2,152,666	2,132,943	2,050,698
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)	780	497	547	84	2,442	163	-	-	38,949	1,980	-	(65,813)
	5 Total Tax Depreciation (including bonus)	19,961	19,680	19,733	19,271	21,644	19,367	19,203	19,203	58,639	21,703	19,723	(49,380)
	6 Tax Book Difference	2,433,160	2,442,140	2,451,171	2,459,738	2,470,673	2,479,324	2,487,812	2,496,299	2,544,135	2,554,943	2,563,767	2,503,635
	7 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	1,006,598	1,010,313	1,014,049	1,017,594	1,022,117	1,025,696	1,029,208	1,032,719	1,052,509	1,056,980	1,060,630	1,035,754
	9 Deferred Tax Expense debit / (Credit)	3,832	3,715	3,736	3,544	4,524	3,579	3,511	3,511	19,790	4,471	3,650	(24,877)
	10 ADITA for NOL Carryforward 2/	1,006,598	1,010,313	1,014,049	1,017,594	1,022,117	1,025,696	1,029,208	1,032,719	1,052,509	1,056,980	1,060,630	1,035,754
	11 Carryforward utilized												
	12 ADITA - NOL	1,006,598	1,010,313	1,014,049	1,017,594	1,022,117	1,025,696	1,029,208	1,032,719	1,052,509	1,056,980	1,060,630	1,035,754
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	4,714,947	4,705,241	4,695,632	4,685,096	4,679,271	4,668,882	4,658,166	4,647,451	4,714,545	4,707,609	4,696,710	4,554,332
	2 Less: ADITL - Def Taxes	(1,006,598)	(1,010,313)	(1,014,049)	(1,017,594)	(1,022,117)	(1,025,696)	(1,029,208)	(1,032,719)	(1,052,509)	(1,056,980)	(1,060,630)	(1,035,754)
	3 Plus: ADITA - NOL	1,006,598	1,010,313	1,014,049	1,017,594	1,022,117	1,025,696	1,029,208	1,032,719	1,052,509	1,056,980	1,060,630	1,035,754
	4 Rate Base	4,714,947	4,705,241	4,695,632	4,685,096	4,679,271	4,668,882	4,658,166	4,647,451	4,714,545	4,707,609	4,696,710	4,554,332
	5 Average Rate Base	4,719,516	4,710,094	4,700,436	4,690,364	4,682,184	4,674,077	4,663,524	4,652,809	4,680,998	4,711,077	4,702,160	4,625,521
	6 Current Return on CWIP 3/												
	7 Return on Average Rate Base 3/												
	8 After Tax Return on Equity	22,159	22,115	22,070	22,023	21,984	21,946	21,897	21,846	21,979	22,120	22,078	21,718
	9 Income Tax Component	15,636	15,605	15,573	15,539	15,512	15,485	15,450	15,415	15,508	15,608	15,578	15,325
	10 Interest Expense Component	9,990	9,970	9,949	9,928	9,911	9,893	9,871	9,848	9,908	9,972	9,953	9,791
	11 Total Return on Average Rate Base	47,785	47,690	47,592	47,490	47,407	47,325	47,218	47,110	47,395	47,700	47,609	46,833
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	10,697	10,700	10,703	10,704	10,710	10,715	10,716	10,716	10,803	10,895	10,899	10,752
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Revenue Requirements	58,482	58,390	58,294	58,194	58,117	58,040	57,934	57,825	58,198	58,595	58,509	57,585

1/ Minnesota Composite Income Tax Rate.

2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 3 Substation Addition

Bison Substation Additions for Bison 3 Wind

Project ID# 105440
In Service 8/1/2012

Section	Line	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	4,714,947	4,705,241	4,695,632	4,685,096	4,679,271	4,668,882	4,658,166	4,647,451	4,714,545	4,707,609	4,696,710	4,554,332
	2 Less: ADITL - Def Taxes	(1,006,598)	(1,010,313)	(1,014,049)	(1,017,594)	(1,022,117)	(1,025,696)	(1,029,208)	(1,032,719)	(1,052,509)	(1,056,980)	(1,060,630)	(1,035,754)
	3 Plus: ADITA - NOL (Stand Alone)	863,155	851,766	840,479	829,084	818,745	807,536	796,344	785,236	790,362	780,118	769,131	729,920
	4 Plus: ADITA - PTC	-	-	-	-	-	-	-	-	-	-	-	-
	5 Rate Base	4,571,504	4,546,693	4,522,061	4,496,587	4,475,899	4,450,722	4,425,303	4,399,968	4,452,398	4,430,747	4,405,211	4,248,499
	6 Average Rate Base	4,583,666	4,559,099	4,534,377	4,509,324	4,486,243	4,463,310	4,438,012	4,412,635	4,426,183	4,441,573	4,417,979	4,326,855
	7 Current Return on CWIP 3/	-	-	-	-	-	-	-	-	-	-	-	-
	8 Return on Average Rate Base 3/	-	-	-	-	-	-	-	-	-	-	-	-
	9 After Tax Return on Equity	21,522	21,406	21,290	21,173	21,064	20,957	20,838	20,719	20,782	20,854	20,744	20,316
	10 Income Tax Component	15,186	15,105	15,023	14,940	14,863	14,787	14,703	14,619	14,664	14,715	14,637	14,335
	11 Interest Expense Component	9,702	9,650	9,598	9,545	9,496	9,447	9,394	9,340	9,369	9,401	9,351	9,159
	12 Total Return on Average Rate Base	46,410	46,161	45,911	45,657	45,423	45,191	44,935	44,678	44,815	44,971	44,732	43,809
	13 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Depreciation Expense	10,697	10,700	10,703	10,704	10,710	10,715	10,716	10,716	10,803	10,895	10,899	10,752
	15 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	57,107	56,861	56,613	56,361	56,133	55,906	55,651	55,394	55,618	55,866	55,631	54,561
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	57,107	56,861	56,613	56,361	56,133	55,906	55,651	55,394	55,618	55,866	55,631	54,561
	2 Tax Depreciation	19,961	19,680	19,733	19,271	21,644	19,367	19,203	19,203	58,639	21,703	19,723	(49,380)
	3 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	4 Interest Expense (including on CWIP)	9,702	9,650	9,598	9,545	9,496	9,447	9,394	9,340	9,369	9,401	9,351	9,159
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	29,663	29,331	29,331	28,816	31,140	28,814	28,597	28,543	68,008	31,104	29,075	(40,222)
	7 Taxable Income (NOL)	27,444	27,530	27,282	27,545	24,993	27,092	27,054	26,850	(12,389)	24,762	26,557	94,783
	8 Current tax expense	11,354	11,389	11,287	11,395	10,339	11,208	11,192	11,108	(5,126)	10,244	10,987	39,212
	9 Taxable Income (NOL)	27,444	27,530	27,282	27,545	24,993	27,092	27,054	26,850	(12,389)	24,762	26,557	94,783
	10 NOL carryforward 4/	(2,113,872)	(2,086,428)	(2,058,898)	(2,031,616)	(2,004,071)	(1,979,078)	(1,951,986)	(1,924,932)	(1,898,082)	(1,910,471)	(1,885,709)	(1,859,153)
	11 Taxable Income after NOL carryforward	(2,086,428)	(2,058,898)	(2,031,616)	(2,004,071)	(1,979,078)	(1,951,986)	(1,924,932)	(1,898,082)	(1,910,471)	(1,885,709)	(1,859,153)	(1,764,370)
	12 Expected stand alone ADITA NOL	863,155	851,766	840,479	829,084	818,745	807,536	796,344	785,236	790,362	780,118	769,131	729,920
	13 Annual Fed Production Tax Credit (\$)	-	-	-	-	-	-	-	-	-	-	-	-
	14 Utilized PTC	-	-	-	-	-	-	-	-	-	-	-	-
	15 ADITA for PTC	-	-	-	-	-	-	-	-	-	-	-	-
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	58,482	58,390	58,294	58,194	58,117	58,040	57,934	57,825	58,198	58,595	58,509	57,585
	2 Revenue Requirement: Stand Alone	57,107	56,861	56,613	56,361	56,133	55,906	55,651	55,394	55,618	55,866	55,631	54,561
	3 Revenue Requirement: Rider 5/	57,107	56,861	56,613	56,361	56,133	55,906	55,651	55,394	55,618	55,866	55,631	54,561
	4 MN Jurisdictional Allocator 6/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	44,298	44,107	43,915	43,719	43,542	43,367	43,168	42,969	43,143	43,335	43,153	42,323

3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

4/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

5/ Lesser of E1 or E2.

6/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 3 Substation Addition

Bison Substation Additions for Bison 3 Wind

Project ID# 105440
In Service 8/1/2012

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)												
	1 Plant in Service (net of contra AFDC & Internal costs)	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519
	2 Total Accumulated Depreciation	186,790	197,395	207,999	218,603	229,207	239,812	250,416	261,020	271,624	282,229	292,833	303,437
	3 Net Plant	4,543,728	4,533,124	4,522,520	4,511,915	4,501,311	4,490,707	4,480,103	4,469,498	4,458,894	4,448,290	4,437,686	4,427,081
	4 Total Depreciation	10,604	10,604	10,604	10,604	10,604	10,604	10,604	10,604	10,604	10,604	10,604	10,604
	5 Book Depreciation Rate (2.69% pa)	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%
B	Tax Basis of Property												
	1 Plant in Service	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519	4,730,519
	2 Accumulated Depreciation	2,696,907	2,713,992	2,731,078	2,748,164	2,765,250	2,782,336	2,799,422	2,816,507	2,833,593	2,850,679	2,867,765	2,884,851
	3 Net Plant	2,033,612	2,016,526	1,999,440	1,982,354	1,965,269	1,948,183	1,931,097	1,914,011	1,896,925	1,879,839	1,862,753	1,845,668
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)												
	5 Total Tax Depreciation (including bonus)	17,086	17,086	17,086	17,086	17,086	17,086	17,086	17,086	17,086	17,086	17,086	17,086
	6 Tax Book Difference	2,510,116	2,516,598	2,523,079	2,529,561	2,536,043	2,542,524	2,549,006	2,555,487	2,561,969	2,568,450	2,574,932	2,581,414
	7 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	8 Accumulated Deferred Income Tax Liability	1,038,435	1,041,116	1,043,798	1,046,479	1,049,161	1,051,842	1,054,524	1,057,205	1,059,887	1,062,568	1,065,249	1,067,931
	9 Deferred Tax Expense debit / (Credit)	2,681	2,681	2,681	2,681	2,681	2,681	2,681	2,681	2,681	2,681	2,681	2,681
	10 ADITA for NOL Carryforward 2/												
	11 Carryforward utilized												
	12 ADITA - NOL	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	4,543,728	4,533,124	4,522,520	4,511,915	4,501,311	4,490,707	4,480,103	4,469,498	4,458,894	4,448,290	4,437,686	4,427,081
	2 Less: ADITL - Def Taxes	(1,038,435)	(1,041,116)	(1,043,798)	(1,046,479)	(1,049,161)	(1,051,842)	(1,054,524)	(1,057,205)	(1,059,887)	(1,062,568)	(1,065,249)	(1,067,931)
	3 Plus: ADITA - NOL	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754	1,035,754
	4 Rate Base	4,541,047	4,527,761	4,514,475	4,501,190	4,487,904	4,474,618	4,461,333	4,448,047	4,434,761	4,421,475	4,408,190	4,394,904
	5 Average Rate Base	4,547,689	4,534,404	4,521,118	4,507,832	4,494,547	4,481,261	4,467,975	4,454,690	4,441,404	4,428,118	4,414,833	4,401,547
	6 Current Return on CWIP 3/												
	7 Return on Average Rate Base 3/												
	8 After Tax Return on Equity	21,353	21,290	21,228	21,166	21,103	21,041	20,978	20,916	20,854	20,791	20,729	20,667
	9 Income Tax Component	15,067	15,023	14,979	14,935	14,891	14,847	14,803	14,759	14,715	14,671	14,627	14,583
	10 Interest Expense Component	9,626	9,598	9,570	9,542	9,513	9,485	9,457	9,429	9,401	9,373	9,345	9,317
	11 Total Return on Average Rate Base	46,045	45,911	45,776	45,642	45,507	45,373	45,238	45,104	44,969	44,835	44,700	44,566
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	10,604	10,604	10,604	10,604	10,604	10,604	10,604	10,604	10,604	10,604	10,604	10,604
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Revenue Requirements	56,650	56,515	56,381	56,246	56,112	55,977	55,842	55,708	55,573	55,439	55,304	55,170

1/ Minnesota Composite Income Tax Rate.

2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 3 Substation Addition

Bison Substation Additions for Bison 3 Wind

Project ID# 105440
In Service 8/1/2012

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	4,543,728	4,533,124	4,522,520	4,511,915	4,501,311	4,490,707	4,480,103	4,469,498	4,458,894	4,448,290	4,437,686	4,427,081
	2 Less: ADITL - Def Taxes	(1,038,435)	(1,041,116)	(1,043,798)	(1,046,479)	(1,049,161)	(1,051,842)	(1,054,524)	(1,057,205)	(1,059,887)	(1,062,568)	(1,065,249)	(1,067,931)
	3 Plus: ADITA - NOL (Stand Alone)	718,566	707,295	696,104	684,995	673,966	663,017	652,149	641,361	630,652	620,023	609,472	599,001
	4 Plus: ADITA - PTC	-	-	-	-	-	-	-	-	-	-	-	-
	5 Rate Base	4,223,859	4,199,302	4,174,826	4,150,431	4,126,116	4,101,882	4,077,728	4,053,654	4,029,660	4,005,745	3,981,908	3,958,151
	6 Average Rate Base	4,236,179	4,211,581	4,187,064	4,162,628	4,138,274	4,113,999	4,089,805	4,065,691	4,041,657	4,017,702	3,993,827	3,970,030
	7 Current Return on CWIP 3/	-	-	-	-	-	-	-	-	-	-	-	-
	8 Return on Average Rate Base 3/	-	-	-	-	-	-	-	-	-	-	-	-
	9 After Tax Return on Equity	19,890	19,775	19,659	19,545	19,430	19,316	19,203	19,090	18,977	18,864	18,752	18,640
	10 Income Tax Component	14,035	13,953	13,872	13,791	13,710	13,630	13,550	13,470	13,390	13,311	13,232	13,153
	11 Interest Expense Component	8,967	8,915	8,863	8,811	8,759	8,708	8,657	8,606	8,555	8,504	8,454	8,403
	12 Total Return on Average Rate Base	42,891	42,642	42,394	42,147	41,900	41,654	41,409	41,165	40,922	40,679	40,437	40,197
	13 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Depreciation Expense	10,604	10,604	10,604	10,604	10,604	10,604	10,604	10,604	10,604	10,604	10,604	10,604
	15 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	53,496	53,246	52,998	52,751	52,504	52,258	52,014	51,769	51,526	51,283	51,042	50,801
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	53,496	53,246	52,998	52,751	52,504	52,258	52,014	51,769	51,526	51,283	51,042	50,801
	2 Tax Depreciation	17,086	17,086	17,086	17,086	17,086	17,086	17,086	17,086	17,086	17,086	17,086	17,086
	3 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	4 Interest Expense (including on CWIP)	8,967	8,915	8,863	8,811	8,759	8,708	8,657	8,606	8,555	8,504	8,454	8,403
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	26,052	26,000	25,948	25,897	25,845	25,794	25,743	25,692	25,641	25,590	25,539	25,489
	7 Taxable Income (NOL)	27,443	27,246	27,050	26,854	26,659	26,465	26,271	26,078	25,885	25,694	25,502	25,312
	8 Current tax expense	11,353	11,272	11,191	11,110	11,029	10,948	10,868	10,788	10,709	10,629	10,550	10,471
	9 Taxable Income (NOL)	27,443	27,246	27,050	26,854	26,659	26,465	26,271	26,078	25,885	25,694	25,502	25,312
	10 NOL carryforward 4/	(1,764,370)	(1,736,927)	(1,709,680)	(1,682,631)	(1,655,776)	(1,629,117)	(1,602,653)	(1,576,382)	(1,550,304)	(1,524,419)	(1,498,725)	(1,473,223)
	11 Taxable Income after NOL carryforward	(1,736,927)	(1,709,680)	(1,682,631)	(1,655,776)	(1,629,117)	(1,602,653)	(1,576,382)	(1,550,304)	(1,524,419)	(1,498,725)	(1,473,223)	(1,447,911)
	12 Expected stand alone ADITA NOL	718,566	707,295	696,104	684,995	673,966	663,017	652,149	641,361	630,652	620,023	609,472	599,001
	13 Annual Fed Production Tax Credit (\$)	-	-	-	-	-	-	-	-	-	-	-	-
	14 Utilized PTC	-	-	-	-	-	-	-	-	-	-	-	-
	15 ADITA for PTC	-	-	-	-	-	-	-	-	-	-	-	-
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	56,650	56,515	56,381	56,246	56,112	55,977	55,842	55,708	55,573	55,439	55,304	55,170
	2 Revenue Requirement: Stand Alone	53,496	53,246	52,998	52,751	52,504	52,258	52,014	51,769	51,526	51,283	51,042	50,801
	3 Revenue Requirement: Rider 5/	53,496	53,246	52,998	52,751	52,504	52,258	52,014	51,769	51,526	51,283	51,042	50,801
	4 MN Jurisdictional Allocator 6/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	41,497	41,303	41,111	40,919	40,728	40,537	40,347	40,157	39,969	39,781	39,593	39,406

3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

4/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

5/ Lesser of E1 or E2.

6/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 4 Wind

Bison 4 Wind

ProjectID# 106828
In Service 12/31/2014

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)	47,018,235	158,017,581	170,516,951	216,001,005	225,741,609	260,044,489	263,952,256	267,364,950	270,413,726	273,747,502	291,349,539	
	1 Plant in Service (net of contra AFDC & Internal costs)												317,198,053
	2 Total Accumulated Depreciation												377,617
	3 Net Plant												316,820,436
	4 Total Depreciation												377,617
	5 Book Depreciation Rate (35 year book life)	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%
B	Tax Basis of Property												
	1 Plant in Service												317,198,053
	2 Accumulated Depreciation												15,859,903
	3 Net Plant												301,338,150
	4 Bonus Depreciation (50%-2010, 100%-2011, 50%-2012/13)												
	5 Tax Depreciation Rate 12/2014 Plant (5 yr, mid Q-4)												5.000%
	6 Total Tax Depreciation (including bonus)												15,859,903
	7 Tax Book Difference												15,482,286
	8 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	9 Accumulated Deferred Income Tax Liability												6,405,022
	10 Deferred Tax Expense debit / (Credit)												6,405,022
	11 ADITA for NOL Carryforward 2/												
	12 Carryforward utilized												
	13 ADITA - NOL												
	14 Energy (MWh)												
	15 Fed Production Tax Credit (\$/MWh)	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
	16 Fed Production Tax Credit (\$)												
	17 Utilized PTC /3												
	18 ADITA for PTC												
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant												316,820,436
	2 Less: ADITL - Def Taxes												(6,405,022)
	3 Plus: ADITA - NOL												
	4 Plus: ADITA - PTC												
	5 Rate Base												310,415,414
	6 Average Rate Base												155,207,707
	7 Current Return on CWIP 4/		1,037,994	1,663,206	1,956,747	2,236,322	2,459,292	2,652,734	2,689,793	2,722,505	2,754,816	2,860,804	1,474,957
	8 Return on Average Rate Base 4/												
	9 After Tax Return on Equity												728,744
	10 Income Tax Component												514,211
	11 Interest Expense Component												328,523
	12 Total Return on Average Rate Base												1,571,478
	13 Operation & Maintenance Expense												421,590
	14 Depreciation Expense												377,617
	15 Property Tax												
	16 Federal Production Tax Credit 5/												
	17 ND Investment Tax Credit 6/												
	18 Revenue Requirements		1,037,994	1,663,206	1,956,747	2,236,322	2,459,292	2,652,734	2,689,793	2,722,505	2,754,816	2,860,804	3,845,642

1/ Minnesota Composite Income Tax Rate.

2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

3/ ADITA for PTCs are utilized after all ADITA NOL are utilized, both on a FIFO basis.

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).

6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. The ITC will be credited to revenue requirements as utilized.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 4 Wind

Bison 4 Wind

ProjectID# 106828
In Service 12/31/2014

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	316,820,436
	2 Less: ADITL - Def Taxes	-	-	-	-	-	-	-	-	-	-	-	(6,405,022)
	3 Plus: ADITA - NOL (Stand Alone)	-	-	-	-	-	-	-	-	-	-	-	-
	4 Plus: ADITA - PTC	-	-	-	-	-	-	-	-	-	-	-	-
	5 Rate Base	-	-	-	-	-	-	-	-	-	-	-	310,415,414
	6 Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	155,207,707
	7 Current Return on CWIP 4/	-	1,037,994	1,663,206	1,956,747	2,236,322	2,459,292	2,652,734	2,689,793	2,722,505	2,754,816	2,860,804	1,474,957
	8 Return on Average Rate Base 4/												
	9 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	728,744
	10 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	514,211
	11 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	328,523
	12 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	1,571,478
	13 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	421,590
	14 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	377,617
	15 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	16 Federal Production Tax Credit 5/	-	-	-	-	-	-	-	-	-	-	-	-
	17 ND Investment Tax Credit 6/	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	-	1,037,994	1,663,206	1,956,747	2,236,322	2,459,292	2,652,734	2,689,793	2,722,505	2,754,816	2,860,804	3,845,642
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	-	1,037,994	1,663,206	1,956,747	2,236,322	2,459,292	2,652,734	2,689,793	2,722,505	2,754,816	2,860,804	3,845,642
	2 Tax Depreciation	-	-	-	-	-	-	-	-	-	-	-	15,859,903
	3 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	4 Interest Expense (including on CWIP)	-	216,996	347,699	409,065	467,511	514,124	554,563	562,311	569,149	575,904	598,061	636,868
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	421,590
	6 Total Tax Deduction	-	216,996	347,699	409,065	467,511	514,124	554,563	562,311	569,149	575,904	598,061	16,918,361
	7 Taxable Income (NOL)	-	820,998	1,315,507	1,547,682	1,768,811	1,945,168	2,098,170	2,127,483	2,153,355	2,178,912	2,262,743	(13,072,719)
	8 Current tax expense	-	339,647	544,225	640,276	731,757	804,716	868,013	880,140	890,843	901,416	936,097	(5,408,184)
	9 Taxable Income (NOL)	-	820,998	1,315,507	1,547,682	1,768,811	1,945,168	2,098,170	2,127,483	2,153,355	2,178,912	2,262,743	(13,072,719)
	10 NOL carryforward	-	-	-	-	-	-	-	-	-	-	-	-
	11 Taxable Income after NOL carryforward 7/	-	820,998	1,315,507	1,547,682	1,768,811	1,945,168	2,098,170	2,127,483	2,153,355	2,178,912	2,262,743	5,146,111
	12 Expected stand alone ADITA NOL	-	-	-	-	-	-	-	-	-	-	-	-
	13 Annual Fed Production Tax Credit (\$)	-	-	-	-	-	-	-	-	-	-	-	-
	14 Utilized PTC 8/	-	-	-	-	-	-	-	-	-	-	-	-
	15 ADITA for PTC	-	-	-	-	-	-	-	-	-	-	-	-
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	-	1,037,994	1,663,206	1,956,747	2,236,322	2,459,292	2,652,734	2,689,793	2,722,505	2,754,816	2,860,804	3,845,642
	2 Revenue Requirement: Stand Alone	-	1,037,994	1,663,206	1,956,747	2,236,322	2,459,292	2,652,734	2,689,793	2,722,505	2,754,816	2,860,804	3,845,642
	3 Revenue Requirement: Rider 9/	-	1,037,994	1,663,206	1,956,747	2,236,322	2,459,292	2,652,734	2,689,793	2,722,505	2,754,816	2,860,804	3,845,642
	4 MN Jurisdictional Allocator 10/	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017	0.82017
	5 MN Jurisdictional Revenue Requirement	-	851,331	1,364,112	1,604,865	1,834,164	2,017,038	2,175,692	2,206,088	2,232,917	2,259,418	2,346,345	3,154,080

4/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

5/ Current PTCs are grossed up by dividing by a factor of (1-MP Composite Income Tax rate of 41.37%).

6/ Eligible for 3% ND ITC per year for 5 years for a total of 15%. Will credit to revenue requirements as utilized.

7/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

8/ PTC utilization limited to 75% of annual Federal tax liability calculated at 35% times Taxable Income after NOL carryforward.

9/ Lesser of E1 or E2.

10/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 4 Substation Addition

Bison Substation Additions for Bison 4 Wind

Project ID# 106799
In Service 12/31/2014

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)	2,618,311	3,173,838	3,810,002	4,423,350	5,117,448	5,355,046	5,357,699	5,360,199	5,362,699	5,362,699	5,362,699	
	1 Plant in Service (net of contra AFDC & Internal costs)												5,362,699
	2 Total Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	6,011
	3 Net Plant	-	-	-	-	-	-	-	-	-	-	-	5,356,688
	4 Total Depreciation	-	-	-	-	-	-	-	-	-	-	-	6,011
	5 Book Depreciation Rate (2.69% pa)	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%
B	Tax Basis of Property												
	1 Plant in Service	-	-	-	-	-	-	-	-	-	-	-	5,362,699
	2 Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	744,949
	3 Net Plant	-	-	-	-	-	-	-	-	-	-	-	4,617,750
	4 Bonus Depreciation (50% on 2013 spend)												686,496
	5 Tax Depreciation Rate 12/2014 Plant (15 yr, mid Q-4)												1.250%
	6 Total Tax Depreciation (including bonus)	-	-	-	-	-	-	-	-	-	-	-	744,949
	7 Tax Book Difference	-	-	-	-	-	-	-	-	-	-	-	738,938
	8 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	9 Accumulated Deferred Income Tax Liability	-	-	-	-	-	-	-	-	-	-	-	305,699
	10 Deferred Tax Expense debit / (Credit)	-	-	-	-	-	-	-	-	-	-	-	305,699
	11 ADITA for NOL Carryforward 2/												
	12 Carryforward utilized												
	13 ADITA - NOL	-	-	-	-	-	-	-	-	-	-	-	-
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	5,356,688
	2 Less: ADITL - Def Taxes	-	-	-	-	-	-	-	-	-	-	-	(305,699)
	3 Plus: ADITA - NOL	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base	-	-	-	-	-	-	-	-	-	-	-	5,050,990
	5 Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	2,525,495
	6 Current Return on CWIP 3/		29,323	35,356	41,681	48,300	53,017	54,233	54,259	54,285	54,297	54,297	27,149
	7 Return on Average Rate Base 3/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	11,858
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	8,367
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	5,346
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	25,571
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	6,011
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Federal Production Tax Credit	-	-	-	-	-	-	-	-	-	-	-	-
	16 ND Investment Tax Credit	-	-	-	-	-	-	-	-	-	-	-	-
	15 Revenue Requirements	-	29,323	35,356	41,681	48,300	53,017	54,233	54,259	54,285	54,297	54,297	58,730

1/ Minnesota Composite Income Tax Rate.

2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docekt No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 4 Substation Addition

Bison Substation Additions for Bison 4 Wind

Project ID# 106799
In Service 12/31/2014

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	5,356,688
	2 Less: ADITL - Def Taxes	-	-	-	-	-	-	-	-	-	-	-	(305,699)
	3 Plus: ADITA - NOL (Stand Alone)	-	-	-	-	-	-	-	-	-	-	-	131,479
	4 Rate Base	-	-	-	-	-	-	-	-	-	-	-	5,182,469
	5 Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	2,591,234
	6 Current Return on CWIP 3/	-	29,323	35,356	41,681	48,300	53,017	54,233	54,259	54,285	54,297	54,297	27,149
	7 Return on Average Rate Base 3/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	12,167
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	8,585
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	5,485
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	26,236
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	6,011
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Revenue Requirements	-	29,323	35,356	41,681	48,300	53,017	54,233	54,259	54,285	54,297	54,297	59,396
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	-	29,323	35,356	41,681	48,300	53,017	54,233	54,259	54,285	54,297	54,297	59,396
	2 Tax Depreciation	-	-	-	-	-	-	-	-	-	-	-	744,949
	3 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	4 Interest Expense (including on CWIP)	-	6,130	7,391	8,714	10,097	11,083	11,338	11,343	11,348	11,351	11,351	11,160
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	-	6,130	7,391	8,714	10,097	11,083	11,338	11,343	11,348	11,351	11,351	756,109
	7 Taxable Income (NOL)	-	23,193	27,964	32,968	38,203	41,934	42,896	42,916	42,936	42,946	42,946	(696,714)
	8 Current tax expense	-	9,595	11,569	13,639	15,805	17,348	17,746	17,754	17,763	17,767	17,767	(288,230)
	9 Taxable Income (NOL)	-	23,193	27,964	32,968	38,203	41,934	42,896	42,916	42,936	42,946	42,946	(696,714)
	10 NOL carryforward 4/	-	-	-	-	-	-	-	-	-	-	-	-
	11 Taxable Income after NOL carryforward	-	23,193	27,964	32,968	38,203	41,934	42,896	42,916	42,936	42,946	42,946	(317,812)
	12 Expected stand alone ADITA NOL	-	-	-	-	-	-	-	-	-	-	-	131,479
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	-	29,323	35,356	41,681	48,300	53,017	54,233	54,259	54,285	54,297	54,297	58,730
	2 Revenue Requirement: Stand Alone	-	29,323	35,356	41,681	48,300	53,017	54,233	54,259	54,285	54,297	54,297	59,396
	3 Revenue Requirement: Rider 5/	-	29,323	35,356	41,681	48,300	53,017	54,233	54,259	54,285	54,297	54,297	58,730
	4 MN Jurisdictional Allocator 6/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	-	22,746	27,425	32,332	37,467	41,125	42,069	42,089	42,109	42,118	42,118	45,557

3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
4/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.
5/ Lesser of E1 or E2.
6/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 4 Tri-County Substation

Bison Tri-County Sub
Project ID# 106805
In Service 12/31/2014

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)	1,805,024	3,271,396	4,388,587	4,948,086	5,431,547	5,632,880	5,639,100	5,643,891	5,646,183	5,649,683	5,652,709	
	1 Plant in Service (net of contra AFDC & Internal costs)												5,655,000
	2 Total Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	6,338
	3 Net Plant	-	-	-	-	-	-	-	-	-	-	-	5,648,662
	4 Total Depreciation	-	-	-	-	-	-	-	-	-	-	-	6,338
	5 Book Depreciation Rate (2.69% pa)	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%
B	Tax Basis of Property												
	1 Plant in Service	-	-	-	-	-	-	-	-	-	-	-	5,655,000
	2 Accumulated Depreciation	-	-	-	-	-	-	-	-	-	-	-	842,072
	3 Net Plant	-	-	-	-	-	-	-	-	-	-	-	4,812,928
	4 Bonus Depreciation (50% on 2013 spend)												781,149
	5 Tax Depreciation Rate 12/2014 Plant (15 yr, mid Q-4)												1.250%
	6 Total Tax Depreciation (including bonus)	-	-	-	-	-	-	-	-	-	-	-	842,072
	7 Tax Book Difference	-	-	-	-	-	-	-	-	-	-	-	835,734
	8 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	9 Accumulated Deferred Income Tax Liability	-	-	-	-	-	-	-	-	-	-	-	345,743
	10 Deferred Tax Expense debit / (Credit)	-	-	-	-	-	-	-	-	-	-	-	345,743
	11 ADITA for NOL Carryforward 2/												
	12 Carryforward utilized												
	13 ADITA - NOL	-	-	-	-	-	-	-	-	-	-	-	-
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	5,648,662
	2 Less: ADITL - Def Taxes	-	-	-	-	-	-	-	-	-	-	-	(345,743)
	3 Plus: ADITA - NOL	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base	-	-	-	-	-	-	-	-	-	-	-	5,302,919
	5 Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	2,651,460
	6 Current Return on CWIP 3/		25,699	38,779	47,267	52,547	56,014	57,064	57,120	57,156	57,185	57,218	28,617
	7 Return on Average Rate Base 3/												
	8 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	12,449
	9 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	8,784
	10 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	5,612
	11 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	26,846
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	6,338
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Revenue Requirements	-	25,699	38,779	47,267	52,547	56,014	57,064	57,120	57,156	57,185	57,218	61,801

1/ Minnesota Composite Income Tax Rate.

2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 4 Tri-County Substation

Bison Tri-County Sub
Project ID# 106805
In Service 12/31/2014

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	-	-	-	-	-	-	-	-	-	-	-	5,648,662
	2 Less: ADITL - Def Taxes	-	-	-	-	-	-	-	-	-	-	-	(345,743)
	3 Plus: ADITA - NOL (Stand Alone)	-	-	-	-	-	-	-	-	-	-	-	161,740
	4 Rate Base	-	-	-	-	-	-	-	-	-	-	-	5,464,659
	5 Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	2,732,330
	7 Current Return on CWIP 3/	-	25,699	38,779	47,267	52,547	56,014	57,064	57,120	57,156	57,185	57,218	28,617
	8 Return on Average Rate Base 3/												
	9 After Tax Return on Equity	-	-	-	-	-	-	-	-	-	-	-	12,829
	10 Income Tax Component	-	-	-	-	-	-	-	-	-	-	-	9,052
	11 Interest Expense Component	-	-	-	-	-	-	-	-	-	-	-	5,783
	12 Total Return on Average Rate Base	-	-	-	-	-	-	-	-	-	-	-	27,665
	13 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	14 Depreciation Expense	-	-	-	-	-	-	-	-	-	-	-	6,338
	15 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	18 Revenue Requirements	-	25,699	38,779	47,267	52,547	56,014	57,064	57,120	57,156	57,185	57,218	62,620
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	-	25,699	38,779	47,267	52,547	56,014	57,064	57,120	57,156	57,185	57,218	62,620
	2 Tax Depreciation	-	-	-	-	-	-	-	-	-	-	-	842,072
	3 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	4 Interest Expense (including on CWIP)	-	5,373	8,107	9,881	10,985	11,710	11,930	11,941	11,949	11,955	11,962	11,766
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	-	5,373	8,107	9,881	10,985	11,710	11,930	11,941	11,949	11,955	11,962	853,838
	7 Taxable Income (NOL)	-	20,327	30,672	37,386	41,562	44,304	45,135	45,179	45,207	45,231	45,257	(791,218)
	8 Current tax expense	-	8,409	12,689	15,466	17,194	18,328	18,672	18,691	18,702	18,712	18,723	(327,327)
	9 Taxable Income (NOL)	-	20,327	30,672	37,386	41,562	44,304	45,135	45,179	45,207	45,231	45,257	(791,218)
	10 NOL carryforward 4/	-	-	-	-	-	-	-	-	-	-	-	-
	11 Taxable Income after NOL carryforward	-	20,327	30,672	37,386	41,562	44,304	45,135	45,179	45,207	45,231	45,257	(390,960)
	12 Expected stand alone ADITA NOL	-	-	-	-	-	-	-	-	-	-	-	161,740
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	-	25,699	38,779	47,267	52,547	56,014	57,064	57,120	57,156	57,185	57,218	61,801
	2 Revenue Requirement: Stand Alone	-	25,699	38,779	47,267	52,547	56,014	57,064	57,120	57,156	57,185	57,218	62,620
	3 Revenue Requirement: Rider 5/	-	25,699	38,779	47,267	52,547	56,014	57,064	57,120	57,156	57,185	57,218	61,801
	4 MN Jurisdictional Allocator 6/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	-	19,935	30,081	36,665	40,761	43,450	44,265	44,308	44,336	44,359	44,384	47,939

3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
4/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.
5/ Lesser of E1 or E2.
6/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 4 230kV Line Extension

Bison 230 kV Line Ext
Project ID# 105476
In Service 6/30/2014

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)	5,462,764	5,477,764	5,627,764	6,476,339	7,324,914							
	1 Plant in Service (net of contra AFDC & Internal costs)						7,361,554	7,361,554	7,361,554	7,361,554	7,361,554	7,361,554	7,361,554
	2 Total Accumulated Depreciation						8,251	24,753	41,255	57,758	74,260	90,762	107,264
	3 Net Plant						7,353,303	7,336,801	7,320,299	7,303,797	7,287,295	7,270,793	7,254,290
	4 Total Depreciation						8,251	16,502	16,502	16,502	16,502	16,502	16,502
	5 Book Depreciation Rate (2.69% pa)	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%
B	Tax Basis of Property												
	1 Plant in Service						7,361,554	7,361,554	7,361,554	7,361,554	7,361,554	7,361,554	7,361,554
	2 Accumulated Depreciation						65,728	131,456	197,184	262,913	328,641	394,369	460,097
	3 Net Plant						7,295,826	7,230,098	7,164,370	7,098,642	7,032,914	6,967,185	6,901,457
	4 Bonus Depreciation												
	5 Tax Depreciation Rate 6/2014 Plant (15 yr, mid Q-2)						0.893%	0.893%	0.893%	0.893%	0.893%	0.893%	0.893%
	6 Total Tax Depreciation (including bonus)						65,728	65,728	65,728	65,728	65,728	65,728	65,728
	7 Tax Book Difference						57,477	106,703	155,929	205,155	254,381	303,607	352,833
	8 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	9 Accumulated Deferred Income Tax Liability						23,778	44,143	64,508	84,873	105,237	125,602	145,967
	10 Deferred Tax Expense debit / (Credit)						23,778	20,365	20,365	20,365	20,365	20,365	20,365
	11 ADITA for NOL Carryforward 2/												
	12 Carryforward utilized												
	13 ADITA - NOL												
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant						7,353,303	7,336,801	7,320,299	7,303,797	7,287,295	7,270,793	7,254,290
	2 Less: ADITL - Def Taxes						(23,778)	(44,143)	(64,508)	(84,873)	(105,237)	(125,602)	(145,967)
	3 Plus: ADITA - NOL												
	4 Rate Base						7,329,525	7,292,658	7,255,791	7,218,924	7,182,057	7,145,190	7,108,323
	5 Average Rate Base						3,664,762	7,311,092	7,274,225	7,237,358	7,200,491	7,163,624	7,126,757
	6 Current Return on CWIP 3/		55,386	56,222	61,277	69,869	37,082						
	7 Return on Average Rate Base 3/												
	8 After Tax Return on Equity						17,207	34,328	34,155	33,981	33,808	33,635	33,462
	9 Income Tax Component						12,142	24,222	24,100	23,978	23,856	23,733	23,611
	10 Interest Expense Component						7,757	15,475	15,397	15,319	15,241	15,163	15,085
	11 Total Return on Average Rate Base						37,106	74,025	73,652	73,278	72,905	72,532	72,158
	12 Operation & Maintenance Expense												
	13 Depreciation Expense						8,251	16,502	16,502	16,502	16,502	16,502	16,502
	14 Property Tax												
	15 Revenue Requirements		55,386	56,222	61,277	69,869	82,439	90,527	90,154	89,780	89,407	89,034	88,661

1/ Minnesota Composite Income Tax Rate.

2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Bison 4 230kV Line Extension

Bison 230 kV Line Ext
Project ID# 105476
In Service 6/30/2014

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	-	-	-	-	-	7,353,303	7,336,801	7,320,299	7,303,797	7,287,295	7,270,793	7,254,290
	2 Less: ADITL - Def Taxes	-	-	-	-	-	(23,778)	(44,143)	(64,508)	(84,873)	(105,237)	(125,602)	(145,967)
	3 Plus: ADITA - NOL (Stand Alone)	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base	-	-	-	-	-	7,329,525	7,292,658	7,255,791	7,218,924	7,182,057	7,145,190	7,108,323
	5 Average Rate Base	-	-	-	-	-	3,664,762	7,311,092	7,274,225	7,237,358	7,200,491	7,163,624	7,126,757
	6 Current Return on CWIP 3/	-	55,386	56,222	61,277	69,869	37,082	-	-	-	-	-	-
	7 Return on Average Rate Base 3/	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	-	-	-	-	-	17,207	34,328	34,155	33,981	33,808	33,635	33,462
	9 Income Tax Component	-	-	-	-	-	12,142	24,222	24,100	23,978	23,856	23,733	23,611
	10 Interest Expense Component	-	-	-	-	-	7,757	15,475	15,397	15,319	15,241	15,163	15,085
	11 Total Return on Average Rate Base	-	-	-	-	-	37,106	74,025	73,652	73,278	72,905	72,532	72,158
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	8,251	16,502	16,502	16,502	16,502	16,502	16,502
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Revenue Requirements	-	55,386	56,222	61,277	69,869	82,439	90,527	90,154	89,780	89,407	89,034	88,661
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	-	55,386	56,222	61,277	69,869	82,439	90,527	90,154	89,780	89,407	89,034	88,661
	2 Tax Depreciation	-	-	-	-	-	65,728	65,728	65,728	65,728	65,728	65,728	65,728
	3 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	4 Interest Expense (including on CWIP)	-	11,579	11,753	12,810	14,606	15,509	15,475	15,397	15,319	15,241	15,163	15,085
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	-	11,579	11,753	12,810	14,606	81,237	81,203	81,125	81,047	80,969	80,891	80,813
	7 Taxable Income (NOL)	-	43,808	44,468	48,467	55,263	1,202	9,324	9,028	8,733	8,438	8,143	7,847
	8 Current tax expense	-	18,123	18,397	20,051	22,862	497	3,857	3,735	3,613	3,491	3,369	3,246
	9 Taxable Income (NOL)	-	43,808	44,468	48,467	55,263	1,202	9,324	9,028	8,733	8,438	8,143	7,847
	10 NOL carryforward 4/	-	-	-	-	-	-	-	-	-	-	-	-
	11 Taxable Income after NOL carryforward	-	43,808	44,468	48,467	55,263	1,202	9,324	9,028	8,733	8,438	8,143	7,847
	12 Expected stand alone ADITA NOL	-	-	-	-	-	-	-	-	-	-	-	-
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	-	55,386	56,222	61,277	69,869	82,439	90,527	90,154	89,780	89,407	89,034	88,661
	2 Revenue Requirement: Stand Alone	-	55,386	56,222	61,277	69,869	82,439	90,527	90,154	89,780	89,407	89,034	88,661
	3 Revenue Requirement: Rider 5/	-	55,386	56,222	61,277	69,869	82,439	90,527	90,154	89,780	89,407	89,034	88,661
	4 MN Jurisdictional Allocator 6/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	-	42,963	43,611	47,533	54,197	63,948	70,222	69,932	69,643	69,353	69,064	68,774

3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

4/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.

5/ Lesser of E1 or E2.

6/ Refer to Exhibit B-5.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Center-Hesket Line

Center-Hesket Line
Project ID# 106277
In Service 7/31/2014

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
A	Book Basis of Property												
	0 CWIP (net of contra AFDC & internal costs)	889,389	889,389	889,389	889,389	889,389	889,389						
	1 Plant in Service (net of contra AFDC & Internal costs)							2,333,098	2,333,098	2,333,098	2,333,098	2,333,098	2,333,098
	2 Total Accumulated Depreciation	-	-	-	-	-	-	2,615	7,845	13,075	18,305	23,535	28,765
	3 Net Plant	-	-	-	-	-	-	2,330,483	2,325,253	2,320,023	2,314,793	2,309,563	2,304,333
	4 Total Depreciation	-	-	-	-	-	-	2,615	5,230	5,230	5,230	5,230	5,230
	5 Book Depreciation Rate (2.69% pa)	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%	0.224%
B	Tax Basis of Property												
	1 Plant in Service	-	-	-	-	-	-	2,333,098	2,333,098	2,333,098	2,333,098	2,333,098	2,333,098
	2 Accumulated Depreciation	-	-	-	-	-	-	453,669	465,489	477,310	489,130	500,950	512,771
	3 Net Plant	-	-	-	-	-	-	1,879,429	1,867,609	1,855,788	1,843,968	1,832,148	1,820,327
	4 Bonus Depreciation (50% on 2013 spend)							441,849					
	5 Tax Depreciation Rate 7/2014 Plant (15 yr, mid Q-3)							0.625%	0.625%	0.625%	0.625%	0.625%	0.625%
	6 Total Tax Depreciation (including bonus)	-	-	-	-	-	-	453,669	11,820	11,820	11,820	11,820	11,820
	7 Tax Book Difference	-	-	-	-	-	-	451,054	457,644	464,235	470,825	477,415	484,005
	8 Income Tax Rate 1/	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%	41.37%
	9 Accumulated Deferred Income Tax Liability	-	-	-	-	-	-	186,601	189,327	192,054	194,780	197,507	200,233
	10 Deferred Tax Expense debit / (Credit)	-	-	-	-	-	-	186,601	2,726	2,726	2,726	2,726	2,726
	11 ADITA for NOL Carryforward 2/												
	12 Carryforward utilized												
	13 ADITA - NOL	-	-	-	-	-	-	-	-	-	-	-	-
	16 Energy (MWh)												
	17 Fed Production Tax Credit (\$/MWh)	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00	23.00
	18 Fed Production Tax Credit (\$)	-	-	-	-	-	-	-	-	-	-	-	-
	19 Utilized PTC												
	20 ADITA for PTC	-	-	-	-	-	-	-	-	-	-	-	-
C-1	Revenue Requirements - Consolidated NOL												
	1 Net Plant	-	-	-	-	-	-	2,330,483	2,325,253	2,320,023	2,314,793	2,309,563	2,304,333
	2 Less: ADITL - Def Taxes	-	-	-	-	-	-	(186,601)	(189,327)	(192,054)	(194,780)	(197,507)	(200,233)
	3 Plus: ADITA - NOL	-	-	-	-	-	-	-	-	-	-	-	-
	4 Rate Base	-	-	-	-	-	-	2,143,882	2,135,925	2,127,969	2,120,013	2,112,056	2,104,100
	5 Average Rate Base	-	-	-	-	-	-	1,071,941	2,139,904	2,131,947	2,123,991	2,116,034	2,108,078
	6 Current Return on CWIP 3/		9,005	9,005	9,005	9,005	9,005	4,503					
	7 Return on Average Rate Base 3/												
	8 After Tax Return on Equity	-	-	-	-	-	-	5,033	10,047	10,010	9,973	9,935	9,898
	9 Income Tax Component	-	-	-	-	-	-	3,551	7,090	7,063	7,037	7,011	6,984
	10 Interest Expense Component	-	-	-	-	-	-	2,269	4,529	4,513	4,496	4,479	4,462
	11 Total Return on Average Rate Base	-	-	-	-	-	-	10,853	21,667	21,586	21,505	21,425	21,344
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	2,615	5,230	5,230	5,230	5,230	5,230
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Revenue Requirements	-	9,005	9,005	9,005	9,005	9,005	17,971	26,897	26,816	26,735	26,655	26,574

1/ Minnesota Composite Income Tax Rate.

2/ All MP rider NOL computations use FIFO for NOL, with all Transmission Cost Recovery Rider (TCR) projects computed first.

3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.

(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.

Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.

Minnesota Power
Renewable Resources Rider
Revenue Requirements: Center-Hesket Line

Center-Hesket Line
Project ID# 106277
In Service 7/31/2014

Section	Line	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
C-2	Revenue Requirements - Stand Alone NOL												
	1 Net Plant	-	-	-	-	-	-	2,330,483	2,325,253	2,320,023	2,314,793	2,309,563	2,304,333
	2 Less: ADITL - Def Taxes	-	-	-	-	-	-	(186,601)	(189,327)	(192,054)	(194,780)	(197,507)	(200,233)
	3 Plus: ADITA - NOL (Stand Alone)	-	-	-	-	-	-	166,568	161,661	156,796	151,974	147,195	142,457
	4 Rate Base	-	-	-	-	-	-	2,310,450	2,297,586	2,284,765	2,271,987	2,259,251	2,246,557
	5 Average Rate Base	-	-	-	-	-	-	1,155,225	2,304,018	2,291,176	2,278,376	2,265,619	2,252,904
	6 Current Return on CWIP 3/	-	9,005	9,005	9,005	9,005	9,005	4,503	-	-	-	-	-
	7 Return on Average Rate Base 3/	-	-	-	-	-	-	-	-	-	-	-	-
	8 After Tax Return on Equity	-	-	-	-	-	-	5,424	10,818	10,758	10,698	10,638	10,578
	9 Income Tax Component	-	-	-	-	-	-	3,827	7,633	7,591	7,548	7,506	7,464
	10 Interest Expense Component	-	-	-	-	-	-	2,445	4,877	4,850	4,823	4,796	4,769
	11 Total Return on Average Rate Base	-	-	-	-	-	-	11,697	23,328	23,198	23,069	22,939	22,811
	12 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	13 Depreciation Expense	-	-	-	-	-	-	2,615	5,230	5,230	5,230	5,230	5,230
	14 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	15 Revenue Requirements	-	9,005	9,005	9,005	9,005	9,005	18,814	28,558	28,428	28,299	28,169	28,041
D	Stand Alone Taxable Income or Loss (NOL)												
	1 Revenue Requirements	-	9,005	9,005	9,005	9,005	9,005	18,814	28,558	28,428	28,299	28,169	28,041
	2 Tax Depreciation	-	-	-	-	-	-	453,669	11,820	11,820	11,820	11,820	11,820
	3 Property Tax	-	-	-	-	-	-	-	-	-	-	-	-
	4 Interest Expense (including on CWIP)	-	1,883	1,883	1,883	1,883	1,883	3,386	4,877	4,850	4,823	4,796	4,769
	5 Operation & Maintenance Expense	-	-	-	-	-	-	-	-	-	-	-	-
	6 Total Tax Deduction	-	1,883	1,883	1,883	1,883	1,883	457,056	16,697	16,670	16,643	16,616	16,589
	7 Taxable Income (NOL)	-	7,123	7,123	7,123	7,123	7,123	(438,241)	11,861	11,758	11,656	11,554	11,452
	8 Current tax expense	-	2,947	2,947	2,947	2,947	2,947	(181,300)	4,907	4,864	4,822	4,780	4,738
	9 Taxable Income (NOL)	-	7,123	7,123	7,123	7,123	7,123	(438,241)	11,861	11,758	11,656	11,554	11,452
	10 NOL carryforward 4/	-	-	-	-	-	-	-	(402,629)	(390,768)	(379,009)	(367,354)	(355,800)
	11 Taxable Income after NOL carryforward	-	7,123	7,123	7,123	7,123	7,123	(402,629)	(390,768)	(379,009)	(367,354)	(355,800)	(344,348)
	12 Expected stand alone ADITA NOL	-	-	-	-	-	-	166,568	161,661	156,796	151,974	147,195	142,457
E	Summary: Revenue Requirements												
	1 Revenue Requirement: Consolidated	-	9,005	9,005	9,005	9,005	9,005	17,971	26,897	26,816	26,735	26,655	26,574
	2 Revenue Requirement: Stand Alone	-	9,005	9,005	9,005	9,005	9,005	18,814	28,558	28,428	28,299	28,169	28,041
	3 Revenue Requirement: Rider 5/	-	9,005	9,005	9,005	9,005	9,005	17,971	26,897	26,816	26,735	26,655	26,574
	4 MN Jurisdictional Allocator 6/	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570	0.77570
	5 MN Jurisdictional Revenue Requirement	-	6,985	6,985	6,985	6,985	6,985	13,940	20,864	20,801	20,739	20,676	20,614

3/ Current Return on CWIP (Avg. Monthly CWIP x ROR% / 12). Refer to Exhibit B-3 for CWIP calculations.
(Avg Rate Base x ROR% / 12). Prior to 4/1/11 pre-tax ROR is 12.61% from 2008 MPUC rate case, Docket No E-015/GR-08-415.
Beginning 4/1/11, pre-tax rate of return is 12.15% from 2009 MPUC rate case, Docket No. E-015/GR-09-1151. Refer to Exhibit B-4.
4/ For in-service year, any positive taxable income from return on CWIP is added to first month of taxable loss to establish the correct first month NOL ADITA.
5/ Lesser of E1 or E2.
6/ Refer to Exhibit B-5.

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	Total Project	Start Return on CWIP											
		Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
Bison I Wind Ph 1A, 36.8 MW In Service 11/19/2010	76,699,348												
BOM		14,818,779	34,320,736	34,481,490	34,806,135	35,338,840	35,025,483	37,857,413	59,831,472	65,253,423	66,276,168	67,497,800	67,739,255
CapEx	77,233,281	19,618,821	-9,032	190,669	587,667	-237,414	2,932,074	22,084,952	5,496,187	1,101,902	1,265,794	289,983	8,741,341
Less Internal Cost	-2,103,227	-285,882	-66,037	-101,895	-54,963	-75,943	-100,145	-110,892	-74,236	-79,156	-44,162	-48,527	(30,663)
AFUDC	1,660,908	177,454	245,481	246,111	0	0	0	0	0	0	0	0	0
Less AFUDC on Internal Cost	-91,613	-8,437	-9,658	-10,240	0	0	0	0	0	0	0	0	0
EOM		34,320,736	34,481,490	34,806,135	35,338,840	35,025,483	37,857,413	59,831,472	65,253,423	66,276,168	67,497,800	67,739,255	76,449,933
Return on CWIP													
After Tax Return on Equity					172,044	172,582	178,759	239,600	306,794	322,601	328,106	165,551	
Income Tax Component					121,396	121,776	126,134	169,065	216,478	227,631	231,515	116,815	
Interest Expense Component					75,114	75,348	78,045	104,609	133,945	140,846	143,250	72,279	
Total Return on CWIP					368,553	369,706	382,939	513,274	657,217	691,078	702,871	354,645	
Bison I Wind Ph 1B 2011 In Service 12/28/2011	38,429,709												
BOM		11,183,141	11,260,177	11,337,213	11,414,249	11,414,249	11,414,908	11,414,908	11,426,668	11,427,168	14,442,656	14,508,931	14,529,865
CapEx	38,242,246	0	0	0	0	660	3,387	19,903	5,345	3,031,392	75,906	36,683	6,639,830
Less Internal Cost	-801,342	0	0	0	0	-1	-3,387	-8,144	-4,845	-15,904	-9,631	-15,748	-31,004
AFUDC	995,248	77,792	77,792	77,792	0	0	0	0	0	0	0	0	0
Less AFUDC on Internal Cost	-6,442	-756	-756	-756	0	0	0	0	0	0	0	0	0
EOM		11,260,177	11,337,213	11,414,249	11,414,249	11,414,908	11,414,908	11,426,668	11,427,168	14,442,656	14,508,931	14,529,865	21,138,690
Return on CWIP													
After Tax Return on Equity					55,991	55,993	55,994	56,023	56,053	63,451	71,009	71,223	87,484
Income Tax Component					39,508	39,509	39,510	39,531	39,552	44,772	50,105	50,256	61,730
Interest Expense Component					24,446	24,446	24,447	24,460	24,473	27,702	31,002	31,096	38,195
Total Return on CWIP					119,945	119,948	119,952	120,013	120,078	135,924	152,116	152,575	187,409
Bison I Wind Ph 1B 2012 In Service 1/31/2012	33,181,616												
BOM		0	0	0	0	0	0	0	0	0	0	0	0
CapEx	33,200,453												
Less Internal Cost	-18,837												
AFUDC	0												
Less AFUDC on Internal Cost	0												
EOM		0	0	0	0	0	0	0	0	0	0	0	0
Return on CWIP													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													
Bison I Wind - Collector Trans In Service 9/23/2010	18,023,872												
BOM		1,694,754	1,760,913	2,341,748	2,491,959	2,887,039	4,938,429	11,571,567	15,125,696	16,657,834	17,479,346	17,867,724	17,940,623
CapEx	18,881,709	113,334	653,364	189,649	427,750	2,098,682	6,693,488	3,649,077	1,623,395	907,936	440,386	104,300	-242,983
Less Internal Cost	-914,722	-59,066	-86,573	-55,912	-32,670	-47,292	-60,350	-94,948	-91,257	-86,424	(52,008)	(31,401)	22,059
AFUDC	64,972	13,245	15,905	18,830	0	0	0	0	0	0	0	0	0
Less AFUDC on Internal Cost	-8,087	-1,356	-1,861	-2,355	0	0	0	0	0	0	0	0	0
EOM		1,760,913	2,341,748	2,491,959	2,887,039	4,938,429	11,571,567	15,125,696	16,657,834	17,479,346	17,867,724	17,940,623	17,719,699
Return on CWIP													
After Tax Return on Equity					13,193	19,193	40,494	65,480	77,955	40,856			
Income Tax Component					9,309	13,543	28,573	46,204	55,006	28,829			
Interest Expense Component					5,760	8,380	17,679	28,588	34,035	17,838			
Total Return on CWIP					28,262	41,116	86,746	140,272	166,996	87,523			

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	Total Project	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
Bison 2 Wind, 105 MW Est. In Service 12/18/2012	141,549,957												
BOM		0	0	0	1,003,460	1,023,902	1,132,368	1,404,087	1,428,263	1,674,493	9,597,329	23,312,020	27,141,242
CapEx	142,737,850			1,008,584	30,784	138,593	306,770	89,660	302,612	7,983,962	13,776,397	3,876,535	8,579,102
Less Internal Cost	-1,234,699			-8,584	-17,308	-37,489	-43,795	-75,189	-66,952	-61,126	-61,706	-47,313	-39,364
AFUDC	50,358			3,489	7,085	7,671	9,338	10,709	12,066	0	0	0	0
Less AFUDC on Internal Cost	-3,552			-30	-119	-309	-593	-1,005	-1,497	0	0	0	0
EOM		0	0	1,003,460	1,023,902	1,132,368	1,404,087	1,428,263	1,674,493	9,597,329	23,312,020	27,141,242	35,680,980
Return on CWIP													
After Tax Return on Equity										26,462	77,259	118,446	147,484
Income Tax Component										18,672	54,515	83,577	104,067
Interest Expense Component										<u>11,929</u>	<u>34,829</u>	<u>53,396</u>	<u>66,487</u>
Total Return on CWIP										57,064	166,604	255,420	318,038
Bison 2 Substation Addition Est. In Service 7/24/2012	4,392,241												
BOM		0	0	0	0	0	904	44,670	128,142	138,310	74,956	82,232	271,703
CapEx	4,923,624			383	7,647	1,863	46,851	95,309	15,118	-54,803	13,791	203,055	403,707
Less Internal Cost	-533,051			-383	-7,647	-962	-3,243	-12,432	-5,863	-8,552	-6,514	-13,584	-21,636
AFUDC	2,152			1	29	62	231	723	1,105	0	0	0	0
Less AFUDC on Internal Cost	-483			-1	-29	-59	-74	-128	-192	0	0	0	0
EOM		0	0	0	0	904	44,670	128,142	138,310	74,956	82,232	271,703	653,774
Return on CWIP													
After Tax Return on Equity										501	369	831	2,173
Income Tax Component										353	260	586	1,533
Interest Expense Component										<u>226</u>	<u>166</u>	<u>375</u>	<u>979</u>
Total Return on CWIP										1,080	796	1,792	4,685
Bison 3 Wind, 105 MW Est. In Service 12/18/2012	142,816,129												
BOM		0	0	0	0	0	0	1,092,026	1,132,536	1,155,269	1,409,963	6,212,804	13,398,452
CapEx	143,637,649							1,090,897	47,283	34,539	281,593	4,820,171	7,229,923
Less Internal Cost	-875,535							-2,637	-14,416	-19,614	-35,610	-43,418	-44,274
AFUDC	55,306							3,774	7,712	7,995	9,088	26,738	0
Less AFUDC on Internal Cost	-1,290.26							-9	-68	-186	-377	-650	0
EOM		0	0	0	0	0	1,092,026	1,132,536	1,155,269	1,409,963	6,212,804	13,398,452	14,466,519
Return on CWIP													
After Tax Return on Equity												46,040	65,417
Income Tax Component												32,487	46,159
Interest Expense Component												<u>20,755</u>	<u>29,490</u>
Total Return on CWIP												99,282	141,066
Bison 3 Substation Addition Est. In Service 8/1/2012	4,730,519												
BOM		0	0	0	0	0	0	0	20,069	138	475	13,502	25,119
CapEx	5,064,353								21,465	-19,263	422	16,062	18,725
Less Internal Cost	-334,022								-1,465	-737	-87	-3,083	-7,107
AFUDC	247								74	82	17	74	0
Less AFUDC on Internal Cost	-60								-5	-13	-16	-27	0
EOM		0	0	0	0	0	0	20,069	138	475	13,502	25,119	374,471
Return on CWIP													
After Tax Return on Equity												91	938
Income Tax Component												64	662
Interest Expense Component												<u>41</u>	<u>423</u>
Total Return on CWIP												196	2,023

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	Total Project	Year											In-Service
		Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	
Bison 2 Wind, 105 MW Est. In Service 12/18/2012													
BOM	141,549,957	35,680,980	36,161,112	36,723,142	37,012,970	74,669,259	116,614,221	118,375,171	119,685,719	121,403,945	122,477,229	123,019,210	129,235,131
CapEx	142,737,850	501,637	599,217	335,190	37,724,921	42,019,359	1,846,600	1,360,627	1,767,264	1,122,307	588,854	6,285,714	16,270,062
Less Internal Cost	-1,234,699	-21,505	-37,187	-45,362	-68,633	-74,396	-85,651	-50,079	-49,038	-49,024	-46,874	-69,793	-94,220
AFUDC	50,358	0	0	0	0	0	0	0	0	0	0	0	0
Less AFUDC on Internal Cost	-3,552	0	0	0	0	0	0	0	0	0	0	0	0
EOM		36,161,112	36,723,142	37,012,970	74,669,259	116,614,221	118,375,171	119,685,719	121,403,945	122,477,229	123,019,210	129,235,131	145,410,973
Return on CWIP													
After Tax Return on Equity		168,659	171,106	173,106	262,190	449,065	551,671	558,882	565,992	572,546	576,338	592,203	303,398
Income Tax Component		119,008	120,735	122,146	185,004	316,866	389,266	394,354	399,371	403,995	406,671	417,866	214,081
Interest Expense Component		76,033	77,136	78,037	118,197	202,442	248,697	251,948	255,153	258,108	259,817	266,969	136,774
Total Return on CWIP		363,701	368,977	373,289	565,391	968,373	1,189,634	1,205,183	1,220,516	1,234,648	1,242,826	1,277,038	654,253
Bison 2 Substation Addition Est. In Service 7/24/2012													
BOM	4,392,241	653,774	769,188	1,185,838	2,340,348	2,886,672	3,259,062	<u>In-Service</u> 3,252,884	3,582,271	4,173,034	4,187,554	4,258,730	4,259,011
CapEx	4,923,624	135,498	437,979	1,175,733	599,375	456,281	160,191	378,914	606,429	17,261	76,724	2,390	3,071
Less Internal Cost	-533,051	-20,084	-21,329	-21,222	-53,051	-83,891	-166,369	-49,527	-15,665	-2,741	-5,548	-2,109	-2,013
AFUDC	2,152	0	0	0	0	0	0	0	0	0	0	0	0
Less AFUDC on Internal Cost	-483	0	0	0	0	0	0	0	0	0	0	0	0
EOM		769,188	1,185,838	2,340,348	2,886,672	3,259,062	3,252,884	3,582,271	4,173,034	4,187,554	4,258,730	4,259,011	4,260,069
Return on CWIP													
After Tax Return on Equity		3,341	4,590	8,278	12,271	14,428	15,288	7,637					
Income Tax Component		2,357	3,239	5,841	8,659	10,181	10,787	5,388					
Interest Expense Component		1,506	2,069	3,732	5,532	6,504	6,892	3,443					
Total Return on CWIP		7,204	9,897	17,851	26,462	31,113	32,967	16,468					
Bison 3 Wind, 105 MW Est. In Service 12/18/2012													
BOM	142,816,129	14,466,519	14,540,168	22,372,438	23,269,524	65,940,249	74,465,395	96,238,750	102,217,851	121,866,906	125,167,039	125,157,335	131,034,811
CapEx	143,637,649	93,484	7,863,353	928,016	42,717,677	8,569,082	21,866,527	6,028,200	19,702,142	3,344,661	36,122	5,939,718	7,293,179
Less Internal Cost	-875,535	-19,835	-31,082	-30,931	-46,952	-43,936	-93,171	-49,099	-53,087	-44,529	-45,826	-62,242	-90,871
AFUDC	55,306	0	0	0	0	0	0	0	0	0	0	0	0
Less AFUDC on Internal Cost	-1,290.26	0	0	0	0	0	0	0	0	0	0	0	0
EOM		14,540,168	22,372,438	23,269,524	65,940,249	74,465,395	96,238,750	102,217,851	121,866,906	125,167,039	125,157,335	131,034,811	138,237,118
Return on CWIP													
After Tax Return on Equity		68,097	86,658	107,151	209,433	329,622	400,752	465,905	526,071	579,947	587,672	601,447	307,623
Income Tax Component		48,050	61,147	75,607	147,778	232,585	282,776	328,748	371,202	409,218	414,669	424,389	217,062
Interest Expense Component		30,699	39,066	48,304	94,414	148,596	180,662	210,033	237,156	261,444	264,927	271,137	138,679
Total Return on CWIP		146,846	186,870	231,062	451,624	710,804	864,190	1,004,687	1,134,429	1,250,609	1,267,267	1,296,973	663,364
Bison 3 Substation Addition Est. In Service 8/1/2012													
BOM	4,730,519	374,471	459,232	542,939	2,446,761	2,870,292	3,495,555	3,833,496	<u>In-Service</u> 4,364,052	4,686,011	4,449,720	4,756,555	4,767,361
CapEx	5,064,353	92,169	91,489	1,913,553	447,320	650,624	376,690	596,826	375,896	-218,071	324,510	25,510	5,066
Less Internal Cost	-334,022	-7,408	-7,782	-9,731	-23,789	-25,361	-38,750	-66,270	-53,938	-18,220	-17,675	-14,705	-1,165
AFUDC	247	0	0	0	0	0	0	0	0	0	0	0	0
Less AFUDC on Internal Cost	-60	0	0	0	0	0	0	0	0	0	0	0	0
EOM		459,232	542,939	2,446,761	2,870,292	3,495,555	3,833,496	4,364,052	4,686,011	4,449,720	4,756,555	4,767,361	4,771,262
Return on CWIP													
After Tax Return on Equity		1,957	2,353	7,019	12,483	14,945	17,206	19,245	10,245				
Income Tax Component		1,381	1,660	4,953	8,808	10,545	12,141	13,579	7,229				
Interest Expense Component		882	1,061	3,164	5,627	6,737	7,757	8,676	4,619				
Total Return on CWIP		4,221	5,073	15,135	26,918	32,227	37,103	41,500	22,093				

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Total Project	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
Bison 4 Wind												
317,198,053												
Est. In Service 12/31/2014												
BOM	0	0	0	0	0	0	0	0	2,239,582	6,401,745	23,500,345	43,481,832
CapEx	319,725,840	0	0	0	0	0	0	2,246,684	4,181,209	17,097,389	19,907,039	2,683,813
Less Internal Cost	-3,616,415	0	0	0	0	0	0	-14,456	-47,374	-96,743	-144,622	-71,342
AFUDC	1,096,006	0	0	0	0	0	0	7,402	28,578	98,681	220,592	438,739
Less AFUDC on Internal Cost	-7,378	0	0	0	0	0	0	-48	-251	-726	-1,521	-2,250
EOM	0	0	0	0	0	0	0	2,239,582	6,401,745	23,500,345	43,481,832	46,530,792
Return on CWIP												
After Tax Return on Equity												
Income Tax Component												
Interest Expense Component												
Total Return on CWIP												
Bison 4 Substation Addition												
5,362,699												
Est. In Service 12/31/2014												
BOM	0	0	0	0	0	0	0	0	80,513	12,786	484,161	436,622
CapEx	5,456,086	0	0	0	0	0	0	84,168	-61,149	476,911	-29,274	953,876
Less Internal Cost	-117,392	0	0	0	0	0	0	-3,920	-6,882	-7,164	-21,274	-23,447
AFUDC	25,174	0	0	0	0	0	0	277	353	1,723	3,198	6,280
Less AFUDC on Internal Cost	-1,170	0	0	0	0	0	0	-13	-49	-95	-188	-338
EOM	0	0	0	0	0	0	0	80,513	12,786	484,161	436,622	1,372,993
Return on CWIP												
After Tax Return on Equity												
Income Tax Component												
Interest Expense Component												
Total Return on CWIP												
Tri-County Substation												
5,655,000												
Est. In Service 12/31/2014												
BOM	0	0	0	0	0	0	0	0	263,386	275,818	542,855	521,595
CapEx	5,769,129	0	0	0	0	0	0	268,790	17,876	274,538	6,000	1,056,200
Less Internal Cost	-140,567	0	0	0	0	0	0	-6,269	-7,210	-10,171	-30,721	-22,339
AFUDC	27,880	0	0	0	0	0	0	886	1,830	2,793	3,718	7,278
Less AFUDC on Internal Cost	-1,441	0	0	0	0	0	0	-21	-65	-122	-257	-435
EOM	0	0	0	0	0	0	0	263,386	275,818	542,855	521,595	1,562,298
Return on CWIP												
After Tax Return on Equity												
Income Tax Component												
Interest Expense Component												
Total Return on CWIP												
230 kV Transmission Line Ext.												
7,361,554												
Est. In Service 6/30/2014												
BOM	147,329	147,329	147,329	147,329	147,329	147,329	157,189	157,349	158,192	164,411	345,373	2,061,783
CapEx	7,691,612	0	586	0	974	4,138	10,839	1,536	5,943	10,507	186,795	2,639,623
Less Internal Cost	-390,404	0	-586	0	-974	-4,138	-979	-1,377	-5,104	-4,314	-6,474	-25,023
AFUDC	61,548	0	0	0	0	0	0	0	20	74	7,049	21,496
Less AFUDC on Internal Cost	-1,201	0	0	0	0	0	0	-17	-48	-83	-182	-344
EOM	147,329	147,329	147,329	147,329	147,329	157,189	157,349	158,192	164,411	345,373	2,061,783	4,697,536
Return on CWIP												
After Tax Return on Equity												
Income Tax Component												
Interest Expense Component												
Total Return on CWIP												

Minnesota Power
Renewable Resources Rider
Plant Additions, AFUDC and Return on CWIP

Exhibit B-3
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Total Project	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14		
Bison 4 Wind	317,198,053													
Est. In Service 12/31/2014													<u>In-Service</u>	
BOM	46,530,792	47,018,235	158,017,581	170,516,951	216,001,005	225,741,609	260,044,489	263,952,256	267,364,950	270,413,726	273,747,502	291,349,539		
CapEx	319,725,840	228,610	111,374,124	12,789,511	45,801,956	10,028,663	34,609,858	4,188,967	3,692,610	3,328,607	3,613,509	17,894,315	26,058,977	
Less Internal Cost	-3,616,415	-40,600	-374,778	-290,141	-317,902	-288,059	-306,978	-281,200	-279,916	-279,831	-279,733	-292,278	-210,463	
AFUDC	1,096,006	302,015	0	0	0	0	0	0	0	0	0	0	0	
Less AFUDC on Internal Cost	-7,378	-2,582	0	0	0	0	0	0	0	0	0	0	0	
EOM	47,018,235	158,017,581	170,516,951	216,001,005	225,741,609	260,044,489	263,952,256	267,364,950	270,413,726	273,747,502	291,349,539	317,198,053		
Return on CWIP														
After Tax Return on Equity			481,351	771,281	907,406	1,037,053	1,140,452	1,230,157	1,247,342	1,262,512	1,277,496	1,326,645	683,984	
Income Tax Component			339,647	544,226	640,277	731,758	804,717	868,014	880,140	890,844	901,417	936,097	482,628	
Interest Expense Component			<u>216,996</u>	<u>347,699</u>	<u>409,065</u>	<u>467,511</u>	<u>514,124</u>	<u>554,563</u>	<u>562,311</u>	<u>569,149</u>	<u>575,904</u>	<u>598,061</u>	<u>308,345</u>	
Total Return on CWIP			1,037,994	1,663,206	1,956,747	2,236,322	2,459,292	2,652,734	2,689,793	2,722,505	2,754,816	2,860,804	1,474,957	
 Bison 4 Substation Addition	 5,362,699													
Est. In Service 12/31/2014													<u>In-Service</u>	
BOM	1,372,993	2,618,311	3,173,838	3,810,002	4,423,350	5,117,448	5,355,046	5,357,699	5,360,199	5,362,699	5,362,699	5,362,699		
CapEx	5,456,086	1,256,224	559,947	640,584	617,768	698,518	242,019	7,073	6,920	2,500	0	0	0	
Less Internal Cost	-117,392	-23,762	-4,420	-4,420	-4,420	-4,420	-4,420	-4,420	0	0	0	0	0	
AFUDC	25,174	13,343	0	0	0	0	0	0	0	0	0	0	0	
Less AFUDC on Internal Cost	-1,170	-487	0	0	0	0	0	0	0	0	0	0	0	
EOM	2,618,311	3,173,838	3,810,002	4,423,350	5,117,448	5,355,046	5,357,699	5,360,199	5,362,699	5,362,699	5,362,699	5,362,699		
Return on CWIP														
After Tax Return on Equity			13,598	16,396	19,329	22,398	24,586	25,150	25,162	25,174	25,179	25,179	12,590	
Income Tax Component			9,595	11,569	13,639	15,805	17,348	17,746	17,754	17,763	17,767	17,767	8,883	
Interest Expense Component			<u>6,130</u>	<u>7,391</u>	<u>8,714</u>	<u>10,097</u>	<u>11,083</u>	<u>11,338</u>	<u>11,343</u>	<u>11,348</u>	<u>11,351</u>	<u>11,351</u>	<u>5,676</u>	
Total Return on CWIP			29,323	35,356	41,681	48,300	53,017	54,233	54,259	54,285	54,297	54,297	27,149	
 Tri-County Substation	 5,655,000													
Est. In Service 12/31/2014													<u>In-Service</u>	
BOM	1,562,298	1,805,024	3,271,396	4,388,587	4,948,086	5,431,547	5,632,880	5,639,100	5,643,891	5,646,183	5,649,683	5,652,709		
CapEx	5,769,129	244,113	1,475,481	1,126,300	568,608	492,569	209,782	8,899	7,471	3,685	3,500	3,026	2,292	
Less Internal Cost	-140,567	-12,222	-9,109	-9,109	-9,109	-9,109	-8,449	-2,679	-2,679	-1,394	0	0	0	
AFUDC	27,880	11,376	0	0	0	0	0	0	0	0	0	0	0	
Less AFUDC on Internal Cost	-1,441	-541	0	0	0	0	0	0	0	0	0	0	0	
EOM	1,805,024	3,271,396	4,388,587	4,948,086	5,431,547	5,632,880	5,639,100	5,643,891	5,646,183	5,649,683	5,652,709	5,655,000		
Return on CWIP														
After Tax Return on Equity			11,918	17,983	21,919	24,368	25,975	26,463	26,488	26,505	26,519	26,534	13,271	
Income Tax Component			8,409	12,689	15,466	17,194	18,328	18,672	18,691	18,702	18,712	18,723	9,364	
Interest Expense Component			<u>5,373</u>	<u>8,107</u>	<u>9,881</u>	<u>10,985</u>	<u>11,710</u>	<u>11,930</u>	<u>11,941</u>	<u>11,949</u>	<u>11,955</u>	<u>11,962</u>	<u>5,982</u>	
Total Return on CWIP			25,699	38,779	47,267	52,547	56,014	57,064	57,120	57,156	57,185	57,218	28,617	
 230 kV Transmission Line Ext.	 7,361,554													
Est. In Service 6/30/2014													<u>In-Service</u>	
BOM	4,697,536	5,462,764	5,477,764	5,627,764	6,476,339								7,324,914	
CapEx	7,691,612	766,740	39,111	156,430	890,769	890,769								52,714
Less Internal Cost	-390,404	-33,167	-24,111	-6,430	-42,194	-42,194								-16,074
AFUDC	61,548	32,183	0	0	0	0								0
Less AFUDC on Internal Cost	-1,201	-528	0	0	0	0								0
EOM	5,462,764	5,477,764	5,477,764	5,627,764	6,476,339	7,324,914								7,361,554
Return on CWIP														
After Tax Return on Equity			25,684	26,072	28,416	32,400								17,196
Income Tax Component			18,123	18,397	20,051	22,862								12,134
Interest Expense Component			<u>11,579</u>	<u>11,753</u>	<u>12,810</u>	<u>14,606</u>								<u>7,752</u>
Total Return on CWIP			55,386	56,222	61,277	69,869								37,082

Minnesota Power
Renewable Resources Rider
Plant Additions, AFUDC and Return on CWIP

	Total Project	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10
Center-Hesket Line Est. In Service 7/31/2014	2,333,098												
BOM		0	0	0	0	0	0	0	0	0	0	0	0
CapEx	2,291,241												
Less Internal Cost	-1,532												
AFUDC	43,467												
Less AFUDC on Internal Cost	-78												
EOM		0	0	0	0	0	0	0	0	0	0	0	0
Return on CWIP													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													
Total	803,019,958												
BOM		27,696,674	47,341,825	48,160,722	48,712,617	49,640,401	51,379,094	60,874,995	86,414,942	93,369,531	98,248,207	99,974,341	100,562,807
CapEx	810,528,488	19,732,156	644,606	380,318	1,015,417	1,861,928	9,659,812	25,753,932	7,128,049	5,061,617	1,841,651	701,049	16,896,973
Less Internal Cost	-11,486,014	-344,948	-152,614	-157,807	-87,633	-123,236	-163,911	-213,984	-173,461	-182,941	-115,517	-112,583	-39,238
AFUDC	4,102,070	268,492	339,179	342,735	0	0	0	0	0	0	0	0	0
Less AFUDC on Internal Cost	-124,585	-10,549	-12,275	-13,352	0	0	0	0	0	0	0	0	0
EOM		47,341,825	48,160,722	48,712,617	49,640,401	51,379,094	60,874,995	86,414,942	93,369,531	98,248,207	99,974,341	100,562,807	117,420,542
Return on CWIP													
After Tax Return on Equity	27,042,423	0	0	0	241,229	247,769	275,324	361,256	440,955	427,107	399,483	237,729	89,012
Income Tax Component	19,081,467	0	0	0	170,214	174,829	194,272	254,907	311,143	301,372	281,880	167,745	62,808
Interest Expense Component	12,145,873	0	0	0	105,320	108,175	120,205	157,723	192,519	186,473	174,412	103,792	38,862
Total Return on CWIP	58,269,762	0	0	0	516,763	530,773	589,802	773,886	944,618	914,952	855,775	509,265	190,681

Minnesota Power
Renewable Resources Rider
Plant Additions, AFUDC and Return on CWIP

	Total Project	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11
Center-Hesket Line	2,333,098												
Est. In Service 7/31/2014													
BOM		0	0	0	0	0	0	0	0	0	0	0	0
CapEx	2,291,241												
Less Internal Cost	-1,532												
AFUDC	43,467												
Less AFUDC on Internal Cost	-78												
EOM		0	0	0	0	0	0	0	0	0	0	0	0
Return on CWIP													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													
Total	803,019,958												
BOM		117,420,542	128,357,028	128,510,494	129,691,528	130,560,662	131,592,606	135,354,301	138,104,387	153,959,779	165,025,922	184,407,424	201,710,959
CapEx	810,528,488	10,985,374	243,918	1,234,516	946,506	1,132,550	3,887,850	2,906,597	15,993,088	11,185,919	19,541,041	17,453,384	15,596,732
Less Internal Cost	-11,486,014	-50,206	-90,627	-56,977	-84,373	-108,007	-138,904	-174,644	-157,208	-128,650	-185,836	-150,011	-220,434
AFUDC	4,102,070	1,318	173	3,525	7,149	7,774	13,510	19,505	21,528	9,396	27,103	291	303
Less AFUDC on Internal Cost	-124,585	0	1	-30	-148	-373	-761	-1,372	-2,016	-522	-806	-129	-135
EOM		128,357,028	128,510,494	129,691,528	130,560,662	131,592,606	135,354,301	138,104,387	153,959,779	165,025,922	184,407,424	201,710,959	217,087,425
Return on CWIP													
After Tax Return on Equity	27,042,423	131,970	158,776	158,802	153,889	158,028	165,595	177,043	219,256	289,321	349,007	453,173	438,562
Income Tax Component	19,081,467	93,120	112,034	112,052	108,586	111,507	116,846	124,924	154,710	204,148	246,264	319,765	309,455
Interest Expense Component	12,145,873	57,618	69,321	69,332	69,374	71,240	74,651	79,812	98,842	130,428	157,335	204,294	197,707
Total Return on CWIP	58,269,762	282,708	340,131	340,186	331,849	340,775	357,091	381,780	472,809	623,897	752,606	977,232	945,723

Minnesota Power
Renewable Resources Rider
Plant Additions, AFUDC and Return on CWIP

	Total Project	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12
Center-Hesket Line	2,333,098												
Est. In Service 7/31/2014													
BOM		0	0	0	0	0	0	0	0	0	0	0	0
CapEx	2,291,241												
Less Internal Cost	-1,532												
AFUDC	43,467												
Less AFUDC on Internal Cost	-78												
EOM		0	0	0	0	0	0	0	0	0	0	0	0
Return on CWIP													
After Tax Return on Equity													
Income Tax Component													
Interest Expense Component													
Total Return on CWIP													
Total	803,019,958												
BOM		217,087,425	220,361,072	227,905,576	233,585,421	314,897,583	366,427,714	390,226,608	398,676,477	420,955,155	425,279,279	426,313,585	438,724,226
CapEx	810,528,488	3,377,654	7,676,104	5,804,938	81,515,047	51,765,119	24,192,441	8,670,458	22,459,136	4,450,208	1,169,393	12,666,273	23,649,834
Less Internal Cost	-11,486,014	-104,179	-131,773	-125,265	-202,885	-234,988	-393,546	-220,590	-180,458	-126,083	-135,088	-255,632	-241,920
AFUDC	4,102,070	310	310	310	0	0	0	0	0	0	0	0	0
Less AFUDC on Internal Cost	-124,585	-138	-138	-138	0	0	0	0	0	0	0	0	0
EOM		220,361,072	227,905,576	233,585,421	314,897,583	366,427,714	390,226,608	398,676,477	420,955,155	425,279,279	426,313,585	438,724,226	462,132,140
Return on CWIP													
After Tax Return on Equity	27,042,423	314,411	266,350	297,348	498,390	810,357	987,312	1,054,537	1,105,765	1,155,951	1,167,742	1,197,254	612,622
Income Tax Component	19,081,467	221,852	187,940	209,813	351,670	571,798	696,660	744,094	780,241	815,653	823,973	844,797	432,274
Interest Expense Component	12,145,873	141,739	120,072	134,047	224,678	365,315	445,087	475,393	498,487	521,111	526,426	539,731	276,174
Total Return on CWIP	58,269,762	678,003	574,361	641,207	1,074,737	1,747,470	2,129,059	2,274,024	2,384,493	2,492,715	2,518,141	2,581,782	1,321,070

Minnesota Power
Renewable Resources Rider
Plant Additions, AFUDC and Return on CWIP

	Total Project	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Center-Hesket Line	2,333,098												
Est. In Service 7/31/2014								<u>In-Service</u>					
BOM		883,697	889,389	889,389	889,389	889,389	889,389	889,389					
CapEx	2,291,241	0	0	0	0	0	0	0	1,443,709				
Less Internal Cost	-1,532	0	0	0	0	0	0	0	0				
AFUDC	43,467	5,702	0	0	0	0	0	0	0				
Less AFUDC on Internal Cost	-78	-10	0	0	0	0	0	0	0				
EOM		889,389	889,389	889,389	889,389	889,389	889,389	889,389					
Return on CWIP													
After Tax Return on Equity			4,176	4,176	4,176	4,176	4,176	4,176			2,088		
Income Tax Component			2,947	2,947	2,947	2,947	2,947	2,947			1,473		
Interest Expense Component			<u>1,883</u>	<u>1,883</u>	<u>1,883</u>	<u>1,883</u>	<u>1,883</u>	<u>1,883</u>			<u>941</u>		
Total Return on CWIP			9,005	9,005	9,005	9,005	9,005	9,005			4,503		
Total	803,019,958												
BOM		520,578,639	523,248,154	635,939,522	650,342,247	697,847,723	709,614,460	744,392,912	749,753,261	753,173,246	756,226,814	759,564,090	777,169,153
CapEx	810,528,488	2,419,157	113,103,827	14,712,824	47,879,101	12,110,519	35,114,373	5,648,648	3,707,001	3,334,792	3,617,009	17,897,341	26,061,269
Less Internal Cost	-11,486,014	-110,112	-412,460	-310,099	-373,625	-343,782	-335,921	-288,300	-287,015	-281,224	-279,733	-292,278	-210,463
AFUDC	4,102,070	364,618	0	0	0	0	0	0	0	0	0	0	0
Less AFUDC on Internal Cost	-124,585	-4,148	0	0	0	0	0	0	0	0	0	0	0
EOM		523,248,154	635,939,522	650,342,247	697,847,723	709,614,460	744,392,912	749,753,261	753,173,246	756,226,814	759,564,090	777,169,153	803,019,958
Return on CWIP													
After Tax Return on Equity	27,042,423	0	536,727	835,908	981,246	1,120,396	1,212,385	1,283,857	1,298,993	1,314,190	1,329,194	1,378,359	709,845
Income Tax Component	19,081,467	0	378,721	589,827	692,379	790,565	855,474	905,905	916,585	927,309	937,895	972,587	500,875
Interest Expense Component	12,145,873	0	241,960	376,833	442,352	505,082	546,552	578,772	585,595	592,446	599,210	621,374	320,003
Total Return on CWIP	58,269,762	0	1,157,407	1,802,567	2,115,977	2,416,043	2,614,410	2,768,534	2,801,173	2,833,945	2,866,299	2,972,319	1,530,723

Minnesota Power
MPUC Docket E015/GR-09-1151
Rate of Return / Cost of Capital Summary
(thousands of dollars)
Commission Decision (9/29/2010)
Applied to Renewable Resources Rider Beginning 4/1/2011

		Average for 13 months Ended 12/31/10		Component	Weighted	Pre-tax	After-Tax	
		Amount	% of Total	Cost	Cost	Rate	Rate	
Long Term Debt	\$	696,677	45.71%	5.56%	2.540%	2.540%	1.490%	
Common Equity	\$	827,534	54.29%	10.38%	5.640%	9.610%	5.640%	
	\$	1,524,211	100.00%		8.180%	12.150%	7.130%	
Federal & State Income Tax Rate							41.37%	
Pretax "Gross-up" Factor							1.70560	
After Tax Return on Equity							5.6343%	1/
Income Tax Component							3.9757%	2/
Interest Expense Component							2.5400%	
Pre-tax Return							12.1500%	

1/ Rounding forced to equity.

2/ Shown here as a component of the pretax rate of return. Can also be computed as 70.56% gross up on After Tax Return on Equity.

Minnesota Power
MPUC Docket E015/GR-08-415
Rate of Return / Cost of Capital Summary
(thousands of dollars)
Commission Decision (5/4/2009)
Applied to Renewable Resources Rider Beginning 4/1/2010

		Average for 13 months Ended 6/30/09		Component	Weighted	Pre-tax	After-Tax	
		Amount	% of Total	Cost	Cost	Rate	Rate	
Long-Term Debt	\$	547,430	45.21%	5.68%	2.57%	2.570%	1.510%	
Common Equity	\$	663,359	54.79%	10.74%	5.88%	10.040%	5.890%	
Total	\$	1,210,789	100.00%		8.45%	12.610%	7.400%	
Federal & State Income Tax Rate							41.37%	
Pretax "Gross-up" Factor							1.70560	
After Tax Return on Equity							5.8865%	1/
Income Tax Component							4.1536%	2/
Interest Expense Component							2.5700%	
Pre-tax Return							12.6100%	

1/ Rounding forced to equity.

2/ Shown here as a component of the pretax rate of return. Can also be computed as 70.56% gross up on After Tax Return on Equity.

Minnesota Power
Renewable Resources Rider: 2012 / 2013 Factor Filing
Allocation Factors

Allocation factors used from 1/1/2010 until 3/31/11

	D-01		D-02	
	Rate Case	Normalized	Rate Case	Normalized
MN Jurisdiction	0.83057	1.0000	0.78623	1.0000
Residential	0.10527	0.12674	0.09965	0.12674
General Service	0.06914	0.08324	0.06545	0.08325
Large Light & Power	0.10909	0.13134	0.10326	0.13134
Large Power	0.53911	0.64908	0.51033	0.64908
Municipal Pumping	0.00568	0.00684	0.00538	0.00684
Lighting	0.00228	0.00275	0.00216	0.00275

The D-01 Power Supply Production - Demand allocator and D-02 Transmission - Demand allocator used in 2010 and until 3/31/2011 are from MP's 2008 MPUC rate case, Docket No. E-015/GR-08-415. Because the revenue tracker amounts are 100% MN Jurisdictional, the factor are normalized to obtain class allocations.

Allocation factors used beginning 4/1/2011

	D-01		D-02	
	Rate Case	Normalized	Rate Case	Normalized
MN Jurisdiction	0.82017	1.0000	0.77570	1.0000
Residential	0.11259	0.1373	0.10649	0.1373
General Service	0.06213	0.0758	0.05876	0.0758
Large Light & Power	0.12471	0.1521	0.11795	0.1521
Large Power	0.51269	0.6251	0.48489	0.6251
Municipal Pumping	0.00568	0.0069	0.00537	0.0069
Lighting	0.00237	0.0029	0.00224	0.0029

The D-01 and D-02 allocators from MP's 2009 MPUC rate case Docket No. E-015/GR-09-1151 were applied in 2011 Factor Filing beginning April 2011.

Because the revenue tracker amounts are 100% MN Jurisdictional, the factor are normalized to obtain class allocations.

Minnesota Power
Docket No. E-015/GR-08-415
Demand Responsibility of Power Supply Cost Based on Peak & Average Methodology: D-01 & D-02
Test Year 7/08 - 6/09

	Total Retail	Residential	General Service	Large Light & Power	Large Power	Municipal Pumping	Lighting
1 Annual Energy (E-01 with losses)	9,126,513	1,077,380	706,210	1,151,501	6,103,175	66,306	21,941
2 Average Demand	1,041,839	122,989	80,618	131,450	696,709	7,569	2,505
3 Percent	100.000	11.805	7.738	12.617	66.873	0.727	0.240
4 Annual CP Demand (loss adjusted)	1,332,068	210,331	138,987	199,685	770,636	7,093	5,337
5 Percent	100.000	15.790	10.434	14.991	57.853	0.532	0.401
6 Annual Load Factor (Line 2 / Line 4)	0.78212						
7 1.0 - Load Factor	0.21788						
8 Average Factor (Line 3 x Line 6 total)	78.212	9.233	6.052	9.868	52.303	0.568	0.188
9 Peak Factor (Line 5 x Line 7 total)	21.788	3.441	2.273	3.266	12.605	0.116	0.087
10 Composite Factor - D-01 (Line 8 + Line 9)	100.000	12.674	8.325	13.134	64.908	0.684	0.275
11 Power Supply Production - D-01 Adjusted for Jurisdictional Split (Line 10 x .83057)	83.057	10.527	6.914	10.909	53.911	0.568	0.228
12 Power Supply Transmission - D-02 Adjusted for Jurisdictional Split (Line 10 x .78623)	78.623	9.965	6.545	10.326	51.033	0.538	0.216

Notes:

Residential, General Service, Large Light and Power and Municipal Pumping CP Demands from load research: CP demand per customer multiplied by budgeted number of customers and adjusted for losses. Large Power CP demand estimated based on actual measured 2007 CP adjusted for losses and ratio of 2007 to Test Year average demand. Lighting CP is average load based on Test Year budgeted total energy and 4,200 burning hours and adjusted for losses.

Minnesota Power
Docket No. E-015/GR-09-1151
Demand Responsibility of Power Supply Cost Based on Peak & Average Methodology: D-01 & D-02
Test Year 2010 Rebuttal Customer Budget
Revised from original work paper AF-3, page 14.

	Total Retail	Residential	General Service	Large Light & Power	Large Power	Municipal Pumping	Lighting
1 Annual Energy (E-01 with losses)	8,973,590	1,164,063	645,945	1,311,171	5,768,410	61,116	22,885
2 Average Demand	1,024,382	132,884	73,738	149,677	658,494	6,977	2,612
3 Percent	100.000	12.972	7.198	14.611	64.282	0.681	0.255
4 Annual CP Demand (loss adjusted)	1,267,035	214,342	116,138	224,399	697,256	9,334	5,567
5 Percent	100.000	16.917	9.166	17.711	55.031	0.737	0.439
6 Annual Load Factor (Line 2 / Line 4)	0.80849						
7 1.0 - Load Factor	0.19151						
8 Average Factor (Line 3 x Line 6 total)	80.849	10.488	5.820	11.813	51.971	0.551	0.206
9 Peak Factor (Line 5 x Line 7 total)	19.151	3.240	1.755	3.392	10.539	0.141	0.084
10 Composite Factor - D-01 (Line 8 + Line 9)	100.000	13.728	7.575	15.205	62.510	0.692	0.290
11 Power Supply Production - D-01 Adjusted for Jurisdictional Split (Line 10 x .82017)	82.017	11.259	6.213	12.471	51.269	0.568	0.237
12 Power Supply Transmission - D-02 Adjusted for Jurisdictional Split (Line 10 x .77570)	77.570	10.649	5.876	11.795	48.489	0.537	0.224

Notes:
Residential, General Service, Large Light and Power and Municipal Pumping CP demands per customer from load research multiplied by budgeted number of customers and adjusted for losses. Large Power CP demand based on 2008 CP adjusted for losses and ratio of 2008 to Test Year average demand. Large Light and Power and Large Power loads normalized to reflect three customers that moved from Large Power to Large Light and Power. Lighting CP is average load based on Test Year budgeted total energy and 4,200 burning hours and adjusted for losses.

STATE OF MINNESOTA)
) ss
COUNTY OF ST. LOUIS)

AFFIDAVIT OF SERVICE VIA
ELECTRONIC FILING

Kristie Lindstrom of the City of Duluth, County of St. Louis, State of Minnesota, says that on the 29th day of April, 2014, she served Minnesota Power's Petition seeking approval of its 2014 Renewable Factor to the Minnesota Public Utilities Commission and the Office of Energy Security via electronic filing. The remaining parties on the attached service list were served the summary as so indicated on the list.

/s/ Kristie Lindstrom

Subscribed and sworn to before
me this 29th day of April, 2014.

/s/ Jodi Nash

Notary Public - Minnesota
My Commission Expires Jan. 31, 2015

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Christopher	Anderson	canderson@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022191	Electronic Service	Yes	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
Julia	Anderson	Julia.Anderson@ag.state.mn.us	Office of the Attorney General-DOC	1800 BRM Tower 445 Minnesota St St. Paul, MN 551012134	Electronic Service	Yes	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
Sharon	Ferguson	sharon.ferguson@state.mn.us	Department of Commerce	85 7th Place E Ste 500 Saint Paul, MN 551012198	Electronic Service	Yes	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
Elizabeth	Goodpaster	bgoodpaster@mncenter.org	MN Center for Environmental Advocacy	Suite 206 26 East Exchange Street St. Paul, MN 551011667	Electronic Service	No	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
Burl W.	Haar	burl.haar@state.mn.us	Public Utilities Commission	Suite 350 121 7th Place East St. Paul, MN 551012147	Electronic Service	No	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
Margaret	Hodnik	mhodnik@mnpower.com	Minnesota Power	30 West Superior Street Duluth, MN 55802	Electronic Service	No	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
Lori	Hoyum	lhoyum@mnpower.com	Minnesota Power	30 West Superior Street Duluth, MN 55802	Electronic Service	No	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
Michael	Krikava	mkrikava@briggs.com	Briggs And Morgan, P.A.	2200 IDS Center 80 S 8th St Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
Douglas	Larson	dlarson@dakotaelectric.com	Dakota Electric Association	4300 220th St W Farmington, MN 55024	Electronic Service	No	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
James D.	Larson	james.larson@avantenergy.com	Avant Energy Services	220 S 6th St Ste 1300 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
John	Lindell	agorud.ecf@ag.state.mn.us	Office of the Attorney General-RUD	1400 BRM Tower 445 Minnesota St St. Paul, MN 551012130	Electronic Service	Yes	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List

First Name	Last Name	Email	Company Name	Address	Delivery Method	View Trade Secret	Service List Name
Susan	Ludwig	sludwig@mnpower.com	Minnesota Power	30 West Superior Street Duluth, MN 55802	Electronic Service	No	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
Pam	Marshall	pam@energycents.org	Energy CENTS Coalition	823 7th St E St. Paul, MN 55106	Paper Service	No	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
David	Moeller	dmoeller@allete.com	Minnesota Power	30 W Superior St Duluth, MN 558022093	Electronic Service	Yes	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
Andrew	Moratzka	apmoratzka@stoel.com	Stoel Rives LLP	33 South Sixth Street Suite 4200 Minneapolis, MN 55402	Electronic Service	No	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
Thomas	Scharff	thomas.scharff@newpagecorp.com	New Page Corporation	P.O. Box 8050 610 High Street Wisconsin Rapids, WI 544958050	Electronic Service	No	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
Ron	Spangler, Jr.	rlspangler@otpc.com	Otter Tail Power Company	215 So. Cascade St. PO Box 496 Fergus Falls, MN 565380496	Electronic Service	No	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
Eric	Swanson	eswanson@winthrop.com	Winthrop Weinstine	225 S 6th St Ste 3500 Capella Tower Minneapolis, MN 554024629	Electronic Service	No	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
Karen	Turnboom	karen.turnboom@newpagecorp.com	NewPage Corporation	100 Central Avenue Duluth, MN 55807	Electronic Service	No	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List
Laurance R.	Waldoch		Lindquist & Vennum	4200 IDS Center 80 South 8th Street Minneapolis, MN 554022274	Paper Service	No	GEN_SL_Minnesota Power_GEN_SL_Minnesot a Power_Minnesota Power General Service List