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March 19, 2018

VIA ELECTRONIC FILING

Daniel P. Wolf
Executive Secretary
Minnesota Public Utilities Commission
121 7th Place East, Suite 350
Minneapolis, MN 55101

RE: In the Matter of a Request for the Approval of the Asset Purchase and Sale Agreement Between Interstate Power and Light Company and Southern Minnesota Energy Cooperative, Docket Nos. E-001, 115, 140, 105, 139, 124, 126, 145, 132, 114, 6521, 142, 135/PA-14-322

Dear Mr. Wolf:

This law firm represents the Southern Minnesota Energy Cooperative (SMEC) with respect to SMEC's December 11, 2017 compliance filing and subsequent revisions in the above-referenced matter.

Pursuant to the Commission's Notice of Comment Period issued February 28, 2018, one of the topics open for comment in the above-referenced matter is: "Do the [SMEC] Member Cooperatives' Class Cost of Service Studies [CCOSS] support the proposed rate changes?"

In support of its position that the answer to this topic is "Yes, the Member Cooperatives' CCOSS support the proposed rate changes," SMEC respectfully submits the Scenario 2 CCOSS upon which the proposed rate changes for the areas the SMEC member cooperatives acquired from Interstate Power and Light are based. Because the CCOSS contain sensitive and confidential trade secret data, SMEC is submitting both public versions of each CCOSS from which the trade secret data has been excised, as well as nonpublic versions containing the trade secret data. The excised data is trade secret because it is the subject of efforts by the SMEC cooperatives and their power suppliers to maintain its secrecy and because it derives independent economic value from not being generally known to or readily ascertainable by other persons who can obtain economic value from its disclosure or use.

Please note that SMEC does intend to file separate comments during the Initial Comment Period. In the meantime, please contact me at (612) 373-8546 or rwinter@felhaber.com if you have any questions regarding this filing.

Yours very truly,

/s/ Randi J. Winter

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Enclosures
cc: Service List

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BENCO
SPECIFICALLY ASSIGNED DISTRIBUTION & PURCHASE POWER

BENCO ELECTRIC COOPERATIVE, INC.
CLASS COST OF SERVICE FOR MPSC COMPLIANCE FILING
SCENARIO 2: SPECIFIC ASSIGNMENT OF DISTRIBUTION PLANT AND PURCHASED POWER

LINE NO.	CLASS	COSS BASED REVENUE ALLOCATION	EXISTING REVENUE ALLOCATION	DIFFERENCE	PERCENT DIFFERENCE
LEGACY:					
1	RESIDENTIAL	\$25,079,334	\$25,305,281	(\$225,946)	-0.89%
2	SEASONAL	\$227,733	\$195,156	\$32,578	16.69%
3	IRRIGATION	\$16,823	\$19,729	(\$2,906)	-14.73%
4	C&I <= 1000 KVA	\$8,894,334	\$9,533,049	(\$638,715)	-6.70%
5	C&I > 1000 KVA	\$308,653	\$208,520	\$100,133	48.02%
6	PUBLIC AUTHORITIES	\$18,912	\$38,974	(\$20,062)	-51.48%
7	STREET LIGHTING	\$150,712	\$244,588	(\$93,876)	-38.38%
8	TOTAL LEGACY	\$34,696,502	\$35,545,296	(\$848,795)	-2.39%
SMEC					
9	RESIDENTIAL	\$3,452,367	\$2,649,626	\$802,741	30.30%
10	SEASONAL	\$358,881	\$445,338	(\$86,457)	-19.41%
11	C&I <= 1000 KVA	\$1,080,384	\$1,459,489	(\$379,105)	-25.98%
12	C&I > 1000 KVA	\$4,622,810	\$4,009,310	\$613,500	15.30%
13	STREET LIGHTING	\$67,552	\$156,309	(\$88,757)	-56.78%
14	TOTAL SMEC	\$9,581,994	\$8,720,073	\$861,921	9.88%
15					
16	TOTAL COMPANY	\$44,278,496	\$44,265,369	\$13,127	0.03%
17	MISC. REVENUES	\$759,886	\$759,886	\$0	0.00%
18	OPERATING REVENUES	\$45,038,382	\$45,025,255	\$13,127	0.03%
CONSOLIDATED:					
19	RESIDENTIAL	\$28,531,701	\$27,954,907	\$576,794	2.06%
20	SEASONAL	\$586,614	\$640,494	(\$53,880)	-8.41%
21	IRRIGATION	\$16,823	\$19,729	(\$2,906)	-14.73%
22	C&I <= 1000 KVA	\$9,974,718	\$10,992,538	(\$1,017,820)	-9.26%
23	C&I > 1000 KVA	\$4,931,463	\$4,217,830	\$713,633	16.92%
24	PUBLIC AUTHORITIES	\$18,912	\$38,974	(\$20,062)	-51.48%
25	STREET LIGHTING	\$218,264	\$400,897	(\$182,633)	-45.56%
26	ELECTRIC REVENUES	\$44,278,496	\$44,265,369	\$13,127	0.03%
27	MISC. REVENUES	\$759,886	\$759,886	\$0	0.00%
28	OPERATING REVENUES	\$45,038,382	\$45,025,255	\$13,127	0.03%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BENCO

SPECIFICALLY ASSIGNED DISTRIBUTION & PURCHASE POWER

BENCO ELECTRIC COOPERATIVE, INC.

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FILESPEC: K:\RATERES\COS\93RESALE\COS1292.WK3

STUDY DATE:		DECEMBER 31, 2016	
RUN DATE AND TIME:	05-Sep-17	12:45 PM	
RETURN ON COMMON EQUITY		6.64%	
OVERALL RATE OF RETURN		4.31%	
CAPITALIZATION:			
	OUTSTANDING	EFFECTIVE RATE	COMPOSITE
DBT	\$50,660,934	2.74%	1.64%
PRF	\$0	0.00%	0.00%
CMN	\$34,086,740	6.64%	2.67%
FEDERAL EFFECTIVE INCOME TAX RATE			0.00%
FEDERAL NOMINAL INCOME TAX RATE			0.00%
STATE EFFECTIVE INCOME TAX RATE			0.00%
STATE NOMINAL INCOME TAX RATE			0.00%

NOTATIONS: THIS RUN ALLOCATES PRODUCTION PLANT ON AVG OF 12 CP

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BENCO

SPECIFICALLY ASSIGNED DISTRIBUTION & PURCHASE POWER

BENCO ELECTRIC COOPERATIVE, INC.
 COST OF SERVICE STUDY
 FOR TWELVE MONTHS ENDED
 DECEMBER 31, 2016

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*****CUSTOMER DATA*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I		STREET LIGHTING
		ALL	OUT				<= 1000 KVA	> 1000 KVA	
1	NUMBER OF CUSTOMERS	C1A	C1A	3,612	2,614	229	708	24	37
2	PERCENT OF TOTAL	C1A		100.000%	72.382%	6.327%	19.614%	0.653%	1.024%
3	NUMBER OF WEIGHTED CUSTOMERS	C2A	C2A	3,612	2,614	229	708	24	37
4	PERCENT OF TOTAL	C2A		100.000%	72.373%	6.326%	19.612%	0.664%	1.024%
5	NUMBER OF RETAIL DISTR CUSTOMERS	C3A	C3A	3,612	2,614	229	708	24	37
6	PERCENT OF TOTAL	C3A		100.000%	72.382%	6.327%	19.614%	0.653%	1.024%
7	NMBR OF RETAIL WTD CUSTOMERS	C4A	C4A	3,612	2,614	229	708	24	37
8	PERCENT OF TOTAL	C4A		100.000%	72.373%	6.326%	19.612%	0.664%	1.024%
9	LIGHTING DIRECT ALLOCATOR	LDE	LDE	100	0	0	0	0	100
10	PERCENT OF TOTAL	LDE		100.000%	0.000%	0.000%	0.000%	0.000%	100.000%
11	LPS DIRECT ALLOCATOR	DA1	DA1	0	0	0	0	0	0
12	PERCENT OF TOTAL	DA1		ERR	ERR	ERR	ERR	ERR	ERR
13	AVERAGE COINCIDENT KW DEMAND	D1A	D1A	14,567	3,918	644	1,827	8,178	0
14	DEMAND ALLOCATION FACTOR-PROD	D1A		100.000%	26.899%	4.420%	12.539%	56.142%	0.000%
15	AVERAGE COINCIDENT KW DEMAND	D1B	D1B	14,567	3,918	644	1,827	8,178	0
16	DEMAND ALLOCATION FACTOR-TRANS	D1B		100.000%	26.899%	4.420%	12.539%	56.142%	0.000%
17	AVG PRIMARY DISTRIB KW DEMAND	D2A	D2A	19,454	5,105	839	2,380	10,656	474
18	DIST-PRI DEMAND ALLOC FACTOR	D2A		100.000%	26.243%	4.312%	12.233%	54.775%	2.437%
19	AVG SECONDARY DISTRIB KW DEMAND	D3A	D3A	19,454	5,105	839	2,380	10,656	474
20	DIST-SEC DEMAND ALLOC FACTOR	D3A		100.000%	26.243%	4.312%	12.233%	54.775%	2.437%
21	AVG SECONDARY DISTRIB KW DEMAND	D4A	D4A	19,454	5,105	839	2,380	10,656	474
22	DIST-SEC DEMAND ALLOC FACTOR	D4A		100.000%	26.243%	4.312%	12.233%	54.775%	2.437%
23	ANNUAL KWH ENERGY CONTRIBUTION	E1A	E1A	115,157,037	26,711,659	4,389,129	14,400,369	68,061,328	1,594,551
24	ENERGY ALLOCATION FACTOR	E1A		100.000%	23.196%	3.811%	12.505%	59.103%	1.385%

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BENCO

SPECIFICALLY ASSIGNED DISTRIBUTION & PURCHASE POWER

BENCO ELECTRIC COOPERATIVE, INC.
 COST OF SERVICE STUDY
 FOR TWELVE MONTHS ENDED
 DECEMBER 31, 2016

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*****CUSTOMER DATA*****
 **** CONTINUED ****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I <= 1000 KVA	C&I > 1000 KVA	STREET LIGHTING
25	RESERVED			0	0	0	0	0	0
26	PERCENT OF TOTAL			0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
27	WAGES/SALARIES: PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
29	DISTRIBUTION	NPD		\$199,388	\$179,101	\$1,203	\$3,430	\$14,543	\$1,111
30	GENERAL	NPG		\$294,506	\$282,047	\$2,340	\$7,209	\$2,395	\$515
31	WAGES/SALARIES: TOTAL	LBR	LBR	\$493,894	\$461,148	\$3,543	\$10,639	\$16,938	\$1,626
32	PERCENT OF TOTAL	LBR		100.000%	93.370%	0.717%	2.154%	3.429%	0.329%
33	BULK TRANSMISSION REVENUE	D1A		\$0	\$0	\$0	\$0	\$0	\$0
34	PRIMARY TRANSMISSION REVENUE	D2A		\$0	\$0	\$0	\$0	\$0	\$0
35	TOTAL TRANSMISSION REVENUE	TRN	TRN	\$0	\$0	\$0	\$0	\$0	\$0
36	PERCENT OF TOTAL	TRN		100.000%	100.000%	0.000%	0.000%	0.000%	0.000%
EXISTING REVENUE									
37	EXISTING BASE REV	OTR	OTR	\$8,720,073	\$2,649,626	\$445,338	\$1,459,489	\$4,009,310	\$156,309
38	FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
39	MISCELLANEOUS REVENUE	NPD		\$102,818	\$92,355	\$621	\$1,769	\$7,500	\$573
40	TRANSMISSION REVENUE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
41	NON-FRM SLS FOR RESALE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
42	TOTAL EXISTING REVENUE	EXR	EXR	\$8,822,891	\$2,741,981	\$445,959	\$1,461,258	\$4,016,810	\$156,882
PROPOSED REVENUE									
43	PROPOSED BASE REV			\$9,581,994	\$3,452,367	\$358,881	\$1,080,384	\$4,622,810	\$67,552
44	FUEL REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
45	MISCELLANEOUS REVENUE			\$102,818	\$92,355	\$621	\$1,769	\$7,500	\$573
46	TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
47	NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
48	TOTAL PROPOSED REVENUE	PRV	PRV	\$9,684,812	\$3,544,722	\$359,502	\$1,082,153	\$4,630,310	\$68,125
49	PROPOSED BASE REVENUE INCREASE/(DECREASE)			\$861,921	\$802,741	(\$86,457)	(\$379,105)	\$613,500	(\$88,757)
50	PROPOSED BASE REVENUE INCR/(DECR) - %			9.88%	30.30%	-19.41%	-25.98%	15.30%	-56.78%

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SPECIFICALLY ASSIGNED DISTRIBUTION & PURCHASE POWER

BENCO ELECTRIC COOPERATIVE, INC.
 COST OF SERVICE STUDY
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ELECTRIC GROSS PLANT

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I <= 1000 KVA	C&I > 1000 KVA	STREET LIGHTING
1	TOTAL PRODUCTION PLANT	D1A	GPP	\$0	\$0	\$0	\$0	\$0	\$0
TRANSMISSION PLANT									
2	POWER PLANT EQUIP	D1A		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1B		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	GPT	GPT	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION PLANT									
7	PRIMARY DEMAND RELATED	D4A		\$14,826,633	\$3,890,975	\$639,346	\$1,813,760	\$8,121,300	\$361,252
8	SECONDARY DEMAND RELATED	D3A		\$2,371,305	\$622,305	\$102,254	\$290,085	\$1,298,884	\$57,777
9	CUSTOMER RELATED	C4A		\$604,448	\$437,461	\$38,236	\$118,544	\$4,016	\$6,191
10	SUB-TOTAL DISTR PLANT		SGD	\$17,802,386	\$4,950,741	\$779,836	\$2,222,389	\$9,424,200	\$425,220
11	LIGHTING SPECIFIC		LDE	\$294,391	\$0	(\$0)	\$0	\$0	\$294,391
12	TOTAL DISTRIBUTION PLANT	GPD	GPD	\$18,096,777	\$4,950,741	\$779,836	\$2,222,389	\$9,424,200	\$719,611
GENERAL AND INTANGIBLE PLANT									
13	PRODUCTION RELATED		GPP	\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED		GPT	\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED		GPD	\$551,957	\$479,757	\$4,283	\$12,206	\$51,759	\$3,952
16	CUST ACCT/SERV & INFO/ SALES RELATED		C2A	\$815,268	\$590,037	\$51,573	\$159,890	\$5,417	\$8,351
17	TOTAL GENERAL & INTANGIBLE PLANT	GPG	GPG	\$1,367,225	\$1,069,794	\$55,856	\$172,096	\$57,176	\$12,303
18	TOTAL GROSS PLANT IN SERVICE	GPR	GPR	\$19,464,002	\$6,020,535	\$835,692	\$2,394,485	\$9,481,376	\$731,914

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BENCO

SPECIFICALLY ASSIGNED DISTRIBUTION & PURCHASE POWER

BENCO ELECTRIC COOPERATIVE, INC.
 COST OF SERVICE STUDY
 FOR TWELVE MONTHS ENDED
 DECEMBER 31, 2016

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*****ELECTRIC PLANT*****
 ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I ≤ 1000 KVA	C&I > 1000 KVA	STREET LIGHTING
1	TOTAL PRODUCTION PLANT	D1A	DPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	DPT	DPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$8,045,694	\$2,111,443	\$346,942	\$984,240	\$4,407,035	\$196,034
8	SECONDARY DEMAND RELATED	D3A		\$1,286,792	\$337,695	\$55,488	\$157,415	\$704,841	\$31,353
9	CUSTOMER RELATED	C4A		\$328,005	\$237,389	\$20,749	\$64,328	\$2,179	\$3,360
10	SUB-TOTAL DISTR PLANT		SDD	\$9,660,491	\$2,686,527	\$423,179	\$1,205,983	\$5,114,055	\$230,747
11	LIGHTING SPECIFIC		LDE	\$159,752	\$0	\$0	\$0	\$0	\$159,752
12	TOTAL DISTRIBUTION PLANT	DPD	DPD	\$9,820,243	\$2,686,527	\$423,179	\$1,205,983	\$5,114,055	\$390,499
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		(\$1)	(\$1)	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$208,989	\$181,652	\$1,622	\$4,621	\$19,598	\$1,496
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$308,687	\$223,407	\$19,527	\$60,540	\$2,051	\$3,162
17	TOTAL GENERAL & INTANGIBLE PLANT	DPG	DPG	\$517,675	\$405,058	\$21,149	\$65,161	\$21,649	\$4,658
18	TOTAL ACCUMULATED DEPRECIATION	DPR	DPR	\$10,337,918	\$3,091,585	\$444,328	\$1,271,144	\$5,135,704	\$395,157

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SPECIFICALLY ASSIGNED DISTRIBUTION & PURCHASE POWER

BENCO ELECTRIC COOPERATIVE, INC.
 COST OF SERVICE STUDY
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*****ELECTRIC NET PLANT*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I		STREET LIGHTING
		ALL	OUT				<= 1000 KVA	> 1000 KVA	
1	TOTAL PRODUCTION PLANT	D1A	NPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	NPT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$6,780,939	\$1,779,532	\$292,404	\$829,520	\$3,714,265	\$165,218
8	SECONDARY DEMAND RELATED	D3A		\$1,084,513	\$284,610	\$46,766	\$132,670	\$594,043	\$26,424
9	CUSTOMER RELATED	C4A		\$276,443	\$200,072	\$17,487	\$54,216	\$1,837	\$2,831
10	SUB-TOTAL DISTR PLANT		SPD	\$8,141,895	\$2,264,214	\$356,657	\$1,016,406	\$4,310,145	\$194,473
11	LIGHTING SPECIFIC		LDE	\$134,639	\$0	(\$0)	\$0	\$0	\$134,639
12	TOTAL DISTRIBUTION PLANT	NPD	NPD	\$8,276,534	\$2,264,214	\$356,657	\$1,016,406	\$4,310,145	\$329,112
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED		NPP	\$1	\$1	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED		NPT	\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED		NPD	\$342,968	\$298,105	\$2,661	\$7,585	\$32,161	\$2,456
16	CUST ACCT/SERV & INFO/ SALES RELATED		C2A	\$506,581	\$366,630	\$32,046	\$99,350	\$3,366	\$5,189
17	TOTAL GENERAL & INTANGIBLE PLANT		NPG	\$849,550	\$664,736	\$34,707	\$106,935	\$35,527	\$7,645
18	TOTAL NET PLANT IN SERVICE		NPR	\$9,126,084	\$2,928,950	\$391,364	\$1,123,341	\$4,345,672	\$336,757

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SPECIFICALLY ASSIGNED DISTRIBUTION & PURCHASE POWER

BENCO ELECTRIC COOPERATIVE, INC.
 COST OF SERVICE STUDY
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***** RATE BASE *****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I		STREET LIGHTING
		ALL	OUT				<= 1000 KVA	> 1000 KVA	
1	NET PLANT IN SERVICE	NPR	NPR	\$9,126,084	\$2,928,950	\$391,364	\$1,123,341	\$4,345,672	\$336,757
	CONSTRUCTION WORK IN PROGRESS								
2	PRODUCTION PLANT	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION PLANT	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION PLANT	NPD		\$176,384	\$158,437	\$1,065	\$3,034	\$12,866	\$982
5	GENERAL PLANT	NPG		\$0	\$0	\$0	\$0	\$0	\$0
6	TOAL CWIP	CWP	CWP	\$176,384	\$158,437	\$1,065	\$3,034	\$12,866	\$982
7	NET ACQUISITION ADJUSTMENT	D2A	ACQ	(\$999,058)	(\$262,184)	(\$43,081)	(\$122,216)	(\$547,235)	(\$24,342)
8	PLANT HELD FOR FUTURE USE	E1A	PLH	\$0	\$0	\$0	\$0	\$0	\$0
	MISC DEFERRED DEBITS								
9	PROD RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
10	TRAN RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
11	DIST RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
12	GENR RELATED	NPG		\$0	\$0	\$0	\$0	\$0	\$0
13	LABOR RELATED	LBR		\$150,917	\$140,910	\$1,083	\$3,251	\$5,176	\$497
14	NPR RELATED	NPR		\$350	\$316	\$2	\$6	\$24	\$2
15	TOTAL MISC DEFRD DEBITS			\$151,267	\$141,226	\$1,085	\$3,257	\$5,200	\$499
	WORKING CAPITAL								
16	CASH WORK CAP,FUNDS,MAT&SUP	NPR	MAS	\$277,075	\$250,017	\$1,709	\$4,905	\$18,974	\$1,470
17	FUEL STOCK	E1A	FUL	\$0	\$0	\$0	\$0	\$0	\$0
18	PREPAID LIGNITE ROYALTIES	E1A		\$0	\$0	\$0	\$0	\$0	\$0
19	OTHER PREPAYMENTS	NPR		\$16,762	\$15,125	\$103	\$297	\$1,148	\$89
20	TOTAL WORKING CAPITAL			\$293,837	\$265,142	\$1,812	\$5,202	\$20,122	\$1,559
21	UNAMORTIZED LOSS ON REACQD LTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
22	DEFERRED FUEL	E1A	DEF	\$0	\$0	\$0	\$0	\$0	\$0

(RATE BASE CONTINUED ON NEXT PAGE)

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SPECIFICALLY ASSIGNED DISTRIBUTION & PURCHASE POWER

BENCO ELECTRIC COOPERATIVE, INC.
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***** RATE BASE*****

** CONTINUED **

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I <= 1000 KVA	C&I > 1000 KVA	STREET LIGHTING
23	ACCUMULATED DEFERRED INCOME TAX ACCT 281: POL CON	NPP		\$0	\$0	\$0	\$0	\$0	\$0
24	ACCT 282: LIBERAL DEP - PROD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
25	TRAN	NPT		\$0	\$0	\$0	\$0	\$0	\$0
26	DIST	NPD		\$0	\$0	\$0	\$0	\$0	\$0
27	GENR	NPG		\$0	\$0	\$0	\$0	\$0	\$0
28	LIGNITE EXPLORATN	E1A		\$0	\$0	\$0	\$0	\$0	\$0
29	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
30	TOTAL ACCOUNT 282			\$0	\$0	\$0	\$0	\$0	\$0
31	ACCT 283: THIS LINE RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
32	LONG TERM DEBT LOSS	NPR		\$0	\$0	\$0	\$0	\$0	\$0
33	TOTAL ACCOUNT 283			\$0	\$0	\$0	\$0	\$0	\$0
34	ACCOUNT 190: PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
35	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
36	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
37	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
38	FERC REFUND	TRN		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL ACCOUNT 190			\$0	\$0	\$0	\$0	\$0	\$0
40	TOTAL ACCUM DEFERD INC TAX	ACC	ACC	\$0	\$0	\$0	\$0	\$0	\$0
41	INVESTMENT TAX CREDIT PRE '71	NPR	PIC	\$0	\$0	\$0	\$0	\$0	\$0
42	CUSTOMER ADVANCES AND DEPOSITS	C3A	CAD	(\$581)	(\$420)	(\$37)	(\$114)	(\$4)	(\$6)
43	STORM DAMAGE & INJ & DAM RESRVS	D2A	SDR	\$0	\$0	\$0	\$0	\$0	\$0
44	PNSN & MIS OP RSRVS, OTR DEF CR	OMA	PEN	(\$18,664)	(\$18,462)	(\$22)	(\$66)	(\$104)	(\$10)
45	TRANSMISSION RATE REFUND RESERVE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
46	TOTAL RATE BASE	RBT	RBT	\$8,729,268	\$3,212,688	\$352,186	\$1,012,438	\$3,836,517	\$315,439

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*****OPER AND MTN EXPENSES*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I		STREET LIGHTING
		ALL	OUT				<= 1000 KVA	> 1000 KVA	
1	PRODUCTION O&M EXPENSE								
	FUEL EXPENSE - ACCT 501	E1A		\$0	\$0	\$0	\$0	\$0	\$0
	PURCHASED POWER - ACCT 555								
2	DEMAND - OTHER	D1A		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
3	ENERGY - OTHER	E1A							
4	NET OFF SYSTEM REVENUE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
	OTHER PRODUCTION O&M ACCTS								
5	DEMAND - OTHER	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	ENERGY - OTHER	E1A		\$0	\$0	\$0	\$0	\$0	\$0
7	TOTAL OTHER PRODUCTION O&M	PRO	PRO	\$0	\$0	\$0	\$0	\$0	\$0
8	TOTAL PRODUCTION O&M EXPENSE	OMP	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
9	TOTAL TRANSMISSION O&M EXPENSE	NPT	OMT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION O&M EXPENSE								
10	LIGHTING SPECIFIC	LDE		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
11	ALL OTHER	SPD							
12	TOTAL DISTRIBUTION O&M EXPENSE	OMD	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
13	TOTAL CUST ACCT/SERV & INFO/ SALES EXPENSE	C2A	OMC	\$303,750	\$219,835	\$19,215	\$59,571	\$2,018	\$3,111
	ADMINISTRATIVE & GENERAL EXPENSE								
14	PROP INSURANCE/INJ & DAMG	NPR		\$0	\$0	\$0	\$0	\$0	\$0
15	CUST ACCT/SERV&INFO/SALES REL	LBR		\$259,445	\$242,243	\$1,861	\$5,589	\$8,898	\$854
16	TOTAL ADMIN & GENERAL EXPENSE	OMA	OMA	\$259,445	\$242,243	\$1,861	\$5,589	\$8,898	\$854
17	TOTAL OPER & MTN EXPENSES	OMX	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

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EXPENSES OTHER THAN INCOME TAXES

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I		STREET LIGHTING
		ALL	OUT				<= 1000 KVA	> 1000 KVA	
1	TOTAL OPER & MTN EXPENSES		OMX	[TRADE SECRET DATA BEGINS...]		[TRADE SECRET DATA ENDS]			
	DEPRECIATION & AMORTIZATION EXPENSES								
2	PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION	NPD		\$389,700	\$350,050	\$2,352	\$6,703	\$28,425	\$2,170
5	GENERAL	NPG		\$28,621	\$27,410	\$227	\$701	\$233	\$50
6	TOTAL DEPR & AMORT EXPEN	DEP	DEP	\$418,321	\$377,460	\$2,579	\$7,404	\$28,658	\$2,220
7	INTEREST ON CUSTOMER DEPOSITS	C3A	ICD	\$0	\$0	\$0	\$0	\$0	\$0
	GENERAL TAXES								
8	AD VALOREM	NPR	VAL	\$0	\$0	\$0	\$0	\$0	\$0
9	CORP FRANCHISE TAX	NPR	SFT	\$0	\$0	\$0	\$0	\$0	\$0
10	MISCELLANEOUS GENERAL TAXES	LBR	MIS	\$74	\$68	\$1	\$2	\$3	\$0
11	REVENUE-RELATED (AS PROPOSED)	RTX		\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL GENERAL TAXES	GTX	GTX	\$74	\$68	\$1	\$2	\$3	\$0
13	TOTAL EXPENSES EXCEPT INCOME TAX	EXP	EXP	[TRADE SECRET DATA BEGINS...]		[TRADE SECRET DATA ENDS]			

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INCOME TAX FOR 6.64% ROE

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I <= 1000 KVA	C&I > 1000 KVA	STREET LIGHTING
1	RATE BASE	RBT		\$8,729,268	\$3,212,688	\$352,186	\$1,012,438	\$3,836,517	\$315,439
2	RETURN AT 4.31%	RBT	RET	\$375,930	\$138,355	\$15,167	\$43,601	\$165,222	\$13,585
3	INTEREST (1.64% OF LINE 1)	RBT	INT	(\$142,824)	(\$52,565)	(\$5,762)	(\$16,565)	(\$62,771)	(\$5,161)
4	A F U D C	NPR	AFD	\$0	\$0	\$0	\$0	\$0	\$0
	PROVISION FOR DEFERRED TAXES								
5	ACT 410.1: PROD RLTD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
6	TRAN RLTD	NPT		\$0	\$0	\$0	\$0	\$0	\$0
7	PLANT RLTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
8	ENERGY RLTD	E1A		\$0	\$0	\$0	\$0	\$0	\$0
9	LABOR RLTD	LBR		\$0	\$0	\$0	\$0	\$0	\$0
10	CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
11	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL 410.1			\$0	\$0	\$0	\$0	\$0	\$0
13	ACT 411.1: PROD RLTD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRAN RLTD	NPT		\$0	\$0	\$0	\$0	\$0	\$0
15	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
16	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
17	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
19	TOTAL 411.1			\$0	\$0	\$0	\$0	\$0	\$0
20	NET PROVISION FOR DEFERD INC TAX		PDT	\$0	\$0	\$0	\$0	\$0	\$0
21	ITC AMORT	NPR	ITA	\$0	\$0	\$0	\$0	\$0	\$0
22	ADJUSTED RETURN	ART	ART	\$233,106	\$85,790	\$9,405	\$27,036	\$102,451	\$8,424
	FED ADD INC & UNALLOW DEDUCTS								
23	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
24	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
25	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
26	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
27	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0
29	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
30	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
31	TOTAL ADDITIONS	FTA	FTA	\$0	\$0	\$0	\$0	\$0	\$0

(INCOME TAX CALCULATION CONTINUED ON NEXT PAGE)

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INCOME TAX FOR 6.64% ROE
 *** CONTINUED ***

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I		STREET LIGHTING
		ALL	OUT				<= 1000 KVA	> 1000 KVA	
FED DEDUCTS AND NON-TAX INCOME									
32	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
33	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
34	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
35	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
36	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
37	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0
38	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL DEDUCTIONS	FTD	FTD	\$0	\$0	\$0	\$0	\$0	\$0
40	NET FEDERAL DEDUCTIONS	NFD	NFD	\$0	\$0	\$0	\$0	\$0	\$0
41	ST ADD INC & UNALLOW DEDUCTS	FTA		\$0	\$0	\$0	\$0	\$0	\$0
42	ST DEDUCTS AND NON-TAX INCOME	FTD		\$0	\$0	\$0	\$0	\$0	\$0
43	NET STATE DEDUCTIONS	NSD	NSD	\$0	\$0	\$0	\$0	\$0	\$0
44	PROV FOR DEF'D ITC - CURRENT	NPR	ITC	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL TAXABLE INCOME									
45	ADJ RET * 1/(1-0.0000-0.0000)	ART	TART	\$233,106	\$85,790	\$9,405	\$27,036	\$102,451	\$8,424
46	NET FED DED * 1/(1-0.0000)	NFD		\$0	\$0	\$0	\$0	\$0	\$0
47	NET ST DED * (1/(1-0.0000))-1	NSD		\$0	\$0	\$0	\$0	\$0	\$0
48	CURRENT ITC * (1/(1-0.00))-1	ITC		\$0	\$0	\$0	\$0	\$0	\$0
49	TOTAL FEDERAL TAXABLE INCOME	FTI	FTI	\$233,106	\$85,790	\$9,405	\$27,036	\$102,451	\$8,424
50	PLUS: NET FED DEDUCTS	NFD		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
51	LESS: NET STATE DEDUCTS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
52	TOTAL STATE TAXABLE INCOME	STI	STI	\$233,106	\$85,790	\$9,405	\$27,036	\$102,451	\$8,424
FED & ST INCOME TAXES:									
53	FED TAXABLE INC * 0.0000	FTI		\$0	\$0	\$0	\$0	\$0	\$0
54	ST. TAXABLE INC * 0.0000	STI		\$0	\$0	\$0	\$0	\$0	\$0
55	LESS: CRNT ITC * (1-0.0000)	ITC		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
56	TOTAL FED & ST INCOME TAXES	FST	FST	\$0	\$0	\$0	\$0	\$0	\$0
57	INVESTMENT TAX CREDIT - NET	NPR	ITN	\$0	\$0	\$0	\$0	\$0	\$0

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*****COST OF SERVICE*****
 ** (PROPOSED) **

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I		STREET LIGHTING
		ALL	OUT				<= 1000 KVA	> 1000 KVA	
1	RATE BASE		RBT	\$8,729,268	\$3,212,688	\$352,186	\$1,012,438	\$3,836,517	\$315,439
2	RETURN AT 4.31%		RET	\$375,930	\$138,355	\$15,167	\$43,601	\$165,222	\$13,585
3	OPERATION & MAINTENANCE EXPENSES		OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
4	DEPRECIATION & AMORT EXPENSES		DEP	\$418,321	\$377,460	\$2,579	\$7,404	\$28,658	\$2,220
5	INTEREST ON CUSTOMER DEPOSITS		ICD	\$0	\$0	\$0	\$0	\$0	\$0
6	GENERAL TAXES		GTX	\$74	\$68	\$1	\$2	\$3	\$0
7	FEDERAL AND STATE INCOME TAX		FST	\$0	\$0	\$0	\$0	\$0	\$0
8	PROVISION FOR DEFERRED TAXES		PDT	\$0	\$0	\$0	\$0	\$0	\$0
9	INVESTMENT TAX CREDIT - NET		ITN	\$0	\$0	\$0	\$0	\$0	\$0
10	A F U D C		AFD	\$0	\$0	\$0	\$0	\$0	\$0
11	COST OF SERVICE REVENUE REQUIREMENT BEFORE ATTRITION ADJUSTMENT		CSR CSR	\$9,684,812	\$3,544,722	\$359,502	\$1,082,153	\$4,630,310	\$68,125
12	LESS: FUEL REVENUE		FUL	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
13	BASE COST OF SERVICE REVENUE REQUIREMENT		BRR BRR	\$9,684,812	\$3,544,722	\$359,502	\$1,082,153	\$4,630,310	\$68,125
14	ATTRITION ADJUSTMENT		BRR	\$0	\$0	\$0	\$0	\$0	\$0
15	BASE COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT		ARR ARR	\$9,684,812	\$3,544,722	\$359,502	\$1,082,153	\$4,630,310	\$68,125
16	PLUS: FUEL REVENUE		FUL	\$0	\$0	\$0	\$0	\$0	\$0
17	COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT			\$9,684,812	\$3,544,722	\$359,502	\$1,082,153	\$4,630,310	\$68,125
18	LESS: MISCELLANEOUS REVENUE			(\$102,818)	(\$92,355)	(\$621)	(\$1,769)	(\$7,500)	(\$573)
19	LESS: BULK TRANSMISSION REVENUE			(\$0)	(\$0)	\$-0	\$-0	\$-0	\$-0
20	LESS: PRIMARY TRANSMISSION REVENUE			\$-0	\$0	\$-0	\$-0	\$-0	\$-0
21	LESS: NON-FRM SLS FOR RESALE			\$-0	\$0	\$-0	\$-0	\$-0	\$-0
22	NET ELECTRIC REVENUE REQUIREMENT			\$9,581,994	\$3,452,367	\$358,881	\$1,080,384	\$4,622,810	\$67,552

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EXISTING RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL ALL	CONTROL OUT	TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I <= 1000 KVA	C&I > 1000 KVA	STREET LIGHTING
1	EXISTING REVENUE	EXR		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
	REVENUE DEDUCTIONS:								
2	O&M EXPENSES	OMX							
3	DEPRECIATION & AMORT EXPENSES	DEP		(\$418,321)	(\$377,460)	(\$2,579)	(\$7,404)	(\$28,658)	(\$2,220)
4	AD VALOREM TAXES	VAL		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
5	CORP FRANCHISE TAX	SFT		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
6	MISC GENERAL TAXES	MIS		(\$74)	(\$68)	(\$1)	(\$2)	(\$3)	\$-0
7	REVENUE-RELATED TAXES	RTX		\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
9	TOTAL REVENUE DEDUCTIONS								
10	NET FOR RETURN AND INCOME TAXES	NET	NET	(\$485,991)	(\$664,386)	\$101,624	\$422,706	(\$448,278)	\$102,342
11	LESS: INTEREST EXPENSE	INT		(\$142,824)	(\$52,565)	(\$5,762)	(\$16,565)	(\$62,771)	(\$5,161)
12	LESS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			(\$628,815)	(\$716,951)	\$95,862	\$406,141	(\$511,049)	\$97,181
14	PLUS: NET FEDERAL DEDUCTIONS	NFD		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
15	LESS: NET STATE DEDUCTIONS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			(\$628,815)	(\$716,951)	\$95,862	\$406,141	(\$511,049)	\$97,181
	FED AND ST INCOME TAXES								
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$-0	\$0	\$-0	\$-0	\$-0	\$-0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
	*****RETURN COMPUTATION*****								
21	NET FOR RETURN AND INCOME TAXES	NET		(\$485,991)	(\$664,386)	\$101,624	\$422,706	(\$448,278)	\$102,342
22	FED & ST INCOME TAXES			\$-0	\$0	\$-0	\$-0	\$-0	\$-0
23	PROV FOR DEF TAXES	PDT		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
24	INVESTMENT TAX CREDIT - NET	ITN		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
25	A F U D C	AFD		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
26	NET RETURN			(\$485,991)	(\$664,386)	\$101,624	\$422,706	(\$448,278)	\$102,342
27	RATE BASE	RBT		\$8,729,268	\$3,212,688	\$352,186	\$1,012,438	\$3,836,517	\$315,439
28	RETURN ON RATE BASE	ROR		-5.57%	-20.68%	28.86%	41.75%	-11.68%	32.44%
29	NON-EQUITY PORTION OF RETURN	DA3		-1.64%	-1.64%	-1.64%	-1.64%	-1.64%	-1.64%
30	EQUITY PORTION OF EXISTING RETRN	DA3		-7.21%	-22.32%	27.22%	40.11%	-13.32%	30.80%
31	EXISTING RETURN ON EQUITY	DA3	ROE	-17.92%	-55.48%	67.68%	99.73%	-33.11%	76.59%

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PROPOSED RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I		STREET LIGHTING
		ALL	OUT				<= 1000 KVA	> 1000 KVA	
1	PROPOSED REVENUE		PRV	\$9,684,812	\$3,544,722	\$359,502	\$1,082,153	\$4,630,310	\$68,125
	REVENUE DEDUCTIONS:								
2	O&M EXPENSES		OMX						
3	DEPRECIATION & AMORT EXPENSES		DEP	(\$418,321)	(\$377,460)	(\$2,579)	(\$7,404)	(\$28,658)	(\$2,220)
4	AD VALOREM TAXES		VAL	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
5	CORP FRANCHISE TAX		SFT	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
6	MISC GENERAL TAXES		MIS	(\$74)	(\$68)	(\$1)	(\$2)	(\$3)	\$-0
7	REVENUE-RELATED TAXES		RTX	\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS		ICD	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
9	TOTAL REVENUE DEDUCTIONS								
10	NET FOR RETURN AND INCOME TAXES		NET NET	\$375,930	\$138,355	\$15,167	\$43,601	\$165,222	\$13,585
11	LESS: INTEREST EXPENSE		INT	(\$142,824)	(\$52,565)	(\$5,762)	(\$16,565)	(\$62,771)	(\$5,161)
12	LESS: NET FEDERAL DEDUCTIONS		NFD	\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			\$233,106	\$85,790	\$9,405	\$27,036	\$102,451	\$8,424
14	PLUS: NET FEDERAL DEDUCTIONS		NFD	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
15	LESS: NET STATE DEDUCTIONS		NSD	\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			\$233,106	\$85,790	\$9,405	\$27,036	\$102,451	\$8,424
	FED AND ST INCOME TAXES								
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$-0	\$0	\$-0	\$-0	\$-0	\$-0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
	*****RETURN COMPUTATION*****								
21	NET FOR RETURN AND INCOME TAXES		NET	\$375,930	\$138,355	\$15,167	\$43,601	\$165,222	\$13,585
22	FED & ST INCOME TAXES			\$-0	\$0	\$-0	\$-0	\$-0	\$-0
23	PROV FOR DEF TAXES		PDT	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
24	INVESTMENT TAX CREDIT - NET		ITN	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
25	A F U D C		AFD	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
26	NET RETURN			\$375,930	\$138,355	\$15,167	\$43,601	\$165,222	\$13,585
27	RATE BASE		RBT	\$8,729,268	\$3,212,688	\$352,186	\$1,012,438	\$3,836,517	\$315,439
28	RETURN ON RATE BASE		ROR	4.31%	4.31%	4.31%	4.31%	4.31%	4.31%
29	NON-EQUITY PORTION OF RETURN		DA3	-1.64%	-1.64%	-1.64%	-1.64%	-1.64%	-1.64%
30	EQUITY PORTION OF EXISTING RETRN		DA3	2.67%	2.67%	2.67%	2.67%	2.67%	2.67%
31	PROPOSED RETURN ON EQUITY		DA3 ROE	6.64%	6.64%	6.64%	6.64%	6.64%	6.64%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BENCO

SPECIFICALLY ASSIGNED DISTRIBUTION & PURCHASE POWER

BENCO ELECTRIC COOPERATIVE, INC.
 COST OF SERVICE STUDY
 FOR TWELVE MONTHS ENDED
 DECEMBER 31, 2016

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COST OF SERVICE SUMMARY

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I <= 1000 KVA	C&I > 1000 KVA	STREET LIGHTING
NET PLANT IN SERVICE:								
1	PRODUCTION PLANT	NPP	\$0	\$0	\$0	\$0	\$0	\$0
2	TRANSMISSION PLANT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
3	DISTRIBUTION PLANT	NPD	\$8,276,534	\$2,264,214	\$356,657	\$1,016,406	\$4,310,145	\$329,112
4	GENERAL PLANT	NPG	\$849,550	\$664,736	\$34,707	\$106,935	\$35,527	\$7,645
5	TOTAL NET ELECTRIC PLANT	NPR	\$9,126,084	\$2,928,950	\$391,364	\$1,123,341	\$4,345,672	\$336,757
6	CONST. WORK IN PROGRESS	CWP	\$176,384	\$158,437	\$1,065	\$3,034	\$12,866	\$982
7	ACQUISITION ADJUSTMENT	ACQ	(\$999,058)	(\$262,184)	(\$43,081)	(\$122,216)	(\$547,235)	(\$24,342)
8	PLANT HELD FOR FUTURE USE	PLH	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL MISC DEFRD DEBITS		\$151,267	\$141,226	\$1,085	\$3,257	\$5,200	\$499
WORKING CAPITAL:								
10	CASH WORK CAP,FUNDS,MAT&SUP	MAS	\$277,075	\$250,017	\$1,709	\$4,905	\$18,974	\$1,470
11	FUEL STOCK	FUL	\$0	\$0	\$0	\$0	\$0	\$0
12	PREPAID LIGNITE ROYALTIES	E1A	\$0	\$0	\$0	\$0	\$0	\$0
13	OTHER PREPAYMENTS	NPR	\$16,762	\$15,125	\$103	\$297	\$1,148	\$89
14	UNAMORTIZED LOSS ON REACQD LTD	NPR	\$0	\$0	\$0	\$0	\$0	\$0
15	DEFERRED FUEL	DEF	\$0	\$0	\$0	\$0	\$0	\$0
16	ACCUMULATED DEFERRED INCOME TAX	ACC	\$0	\$0	\$0	\$0	\$0	\$0
17	PRE-1971 INVESTMENT TAX CREDIT	PIC	\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER ADVANCES AND DEPOSITS	CAD	(\$581)	(\$420)	(\$37)	(\$114)	(\$4)	(\$6)
19	STORM DAMAGE/INJ & DAM RESRVS	SDR	\$0	\$0	\$0	\$0	\$0	\$0
20	PNSN & MIS OP RSRVS, OTR DEF CRS	PEN	(\$18,664)	(\$18,462)	(\$22)	(\$66)	(\$104)	(\$10)
21	TRANSMISSION RATE REFUND RESERVE	TRN	\$0	\$0	\$0	\$0	\$0	\$0
22	AVERAGE ORIGINAL COST RATE BASE	RBT	\$8,729,268	\$3,212,688	\$352,186	\$1,012,438	\$3,836,517	\$315,439
23	RETURN AT 4.31%	RET	\$375,930	\$138,355	\$15,167	\$43,601	\$165,222	\$13,585
OPERATION & MAINTENANCE EXPENSES								
24	PRODUCTION O&M	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
25	TRANSMISSION O&M	OMT	\$0	\$0	\$0	\$0	\$0	\$0
26	DISTRIBUTION O&M	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
27	CUST ACCT/SERV/SALES	OMC	\$303,750	\$219,835	\$19,215	\$59,571	\$2,018	\$3,111
28	ADMINISTRATIVE & GENERAL	OMA	\$259,445	\$242,243	\$1,861	\$5,589	\$8,898	\$854
29	TOTAL OPER & MAIN EXPENSES	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
30	DEPRECIATION & AMORT EXPENSES	DEP	\$418,321	\$377,460	\$2,579	\$7,404	\$28,658	\$2,220
31	INTEREST ON CUSTOMER DEPOSITS	ICD	\$0	\$0	\$0	\$0	\$0	\$0
32	GENERAL TAXES	GTX	\$74	\$68	\$1	\$2	\$3	\$0
33	FED & ST INCOME TAX	FST	\$0	\$0	\$0	\$0	\$0	\$0
34	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	\$0
35	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	\$0
36	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	\$0
37	COST OF SERVICE REVENUE REQ	CSR	\$9,684,812	\$3,544,722	\$359,502	\$1,082,153	\$4,630,310	\$68,125

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BENCO

SPECIFICALLY ASSIGNED DISTRIBUTION & PURCHASE POWER

BENCO ELECTRIC COOPERATIVE, INC.
 COST OF SERVICE STUDY
 FOR TWELVE MONTHS ENDED
 DECEMBER 31, 2016

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COST OF SERVICE COMPARISON

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I		STREET LIGHTING
		ALL	OUT				<= 1000 KVA	> 1000 KVA	
*** OTHER REVENUE INCLUDED ***									
1	COST OFF SERVICE REVENUE REQ			\$9,684,812	\$3,544,722	\$359,502	\$1,082,153	\$4,630,310	\$68,125
2	EXISTING REVENUE			\$8,822,891	\$2,741,981	\$445,959	\$1,461,258	\$4,016,810	\$156,882
3	REVENUE DEFICIENCY			\$861,921	\$802,741	(\$86,457)	(\$379,105)	\$613,500	(\$88,757)
4	REQUIRED INCREASE (%)			9.77%	29.28%	-19.39%	-25.94%	15.27%	-56.58%
5	EXISTING RATE OF RETURN-AS ADJ.			-5.57%	-20.68%	28.86%	41.75%	-11.68%	32.44%
6	EXISTING ROR AS % OF OVERALL ROR-AS ADJ.			-129.23%	-479.81%	669.61%	968.68%	-271.00%	752.67%
7	EXISTING RETURN ON EQUITY-AS ADJ.			-17.92%	-55.48%	67.68%	99.73%	-33.11%	76.59%
8	EXISTING ROE AS % OF OVERALL ROE-AS ADJ.			-269.47%	-834.29%	1017.74%	1499.70%	-497.89%	1151.73%
9	PROPOSED RATE OF RETURN-AS ADJ			4.31%	4.31%	4.31%	4.31%	4.31%	4.31%
10	PROPOSED RETURN ON EQUITY-AS ADJ			6.64%	6.64%	6.64%	6.64%	6.64%	6.64%
*** OTHER REVENUE EXCLUDED ***									
11	COST OF SERVICE REVENUE REQ			\$9,581,994	\$3,452,367	\$358,881	\$1,080,384	\$4,622,810	\$67,552
12	EXISTING REVENUE			\$8,720,073	\$2,649,626	\$445,338	\$1,459,489	\$4,009,310	\$156,309
13	REVENUE DEFICIENCY			\$861,921	\$802,741	(\$86,457)	(\$379,105)	\$613,500	(\$88,757)
14	REQUIRED INCREASE (%)			9.88%	30.30%	-19.41%	-25.98%	15.30%	-56.78%
15	EXISTING RATE OF RETURN - UNADJ			-5.57%	-20.68%	28.86%	41.75%	-11.68%	32.44%
16	EXISTING ROR AS % OF OVERALL ROR-UNADJ.			-129.23%	-479.81%	669.61%	968.68%	-271.00%	752.67%
17	EXISTING RETURN ON EQUITY-UNADJ			-17.92%	-55.48%	67.68%	99.73%	-33.11%	76.59%
18	EXISTING ROE AS % OF OVERALL ROE-UNADJ.			-269.47%	-834.29%	1017.74%	1499.70%	-497.89%	1151.73%
19	PROPOSED RATE OF RETURN - UNADJ			4.31%	4.31%	4.31%	4.31%	4.31%	4.31%
20	PROPOSED RETURN ON EQUITY-UNADJ			6.64%	6.64%	6.64%	6.64%	6.64%	6.64%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BENCO

SPECIFICALLY ASSIGNED DISTRIBUTION & PURCHASE POWER

BENCO ELECTRIC COOPERATIVE, INC.
 COST OF SERVICE STUDY
 FOR TWELVE MONTHS ENDED
 DECEMBER 31, 2016

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EXISTING MILLS/KWH		TOTAL SMEC	RESIDENTIAL	SEASONAL	C&I <= 1000 KVA	C&I > 1000 KVA	STREET LIGHTING
1	EXISTING BASE REV	75.72	99.19	101.46	101.35	58.91	98.03
2	FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
3	TOTAL MILLS / KWH	75.72	99.19	101.46	101.35	58.91	98.03
4	PROPOSED BASE REV	83.21	129.25	81.77	75.02	67.92	42.36
5	FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
6	TOTAL MILLS / KWH	83.21	129.25	81.77	75.02	67.92	42.36

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

**BROWN COUNTY RURAL ELECTRICAL ASSOCIATION
CLASS COST OF SERVICE FOR MPSC COMPLIANCE FILING
SCENARIO 2: SMEC DIRECT ASSIGNMENT**

LINE NO.	CLASS	COSS BASED REVENUE ALLOCATION	EXISTING REVENUE ALLOCATION	DIFFERENCE	PERCENT DIFFERENCE
LEGACY:					
1	RESIDENTIAL	\$8,553,493	\$7,838,513	\$ 714,980	9.12%
2	IRRIGATION	\$95,453	\$75,313	\$ 20,140	26.74%
3	C&I <= 1000 KVA	\$3,869,173	\$4,313,414	\$ (444,241)	-10.30%
4	C&I > 1000 KVA	\$2,996,952	\$3,297,216	\$ (300,264)	-9.11%
5	STREET LIGHTING	\$28,772	\$40,019	\$ (11,247)	-28.10%
6	TOTAL LEGACY	\$15,543,843	\$15,564,475	\$ (20,633)	-0.13%
SMEC					
7	RESIDENTIAL	\$593,409	\$540,464	\$ 52,945	9.80%
8	SMALL COMMERCIAL	\$379,505	\$383,253	\$ (3,748)	-0.98%
9	LIGHTING	\$9,252	\$14,682	\$ (5,430)	-36.98%
10	MUNICIPAL PUMPING	\$4,967	\$11,774	-\$6,807	-57.81%
11	TOTAL SMEC	\$987,133	\$950,173	\$36,960	3.89%
12	TOTAL COMPANY	\$16,530,976	\$16,514,648	\$ 16,327	0.10%
13	MISC. REVENUES	-\$14,382	-\$14,382	\$ -	0.00%
14		\$16,516,594	\$16,500,266	\$ 16,327	0.10%
CONSOLIDATED					
15	RESIDENTIAL	\$9,146,902	\$8,378,977	\$ 767,924	9.16%
16	IRRIGATION	\$95,453	\$75,313	\$ 20,140	26.74%
17	C&I <= 1000 KVA	\$3,869,173	\$4,313,414	\$ (444,241)	-10.30%
18	C&I > 1000 KVA	\$2,996,952	\$3,297,216	\$ (300,264)	-9.11%
19	SMALL COMMERCIAL	\$379,505	\$383,253	\$ (3,748)	-0.98%
20	MUNICIPAL PUMPING	\$4,967	\$11,774	\$ (6,807)	-57.81%
21	STREET LIGHTING	\$38,024	\$54,701	\$ (16,677)	-30.49%
22		\$16,530,976	\$16,514,648	\$ 16,327	0.10%
23	MISC. REVENUES	-\$14,382	-\$14,382	\$ -	0.00%
24	TOTAL COMPANY	\$16,516,594	\$16,500,266	\$ 16,327	0.10%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS

PAGE 1

FILESPEC: K:\RATERES\ICOS\93RESALE\ICOS1292.WK3

STUDY DATE:		DECEMBER 31, 2016	
RUN DATE AND TIME:	16-Oct-17	02:07 PM	
RETURN ON COMMON EQUITY		11.70%	
OVERALL RATE OF RETURN		6.75%	
CAPITALIZATION:			
	OUTSTANDING	EFFECTIVE RATE	COMPOSITE
DBT	\$20,286,720	3.13%	1.81%
PRF		0.00%	0.00%
CMN	\$14,780,958	11.70%	4.93%
FEDERAL EFFECTIVE INCOME TAX RATE			0.00%
FEDERAL NOMINAL INCOME TAX RATE			0.00%
STATE EFFECTIVE INCOME TAX RATE			0.00%
STATE NOMINAL INCOME TAX RATE			0.00%

NOTATIONS: THIS RUN ALLOCATES ALL PLANT ON AVG OF 12 CP

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

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*****CUSTOMER DATA*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT	SMEC				
1	NUMBER OF CUSTOMERS	C1A	C1A	509	374	105	26	6
2	PERCENT OF TOTAL	C1A		100.000%	73.360%	20.553%	5.007%	1.080%
3	NUMBER OF WEIGHTED CUSTOMERS	C2A	C2A	503	374	105	19	6
4	PERCENT OF TOTAL	C2A		100.000%	74.290%	20.814%	3.803%	1.094%
5	NUMBER OF RETAIL DISTR CUSTOMERS	C3A	C3A	509	374	105	26	6
6	PERCENT OF TOTAL	C3A		100.000%	73.360%	20.553%	5.007%	1.080%
7	NMBR OF RETAIL WTD CUSTOMERS	C4A	C4A	503	374	105	19	6
8	PERCENT OF TOTAL	C4A		100.000%	74.290%	20.814%	3.803%	1.094%
9	LIGHTING DIRECT ALLOCATOR	LDE	LDE	0	0	0	0	0
10	PERCENT OF TOTAL	LDE		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
11	LPS DIRECT ALLOCATOR	DA1	DA1	0	0	0	0	0
12	PERCENT OF TOTAL	DA1		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
13	AVERAGE COINCIDENT KW DEMAND	D1A	D1A	1,577	936	641	0	0
14	DEMAND ALLOCATION FACTOR-PROD	D1A		100.000%	59.337%	40.663%	0.000%	0.000%
15	AVERAGE COINCIDENT KW DEMAND	D1B	D1B	1,577	936	641	0	0
16	DEMAND ALLOCATION FACTOR-TRANS	D1B		100.000%	59.337%	40.663%	0.000%	0.000%
17	AVG PRIMARY DISTRIB KW DEMAND	D2A	D2A	1,645	972	673	0	0
18	DIST-PRI DEMAND ALLOC FACTOR	D2A		100.000%	59.070%	40.930%	0.000%	0.000%
19	AVG SECONDARY DISTRIB KW DEMAND	D3A	D3A	1,645	972	673	0	0
20	DIST-SEC DEMAND ALLOC FACTOR	D3A		100.000%	59.070%	40.930%	0.000%	0.000%
21	AVG SECONDARY DISTRIB KW DEMAND	D4A	D4A	1,645	972	673	0	0
22	DIST-SEC DEMAND ALLOC FACTOR	D4A		100.000%	59.070%	40.930%	0.000%	0.000%
23	ANNUAL MWH ENERGY CONTRIBUTION	E1A	E1A	8,190,396	4,427,269	3,539,656	108,994	114,477
24	ENERGY ALLOCATION FACTOR	E1A		100.000%	54.054%	43.217%	1.331%	1.398%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

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*****CUSTOMER DATA*****
**** CONTINUED ****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING
25	RESERVED			0	0	0	0	0
26	PERCENT OF TOTAL			0.000%	0.000%	0.000%	0.000%	0.000%
27	WAGES/SALARIES: PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0
29	DISTRIBUTION	NPD		\$21,549	\$14,037	\$7,091	\$327	\$94
30	GENERAL	NPG		\$57,796	\$40,266	\$16,102	\$1,428	\$0
31	WAGES/SALARIES: TOTAL	LBR	LBR	\$79,345	\$54,303	\$23,193	\$1,755	\$94
32	PERCENT OF TOTAL	LBR		100.000%	68.439%	29.231%	2.212%	0.118%
33	BULK TRANSMISSION REVENUE	D1A		\$0	\$0	\$0	\$0	\$0
34	PRIMARY TRANSMISSION REVENUE	D2A		\$0	\$0	\$0	\$0	\$0
35	TOTAL TRANSMISSION REVENUE	TRN	TRN	\$0	\$0	\$0	\$0	\$0
36	PERCENT OF TOTAL	TRN		100.000%	100.000%	0.000%	0.000%	0.000%
EXISTING REVENUE								
37	EXISTING BASE REV	OTR	OTR	\$950,173	\$540,464	\$383,253	\$14,682	\$11,774
38	FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0
39	MISCELLANEOUS REVENUE	NPD		-\$441	-\$287	-\$145	-\$7	-\$2
40	TRANSMISSION REVENUE	TRN		\$0	\$0	\$0	\$0	\$0
41	NON-FRM SLS FOR RESALE	E1A		\$0	\$0	\$0	\$0	\$0
42	TOTAL EXISTING REVENUE	EXR	EXR	\$949,732	\$540,177	\$383,108	\$14,675	\$11,772
PROPOSED REVENUE								
43	PROPOSED BASE REV			\$987,133	\$593,409	\$379,505	\$9,252	\$4,967
44	FUEL REVENUE			\$0	\$0	\$0	\$0	\$0
45	MISCELLANEOUS REVENUE			-\$441	-\$287	-\$145	-\$7	-\$2
46	TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0
47	NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0
48	TOTAL PROPOSED REVENUE	PRV	PRV	\$986,692	\$593,122	\$379,360	\$9,245	\$4,965
49	PROPOSED BASE REVENUE INCREASE/(DECREASE)			\$36,960	\$52,945	-\$3,748	-\$5,430	-\$6,807
50	PROPOSED BASE REVENUE INCR/(DECR) - %			3.89%	9.80%	-0.98%	-36.98%	-57.81%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

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ELECTRIC GROSS PLANT

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING
				-----	-----	-----	-----	-----
1	TOTAL PRODUCTION PLANT	D1A	GPP	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT							
2	POWER PLANT EQUIP	D1A		\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1B		\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	GPT	GPT	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT							
7	PRIMARY DEMAND RELATED	D4A		\$643,061	\$379,855	\$263,206	\$0	\$0
8	SECONDARY DEMAND RELATED	D3A		\$173,404	\$102,430	\$70,974	\$0	\$0
9	CUSTOMER RELATED	C4A		\$541,674	\$402,407	\$112,742	\$20,601	\$5,924
10	SUB-TOTAL DISTR PLANT		SGD	\$1,358,139	\$884,692	\$446,922	\$20,601	\$5,924
11	LIGHTING SPECIFIC	LDE		\$0	\$0	\$0	\$0	\$0
12	TOTAL DISTRIBUTION PLANT	GPD	GPD	\$1,358,139	\$890,616	\$446,922	\$20,601	\$0
	GENERAL AND INTANGIBLE PLANT							
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$263,406	\$172,732	\$86,679	\$3,995	\$0
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$188,637	\$140,138	\$39,262	\$7,174	\$2,063
17	TOTAL GENERAL & INTANGIBLE PLANT	GPG	GPG	\$452,043	\$312,870	\$125,941	\$11,169	\$2,063
18	TOTAL GROSS PLANT IN SERVICE	GPR	GPR	\$1,810,182	\$1,203,486	\$572,863	\$31,770	\$2,063
				=====	=====	=====	=====	=====

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
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*****ELECTRIC PLANT*****
ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING
				-----	-----	-----	-----	-----
1	TOTAL PRODUCTION PLANT	D1A	DPP	\$0	\$0	\$0	\$0	\$0
TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	DPT	DPT	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$303,221	\$179,112	\$124,109	\$0	\$0
8	SECONDARY DEMAND RELATED	D3A		\$81,765	\$48,298	\$33,467	\$0	\$0
9	CUSTOMER RELATED	C4A		\$255,414	\$189,746	\$53,161	\$9,714	\$2,793
10	SUB-TOTAL DISTR PLANT		SDD	\$640,400	\$417,156	\$210,737	\$9,714	\$2,793
11	LIGHTING SPECIFIC	LDE		\$0	\$0	\$0	\$0	\$0
12	TOTAL DISTRIBUTION PLANT	DPD	DPD	\$640,400	\$417,156	\$210,737	\$9,714	\$2,793
GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$165,436	\$108,487	\$54,440	\$2,509	\$0
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$118,476	\$88,015	\$24,659	\$4,506	\$1,296
17	TOTAL GENERAL & INTANGIBLE PLANT	DPG	DPG	\$283,912	\$196,502	\$79,099	\$7,015	\$1,296
18	TOTAL ACCUMULATED DEPRECIATION	DPR	DPR	\$924,312	\$613,658	\$289,836	\$16,729	\$4,089
				=====	=====	=====	=====	=====

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
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*****ELECTRIC NET PLANT*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT					
1	TOTAL PRODUCTION PLANT	D1A	NPP	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT							
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	NPT	NPT	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT							
7	PRIMARY DEMAND RELATED	D4A		\$339,840	\$200,743	\$139,097	\$0	\$0
8	SECONDARY DEMAND RELATED	D3A		\$91,639	\$54,132	\$37,507	\$0	\$0
9	CUSTOMER RELATED	C4A		\$286,260	\$212,661	\$59,581	\$10,887	\$3,131
10	SUB-TOTAL DISTR PLANT		SPD	\$717,739	\$467,536	\$236,185	\$10,887	\$3,131
11	LIGHTING SPECIFIC	LDE		\$0	\$0	\$0	\$0	\$0
12	TOTAL DISTRIBUTION PLANT	NPD	NPD	\$717,739	\$467,536	\$236,185	\$10,887	\$3,131
	GENERAL AND INTANGIBLE PLANT							
13	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	NPT		\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	NPD		\$97,970	\$64,245	\$32,239	\$1,486	\$0
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$70,161	\$52,123	\$14,603	\$2,668	\$767
17	TOTAL GENERAL & INTANGIBLE PLANT	NPG	NPG	\$168,131	\$116,368	\$46,842	\$4,154	\$767
18	TOTAL NET PLANT IN SERVICE	NPR	NPR	\$885,870	\$583,904	\$283,027	\$15,041	\$3,898

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
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***** RATE BASE *****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT					
1	NET PLANT IN SERVICE	NPR	NPR	\$885,870	\$583,904	\$283,027	\$15,041	\$3,898
CONSTRUCTION WORK IN PROGRESS								
2	PRODUCTION PLANT	NPP		\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION PLANT	NPT		\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION PLANT	NPD		\$5,627	\$3,665	\$1,852	\$85	\$25
5	GENERAL PLANT	NPG		\$0	\$0	\$0	\$0	\$0
6	TOAL CWIP	CWP	CWP	\$5,627	\$3,665	\$1,852	\$85	\$25
7	NET ACQUISITION ADJUSTMENT	D2A	ACQ	\$428,294	\$252,993	\$175,301	\$0	\$0
8	PLANT HELD FOR FUTURE USE	E1A	PLH	\$0	\$0	\$0	\$0	\$0
MISC DEFERRED DEBITS								
9	PROD RELATED	NPP		\$0	\$0	\$0	\$0	\$0
10	TRAN RELATED	NPT		\$0	\$0	\$0	\$0	\$0
11	DIST RELATED	NPD		\$785	\$512	\$258	\$12	\$3
12	GENR RELATED	NPG		\$0	\$0	\$0	\$0	\$0
13	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0
14	NPR RELATED	NPR		\$15,306	\$10,089	\$4,890	\$260	\$67
15	TOTAL MISC DEFRD DEBITS			\$16,091	\$10,601	\$5,148	\$272	\$70
WORKING CAPITAL								
16	CASH WORK CAP,FUNDS,MAT&SUP	NPR	MAS	\$31,975	\$21,075	\$10,216	\$543	\$141
17	FUEL STOCK	E1A	FUL	\$0	\$0	\$0	\$0	\$0
18	PREPAID LIGNITE ROYALTIES	E1A		\$0	\$0	\$0	\$0	\$0
19	OTHER PREPAYMENTS	NPR		\$106	\$70	\$34	\$2	\$0
20	TOTAL WORKING CAPITAL			\$32,081	\$21,145	\$10,250	\$545	\$141
21	UNAMORTIZED LOSS ON REACQD LTD	NPR		\$0	\$0	\$0	\$0	\$0
22	DEFERRED FUEL	E1A	DEF	\$0	\$0	\$0	\$0	\$0

(RATE BASE CONTINUED ON NEXT PAGE)

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

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***** RATE BASE*****
** CONTINUED **

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING
ACCUMULATED DEFERRED INCOME TAX								
23	ACCT 281: POL CON	NPP		\$0	\$0	\$0	\$0	\$0
24	ACCT 282: LIBERAL DEP - PROD	NPP		\$0	\$0	\$0	\$0	\$0
25	TRAN	NPT		\$0	\$0	\$0	\$0	\$0
26	DIST	NPD		\$0	\$0	\$0	\$0	\$0
27	GENR	NPG		\$0	\$0	\$0	\$0	\$0
28	LIGNITE EXPLORATN	E1A		\$0	\$0	\$0	\$0	\$0
29	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0
30	TOTAL ACCOUNT 282			\$0	\$0	\$0	\$0	\$0
31	ACCT 283: THIS LINE RESERVED			\$0	\$0	\$0	\$0	\$0
32	LONG TERM DEBT LOSS	NPR		\$0	\$0	\$0	\$0	\$0
33	TOTAL ACCOUNT 283			\$0	\$0	\$0	\$0	\$0
34	ACCOUNT 190: PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0
35	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0
36	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0
37	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0
38	FERC REFUND	TRN		\$0	\$0	\$0	\$0	\$0
39	TOTAL ACCOUNT 190			\$0	\$0	\$0	\$0	\$0
40	TOTAL ACCUM DEFERD INC TAX	ACC	ACC	\$0	\$0	\$0	\$0	\$0
41	INVESTMENT TAX CREDIT PRE '71	NPR	PIC	\$0	\$0	\$0	\$0	\$0
42	CUSTOMER ADVANCES AND DEPOSITS	C3A	CAD	-\$7,916	-\$5,808	-\$1,627	-\$396	-\$85
43	STORM DAMAGE & INJ & DAM RESRVS	D2A	SDR	\$0	\$0	\$0	\$0	\$0
44	PNSN & MIS OP RSRVS, OTR DEF CR	OMA	PEN	-\$3,147	-\$2,153	-\$920	-\$70	-\$4
45	TRANSMISSION RATE REFUND RESERVE	TRN		\$0	\$0	\$0	\$0	\$0
46	TOTAL RATE BASE	RBT	RBT	\$1,356,900	\$864,347	\$473,031	\$15,477	\$4,045

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
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*****OPER AND MTN EXPENSES*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT					
PRODUCTION O&M EXPENSE								
1	FUEL EXPENSE - ACCT 501	E1A		\$0	\$0	\$0	\$0	\$0
2	PURCHASED POWER - ACCT 555							
	DEMAND - OTHER	D1A		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]				
3	ENERGY - OTHER	E1A						
4	NET OFF SYSTEM REVENUE	E1A		\$0	\$0	\$0	\$0	\$0
OTHER PRODUCTION O&M ACCTS								
5	DEMAND - OTHER	D1A		\$0	\$0	\$0	\$0	\$0
6	ENERGY - OTHER	E1A		\$0	\$0	\$0	\$0	\$0
7	TOTAL OTHER PRODUCTION O&M	PRO	PRO	\$0	\$0	\$0	\$0	\$0
8	TOTAL PRODUCTION O&M EXPENSE	OMP	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]				
9	TOTAL TRANSMISSION O&M EXPENSE	NPT	OMT	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION O&M EXPENSE								
10	LIGHTING SPECIFIC	LDE		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]				
11	ALL OTHER	SPD		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]				
12	TOTAL DISTRIBUTION O&M EXPENSE	OMD	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]				
TOTAL CUST ACCT/SERV & INFO/ SALES EXPENSE								
13		C2A	OMC	\$36,862	\$27,385	\$7,672	\$1,402	\$403
ADMINISTRATIVE & GENERAL EXPENSE								
14	PROP INSURANCE/INJ & DAMG	NPR		\$0	\$0	\$0	\$0	\$0
15	CUST ACCT/SERV&INFO/SALES REL	LBR		\$79,719	\$54,560	\$23,302	\$1,763	\$94
16	TOTAL ADMIN & GENERAL EXPENSE	OMA	OMA	\$79,719	\$54,560	\$23,302	\$1,763	\$94
17	TOTAL OPER & MTN EXPENSES	OMX	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]				

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
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EXPENSES OTHER THAN INCOME TAXES

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT					
1	TOTAL OPER & MTN EXPENSES		OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]				
DEPRECIATION & AMORTIZATION EXPENSES								
2	PRODUCTION		NPP	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION		NPT	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION		NPD	\$36,075	\$23,500	\$11,871	\$547	\$157
5	GENERAL		NPG	\$13,617	\$9,425	\$3,794	\$336	\$62
6	TOTAL DEPR & AMORT EXPEN	DEP	DEP	\$49,692	\$32,925	\$15,665	\$883	\$219
7	INTEREST ON CUSTOMER DEPOSITS	C3A	ICD	\$0	\$0	\$0	\$0	\$0
GENERAL TAXES								
8	AD VALOREM		NPR VAL	\$0	\$0	\$0	\$0	\$0
9	CORP FRANCHISE TAX		NPR SFT	\$0	\$0	\$0	\$0	\$0
10	MISCELLANEOUS GENERAL TAXES		LBR MIS	\$143	\$98	\$42	\$3	\$0
11	REVENUE-RELATED (AS PROPOSED)		RTX	\$0	\$0	\$0	\$0	\$0
12	TOTAL GENERAL TAXES	GTX	GTX	\$143	\$98	\$42	\$3	\$0
13	TOTAL EXPENSES EXCEPT INCOME TAX	EXP	EXP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]				

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
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INCOME TAX FOR 11.70% ROE

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING
1	RATE BASE	RBT		\$1,356,900	\$864,347	\$473,031	\$15,477	\$4,045
2	RETURN AT 6.75%	RBT	RET	\$91,534	\$58,307	\$31,910	\$1,044	\$273
3	INTEREST (1.81% OF LINE 1)	RBT	INT	-\$24,595	-\$15,667	-\$8,574	-\$281	-\$73
4	A F U D C	NPR	AFD	\$0	\$0	\$0	\$0	\$0
PROVISION FOR DEFERRED TAXES								
5	ACT 410.1: PROD RLTD	NPP		\$0	\$0	\$0	\$0	\$0
6	TRAN RLTD	NPT		\$0	\$0	\$0	\$0	\$0
7	PLANT RLTD	NPR		\$0	\$0	\$0	\$0	\$0
8	ENERGY RLTD	E1A		\$0	\$0	\$0	\$0	\$0
9	LABOR RLTD	LBR		\$0	\$0	\$0	\$0	\$0
10	CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0
11	RESERVED			\$0	\$0	\$0	\$0	\$0
12	TOTAL 410.1			\$0	\$0	\$0	\$0	\$0
13	ACT 411.1: PROD RLTD	NPP		\$0	\$0	\$0	\$0	\$0
14	TRAN RLTD	NPT		\$0	\$0	\$0	\$0	\$0
15	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0
16	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0
17	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0
18	CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0
19	TOTAL 411.1			\$0	\$0	\$0	\$0	\$0
20	NET PROVISION FOR DEFERD INC TAX		PDT	\$0	\$0	\$0	\$0	\$0
21	ITC AMORT	NPR	ITA	\$0	\$0	\$0	\$0	\$0
22	ADJUSTED RETURN	ART	ART	\$66,939	\$42,640	\$23,336	\$763	\$200
FED ADD INC & UNALLOW DEDUCTS								
23	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0
24	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0
25	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0
26	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0
27	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0
29	RESERVED			\$0	\$0	\$0	\$0	\$0
30	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0
31	TOTAL ADDITIONS	FTA	FTA	\$0	\$0	\$0	\$0	\$0

(INCOME TAX CALCULATION CONTINUED ON NEXT PAGE)

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BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
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INCOME TAX FOR 11.70% ROE
*** CONTINUED ***

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING
FED DEDUCTS AND NON-TAX INCOME								
32	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0
33	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0
34	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0
35	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0
36	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0
37	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0
38	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0
39	TOTAL DEDUCTIONS	FTD	FTD	\$0	\$0	\$0	\$0	\$0
40	NET FEDERAL DEDUCTIONS	NFD	NFD	\$0	\$0	\$0	\$0	\$0
41	ST ADD INC & UNALLOW DEDUCTS	FTA		\$0	\$0	\$0	\$0	\$0
42	ST DEDUCTS AND NON-TAX INCOME	FTD		\$0	\$0	\$0	\$0	\$0
43	NET STATE DEDUCTIONS	NSD	NSD	\$0	\$0	\$0	\$0	\$0
44	PROV FOR DEF'D ITC - CURRENT	NPR	ITC	\$0	\$0	\$0	\$0	\$0
FEDERAL TAXABLE INCOME								
45	ADJ RET * 1/(1-0.0000-0.0000)	ART	TART	\$66,939	\$42,640	\$23,336	\$763	\$200
46	NET FED DED * 1/(1-0.0000)	NFD		\$0	\$0	\$0	\$0	\$0
47	NET ST DED * (1/(1-0.0000))-1	NSD		\$0	\$0	\$0	\$0	\$0
48	CURRENT ITC * (1/(1-0.00))-1	ITC		\$0	\$0	\$0	\$0	\$0
49	TOTAL FEDERAL TAXABLE INCOME	FTI	FTI	\$66,939	\$42,640	\$23,336	\$763	\$200
50	PLUS: NET FED DEDUCTS	NFD		\$0	\$0	\$0	\$0	\$0
51	LESS: NET STATE DEDUCTS	NSD		\$0	\$0	\$0	\$0	\$0
52	TOTAL STATE TAXABLE INCOME	STI	STI	\$66,939	\$42,640	\$23,336	\$763	\$200
FED & ST INCOME TAXES:								
53	FED TAXABLE INC * 0.0000	FTI		\$0	\$0	\$0	\$0	\$0
54	ST. TAXABLE INC * 0.0000	STI		\$0	\$0	\$0	\$0	\$0
55	LESS: CRNT ITC * (1-0.0000)	ITC		\$0	\$0	\$0	\$0	\$0
56	TOTAL FED & ST INCOME TAXES	FST	FST	\$0	\$0	\$0	\$0	\$0
57	INVESTMENT TAX CREDIT - NET	NPR	ITN	\$0	\$0	\$0	\$0	\$0

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BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
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*****COST OF SERVICE*****
** (PROPOSED) **

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING
1	RATE BASE	RBT		\$1,356,900	\$864,347	\$473,031	\$15,477	\$4,045
2	RETURN AT 6.75%	RET		\$91,534	\$58,307	\$31,910	\$1,044	\$273
3	OPERATION & MAINTENANCE EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]				
4	DEPRECIATION & AMORT EXPENSES	DEP		\$49,692	\$32,925	\$15,665	\$883	\$219
5	INTEREST ON CUSTOMER DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0
6	GENERAL TAXES	GTX		\$143	\$98	\$42	\$3	\$0
7	FEDERAL AND STATE INCOME TAX	FST		\$0	\$0	\$0	\$0	\$0
8	PROVISION FOR DEFERRED TAXES	PDT		\$0	\$0	\$0	\$0	\$0
9	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0
10	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0
11	COST OF SERVICE REVENUE REQUIREMENT BEFORE ATTRITION ADJUSTMENT	CSR	CSR	\$986,692	\$593,122	\$379,360	\$9,245	\$4,965
12	LESS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0
13	BASE COST OF SERVICE REVENUE REQUIREMENT	BRR	BRR	\$986,692	\$593,122	\$379,360	\$9,245	\$4,965
14	ATTRITION ADJUSTMENT	BRR		\$0	\$0	\$0	\$0	\$0
15	BASE COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT	ARR	ARR	\$986,692	\$593,122	\$379,360	\$9,245	\$4,965
16	PLUS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0
17	COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT			\$986,692	\$593,122	\$379,360	\$9,245	\$4,965
18	LESS: MISCELLANEOUS REVENUE			\$441	\$287	\$145	\$7	\$2
19	LESS: BULK TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0
20	LESS: PRIMARY TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0
21	LESS: NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0
22	NET ELECTRIC REVENUE REQUIREMENT			\$987,133	\$593,409	\$379,505	\$9,252	\$4,967

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
COST OF SERVICE STUDY
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EXISTING RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT					
1	EXISTING REVENUE		EXR	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]				
2	REVENUE DEDUCTIONS:			[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]				
2	O&M EXPENSES		OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]				
3	DEPRECIATION & AMORT EXPENSES		DEP	-\$49,692	-\$32,925	-\$15,665	-\$883	-\$219
4	AD VALOREM TAXES		VAL	\$0	\$0	\$0	\$0	\$0
5	CORP FRANCHISE TAX		SFT	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES		MIS	-\$143	-\$98	-\$42	-\$3	\$0
7	REVENUE-RELATED TAXES		RTX	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS		ICD	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS			[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]				
10	NET FOR RETURN AND INCOME TAXES	NET	NET	\$54,574	\$5,362	\$35,658	\$6,474	\$7,080
11	LESS: INTEREST EXPENSE		INT	-\$24,595	-\$15,667	-\$8,574	-\$281	-\$73
12	LESS: NET FEDERAL DEDUCTIONS		NFD	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			\$29,979	-\$10,305	\$27,084	\$6,193	\$7,007
14	PLUS: NET FEDERAL DEDUCTIONS		NFD	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS		NSD	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			\$29,979	-\$10,305	\$27,084	\$6,193	\$7,007
17	FED AND ST INCOME TAXES							
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0
21	NET FOR RETURN AND INCOME TAXES	NET		\$54,574	\$5,362	\$35,658	\$6,474	\$7,080
22	FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES		PDT	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET		ITN	\$0	\$0	\$0	\$0	\$0
25	A F U D C		AFD	\$0	\$0	\$0	\$0	\$0
26	NET RETURN			\$54,574	\$5,362	\$35,658	\$6,474	\$7,080
27	RATE BASE		RBT	\$1,356,900	\$864,347	\$473,031	\$15,477	\$4,045
28	RETURN ON RATE BASE		ROR	4.02%	0.62%	7.54%	41.83%	175.03%
29	NON-EQUITY PORTION OF RETURN		DA3	-1.81%	-1.81%	-1.81%	-1.81%	-1.81%
30	EQUITY PORTION OF EXISTING RETRN		DA3	2.21%	-1.19%	5.73%	40.02%	173.22%
31	EXISTING RETURN ON EQUITY		DA3 ROE	5.24%	-2.83%	13.59%	94.94%	410.96%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
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PROPOSED RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT					
1	PROPOSED REVENUE	PRV		\$986,692	\$593,122	\$379,360	\$9,245	\$4,965
2	REVENUE DEDUCTIONS:							
2	O&M EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]				
3	DEPRECIATION & AMORT EXPENSES	DEP		-\$49,692	-\$32,925	-\$15,665	-\$883	-\$219
4	AD VALOREM TAXES	VAL		\$0	\$0	\$0	\$0	\$0
5	CORP FRANCHISE TAX	SFT		\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS		-\$143	-\$98	-\$42	-\$3	\$0
7	REVENUE-RELATED TAXES	RTX		\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS			[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]				
10	NET FOR RETURN AND INCOME TAXES	NET	NET	\$91,534	\$58,307	\$31,910	\$1,044	\$273
11	LESS: INTEREST EXPENSE	INT		-\$24,595	-\$15,667	-\$8,574	-\$281	-\$73
12	LESS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			\$66,939	\$42,640	\$23,336	\$763	\$200
14	PLUS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD		\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			\$66,939	\$42,640	\$23,336	\$763	\$200
	FED AND ST INCOME TAXES							
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0
	*****RETURN COMPUTATION*****							
21	NET FOR RETURN AND INCOME TAXES	NET		\$91,534	\$58,307	\$31,910	\$1,044	\$273
22	FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT		\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0
26	NET RETURN			\$91,534	\$58,307	\$31,910	\$1,044	\$273
27	RATE BASE	RBT		\$1,356,900	\$864,347	\$473,031	\$15,477	\$4,045
28	RETURN ON RATE BASE	ROR		6.75%	6.75%	6.75%	6.75%	6.75%
29	NON-EQUITY PORTION OF RETURN	DA3		-1.81%	-1.81%	-1.81%	-1.81%	-1.81%
30	EQUITY PORTION OF EXISTING RETRN	DA3		4.93%	4.93%	4.93%	4.93%	4.93%
31	PROPOSED RETURN ON EQUITY	DA3	ROE	11.70%	11.70%	11.70%	11.70%	11.70%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
COST OF SERVICE STUDY
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COST OF SERVICE SUMMARY

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING	
NET PLANT IN SERVICE:								
1	PRODUCTION PLANT	NPP	\$0	\$0	\$0	\$0	\$0	
2	TRANSMISSION PLANT	NPT	\$0	\$0	\$0	\$0	\$0	
3	DISTRIBUTION PLANT	NPD	\$717,739	\$467,536	\$236,185	\$10,887	\$3,131	
4	GENERAL PLANT	NPG	\$168,131	\$116,368	\$46,842	\$4,154	\$767	
5	TOTAL NET ELECTRIC PLANT	NPR	\$885,870	\$583,904	\$283,027	\$15,041	\$3,898	
6	CONST. WORK IN PROGRESS	CWP	\$5,627	\$3,665	\$1,852	\$85	\$25	
7	ACQUISITION ADJUSTMENT	ACQ	\$428,294	\$252,993	\$175,301	\$0	\$0	
8	PLANT HELD FOR FUTURE USE	PLH	\$0	\$0	\$0	\$0	\$0	
9	TOTAL MISC DEFERD DEBITS		\$16,091	\$10,601	\$5,148	\$272	\$70	
WORKING CAPITAL:								
10	CASH WORK CAP,FUNDS,MAT&SUP	MAS	\$31,975	\$21,075	\$10,216	\$543	\$141	
11	FUEL STOCK	FUL	\$0	\$0	\$0	\$0	\$0	
12	PREPAID LIGNITE ROYALTIES	E1A	\$0	\$0	\$0	\$0	\$0	
13	OTHER PREPAYMENTS	NPR	\$106	\$70	\$34	\$2	\$0	
14	UNAMORTIZED LOSS ON REACQD LTD	NPR	\$0	\$0	\$0	\$0	\$0	
15	DEFERRED FUEL	DEF	\$0	\$0	\$0	\$0	\$0	
16	ACCUMULATED DEFERRED INCOME TAX	ACC	\$0	\$0	\$0	\$0	\$0	
17	PRE-1971 INVESTMENT TAX CREDIT	PIC	\$0	\$0	\$0	\$0	\$0	
18	CUSTOMER ADVANCES AND DEPOSITS	CAD	-\$7,916	-\$5,808	-\$1,627	-\$396	-\$85	
19	STORM DAMAGE/INJ & DAM RESRVS	SDR	\$0	\$0	\$0	\$0	\$0	
20	PNSN & MIS OP RSRVS, OTR DEF CRS	PEN	-\$3,147	-\$2,153	-\$920	-\$70	-\$4	
21	TRANSMISSION RATE REFUND RESERVE	TRN	\$0	\$0	\$0	\$0	\$0	
22	AVERAGE ORIGINAL COST RATE BASE	RBT	\$1,356,900	\$864,347	\$473,031	\$15,477	\$4,045	
23	RETURN AT 6.75%	RET	\$91,534	\$58,307	\$31,910	\$1,044	\$273	
OPERATION & MAINTENANCE EXPENSES								
24	PRODUCTION O&M	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					\$0
25	TRANSMISSION O&M	OMT	\$0	\$0	\$0	\$0	\$0	
26	DISTRIBUTION O&M	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					\$0
27	CUST ACCT/SERV/SALES	OMC	\$36,862	\$27,385	\$7,672	\$1,402	\$403	
28	ADMINISTRATIVE & GENERAL	OMA	\$79,719	\$54,560	\$23,302	\$1,763	\$94	
29	TOTAL OPER & MAIN EXPENSES	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					\$0
30	DEPRECIATION & AMORT EXPENSES	DEP	\$49,692	\$32,925	\$15,665	\$883	\$219	
31	INTEREST ON CUSTOMER DEPOSITS	ICD	\$0	\$0	\$0	\$0	\$0	
32	GENERAL TAXES	GTX	\$143	\$98	\$42	\$3	\$0	
33	FED & ST INCOME TAX	FST	\$0	\$0	\$0	\$0	\$0	
34	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	
35	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	
36	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	
37	COST OF SERVICE REVENUE REQ	CSR	\$986,692	\$593,122	\$379,360	\$9,245	\$4,965	

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
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COST OF SERVICE COMPARISON

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LIGHTING	MUNICIPAL PUMPING
			-----	-----	-----	-----	-----
*** OTHER REVENUE INCLUDED ***							
1	COST OFF SERVICE REVENUE REQ		\$986,692	\$593,122	\$379,360	\$9,245	\$4,965
2	EXISTING REVENUE		\$949,732	\$540,177	\$383,108	\$14,675	\$11,772
3	REVENUE DEFICIENCY		\$36,960	\$52,945	-\$3,748	-\$5,430	-\$6,807
4	REQUIRED INCREASE (%)		3.89%	9.80%	-0.98%	-37.00%	-57.82%
5	EXISTING RATE OF RETURN-AS ADJ.		4.02%	0.62%	7.54%	41.83%	175.03%
6	EXISTING ROR AS % OF OVERALL ROR-AS ADJ.		100.00%	15.42%	187.56%	1040.55%	4353.98%
7	EXISTING RETURN ON EQUITY-AS ADJ.		5.24%	-2.83%	13.59%	94.94%	410.96%
8	EXISTING ROE AS % OF OVERALL ROE-AS ADJ.		100.00%	-54.01%	259.35%	1811.83%	7842.75%
9	PROPOSED RATE OF RETURN-AS ADJ		6.75%	6.75%	6.75%	6.75%	6.75%
10	PROPOSED RETURN ON EQUITY-AS ADJ		11.70%	11.70%	11.70%	11.70%	11.70%
*** OTHER REVENUE EXCLUDED ***							
11	COST OF SERVICE REVENUE REQ		\$987,133	\$593,409	\$379,505	\$9,252	\$4,967
12	EXISTING REVENUE		\$950,173	\$540,464	\$383,253	\$14,682	\$11,774
13	REVENUE DEFICIENCY		\$36,960	\$52,945	-\$3,748	-\$5,430	-\$6,807
14	REQUIRED INCREASE (%)		3.89%	9.80%	-0.98%	-36.98%	-57.81%
15	EXISTING RATE OF RETURN - UNADJ		4.02%	0.62%	7.54%	41.83%	175.03%
16	EXISTING ROR AS % OF OVERALL ROR-UNADJ.		100.00%	15.42%	187.56%	1040.55%	4353.98%
17	EXISTING RETURN ON EQUITY-UNADJ		5.24%	-2.83%	13.59%	94.94%	410.96%
18	EXISTING ROE AS % OF OVERALL ROE-UNADJ.		100.00%	-54.01%	259.35%	1811.83%	7842.75%
19	PROPOSED RATE OF RETURN - UNADJ		6.75%	6.75%	6.75%	6.75%	6.75%
20	PROPOSED RETURN ON EQUITY-UNADJ		11.70%	11.70%	11.70%	11.70%	11.70%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

BROWN COUNTY RURAL ELECTRICAL ASSOCIATION- SMEC CUSTOMERS
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PROPOSED MILLS/KWH *****	TOTAL SMEC -----	RESIDENTIAL -----	SMALL COMMERCIAL -----	LIGHTING -----	MUNICIPAL PUMPING -----
1 EXISTING BASE REV	116.01	122.08	108.27	134.70	102.85
2 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----
3 TOTAL MILLS / KWH	116.01	122.08	108.27	134.70	102.85
	=====	=====	=====	=====	=====
4 PROPOSED BASE REV	120.52	134.03	107.22	84.89	43.39
5 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----
6 TOTAL MILLS / KWH	120.52	134.03	107.22	84.89	43.39
	=====	=====	=====	=====	=====

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

**FEDERATED RURAL ELECTRIC ASSOCIATION
CLASS COST OF SERVICE FOR MPSC COMPLIANCE FILING
SCENARIO 2: SMEC DIRECT ASSIGNMENT**

LINE NO.	CLASS	COSS BASED REVENUE ALLOCATION	EXISTING REVENUE ALLOCATION	DIFFERENCE	PERCENT DIFFERENCE
LEGACY:					
1	GENERAL SERVICE	\$10,167,849	\$8,032,485	\$ 2,135,364	26.58%
2	G/S MULTI PHASE	\$295,790	\$287,405	\$ 8,385	2.92%
3	LARGE POWERS	\$2,881,696	\$3,895,325	\$ (1,013,629)	-26.02%
4	MULTI PHASE WHOLESALE	\$796,891	\$816,517	\$ (19,626)	-2.40%
5	INDUSTRIAL > 500 KVA	\$331,619	\$476,693	\$ (145,074)	-30.43%
6	INTERRUPTIBLE SERVICE	\$1,325,701	\$1,250,875	\$ 74,826	5.98%
7	CONTRACTED L/P	\$16,195,227	\$17,169,485	\$ (974,258)	-5.67%
8	STREET LIGHTING	\$57,087	\$163,682	\$ (106,595)	-65.12%
9	TOTAL LEGACY	\$32,051,860	\$32,092,466	\$ (40,606)	-0.13%
SMEC					
10	RESIDENTIAL	\$1,350,613	\$1,186,242	\$ 164,371	13.86%
11	SMALL COMMERCIAL	\$540,858	\$502,496	\$ 38,363	7.63%
12	LARGE POWER	\$3,592,985	\$2,804,450	\$ 788,535	28.12%
13	LIGHTING	\$36,068	\$53,826	\$ (17,758)	-32.99%
14	MUNICIPAL PUMPING	\$54,605	\$44,433	\$ 10,172	22.89%
15	TOTAL SMEC	\$5,575,129	\$4,591,447	\$983,682	21.42%
16					
17	TOTAL COMPANY	\$37,626,989	\$36,683,914	\$ 943,074	2.57%
18	MISC. REVENUES	\$1,110,471	\$1,110,471	\$ -	0.00%
19		\$38,737,460	\$37,794,385	\$ 943,074	2.50%
CONSOLIDATED					
20	RESIDENTIAL/GS	\$11,518,462	\$9,218,727	\$ 2,299,735	24.95%
21	G/S MULTI PHASE	\$295,790	\$287,405	\$ 8,385	2.92%
22	LARGE POWERS	\$6,474,681	\$6,699,775	\$ (225,094)	-3.36%
23	MULTI PHASE WHOLESALE	\$796,891	\$816,517	\$ (19,626)	-2.40%
24	INDUSTRIAL > 500 KVA	\$331,619	\$476,693	\$ (145,074)	-30.43%
25	INTERRUPTIBLE SERVICE	\$1,325,701	\$1,250,875	\$ 74,826	5.98%
26	CONTRACTED L/P	\$16,195,227	\$17,169,485	\$ (974,258)	-5.67%
27	STREET LIGHTING	\$93,155	\$217,508	\$ (124,353)	-57.17%
28	SMALL COMMERCIAL	\$540,858	\$502,496	\$ 38,363	7.63%
29	MUNICIPAL PUMPING	\$54,605	\$44,433	\$ 10,172	22.89%
30		\$37,626,989	\$36,683,914	\$ 943,074	2.57%
31	MISC. REVENUES	\$1,110,471	\$1,110,471	\$ -	0.00%
32	TOTAL COMPANY	\$38,737,460	\$37,794,385	\$ 943,074	2.50%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

FEDERATED RURAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS

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FILESPEC: K:\RATERES\COS\93RESALE\COS1292.WK3

STUDY DATE:		DECEMBER 31, 2016	
RUN DATE AND TIME:	18-Oct-17	11:45 AM	
RETURN ON COMMON EQUITY		8.27%	
OVERALL RATE OF RETURN		6.77%	
CAPITALIZATION:			
	OUTSTANDING	EFFECTIVE RATE	COMPOSITE
DBT	\$19,183,833	3.96%	1.38%
PRF		0.00%	0.00%
CMN	\$35,974,931	8.27%	5.40%
FEDERAL EFFECTIVE INCOME TAX RATE			0.00%
FEDERAL NOMINAL INCOME TAX RATE			0.00%
STATE EFFECTIVE INCOME TAX RATE			0.00%
STATE NOMINAL INCOME TAX RATE			0.00%

NOTATIONS: THIS RUN ALLOCATES ALL PLANT ON AVG OF 12 CP

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

FEDERATED RURAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
COST OF SERVICE STUDY
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*****CUSTOMER DATA*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	NUMBER OF CUSTOMERS	C1A	C1A	1,433	1,135	260	12	13	13
2	PERCENT OF TOTAL	C1A		100.000%	79.191%	18.141%	0.837%	0.907%	0.924%
3	NUMBER OF WEIGHTED CUSTOMERS	C2A	C2A	1,433	1,135	260	12	13	13
4	PERCENT OF TOTAL	C2A		100.000%	79.191%	18.141%	0.837%	0.907%	0.924%
5	NUMBER OF RETAIL DISTR CUSTOMERS	C3A	C3A	1,433	1,135	260	12	13	13
6	PERCENT OF TOTAL	C3A		100.000%	79.191%	18.141%	0.837%	0.907%	0.924%
7	NMBR OF RETAIL WTD CUSTOMERS	C4A	C4A	1,433	1,135	260	12	13	13
8	PERCENT OF TOTAL	C4A		100.000%	79.191%	18.141%	0.837%	0.907%	0.924%
9	LIGHTING DIRECT ALLOCATOR	LDE	LDE	1	0	0	0	1	0
10	PERCENT OF TOTAL	LDE		100.000%	0.000%	0.000%	0.000%	100.000%	0.000%
11	LPS DIRECT ALLOCATOR	DA1	DA1	0	0	0	0	0	0
12	PERCENT OF TOTAL	DA1		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
13	AVERAGE COINCIDENT KW DEMAND	D1A	D1A	11,255	2,485	1,080	7,570	0	120
14	DEMAND ALLOCATION FACTOR-PROD	D1A		100.000%	22.079%	9.597%	67.255%	0.000%	1.069%
15	AVERAGE COINCIDENT KW DEMAND	D1B	D1B	11,255	2,485	1,080	7,570	0	120
16	DEMAND ALLOCATION FACTOR-TRANS	D1B		100.000%	22.079%	9.597%	67.255%	0.000%	1.069%
17	AVG PRIMARY DISTRIB KW DEMAND	D2A	D2A	11,785	2,581	1,117	7,885	77	125
18	DIST-PRI DEMAND ALLOC FACTOR	D2A		100.000%	21.898%	9.482%	66.910%	0.651%	1.060%
19	AVG SECONDARY DISTRIB KW DEMAND	D3A	D3A	11,785	2,581	1,117	7,885	77	125
20	DIST-SEC DEMAND ALLOC FACTOR	D3A		100.000%	21.898%	9.482%	66.910%	0.651%	1.060%
21	AVG SECONDARY DISTRIB KW DEMAND	D4A	D4A	11,785	2,581	1,117	7,885	77	125
22	DIST-SEC DEMAND ALLOC FACTOR	D4A		100.000%	21.898%	9.482%	66.910%	0.651%	1.060%
23	ANNUAL MWH ENERGY CONTRIBUTION	E1A	E1A	68,081,894	11,755,135	5,677,391	49,733,804	335,864	579,701
24	ENERGY ALLOCATION FACTOR	E1A		100.000%	17.266%	8.339%	73.050%	0.493%	0.851%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

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*****CUSTOMER DATA*****
**** CONTINUED ****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
25	RESERVED			0	0	0	0	0	0
26	PERCENT OF TOTAL			0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
27	WAGES/SALARIES: PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
29	DISTRIBUTION	NPD		\$83,258	\$24,635	\$8,632	\$44,884	\$4,281	\$826
30	GENERAL	NPG		\$173,242	\$97,939	\$25,329	\$44,245	\$4,065	\$1,664
31	WAGES/SALARIES: TOTAL	LBR	LBR	\$256,500	\$122,574	\$33,961	\$89,129	\$8,346	\$2,490
32	PERCENT OF TOTAL	LBR		100.000%	47.787%	13.240%	34.748%	3.254%	0.971%
33	BULK TRANSMISSION REVENUE	D1A		\$0	\$0	\$0	\$0	\$0	\$0
34	PRIMARY TRANSMISSION REVENUE	D2A		\$0	\$0	\$0	\$0	\$0	\$0
35	TOTAL TRANSMISSION REVENUE	TRN	TRN	\$0	\$0	\$0	\$0	\$0	\$0
36	PERCENT OF TOTAL	TRN		100.000%	100.000%	0.000%	0.000%	0.000%	0.000%
EXISTING REVENUE									
37	EXISTING BASE REV	OTR	OTR	\$4,591,447	\$1,186,242	\$502,496	\$2,804,450	\$53,826	\$44,433
38	FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
39	MISCELLANEOUS REVENUE	NPD		\$135,743	\$40,166	\$14,074	\$73,178	\$6,979	\$1,346
40	TRANSMISSION REVENUE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
41	NON-FRM SLS FOR RESALE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
42	TOTAL EXISTING REVENUE	EXR	EXR	\$4,727,190	\$1,226,408	\$516,570	\$2,877,628	\$60,805	\$45,779
PROPOSED REVENUE									
43	PROPOSED BASE REV			\$5,575,129	\$1,350,613	\$540,858	\$3,592,985	\$36,068	\$54,605
44	FUEL REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
45	MISCELLANEOUS REVENUE			\$135,743	\$40,166	\$14,074	\$73,178	\$6,979	\$1,346
46	TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
47	NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
48	TOTAL PROPOSED REVENUE	PRV	PRV	\$5,710,872	\$1,390,779	\$554,932	\$3,666,163	\$43,047	\$55,951
49	PROPOSED BASE REVENUE INCREASE/(DECREASE)			\$983,682	\$164,371	\$38,363	\$788,535	-\$17,758	\$10,172
50	PROPOSED BASE REVENUE INCR/(DECR) - %			21.42%	13.86%	7.63%	28.12%	-32.99%	22.89%

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****ELECTRIC GROSS PLANT****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
				-----	-----	-----	-----	-----	-----
1	TOTAL PRODUCTION PLANT	D1A	GPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1A		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1B		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	GPT	GPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$3,094,005	\$677,515	\$293,370	\$2,070,207	\$20,132	\$32,781
8	SECONDARY DEMAND RELATED	D3A		\$1,134,721	\$248,478	\$107,593	\$759,245	\$7,383	\$12,022
9	CUSTOMER RELATED	C4A		\$2,134,516	\$1,690,337	\$387,214	\$17,871	\$19,361	\$19,733
10	SUB-TOTAL DISTR PLANT		SGD	\$6,363,242	\$2,616,330	\$788,177	\$2,847,323	\$46,876	\$64,536
11	LIGHTING SPECIFIC	LDE		\$175,162	\$0	\$0	\$0	\$175,162	\$0
12	TOTAL DISTRIBUTION PLANT	GPD	GPD	\$6,538,404	\$2,616,330	\$788,177	\$2,847,323	\$222,038	\$64,536
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$363,259	\$145,358	\$43,789	\$158,191	\$12,336	\$3,585
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$526,314	\$416,791	\$95,476	\$4,407	\$4,774	\$4,866
17	TOTAL GENERAL & INTANGIBLE PLANT	GPG	GPG	\$889,573	\$562,149	\$139,265	\$162,598	\$17,110	\$8,451
18	TOTAL GROSS PLANT IN SERVICE	GPR	GPR	\$7,427,977	\$3,178,479	\$927,442	\$3,009,921	\$239,148	\$72,987

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*****ELECTRIC PLANT*****
ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	TOTAL PRODUCTION PLANT	D1A	DPP	\$0	\$0	\$0	\$0	\$0	\$0
TRANSMISSION PLANT									
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	DPT	DPT	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION PLANT									
7	PRIMARY DEMAND RELATED	D4A		\$867,392	\$189,939	\$82,245	\$580,374	\$5,644	\$9,190
8	SECONDARY DEMAND RELATED	D3A		\$335,506	\$73,468	\$31,812	\$224,488	\$2,183	\$3,555
9	CUSTOMER RELATED	C4A		\$1,564,646	\$1,239,053	\$283,836	\$13,100	\$14,192	\$14,465
10	SUB-TOTAL DISTR PLANT		SDD	\$2,767,544	\$1,502,460	\$397,893	\$817,962	\$22,019	\$27,210
11	LIGHTING SPECIFIC	LDE		\$6,474	\$0	\$0	\$0	\$6,474	\$0
12	TOTAL DISTRIBUTION PLANT	DPD	DPD	\$2,774,018	\$1,502,460	\$397,893	\$817,962	\$28,493	\$27,210
GENERAL AND INTANGIBLE PLANT									
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$0	\$0	\$0	\$0	\$0	\$0
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$261,493	\$207,079	\$47,436	\$2,189	\$2,372	\$2,417
17	TOTAL GENERAL & INTANGIBLE PLANT	DPG	DPG	\$261,493	\$207,079	\$47,436	\$2,189	\$2,372	\$2,417
18	TOTAL ACCUMULATED DEPRECIATION	DPR	DPR	\$3,035,511	\$1,709,539	\$445,329	\$820,151	\$30,865	\$29,627

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*****ELECTRIC NET PLANT*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	TOTAL PRODUCTION PLANT	D1A	NPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	NPT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$2,226,613	\$487,576	\$211,125	\$1,489,833	\$14,488	\$23,591
8	SECONDARY DEMAND RELATED	D3A		\$799,214	\$175,009	\$75,781	\$534,757	\$5,200	\$8,467
9	CUSTOMER RELATED	C4A		\$569,870	\$451,284	\$103,378	\$4,771	\$5,169	\$5,268
10	SUB-TOTAL DISTR PLANT		SPD	\$3,595,698	\$1,113,870	\$390,284	\$2,029,361	\$24,857	\$37,326
11	LIGHTING SPECIFIC	LDE		\$168,688	\$0	\$0	\$0	\$168,688	\$0
12	TOTAL DISTRIBUTION PLANT	NPD	NPD	\$3,764,386	\$1,113,870	\$390,284	\$2,029,361	\$193,545	\$37,326
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	NPD		\$363,259	\$145,358	\$43,789	\$158,191	\$12,336	\$3,585
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$264,821	\$209,712	\$48,040	\$2,218	\$2,402	\$2,449
17	TOTAL GENERAL & INTANGIBLE PLANT	NPG	NPG	\$628,080	\$355,070	\$91,829	\$160,409	\$14,738	\$6,034
18	TOTAL NET PLANT IN SERVICE	NPR	NPR	\$4,392,466	\$1,468,940	\$482,113	\$2,189,770	\$208,283	\$43,360

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***** RATE BASE *****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	NET PLANT IN SERVICE	NPR	NPR	\$4,392,466	\$1,468,940	\$482,113	\$2,189,770	\$208,283	\$43,360
	CONSTRUCTION WORK IN PROGRESS								
2	PRODUCTION PLANT	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION PLANT	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION PLANT	NPD		\$113,265	\$33,515	\$11,743	\$61,061	\$5,823	\$1,123
5	GENERAL PLANT	NPG		\$0	\$0	\$0	\$0	\$0	\$0
6	TOAL CWIP	CWP	CWP	\$113,265	\$33,515	\$11,743	\$61,061	\$5,823	\$1,123
7	NET ACQUISITION ADJUSTMENT	D2A	ACQ	\$824,728	\$180,596	\$78,200	\$551,828	\$5,366	\$8,738
8	PLANT HELD FOR FUTURE USE	E1A	PLH	\$0	\$0	\$0	\$0	\$0	\$0
	MISC DEFERRED DEBITS								
9	PROD RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
10	TRAN RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
11	DIST RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
12	GENR RELATED	NPG		\$0	\$0	\$0	\$0	\$0	\$0
13	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
14	NPR RELATED	NPR		\$7,655	\$2,560	\$840	\$3,816	\$363	\$76
15	TOTAL MISC DEFERD DEBITS			\$7,655	\$2,560	\$840	\$3,816	\$363	\$76
	WORKING CAPITAL								
16	CASH WORK CAP,FUNDS.MAT&SUP	NPR	MAS	\$141,275	\$47,245	\$15,506	\$70,430	\$6,699	\$1,395
17	FUEL STOCK	E1A	FUL	\$0	\$0	\$0	\$0	\$0	\$0
18	PREPAID LIGNITE ROYALTIES	E1A		\$0	\$0	\$0	\$0	\$0	\$0
19	OTHER PREPAYMENTS	NPR		\$17,169	\$5,743	\$1,884	\$8,559	\$814	\$169
20	TOTAL WORKING CAPITAL			\$158,444	\$52,988	\$17,390	\$78,989	\$7,513	\$1,564
21	UNAMORTIZED LOSS ON REACQD LTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
22	DEFERRED FUEL	E1A	DEF	\$0	\$0	\$0	\$0	\$0	\$0

(RATE BASE CONTINUED ON NEXT PAGE)

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***** RATE BASE*****
** CONTINUED **

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
ACCUMULATED DEFERRED INCOME TAX									
23	ACCT 281: POL CON		NPP	\$0	\$0	\$0	\$0	\$0	\$0
24	ACCT 282: LIBERAL DEP - PROD		NPP	\$0	\$0	\$0	\$0	\$0	\$0
25	TRAN		NPT	\$0	\$0	\$0	\$0	\$0	\$0
26	DIST		NPD	\$0	\$0	\$0	\$0	\$0	\$0
27	GENR		NPG	\$0	\$0	\$0	\$0	\$0	\$0
28	LIGNITE EXPLORATN		E1A	\$0	\$0	\$0	\$0	\$0	\$0
29	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
30	TOTAL ACCOUNT 282			\$0	\$0	\$0	\$0	\$0	\$0
31	ACCT 283: THIS LINE RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
32	LONG TERM DEBT LOSS		NPR	\$0	\$0	\$0	\$0	\$0	\$0
33	TOTAL ACCOUNT 283			\$0	\$0	\$0	\$0	\$0	\$0
34	ACCOUNT 190: PRODUCTION RELATED		NPP	\$0	\$0	\$0	\$0	\$0	\$0
35	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0
36	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0
37	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
38	FERC REFUND		TRN	\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL ACCOUNT 190			\$0	\$0	\$0	\$0	\$0	\$0
40	TOTAL ACCUM DEFRD INC TAX	ACC	ACC	\$0	\$0	\$0	\$0	\$0	\$0
41	INVESTMENT TAX CREDIT PRE '71		NPR PIC	\$0	\$0	\$0	\$0	\$0	\$0
42	CUSTOMER ADVANCES AND DEPOSITS	C3A	CAD	-\$17,715	-\$14,028	-\$3,214	-\$148	-\$161	-\$164
43	STORM DAMAGE & INJ & DAM RESRVS	D2A	SDR	\$0	\$0	\$0	\$0	\$0	\$0
44	PNSN & MIS OP RSRVS, OTR DEF CR	OMA	PEN	-\$125,831	-\$60,131	-\$16,660	-\$43,724	-\$4,094	-\$1,222
45	TRANSMISSION RATE REFUND RESERVE		TRN	\$0	\$0	\$0	\$0	\$0	\$0
46	TOTAL RATE BASE	RBT	RBT	\$5,353,012	\$1,664,440	\$570,412	\$2,841,592	\$223,093	\$53,475

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*****OPER AND MTN EXPENSES*****

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
	PRODUCTION O&M EXPENSE								
1	FUEL EXPENSE - ACCT 501	E1A		\$0	\$0	\$0	\$0	\$0	\$0
	PURCHASED POWER - ACCT 555								
2	DEMAND - OTHER	D1A		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
3	ENERGY - OTHER	E1A		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
4	NET OFF SYSTEM REVENUE	E1A		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
	OTHER PRODUCTION O&M ACCTS								
5	DEMAND - OTHER	D1A		\$11,433	\$2,525	\$1,097	\$7,689	\$0	\$122
6	ENERGY - OTHER	E1A		\$0	\$0	\$0	\$0	\$0	\$0
7	TOTAL OTHER PRODUCTION O&M	PRO	PRO	\$11,433	\$2,525	\$1,097	\$7,689	\$0	\$122
8	TOTAL PRODUCTION O&M EXPENSE	OMP	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
9	TOTAL TRANSMISSION O&M EXPENSE	NPT	OMT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION O&M EXPENSE								
10	LIGHTING SPECIFIC	LDE		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
11	ALL OTHER	SPD		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
12	TOTAL DISTRIBUTION O&M EXPENSE	OMD	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
13	TOTAL CUST ACCT/SERV & INFO/ SALES EXPENSE	C2A	OMC	\$160,429	\$127,045	\$29,103	\$1,343	\$1,455	\$1,483
	ADMINISTRATIVE & GENERAL EXPENSE								
14	PROP INSURANCE/INJ & DAMG	NPR		\$0	\$0	\$0	\$0	\$0	\$0
15	CUST ACCT/SERV&INFO/SALES REL	LBR		\$226,507	\$108,241	\$29,990	\$78,707	\$7,370	\$2,199
16	TOTAL ADMIN & GENERAL EXPENSE	OMA	OMA	\$226,507	\$108,241	\$29,990	\$78,707	\$7,370	\$2,199
17	TOTAL OPER & MTN EXPENSES	OMX	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

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EXPENSES OTHER THAN INCOME TAXES

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	TOTAL OPER & MTN EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
DEPRECIATION & AMORTIZATION EXPENSES									
2	PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION	NPD		\$144,678	\$42,809	\$15,000	\$77,995	\$7,439	\$1,435
5	GENERAL	NPG		\$16,592	\$9,380	\$2,426	\$4,238	\$389	\$159
6	TOTAL DEPR & AMORT EXPEN	DEP	DEP	\$161,270	\$52,189	\$17,426	\$82,233	\$7,828	\$1,594
7	INTEREST ON CUSTOMER DEPOSITS	C3A	ICD	\$0	\$0	\$0	\$0	\$0	\$0
GENERAL TAXES									
8	AD VALOREM	NPR	VAL	\$0	\$0	\$0	\$0	\$0	\$0
9	CORP FRANCHISE TAX	NPR	SFT	\$0	\$0	\$0	\$0	\$0	\$0
10	MISCELLANEOUS GENERAL TAXES	LBR	MIS	\$0	\$0	\$0	\$0	\$0	\$0
11	REVENUE-RELATED (AS PROPOSED)	RTX		\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL GENERAL TAXES	GTX	GTX	\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL EXPENSES EXCEPT INCOME TAX	EXP	EXP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

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INCOME TAX FOR 8.27% ROE

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	RATE BASE	RBT		\$5,353,012	\$1,664,440	\$570,412	\$2,841,592	\$223,093	\$53,475
2	RETURN AT 6.77%	RBT	RET	\$362,565	\$112,734	\$38,635	\$192,464	\$15,110	\$3,622
3	INTEREST (1.38% OF LINE 1)	RBT	INT	-\$73,669	-\$22,906	-\$7,850	-\$39,107	-\$3,070	-\$736
4	A F U D C	NPR	AFD	\$0	\$0	\$0	\$0	\$0	\$0
	PROVISION FOR DEFERRED TAXES								
5	ACT 410.1: PROD RLTD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
6	TRAN RLTD	NPT		\$0	\$0	\$0	\$0	\$0	\$0
7	PLANT RLTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
8	ENERGY RLTD	E1A		\$0	\$0	\$0	\$0	\$0	\$0
9	LABOR RLTD	LBR		\$0	\$0	\$0	\$0	\$0	\$0
10	CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
11	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL 410.1			\$0	\$0	\$0	\$0	\$0	\$0
13	ACT 411.1: PROD RLTD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRAN RLTD	NPT		\$0	\$0	\$0	\$0	\$0	\$0
15	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
16	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
17	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
19	TOTAL 411.1			\$0	\$0	\$0	\$0	\$0	\$0
20	NET PROVISION FOR DEFERD INC TAX		PDT	\$0	\$0	\$0	\$0	\$0	\$0
21	ITC AMORT	NPR	ITA	\$0	\$0	\$0	\$0	\$0	\$0
22	ADJUSTED RETURN	ART	ART	\$288,896	\$89,828	\$30,785	\$153,357	\$12,040	\$2,886
	FED ADD INC & UNALLOW DEDUCTS								
23	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
24	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
25	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
26	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
27	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0
29	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
30	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
31	TOTAL ADDITIONS	FTA	FTA	\$0	\$0	\$0	\$0	\$0	\$0

(INCOME TAX CALCULATION CONTINUED ON NEXT PAGE)

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

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INCOME TAX FOR 8.27% ROE
*** CONTINUED ***

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	SMALL		LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT		RESIDENTIAL	COMMERCIAL			
FED DEDUCTS AND NON-TAX INCOME									
32	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
33	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
34	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
35	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
36	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
37	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0
38	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL DEDUCTIONS	FTD	FTD	\$0	\$0	\$0	\$0	\$0	\$0
40	NET FEDERAL DEDUCTIONS	NFD	NFD	\$0	\$0	\$0	\$0	\$0	\$0
41	ST ADD INC & UNALLOW DEDUCTS	FTA		\$0	\$0	\$0	\$0	\$0	\$0
42	ST DEDUCTS AND NON-TAX INCOME	FTD		\$0	\$0	\$0	\$0	\$0	\$0
43	NET STATE DEDUCTIONS	NSD	NSD	\$0	\$0	\$0	\$0	\$0	\$0
44	PROV FOR DEF'D ITC - CURRENT	NPR	ITC	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL TAXABLE INCOME									
45	ADJ RET * 1/(1-0.0000-0.0000)	ART	TART	\$288,896	\$89,828	\$30,785	\$153,357	\$12,040	\$2,886
46	NET FED DED * 1/(1-0.0000)	NFD		\$0	\$0	\$0	\$0	\$0	\$0
47	NET ST DED * (1/(1-0.0000))-1	NSD		\$0	\$0	\$0	\$0	\$0	\$0
48	CURRENT ITC * (1/(1-0.00))-1	ITC		\$0	\$0	\$0	\$0	\$0	\$0
49	TOTAL FEDERAL TAXABLE INCOME	FTI	FTI	\$288,896	\$89,828	\$30,785	\$153,357	\$12,040	\$2,886
50	PLUS: NET FED DEDUCTS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
51	LESS: NET STATE DEDUCTS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
52	TOTAL STATE TAXABLE INCOME	STI	STI	\$288,896	\$89,828	\$30,785	\$153,357	\$12,040	\$2,886
FED & ST INCOME TAXES:									
53	FED TAXABLE INC * 0.0000	FTI		\$0	\$0	\$0	\$0	\$0	\$0
54	ST. TAXABLE INC * 0.0000	STI		\$0	\$0	\$0	\$0	\$0	\$0
55	LESS: CRNT ITC * (1-0.0000)	ITC		\$0	\$0	\$0	\$0	\$0	\$0
56	TOTAL FED & ST INCOME TAXES	FST	FST	\$0	\$0	\$0	\$0	\$0	\$0
57	INVESTMENT TAX CREDIT - NET	NPR	ITN	\$0	\$0	\$0	\$0	\$0	\$0

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

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*****COST OF SERVICE*****
** (PROPOSED) **

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	RATE BASE	RBT		\$5,353,012	\$1,664,440	\$570,412	\$2,841,592	\$223,093	\$53,475
2	RETURN AT 6.77%	RET		\$362,565	\$112,734	\$38,635	\$192,464	\$15,110	\$3,622
3	OPERATION & MAINTENANCE EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
4	DEPRECIATION & AMORT EXPENSES	DEP		\$161,270	\$52,189	\$17,426	\$82,233	\$7,828	\$1,594
5	INTEREST ON CUSTOMER DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
6	GENERAL TAXES	GTX		\$0	\$0	\$0	\$0	\$0	\$0
7	FEDERAL AND STATE INCOME TAX	FST		\$0	\$0	\$0	\$0	\$0	\$0
8	PROVISION FOR DEFERRED TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
9	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
10	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
11	COST OF SERVICE REVENUE REQUIREMENT BEFORE ATTRITION ADJUSTMENT	CSR	CSR	\$5,710,872	\$1,390,779	\$554,932	\$3,666,163	\$43,047	\$55,951
12	LESS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
13	BASE COST OF SERVICE REVENUE REQUIREMENT	BRR	BRR	\$5,710,872	\$1,390,779	\$554,932	\$3,666,163	\$43,047	\$55,951
14	ATTRITION ADJUSTMENT	BRR		\$0	\$0	\$0	\$0	\$0	\$0
15	BASE COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT	ARR	ARR	\$5,710,872	\$1,390,779	\$554,932	\$3,666,163	\$43,047	\$55,951
16	PLUS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
17	COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT			\$5,710,872	\$1,390,779	\$554,932	\$3,666,163	\$43,047	\$55,951
18	LESS: MISCELLANEOUS REVENUE			-\$135,743	-\$40,166	-\$14,074	-\$73,178	-\$6,979	-\$1,346
19	LESS: BULK TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
20	LESS: PRIMARY TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
21	LESS: NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
22	NET ELECTRIC REVENUE REQUIREMENT			\$5,575,129	\$1,350,613	\$540,858	\$3,592,985	\$36,068	\$54,605

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EXISTING RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	EXISTING REVENUE	EXR		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
	REVENUE DEDUCTIONS:			[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
2	O&M EXPENSES	OMX							
3	DEPRECIATION & AMORT EXPENSES	DEP		-\$161,270	-\$52,189	-\$17,426	-\$82,233	-\$7,828	-\$1,594
4	AD VALOREM TAXES	VAL		\$0	\$0	\$0	\$0	\$0	\$0
5	CORP FRANCHISE TAX	SFT		\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS		\$0	\$0	\$0	\$0	\$0	\$0
7	REVENUE-RELATED TAXES	RTX		\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS			[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
10	NET FOR RETURN AND INCOME TAXES	NET	NET	-\$621,117	-\$51,637	\$273	-\$596,071	\$32,868	-\$6,550
11	LESS: INTEREST EXPENSE	INT		-\$73,669	-\$22,906	-\$7,850	-\$39,107	-\$3,070	-\$736
12	LESS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			-\$694,786	-\$74,543	-\$7,578	-\$635,178	\$29,798	-\$7,286
14	PLUS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			-\$694,786	-\$74,543	-\$7,578	-\$635,178	\$29,798	-\$7,286
	FED AND ST INCOME TAXES								
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
	*****RETURN COMPUTATION*****								
21	NET FOR RETURN AND INCOME TAXES	NET		-\$621,117	-\$51,637	\$273	-\$596,071	\$32,868	-\$6,550
22	FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN			-\$621,117	-\$51,637	\$273	-\$596,071	\$32,868	-\$6,550
27	RATE BASE	RBT		\$5,353,012	\$1,664,440	\$570,412	\$2,841,592	\$223,093	\$53,475
28	RETURN ON RATE BASE	ROR		-11.60%	-3.10%	0.05%	-20.98%	14.73%	-12.25%
29	NON-EQUITY PORTION OF RETURN	DA3		-1.38%	-1.38%	-1.38%	-1.38%	-1.38%	-1.38%
30	EQUITY PORTION OF EXISTING RETRN	DA3		-12.98%	-4.48%	-1.33%	-22.36%	13.35%	-13.63%
31	EXISTING RETURN ON EQUITY	DA3	ROE	-19.90%	-6.86%	-2.03%	-34.28%	20.47%	-20.89%

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PROPOSED RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	PROPOSED REVENUE	PRV		\$5,710,872	\$1,390,779	\$554,932	\$3,666,163	\$43,047	\$55,951
2	REVENUE DEDUCTIONS:								
2	O&M EXPENSES	OMX							
3	DEPRECIATION & AMORT EXPENSES	DEP		-\$161,270	-\$52,189	-\$17,426	-\$82,233	-\$7,828	-\$1,594
4	AD VALOREM TAXES	VAL		\$0	\$0	\$0	\$0	\$0	\$0
5	CORP FRANCHISE TAX	SFT		\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS		\$0	\$0	\$0	\$0	\$0	\$0
7	REVENUE-RELATED TAXES	RTX		\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS								
10	NET FOR RETURN AND INCOME TAXES	NET	NET	\$362,565	\$112,734	\$38,635	\$192,464	\$15,110	\$3,622
11	LESS: INTEREST EXPENSE	INT		-\$73,669	-\$22,906	-\$7,850	-\$39,107	-\$3,070	-\$736
12	LESS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			\$288,896	\$89,828	\$30,785	\$153,357	\$12,040	\$2,886
14	PLUS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			\$288,896	\$89,828	\$30,785	\$153,357	\$12,040	\$2,886
17	FED AND ST INCOME TAXES								
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
21	NET FOR RETURN AND INCOME TAXES	NET		\$362,565	\$112,734	\$38,635	\$192,464	\$15,110	\$3,622
22	FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN			\$362,565	\$112,734	\$38,635	\$192,464	\$15,110	\$3,622
27	RATE BASE	RBT		\$5,353,012	\$1,664,440	\$570,412	\$2,841,592	\$223,093	\$53,475
28	RETURN ON RATE BASE	ROR		6.77%	6.77%	6.77%	6.77%	6.77%	6.77%
29	NON-EQUITY PORTION OF RETURN	DA3		-1.38%	-1.38%	-1.38%	-1.38%	-1.38%	-1.38%
30	EQUITY PORTION OF EXISTING RETRN	DA3		5.40%	5.40%	5.40%	5.40%	5.40%	5.40%
31	PROPOSED RETURN ON EQUITY	DA3	ROE	8.27%	8.27%	8.27%	8.27%	8.27%	8.27%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

FEDERATED RURAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
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COST OF SERVICE SUMMARY

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
NET PLANT IN SERVICE:									
1	PRODUCTION PLANT	NPP		\$0	\$0	\$0	\$0	\$0	\$0
2	TRANSMISSION PLANT	NPT		\$0	\$0	\$0	\$0	\$0	\$0
3	DISTRIBUTION PLANT	NPD		\$3,764,386	\$1,113,870	\$390,284	\$2,029,361	\$193,545	\$37,326
4	GENERAL PLANT	NPG		\$628,080	\$355,070	\$91,829	\$160,409	\$14,738	\$6,034
5	TOTAL NET ELECTRIC PLANT	NPR		\$4,392,466	\$1,468,940	\$482,113	\$2,189,770	\$208,283	\$43,360
6	CONST. WORK IN PROGRESS	CWP		\$113,265	\$33,515	\$11,743	\$61,061	\$5,823	\$1,123
7	ACQUISITION ADJUSTMENT	ACQ		\$824,728	\$180,596	\$78,200	\$551,828	\$5,366	\$8,738
8	PLANT HELD FOR FUTURE USE	PLH		\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL MISC DEFRD DEBITS			\$7,655	\$2,560	\$840	\$3,816	\$363	\$76
WORKING CAPITAL:									
10	CASH WORK CAP,FUNDS,MAT&SUP	MAS		\$141,275	\$47,245	\$15,506	\$70,430	\$6,699	\$1,395
11	FUEL STOCK	FUL		\$0	\$0	\$0	\$0	\$0	\$0
12	PREPAID LIGNITE ROYALTIES	E1A		\$0	\$0	\$0	\$0	\$0	\$0
13	OTHER PREPAYMENTS	NPR		\$17,169	\$5,743	\$1,884	\$8,559	\$814	\$169
14	UNAMORTIZED LOSS ON REACQD LTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
15	DEFERRED FUEL	DEF		\$0	\$0	\$0	\$0	\$0	\$0
16	ACCUMULATED DEFERRED INCOME TAX	ACC		\$0	\$0	\$0	\$0	\$0	\$0
17	PRE-1971 INVESTMENT TAX CREDIT	PIC		\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER ADVANCES AND DEPOSITS	CAD		-\$17,715	-\$14,028	-\$3,214	-\$148	-\$161	-\$164
19	STORM DAMAGE/INJ & DAM RESRVS	SDR		\$0	\$0	\$0	\$0	\$0	\$0
20	PNSN & MIS OP RSRVS, OTR DEF CRS	PEN		-\$125,831	-\$60,131	-\$16,660	-\$43,724	-\$4,094	-\$1,222
21	TRANSMISSION RATE REFUND RESERVE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
22	AVERAGE ORIGINAL COST RATE BASE	RBT		\$5,353,012	\$1,664,440	\$570,412	\$2,841,592	\$223,093	\$53,475
23	RETURN AT 6.77%	RET		\$362,565	\$112,734	\$38,635	\$192,464	\$15,110	\$3,622
OPERATION & MAINTENANCE EXPENSES									
24	PRODUCTION O&M	OMP		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
25	TRANSMISSION O&M	OMT		\$0	\$0	\$0	\$0	\$0	\$0
26	DISTRIBUTION O&M	OMD		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
27	CUST ACCT/SERV/SALES	OMC		\$160,429	\$127,045	\$29,103	\$1,343	\$1,455	\$1,483
28	ADMINISTRATIVE & GENERAL	OMA		\$226,507	\$108,241	\$29,990	\$78,707	\$7,370	\$2,199
29	TOTAL OPER & MAIN EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
30	DEPRECIATION & AMORT EXPENSES	DEP		\$161,270	\$52,189	\$17,426	\$82,233	\$7,828	\$1,594
31	INTEREST ON CUSTOMER DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
32	GENERAL TAXES	GTX		\$0	\$0	\$0	\$0	\$0	\$0
33	FED & ST INCOME TAX	FST		\$0	\$0	\$0	\$0	\$0	\$0
34	PROV FOR DEF TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
35	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
36	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
37	COST OF SERVICE REVENUE REQ	CSR		\$5,710,872	\$1,390,779	\$554,932	\$3,666,163	\$43,047	\$55,951

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COST OF SERVICE COMPARISON

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
*** OTHER REVENUE INCLUDED ***									
1	COST OFF SERVICE REVENUE REQ			\$5,710,872	\$1,390,779	\$554,932	\$3,666,163	\$43,047	\$55,951
2	EXISTING REVENUE			\$4,727,190	\$1,226,408	\$516,570	\$2,877,628	\$60,805	\$45,779
3	REVENUE DEFICIENCY			\$983,682	\$164,371	\$38,363	\$788,535	-\$17,758	\$10,172
4	REQUIRED INCREASE (%)			20.81%	13.40%	7.43%	27.40%	-29.21%	22.22%
5	EXISTING RATE OF RETURN-AS ADJ.			-11.60%	-3.10%	0.05%	-20.98%	14.73%	-12.25%
6	EXISTING ROR AS % OF OVERALL ROR-AS ADJ.			100.00%	26.72%	-0.43%	180.86%	-126.98%	105.60%
7	EXISTING RETURN ON EQUITY-AS ADJ.			-19.90%	-6.86%	-2.03%	-34.28%	20.47%	-20.89%
8	EXISTING ROE AS % OF OVERALL ROE-AS ADJ.			100.00%	34.47%	10.20%	172.26%	-102.86%	104.97%
9	PROPOSED RATE OF RETURN-AS ADJ			6.77%	6.77%	6.77%	6.77%	6.77%	6.77%
10	PROPOSED RETURN ON EQUITY-AS ADJ			8.27%	8.27%	8.27%	8.27%	8.27%	8.27%
*** OTHER REVENUE EXCLUDED ***									
11	COST OF SERVICE REVENUE REQ			\$5,575,129	\$1,350,613	\$540,858	\$3,592,985	\$36,068	\$54,605
12	EXISTING REVENUE			\$4,591,447	\$1,186,242	\$502,496	\$2,804,450	\$53,826	\$44,433
13	REVENUE DEFICIENCY			\$983,682	\$164,371	\$38,363	\$788,535	-\$17,758	\$10,172
14	REQUIRED INCREASE (%)			21.42%	13.86%	7.63%	28.12%	-32.99%	22.89%
15	EXISTING RATE OF RETURN - UNADJ			-11.60%	-3.10%	0.05%	-20.98%	14.73%	-12.25%
16	EXISTING ROR AS % OF OVERALL ROR-UNADJ.			100.00%	26.72%	-0.43%	180.86%	-126.98%	105.60%
17	EXISTING RETURN ON EQUITY-UNADJ			-19.90%	-6.86%	-2.03%	-34.28%	20.47%	-20.89%
18	EXISTING ROE AS % OF OVERALL ROE-UNADJ.			100.00%	34.47%	10.20%	172.26%	-102.86%	104.97%
19	PROPOSED RATE OF RETURN - UNADJ			6.77%	6.77%	6.77%	6.77%	6.77%	6.77%
20	PROPOSED RETURN ON EQUITY-UNADJ			8.27%	8.27%	8.27%	8.27%	8.27%	8.27%

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FEDERATED RURAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
COST OF SERVICE STUDY
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PROPOSED MILLS/KWH		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
*****		-----	-----	-----	-----	-----	-----
1	EXISTING BASE REV	67.44	100.91	88.51	56.39	160.26	76.65
2	FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
		-----	-----	-----	-----	-----	-----
3	TOTAL MILLS / KWH	67.44	100.91	88.51	56.39	160.26	76.65
		=====	=====	=====	=====	=====	=====
4	PROPOSED BASE REV	81.89	114.90	95.27	72.24	107.39	94.20
5	FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
		-----	-----	-----	-----	-----	-----
6	TOTAL MILLS / KWH	81.89	114.90	95.27	72.24	107.39	94.20
		=====	=====	=====	=====	=====	=====

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**FREEBORN- MOWER COOPERATIVE SERVICES
CLASS COST OF SERVICE FOR MPSC COMPLIANCE FILING
SCENARIO 2: SMEC DIRECT ASSIGNMENT**

LINE NO.	CLASS	COSS BASED REVENUE ALLOCATION	EXISTING REVENUE ALLOCATION	DIFFERENCE	PERCENT DIFFERENCE
LEGACY:					
1	RESIDENTIAL	\$11,190,214	\$11,595,587	\$ (405,373)	-3.50%
3	IRRIGATION	\$31,236	\$53,684	\$ (22,448)	-41.81%
4	C&I <= 1000 KVA	\$3,603,438	\$4,086,764	\$ (483,326)	-11.83%
5	C&I > 1000 KVA	\$6,845,414	\$7,044,914	\$ (199,500)	-2.83%
6	STREET LIGHTING	\$16,484	\$14,861	\$ 1,623	10.92%
7	PUBLIC AUTHORITIES	\$111,850	\$134,512	\$ (22,662)	-16.85%
8	TOTAL LEGACY	\$21,798,636	\$22,930,321	\$ (1,131,685)	-4.94%
SMEC					
9	RESIDENTIAL	\$14,244,318	\$11,706,720	\$ 2,537,598	21.68%
10	SMALL COMMERCIAL	\$8,968,491	\$9,103,036	\$ (134,545)	-1.48%
11	LARGE COMMERCIAL	\$4,665,839	\$4,805,807	\$ (139,968)	-2.91%
12	STREET LIGHTING	\$156,053	\$278,991	\$ (122,938)	-44.07%
13	MUNICIPAL PUMPING	\$1,464,753	\$1,214,239	\$ 250,514	20.63%
14	TOTAL SMEC	\$29,499,454	\$27,108,793	\$ 2,390,661	8.82%
15					
16	TOTAL COMPANY	\$51,298,089	\$50,039,114	\$ 1,258,975	2.52%
17	MISC. REVENUES	\$397,459	\$397,459	\$ -	0.00%
18		\$51,695,548	\$50,436,573	\$ 1,258,975	2.50%
CONSOLIDATED					
19	RESIDENTIAL	\$25,434,531	\$23,302,306	\$ 2,132,225	9.15%
20	IRRIGATION	\$31,236	\$53,684	\$ (22,448)	-41.81%
21	C&I <= 1000 KVA	\$3,603,438	\$4,086,764	\$ (483,326)	-11.83%
22	C&I > 1000 KVA	\$6,845,414	\$7,044,914	\$ (199,500)	-2.83%
23	SMALL COMMERCIAL	\$8,968,491	\$9,103,036	\$ (134,545)	-1.48%
24	LARGE COMMERCIAL	\$4,665,839	\$4,805,807	\$ (139,968)	-2.91%
25	STREET LIGHTING	\$172,537	\$293,851	\$ (121,314)	-41.28%
26	PUBLIC AUTHORITIES	\$1,576,603	\$1,348,751	\$ 227,852	16.89%
27		\$51,298,089	\$50,039,114	\$ 1,258,975	2.52%
28	MISC. REVENUES	\$397,459	\$397,459	\$ -	0.00%
29	TOTAL COMPANY	\$51,695,548	\$50,436,573	\$ 1,258,975	2.50%

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FREEBORN MOWER- SMEC CUSTOMERS

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FILESPEC: K:\RATERES\ICOS\93RESALE\ICOS1292.WK3

STUDY DATE:		DECEMBER 31, 2016	
RUN DATE AND TIME:	26-Oct-17	03:08 PM	
RETURN ON COMMON EQUITY		7.51%	
OVERALL RATE OF RETURN		4.16%	
CAPITALIZATION:			
	OUTSTANDING	EFFECTIVE RATE	COMPOSITE
DBT	\$69,506,074	2.71%	1.90%
PRF		0.00%	0.00%
CMN	\$29,982,436	7.51%	2.26%
FEDERAL EFFECTIVE INCOME TAX RATE			0.00%
FEDERAL NOMINAL INCOME TAX RATE			0.00%
STATE EFFECTIVE INCOME TAX RATE			0.00%
STATE NOMINAL INCOME TAX RATE			0.00%

NOTATIONS: THIS RUN ALLOCATES ALL PLANT ON AVG OF 12 CP

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FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
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*****CUSTOMER DATA*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT	SMEC					
1	NUMBER OF CUSTOMERS	C1A	C1A	15,024	12,660	2,015	13	40	296
2	PERCENT OF TOTAL	C1A		100.000%	84.266%	13.409%	0.085%	0.267%	1.972%
3	NUMBER OF WEIGHTED CUSTOMERS	C2A	C2A	15,024	12,660	2,015	13	40	296
4	PERCENT OF TOTAL	C2A		100.000%	84.266%	13.409%	0.085%	0.267%	1.972%
5	NUMBER OF RETAIL DISTR CUSTOMERS	C3A	C3A	15,024	12,660	2,015	13	40	296
6	PERCENT OF TOTAL	C3A		100.000%	84.266%	13.409%	0.085%	0.267%	1.972%
7	NMBR OF RETAIL WTD CUSTOMERS	C4A	C4A	15,024	12,660	2,015	13	40	296
8	PERCENT OF TOTAL	C4A		100.000%	84.266%	13.409%	0.085%	0.267%	1.972%
9	LIGHTING DIRECT ALLOCATOR	LDE	LDE	1	0	0	0	1	0
10	PERCENT OF TOTAL	LDE		100.000%	0.000%	0.000%	0.000%	100.000%	0.000%
11	LPS DIRECT ALLOCATOR	DA1	DA1	0	0	0	0	0	0
12	PERCENT OF TOTAL	DA1		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
13	AVERAGE COINCIDENT KW DEMAND	D1A	D1A	54,388	23,074	18,481	9,644	0	3,189
14	DEMAND ALLOCATION FACTOR-PROD	D1A		100.000%	42.425%	33.980%	17.732%	0.000%	5.864%
15	AVERAGE COINCIDENT KW DEMAND	D1B	D1B	54,388	23,074	18,481	9,644	0	3,189
16	DEMAND ALLOCATION FACTOR-TRANS	D1B		100.000%	42.425%	33.980%	17.732%	0.000%	5.864%
17	AVG PRIMARY DISTRIB KW DEMAND	D2A	D2A	57,244	23,961	19,405	10,030	538	3,309
18	DIST-PRI DEMAND ALLOC FACTOR	D2A		100.000%	41.859%	33.899%	17.521%	0.940%	5.781%
19	AVG SECONDARY DISTRIB KW DEMAND	D3A	D3A	57,244	23,961	19,405	10,030	538	3,309
20	DIST-SEC DEMAND ALLOC FACTOR	D3A		100.000%	41.859%	33.899%	17.521%	0.940%	5.781%
21	AVG SECONDARY DISTRIB KW DEMAND	D4A	D4A	57,244	23,961	19,405	10,030	538	3,309
22	DIST-SEC DEMAND ALLOC FACTOR	D4A		100.000%	41.859%	33.899%	17.521%	0.940%	5.781%
23	ANNUAL MWH ENERGY CONTRIBUTION	E1A	E1A	294,758,889	109,148,827	101,993,170	65,894,354	2,357,522	15,365,017
24	ENERGY ALLOCATION FACTOR	E1A		100.000%	37.030%	34.602%	22.355%	0.800%	5.213%

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FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

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*****CUSTOMER DATA*****
**** CONTINUED ****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
				-----	-----	-----	-----	-----	-----
25	RESERVED			0	0	0	0	0	0
26	PERCENT OF TOTAL			0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
27	WAGES/SALARIES: PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
29	DISTRIBUTION	NPD		\$1,356,394	\$882,669	\$297,537	\$101,692	\$26,149	\$48,347
30	GENERAL	NPG		\$1,121,939	\$855,010	\$190,960	\$36,099	\$10,183	\$29,687
31	WAGES/SALARIES: TOTAL	LBR	LBR	\$2,478,333	\$1,737,679	\$488,497	\$137,791	\$36,332	\$78,034
32	PERCENT OF TOTAL	LBR		100.000%	70.115%	19.711%	5.560%	1.466%	3.149%
33	BULK TRANSMISSION REVENUE	D1A		\$0	\$0	\$0	\$0	\$0	\$0
34	PRIMARY TRANSMISSION REVENUE	D2A		\$0	\$0	\$0	\$0	\$0	\$0
35	TOTAL TRANSMISSION REVENUE	TRN	TRN	\$0	\$0	\$0	\$0	\$0	\$0
36	PERCENT OF TOTAL	TRN		100.000%	100.000%	0.000%	0.000%	0.000%	0.000%
EXISTING REVENUE									
37	EXISTING BASE REV	OTR	OTR	\$27,108,793	\$11,706,720	\$9,103,036	\$4,805,807	\$278,991	\$1,214,239
38	FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
39	MISCELLANEOUS REVENUE	NPD		\$206,447	\$134,344	\$45,286	\$15,478	\$3,980	\$7,359
40	TRANSMISSION REVENUE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
41	NON-FRM SLS FOR RESALE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
42	TOTAL EXISTING REVENUE	EXR	EXR	\$27,315,240	\$11,841,064	\$9,148,322	\$4,821,285	\$282,971	\$1,221,598
PROPOSED REVENUE									
43	PROPOSED BASE REV			\$29,499,454	\$14,244,318	\$8,968,491	\$4,665,839	\$156,053	\$1,464,753
44	FUEL REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
45	MISCELLANEOUS REVENUE			\$206,447	\$134,344	\$45,286	\$15,478	\$3,980	\$7,359
46	TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
47	NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
48	TOTAL PROPOSED REVENUE	PRV	PRV	\$29,705,901	\$14,378,662	\$9,013,777	\$4,681,317	\$160,033	\$1,472,112
49	PROPOSED BASE REVENUE INCREASE/(DECREASE)			\$2,390,661	\$2,537,598	-\$134,545	-\$139,968	-\$122,938	\$250,514
50	PROPOSED BASE REVENUE INCR/(DECR) - %			8.82%	21.68%	-1.48%	-2.91%	-44.07%	20.63%

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FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
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****ELECTRIC GROSS PLANT****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	TOTAL PRODUCTION PLANT	D1A	GPP	\$0	\$0	\$0	\$0	\$0	\$0
TRANSMISSION PLANT									
2	POWER PLANT EQUIP	D1A		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1B		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	GPT	GPT	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION PLANT									
7	PRIMARY DEMAND RELATED	D4A		\$16,412,513	\$6,870,033	\$5,563,691	\$2,875,611	\$154,322	\$948,856
8	SECONDARY DEMAND RELATED	D3A		\$5,939,129	\$2,486,031	\$2,013,310	\$1,040,585	\$55,844	\$343,359
9	CUSTOMER RELATED	C4A		\$29,495,311	\$24,854,638	\$3,955,002	\$25,195	\$78,858	\$581,618
10	SUB-TOTAL DISTR PLANT		SGD	\$51,846,953	\$34,210,702	\$11,532,003	\$3,941,391	\$289,024	\$1,873,833
11	LIGHTING SPECIFIC	LDE		\$647,918	\$0	\$0	\$0	\$647,918	\$0
12	TOTAL DISTRIBUTION PLANT	GPD	GPD	\$52,494,871	\$34,210,702	\$11,532,003	\$3,941,391	\$936,942	\$1,873,833
GENERAL AND INTANGIBLE PLANT									
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$1,609,199	\$1,048,709	\$353,507	\$120,821	\$28,721	\$57,441
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$2,889,111	\$2,434,550	\$387,399	\$2,468	\$7,724	\$56,970
17	TOTAL GENERAL & INTANGIBLE PLANT	GPG	GPG	\$4,498,310	\$3,483,259	\$740,906	\$123,289	\$36,445	\$114,411
18	TOTAL GROSS PLANT IN SERVICE	GPR	GPR	\$56,993,181	\$37,693,961	\$12,272,909	\$4,064,680	\$973,387	\$1,988,244

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FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
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*****ELECTRIC PLANT*****
ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
				-----	-----	-----	-----	-----	-----
1	TOTAL PRODUCTION PLANT	D1A	DPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	DPT	DPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$5,926,184	\$2,480,613	\$2,008,922	\$1,038,317	\$55,722	\$342,610
8	SECONDARY DEMAND RELATED	D3A		\$2,144,484	\$897,649	\$726,960	\$375,732	\$20,164	\$123,979
9	CUSTOMER RELATED	C4A		\$10,650,083	\$8,974,442	\$1,428,061	\$9,097	\$28,474	\$210,009
10	SUB-TOTAL DISTR PLANT		SDD	\$18,720,752	\$12,352,705	\$4,163,943	\$1,423,146	\$104,360	\$676,598
11	LIGHTING SPECIFIC	LDE		\$185,048	\$0	\$0	\$0	\$185,048	\$0
12	TOTAL DISTRIBUTION PLANT	DPD	DPD	\$18,905,800	\$12,352,705	\$4,163,943	\$1,423,146	\$289,408	\$676,598
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$427,189	\$278,397	\$93,844	\$32,074	\$7,625	\$15,249
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$1,269,915	\$1,070,112	\$170,282	\$1,085	\$3,395	\$25,041
17	TOTAL GENERAL & INTANGIBLE PLANT	DPG	DPG	\$1,697,104	\$1,348,509	\$264,126	\$33,159	\$11,020	\$40,290
18	TOTAL ACCUMULATED DEPRECIATION	DPR	DPR	\$20,602,904	\$13,701,214	\$4,428,069	\$1,456,305	\$300,428	\$716,888

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FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
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*****ELECTRIC NET PLANT*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	TOTAL PRODUCTION PLANT	D1A	NPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	NPT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$10,486,329	\$4,389,420	\$3,554,769	\$1,837,294	\$98,600	\$606,246
8	SECONDARY DEMAND RELATED	D3A		\$3,794,645	\$1,588,382	\$1,286,350	\$664,853	\$35,680	\$219,380
9	CUSTOMER RELATED	C4A		\$18,845,228	\$15,880,196	\$2,526,941	\$16,098	\$50,384	\$371,609
10	SUB-TOTAL DISTR PLANT		SPD	\$33,126,201	\$21,857,997	\$7,368,060	\$2,518,245	\$184,664	\$1,197,235
11	LIGHTING SPECIFIC	LDE		\$462,870	\$0	\$0	\$0	\$462,870	\$0
12	TOTAL DISTRIBUTION PLANT	NPD	NPD	\$33,589,071	\$21,857,997	\$7,368,060	\$2,518,245	\$647,534	\$1,197,235
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	NPD		\$1,182,010	\$770,312	\$259,663	\$88,747	\$21,096	\$42,192
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$1,619,196	\$1,364,438	\$217,117	\$1,383	\$4,329	\$31,929
17	TOTAL GENERAL & INTANGIBLE PLANT	NPG	NPG	\$2,801,206	\$2,134,750	\$476,780	\$90,130	\$25,425	\$74,121
18	TOTAL NET PLANT IN SERVICE	NPR	NPR	\$36,390,277	\$23,992,747	\$7,844,840	\$2,608,375	\$672,959	\$1,271,356

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FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

***** RATE BASE *****

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	NET PLANT IN SERVICE	NPR	NPR	\$36,390,277	\$23,992,747	\$7,844,840	\$2,608,375	\$672,959	\$1,271,356
CONSTRUCTION WORK IN PROGRESS									
2	PRODUCTION PLANT	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION PLANT	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION PLANT	NPD		\$316,012	\$205,644	\$69,320	\$23,692	\$6,092	\$11,264
5	GENERAL PLANT	NPG		\$0	\$0	\$0	\$0	\$0	\$0
6	TOAL CWIP	CWP	CWP	\$316,012	\$205,644	\$69,320	\$23,692	\$6,092	\$11,264
7	NET ACQUISITION ADJUSTMENT	D2A	ACQ	\$9,736,743	\$4,075,656	\$3,300,666	\$1,705,959	\$91,552	\$562,910
8	PLANT HELD FOR FUTURE USE	E1A	PLH	\$0	\$0	\$0	\$0	\$0	\$0
MISC DEFERRED DEBITS									
9	PROD RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
10	TRAN RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
11	DIST RELATED	NPD		\$7,350	\$4,783	\$1,612	\$551	\$142	\$262
12	GENR RELATED	NPG		\$32,216	\$24,552	\$5,483	\$1,037	\$292	\$852
13	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
14	NPR RELATED	NPR		\$893,675	\$589,215	\$192,654	\$64,057	\$16,527	\$31,222
15	TOTAL MISC DEFDRD DEBITS			\$933,241	\$618,550	\$199,749	\$65,645	\$16,961	\$32,336
WORKING CAPITAL									
16	CASH WORK CAP,FUNDS,MAT&SUP	NPR	MAS	\$939,662	\$619,535	\$202,568	\$67,353	\$17,377	\$32,829
17	FUEL STOCK	E1A	FUL	\$0	\$0	\$0	\$0	\$0	\$0
18	PREPAID LIGNITE ROYALTIES	E1A		\$0	\$0	\$0	\$0	\$0	\$0
19	OTHER PREPAYMENTS	NPR		\$29,014	\$19,128	\$6,255	\$2,080	\$537	\$1,014
20	TOTAL WORKING CAPITAL			\$968,676	\$638,663	\$208,823	\$69,433	\$17,914	\$33,843
21	UNAMORTIZED LOSS ON REACQD LTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
22	DEFERRED FUEL	E1A	DEF	\$0	\$0	\$0	\$0	\$0	\$0

(RATE BASE CONTINUED ON NEXT PAGE)

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

***** RATE BASE*****
** CONTINUED **

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
23	ACCUMULATED DEFERRED INCOME TAX ACCT 281: POL CON		NPP	\$0	\$0	\$0	\$0	\$0	\$0
24	ACCT 282: LIBERAL DEP - PROD		NPP	\$0	\$0	\$0	\$0	\$0	\$0
25	TRAN		NPT	\$0	\$0	\$0	\$0	\$0	\$0
26	DIST		NPD	\$0	\$0	\$0	\$0	\$0	\$0
27	GENR		NPG	\$0	\$0	\$0	\$0	\$0	\$0
28	LIGNITE EXPLORATN		E1A	\$0	\$0	\$0	\$0	\$0	\$0
29	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
30	TOTAL ACCOUNT 282			\$0	\$0	\$0	\$0	\$0	\$0
31	ACCT 283: THIS LINE RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
32	LONG TERM DEBT LOSS		NPR	\$0	\$0	\$0	\$0	\$0	\$0
33	TOTAL ACCOUNT 283			\$0	\$0	\$0	\$0	\$0	\$0
34	ACCOUNT 190: PRODUCTION RELATED		NPP	\$0	\$0	\$0	\$0	\$0	\$0
35	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0
36	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0
37	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
38	FERC REFUND		TRN	\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL ACCOUNT 190			\$0	\$0	\$0	\$0	\$0	\$0
40	TOTAL ACCUM DEFRD INC TAX		ACC ACC	\$0	\$0	\$0	\$0	\$0	\$0
41	INVESTMENT TAX CREDIT PRE '71		NPR PIC	\$0	\$0	\$0	\$0	\$0	\$0
42	CUSTOMER ADVANCES AND DEPOSITS		C3A CAD	-\$147,485	-\$124,281	-\$19,776	-\$126	-\$394	-\$2,908
43	STORM DAMAGE & INJ & DAM RESRVS		D2A SDR	\$0	\$0	\$0	\$0	\$0	\$0
44	PNSN & MIS OP RSRVS, OTR DEF CR		OMA PEN	-\$1,496,375	-\$1,049,180	-\$294,946	-\$83,196	-\$21,937	-\$47,116
45	TRANSMISSION RATE REFUND RESERVE		TRN	\$0	\$0	\$0	\$0	\$0	\$0
46	TOTAL RATE BASE		RBT RBT	\$46,701,089	\$28,357,799	\$11,308,676	\$4,389,782	\$783,147	\$1,861,685

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

*****OPER AND MTN EXPENSES*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
	PRODUCTION O&M EXPENSE								
1	FUEL EXPENSE - ACCT 501	E1A		\$0	\$0	\$0	\$0	\$0	\$0
	PURCHASED POWER - ACCT 555								
2	DEMAND - OTHER	D1A		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
3	ENERGY - OTHER	E1A							
4	NET OFF SYSTEM REVENUE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
	OTHER PRODUCTION O&M ACCTS								
5	DEMAND - OTHER	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	ENERGY - OTHER	E1A		\$0	\$0	\$0	\$0	\$0	\$0
7	TOTAL OTHER PRODUCTION O&M	PRO	PRO	\$0	\$0	\$0	\$0	\$0	\$0
8	TOTAL PRODUCTION O&M EXPENSE	OMP	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
9	TOTAL TRANSMISSION O&M EXPENSE	NPT	OMT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION O&M EXPENSE								
10	LIGHTING SPECIFIC	LDE		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
11	ALL OTHER	SPD							
12	TOTAL DISTRIBUTION O&M EXPENSE	OMD	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
13	TOTAL CUST ACCT/SERV & INFO/ SALES EXPENSE	C2A	OMC	\$1,655,591	\$1,395,107	\$221,997	\$1,414	\$4,426	\$32,647
	ADMINISTRATIVE & GENERAL EXPENSE								
14	PROP INSURANCE/INJ & DAMG	NPR		\$0	\$0	\$0	\$0	\$0	\$0
15	CUST ACCT/SERV&INFO/SALES REL	LBR		\$1,000,422	\$701,444	\$197,190	\$55,622	\$14,666	\$31,500
16	TOTAL ADMIN & GENERAL EXPENSE	OMA	OMA	\$1,000,422	\$701,444	\$197,190	\$55,622	\$14,666	\$31,500
17	TOTAL OPER & MTN EXPENSES	OMX	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

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FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

EXPENSES OTHER THAN INCOME TAXES

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING	
1	TOTAL OPER & MTN EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]						
	DEPRECIATION & AMORTIZATION EXPENSES									
2	PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0	
3	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0	
4	DISTRIBUTION	NPD		\$1,482,403	\$964,670	\$325,178	\$111,139	\$28,578	\$52,838	
5	GENERAL	NPG		\$199,587	\$152,101	\$33,971	\$6,422	\$1,812	\$5,281	
6	TOTAL DEPR & AMORT EXPEN	DEP	DEP	\$1,681,990	\$1,116,771	\$359,149	\$117,561	\$30,390	\$58,119	
7	INTEREST ON CUSTOMER DEPOSITS	C3A	ICD	\$0	\$0	\$0	\$0	\$0	\$0	
	GENERAL TAXES									
8	AD VALOREM	NPR	VAL	\$0	\$0	\$0	\$0	\$0	\$0	
9	CORP FRANCHISE TAX	NPR	SFT	\$0	\$0	\$0	\$0	\$0	\$0	
10	MISCELLANEOUS GENERAL TAXES	LBR	MIS	\$0	\$0	\$0	\$0	\$0	\$0	
11	REVENUE-RELATED (AS PROPOSED)	RTX		\$0	\$0	\$0	\$0	\$0	\$0	
12	TOTAL GENERAL TAXES	GTX	GTX	\$0	\$0	\$0	\$0	\$0	\$0	
13	TOTAL EXPENSES EXCEPT INCOME TAX	EXP	EXP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]						

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FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

INCOME TAX FOR 7.51% ROE

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	RATE BASE		RBT	\$46,701,089	\$28,357,799	\$11,308,676	\$4,389,782	\$783,147	\$1,861,685
2	RETURN AT 4.16%		RBT RET	\$1,942,325	\$1,179,416	\$470,334	\$182,574	\$32,572	\$77,429
3	INTEREST (1.90% OF LINE 1)		RBT INT	-\$885,359	-\$537,607	-\$214,390	-\$83,221	-\$14,847	-\$35,294
4	A F U D C		NPR AFD	\$0	\$0	\$0	\$0	\$0	\$0
	PROVISION FOR DEFERRED TAXES								
5	ACT 410.1: PROD RLTD		NPP	\$0	\$0	\$0	\$0	\$0	\$0
6	TRAN RLTD		NPT	\$0	\$0	\$0	\$0	\$0	\$0
7	PLANT RLTD		NPR	\$0	\$0	\$0	\$0	\$0	\$0
8	ENERGY RLTD		E1A	\$0	\$0	\$0	\$0	\$0	\$0
9	LABOR RLTD		LBR	\$0	\$0	\$0	\$0	\$0	\$0
10	CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0
11	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL 410.1			\$0	\$0	\$0	\$0	\$0	\$0
13	ACT 411.1: PROD RLTD		NPP	\$0	\$0	\$0	\$0	\$0	\$0
14	TRAN RLTD		NPT	\$0	\$0	\$0	\$0	\$0	\$0
15	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0
16	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0
17	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0
19	TOTAL 411.1			\$0	\$0	\$0	\$0	\$0	\$0
20	NET PROVISION FOR DEFERD INC TAX		PDT	\$0	\$0	\$0	\$0	\$0	\$0
21	ITC AMORT		NPR ITA	\$0	\$0	\$0	\$0	\$0	\$0
22	ADJUSTED RETURN		ART ART	\$1,056,966	\$641,809	\$255,944	\$99,353	\$17,725	\$42,135
	FED ADD INC & UNALLOW DEDUCTS								
23	PRODUCTION RELATED		NPP	\$0	\$0	\$0	\$0	\$0	\$0
24	DISTRIBUTION RELATED		NPD	\$0	\$0	\$0	\$0	\$0	\$0
25	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0
26	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0
27	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION REV RELATED		TRN	\$0	\$0	\$0	\$0	\$0	\$0
29	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
30	DISTRIBUTION CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0
31	TOTAL ADDITIONS		FTA FTA	\$0	\$0	\$0	\$0	\$0	\$0

(INCOME TAX CALCULATION CONTINUED ON NEXT PAGE)

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FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
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INCOME TAX FOR 7.51% ROE
*** CONTINUED ***

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
FED DEDUCTS AND NON-TAX INCOME									
32	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
33	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
34	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
35	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
36	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
37	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0
38	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL DEDUCTIONS	FTD	FTD	\$0	\$0	\$0	\$0	\$0	\$0
40	NET FEDERAL DEDUCTIONS	NFD	NFD	\$0	\$0	\$0	\$0	\$0	\$0
41	ST ADD INC & UNALLOW DEDUCTS	FTA		\$0	\$0	\$0	\$0	\$0	\$0
42	ST DEDUCTS AND NON-TAX INCOME	FTD		\$0	\$0	\$0	\$0	\$0	\$0
43	NET STATE DEDUCTIONS	NSD	NSD	\$0	\$0	\$0	\$0	\$0	\$0
44	PROV FOR DEF'D ITC - CURRENT	NPR	ITC	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL TAXABLE INCOME									
45	ADJ RET * 1/(1-0.0000-0.0000)	ART	TART	\$1,056,966	\$641,809	\$255,944	\$99,353	\$17,725	\$42,135
46	NET FED DED * 1/(1-0.0000)	NFD		\$0	\$0	\$0	\$0	\$0	\$0
47	NET ST DED * (1/(1-0.0000))-1	NSD		\$0	\$0	\$0	\$0	\$0	\$0
48	CURRENT ITC * (1/(1-0.00))-1	ITC		\$0	\$0	\$0	\$0	\$0	\$0
49	TOTAL FEDERAL TAXABLE INCOME	FTI	FTI	\$1,056,966	\$641,809	\$255,944	\$99,353	\$17,725	\$42,135
50	PLUS: NET FED DEDUCTS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
51	LESS: NET STATE DEDUCTS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
52	TOTAL STATE TAXABLE INCOME	STI	STI	\$1,056,966	\$641,809	\$255,944	\$99,353	\$17,725	\$42,135
FED & ST INCOME TAXES:									
53	FED TAXABLE INC * 0.0000	FTI		\$0	\$0	\$0	\$0	\$0	\$0
54	ST. TAXABLE INC * 0.0000	STI		\$0	\$0	\$0	\$0	\$0	\$0
55	LESS: CRNT ITC * (1-0.0000)	ITC		\$0	\$0	\$0	\$0	\$0	\$0
56	TOTAL FED & ST INCOME TAXES	FST	FST	\$0	\$0	\$0	\$0	\$0	\$0
57	INVESTMENT TAX CREDIT - NET	NPR	ITN	\$0	\$0	\$0	\$0	\$0	\$0

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FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

*****COST OF SERVICE*****
** (PROPOSED) **

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	RATE BASE	RBT		\$46,701,089	\$28,357,799	\$11,308,676	\$4,389,782	\$783,147	\$1,861,685
2	RETURN AT 4.16%	RET		\$1,942,325	\$1,179,416	\$470,334	\$182,574	\$32,572	\$77,429
3	OPERATION & MAINTENANCE EXPENSES	OMX		[TRADE SECRET DATA BEGINS...]		[TRADE SECRET DATA ENDS]			
4	DEPRECIATION & AMORT EXPENSES	DEP		\$1,681,990	\$1,116,771	\$359,149	\$117,561	\$30,390	\$58,119
5	INTEREST ON CUSTOMER DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
6	GENERAL TAXES	GTX		\$0	\$0	\$0	\$0	\$0	\$0
7	FEDERAL AND STATE INCOME TAX	FST		\$0	\$0	\$0	\$0	\$0	\$0
8	PROVISION FOR DEFERRED TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
9	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
10	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
11	COST OF SERVICE REVENUE REQUIREMENT BEFORE ATTRITION ADJUSTMENT	CSR	CSR	\$29,705,901	\$14,378,662	\$9,013,777	\$4,681,317	\$160,033	\$1,472,112
12	LESS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
13	BASE COST OF SERVICE REVENUE REQUIREMENT	BRR	BRR	\$29,705,901	\$14,378,662	\$9,013,777	\$4,681,317	\$160,033	\$1,472,112
14	ATTRITION ADJUSTMENT	BRR		\$0	\$0	\$0	\$0	\$0	\$0
15	BASE COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT	ARR	ARR	\$29,705,901	\$14,378,662	\$9,013,777	\$4,681,317	\$160,033	\$1,472,112
16	PLUS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
17	COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT			\$29,705,901	\$14,378,662	\$9,013,777	\$4,681,317	\$160,033	\$1,472,112
18	LESS: MISCELLANEOUS REVENUE			-\$206,447	-\$134,344	-\$45,286	-\$15,478	-\$3,980	-\$7,359
19	LESS: BULK TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
20	LESS: PRIMARY TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
21	LESS: NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
22	NET ELECTRIC REVENUE REQUIREMENT			\$29,499,454	\$14,244,318	\$8,968,491	\$4,665,839	\$156,053	\$1,464,753

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FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
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EXISTING RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL		TOTAL	SMALL	LARGE	MUNICIPAL		
		ALL	OUT	SMEC	RESIDENTIAL	COMMERCIAL	POWER	LIGHTING	PUMPING
1	EXISTING REVENUE	EXR		[TRADE SECRET DATA BEGINS...]				TRADE SECRET DATA ENDS]	
	REVENUE DEDUCTIONS:			[TRADE SECRET DATA BEGINS...]				TRADE SECRET DATA ENDS]	
2	O&M EXPENSES	OMX							
3	DEPRECIATION & AMORT EXPENSES	DEP		-\$1,681,990	-\$1,116,771	-\$359,149	-\$117,561	-\$30,390	-\$58,119
4	AD VALOREM TAXES	VAL		\$0	\$0	\$0	\$0	\$0	\$0
5	CORP FRANCHISE TAX	SFT		\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS		\$0	\$0	\$0	\$0	\$0	\$0
7	REVENUE-RELATED TAXES	RTX		\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS			[TRADE SECRET DATA BEGINS...]				TRADE SECRET DATA ENDS]	
10	NET FOR RETURN AND INCOME TAXES	NET	NET	-\$448,336	-\$1,358,182	\$604,879	\$322,542	\$155,510	-\$173,085
11	LESS: INTEREST EXPENSE	INT		-\$885,359	-\$537,607	-\$214,390	-\$83,221	-\$14,847	-\$35,294
12	LESS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			-\$1,333,695	-\$1,895,789	\$390,489	\$239,321	\$140,663	-\$208,379
14	PLUS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			-\$1,333,695	-\$1,895,789	\$390,489	\$239,321	\$140,663	-\$208,379
	FED AND ST INCOME TAXES								
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
	*****RETURN COMPUTATION*****								
21	NET FOR RETURN AND INCOME TAXES	NET		-\$448,336	-\$1,358,182	\$604,879	\$322,542	\$155,510	-\$173,085
22	FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN			-\$448,336	-\$1,358,182	\$604,879	\$322,542	\$155,510	-\$173,085
27	RATE BASE	RBT		\$46,701,089	\$28,357,799	\$11,308,676	\$4,389,782	\$783,147	\$1,861,685
28	RETURN ON RATE BASE	ROR		-0.96%	-4.79%	5.35%	7.35%	19.86%	-9.30%
29	NON-EQUITY PORTION OF RETURN	DA3		-1.90%	-1.90%	-1.90%	-1.90%	-1.90%	-1.90%
30	EQUITY PORTION OF EXISTING RETRN	DA3		-2.86%	-6.69%	3.45%	5.45%	17.96%	-11.20%
31	EXISTING RETURN ON EQUITY	DA3	ROE	-9.48%	-22.18%	11.46%	18.10%	59.61%	-37.15%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

PROPOSED RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL		TOTAL	SMALL	LARGE	LIGHTING	MUNICIPAL	
		ALL	OUT	SMEC	RESIDENTIAL	COMMERCIAL	POWER	PUMPING	
1	PROPOSED REVENUE	PRV		\$29,705,901	\$14,378,662	\$9,013,777	\$4,681,317	\$160,033	\$1,472,112
2	REVENUE DEDUCTIONS:								
2	O&M EXPENSES	OMX		[TRADE SECRET DATA BEGINS...]		[TRADE SECRET DATA ENDS]			
3	DEPRECIATION & AMORT EXPENSES	DEP		-\$1,681,990	-\$1,116,771	-\$359,149	-\$117,561	-\$30,390	-\$58,119
4	AD VALOREM TAXES	VAL		\$0	\$0	\$0	\$0	\$0	\$0
5	CORP FRANCHISE TAX	SFT		\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS		\$0	\$0	\$0	\$0	\$0	\$0
7	REVENUE-RELATED TAXES	RTX		\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS			[TRADE SECRET DATA BEGINS...]		[TRADE SECRET DATA ENDS]			
10	NET FOR RETURN AND INCOME TAXES	NET	NET	\$1,942,325	\$1,179,416	\$470,334	\$182,574	\$32,572	\$77,429
11	LESS: INTEREST EXPENSE	INT		-\$885,359	-\$537,607	-\$214,390	-\$83,221	-\$14,847	-\$35,294
12	LESS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			\$1,056,966	\$641,809	\$255,944	\$99,353	\$17,725	\$42,135
14	PLUS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			\$1,056,966	\$641,809	\$255,944	\$99,353	\$17,725	\$42,135
	FED AND ST INCOME TAXES								
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
	*****RETURN COMPUTATION*****								
21	NET FOR RETURN AND INCOME TAXES	NET		\$1,942,325	\$1,179,416	\$470,334	\$182,574	\$32,572	\$77,429
22	FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN			\$1,942,325	\$1,179,416	\$470,334	\$182,574	\$32,572	\$77,429
27	RATE BASE	RBT		\$46,701,089	\$28,357,799	\$11,308,676	\$4,389,782	\$783,147	\$1,861,685
28	RETURN ON RATE BASE	ROR		4.16%	4.16%	4.16%	4.16%	4.16%	4.16%
29	NON-EQUITY PORTION OF RETURN	DA3		-1.90%	-1.90%	-1.90%	-1.90%	-1.90%	-1.90%
30	EQUITY PORTION OF EXISTING RETRN	DA3		2.26%	2.26%	2.26%	2.26%	2.26%	2.26%
31	PROPOSED RETURN ON EQUITY	DA3	ROE	7.51%	7.51%	7.51%	7.51%	7.51%	7.51%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

COST OF SERVICE SUMMARY

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
	NET PLANT IN SERVICE:							
1	PRODUCTION PLANT	NPP	\$0	\$0	\$0	\$0	\$0	\$0
2	TRANSMISSION PLANT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
3	DISTRIBUTION PLANT	NPD	\$33,589,071	\$21,857,997	\$7,368,060	\$2,518,245	\$647,534	\$1,197,235
4	GENERAL PLANT	NPG	\$2,801,206	\$2,134,750	\$476,780	\$90,130	\$25,425	\$74,121
5	TOTAL NET ELECTRIC PLANT	NPR	\$36,390,277	\$23,992,747	\$7,844,840	\$2,608,375	\$672,959	\$1,271,356
6	CONST. WORK IN PROGRESS	CWP	\$316,012	\$205,644	\$69,320	\$23,692	\$6,092	\$11,264
7	ACQUISITION ADJUSTMENT	ACQ	\$9,736,743	\$4,075,656	\$3,300,666	\$1,705,959	\$91,552	\$562,910
8	PLANT HELD FOR FUTURE USE	PLH	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL MISC DEFERD DEBITS		\$933,241	\$618,550	\$199,749	\$65,645	\$16,961	\$32,336
	WORKING CAPITAL:							
10	CASH WORK CAP,FUNDS,MAT&SUP	MAS	\$939,662	\$619,535	\$202,568	\$67,353	\$17,377	\$32,829
11	FUEL STOCK	FUL	\$0	\$0	\$0	\$0	\$0	\$0
12	PREPAID LIGNITE ROYALTIES	E1A	\$0	\$0	\$0	\$0	\$0	\$0
13	OTHER PREPAYMENTS	NPR	\$29,014	\$19,128	\$6,255	\$2,080	\$537	\$1,014
14	UNAMORTIZED LOSS ON REACQD LTD	NPR	\$0	\$0	\$0	\$0	\$0	\$0
15	DEFERRED FUEL	DEF	\$0	\$0	\$0	\$0	\$0	\$0
16	ACCUMULATED DEFERRED INCOME TAX	ACC	\$0	\$0	\$0	\$0	\$0	\$0
17	PRE-1971 INVESTMENT TAX CREDIT	PIC	\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER ADVANCES AND DEPOSITS	CAD	-\$147,485	-\$124,281	-\$19,776	-\$126	-\$394	-\$2,908
19	STORM DAMAGE/INJ & DAM RESRVS	SDR	\$0	\$0	\$0	\$0	\$0	\$0
20	PNSN & MIS OP RSRVS, OTR DEF CRS	PEN	-\$1,496,375	-\$1,049,180	-\$294,946	-\$83,196	-\$21,937	-\$47,116
21	TRANSMISSION RATE REFUND RESERVE	TRN	\$0	\$0	\$0	\$0	\$0	\$0
22	AVERAGE ORIGINAL COST RATE BASE	RBT	\$46,701,089	\$28,357,799	\$11,308,676	\$4,389,782	\$783,147	\$1,861,685
23	RETURN AT 4.16%	RET	\$1,942,325	\$1,179,416	\$470,334	\$182,574	\$32,572	\$77,429
	OPERATION & MAINTENANCE EXPENSES							
24	PRODUCTION O&M	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
25	TRANSMISSION O&M	OMT	\$0	\$0	\$0	\$0	\$0	\$0
26	DISTRIBUTION O&M	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
27	CUST ACCT/SERV/SALES	OMC	\$1,655,591	\$1,395,107	\$221,997	\$1,414	\$4,426	\$32,647
28	ADMINISTRATIVE & GENERAL	OMA	\$1,000,422	\$701,444	\$197,190	\$55,622	\$14,666	\$31,500
29	TOTAL OPER & MAIN EXPENSES	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
30	DEPRECIATION & AMORT EXPENSES	DEP	\$1,681,990	\$1,116,771	\$359,149	\$117,561	\$30,390	\$58,119
31	INTEREST ON CUSTOMER DEPOSITS	ICD	\$0	\$0	\$0	\$0	\$0	\$0
32	GENERAL TAXES	GTX	\$0	\$0	\$0	\$0	\$0	\$0
33	FED & ST INCOME TAX	FST	\$0	\$0	\$0	\$0	\$0	\$0
34	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	\$0
35	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	\$0
36	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	\$0
37	COST OF SERVICE REVENUE REQ	CSR	\$29,705,901	\$14,378,662	\$9,013,777	\$4,681,317	\$160,033	\$1,472,112

FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

DECEMBER 31, 2016

COST OF SERVICE COMPARISON

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
*** OTHER REVENUE INCLUDED ***									
1	COST OFF SERVICE REVENUE REQT			\$29,705,901	\$14,378,662	\$9,013,777	\$4,681,317	\$160,033	\$1,472,112
2	EXISTING REVENUE			\$27,315,240	\$11,841,064	\$9,148,322	\$4,821,285	\$282,971	\$1,221,598
3	REVENUE DEFICIENCY			\$2,390,661	\$2,537,598	-\$134,545	-\$139,968	-\$122,938	\$250,514
4	REQUIRED INCREASE (%)			8.75%	21.43%	-1.47%	-2.90%	-43.45%	20.51%
5	EXISTING RATE OF RETURN-AS ADJ.			-0.96%	-4.79%	5.35%	7.35%	19.86%	-9.30%
6	EXISTING ROR AS % OF OVERALL ROR-AS ADJ.			100.00%	498.96%	-557.29%	-765.63%	-2068.75%	968.75%
7	EXISTING RETURN ON EQUITY-AS ADJ.			-9.48%	-22.18%	11.46%	18.10%	59.61%	-37.15%
8	EXISTING ROE AS % OF OVERALL ROE-AS ADJ.			100.00%	233.97%	-120.89%	-190.93%	-628.80%	391.88%
9	PROPOSED RATE OF RETURN-AS ADJ			4.16%	4.16%	4.16%	4.16%	4.16%	4.16%
10	PROPOSED RETURN ON EQUITY-AS ADJ			7.51%	7.51%	7.51%	7.51%	7.51%	7.51%
*** OTHER REVENUE EXCLUDED ***									
11	COST OF SERVICE REVENUE REQT			\$29,499,454	\$14,244,318	\$8,968,491	\$4,665,839	\$156,053	\$1,464,753
12	EXISTING REVENUE			\$27,108,793	\$11,706,720	\$9,103,036	\$4,805,807	\$278,991	\$1,214,239
13	REVENUE DEFICIENCY			\$2,390,661	\$2,537,598	-\$134,545	-\$139,968	-\$122,938	\$250,514
14	REQUIRED INCREASE (%)			8.82%	21.68%	-1.48%	-2.91%	-44.07%	20.63%
15	EXISTING RATE OF RETURN - UNADJ			-0.96%	-4.79%	5.35%	7.35%	19.86%	-9.30%
16	EXISTING ROR AS % OF OVERALL ROR-UNADJ.			100.00%	498.96%	-557.29%	-765.63%	-2068.75%	968.75%
17	EXISTING RETURN ON EQUITY-UNADJ			-9.48%	-22.18%	11.46%	18.10%	59.61%	-37.15%
18	EXISTING ROE AS % OF OVERALL ROE-UNADJ.			100.00%	233.97%	-120.89%	-190.93%	-628.80%	391.88%
19	PROPOSED RATE OF RETURN - UNADJ			4.16%	4.16%	4.16%	4.16%	4.16%	4.16%
20	PROPOSED RETURN ON EQUITY-UNADJ			7.51%	7.51%	7.51%	7.51%	7.51%	7.51%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

FREEBORN MOWER- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

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PROPOSED MILLS/KWH *****	TOTAL SMEC -----	RESIDENTIAL -----	SMALL COMMERCIAL -----	LARGE POWER -----	LIGHTING -----	MUNICIPAL PUMPING -----
1 EXISTING BASE REV	91.97	107.25	89.25	72.93	118.34	79.03
2 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----	-----
3 TOTAL MILLS / KWH	91.97	107.25	89.25	72.93	118.34	79.03
	=====	=====	=====	=====	=====	=====
4 PROPOSED BASE REV	100.08	130.50	87.93	70.81	66.19	95.33
5 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----	-----
6 TOTAL MILLS / KWH	100.08	130.50	87.93	70.81	66.19	95.33
	=====	=====	=====	=====	=====	=====

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

**THE MINNESOTA VALLEY ELECTRIC COOPERATIVE
CLASS COST OF SERVICE FOR MPSC COMPLIANCE FILING
SCENARIO 2: SMEC DIRECT ASSIGNMENT**

LINE NO.	CLASS	COSS BASED REVENUE ALLOCATION	EXISTING REVENUE ALLOCATION	DIFFERENCE	PERCENT DIFFERENCE
LEGACY:					
1	RESIDENTIAL	\$55,961,741	\$53,141,830	\$ 2,819,911	5.31%
2	SMALL COMMERCIAL	\$15,787,636	\$15,712,493	\$ 75,143	0.48%
3	LARGE COMMERCIAL	\$10,409,094	\$10,486,765	\$ (77,671)	-0.74%
5	STREET LIGHTING	\$395,515	\$943,479	\$ (547,964)	-58.08%
7	TOTAL LEGACY	\$82,553,986	\$80,284,568	\$ 2,269,419	2.83%
SMEC					
8	RESIDENTIAL	\$3,487,821	\$2,821,818	\$ 666,003	23.60%
9	SMALL COMMERCIAL	\$1,105,534	\$1,035,355	\$ 70,179	6.78%
10	LARGE POWER	\$1,955,463	\$1,579,896	\$ 375,567	23.77%
11	LIGHTING	\$41,274	\$41,694	\$ (420)	-1.01%
12	MUNICIPAL PUMPING	\$77,246	\$55,534	\$ 21,712	39.10%
13	TOTAL SMEC	\$6,667,338	\$5,534,297	\$ 1,133,041	20.47%
14					
15	TOTAL COMPANY	\$89,221,324	\$85,818,865	\$ 3,402,460	3.96%
16	MISC. REVENUES	-\$1,515,059	-\$1,515,059	\$ -	0.00%
17		\$87,706,265	\$84,303,806	\$ 3,402,460	4.04%
CONSOLIDATED					
18	RESIDENTIAL	\$59,449,562	\$55,963,648	\$ 3,485,914	6.23%
19	SMALL COMMERCIAL	\$16,893,170	\$16,747,848	\$ 145,322	0.87%
20	LARGE COMMERCIAL	\$12,364,557	\$12,066,661	\$ 297,896	2.47%
21	LIGHTING	\$436,789	\$985,173	\$ (548,384)	-55.66%
23	MUNICIPAL PUMPING	\$77,246	\$55,534	\$ 21,712	39.10%
24		\$89,221,324	\$85,818,865	\$ 3,402,460	3.96%
25	MISC. REVENUES	-\$1,515,059	-\$1,515,059	\$ -	0.00%
26	TOTAL COMPANY	\$87,706,265	\$84,303,806	\$ 3,402,460	4.04%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

THE MINNESOTA VALLEY ELECTRIC COOPERATIVE- SMEC CUSTOMERS

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FILESPEC: K:\RATERES\COS\93RESALE\COS1292.WK3

STUDY DATE:		DECEMBER 31, 2016	
RUN DATE AND TIME:	18-Oct-17	11:35 AM	
RETURN ON COMMON EQUITY		7.65%	
OVERALL RATE OF RETURN		5.05%	
CAPITALIZATION:			
	OUTSTANDING	EFFECTIVE RATE	COMPOSITE
DBT	\$89,406,371	3.15%	1.83%
PRF		0.00%	0.00%
CMN	\$65,069,209	7.65%	3.22%
FEDERAL EFFECTIVE INCOME TAX RATE			0.00%
FEDERAL NOMINAL INCOME TAX RATE			0.00%
STATE EFFECTIVE INCOME TAX RATE			0.00%
STATE NOMINAL INCOME TAX RATE			0.00%

NOTATIONS: THIS RUN ALLOCATES ALL PLANT ON AVG OF 12 CP

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

THE MINNESOTA VALLEY ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

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*****CUSTOMER DATA*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	NUMBER OF CUSTOMERS	C1A	C1A	3,529	3,028	454	22	16	9
2	PERCENT OF TOTAL	C1A		100.000%	85.803%	12.865%	0.623%	0.453%	0.255%
3	NUMBER OF WEIGHTED CUSTOMERS	C2A	C2A	3,529	3,028	454	22	16	9
4	PERCENT OF TOTAL	C2A		100.000%	85.803%	12.865%	0.623%	0.453%	0.255%
5	NUMBER OF RETAIL DISTR CUSTOMERS	C3A	C3A	3,529	3,028	454	22	16	9
6	PERCENT OF TOTAL	C3A		100.000%	85.803%	12.865%	0.623%	0.453%	0.255%
7	NMBR OF RETAIL WTD CUSTOMERS	C4A	C4A	3,529	3,028	454	22	16	9
8	PERCENT OF TOTAL	C4A		100.000%	85.803%	12.865%	0.623%	0.453%	0.255%
9	LIGHTING DIRECT ALLOCATOR	LDE	LDE	1	0	0	0	1	0
10	PERCENT OF TOTAL	LDE		100.000%	0.000%	0.000%	0.000%	100.000%	0.000%
11	LPS DIRECT ALLOCATOR	DA1	DA1	0	0	0	0	0	0
12	PERCENT OF TOTAL	DA1		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
13	AVERAGE COINCIDENT KW DEMAND	D1A	D1A	11,351	5,531	2,005	3,655	0	160
14	DEMAND ALLOCATION FACTOR-PROD	D1A		100.000%	48.723%	17.665%	32.200%	0.000%	1.412%
15	AVERAGE COINCIDENT KW DEMAND	D1B	D1B	11,351	5,531	2,005	3,655	0	160
16	DEMAND ALLOCATION FACTOR-TRANS	D1B		100.000%	48.723%	17.665%	32.200%	0.000%	1.412%
17	AVG PRIMARY DISTRIB KW DEMAND	D2A	D2A	11,911	5,743	2,074	3,801	126	166
18	DIST-PRI DEMAND ALLOC FACTOR	D2A		100.000%	48.218%	17.415%	31.914%	1.057%	1.396%
19	AVG SECONDARY DISTRIB KW DEMAND	D3A	D3A	11,911	5,743	2,074	3,801	126	166
20	DIST-SEC DEMAND ALLOC FACTOR	D3A		100.000%	48.218%	17.415%	31.914%	1.057%	1.396%
21	AVG SECONDARY DISTRIB KW DEMAND	D4A	D4A	11,911	5,743	2,074	3,801	126	166
22	DIST-SEC DEMAND ALLOC FACTOR	D4A		100.000%	48.218%	17.415%	31.914%	1.057%	1.396%
23	ANNUAL MWH ENERGY CONTRIBUTION	E1A	E1A	63,000,037	26,162,415	10,539,244	24,974,843	551,445	772,090
24	ENERGY ALLOCATION FACTOR	E1A		100.000%	41.528%	16.729%	39.643%	0.875%	1.226%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

THE MINNESOTA VALLEY ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

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*****CUSTOMER DATA*****
**** CONTINUED ****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
25	RESERVED			0	0	0	0	0	0
26	PERCENT OF TOTAL			0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
27	WAGES/SALARIES: PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
29	DISTRIBUTION	NPD		\$325,740	\$203,691	\$50,712	\$63,991	\$4,259	\$3,087
30	GENERAL	NPG		\$568,142	\$443,624	\$78,534	\$41,772	\$4,212	\$0
31	WAGES/SALARIES: TOTAL	LBR	LBR	\$893,882	\$647,315	\$129,246	\$105,763	\$8,471	\$3,087
32	PERCENT OF TOTAL	LBR		100.000%	72.416%	14.459%	11.832%	0.948%	0.345%
33	BULK TRANSMISSION REVENUE	D1A		\$0	\$0	\$0	\$0	\$0	\$0
34	PRIMARY TRANSMISSION REVENUE	D2A		\$0	\$0	\$0	\$0	\$0	\$0
35	TOTAL TRANSMISSION REVENUE	TRN	TRN	\$0	\$0	\$0	\$0	\$0	\$0
36	PERCENT OF TOTAL	TRN		100.000%	100.000%	0.000%	0.000%	0.000%	0.000%
EXISTING REVENUE									
37	EXISTING BASE REV	OTR	OTR	\$5,534,297	\$2,821,818	\$1,035,355	\$1,579,896	\$41,694	\$55,534
38	FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
39	MISCELLANEOUS REVENUE	NPD		-\$114,725	-\$71,740	-\$17,861	-\$22,537	-\$1,500	-\$1,087
40	TRANSMISSION REVENUE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
41	NON-FRM SLS FOR RESALE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
42	TOTAL EXISTING REVENUE	EXR	EXR	\$5,419,572	\$2,750,078	\$1,017,494	\$1,557,359	\$40,194	\$54,447
PROPOSED REVENUE									
43	PROPOSED BASE REV			\$6,667,338	\$3,487,821	\$1,105,534	\$1,955,463	\$41,274	\$77,246
44	FUEL REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
45	MISCELLANEOUS REVENUE			-\$114,725	-\$71,740	-\$17,861	-\$22,537	-\$1,500	-\$1,087
46	TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
47	NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
48	TOTAL PROPOSED REVENUE	PRV	PRV	\$6,552,613	\$3,416,081	\$1,087,673	\$1,932,926	\$39,774	\$76,159
49	PROPOSED BASE REVENUE INCREASE/(DECREASE)			\$1,133,041	\$666,003	\$70,179	\$375,567	-\$420	\$21,712
50	PROPOSED BASE REVENUE INCR/(DECR) - %			20.47%	23.60%	6.78%	23.77%	-1.01%	39.10%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

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****ELECTRIC GROSS PLANT****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
				-----	-----	-----	-----	-----	-----
1	TOTAL PRODUCTION PLANT	D1A	GPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1A		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1B		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	GPT	GPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$6,926,130	\$3,339,660	\$1,206,172	\$2,210,392	\$73,208	\$96,698
8	SECONDARY DEMAND RELATED	D3A		\$1,456,709	\$702,400	\$253,683	\$464,891	\$15,397	\$20,338
9	CUSTOMER RELATED	C4A		\$5,337,387	\$4,579,656	\$686,646	\$33,274	\$24,199	\$13,612
10	SUB-TOTAL DISTR PLANT		SGD	\$13,720,226	\$8,621,716	\$2,146,501	\$2,708,557	\$112,804	\$130,648
11	LIGHTING SPECIFIC	LDE		\$61,874	\$0	\$0	\$0	\$61,874	\$0
12	TOTAL DISTRIBUTION PLANT	GPD	GPD	\$13,782,100	\$8,621,716	\$2,146,501	\$2,708,557	\$174,678	\$130,648
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$206,763	\$129,345	\$32,202	\$40,635	\$2,621	\$1,960
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$793,191	\$680,584	\$102,043	\$4,945	\$3,596	\$2,023
17	TOTAL GENERAL & INTANGIBLE PLANT	GPG	GPG	\$999,954	\$809,929	\$134,245	\$45,580	\$6,217	\$3,983
18	TOTAL GROSS PLANT IN SERVICE	GPR	GPR	\$14,782,054	\$9,431,645	\$2,280,746	\$2,754,137	\$180,895	\$134,631

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*****ELECTRIC PLANT*****
ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	TOTAL PRODUCTION PLANT	D1A	DPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	DPT	DPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$2,678,718	\$1,291,631	\$466,493	\$854,881	\$28,314	\$37,399
8	SECONDARY DEMAND RELATED	D3A		\$563,390	\$271,657	\$98,113	\$179,799	\$5,955	\$7,866
9	CUSTOMER RELATED	C4A		\$2,064,263	\$1,771,207	\$265,564	\$12,869	\$9,359	\$5,264
10	SUB-TOTAL DISTR PLANT		SDD	\$5,306,370	\$3,334,494	\$830,170	\$1,047,549	\$43,628	\$50,529
11	LIGHTING SPECIFIC	LDE		\$20,487	\$0	\$0	\$0	\$20,487	\$0
12	TOTAL DISTRIBUTION PLANT	DPD	DPD	\$5,326,857	\$3,334,494	\$830,170	\$1,047,549	\$64,115	\$50,529
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$31,747	\$19,861	\$4,944	\$6,239	\$402	\$301
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$473,257	\$406,070	\$60,884	\$2,950	\$2,146	\$1,207
17	TOTAL GENERAL & INTANGIBLE PLANT	DPG	DPG	\$505,004	\$425,931	\$65,828	\$9,189	\$2,548	\$1,508
18	TOTAL ACCUMULATED DEPRECIATION	DPR	DPR	\$5,831,861	\$3,760,425	\$895,998	\$1,056,738	\$66,663	\$52,037

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*****ELECTRIC NET PLANT*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	TOTAL PRODUCTION PLANT	D1A	NPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	NPT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$4,247,413	\$2,048,030	\$739,679	\$1,355,511	\$44,894	\$59,299
8	SECONDARY DEMAND RELATED	D3A		\$893,319	\$430,743	\$155,570	\$285,092	\$9,442	\$12,472
9	CUSTOMER RELATED	C4A		\$3,273,124	\$2,808,449	\$421,082	\$20,405	\$14,840	\$8,348
10	SUB-TOTAL DISTR PLANT		SPD	\$8,413,856	\$5,287,222	\$1,316,331	\$1,661,008	\$69,176	\$80,119
11	LIGHTING SPECIFIC	LDE		\$41,387	\$0	\$0	\$0	\$41,387	\$0
12	TOTAL DISTRIBUTION PLANT	NPD	NPD	\$8,455,242	\$5,287,221	\$1,316,331	\$1,661,008	\$110,563	\$80,119
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	NPD		\$175,016	\$109,484	\$27,258	\$34,396	\$2,219	\$1,659
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$319,934	\$274,514	\$41,159	\$1,995	\$1,450	\$816
17	TOTAL GENERAL & INTANGIBLE PLANT	NPG	NPG	\$494,950	\$383,998	\$68,417	\$36,391	\$3,669	\$2,475
18	TOTAL NET PLANT IN SERVICE	NPR	NPR	\$8,950,192	\$5,671,219	\$1,384,748	\$1,697,399	\$114,232	\$82,594

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***** RATE BASE *****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	NET PLANT IN SERVICE	NPR	NPR	\$8,950,192	\$5,671,219	\$1,384,748	\$1,697,399	\$114,232	\$82,594
CONSTRUCTION WORK IN PROGRESS									
2	PRODUCTION PLANT	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION PLANT	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION PLANT	NPD		\$98,767	\$61,761	\$15,376	\$19,402	\$1,292	\$936
5	GENERAL PLANT	NPG		\$0	\$0	\$0	\$0	\$0	\$0
6	TOAL CWIP	CWP	CWP	\$98,767	\$61,761	\$15,376	\$19,402	\$1,292	\$936
7	NET ACQUISITION ADJUSTMENT	D2A	ACQ	\$2,305,850	\$1,111,841	\$401,559	\$735,884	\$24,373	\$32,193
8	PLANT HELD FOR FUTURE USE	E1A	PLH	\$0	\$0	\$0	\$0	\$0	\$0
MISC DEFERRED DEBITS									
9	PROD RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
10	TRAN RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
11	DIST RELATED	NPD		\$2,179	\$1,363	\$339	\$428	\$28	\$21
12	GENR RELATED	NPG		\$0	\$0	\$0	\$0	\$0	\$0
13	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
14	NPR RELATED	NPR		\$2,930	\$1,857	\$453	\$556	\$37	\$27
15	TOTAL MISC DEFRD DEBITS			\$5,109	\$3,220	\$792	\$984	\$65	\$48
WORKING CAPITAL									
16	CASH WORK CAP,FUNDS,MAT&SUP	NPR	MAS	\$433,457	\$274,657	\$67,063	\$82,205	\$5,532	\$4,000
17	FUEL STOCK	E1A	FUL	\$0	\$0	\$0	\$0	\$0	\$0
18	PREPAID LIGNITE ROYALTIES	E1A		\$0	\$0	\$0	\$0	\$0	\$0
19	OTHER PREPAYMENTS	NPR		\$14,972	\$9,488	\$2,316	\$2,839	\$191	\$138
20	TOTAL WORKING CAPITAL			\$448,429	\$284,145	\$69,379	\$85,044	\$5,723	\$4,138
21	UNAMORTIZED LOSS ON REACQD LTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
22	DEFERRED FUEL	E1A	DEF	\$0	\$0	\$0	\$0	\$0	\$0

(RATE BASE CONTINUED ON NEXT PAGE)

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***** RATE BASE*****
** CONTINUED **

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
23	ACCUMULATED DEFERRED INCOME TAX ACCT 281: POL CON		NPP	\$0	\$0	\$0	\$0	\$0	\$0
24	ACCT 282: LIBERAL DEP - PROD		NPP	\$0	\$0	\$0	\$0	\$0	\$0
25	TRAN		NPT	\$0	\$0	\$0	\$0	\$0	\$0
26	DIST		NPD	\$0	\$0	\$0	\$0	\$0	\$0
27	GENR		NPG	\$0	\$0	\$0	\$0	\$0	\$0
28	LIGNITE EXPLORATN		E1A	\$0	\$0	\$0	\$0	\$0	\$0
29	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
30	TOTAL ACCOUNT 282			\$0	\$0	\$0	\$0	\$0	\$0
31	ACCT 283: THIS LINE RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
32	LONG TERM DEBT LOSS		NPR	\$0	\$0	\$0	\$0	\$0	\$0
33	TOTAL ACCOUNT 283			\$0	\$0	\$0	\$0	\$0	\$0
34	ACCOUNT 190: PRODUCTION RELATED		NPP	\$0	\$0	\$0	\$0	\$0	\$0
35	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0
36	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0
37	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
38	FERC REFUND		TRN	\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL ACCOUNT 190			\$0	\$0	\$0	\$0	\$0	\$0
40	TOTAL ACCUM DEFERD INC TAX		ACC ACC	\$0	\$0	\$0	\$0	\$0	\$0
41	INVESTMENT TAX CREDIT PRE '71		NPR PIC	\$0	\$0	\$0	\$0	\$0	\$0
42	CUSTOMER ADVANCES AND DEPOSITS		C3A CAD	-\$274,444	-\$235,482	-\$35,307	-\$1,711	-\$1,244	-\$700
43	STORM DAMAGE & INJ & DAM RESRVS		D2A SDR	\$0	\$0	\$0	\$0	\$0	\$0
44	PNSN & MIS OP RSRVS, OTR DEF CR		OMA PEN	-\$63,051	-\$45,659	-\$9,117	-\$7,460	-\$597	-\$218
45	TRANSMISSION RATE REFUND RESERVE		TRN	\$0	\$0	\$0	\$0	\$0	\$0
46	TOTAL RATE BASE		RBT RBT	\$11,470,852	\$6,851,045	\$1,827,430	\$2,529,542	\$143,844	\$118,991

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*****OPER AND MTN EXPENSES*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
	PRODUCTION O&M EXPENSE								
1	FUEL EXPENSE - ACCT 501	E1A		\$0	\$0	\$0	\$0	\$0	\$0
	PURCHASED POWER - ACCT 555								
2	DEMAND - OTHER	D1A		[TRADE SECRET DATA BEGINS...		TRADE SECRET DATA ENDS]			
3	ENERGY - OTHER	E1A							
4	NET OFF SYSTEM REVENUE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
	OTHER PRODUCTION O&M ACCTS								
5	DEMAND - OTHER	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	ENERGY - OTHER	E1A		\$0	\$0	\$0	\$0	\$0	\$0
7	TOTAL OTHER PRODUCTION O&M	PRO	PRO	\$0	\$0	\$0	\$0	\$0	\$0
8	TOTAL PRODUCTION O&M EXPENSE	OMP	OMP	[TRADE SECRET DATA BEGINS...		TRADE SECRET DATA ENDS]			
9	TOTAL TRANSMISSION O&M EXPENSE	NPT	OMT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION O&M EXPENSE								
10	LIGHTING SPECIFIC	LDE		[TRADE SECRET DATA BEGINS...		TRADE SECRET DATA ENDS]			
11	ALL OTHER	SPD							
12	TOTAL DISTRIBUTION O&M EXPENSE	OMD	OMD	[TRADE SECRET DATA BEGINS...		TRADE SECRET DATA ENDS]			
13	TOTAL CUST ACCT/SERV & INFO/ SALES EXPENSE	C2A	OMC	\$180,319	\$154,719	\$23,198	\$1,124	\$818	\$460
	ADMINISTRATIVE & GENERAL EXPENSE								
14	PROP INSURANCE/INJ & DAMG	NPR		\$0	\$0	\$0	\$0	\$0	\$0
15	CUST ACCT/SERV&INFO/SALES REL	LBR		\$303,421	\$219,726	\$43,872	\$35,900	\$2,875	\$1,048
16	TOTAL ADMIN & GENERAL EXPENSE	OMA	OMA	\$303,421	\$219,726	\$43,872	\$35,900	\$2,875	\$1,048
17	TOTAL OPER & MTN EXPENSES	OMX	OMX	[TRADE SECRET DATA BEGINS...		TRADE SECRET DATA ENDS]			

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THE MINNESOTA VALLEY ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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EXPENSES OTHER THAN INCOME TAXES

LINE NO.	DESCRIPTION	CONTROL		TOTAL	SMALL		LARGE	LIGHTING	MUNICIPAL
		ALL	OUT	SMEC	RESIDENTIAL	COMMERCIAL	POWER		PUMPING
1	TOTAL OPER & MTN EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
	DEPRECIATION & AMORTIZATION EXPENSES								
2	PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION	NPD		\$473,885	\$296,330	\$73,775	\$93,093	\$6,197	\$4,490
5	GENERAL	NPG		\$9,002	\$6,984	\$1,244	\$662	\$67	\$45
6	TOTAL DEPR & AMORT EXPEN	DEP	DEP	\$482,887	\$303,314	\$75,019	\$93,755	\$6,264	\$4,535
7	INTEREST ON CUSTOMER DEPOSITS	C3A	ICD	\$0	\$0	\$0	\$0	\$0	\$0
	GENERAL TAXES								
8	AD VALOREM	NPR	VAL	\$104,700	\$66,343	\$16,199	\$19,856	\$1,336	\$966
9	CORP FRANCHISE TAX	NPR	SFT	\$0	\$0	\$0	\$0	\$0	\$0
10	MISCELLANEOUS GENERAL TAXES	LBR	MIS	\$5,116	\$3,705	\$740	\$605	\$48	\$18
11	REVENUE-RELATED (AS PROPOSED)	RTX		\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL GENERAL TAXES	GTX	GTX	\$109,816	\$70,048	\$16,939	\$20,461	\$1,384	\$984
13	TOTAL EXPENSES EXCEPT INCOME TAX	EXP	EXP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

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INCOME TAX FOR 7.65% ROE

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	RATE BASE	RBT		\$11,470,852	\$6,851,045	\$1,827,430	\$2,529,542	\$143,844	\$118,991
2	RETURN AT 5.05%	RBT	RET	\$578,918	\$345,763	\$92,228	\$127,662	\$7,260	\$6,005
3	INTEREST (1.83% OF LINE 1)	RBT	INT	-\$209,415	-\$125,075	-\$33,362	-\$46,180	-\$2,626	-\$2,172
4	A F U D C	NPR	AFD	\$0	\$0	\$0	\$0	\$0	\$0
PROVISION FOR DEFERRED TAXES									
5	ACT 410.1: PROD RLTD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
6	TRAN RLTD	NPT		\$0	\$0	\$0	\$0	\$0	\$0
7	PLANT RLTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
8	ENERGY RLTD	E1A		\$0	\$0	\$0	\$0	\$0	\$0
9	LABOR RLTD	LBR		\$0	\$0	\$0	\$0	\$0	\$0
10	CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
11	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL 410.1			\$0	\$0	\$0	\$0	\$0	\$0
13	ACT 411.1: PROD RLTD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRAN RLTD	NPT		\$0	\$0	\$0	\$0	\$0	\$0
15	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
16	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
17	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
19	TOTAL 411.1			\$0	\$0	\$0	\$0	\$0	\$0
20	NET PROVISION FOR DEFERD INC TAX		PDT	\$0	\$0	\$0	\$0	\$0	\$0
21	ITC AMORT	NPR	ITA	\$0	\$0	\$0	\$0	\$0	\$0
22	ADJUSTED RETURN	ART	ART	\$369,503	\$220,688	\$58,866	\$81,482	\$4,634	\$3,833
FED ADD INC & UNALLOW DEDUCTS									
23	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
24	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
25	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
26	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
27	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0
29	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
30	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
31	TOTAL ADDITIONS	FTA	FTA	\$0	\$0	\$0	\$0	\$0	\$0

(INCOME TAX CALCULATION CONTINUED ON NEXT PAGE)

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

THE MINNESOTA VALLEY ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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INCOME TAX FOR 7.65% ROE
*** CONTINUED ***

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
FED DEDUCTS AND NON-TAX INCOME									
32	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
33	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
34	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
35	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
36	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
37	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0
38	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL DEDUCTIONS	FTD	FTD	\$0	\$0	\$0	\$0	\$0	\$0
40	NET FEDERAL DEDUCTIONS	NFD	NFD	\$0	\$0	\$0	\$0	\$0	\$0
41	ST ADD INC & UNALLOW DEDUCTS	FTA		\$0	\$0	\$0	\$0	\$0	\$0
42	ST DEDUCTS AND NON-TAX INCOME	FTD		\$0	\$0	\$0	\$0	\$0	\$0
43	NET STATE DEDUCTIONS	NSD	NSD	\$0	\$0	\$0	\$0	\$0	\$0
44	PROV FOR DEF'D ITC - CURRENT	NPR	ITC	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL TAXABLE INCOME									
45	ADJ RET * 1/(1-0.0000-0.0000)	ART	TART	\$369,503	\$220,688	\$58,866	\$81,482	\$4,634	\$3,833
46	NET FED DED * 1/(1-0.0000)	NFD		\$0	\$0	\$0	\$0	\$0	\$0
47	NET ST DED * (1/(1-0.0000))-1	NSD		\$0	\$0	\$0	\$0	\$0	\$0
48	CURRENT ITC * (1/1-0.00)-1	ITC		\$0	\$0	\$0	\$0	\$0	\$0
49	TOTAL FEDERAL TAXABLE INCOME	FTI	FTI	\$369,503	\$220,688	\$58,866	\$81,482	\$4,634	\$3,833
50	PLUS: NET FED DEDUCTS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
51	LESS: NET STATE DEDUCTS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
52	TOTAL STATE TAXABLE INCOME	STI	STI	\$369,503	\$220,688	\$58,866	\$81,482	\$4,634	\$3,833
FED & ST INCOME TAXES:									
53	FED TAXABLE INC * 0.0000	FTI		\$0	\$0	\$0	\$0	\$0	\$0
54	ST, TAXABLE INC * 0.0000	STI		\$0	\$0	\$0	\$0	\$0	\$0
55	LESS: CRNT ITC * (1-0.0000)	ITC		\$0	\$0	\$0	\$0	\$0	\$0
56	TOTAL FED & ST INCOME TAXES	FST	FST	\$0	\$0	\$0	\$0	\$0	\$0
57	INVESTMENT TAX CREDIT - NET	NPR	ITN	\$0	\$0	\$0	\$0	\$0	\$0

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

THE MINNESOTA VALLEY ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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*****COST OF SERVICE*****
** (PROPOSED) **

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	RATE BASE	RBT		\$11,470,852	\$6,851,045	\$1,827,430	\$2,529,542	\$143,844	\$118,991
2	RETURN AT 5.05%	RET		\$578,918	\$345,763	\$92,228	\$127,662	\$7,260	\$6,005
3	OPERATION & MAINTENANCE EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
4	DEPRECIATION & AMORT EXPENSES	DEP		\$482,887	\$303,314	\$75,019	\$93,755	\$6,264	\$4,535
5	INTEREST ON CUSTOMER DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
6	GENERAL TAXES	GTX		\$109,816	\$70,048	\$16,939	\$20,461	\$1,384	\$984
7	FEDERAL AND STATE INCOME TAX	FST		\$0	\$0	\$0	\$0	\$0	\$0
8	PROVISION FOR DEFERRED TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
9	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
10	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
11	COST OF SERVICE REVENUE REQUIREMENT BEFORE ATTRITION ADJUSTMENT	CSR	CSR	\$6,552,613	\$3,416,081	\$1,087,673	\$1,932,926	\$39,774	\$76,159
12	LESS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
13	BASE COST OF SERVICE REVENUE REQUIREMENT	BRR	BRR	\$6,552,613	\$3,416,081	\$1,087,673	\$1,932,926	\$39,774	\$76,159
14	ATTRITION ADJUSTMENT	BRR		\$0	\$0	\$0	\$0	\$0	\$0
15	BASE COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT	ARR	ARR	\$6,552,613	\$3,416,081	\$1,087,673	\$1,932,926	\$39,774	\$76,159
16	PLUS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
17	COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT			\$6,552,613	\$3,416,081	\$1,087,673	\$1,932,926	\$39,774	\$76,159
18	LESS: MISCELLANEOUS REVENUE			\$114,725	\$71,740	\$17,861	\$22,537	\$1,500	\$1,087
19	LESS: BULK TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
20	LESS: PRIMARY TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
21	LESS: NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
22	NET ELECTRIC REVENUE REQUIREMENT			\$6,667,338	\$3,487,821	\$1,105,534	\$1,955,463	\$41,274	\$77,246

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

THE MINNESOTA VALLEY ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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EXISTING RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL ALL	CONTROL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
				[TRADE SECRET DATA BEGINS...]		[TRADE SECRET DATA ENDS]			
1	EXISTING REVENUE	EXR							
REVENUE DEDUCTIONS:									
2	O&M EXPENSES	OMX							
3	DEPRECIATION & AMORT EXPENSES	DEP		-\$482,887	-\$303,314	-\$75,019	-\$93,755	-\$6,264	-\$4,535
4	AD VALOREM TAXES	VAL		-\$104,700	-\$66,343	-\$16,199	-\$19,856	-\$1,336	-\$966
5	CORP FRANCHISE TAX	SFT		\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS		-\$5,116	-\$3,705	-\$740	-\$605	-\$48	-\$18
7	REVENUE-RELATED TAXES	RTX		\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
				[TRADE SECRET DATA BEGINS...]		[TRADE SECRET DATA ENDS]			
9	TOTAL REVENUE DEDUCTIONS								
10	NET FOR RETURN AND INCOME TAXES	NET	NET	-\$554,123	-\$320,240	\$22,049	-\$247,905	\$7,680	-\$15,707
11	LESS: INTEREST EXPENSE	INT		-\$209,415	-\$125,075	-\$33,362	-\$46,180	-\$2,626	-\$2,172
12	LESS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			-\$763,538	-\$445,315	-\$11,313	-\$294,085	\$5,054	-\$17,879
14	PLUS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			-\$763,538	-\$445,315	-\$11,313	-\$294,085	\$5,054	-\$17,879
FED AND ST INCOME TAXES									
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
*****RETURN COMPUTATION*****									
21	NET FOR RETURN AND INCOME TAXES	NET		-\$554,123	-\$320,240	\$22,049	-\$247,905	\$7,680	-\$15,707
22	FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN			-\$554,123	-\$320,240	\$22,049	-\$247,905	\$7,680	-\$15,707
27	RATE BASE	RBT		\$11,470,852	\$6,851,045	\$1,827,430	\$2,529,542	\$143,844	\$118,991
28	RETURN ON RATE BASE	ROR		-4.83%	-4.67%	1.21%	-9.80%	5.34%	-13.20%
29	NON-EQUITY PORTION OF RETURN	DA3		-1.83%	-1.83%	-1.83%	-1.83%	-1.83%	-1.83%
30	EQUITY PORTION OF EXISTING RETRN	DA3		-6.66%	-6.50%	-0.62%	-11.63%	3.51%	-15.03%
31	EXISTING RETURN ON EQUITY	DA3	ROE	-15.80%	-15.42%	-1.46%	-27.60%	8.34%	-35.67%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

THE MINNESOTA VALLEY ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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PROPOSED RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	PROPOSED REVENUE	PRV	\$6,552,613	\$3,416,081	\$1,087,673	\$1,932,926	\$39,774	\$76,159
2	REVENUE DEDUCTIONS:		[TRADE SECRET DATA BEGINS...]		[TRADE SECRET DATA ENDS]			
2	Q&M EXPENSES	OMX						
3	DEPRECIATION & AMORT EXPENSES	DEP	-\$482,887	-\$303,314	-\$75,019	-\$93,755	-\$6,264	-\$4,535
4	AD VALOREM TAXES	VAL	-\$104,700	-\$66,343	-\$16,199	-\$19,856	-\$1,336	-\$966
5	CORP FRANCHISE TAX	SFT	\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS	-\$5,116	-\$3,705	-\$740	-\$605	-\$48	-\$18
7	REVENUE-RELATED TAXES	RTX	\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS		[TRADE SECRET DATA BEGINS...]		[TRADE SECRET DATA ENDS]			
10	NET FOR RETURN AND INCOME TAXES	NET NET	\$578,918	\$345,763	\$92,228	\$127,662	\$7,260	\$6,005
11	LESS: INTEREST EXPENSE	INT	-\$209,415	-\$125,075	-\$33,362	-\$46,180	-\$2,626	-\$2,172
12	LESS: NET FEDERAL DEDUCTIONS	NFD	\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME		\$369,503	\$220,688	\$58,866	\$81,482	\$4,634	\$3,833
14	PLUS: NET FEDERAL DEDUCTIONS	NFD	\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD	\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME		\$369,503	\$220,688	\$58,866	\$81,482	\$4,634	\$3,833
17	FED AND ST INCOME TAXES							
17	FED TAXABLE INC * 0.0000		\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000		\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)		\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES		\$0	\$0	\$0	\$0	\$0	\$0
21	*****RETURN COMPUTATION*****							
21	NET FOR RETURN AND INCOME TAXES	NET	\$578,918	\$345,763	\$92,228	\$127,662	\$7,260	\$6,005
22	FED & ST INCOME TAXES		\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN		\$578,918	\$345,763	\$92,228	\$127,662	\$7,260	\$6,005
27	RATE BASE	RBT	\$11,470,852	\$6,851,045	\$1,827,430	\$2,529,542	\$143,844	\$118,991
28	RETURN ON RATE BASE	ROR	5.05%	5.05%	5.05%	5.05%	5.05%	5.05%
29	NON-EQUITY PORTION OF RETURN	DA3	-1.83%	-1.83%	-1.83%	-1.83%	-1.83%	-1.83%
30	EQUITY PORTION OF EXISTING RETRN	DA3	3.22%	3.22%	3.22%	3.22%	3.22%	3.22%
31	PROPOSED RETURN ON EQUITY	DA3 ROE	7.65%	7.65%	7.65%	7.65%	7.65%	7.65%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

THE MINNESOTA VALLEY ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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COST OF SERVICE SUMMARY

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
NET PLANT IN SERVICE:								
1	PRODUCTION PLANT	NPP	\$0	\$0	\$0	\$0	\$0	\$0
2	TRANSMISSION PLANT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
3	DISTRIBUTION PLANT	NPD	\$8,455,242	\$5,287,221	\$1,316,331	\$1,661,008	\$110,563	\$80,119
4	GENERAL PLANT	NPG	\$494,950	\$383,998	\$68,417	\$36,391	\$3,669	\$2,475
5	TOTAL NET ELECTRIC PLANT	NPR	\$8,950,192	\$5,671,219	\$1,384,748	\$1,697,399	\$114,232	\$82,594
6	CONST. WORK IN PROGRESS	CWP	\$98,767	\$61,761	\$15,376	\$19,402	\$1,292	\$936
7	ACQUISITION ADJUSTMENT	ACQ	\$2,305,850	\$1,111,841	\$401,559	\$735,884	\$24,373	\$32,193
8	PLANT HELD FOR FUTURE USE	PLH	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL MISC DEFERD DEBITS		\$5,109	\$3,220	\$792	\$984	\$65	\$48
WORKING CAPITAL:								
10	CASH WORK CAP,FUNDS,MAT&SUP	MAS	\$433,457	\$274,657	\$67,063	\$82,205	\$5,532	\$4,000
11	FUEL STOCK	FUL	\$0	\$0	\$0	\$0	\$0	\$0
12	PREPAID LIGNITE ROYALTIES	E1A	\$0	\$0	\$0	\$0	\$0	\$0
13	OTHER PREPAYMENTS	NPR	\$14,972	\$9,488	\$2,316	\$2,839	\$191	\$138
14	UNAMORTIZED LOSS ON REACQD LTD	NPR	\$0	\$0	\$0	\$0	\$0	\$0
15	DEFERRED FUEL	DEF	\$0	\$0	\$0	\$0	\$0	\$0
16	ACCUMULATED DEFERRED INCOME TAX	ACC	\$0	\$0	\$0	\$0	\$0	\$0
17	PRE-1971 INVESTMENT TAX CREDIT	PIC	\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER ADVANCES AND DEPOSITS	CAD	-\$274,444	-\$235,482	-\$35,307	-\$1,711	-\$1,244	-\$700
19	STORM DAMAGE/INJ & DAM RESRVS	SDR	\$0	\$0	\$0	\$0	\$0	\$0
20	PNSN & MIS OP RSRVS, OTR DEF CRS	PEN	-\$63,051	-\$45,659	-\$9,117	-\$7,460	-\$597	-\$218
21	TRANSMISSION RATE REFUND RESERVE	TRN	\$0	\$0	\$0	\$0	\$0	\$0
22	AVERAGE ORIGINAL COST RATE BASE	RBT	\$11,470,852	\$6,851,045	\$1,827,430	\$2,529,542	\$143,844	\$118,991
23	RETURN AT 5.05%	RET	\$578,918	\$345,763	\$92,228	\$127,662	\$7,260	\$6,005
OPERATION & MAINTENANCE EXPENSES								
24	PRODUCTION O&M	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
25	TRANSMISSION O&M	OMT	\$0	\$0	\$0	\$0	\$0	\$0
26	DISTRIBUTION O&M	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
27	CUST ACCT/SERV/SALES	OMC	\$180,319	\$154,719	\$23,198	\$1,124	\$818	\$460
28	ADMINISTRATIVE & GENERAL	OMA	\$303,421	\$219,726	\$43,872	\$35,900	\$2,875	\$1,048
29	TOTAL OPER & MAIN EXPENSES	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
30	DEPRECIATION & AMORT EXPENSES	DEP	\$482,887	\$303,314	\$75,019	\$93,755	\$6,264	\$4,535
31	INTEREST ON CUSTOMER DEPOSITS	ICD	\$0	\$0	\$0	\$0	\$0	\$0
32	GENERAL TAXES	GTX	\$109,816	\$70,048	\$16,939	\$20,461	\$1,384	\$984
33	FED & ST INCOME TAX	FST	\$0	\$0	\$0	\$0	\$0	\$0
34	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	\$0
35	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	\$0
36	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	\$0
37	COST OF SERVICE REVENUE REQ	CSR	\$6,552,613	\$3,416,081	\$1,087,673	\$1,932,926	\$39,774	\$76,159

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THE MINNESOTA VALLEY ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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COST OF SERVICE COMPARISON

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
*** OTHER REVENUE INCLUDED ***								
1	COST OFF SERVICE REVENUE REQ		\$6,552,613	\$3,416,081	\$1,087,673	\$1,932,926	\$39,774	\$76,159
2	EXISTING REVENUE		\$5,419,572	\$2,750,078	\$1,017,494	\$1,557,359	\$40,194	\$54,447
3	REVENUE DEFICIENCY		\$1,133,041	\$666,003	\$70,179	\$375,567	-\$420	\$21,712
4	REQUIRED INCREASE (%)		20.91%	24.22%	6.90%	24.12%	-1.04%	39.88%
5	EXISTING RATE OF RETURN-AS ADJ.		-4.83%	-4.67%	1.21%	-9.80%	5.34%	-13.20%
6	EXISTING ROR AS % OF OVERALL ROR-AS ADJ.		100.00%	96.69%	-25.05%	202.90%	-110.56%	273.29%
7	EXISTING RETURN ON EQUITY-AS ADJ.		-15.80%	-15.42%	-1.46%	-27.60%	8.34%	-35.67%
8	EXISTING ROE AS % OF OVERALL ROE-AS ADJ.		100.00%	97.59%	9.24%	174.68%	-52.78%	225.76%
9	PROPOSED RATE OF RETURN-AS ADJ		5.05%	5.05%	5.05%	5.05%	5.05%	5.05%
10	PROPOSED RETURN ON EQUITY-AS ADJ		7.65%	7.65%	7.65%	7.65%	7.65%	7.65%
*** OTHER REVENUE EXCLUDED ***								
11	COST OF SERVICE REVENUE REQ		\$6,667,338	\$3,487,821	\$1,105,534	\$1,955,463	\$41,274	\$77,246
12	EXISTING REVENUE		\$5,534,297	\$2,821,818	\$1,035,355	\$1,579,896	\$41,694	\$55,534
13	REVENUE DEFICIENCY		\$1,133,041	\$666,003	\$70,179	\$375,567	-\$420	\$21,712
14	REQUIRED INCREASE (%)		20.47%	23.60%	6.78%	23.77%	-1.01%	39.10%
15	EXISTING RATE OF RETURN - UNADJ		-4.83%	-4.67%	1.21%	-9.80%	5.34%	-13.20%
16	EXISTING ROR AS % OF OVERALL ROR-UNADJ.		100.00%	96.69%	-25.05%	202.90%	-110.56%	273.29%
17	EXISTING RETURN ON EQUITY-UNADJ		-15.80%	-15.42%	-1.46%	-27.60%	8.34%	-35.67%
18	EXISTING ROE AS % OF OVERALL ROE-UNADJ.		100.00%	97.59%	9.24%	174.68%	-52.78%	225.76%
19	PROPOSED RATE OF RETURN - UNADJ		5.05%	5.05%	5.05%	5.05%	5.05%	5.05%
20	PROPOSED RETURN ON EQUITY-UNADJ		7.65%	7.65%	7.65%	7.65%	7.65%	7.65%

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THE MINNESOTA VALLEY ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

PROPOSED MILLS/KWH *****	TOTAL SMEC -----	RESIDENTIAL -----	SMALL COMMERCIAL -----	LARGE POWER -----	LIGHTING -----	MUNICIPAL PUMPING -----
1 EXISTING BASE REV	87.85	107.86	98.24	63.26	75.61	71.93
2 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----	-----
3 TOTAL MILLS / KWH	87.85	107.86	98.24	63.26	75.61	71.93
	=====	=====	=====	=====	=====	=====
4 PROPOSED BASE REV	105.83	133.31	104.90	78.30	74.85	100.05
5 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----	-----
6 TOTAL MILLS / KWH	105.83	133.31	104.90	78.30	74.85	100.05
	=====	=====	=====	=====	=====	=====

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**NOBLES COOPERATIVE ELECTRIC
CLASS COST OF SERVICE FOR MPSC COMPLIANCE FILING
SCENARIO 2: SMEC DIRECT ASSIGNMENT**

LINE NO.	CLASS	COSS BASED REVENUE ALLOCATION	EXISTING REVENUE ALLOCATION	DIFFERENCE	PERCENT DIFFERENCE
LEGACY:					
1	GENERAL SERVICE	\$11,348,888	\$11,213,430	\$ 135,457	1.21%
2	3 PHASE < 300 KVA	\$240,290	\$270,988	\$ (30,698)	-11.33%
3	SEASONAL	\$221,876	\$188,863	\$ 33,013	17.48%
4	SMALL COMMERCIAL	\$1,663,324	\$2,171,025	\$ (507,701)	-23.39%
5	RUSHMORE	\$167,860	\$217,794	\$ (49,934)	-22.93%
6	CONTRACT LOAD	\$2,962,000	\$2,823,313	\$ 138,687	4.91%
7	TOTAL LEGACY	<u>\$16,604,238</u>	<u>\$16,885,412</u>	<u>\$ (281,175)</u>	<u>-1.67%</u>
SMEC					
8	RESIDENTIAL	\$1,797,953	\$1,536,551	\$ 261,402	17.01%
9	SMALL COMMERCIAL	\$689,323	\$662,722	\$ 26,601	4.01%
10	LARGE POWER	\$252,121	\$273,280	\$ (21,159)	-7.74%
11	STREET LIGHTING	\$30,078	\$40,785	\$ (10,707)	-26.25%
12	MUNICIPAL PUMPING	\$25,927	\$23,651	\$ 2,276	9.62%
13	TOTAL SMEC	<u>\$2,795,402</u>	<u>\$2,536,989</u>	<u>\$258,413</u>	<u>10.19%</u>
14					
15	TOTAL COMPANY	<u>\$19,399,640</u>	<u>\$19,422,402</u>	<u>\$ (22,761)</u>	<u>-0.12%</u>
16	MISC. REVENUES	<u>\$335,554</u>	<u>\$335,554</u>	<u>\$ -</u>	<u>0.00%</u>
17		<u><u>\$19,735,194</u></u>	<u><u>\$19,757,956</u></u>	<u><u>\$ (22,761)</u></u>	<u><u>-0.12%</u></u>
CONSOLIDATED					
17	RESIDENTIAL/GS	\$13,146,841	\$12,749,981	\$ 396,860	3.11%
18	3 PHASE < 300 KVA	\$240,290	\$270,988	\$ (30,698)	-11.33%
19	SEASONAL	\$221,876	\$188,863	\$ 33,013	17.48%
20	SMALL COMMERCIAL	\$2,352,647	\$2,833,746	\$ (481,099)	-16.98%
21	LARGE POWER	\$252,121	\$273,280	\$ (21,159)	-7.74%
22	RUSHMORE	\$167,860	\$217,794	\$ (49,934)	-22.93%
23	CONTRACT LOAD	\$2,962,000	\$2,823,313	\$ 138,687	4.91%
24	STREET LIGHTING	\$30,078	\$40,785	\$ (10,707)	-26.25%
25	MUNICIPAL PUMPING	\$25,927	\$23,651	\$ 2,276	9.62%
26		<u>\$19,399,640</u>	<u>\$19,422,402</u>	<u>\$ (22,761)</u>	<u>-0.12%</u>
27	MISC. REVENUES	<u>\$335,554</u>	<u>\$335,554</u>	<u>\$ -</u>	<u>0.00%</u>
28	TOTAL COMPANY	<u><u>\$19,735,194</u></u>	<u><u>\$19,757,956</u></u>	<u><u>\$ (22,761)</u></u>	<u><u>-0.12%</u></u>

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NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS

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FILESPEC: K:\RATERES\COS\93RESALE\COS1292.WK3

STUDY DATE:		DECEMBER 31, 2016	
RUN DATE AND TIME:	18-Oct-17	08:54 AM	
RETURN ON COMMON EQUITY		8.55%	
OVERALL RATE OF RETURN		5.58%	
CAPITALIZATION:			
	OUTSTANDING	EFFECTIVE RATE	COMPOSITE
DBT	\$26,967,084	2.87%	1.50%
PRF		0.00%	0.00%
CMN	\$24,661,207	8.55%	4.08%
FEDERAL EFFECTIVE INCOME TAX RATE			0.00%
FEDERAL NOMINAL INCOME TAX RATE			0.00%
STATE EFFECTIVE INCOME TAX RATE			0.00%
STATE NOMINAL INCOME TAX RATE			0.00%

NOTATIONS: THIS RUN ALLOCATES ALL PLANT ON AVG OF 12 CP

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NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
COST OF SERVICE STUDY
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DECEMBER 31, 2016

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*****CUSTOMER DATA*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	NUMBER OF CUSTOMERS	C1A	C1A	1,699	1,359	305	7	13	15
2	PERCENT OF TOTAL	C1A		100.000%	80.024%	17.936%	0.412%	0.746%	0.883%
3	NUMBER OF WEIGHTED CUSTOMERS	C2A	C2A	1,699	1,359	305	7	13	15
4	PERCENT OF TOTAL	C2A		100.000%	80.024%	17.936%	0.412%	0.746%	0.883%
5	NUMBER OF RETAIL DISTR CUSTOMERS	C3A	C3A	1,699	1,359	305	7	13	15
6	PERCENT OF TOTAL	C3A		100.000%	80.024%	17.936%	0.412%	0.746%	0.883%
7	NMBR OF RETAIL WTD CUSTOMERS	C4A	C4A	1,699	1,359	305	7	13	15
8	PERCENT OF TOTAL	C4A		100.000%	80.024%	17.936%	0.412%	0.746%	0.883%
9	LIGHTING DIRECT ALLOCATOR	LDE	LDE	1	0	0	0	1	0
10	PERCENT OF TOTAL	LDE		100.000%	0.000%	0.000%	0.000%	100.000%	0.000%
11	LPS DIRECT ALLOCATOR	DA1	DA1	0	0	0	0	0	0
12	PERCENT OF TOTAL	DA1		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
13	AVERAGE COINCIDENT KW DEMAND	D1A	D1A	4,605	2,911	1,194	454	0	46
14	DEMAND ALLOCATION FACTOR-PROD	D1A		100.000%	63.222%	25.932%	9.850%	0.000%	0.996%
15	AVERAGE COINCIDENT KW DEMAND	D1B	D1B	4,605	2,911	1,194	454	0	46
16	DEMAND ALLOCATION FACTOR-TRANS	D1B		100.000%	63.222%	25.932%	9.850%	0.000%	0.996%
17	AVG PRIMARY DISTRIB KW DEMAND	D2A	D2A	4,843	3,023	1,235	472	65	48
18	DIST-PRI DEMAND ALLOC FACTOR	D2A		100.000%	62.422%	25.506%	9.755%	1.334%	0.983%
19	AVG SECONDARY DISTRIB KW DEMAND	D3A	D3A	4,843	3,023	1,235	472	65	48
20	DIST-SEC DEMAND ALLOC FACTOR	D3A		100.000%	62.422%	25.506%	9.755%	1.334%	0.983%
21	AVG SECONDARY DISTRIB KW DEMAND	D4A	D4A	4,843	3,023	1,235	472	65	48
22	DIST-SEC DEMAND ALLOC FACTOR	D4A		100.000%	62.422%	25.506%	9.755%	1.334%	0.983%
23	ANNUAL MWH ENERGY CONTRIBUTION	E1A	E1A	23,527,615	13,771,416	6,276,306	2,979,896	283,039	216,959
24	ENERGY ALLOCATION FACTOR	E1A		100.000%	58.533%	26.676%	12.666%	1.203%	0.922%

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NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
COST OF SERVICE STUDY
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*****CUSTOMER DATA*****
**** CONTINUED ****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
25	RESERVED			0	0	0	0	0	0
26	PERCENT OF TOTAL			0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
27	WAGES/SALARIES: PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
29	DISTRIBUTION	NPD		\$199,712	\$134,667	\$43,143	\$11,311	\$8,773	\$1,818
30	GENERAL	NPG		\$238,373	\$177,391	\$47,617	\$7,735	\$5,630	\$0
31	WAGES/SALARIES: TOTAL	LBR	LBR	\$438,085	\$312,058	\$90,760	\$19,046	\$14,403	\$1,818
32	PERCENT OF TOTAL	LBR		100.000%	71.232%	20.717%	4.348%	3.288%	0.415%
33	BULK TRANSMISSION REVENUE	D1A		\$0	\$0	\$0	\$0	\$0	\$0
34	PRIMARY TRANSMISSION REVENUE	D2A		\$0	\$0	\$0	\$0	\$0	\$0
35	TOTAL TRANSMISSION REVENUE	TRN	TRN	\$0	\$0	\$0	\$0	\$0	\$0
36	PERCENT OF TOTAL	TRN		100.000%	100.000%	0.000%	0.000%	0.000%	0.000%
EXISTING REVENUE									
37	EXISTING BASE REV	OTR	OTR	\$2,536,989	\$1,536,551	\$662,722	\$273,280	\$40,785	\$23,651
38	FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
39	MISCELLANEOUS REVENUE	NPD		\$40,694	\$27,810	\$8,791	\$2,305	\$1,788	\$0
40	TRANSMISSION REVENUE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
41	NON-FRM SLS FOR RESALE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
42	TOTAL EXISTING REVENUE	EXR	EXR	\$2,577,683	\$1,564,361	\$671,513	\$275,585	\$42,573	\$23,651
PROPOSED REVENUE									
43	PROPOSED BASE REV			\$2,795,402	\$1,797,953	\$689,323	\$252,121	\$30,078	\$25,927
44	FUEL REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
45	MISCELLANEOUS REVENUE			\$40,694	\$27,810	\$8,791	\$2,305	\$1,788	\$0
46	TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
47	NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
48	TOTAL PROPOSED REVENUE	PRV	PRV	\$2,836,096	\$1,825,763	\$698,114	\$254,426	\$31,866	\$25,927
49	PROPOSED BASE REVENUE INCREASE/(DECREASE)			\$258,413	\$261,402	\$26,601	-\$21,159	-\$10,707	\$2,276
50	PROPOSED BASE REVENUE INCR/(DECR) - %			10.19%	17.01%	4.01%	-7.74%	-26.25%	9.62%

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NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
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****ELECTRIC GROSS PLANT****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
				-----	-----	-----	-----	-----	-----
1	TOTAL PRODUCTION PLANT	D1A	GPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1A		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1B		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	GPT	GPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$3,578,419	\$2,233,709	\$912,699	\$349,076	\$47,745	\$35,190
8	SECONDARY DEMAND RELATED	D3A		\$793,407	\$495,258	\$202,364	\$77,397	\$10,586	\$7,802
9	CUSTOMER RELATED	C4A		\$3,126,892	\$2,502,249	\$560,828	\$12,886	\$23,317	\$27,612
10	SUB-TOTAL DISTR PLANT		SGD	\$7,498,719	\$5,231,217	\$1,675,891	\$439,359	\$81,648	\$70,604
11	LIGHTING SPECIFIC		LDE	\$208,392	\$0	\$0	\$0	\$208,392	\$0
12	TOTAL DISTRIBUTION PLANT	GPD	GPD	\$7,707,111	\$5,301,821	\$1,675,891	\$439,359	\$290,040	\$0
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$322,819	\$222,071	\$70,196	\$18,403	\$12,149	\$0
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$448,885	\$359,214	\$80,510	\$1,850	\$3,347	\$3,964
17	TOTAL GENERAL & INTANGIBLE PLANT	GPG	GPG	\$771,704	\$581,285	\$150,706	\$20,253	\$15,496	\$3,964
18	TOTAL GROSS PLANT IN SERVICE	GPR	GPR	\$8,478,815	\$5,883,106	\$1,826,597	\$459,612	\$305,536	\$3,964

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NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
COST OF SERVICE STUDY
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*****ELECTRIC PLANT*****
ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
				-----	-----	-----	-----	-----	-----
1	TOTAL PRODUCTION PLANT	D1A	DPP	\$0	\$0	\$0	\$0	\$0	\$0
TRANSMISSION PLANT									
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	DPT	DPT	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION PLANT									
7	PRIMARY DEMAND RELATED	D4A		\$1,557,239	\$972,055	\$397,184	\$151,909	\$20,777	\$15,314
8	SECONDARY DEMAND RELATED	D3A		\$345,271	\$215,524	\$88,064	\$33,681	\$4,607	\$3,395
9	CUSTOMER RELATED	C4A		\$1,360,745	\$1,088,917	\$244,058	\$5,607	\$10,147	\$12,016
10	SUB-TOTAL DISTR PLANT		SDD	\$3,263,255	\$2,276,496	\$729,306	\$191,197	\$35,531	\$30,725
11	LIGHTING SPECIFIC		LDE	\$62,021	\$0	\$0	\$0	\$62,021	\$0
12	TOTAL DISTRIBUTION PLANT	DPD	DPD	\$3,325,276	\$2,276,496	\$729,306	\$191,197	\$97,552	\$30,725
GENERAL AND INTANGIBLE PLANT									
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$115,694	\$79,588	\$25,157	\$6,595	\$4,354	\$0
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$269,289	\$215,494	\$48,299	\$1,110	\$2,008	\$2,378
17	TOTAL GENERAL & INTANGIBLE PLANT	DPG	DPG	\$384,983	\$295,082	\$73,456	\$7,705	\$6,362	\$2,378
18	TOTAL ACCUMULATED DEPRECIATION	DPR	DPR	\$3,710,259	\$2,571,578	\$802,762	\$198,902	\$103,914	\$33,103

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NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
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*****ELECTRIC NET PLANT*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	TOTAL PRODUCTION PLANT	D1A	NPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	NPT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$2,021,181	\$1,261,655	\$515,515	\$197,167	\$26,968	\$19,876
8	SECONDARY DEMAND RELATED	D3A		\$448,136	\$279,734	\$114,300	\$43,716	\$5,979	\$4,407
9	CUSTOMER RELATED	C4A		\$1,766,147	\$1,413,332	\$316,770	\$7,279	\$13,170	\$15,596
10	SUB-TOTAL DISTR PLANT		SPD	\$4,235,464	\$2,954,721	\$946,585	\$248,162	\$46,117	\$39,879
11	LIGHTING SPECIFIC	LDE		\$146,371	\$0	\$0	\$0	\$146,371	\$0
12	TOTAL DISTRIBUTION PLANT	NPD	NPD	\$4,381,835	\$2,954,721	\$946,585	\$248,162	\$192,488	\$39,879
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	NPD		\$207,125	\$142,483	\$45,039	\$11,808	\$7,795	\$0
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$179,596	\$143,720	\$32,211	\$740	\$1,339	\$1,586
17	TOTAL GENERAL & INTANGIBLE PLANT	NPG	NPG	\$386,721	\$286,203	\$77,250	\$12,548	\$9,134	\$1,586
18	TOTAL NET PLANT IN SERVICE	NPR	NPR	\$4,768,556	\$3,240,924	\$1,023,835	\$260,710	\$201,622	\$41,465

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NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
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***** RATE BASE *****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	NET PLANT IN SERVICE	NPR	NPR	\$4,768,556	\$3,240,924	\$1,023,835	\$260,710	\$201,622	\$41,465
CONSTRUCTION WORK IN PROGRESS									
2	PRODUCTION PLANT	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION PLANT	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION PLANT	NPD		\$118,778	\$80,093	\$25,659	\$6,727	\$5,218	\$1,081
5	GENERAL PLANT	NPG		\$0	\$0	\$0	\$0	\$0	\$0
6	TOAL CWP	CWP	CWP	\$118,778	\$80,093	\$25,659	\$6,727	\$5,218	\$1,081
7	NET ACQUISITION ADJUSTMENT	D2A	ACO	\$390,736	\$243,904	\$99,660	\$38,116	\$5,213	\$3,843
8	PLANT HELD FOR FUTURE USE	E1A	PLH	\$0	\$0	\$0	\$0	\$0	\$0
MISC DEFERRED DEBITS									
9	PROD RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
10	TRAN RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
11	DIST RELATED	NPD		\$4,848	\$3,269	\$1,047	\$275	\$213	\$44
12	GENR RELATED	NPG		\$0	\$0	\$0	\$0	\$0	\$0
13	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
14	NPR RELATED	NPR		\$52,787	\$35,876	\$11,334	\$2,886	\$2,232	\$459
15	TOTAL MISC DEFRD DEBITS			\$57,635	\$39,145	\$12,381	\$3,161	\$2,445	\$503
WORKING CAPITAL									
16	CASH WORK CAP,FUNDS,MAT&SUP	NPR	MAS	\$102,693	\$69,794	\$22,049	\$5,615	\$4,342	\$893
17	FUEL STOCK	E1A	FUL	\$0	\$0	\$0	\$0	\$0	\$0
18	PREPAID LIGNITE ROYALTIES	E1A		\$0	\$0	\$0	\$0	\$0	\$0
19	OTHER PREPAYMENTS	NPR		\$22,700	\$15,428	\$4,874	\$1,241	\$960	\$197
20	TOTAL WORKING CAPITAL			\$125,393	\$85,222	\$26,923	\$6,856	\$5,302	\$1,090
21	UNAMORTIZED LOSS ON REACQD LTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
22	DEFERRED FUEL	E1A	DEF	\$0	\$0	\$0	\$0	\$0	\$0

(RATE BASE CONTINUED ON NEXT PAGE)

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NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

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***** RATE BASE*****
** CONTINUED **

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
23	ACCUMULATED DEFERRED INCOME TAX ACCT 281: POL CON	NPP		\$0	\$0	\$0	\$0	\$0	\$0
24	ACCT 282: LIBERAL DEP - PROD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
25	TRAN	NPT		\$0	\$0	\$0	\$0	\$0	\$0
26	DIST	NPD		\$0	\$0	\$0	\$0	\$0	\$0
27	GENR	NPG		\$0	\$0	\$0	\$0	\$0	\$0
28	LIGNITE EXPLORATN	E1A		\$0	\$0	\$0	\$0	\$0	\$0
29	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
30	TOTAL ACCOUNT 282			\$0	\$0	\$0	\$0	\$0	\$0
31	ACCT 283: THIS LINE RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
32	LONG TERM DEBT LOSS	NPR		\$0	\$0	\$0	\$0	\$0	\$0
33	TOTAL ACCOUNT 283			\$0	\$0	\$0	\$0	\$0	\$0
34	ACCOUNT 190: PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
35	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
36	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
37	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
38	FERC REFUND	TRN		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL ACCOUNT 190			\$0	\$0	\$0	\$0	\$0	\$0
40	TOTAL ACCUM DEFERD INC TAX	ACC	ACC	\$0	\$0	\$0	\$0	\$0	\$0
41	INVESTMENT TAX CREDIT PRE '71	NPR	PIC	\$0	\$0	\$0	\$0	\$0	\$0
42	CUSTOMER ADVANCES AND DEPOSITS	C3A	CAD	-\$9,882	-\$7,908	-\$1,772	-\$41	-\$74	-\$87
43	STORM DAMAGE & INJ & DAM RESRVS	D2A	SDR	\$0	\$0	\$0	\$0	\$0	\$0
44	PNSN & MIS OP RSRVS, OTR DEF CR	OMA	PEN	-\$141,942	-\$101,109	-\$29,407	-\$6,171	-\$4,666	-\$589
45	TRANSMISSION RATE REFUND RESERVE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
46	TOTAL RATE BASE	RBT	RBT	\$5,309,274	\$3,580,271	\$1,157,279	\$309,358	\$215,060	\$47,306

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
COST OF SERVICE STUDY
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*****OPER AND MTN EXPENSES*****

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
	PRODUCTION O&M EXPENSE								
1	FUEL EXPENSE - ACCT 501	E1A		\$0	\$0	\$0	\$0	\$0	\$0
	PURCHASED POWER - ACCT 555								
2	DEMAND - OTHER	D1A		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
3	ENERGY - OTHER	E1A							
4	NET OFF SYSTEM REVENUE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
	OTHER PRODUCTION O&M ACCTS								
5	DEMAND - OTHER	D1A		\$9,615	\$6,079	\$2,493	\$947	\$0	\$96
6	ENERGY - OTHER	E1A		\$0	\$0	\$0	\$0	\$0	\$0
7	TOTAL OTHER PRODUCTION O&M	PRO	PRO	\$9,615	\$6,079	\$2,493	\$947	\$0	\$96
8	TOTAL PRODUCTION O&M EXPENSE	OMP	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
9	TOTAL TRANSMISSION O&M EXPENSE	NPT	OMT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION O&M EXPENSE								
10	LIGHTING SPECIFIC	LDE		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
11	ALL OTHER	SPD		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
12	TOTAL DISTRIBUTION O&M EXPENSE	OMD	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
13	TOTAL CUST ACCT/SERV & INFO/ SALES EXPENSE	C2A	OMC	\$146,499	\$117,233	\$26,276	\$604	\$1,092	\$1,294
	ADMINISTRATIVE & GENERAL EXPENSE								
14	PROP INSURANCE/INJ & DAMG	NPR		\$0	\$0	\$0	\$0	\$0	\$0
15	CUST ACCT/SERV&INFO/SALES REL	LBR		\$179,103	\$127,579	\$37,106	\$7,787	\$5,888	\$743
16	TOTAL ADMIN & GENERAL EXPENSE	OMA	OMA	\$179,103	\$127,579	\$37,106	\$7,787	\$5,888	\$743
17	TOTAL OPER & MTN EXPENSES	OMX	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

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NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
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EXPENSES OTHER THAN INCOME TAXES

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	TOTAL OPER & MTN EXPENSES		OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
	DEPRECIATION & AMORTIZATION EXPENSES								
2	PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION	NPD		\$24,267	\$16,364	\$5,242	\$1,374	\$1,066	\$221
5	GENERAL	NPG		\$18,800	\$13,914	\$3,755	\$610	\$444	\$77
6	TOTAL DEPR & AMORT EXPEN	DEP	DEP	\$43,067	\$30,278	\$8,997	\$1,984	\$1,510	\$298
7	INTEREST ON CUSTOMER DEPOSITS	C3A	ICD	\$0	\$0	\$0	\$0	\$0	\$0
	GENERAL TAXES								
8	AD VALOREM	NPR	VAL	\$0	\$0	\$0	\$0	\$0	\$0
9	CORP FRANCHISE TAX	NPR	SFT	\$0	\$0	\$0	\$0	\$0	\$0
10	MISCELLANEOUS GENERAL TAXES	LBR	MIS	\$0	\$0	\$0	\$0	\$0	\$0
11	REVENUE-RELATED (AS PROPOSED)	RTX		\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL GENERAL TAXES	GTX	GTX	\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL EXPENSES EXCEPT INCOME TAX	EXP	EXP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

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NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
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INCOME TAX FOR 8.55% ROE

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
1	RATE BASE	RBT		\$5,309,274	\$3,580,271	\$1,157,279	\$309,358	\$215,060	\$47,306
2	RETURN AT 5.58%	RBT	RET	\$296,440	\$199,902	\$64,616	\$17,273	\$12,008	\$2,641
3	INTEREST (1.50% OF LINE 1)	RBT	INT	-\$79,593	-\$53,673	-\$17,349	-\$4,638	-\$3,224	-\$709
4	A F U D C	NPR	AFD	\$0	\$0	\$0	\$0	\$0	\$0
	PROVISION FOR DEFERRED TAXES								
5	ACT 410.1: PROD RLTD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
6	TRAN RLTD	NPT		\$0	\$0	\$0	\$0	\$0	\$0
7	PLANT RLTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
8	ENERGY RLTD	E1A		\$0	\$0	\$0	\$0	\$0	\$0
9	LABOR RLTD	LBR		\$0	\$0	\$0	\$0	\$0	\$0
10	CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
11	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL 410.1			\$0	\$0	\$0	\$0	\$0	\$0
13	ACT 411.1: PROD RLTD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRAN RLTD	NPT		\$0	\$0	\$0	\$0	\$0	\$0
15	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
16	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
17	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
19	TOTAL 411.1			\$0	\$0	\$0	\$0	\$0	\$0
20	NET PROVISION FOR DEFRD INC TAX		PDT	\$0	\$0	\$0	\$0	\$0	\$0
21	ITC AMORT	NPR	ITA	\$0	\$0	\$0	\$0	\$0	\$0
22	ADJUSTED RETURN	ART	ART	\$216,847	\$146,229	\$47,267	\$12,635	\$8,784	\$1,932
	FED ADD INC & UNALLOW DEDUCTS								
23	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
24	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
25	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
26	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
27	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0
29	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
30	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
31	TOTAL ADDITIONS	FTA	FTA	\$0	\$0	\$0	\$0	\$0	\$0

(INCOME TAX CALCULATION CONTINUED ON NEXT PAGE)

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NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
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INCOME TAX FOR 8.55% ROE
*** CONTINUED ***

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
FED DEDUCTS AND NON-TAX INCOME									
32	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
33	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
34	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
35	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
36	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
37	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0
38	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL DEDUCTIONS	FTD	FTD	\$0	\$0	\$0	\$0	\$0	\$0
40	NET FEDERAL DEDUCTIONS	NFD	NFD	\$0	\$0	\$0	\$0	\$0	\$0
41	ST ADD INC & UNALLOW DEDUCTS	FTA		\$0	\$0	\$0	\$0	\$0	\$0
42	ST DEDUCTS AND NON-TAX INCOME	FTD		\$0	\$0	\$0	\$0	\$0	\$0
43	NET STATE DEDUCTIONS	NSD	NSD	\$0	\$0	\$0	\$0	\$0	\$0
44	PROV FOR DEF'D ITC - CURRENT	NPR	ITC	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL TAXABLE INCOME									
45	ADJ RET * 1/(1-0.0000-0.0000)	ART	TART	\$216,847	\$146,229	\$47,267	\$12,635	\$8,784	\$1,932
46	NET FED DED * 1/(1-0.0000)	NFD		\$0	\$0	\$0	\$0	\$0	\$0
47	NET ST DED * (1/(1-0.0000))-1	NSD		\$0	\$0	\$0	\$0	\$0	\$0
48	CURRENT ITC * (1/1-0.00)-1	ITC		\$0	\$0	\$0	\$0	\$0	\$0
49	TOTAL FEDERAL TAXABLE INCOME	FTI	FTI	\$216,847	\$146,229	\$47,267	\$12,635	\$8,784	\$1,932
50	PLUS: NET FED DEDUCTS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
51	LESS: NET STATE DEDUCTS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
52	TOTAL STATE TAXABLE INCOME	STI	STI	\$216,847	\$146,229	\$47,267	\$12,635	\$8,784	\$1,932
FED & ST INCOME TAXES:									
53	FED TAXABLE INC * 0.0000	FTI		\$0	\$0	\$0	\$0	\$0	\$0
54	ST. TAXABLE INC * 0.0000	STI		\$0	\$0	\$0	\$0	\$0	\$0
55	LESS: CRNT ITC * (1-0.0000)	ITC		\$0	\$0	\$0	\$0	\$0	\$0
56	TOTAL FED & ST INCOME TAXES	FST	FST	\$0	\$0	\$0	\$0	\$0	\$0
57	INVESTMENT TAX CREDIT - NET	NPR	ITN	\$0	\$0	\$0	\$0	\$0	\$0

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NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
COST OF SERVICE STUDY
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DECEMBER 31, 2016

*****COST OF SERVICE*****
** (PROPOSED) **

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
1	RATE BASE	RBT		\$5,309,274	\$3,580,271	\$1,157,279	\$309,358	\$215,060	\$47,306
2	RETURN AT 5.58%	RET		\$296,440	\$199,902	\$64,616	\$17,273	\$12,008	\$2,641
3	OPERATION & MAINTENANCE EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
4	DEPRECIATION & AMORT EXPENSES	DEP		\$43,067	\$30,278	\$8,997	\$1,984	\$1,510	\$298
5	INTEREST ON CUSTOMER DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
6	GENERAL TAXES	GTX		\$0	\$0	\$0	\$0	\$0	\$0
7	FEDERAL AND STATE INCOME TAX	FST		\$0	\$0	\$0	\$0	\$0	\$0
8	PROVISION FOR DEFERRED TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
9	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
10	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
11	COST OF SERVICE REVENUE REQUIREMENT BEFORE ATTRITION ADJUSTMENT	CSR	CSR	\$2,836,096	\$1,825,763	\$698,114	\$254,426	\$31,866	\$25,927
12	LESS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
13	BASE COST OF SERVICE REVENUE REQUIREMENT	BRR	BRR	\$2,836,096	\$1,825,763	\$698,114	\$254,426	\$31,866	\$25,927
14	ATTRITION ADJUSTMENT	BRR		\$0	\$0	\$0	\$0	\$0	\$0
15	BASE COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT	ARR	ARR	\$2,836,096	\$1,825,763	\$698,114	\$254,426	\$31,866	\$25,927
16	PLUS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
17	COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT			\$2,836,096	\$1,825,763	\$698,114	\$254,426	\$31,866	\$25,927
18	LESS: MISCELLANEOUS REVENUE			-\$40,694	-\$27,810	-\$8,791	-\$2,305	-\$1,788	\$0
19	LESS: BULK TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
20	LESS: PRIMARY TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
21	LESS: NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
22	NET ELECTRIC REVENUE REQUIREMENT			\$2,795,402	\$1,797,953	\$689,323	\$252,121	\$30,078	\$25,927

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NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
COST OF SERVICE STUDY
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EXISTING RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL		TOTAL	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
		ALL	OUT	SMEC					
1	EXISTING REVENUE	EXR							
	REVENUE DEDUCTIONS:								
2	O&M EXPENSES	OMX							
3	DEPRECIATION & AMORT EXPENSES	DEP		-\$43,067	-\$30,278	-\$8,997	-\$1,984	-\$1,510	-\$298
4	AD VALOREM TAXES	VAL		\$0	\$0	\$0	\$0	\$0	\$0
5	CORP FRANCHISE TAX	SFT		\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS		\$0	\$0	\$0	\$0	\$0	\$0
7	REVENUE-RELATED TAXES	RTX		\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS								
10	NET FOR RETURN AND INCOME TAXES	NET	NET	\$38,027	-\$61,500	\$38,015	\$38,432	\$22,715	\$365
11	LESS: INTEREST EXPENSE	INT		-\$79,593	-\$53,673	-\$17,349	-\$4,638	-\$3,224	-\$709
12	LESS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			-\$41,566	-\$115,173	\$20,666	\$33,794	\$19,491	-\$344
14	PLUS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			-\$41,566	-\$115,173	\$20,666	\$33,794	\$19,491	-\$344
	FED AND ST INCOME TAXES								
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
	*****RETURN COMPUTATION*****								
21	NET FOR RETURN AND INCOME TAXES	NET		\$38,027	-\$61,500	\$38,015	\$38,432	\$22,715	\$365
22	FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN			\$38,027	-\$61,500	\$38,015	\$38,432	\$22,715	\$365
27	RATE BASE	RBT		\$5,309,274	\$3,580,271	\$1,157,279	\$309,358	\$215,060	\$47,306
28	RETURN ON RATE BASE	ROR		0.72%	-1.72%	3.28%	12.42%	10.56%	0.77%
29	NON-EQUITY PORTION OF RETURN	DA3		-1.50%	-1.50%	-1.50%	-1.50%	-1.50%	-1.50%
30	EQUITY PORTION OF EXISTING RETRN	DA3		-0.78%	-3.22%	1.78%	10.92%	9.06%	-0.73%
31	EXISTING RETURN ON EQUITY	DA3	ROE	-1.63%	-6.74%	3.73%	22.86%	18.97%	-1.53%

[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]

[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]

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PROPOSED RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	PROPOSED REVENUE		PRV	\$2,836,096	\$1,825,763	\$698,114	\$254,426	\$31,866	\$25,927
	REVENUE DEDUCTIONS:								
2	O&M EXPENSES		OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
3	DEPRECIATION & AMORT EXPENSES		DEP	-\$43,067	-\$30,278	-\$8,997	-\$1,984	-\$1,510	-\$298
4	AD VALOREM TAXES		VAL	\$0	\$0	\$0	\$0	\$0	\$0
5	CORP FRANCHISE TAX		SFT	\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES		MIS	\$0	\$0	\$0	\$0	\$0	\$0
7	REVENUE-RELATED TAXES		RTX	\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS		ICD	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS			[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
10	NET FOR RETURN AND INCOME TAXES	NET	NET	\$296,440	\$199,902	\$64,616	\$17,273	\$12,008	\$2,641
11	LESS: INTEREST EXPENSE		INT	-\$79,593	-\$53,673	-\$17,349	-\$4,638	-\$3,224	-\$709
12	LESS: NET FEDERAL DEDUCTIONS		NFD	\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			\$216,847	\$146,229	\$47,267	\$12,635	\$8,784	\$1,932
14	PLUS: NET FEDERAL DEDUCTIONS		NFD	\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS		NSD	\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			\$216,847	\$146,229	\$47,267	\$12,635	\$8,784	\$1,932
	FED AND ST INCOME TAXES								
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
	*****RETURN COMPUTATION*****								
21	NET FOR RETURN AND INCOME TAXES	NET		\$296,440	\$199,902	\$64,616	\$17,273	\$12,008	\$2,641
22	FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES		PDT	\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET		ITN	\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C		AFD	\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN			\$296,440	\$199,902	\$64,616	\$17,273	\$12,008	\$2,641
27	RATE BASE		RBT	\$5,309,274	\$3,580,271	\$1,157,279	\$309,358	\$215,060	\$47,306
28	RETURN ON RATE BASE		ROR	5.58%	5.58%	5.58%	5.58%	5.58%	5.58%
29	NON-EQUITY PORTION OF RETURN		DA3	-1.50%	-1.50%	-1.50%	-1.50%	-1.50%	-1.50%
30	EQUITY PORTION OF EXISTING RETRN		DA3	4.08%	4.08%	4.08%	4.08%	4.08%	4.08%
31	PROPOSED RETURN ON EQUITY		DA3 ROE	8.55%	8.55%	8.55%	8.55%	8.55%	8.55%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
COST OF SERVICE STUDY
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COST OF SERVICE SUMMARY

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
NET PLANT IN SERVICE:								
1	PRODUCTION PLANT	NPP	\$0	\$0	\$0	\$0	\$0	\$0
2	TRANSMISSION PLANT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
3	DISTRIBUTION PLANT	NPD	\$4,381,835	\$2,954,721	\$946,585	\$248,162	\$192,488	\$39,879
4	GENERAL PLANT	NPG	\$386,721	\$286,203	\$77,250	\$12,548	\$9,134	\$1,586
5	TOTAL NET ELECTRIC PLANT	NPR	\$4,768,556	\$3,240,924	\$1,023,835	\$260,710	\$201,622	\$41,465
6	CONST. WORK IN PROGRESS	CWP	\$118,778	\$80,093	\$25,659	\$6,727	\$5,218	\$1,081
7	ACQUISITION ADJUSTMENT	ACQ	\$390,736	\$243,904	\$99,660	\$38,116	\$5,213	\$3,843
8	PLANT HELD FOR FUTURE USE	PLH	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL MISC DEFERD DEBITS		\$57,635	\$39,145	\$12,381	\$3,161	\$2,445	\$503
WORKING CAPITAL:								
10	CASH WORK CAP,FUNDS,MAT&SUP	MAS	\$102,693	\$69,794	\$22,049	\$5,615	\$4,342	\$893
11	FUEL STOCK	FUL	\$0	\$0	\$0	\$0	\$0	\$0
12	PREPAID LIGNITE ROYALTIES	E1A	\$0	\$0	\$0	\$0	\$0	\$0
13	OTHER PREPAYMENTS	NPR	\$22,700	\$15,428	\$4,874	\$1,241	\$960	\$197
14	UNAMORTIZED LOSS ON REACOD LTD	NPR	\$0	\$0	\$0	\$0	\$0	\$0
15	DEFERRED FUEL	DEF	\$0	\$0	\$0	\$0	\$0	\$0
16	ACCUMULATED DEFERRED INCOME TAX	ACC	\$0	\$0	\$0	\$0	\$0	\$0
17	PRE-1971 INVESTMENT TAX CREDIT	PIC	\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER ADVANCES AND DEPOSITS	CAD	-\$9,882	-\$7,908	-\$1,772	-\$41	-\$74	-\$87
19	STORM DAMAGE/INJ & DAM RESRVS	SDR	\$0	\$0	\$0	\$0	\$0	\$0
20	PNSN & MIS OP RSRVS, OTR DEF CRS	PEN	-\$141,942	-\$101,109	-\$29,407	-\$6,171	-\$4,666	-\$589
21	TRANSMISSION RATE REFUND RESERVE	TRN	\$0	\$0	\$0	\$0	\$0	\$0
22	AVERAGE ORIGINAL COST RATE BASE	RBT	\$5,309,274	\$3,580,271	\$1,157,279	\$309,358	\$215,060	\$47,306
23	RETURN AT 5.58%	RET	\$296,440	\$199,902	\$64,616	\$17,273	\$12,008	\$2,641
OPERATION & MAINTENANCE EXPENSES								
24	PRODUCTION O&M	OMP	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
25	TRANSMISSION O&M	OMT	\$0	\$0	\$0	\$0	\$0	\$0
26	DISTRIBUTION O&M	OMD	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
27	CUST ACCT/SERV/SALES	OMC	\$146,499	\$117,233	\$26,276	\$604	\$1,092	\$1,294
28	ADMINISTRATIVE & GENERAL	OMA	\$179,103	\$127,579	\$37,106	\$7,787	\$5,888	\$743
29	TOTAL OPER & MAIN EXPENSES	OMX	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
30	DEPRECIATION & AMORT EXPENSES	DEP	\$43,067	\$30,278	\$8,997	\$1,984	\$1,510	\$298
31	INTEREST ON CUSTOMER DEPOSITS	ICD	\$0	\$0	\$0	\$0	\$0	\$0
32	GENERAL TAXES	GTX	\$0	\$0	\$0	\$0	\$0	\$0
33	FED & ST INCOME TAX	FST	\$0	\$0	\$0	\$0	\$0	\$0
34	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	\$0
35	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	\$0
36	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	\$0
37	COST OF SERVICE REVENUE REQ	CSR	\$2,836,096	\$1,825,763	\$698,114	\$254,426	\$31,866	\$25,927

NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
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COST OF SERVICE COMPARISON

LINE	CONTROL	TOTAL	SMALL	LARGE	STREET	MUNICIPAL
MPUC Docket Nos. E-001, 115, 140, 105, 139, 124, 126, 146, 132, 114, 6521, 142, 135/PA-14-322						

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NO.	DESCRIPTION	ALL	OUT	SMC	RESIDENTIAL	COMMERCIAL	POWER	LIGHTING	PUMPING
*** OTHER REVENUE INCLUDED ***									
1	COST OFF SERVICE REVENUE REQ			\$2,836,096	\$1,825,763	\$698,114	\$254,426	\$31,866	\$25,927
2	EXISTING REVENUE			\$2,577,683	\$1,564,361	\$671,513	\$275,585	\$42,573	\$23,651
3	REVENUE DEFICIENCY			\$258,413	\$261,402	\$26,601	-\$21,159	-\$10,707	\$2,276
4	REQUIRED INCREASE (%)			10.03%	16.71%	3.96%	-7.68%	-25.15%	9.62%
5	EXISTING RATE OF RETURN-AS ADJ.			0.72%	-1.72%	3.28%	12.42%	10.56%	0.77%
6	EXISTING ROR AS % OF OVERALL ROR-AS ADJ.			100.00%	-238.89%	455.56%	1725.00%	1466.67%	106.94%
7	EXISTING RETURN ON EQUITY-AS ADJ.			-1.63%	-6.74%	3.73%	22.86%	18.97%	-1.53%
8	EXISTING ROE AS % OF OVERALL ROE-AS ADJ.			100.00%	413.50%	-228.83%	-1402.45%	-1163.80%	93.87%
9	PROPOSED RATE OF RETURN-AS ADJ			5.58%	5.58%	5.58%	5.58%	5.58%	5.58%
10	PROPOSED RETURN ON EQUITY-AS ADJ			8.55%	8.55%	8.55%	8.55%	8.55%	8.55%
*** OTHER REVENUE EXCLUDED ***									
11	COST OF SERVICE REVENUE REQ			\$2,795,402	\$1,797,953	\$689,323	\$252,121	\$30,078	\$25,927
12	EXISTING REVENUE			\$2,536,989	\$1,536,551	\$662,722	\$273,280	\$40,785	\$23,651
13	REVENUE DEFICIENCY			\$258,413	\$261,402	\$26,601	-\$21,159	-\$10,707	\$2,276
14	REQUIRED INCREASE (%)			10.19%	17.01%	4.01%	-7.74%	-26.25%	9.62%
15	EXISTING RATE OF RETURN - UNADJ			0.72%	-1.72%	3.28%	12.42%	10.56%	0.77%
16	EXISTING ROR AS % OF OVERALL ROR-UNADJ.			100.00%	-238.89%	455.56%	1725.00%	1466.67%	106.94%
17	EXISTING RETURN ON EQUITY-UNADJ			-1.63%	-6.74%	3.73%	22.86%	18.97%	-1.53%
18	EXISTING ROE AS % OF OVERALL ROE-UNADJ.			100.00%	413.50%	-228.83%	-1402.45%	-1163.80%	93.87%
19	PROPOSED RATE OF RETURN - UNADJ			5.58%	5.58%	5.58%	5.58%	5.58%	5.58%
20	PROPOSED RETURN ON EQUITY-UNADJ			8.55%	8.55%	8.55%	8.55%	8.55%	8.55%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

NOBLES COOPERATIVE ELECTRIC- SMEC CUSTOMERS
COST OF SERVICE STUDY
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PROPOSED MILLS/KWH		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	STREET LIGHTING	MUNICIPAL PUMPING
1	EXISTING BASE REV	107.83	111.58	105.59	91.71	144.10	109.01
2	FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
3	TOTAL MILLS / KWH	107.83	111.58	105.59	91.71	144.10	109.01
4	PROPOSED BASE REV	118.81	130.56	109.83	84.61	106.27	119.50
5	FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
6	TOTAL MILLS / KWH	118.81	130.56	109.83	84.61	106.27	119.50

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

**PEOPLE'S COOPERATIVE SERVICES
CLASS COST OF SERVICE FOR MPSC COMPLIANCE FILING
SCENARIO 2: SMEC DIRECT ASSIGNMENT**

LINE NO.	CLASS	COSS BASED REVENUE ALLOCATION	EXISTING REVENUE ALLOCATION	DIFFERENCE	PERCENT DIFFERENCE
LEGACY:					
1	RESIDENTIAL RURAL	\$29,715,447	\$27,104,892	\$ 2,610,555	9.63%
2	RESIDENTIAL URBAN	\$520,627	\$509,433	\$ 11,194	2.20%
3	PUBLIC AUTHORITIES	\$46,762	\$48,239	\$ (1,477)	-3.06%
4	SEASONAL	\$22,051	\$20,234	\$ 1,817	8.98%
5	SMALL COMMERCIAL	\$4,504,447	\$5,100,994	\$ (596,547)	-11.69%
6	LARGE COMMERCIAL	\$159,911	\$252,910	\$ (92,999)	-36.77%
7	STREET LIGHTING	\$84,211	\$92,037	\$ (7,826)	-8.50%
8	TOTAL LEGACY	\$35,053,456	\$33,128,738	\$ 1,924,718	5.81%
SMEC					
9	RESIDENTIAL	\$7,070,443	\$6,380,169	\$ 690,274	10.82%
10	SMALL COMMERCIAL	\$1,775,212	\$1,917,404	\$ (142,192)	-7.42%
11	LARGE POWER	\$3,028,499	\$3,425,202	\$ (396,703)	-11.58%
12	LIGHTING	\$57,686	\$107,145	\$ (49,459)	-46.16%
13	MUNICIPAL PUMPING	\$238,544	\$213,287	\$ 25,257	11.84%
14	TOTAL SMEC	\$12,170,384	\$12,043,207	\$127,177	1.06%
15					
16	TOTAL COMPANY	\$47,223,840	\$45,171,945	\$ 2,051,895	4.54%
17	MISC. REVENUES	\$92,741	\$92,741	\$ -	0.00%
18		\$47,316,581	\$45,264,686	\$ 2,051,895	4.53%
CONSOLIDATED					
19	RESIDENTIAL RURAL	\$36,785,890	\$33,485,061	\$ 3,300,829	9.86%
20	RESIDENTIAL URBAN	\$520,627	\$509,433	\$ 11,194	2.20%
21	PUBLIC AUTHORITIES	\$285,306	\$261,526	\$ 23,780	9.09%
22	SEASONAL	\$22,051	\$20,234	\$ 1,817	8.98%
23	SMALL COMMERCIAL	\$6,279,659	\$7,018,397	\$ (738,738)	-10.53%
24	LARGE COMMERCIAL	\$3,188,410	\$3,678,112	\$ (489,702)	-13.31%
25	STREET LIGHTING	\$141,897	\$199,182	\$ (57,285)	-28.76%
26		\$47,223,840	\$45,171,945	\$ 2,051,895	4.54%
27	MISC. REVENUES	\$92,741	\$92,741	\$ -	0.00%
28	TOTAL COMPANY	\$47,316,581	\$45,264,686	\$ 2,051,895	4.53%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

PEOPLE'S COOPERATIVE SERVICES- SMEC CUSTOMERS

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FILESPEC: K:\RATERES\COS\93RESALE\COS1292.WK3

STUDY DATE:		DECEMBER 31, 2016	
RUN DATE AND TIME:	16-Oct-17	08:48 AM	
RETURN ON COMMON EQUITY		8.95%	
OVERALL RATE OF RETURN		5.18%	
CAPITALIZATION:			
	OUTSTANDING	EFFECTIVE RATE	COMPOSITE
DBT	\$90,737,230	3.18%	2.08%
PRF		0.00%	0.00%
CMN	\$48,214,320	8.95%	3.10%
FEDERAL EFFECTIVE INCOME TAX RATE			0.00%
FEDERAL NOMINAL INCOME TAX RATE			0.00%
STATE EFFECTIVE INCOME TAX RATE			0.00%
STATE NOMINAL INCOME TAX RATE			0.00%

NOTATIONS: THIS RUN ALLOCATES ALL PLANT ON AVG OF 12 CP

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

PEOPLE'S COOPERATIVE SERVICES- SMEC CUSTOMERS
COST OF SERVICE STUDY
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*****CUSTOMER DATA*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	NUMBER OF CUSTOMERS	C1A	C1A	6,996	6,154	772	34	18	17
2	PERCENT OF TOTAL	C1A		100.000%	87.976%	11.029%	0.492%	0.261%	0.243%
3	NUMBER OF WEIGHTED CUSTOMERS	C2A	C2A	6,996	6,154	772	34	18	17
4	PERCENT OF TOTAL	C2A		100.000%	87.976%	11.029%	0.492%	0.261%	0.243%
5	NUMBER OF RETAIL DISTR CUSTOMERS	C3A	C3A	6,996	6,154	772	34	18	17
6	PERCENT OF TOTAL	C3A		100.000%	87.976%	11.029%	0.492%	0.261%	0.243%
7	NMBR OF RETAIL WTD CUSTOMERS	C4A	C4A	6,996	6,154	772	34	18	17
8	PERCENT OF TOTAL	C4A		100.000%	87.976%	11.029%	0.492%	0.261%	0.243%
9	LIGHTING DIRECT ALLOCATOR	LDE	LDE	1	0	0	0	1	0
10	PERCENT OF TOTAL	LDE		100.000%	0.000%	0.000%	0.000%	100.000%	0.000%
11	LPS DIRECT ALLOCATOR	DA1	DA1	0	0	0	0	0	0
12	PERCENT OF TOTAL	DA1		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
13	AVERAGE COINCIDENT KW DEMAND	D1A	D1A	21,568	12,034	3,199	5,819	0	517
14	DEMAND ALLOCATION FACTOR-PROD	D1A		100.000%	55.795%	14.831%	26.978%	0.000%	2.396%
15	AVERAGE COINCIDENT KW DEMAND	D1B	D1B	21,568	12,034	3,199	5,819	0	517
16	DEMAND ALLOCATION FACTOR-TRANS	D1B		100.000%	55.795%	14.831%	26.978%	0.000%	2.396%
17	AVG PRIMARY DISTRIB KW DEMAND	D2A	D2A	22,571	12,497	3,346	6,052	159	517
18	DIST-PRI DEMAND ALLOC FACTOR	D2A		100.000%	55.368%	14.826%	26.811%	0.706%	2.289%
19	AVG SECONDARY DISTRIB KW DEMAND	D3A	D3A	22,571	12,497	3,346	6,052	159	517
20	DIST-SEC DEMAND ALLOC FACTOR	D3A		100.000%	55.368%	14.826%	26.811%	0.706%	2.289%
21	AVG SECONDARY DISTRIB KW DEMAND	D4A	D4A	22,571	12,497	3,346	6,052	159	517
22	DIST-SEC DEMAND ALLOC FACTOR	D4A		100.000%	55.368%	14.826%	26.811%	0.706%	2.289%
23	ANNUAL MWH ENERGY CONTRIBUTION	E1A	E1A	118,926,014	56,925,961	19,054,435	39,758,602	697,530	2,489,485
24	ENERGY ALLOCATION FACTOR	E1A		100.000%	47.867%	16.022%	33.431%	0.587%	2.093%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

PEOPLE'S COOPERATIVE SERVICES- SMEC CUSTOMERS
COST OF SERVICE STUDY
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*****CUSTOMER DATA*****
**** CONTINUED ****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
25	RESERVED			0	0	0	0	0	0
26	PERCENT OF TOTAL			0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
27	WAGES/SALARIES: PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
29	DISTRIBUTION	NPD		\$198,897	\$134,584	\$25,901	\$31,099	\$4,495	\$2,818
30	GENERAL	NPG		\$841,037	\$678,712	\$99,342	\$54,182	\$8,801	\$0
31	WAGES/SALARIES: TOTAL	LBR	LBR	\$1,039,934	\$813,296	\$125,243	\$85,281	\$13,296	\$2,818
32	PERCENT OF TOTAL	LBR		100.000%	78.207%	12.043%	8.201%	1.279%	0.271%
33	BULK TRANSMISSION REVENUE	D1A		\$0	\$0	\$0	\$0	\$0	\$0
34	PRIMARY TRANSMISSION REVENUE	D2A		\$0	\$0	\$0	\$0	\$0	\$0
35	TOTAL TRANSMISSION REVENUE	TRN	TRN	\$0	\$0	\$0	\$0	\$0	\$0
36	PERCENT OF TOTAL	TRN		100.000%	100.000%	0.000%	0.000%	0.000%	0.000%
EXISTING REVENUE									
37	EXISTING BASE REV	OTR	OTR	\$12,043,207	\$6,380,169	\$1,917,404	\$3,425,202	\$107,145	\$213,287
38	FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
39	MISCELLANEOUS REVENUE	NPD		\$10,283	\$6,958	\$1,339	\$1,608	\$232	\$146
40	TRANSMISSION REVENUE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
41	NON-FRM SLS FOR RESALE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
42	TOTAL EXISTING REVENUE	EXR	EXR	\$12,053,490	\$6,387,127	\$1,918,743	\$3,426,810	\$107,377	\$213,433
PROPOSED REVENUE									
43	PROPOSED BASE REV			\$12,170,384	\$7,070,443	\$1,775,212	\$3,028,499	\$57,686	\$238,544
44	FUEL REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
45	MISCELLANEOUS REVENUE			\$10,283	\$6,958	\$1,339	\$1,608	\$232	\$146
46	TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
47	NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
48	TOTAL PROPOSED REVENUE	PRV	PRV	\$12,180,667	\$7,077,401	\$1,776,551	\$3,030,107	\$57,918	\$238,690
49	PROPOSED BASE REVENUE INCREASE/(DECREASE)			\$127,177	\$690,274	-\$142,192	-\$396,703	-\$49,459	\$25,257
50	PROPOSED BASE REVENUE INCR/(DECR) - %			1.06%	10.82%	-7.42%	-11.58%	-46.16%	11.84%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

PEOPLE'S COOPERATIVE SERVICES- SMEC CUSTOMERS
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****ELECTRIC GROSS PLANT****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
				-----	-----	-----	-----	-----	-----
1	TOTAL PRODUCTION PLANT	D1A	GPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1A		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1B		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	GPT	GPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$7,074,854	\$3,917,176	\$1,048,935	\$1,896,863	\$49,918	\$161,962
8	SECONDARY DEMAND RELATED	D3A		\$2,385,971	\$1,321,054	\$353,750	\$639,711	\$16,835	\$54,621
9	CUSTOMER RELATED	C4A		\$6,684,980	\$5,881,152	\$737,254	\$32,889	\$17,440	\$16,245
10	SUB-TOTAL DISTR PLANT		SGD	\$16,145,804	\$11,119,381	\$2,139,939	\$2,569,463	\$84,193	\$232,828
11	LIGHTING SPECIFIC	LDE		\$287,226	-\$1	\$0	\$0	\$287,226	\$0
12	TOTAL DISTRIBUTION PLANT	GPD	GPD	\$16,433,030	\$11,119,381	\$2,139,939	\$2,569,463	\$371,419	\$232,828
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$2,114,288	\$1,430,630	\$275,326	\$330,589	\$47,787	\$29,956
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$3,246,565	\$2,856,184	\$358,048	\$15,973	\$8,470	\$7,890
17	TOTAL GENERAL & INTANGIBLE PLANT	GPG	GPG	\$5,360,853	\$4,286,814	\$633,374	\$346,562	\$56,257	\$37,846
18	TOTAL GROSS PLANT IN SERVICE	GPR	GPR	\$21,793,883	\$15,406,195	\$2,773,313	\$2,916,025	\$427,676	\$270,674

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PEOPLE'S COOPERATIVE SERVICES- SMEC CUSTOMERS
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*****ELECTRIC PLANT*****
ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	TOTAL PRODUCTION PLANT	D1A	DPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	DPT	DPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$2,912,603	\$1,612,637	\$431,830	\$780,908	\$20,551	\$66,677
8	SECONDARY DEMAND RELATED	D3A		\$982,266	\$543,856	\$145,633	\$263,359	\$6,931	\$22,487
9	CUSTOMER RELATED	C4A		\$2,752,098	\$2,421,174	\$303,516	\$13,540	\$7,180	\$6,688
10	SUB-TOTAL DISTR PLANT		SDD	\$6,646,967	\$4,577,667	\$880,979	\$1,057,807	\$34,662	\$95,852
11	LIGHTING SPECIFIC		LDE	\$118,246	\$0	\$0	\$0	\$118,246	\$0
12	TOTAL DISTRIBUTION PLANT	DPD	DPD	\$6,765,213	\$4,577,667	\$880,979	\$1,057,807	\$152,908	\$95,852
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$686,840	\$464,749	\$89,442	\$107,394	\$15,524	\$9,731
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$1,041,040	\$915,861	\$114,811	\$5,122	\$2,716	\$2,530
17	TOTAL GENERAL & INTANGIBLE PLANT	DPG	DPG	\$1,727,880	\$1,380,610	\$204,253	\$112,516	\$18,240	\$12,261
18	TOTAL ACCUMULATED DEPRECIATION	DPR	DPR	\$8,493,093	\$5,958,277	\$1,085,232	\$1,170,323	\$171,148	\$108,113

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*****ELECTRIC NET PLANT*****

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	TOTAL PRODUCTION PLANT	D1A	NPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	NPT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$4,162,250	\$2,304,538	\$617,105	\$1,115,955	\$29,367	\$95,285
8	SECONDARY DEMAND RELATED	D3A		\$1,403,705	\$777,198	\$208,117	\$376,352	\$9,904	\$32,134
9	CUSTOMER RELATED	C4A		\$3,932,882	\$3,459,978	\$433,738	\$19,349	\$10,260	\$9,557
10	SUB-TOTAL DISTR PLANT		SPD	\$9,498,837	\$6,541,714	\$1,258,960	\$1,511,656	\$49,531	\$136,976
11	LIGHTING SPECIFIC		LDE	\$168,980	-\$1	\$0	\$0	\$168,980	\$0
12	TOTAL DISTRIBUTION PLANT	NPD	NPD	\$9,667,817	\$6,541,714	\$1,258,960	\$1,511,656	\$218,511	\$136,976
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED		NPP	\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED		NPT	\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED		NPD	\$1,427,448	\$965,881	\$185,884	\$223,195	\$32,263	\$20,225
16	CUST ACCT/SERV & INFO/ SALES RELATED		C2A	\$2,205,525	\$1,940,323	\$243,237	\$10,851	\$5,754	\$5,360
17	TOTAL GENERAL & INTANGIBLE PLANT	NPG	NPG	\$3,632,973	\$2,906,204	\$429,121	\$234,046	\$38,017	\$25,585
18	TOTAL NET PLANT IN SERVICE	NPR	NPR	\$13,300,790	\$9,447,918	\$1,688,081	\$1,745,702	\$256,528	\$162,561

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***** RATE BASE *****

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
				-----	-----	-----	-----	-----	-----
1	NET PLANT IN SERVICE	NPR	NPR	\$13,300,790	\$9,447,918	\$1,688,081	\$1,745,702	\$256,528	\$162,561
CONSTRUCTION WORK IN PROGRESS									
2	PRODUCTION PLANT	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION PLANT	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION PLANT	NPD		\$230,174	\$155,747	\$29,974	\$35,990	\$5,202	\$3,261
5	GENERAL PLANT	NPG		\$0	\$0	\$0	\$0	\$0	\$0
				-----	-----	-----	-----	-----	-----
6	TOAL CWIP	CWP	CWP	\$230,174	\$155,747	\$29,974	\$35,990	\$5,202	\$3,261
7	NET ACQUISITION ADJUSTMENT	D2A	ACQ	\$7,121,112	\$3,942,787	\$1,055,794	\$1,909,265	\$50,245	\$163,021
8	PLANT HELD FOR FUTURE USE	E1A	PLH	\$0	\$0	\$0	\$0	\$0	\$0
MISC DEFERRED DEBITS									
9	PROD RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
10	TRAN RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
11	DIST RELATED	NPD		\$39,408	\$26,665	\$5,132	\$6,162	\$891	\$558
12	GENR RELATED	NPG		\$0	\$0	\$0	\$0	\$0	\$0
13	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
14	NPR RELATED	NPR		\$124,887	\$88,711	\$15,850	\$16,391	\$2,409	\$1,526
				-----	-----	-----	-----	-----	-----
15	TOTAL MISC DEFRD DEBITS			\$164,295	\$115,376	\$20,982	\$22,553	\$3,300	\$2,084
WORKING CAPITAL									
16	CASH WORK CAP,FUNDS,MAT&SUP	NPR	MAS	\$240,568	\$170,882	\$30,532	\$31,574	\$4,640	\$2,940
17	FUEL STOCK	E1A	FUL	\$0	\$0	\$0	\$0	\$0	\$0
18	PREPAID LIGNITE ROYALTIES	E1A		\$0	\$0	\$0	\$0	\$0	\$0
19	OTHER PREPAYMENTS	NPR		\$136,530	\$96,981	\$17,328	\$17,919	\$2,633	\$1,669
				-----	-----	-----	-----	-----	-----
20	TOTAL WORKING CAPITAL			\$377,098	\$267,863	\$47,860	\$49,493	\$7,273	\$4,609
21	UNAMORTIZED LOSS ON REACQD LTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
22	DEFERRED FUEL	E1A	DEF	\$0	\$0	\$0	\$0	\$0	\$0

(RATE BASE CONTINUED ON NEXT PAGE)

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***** RATE BASE*****
** CONTINUED **

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
23	ACCUMULATED DEFERRED INCOME TAX ACCT 281: POL CON	NPP		\$0	\$0	\$0	\$0	\$0	\$0
24	ACCT 282: LIBERAL DEP - PROD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
25	TRAN	NPT		\$0	\$0	\$0	\$0	\$0	\$0
26	DIST	NPD		\$0	\$0	\$0	\$0	\$0	\$0
27	GENR	NPG		\$0	\$0	\$0	\$0	\$0	\$0
28	LIGNITE EXPLORATN	E1A		\$0	\$0	\$0	\$0	\$0	\$0
29	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
30	TOTAL ACCOUNT 282			\$0	\$0	\$0	\$0	\$0	\$0
31	ACCT 283: THIS LINE RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
32	LONG TERM DEBT LOSS	NPR		\$0	\$0	\$0	\$0	\$0	\$0
33	TOTAL ACCOUNT 283			\$0	\$0	\$0	\$0	\$0	\$0
34	ACCOUNT 190: PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
35	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
36	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
37	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
38	FERC REFUND	TRN		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL ACCOUNT 190			\$0	\$0	\$0	\$0	\$0	\$0
40	TOTAL ACCUM DEFERD INC TAX	ACC	ACC	\$0	\$0	\$0	\$0	\$0	\$0
41	INVESTMENT TAX CREDIT PRE '71	NPR	PIC	\$0	\$0	\$0	\$0	\$0	\$0
42	CUSTOMER ADVANCES AND DEPOSITS	C3A	CAD	-\$109,003	-\$95,897	-\$12,021	-\$536	-\$284	-\$265
43	STORM DAMAGE & INJ & DAM RESRVS	D2A	SDR	\$0	\$0	\$0	\$0	\$0	\$0
44	PNSN & MIS OP RSRVS, OTR DEF CR	OMA	PEN	-\$206,576	-\$161,556	-\$24,879	-\$16,940	-\$2,641	-\$560
45	TRANSMISSION RATE REFUND RESERVE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
46	TOTAL RATE BASE	RBT	RBT	\$20,877,890	\$13,672,238	\$2,805,791	\$3,745,527	\$319,623	\$334,711

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

PEOPLE'S COOPERATIVE SERVICES- SMEC CUSTOMERS
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*****OPER AND MTN EXPENSES*****

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
	PRODUCTION O&M EXPENSE								
1	FUEL EXPENSE - ACCT 501	E1A		\$0	\$0	\$0	\$0	\$0	\$0
	PURCHASED POWER - ACCT 555			[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
2	DEMAND - OTHER	D1A							
3	ENERGY - OTHER	E1A							
4	NET OFF SYSTEM REVENUE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
	OTHER PRODUCTION O&M ACCTS								
5	DEMAND - OTHER	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	ENERGY - OTHER	E1A		\$0	\$0	\$0	\$0	\$0	\$0
7	TOTAL OTHER PRODUCTION O&M	PRO	PRO	\$0	\$0	\$0	\$0	\$0	\$0
8	TOTAL PRODUCTION O&M EXPENSE	OMP	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
9	TOTAL TRANSMISSION O&M EXPENSE	NPT	OMT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION O&M EXPENSE								
10	LIGHTING SPECIFIC	LDE		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
11	ALL OTHER	SPD		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
12	TOTAL DISTRIBUTION O&M EXPENSE	OMD	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
13	TOTAL CUST ACCT/SERV & INFO/ SALES EXPENSE	C2A	OMC	\$612,452	\$538,809	\$67,544	\$3,013	\$1,598	\$1,488
	ADMINISTRATIVE & GENERAL EXPENSE								
14	PROP INSURANCE/INJ & DAMG	NPR		\$0	\$0	\$0	\$0	\$0	\$0
15	CUST ACCT/SERV&INFO/SALES REL	LBR		\$486,344	\$380,353	\$58,572	\$39,883	\$6,218	\$1,318
16	TOTAL ADMIN & GENERAL EXPENSE	OMA	OMA	\$486,344	\$380,353	\$58,572	\$39,883	\$6,218	\$1,318
17	TOTAL OPER & MTN EXPENSES	OMX	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

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PEOPLE'S COOPERATIVE SERVICES- SMEC CUSTOMERS
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EXPENSES OTHER THAN INCOME TAXES

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	TOTAL OPER & MTN EXPENSES		OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
	DEPRECIATION & AMORTIZATION EXPENSES								
2	PRODUCTION		NPP	\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION		NPT	\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION		NPD	\$443,816	\$300,308	\$57,794	\$69,395	\$10,031	\$6,288
5	GENERAL		NPG	\$24,945	\$19,955	\$2,946	\$1,607	\$261	\$176
6	TOTAL DEPR & AMORT EXPEN		DEP DEP	\$468,761	\$320,263	\$60,740	\$71,002	\$10,292	\$6,464
7	INTEREST ON CUSTOMER DEPOSITS		C3A ICD	\$0	\$0	\$0	\$0	\$0	\$0
	GENERAL TAXES								
8	AD VALOREM		NPR VAL	\$0	\$0	\$0	\$0	\$0	\$0
9	CORP FRANCHISE TAX		NPR SFT	\$0	\$0	\$0	\$0	\$0	\$0
10	MISCELLANEOUS GENERAL TAXES		LBR MIS	\$0	\$0	\$0	\$0	\$0	\$0
11	REVENUE-RELATED (AS PROPOSED)		RTX	\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL GENERAL TAXES		GTX GTX	\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL EXPENSES EXCEPT INCOME TAX		EXP EXP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

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INCOME TAX FOR 8.95% ROE

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING	
		ALL	OUT							
1	RATE BASE		RBT	\$20,877,890	\$13,672,238	\$2,805,791	\$3,745,527	\$319,623	\$334,711	
2	RETURN AT 5.18%		RBT RET	\$1,082,094	\$708,628	\$145,423	\$194,129	\$16,566	\$17,348	
3	INTEREST (2.08% OF LINE 1)		RBT INT	-\$433,909	-\$284,153	-\$58,313	-\$77,844	-\$6,643	-\$6,956	
4	A F U D C		NPR AFD	\$0	\$0	\$0	\$0	\$0	\$0	
	PROVISION FOR DEFERRED TAXES									
5	ACT 410.1: PROD RLTD		NPP	\$0	\$0	\$0	\$0	\$0	\$0	
6	TRAN RLTD		NPT	\$0	\$0	\$0	\$0	\$0	\$0	
7	PLANT RLTD		NPR	\$0	\$0	\$0	\$0	\$0	\$0	
8	ENERGY RLTD		E1A	\$0	\$0	\$0	\$0	\$0	\$0	
9	LABOR RLTD		LBR	\$0	\$0	\$0	\$0	\$0	\$0	
10	CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0	
11	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0	
12	TOTAL 410.1			\$0	\$0	\$0	\$0	\$0	\$0	
13	ACT 411.1: PROD RLTD		NPP	\$0	\$0	\$0	\$0	\$0	\$0	
14	TRAN RLTD		NPT	\$0	\$0	\$0	\$0	\$0	\$0	
15	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0	
16	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0	
17	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0	
18	CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0	
19	TOTAL 411.1			\$0	\$0	\$0	\$0	\$0	\$0	
20	NET PROVISION FOR DEFERD INC TAX		PDT	\$0	\$0	\$0	\$0	\$0	\$0	
21	ITC AMORT		NPR ITA	\$0	\$0	\$0	\$0	\$0	\$0	
22	ADJUSTED RETURN		ART ART	\$648,185	\$424,475	\$87,110	\$116,285	\$9,923	\$10,392	
	FED ADD INC & UNALLOW DEDUCTS									
23	PRODUCTION RELATED		NPP	\$0	\$0	\$0	\$0	\$0	\$0	
24	DISTRIBUTION RELATED		NPD	\$0	\$0	\$0	\$0	\$0	\$0	
25	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0	
26	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0	
27	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0	
28	TRANSMISSION REV RELATED		TRN	\$0	\$0	\$0	\$0	\$0	\$0	
29	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0	
30	DISTRIBUTION CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0	
31	TOTAL ADDITIONS		FTA FTA	\$0	\$0	\$0	\$0	\$0	\$0	

(INCOME TAX CALCULATION CONTINUED ON NEXT PAGE)

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INCOME TAX FOR 8.95% ROE
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LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
FED DEDUCTS AND NON-TAX INCOME									
32	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
33	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
34	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
35	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
36	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
37	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0
38	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL DEDUCTIONS	FTD	FTD	\$0	\$0	\$0	\$0	\$0	\$0
40	NET FEDERAL DEDUCTIONS	NFD	NFD	\$0	\$0	\$0	\$0	\$0	\$0
41	ST ADD INC & UNALLOW DEDUCTS	FTA		\$0	\$0	\$0	\$0	\$0	\$0
42	ST DEDUCTS AND NON-TAX INCOME	FTD		\$0	\$0	\$0	\$0	\$0	\$0
43	NET STATE DEDUCTIONS	NSD	NSD	\$0	\$0	\$0	\$0	\$0	\$0
44	PROV FOR DEF'D ITC - CURRENT	NPR	ITC	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL TAXABLE INCOME									
45	ADJ RET * 1/(1-0.0000-0.0000)	ART	TART	\$648,185	\$424,475	\$87,110	\$116,285	\$9,923	\$10,392
46	NET FED DED * 1/(1-0.0000)	NFD		\$0	\$0	\$0	\$0	\$0	\$0
47	NET ST DED * (1/(1-0.0000))-1	NSD		\$0	\$0	\$0	\$0	\$0	\$0
48	CURRENT ITC * (1/1-0.00))-1	ITC		\$0	\$0	\$0	\$0	\$0	\$0
49	TOTAL FEDERAL TAXABLE INCOME	FTI	FTI	\$648,185	\$424,475	\$87,110	\$116,285	\$9,923	\$10,392
50	PLUS: NET FED DEDUCTS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
51	LESS: NET STATE DEDUCTS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
52	TOTAL STATE TAXABLE INCOME	STI	STI	\$648,185	\$424,475	\$87,110	\$116,285	\$9,923	\$10,392
FED & ST INCOME TAXES:									
53	FED TAXABLE INC * 0.0000	FTI		\$0	\$0	\$0	\$0	\$0	\$0
54	ST. TAXABLE INC * 0.0000	STI		\$0	\$0	\$0	\$0	\$0	\$0
55	LESS: CRNT ITC * (1-0.0000)	ITC		\$0	\$0	\$0	\$0	\$0	\$0
56	TOTAL FED & ST INCOME TAXES	FST	FST	\$0	\$0	\$0	\$0	\$0	\$0
57	INVESTMENT TAX CREDIT - NET	NPR	ITN	\$0	\$0	\$0	\$0	\$0	\$0

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

PEOPLE'S COOPERATIVE SERVICES- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

*****COST OF SERVICE*****
** (PROPOSED) **

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	RATE BASE		RBT	\$20,877,890	\$13,672,238	\$2,805,791	\$3,745,527	\$319,623	\$334,711
2	RETURN AT 5.18%		RET	\$1,082,094	\$708,628	\$145,423	\$194,129	\$16,566	\$17,348
3	OPERATION & MAINTENANCE EXPENSES		OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
4	DEPRECIATION & AMORT EXPENSES		DEP	\$468,761	\$320,263	\$60,740	\$71,002	\$10,292	\$6,464
5	INTEREST ON CUSTOMER DEPOSITS		ICD	\$0	\$0	\$0	\$0	\$0	\$0
6	GENERAL TAXES		GTX	\$0	\$0	\$0	\$0	\$0	\$0
7	FEDERAL AND STATE INCOME TAX		FST	\$0	\$0	\$0	\$0	\$0	\$0
8	PROVISION FOR DEFERRED TAXES		PDT	\$0	\$0	\$0	\$0	\$0	\$0
9	INVESTMENT TAX CREDIT - NET		ITN	\$0	\$0	\$0	\$0	\$0	\$0
10	A F U D C		AFD	\$0	\$0	\$0	\$0	\$0	\$0
11	COST OF SERVICE REVENUE REQUIREMENT BEFORE ATTRITION ADJUSTMENT		CSR CSR	\$12,180,667	\$7,077,401	\$1,776,551	\$3,030,107	\$57,918	\$238,690
12	LESS: FUEL REVENUE		FUL	\$0	\$0	\$0	\$0	\$0	\$0
13	BASE COST OF SERVICE REVENUE REQUIREMENT		BRR BRR	\$12,180,667	\$7,077,401	\$1,776,551	\$3,030,107	\$57,918	\$238,690
14	ATTRITION ADJUSTMENT		BRR	\$0	\$0	\$0	\$0	\$0	\$0
15	BASE COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT		ARR ARR	\$12,180,667	\$7,077,401	\$1,776,551	\$3,030,107	\$57,918	\$238,690
16	PLUS: FUEL REVENUE		FUL	\$0	\$0	\$0	\$0	\$0	\$0
17	COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT			\$12,180,667	\$7,077,401	\$1,776,551	\$3,030,107	\$57,918	\$238,690
18	LESS: MISCELLANEOUS REVENUE			-\$10,283	-\$6,958	-\$1,339	-\$1,608	-\$232	-\$146
19	LESS: BULK TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
20	LESS: PRIMARY TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
21	LESS: NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
22	NET ELECTRIC REVENUE REQUIREMENT			\$12,170,384	\$7,070,443	\$1,775,212	\$3,028,499	\$57,686	\$238,544

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

PEOPLE'S COOPERATIVE SERVICES- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

EXISTING RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	EXISTING REVENUE	EXR	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
	REVENUE DEDUCTIONS:		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
2	O&M EXPENSES	OMX						
3	DEPRECIATION & AMORT EXPENSES	DEP	-\$468,761	-\$320,263	-\$60,740	-\$71,002	-\$10,292	-\$6,464
4	AD VALOREM TAXES	VAL	\$0	\$0	\$0	\$0	\$0	\$0
5	CORP FRANCHISE TAX	SFT	\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS	\$0	\$0	\$0	\$0	\$0	\$0
7	REVENUE-RELATED TAXES	RTX	\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
10	NET FOR RETURN AND INCOME TAXES	NET NET	\$954,917	\$18,354	\$287,615	\$590,832	\$66,025	-\$7,909
11	LESS: INTEREST EXPENSE	INT	-\$433,909	-\$284,153	-\$58,313	-\$77,844	-\$6,643	-\$6,956
12	LESS: NET FEDERAL DEDUCTIONS	NFD	\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME		\$521,008	-\$265,799	\$229,302	\$512,988	\$59,382	-\$14,865
14	PLUS: NET FEDERAL DEDUCTIONS	NFD	\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD	\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME		\$521,008	-\$265,799	\$229,302	\$512,988	\$59,382	-\$14,865
	FED AND ST INCOME TAXES							
17	FED TAXABLE INC * 0.0000		\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000		\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)		\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES		\$0	\$0	\$0	\$0	\$0	\$0
	*****RETURN COMPUTATION*****							
21	NET FOR RETURN AND INCOME TAXES	NET	\$954,917	\$18,354	\$287,615	\$590,832	\$66,025	-\$7,909
22	FED & ST INCOME TAXES		\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN		\$954,917	\$18,354	\$287,615	\$590,832	\$66,025	-\$7,909
27	RATE BASE	RBT	\$20,877,890	\$13,672,238	\$2,805,791	\$3,745,527	\$319,623	\$334,711
28	RETURN ON RATE BASE	ROR	4.57%	0.13%	10.25%	15.77%	20.66%	-2.36%
29	NON-EQUITY PORTION OF RETURN	DA3	-2.08%	-2.08%	-2.08%	-2.08%	-2.08%	-2.08%
30	EQUITY PORTION OF EXISTING RETRN	DA3	2.49%	-1.95%	8.17%	13.69%	18.58%	-4.44%
31	EXISTING RETURN ON EQUITY	DA3 ROE	7.18%	-5.61%	23.55%	39.46%	53.55%	-12.79%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

PEOPLE'S COOPERATIVE SERVICES- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

PROPOSED RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	PROPOSED REVENUE	PRV	\$12,180,667	\$7,077,401	\$1,776,551	\$3,030,107	\$57,918	\$238,690
	REVENUE DEDUCTIONS:		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
2	O&M EXPENSES	OMX						
3	DEPRECIATION & AMORT EXPENSES	DEP	-\$468,761	-\$320,263	-\$60,740	-\$71,002	-\$10,292	-\$6,464
4	AD VALOREM TAXES	VAL	\$0	\$0	\$0	\$0	\$0	\$0
5	CORP FRANCHISE TAX	SFT	\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS	\$0	\$0	\$0	\$0	\$0	\$0
7	REVENUE-RELATED TAXES	RTX	\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
10	NET FOR RETURN AND INCOME TAXES	NET NET	\$1,082,094	\$708,628	\$145,423	\$194,129	\$16,566	\$17,348
11	LESS: INTEREST EXPENSE	INT	-\$433,909	-\$284,153	-\$58,313	-\$77,844	-\$6,643	-\$6,956
12	LESS: NET FEDERAL DEDUCTIONS	NFD	\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME		\$648,185	\$424,475	\$87,110	\$116,285	\$9,923	\$10,392
14	PLUS: NET FEDERAL DEDUCTIONS	NFD	\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD	\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME		\$648,185	\$424,475	\$87,110	\$116,285	\$9,923	\$10,392
	FED AND ST INCOME TAXES							
17	FED TAXABLE INC * 0.0000		\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000		\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)		\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES		\$0	\$0	\$0	\$0	\$0	\$0
	*****RETURN COMPUTATION*****							
21	NET FOR RETURN AND INCOME TAXES	NET	\$1,082,094	\$708,628	\$145,423	\$194,129	\$16,566	\$17,348
22	FED & ST INCOME TAXES		\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN		\$1,082,094	\$708,628	\$145,423	\$194,129	\$16,566	\$17,348
27	RATE BASE	RBT	\$20,877,890	\$13,672,238	\$2,805,791	\$3,745,527	\$319,623	\$334,711
28	RETURN ON RATE BASE	ROR	5.18%	5.18%	5.18%	5.18%	5.18%	5.18%
29	NON-EQUITY PORTION OF RETURN	DA3	-2.08%	-2.08%	-2.08%	-2.08%	-2.08%	-2.08%
30	EQUITY PORTION OF EXISTING RETRN	DA3	3.10%	3.10%	3.10%	3.10%	3.10%	3.10%
31	PROPOSED RETURN ON EQUITY	DA3 ROE	8.95%	8.95%	8.95%	8.95%	8.95%	8.95%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

PEOPLE'S COOPERATIVE SERVICES- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

COST OF SERVICE SUMMARY

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
NET PLANT IN SERVICE:								
1	PRODUCTION PLANT	NPP	\$0	\$0	\$0	\$0	\$0	\$0
2	TRANSMISSION PLANT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
3	DISTRIBUTION PLANT	NPD	\$9,667,817	\$6,541,714	\$1,258,960	\$1,511,656	\$218,511	\$136,976
4	GENERAL PLANT	NPG	\$3,632,973	\$2,906,204	\$429,121	\$234,046	\$38,017	\$25,585
5	TOTAL NET ELECTRIC PLANT	NPR	\$13,300,790	\$9,447,918	\$1,688,081	\$1,745,702	\$256,528	\$162,561
6	CONST. WORK IN PROGRESS	CWP	\$230,174	\$155,747	\$29,974	\$35,990	\$5,202	\$3,261
7	ACQUISITION ADJUSTMENT	ACQ	\$7,121,112	\$3,942,787	\$1,055,794	\$1,909,265	\$50,245	\$163,021
8	PLANT HELD FOR FUTURE USE	PLH	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL MISC DEFERD DEBITS		\$164,295	\$115,376	\$20,982	\$22,553	\$3,300	\$2,084
WORKING CAPITAL:								
10	CASH WORK CAP,FUNDS,MAT&SUP	MAS	\$240,568	\$170,882	\$30,532	\$31,574	\$4,640	\$2,940
11	FUEL STOCK	FUL	\$0	\$0	\$0	\$0	\$0	\$0
12	PREPAID LIGNITE ROYALTIES	E1A	\$0	\$0	\$0	\$0	\$0	\$0
13	OTHER PREPAYMENTS	NPR	\$136,530	\$96,981	\$17,328	\$17,919	\$2,633	\$1,669
14	UNAMORTIZED LOSS ON REACQD LTD	NPR	\$0	\$0	\$0	\$0	\$0	\$0
15	DEFERRED FUEL	DEF	\$0	\$0	\$0	\$0	\$0	\$0
16	ACCUMULATED DEFERRED INCOME TAX	ACC	\$0	\$0	\$0	\$0	\$0	\$0
17	PRE-1971 INVESTMENT TAX CREDIT	PIC	\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER ADVANCES AND DEPOSITS	CAD	-\$109,003	-\$95,897	-\$12,021	-\$536	-\$284	-\$265
19	STORM DAMAGE/INJ & DAM RESRVS	SDR	\$0	\$0	\$0	\$0	\$0	\$0
20	PNSN & MIS OP RSRVS, OTR DEF CRS	PEN	-\$206,576	-\$161,556	-\$24,879	-\$16,940	-\$2,641	-\$560
21	TRANSMISSION RATE REFUND RESERVE	TRN	\$0	\$0	\$0	\$0	\$0	\$0
22	AVERAGE ORIGINAL COST RATE BASE	RBT	\$20,877,890	\$13,672,238	\$2,805,791	\$3,745,527	\$319,623	\$334,711
23	RETURN AT 5.18%	RET	\$1,082,094	\$708,628	\$145,423	\$194,129	\$16,566	\$17,348
OPERATION & MAINTENANCE EXPENSES								
24	PRODUCTION O&M	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
25	TRANSMISSION O&M	OMT	\$0	\$0	\$0	\$0	\$0	\$0
26	DISTRIBUTION O&M	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
27	CUST ACCT/SERV/SALES	OMC	\$612,452	\$538,809	\$67,544	\$3,013	\$1,598	\$1,488
28	ADMINISTRATIVE & GENERAL	OMA	\$486,344	\$380,353	\$58,572	\$39,883	\$6,218	\$1,318
29	TOTAL OPER & MAIN EXPENSES	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
30	DEPRECIATION & AMORT EXPENSES	DEP	\$468,761	\$320,263	\$60,740	\$71,002	\$10,292	\$6,464
31	INTEREST ON CUSTOMER DEPOSITS	ICD	\$0	\$0	\$0	\$0	\$0	\$0
32	GENERAL TAXES	GTX	\$0	\$0	\$0	\$0	\$0	\$0
33	FED & ST INCOME TAX	FST	\$0	\$0	\$0	\$0	\$0	\$0
34	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	\$0
35	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	\$0
36	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	\$0
37	COST OF SERVICE REVENUE REQ	CSR	\$12,180,667	\$7,077,401	\$1,776,551	\$3,030,107	\$57,918	\$238,690

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

PEOPLE'S COOPERATIVE SERVICES- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

COST OF SERVICE COMPARISON

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
*** OTHER REVENUE INCLUDED ***									
1	COST OFF SERVICE REVENUE REQ			\$12,180,667	\$7,077,401	\$1,776,551	\$3,030,107	\$57,918	\$238,690
2	EXISTING REVENUE			\$12,053,490	\$6,387,127	\$1,918,743	\$3,426,810	\$107,377	\$213,433
3	REVENUE DEFICIENCY			\$127,177	\$690,274	-\$142,192	-\$396,703	-\$49,459	\$25,257
4	REQUIRED INCREASE (%)			1.06%	10.81%	-7.41%	-11.58%	-46.06%	11.83%
5	EXISTING RATE OF RETURN-AS ADJ.			4.57%	0.13%	10.25%	15.77%	20.66%	-2.36%
6	EXISTING ROR AS % OF OVERALL ROR-AS ADJ.			100.00%	2.84%	224.29%	345.08%	452.08%	-51.64%
7	EXISTING RETURN ON EQUITY-AS ADJ.			7.18%	-5.61%	23.55%	39.46%	53.55%	-12.79%
8	EXISTING ROE AS % OF OVERALL ROE-AS ADJ.			100.00%	-78.13%	327.99%	549.58%	745.82%	-178.13%
9	PROPOSED RATE OF RETURN-AS ADJ			5.18%	5.18%	5.18%	5.18%	5.18%	5.18%
10	PROPOSED RETURN ON EQUITY-AS ADJ			8.95%	8.95%	8.95%	8.95%	8.95%	8.95%
*** OTHER REVENUE EXCLUDED ***									
11	COST OF SERVICE REVENUE REQ			\$12,170,384	\$7,070,443	\$1,775,212	\$3,028,499	\$57,686	\$238,544
12	EXISTING REVENUE			\$12,043,207	\$6,380,169	\$1,917,404	\$3,425,202	\$107,145	\$213,287
13	REVENUE DEFICIENCY			\$127,177	\$690,274	-\$142,192	-\$396,703	-\$49,459	\$25,257
14	REQUIRED INCREASE (%)			1.06%	10.82%	-7.42%	-11.58%	-46.16%	11.84%
15	EXISTING RATE OF RETURN - UNADJ			4.57%	0.13%	10.25%	15.77%	20.66%	-2.36%
16	EXISTING ROR AS % OF OVERALL ROR-UNADJ.			100.00%	2.84%	224.29%	345.08%	452.08%	-51.64%
17	EXISTING RETURN ON EQUITY-UNADJ			7.18%	-5.61%	23.55%	39.46%	53.55%	-12.79%
18	EXISTING ROE AS % OF OVERALL ROE-UNADJ.			100.00%	-78.13%	327.99%	549.58%	745.82%	-178.13%
19	PROPOSED RATE OF RETURN - UNADJ			5.18%	5.18%	5.18%	5.18%	5.18%	5.18%
20	PROPOSED RETURN ON EQUITY-UNADJ			8.95%	8.95%	8.95%	8.95%	8.95%	8.95%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

PEOPLE'S COOPERATIVE SERVICES- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

PROPOSED MILLS/KWH *****	TOTAL SMEC -----	RESIDENTIAL -----	SMALL COMMERCIAL -----	LARGE POWER -----	LIGHTING -----	MUNICIPAL PUMPING -----
1 EXISTING BASE REV	101.27	112.08	100.63	86.15	153.61	85.68
2 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----	-----
3 TOTAL MILLS / KWH	101.27	112.08	100.63	86.15	153.61	85.68
	=====	=====	=====	=====	=====	=====
4 PROPOSED BASE REV	102.34	124.20	93.17	76.17	82.70	95.82
5 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----	-----
6 TOTAL MILLS / KWH	102.34	124.20	93.17	76.17	82.70	95.82
	=====	=====	=====	=====	=====	=====

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

REDWOOD ELECTRIC COOPERATIVE
 CLASS COST OF SERVICE FOR MPSC COMPLIANCE FILING
 SCENARIO 2: SMEC DIRECT ASSIGNMENT

LINE NO.	CLASS	COSS BASED REVENUE ALLOCATION	EXISTING REVENUE ALLOCATION	DIFFERENCE	PERCENT DIFFERENCE
LEGACY:					
1	G/S RURAL	\$5,705,263	\$5,040,919	\$ 664,344	13.18%
2	G/S CITY	\$415,051	\$368,722	\$ 46,329	12.56%
3	G/S <= 300 KVA MULTI PHASE	\$473,595	\$693,986	\$ (220,391)	-31.76%
4	SMALL COMMERCIAL	\$413,915	\$501,584	\$ (87,669)	-17.48%
5	G/S > 300 KVA MULTI PHASE	\$186,224	\$256,962	\$ (70,738)	-27.53%
6	ETHANOL PLANT	\$3,204,205	\$3,429,411	\$ (225,206)	-6.57%
7	TOTAL LEGACY	\$10,398,253	\$10,291,584	\$ 106,669	1.04%
SMEC					
8	RESIDENTIAL	\$2,335,678	\$1,679,321	\$ 656,357	39.08%
9	SMALL COMMERCIAL	\$1,142,122	\$1,045,542	\$ 96,580	9.24%
10	LARGE POWER	\$656,350	\$764,466	\$ (108,116)	-14.14%
11	LIGHTING	\$24,489	\$54,601	\$ (30,112)	-55.15%
12	MUNICIPAL PUMPING	\$68,984	\$48,766	\$ 20,218	41.46%
13	TOTAL SMEC	\$4,227,623	\$3,592,696	\$634,927	17.67%
14					
15	TOTAL COMPANY	\$14,625,876	\$13,884,280	\$ 741,596	5.34%
16	MISC. REVENUES	\$28,859	\$28,859	\$ -	0.00%
17		\$14,654,735	\$13,913,139	\$ 741,596	5.33%
CONSOLIDATED					
18	RESIDENTIAL	\$2,335,678	\$1,679,321	\$ 656,357	39.08%
19	G/S RURAL	\$5,705,263	\$5,040,919	\$ 664,344	13.18%
20	G/S CITY	\$415,051	\$368,722	\$ 46,329	12.56%
21	G/S <= 300 KVA MULTI PHASE	\$473,595	\$693,986	\$ (220,391)	-31.76%
22	SMALL COMMERCIAL	\$413,915	\$501,584	\$ (87,669)	-17.48%
23	G/S > 300 KVA MULTI PHASE	\$186,224	\$256,962	\$ (70,738)	-27.53%
24	ETHANOL PLANT	\$3,204,205	\$3,429,411	\$ (225,206)	-6.57%
25	LARGE POWER	\$656,350	\$764,466	\$ (108,116)	-14.14%
26	LIGHTING	\$24,489	\$54,601	\$ (30,112)	-55.15%
27	MUNICIPAL PUMPING	\$68,984	\$48,766	\$ 20,218	41.46%
28		\$14,625,874	\$13,884,280	\$ 741,594	5.34%
29	MISC. REVENUES	\$28,859	\$28,859	\$ -	0.00%
30	TOTAL COMPANY	\$14,654,733	\$13,913,139	\$741,594	5.33%

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REDWOOD ELECTRIC COOPERATIVE- SMEC CUSTOMERS

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FILESPEC: K:\RATERES\COS\93RESALE\COS1292.WK3

STUDY DATE:		DECEMBER 31, 2016	
RUN DATE AND TIME:	18-Oct-17	12:14 PM	
RETURN ON COMMON EQUITY		8.24%	
OVERALL RATE OF RETURN		5.35%	
CAPITALIZATION:			
	OUTSTANDING	EFFECTIVE RATE	COMPOSITE
DBT	\$18,357,569	3.33%	1.96%
PRF		0.00%	0.00%
CMN	\$12,767,669	8.24%	3.38%
FEDERAL EFFECTIVE INCOME TAX RATE			0.00%
FEDERAL NOMINAL INCOME TAX RATE			0.00%
STATE EFFECTIVE INCOME TAX RATE			0.00%
STATE NOMINAL INCOME TAX RATE			0.00%

NOTATIONS: THIS RUN ALLOCATES ALL PLANT ON AVG OF 12 CP

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REDWOOD ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
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*****CUSTOMER DATA*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	NUMBER OF CUSTOMERS	C1A	C1A	1,981	1,549	386	12	13	21
2	PERCENT OF TOTAL	C1A		100.000%	78.193%	19.485%	0.606%	0.656%	1.060%
3	NUMBER OF WEIGHTED CUSTOMERS	C2A	C2A	1,981	1,549	386	12	13	21
4	PERCENT OF TOTAL	C2A		100.000%	78.193%	19.485%	0.606%	0.656%	1.060%
5	NUMBER OF RETAIL DISTR CUSTOMERS	C3A	C3A	1,981	1,549	386	12	13	21
6	PERCENT OF TOTAL	C3A		100.000%	78.193%	19.485%	0.606%	0.656%	1.060%
7	NMBR OF RETAIL WTD CUSTOMERS	C4A	C4A	1,981	1,549	386	12	13	21
8	PERCENT OF TOTAL	C4A		100.000%	78.193%	19.485%	0.606%	0.656%	1.060%
9	LIGHTING DIRECT ALLOCATOR	LDE	LDE	0	0	0	0	0	0
10	PERCENT OF TOTAL	LDE		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
11	LPS DIRECT ALLOCATOR	DA1	DA1	0	0	0	0	0	0
12	PERCENT OF TOTAL	DA1		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
13	AVERAGE COINCIDENT KW DEMAND	D1A	D1A	6,500	3,365	1,857	1,159	0	120
14	DEMAND ALLOCATION FACTOR-PROD	D1A		100.000%	51.764%	28.561%	17.832%	0.000%	1.843%
15	AVERAGE COINCIDENT KW DEMAND	D1B	D1B	6,500	3,365	1,857	1,159	0	120
16	DEMAND ALLOCATION FACTOR-TRANS	D1B		100.000%	51.764%	28.561%	17.832%	0.000%	1.843%
17	AVG PRIMARY DISTRIB KW DEMAND	D2A	D2A	6,822	3,494	1,916	1,206	83	124
18	DIST-PRI DEMAND ALLOC FACTOR	D2A		100.000%	51.219%	28.077%	17.670%	1.211%	1.822%
19	AVG SECONDARY DISTRIB KW DEMAND	D3A	D3A	6,822	3,494	1,916	1,206	83	124
20	DIST-SEC DEMAND ALLOC FACTOR	D3A		100.000%	51.219%	28.077%	17.670%	1.211%	1.822%
21	AVG SECONDARY DISTRIB KW DEMAND	D4A	D4A	6,822	3,494	1,916	1,206	83	124
22	DIST-SEC DEMAND ALLOC FACTOR	D4A		100.000%	51.219%	28.077%	17.670%	1.211%	1.822%
23	ANNUAL MWH ENERGY CONTRIBUTION	E1A	E1A	35,348,433	15,917,474	10,571,328	7,920,376	361,979	577,275
24	ENERGY ALLOCATION FACTOR	E1A		100.000%	45.030%	29.906%	22.407%	1.024%	1.633%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

REDWOOD ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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*****CUSTOMER DATA*****
**** CONTINUED ****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
25	RESERVED			0	0	0	0	0	0
26	PERCENT OF TOTAL			0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
27	WAGES/SALARIES: PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
29	DISTRIBUTION	NPD		\$216,209	\$138,152	\$51,973	\$20,863	\$2,055	\$3,166
30	GENERAL	NPG		\$282,574	\$189,969	\$64,929	\$21,313	\$2,492	\$3,871
31	WAGES/SALARIES: TOTAL	LBR	LBR	\$498,783	\$328,121	\$116,902	\$42,176	\$4,547	\$7,037
32	PERCENT OF TOTAL	LBR		100.000%	65.784%	23.437%	8.456%	0.912%	1.411%
33	BULK TRANSMISSION REVENUE	D1A		\$0	\$0	\$0	\$0	\$0	\$0
34	PRIMARY TRANSMISSION REVENUE	D2A		\$0	\$0	\$0	\$0	\$0	\$0
35	TOTAL TRANSMISSION REVENUE	TRN	TRN	\$0	\$0	\$0	\$0	\$0	\$0
36	PERCENT OF TOTAL	TRN		100.000%	100.000%	0.000%	0.000%	0.000%	0.000%
EXISTING REVENUE									
37	EXISTING BASE REV	OTR	OTR	\$3,592,696	\$1,679,321	\$1,045,542	\$764,466	\$54,601	\$48,766
38	FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
39	MISCELLANEOUS REVENUE	NPD		\$5,920	\$3,783	\$1,423	\$571	\$56	\$87
40	TRANSMISSION REVENUE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
41	NON-FRM SLS FOR RESALE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
42	TOTAL EXISTING REVENUE	EXR	EXR	\$3,598,616	\$1,683,104	\$1,046,965	\$765,037	\$54,657	\$48,853
PROPOSED REVENUE									
43	PROPOSED BASE REV			\$4,227,623	\$2,335,678	\$1,142,122	\$656,350	\$24,489	\$68,984
44	FUEL REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
45	MISCELLANEOUS REVENUE			\$5,920	\$3,783	\$1,423	\$571	\$56	\$87
46	TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
47	NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
48	TOTAL PROPOSED REVENUE	PRV	PRV	\$4,233,543	\$2,339,461	\$1,143,545	\$656,921	\$24,545	\$69,071
49	PROPOSED BASE REVENUE INCREASE/(DECREASE)			\$634,927	\$656,357	\$96,580	-\$108,116	-\$30,112	\$20,218
50	PROPOSED BASE REVENUE INCR/(DECR) - %			17.67%	39.08%	9.24%	-14.14%	-55.15%	41.46%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

REDWOOD ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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****ELECTRIC GROSS PLANT****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
				-----	-----	-----	-----	-----	-----
1	TOTAL PRODUCTION PLANT	D1A	GPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1A		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1B		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	GPT	GPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$3,419,208	\$1,751,282	\$960,007	\$604,185	\$41,419	\$62,315
8	SECONDARY DEMAND RELATED	D3A		\$774,503	\$396,693	\$217,456	\$136,857	\$9,382	\$14,115
9	CUSTOMER RELATED	C4A		\$3,719,508	\$2,908,389	\$724,750	\$22,531	\$24,409	\$39,429
10	SUB-TOTAL DISTR PLANT		SGD	\$7,913,220	\$5,056,365	\$1,902,213	\$763,573	\$75,210	\$115,859
11	LIGHTING SPECIFIC	LDE		\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL DISTRIBUTION PLANT	GPD	GPD	\$7,913,220	\$5,056,365	\$1,902,213	\$763,573	\$75,210	\$115,859
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$1,153,549	\$737,091	\$277,295	\$111,310	\$10,964	\$16,889
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$677,218	\$529,536	\$131,957	\$4,102	\$4,444	\$7,179
17	TOTAL GENERAL & INTANGIBLE PLANT	GPG	GPG	\$1,830,767	\$1,266,627	\$409,252	\$115,412	\$15,408	\$24,068
18	TOTAL GROSS PLANT IN SERVICE	GPR	GPR	\$9,743,987	\$6,322,992	\$2,311,465	\$878,985	\$90,618	\$139,927

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REDWOOD ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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*****ELECTRIC PLANT*****
ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
				-----	-----	-----	-----	-----	-----
1	TOTAL PRODUCTION PLANT	D1A	DPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	DPT	DPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$1,494,507	\$765,471	\$419,611	\$264,084	\$18,104	\$27,237
8	SECONDARY DEMAND RELATED	D3A		\$338,529	\$173,391	\$95,048	\$59,819	\$4,101	\$6,170
9	CUSTOMER RELATED	C4A		\$1,625,765	\$1,271,232	\$316,782	\$9,848	\$10,669	\$17,234
10	SUB-TOTAL DISTR PLANT		SDD	\$3,458,801	\$2,210,094	\$831,441	\$333,751	\$32,874	\$50,641
11	LIGHTING SPECIFIC	LDE		\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL DISTRIBUTION PLANT	DPD	DPD	\$3,458,801	\$2,210,094	\$831,441	\$333,751	\$32,874	\$50,641
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$46,685	\$29,830	\$11,222	\$4,505	\$444	\$684
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$341,043	\$266,671	\$66,453	\$2,066	\$2,238	\$3,615
17	TOTAL GENERAL & INTANGIBLE PLANT	DPG	DPG	\$387,728	\$296,501	\$77,675	\$6,571	\$2,682	\$4,299
18	TOTAL ACCUMULATED DEPRECIATION	DPR	DPR	\$3,846,529	\$2,506,595	\$909,116	\$340,322	\$35,556	\$54,940
				=====	=====	=====	=====	=====	=====

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REDWOOD ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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*****ELECTRIC NET PLANT*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	TOTAL PRODUCTION PLANT	D1A	NPP	\$0	\$0	\$0	\$0	\$0	\$0
TRANSMISSION PLANT									
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	NPT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION PLANT									
7	PRIMARY DEMAND RELATED	D4A		\$1,924,701	\$985,811	\$540,396	\$340,101	\$23,315	\$35,078
8	SECONDARY DEMAND RELATED	D3A		\$435,974	\$223,302	\$122,408	\$77,038	\$5,281	\$7,945
9	CUSTOMER RELATED	C4A		\$2,093,743	\$1,637,157	\$407,968	\$12,683	\$13,740	\$22,195
10	SUB-TOTAL DISTR PLANT		SPD	\$4,454,419	\$2,846,271	\$1,070,772	\$429,822	\$42,336	\$65,218
11	LIGHTING SPECIFIC	LDE		\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL DISTRIBUTION PLANT	NPD	NPD	\$4,454,419	\$2,846,271	\$1,070,772	\$429,822	\$42,336	\$65,218
GENERAL AND INTANGIBLE PLANT									
13	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	NPD		\$1,106,864	\$707,261	\$266,073	\$106,805	\$10,520	\$16,205
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$336,175	\$262,865	\$65,504	\$2,036	\$2,206	\$3,564
17	TOTAL GENERAL & INTANGIBLE PLANT	NPG	NPG	\$1,443,039	\$970,126	\$331,577	\$108,841	\$12,726	\$19,769
18	TOTAL NET PLANT IN SERVICE	NPR	NPR	\$5,897,458	\$3,816,397	\$1,402,349	\$538,663	\$55,062	\$84,987

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REDWOOD ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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***** RATE BASE *****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	NET PLANT IN SERVICE	NPR	NPR	\$5,897,458	\$3,816,397	\$1,402,349	\$538,663	\$55,062	\$84,987
CONSTRUCTION WORK IN PROGRESS									
2	PRODUCTION PLANT	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION PLANT	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION PLANT	NPD		\$62,633	\$40,021	\$15,056	\$6,044	\$595	\$917
5	GENERAL PLANT	NPG		\$0	\$0	\$0	\$0	\$0	\$0
6	TOAL CWIP	CWP	CWP	\$62,633	\$40,021	\$15,056	\$6,044	\$595	\$917
7	NET ACQUISITION ADJUSTMENT	D2A	ACQ	\$1,530,113	\$783,708	\$429,608	\$270,376	\$18,535	\$27,886
8	PLANT HELD FOR FUTURE USE	E1A	PLH	\$0	\$0	\$0	\$0	\$0	\$0
MISC DEFERRED DEBITS									
9	PROD RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
10	TRAN RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
11	DIST RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
12	GENR RELATED	NPG		\$0	\$0	\$0	\$0	\$0	\$0
13	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
14	NPR RELATED	NPR		\$92,299	\$59,729	\$21,948	\$8,430	\$862	\$1,330
15	TOTAL MISC DEFRD DEBITS			\$92,299	\$59,729	\$21,948	\$8,430	\$862	\$1,330
WORKING CAPITAL									
16	CASH WORK CAP,FUNDS,MAT&SUP	NPR	MAS	\$203,247	\$131,526	\$48,330	\$18,564	\$1,898	\$2,929
17	FUEL STOCK	E1A	FUL	\$5,926	\$2,668	\$1,772	\$1,328	\$61	\$97
18	PREPAID LIGNITE ROYALTIES	E1A		\$0	\$0	\$0	\$0	\$0	\$0
19	OTHER PREPAYMENTS	NPR		\$1,816	\$1,175	\$432	\$166	\$17	\$26
20	TOTAL WORKING CAPITAL			\$210,989	\$135,369	\$50,534	\$20,058	\$1,976	\$3,052
21	UNAMORTIZED LOSS ON REACQD LTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
22	DEFERRED FUEL	E1A	DEF	\$0	\$0	\$0	\$0	\$0	\$0

(RATE BASE CONTINUED ON NEXT PAGE)

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REDWOOD ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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***** RATE BASE*****
** CONTINUED **

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
ACCUMULATED DEFERRED INCOME TAX									
23	ACCT 281: POL CON	NPP		\$0	\$0	\$0	\$0	\$0	\$0
24	ACCT 282: LIBERAL DEP - PROD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
25	TRAN	NPT		\$0	\$0	\$0	\$0	\$0	\$0
26	DIST	NPD		\$0	\$0	\$0	\$0	\$0	\$0
27	GENR	NPG		\$0	\$0	\$0	\$0	\$0	\$0
28	LIGNITE EXPLORATN	E1A		\$0	\$0	\$0	\$0	\$0	\$0
29	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
30	TOTAL ACCOUNT 282			\$0	\$0	\$0	\$0	\$0	\$0
31	ACCT 283: THIS LINE RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
32	LONG TERM DEBT LOSS	NPR		\$0	\$0	\$0	\$0	\$0	\$0
33	TOTAL ACCOUNT 283			\$0	\$0	\$0	\$0	\$0	\$0
34	ACCOUNT 190: PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
35	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
36	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
37	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
38	FERC REFUND	TRN		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL ACCOUNT 190			\$0	\$0	\$0	\$0	\$0	\$0
40	TOTAL ACCUM DEFRD INC TAX	ACC	ACC	\$0	\$0	\$0	\$0	\$0	\$0
41	INVESTMENT TAX CREDIT PRE '71	NPR	PIC	\$0	\$0	\$0	\$0	\$0	\$0
42	CUSTOMER ADVANCES AND DEPOSITS	C3A	CAD	-\$23,930	-\$18,711	-\$4,663	-\$145	-\$157	-\$254
43	STORM DAMAGE & INJ & DAM RESRVS	D2A	SDR	\$0	\$0	\$0	\$0	\$0	\$0
44	PNSN & MIS OP RSRVS, OTR DEF CR	OMA	PEN	-\$18,188	-\$11,964	-\$4,263	-\$1,538	-\$166	-\$257
45	TRANSMISSION RATE REFUND RESERVE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
46	TOTAL RATE BASE	RBT	RBT	\$7,751,374	\$4,804,549	\$1,910,569	\$841,888	\$76,707	\$117,661

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REDWOOD ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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*****OPER AND MTN EXPENSES*****

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
PRODUCTION O&M EXPENSE									
1	FUEL EXPENSE - ACCT 501	E1A		\$0	\$0	\$0	\$0	\$0	\$0
2	PURCHASED POWER - ACCT 555								
3	DEMAND - OTHER	D1A		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
4	ENERGY - OTHER	E1A							
5	NET OFF SYSTEM REVENUE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
OTHER PRODUCTION O&M ACCTS									
6	DEMAND - OTHER	D1A		\$7,802	\$4,039	\$2,228	\$1,391	\$0	\$144
7	ENERGY - OTHER	E1A		\$0	\$0	\$0	\$0	\$0	\$0
8	TOTAL OTHER PRODUCTION O&M	PRO	PRO	\$7,802	\$4,039	\$2,228	\$1,391	\$0	\$144
TOTAL PRODUCTION O&M EXPENSE									
9	TOTAL PRODUCTION O&M EXPENSE	OMP	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
TOTAL TRANSMISSION O&M EXPENSE									
10	TOTAL TRANSMISSION O&M EXPENSE	NPT	OMT	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION O&M EXPENSE									
11	LIGHTING SPECIFIC	LDE		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
12	ALL OTHER	SPD		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
13	TOTAL DISTRIBUTION O&M EXPENSE	OMD	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
TOTAL CUST ACCT/SERV & INFO/ SALES EXPENSE									
14	TOTAL CUST ACCT/SERV & INFO/ SALES EXPENSE	C2A	OMC	\$253,434	\$198,167	\$49,382	\$1,535	\$1,663	\$2,687
ADMINISTRATIVE & GENERAL EXPENSE									
15	PROP INSURANCE/INJ & DAMG	NPR		\$0	\$0	\$0	\$0	\$0	\$0
16	CUST ACCT/SERV&INFO/SALES REL	LBR		\$268,251	\$176,467	\$62,871	\$22,683	\$2,445	\$3,785
17	TOTAL ADMIN & GENERAL EXPENSE	OMA	OMA	\$268,251	\$176,467	\$62,871	\$22,683	\$2,445	\$3,785
18	TOTAL OPER & MTN EXPENSES	OMX	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

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REDWOOD ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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EXPENSES OTHER THAN INCOME TAXES

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	TOTAL OPER & MTN EXPENSES		OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
DEPRECIATION & AMORTIZATION EXPENSES									
2	PRODUCTION		NPP	\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION		NPT	\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION		NPD	\$205,947	\$131,596	\$49,506	\$19,873	\$1,957	\$3,015
5	GENERAL		NPG	\$40,990	\$27,556	\$9,419	\$3,092	\$361	\$562
6	TOTAL DEPR & AMORT EXPEN	DEP	DEP	\$246,937	\$159,152	\$58,925	\$22,965	\$2,318	\$3,577
7	INTEREST ON CUSTOMER DEPOSITS	C3A	ICD	\$0	\$0	\$0	\$0	\$0	\$0
GENERAL TAXES									
8	AD VALOREM		NPR VAL	\$0	\$0	\$0	\$0	\$0	\$0
9	CORP FRANCHISE TAX		NPR SFT	\$0	\$0	\$0	\$0	\$0	\$0
10	MISCELLANEOUS GENERAL TAXES		LBR MIS	\$2	\$2	\$0	\$0	\$0	\$0
11	REVENUE-RELATED (AS PROPOSED)		RTX	\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL GENERAL TAXES	GTX	GTX	\$2	\$2	\$0	\$0	\$0	\$0
13	TOTAL EXPENSES EXCEPT INCOME TAX	EXP	EXP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

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INCOME TAX FOR 8.24% ROE

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	RATE BASE		RBT	\$7,751,374	\$4,804,549	\$1,910,569	\$841,888	\$76,707	\$117,661
2	RETURN AT 5.35%		RBT RET	\$414,332	\$256,817	\$102,125	\$45,001	\$4,100	\$6,289
3	INTEREST (1.96% OF LINE 1)		RBT INT	-\$152,280	-\$94,388	-\$37,534	-\$16,539	-\$1,507	-\$2,312
4	A F U D C		NPR AFD	\$0	\$0	\$0	\$0	\$0	\$0
PROVISION FOR DEFERRED TAXES									
5	ACT 410.1: PROD RLTD		NPP	\$0	\$0	\$0	\$0	\$0	\$0
6	TRAN RLTD		NPT	\$0	\$0	\$0	\$0	\$0	\$0
7	PLANT RLTD		NPR	\$0	\$0	\$0	\$0	\$0	\$0
8	ENERGY RLTD		E1A	\$0	\$0	\$0	\$0	\$0	\$0
9	LABOR RLTD		LBR	\$0	\$0	\$0	\$0	\$0	\$0
10	CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0
11	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL 410.1			\$0	\$0	\$0	\$0	\$0	\$0
13	ACT 411.1: PROD RLTD		NPP	\$0	\$0	\$0	\$0	\$0	\$0
14	TRAN RLTD		NPT	\$0	\$0	\$0	\$0	\$0	\$0
15	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0
16	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0
17	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0
19	TOTAL 411.1			\$0	\$0	\$0	\$0	\$0	\$0
20	NET PROVISION FOR DEFERD INC TAX		PDT	\$0	\$0	\$0	\$0	\$0	\$0
21	ITC AMORT		NPR ITA	\$0	\$0	\$0	\$0	\$0	\$0
22	ADJUSTED RETURN		ART ART	\$262,052	\$162,429	\$64,591	\$28,462	\$2,593	\$3,977
FED ADD INC & UNALLOW DEDUCTS									
23	PRODUCTION RELATED		NPP	\$0	\$0	\$0	\$0	\$0	\$0
24	DISTRIBUTION RELATED		NPD	\$0	\$0	\$0	\$0	\$0	\$0
25	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0
26	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0
27	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION REV RELATED		TRN	\$0	\$0	\$0	\$0	\$0	\$0
29	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
30	DISTRIBUTION CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0
31	TOTAL ADDITIONS		FTA FTA	\$0	\$0	\$0	\$0	\$0	\$0

(INCOME TAX CALCULATION CONTINUED ON NEXT PAGE)

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INCOME TAX FOR 8.24% ROE
*** CONTINUED ***

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
FED DEDUCTS AND NON-TAX INCOME									
32	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
33	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
34	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
35	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
36	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
37	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0
38	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL DEDUCTIONS	FTD	FTD	\$0	\$0	\$0	\$0	\$0	\$0
40	NET FEDERAL DEDUCTIONS	NFD	NFD	\$0	\$0	\$0	\$0	\$0	\$0
41	ST ADD INC & UNALLOW DEDUCTS	FTA		\$0	\$0	\$0	\$0	\$0	\$0
42	ST DEDUCTS AND NON-TAX INCOME	FTD		\$0	\$0	\$0	\$0	\$0	\$0
43	NET STATE DEDUCTIONS	NSD	NSD	\$0	\$0	\$0	\$0	\$0	\$0
44	PROV FOR DEF'D ITC - CURRENT	NPR	ITC	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL TAXABLE INCOME									
45	ADJ RET * 1/(1-0.0000-0.0000)	ART	TART	\$262,052	\$162,429	\$64,591	\$28,462	\$2,593	\$3,977
46	NET FED DED * 1/(1-0.0000)	NFD		\$0	\$0	\$0	\$0	\$0	\$0
47	NET ST DED * (1/(1-0.0000))-1	NSD		\$0	\$0	\$0	\$0	\$0	\$0
48	CURRENT ITC * (1/1-0.00)-1	ITC		\$0	\$0	\$0	\$0	\$0	\$0
49	TOTAL FEDERAL TAXABLE INCOME	FTI	FTI	\$262,052	\$162,429	\$64,591	\$28,462	\$2,593	\$3,977
50	PLUS: NET FED DEDUCTS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
51	LESS: NET STATE DEDUCTS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
52	TOTAL STATE TAXABLE INCOME	STI	STI	\$262,052	\$162,429	\$64,591	\$28,462	\$2,593	\$3,977
FED & ST INCOME TAXES:									
53	FED TAXABLE INC * 0.0000	FTI		\$0	\$0	\$0	\$0	\$0	\$0
54	ST. TAXABLE INC * 0.0000	STI		\$0	\$0	\$0	\$0	\$0	\$0
55	LESS: CRNT ITC * (1-0.0000)	ITC		\$0	\$0	\$0	\$0	\$0	\$0
56	TOTAL FED & ST INCOME TAXES	FST	FST	\$0	\$0	\$0	\$0	\$0	\$0
57	INVESTMENT TAX CREDIT - NET	NPR	ITN	\$0	\$0	\$0	\$0	\$0	\$0

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REDWOOD ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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*****COST OF SERVICE*****
** (PROPOSED) **

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	RATE BASE	RBT		\$7,751,374	\$4,804,549	\$1,910,569	\$841,888	\$76,707	\$117,661
2	RETURN AT 5.35%	RET		\$414,332	\$256,817	\$102,125	\$45,001	\$4,100	\$6,289
3	OPERATION & MAINTENANCE EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
4	DEPRECIATION & AMORT EXPENSES	DEP		\$246,937	\$159,152	\$58,925	\$22,965	\$2,318	\$3,577
5	INTEREST ON CUSTOMER DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
6	GENERAL TAXES	GTX		\$2	\$2	\$0	\$0	\$0	\$0
7	FEDERAL AND STATE INCOME TAX	FST		\$0	\$0	\$0	\$0	\$0	\$0
8	PROVISION FOR DEFERRED TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
9	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
10	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
11	COST OF SERVICE REVENUE REQUIREMENT BEFORE ATTRITION ADJUSTMENT	CSR	CSR	\$4,233,543	\$2,339,461	\$1,143,545	\$656,921	\$24,545	\$69,071
12	LESS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
13	BASE COST OF SERVICE REVENUE REQUIREMENT	BRR	BRR	\$4,233,543	\$2,339,461	\$1,143,545	\$656,921	\$24,545	\$69,071
14	ATTRITION ADJUSTMENT	BRR		\$0	\$0	\$0	\$0	\$0	\$0
15	BASE COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT	ARR	ARR	\$4,233,543	\$2,339,461	\$1,143,545	\$656,921	\$24,545	\$69,071
16	PLUS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
17	COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT			\$4,233,543	\$2,339,461	\$1,143,545	\$656,921	\$24,545	\$69,071
18	LESS: MISCELLANEOUS REVENUE			-\$5,920	-\$3,783	-\$1,423	-\$571	-\$56	-\$87
19	LESS: BULK TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
20	LESS: PRIMARY TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
21	LESS: NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
22	NET ELECTRIC REVENUE REQUIREMENT			\$4,227,623	\$2,335,678	\$1,142,122	\$656,350	\$24,489	\$68,984

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

REDWOOD ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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EXISTING RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL ALL	CONTROL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	EXISTING REVENUE	EXR		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
	REVENUE DEDUCTIONS:			[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
2	O&M EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
3	DEPRECIATION & AMORT EXPENSES	DEP		-\$246,937	-\$159,152	-\$58,925	-\$22,965	-\$2,318	-\$3,577
4	AD VALOREM TAXES	VAL		\$0	\$0	\$0	\$0	\$0	\$0
5	CORP FRANCHISE TAX	SFT		\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS		-\$2	-\$2	\$0	\$0	\$0	\$0
7	REVENUE-RELATED TAXES	RTX		\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS			[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
10	NET FOR RETURN AND INCOME TAXES	NET	NET	-\$220,595	-\$399,540	\$5,545	\$153,117	\$34,212	-\$13,929
11	LESS: INTEREST EXPENSE	INT		-\$152,280	-\$94,388	-\$37,534	-\$16,539	-\$1,507	-\$2,312
12	LESS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			-\$372,875	-\$493,928	-\$31,989	\$136,578	\$32,705	-\$16,241
14	PLUS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			-\$372,875	-\$493,928	-\$31,989	\$136,578	\$32,705	-\$16,241
	FED AND ST INCOME TAXES								
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
	*****RETURN COMPUTATION*****								
21	NET FOR RETURN AND INCOME TAXES	NET		-\$220,595	-\$399,540	\$5,545	\$153,117	\$34,212	-\$13,929
22	FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN			-\$220,595	-\$399,540	\$5,545	\$153,117	\$34,212	-\$13,929
27	RATE BASE	RBT		\$7,751,374	\$4,804,549	\$1,910,569	\$841,888	\$76,707	\$117,661
28	RETURN ON RATE BASE	ROR		-2.85%	-8.32%	0.29%	18.19%	44.60%	-11.84%
29	NON-EQUITY PORTION OF RETURN	DA3		-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%
30	EQUITY PORTION OF EXISTING RETRN	DA3		-4.81%	-10.28%	-1.67%	16.23%	42.64%	-13.80%
31	EXISTING RETURN ON EQUITY	DA3	ROE	-11.74%	-25.07%	-4.08%	39.55%	103.94%	-33.65%

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PROPOSED RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL		TOTAL	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT	SMEC					
1	PROPOSED REVENUE	PRV		\$4,233,543	\$2,339,461	\$1,143,545	\$656,921	\$24,545	\$69,071
2	REVENUE DEDUCTIONS:								
2	O&M EXPENSES	OMX							
3	DEPRECIATION & AMORT EXPENSES	DEP		-\$246,937	-\$159,152	-\$58,925	-\$22,965	-\$2,318	-\$3,577
4	AD VALOREM TAXES	VAL		\$0	\$0	\$0	\$0	\$0	\$0
5	CORP FRANCHISE TAX	SFT		\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS		-\$2	-\$2	\$0	\$0	\$0	\$0
7	REVENUE-RELATED TAXES	RTX		\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS								
10	NET FOR RETURN AND INCOME TAXES	NET	NET	\$414,332	\$256,817	\$102,125	\$45,001	\$4,100	\$6,289
11	LESS: INTEREST EXPENSE	INT		-\$152,280	-\$94,388	-\$37,534	-\$16,539	-\$1,507	-\$2,312
12	LESS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			\$262,052	\$162,429	\$64,591	\$28,462	\$2,593	\$3,977
14	PLUS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			\$262,052	\$162,429	\$64,591	\$28,462	\$2,593	\$3,977
17	FED AND ST INCOME TAXES								
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
21	*****RETURN COMPUTATION*****								
21	NET FOR RETURN AND INCOME TAXES	NET		\$414,332	\$256,817	\$102,125	\$45,001	\$4,100	\$6,289
22	FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN			\$414,332	\$256,817	\$102,125	\$45,001	\$4,100	\$6,289
27	RATE BASE	RBT		\$7,751,374	\$4,804,549	\$1,910,569	\$841,888	\$76,707	\$117,661
28	RETURN ON RATE BASE	ROR		5.35%	5.35%	5.35%	5.35%	5.35%	5.35%
29	NON-EQUITY PORTION OF RETURN	DA3		-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%
30	EQUITY PORTION OF EXISTING RETRN	DA3		3.38%	3.38%	3.38%	3.38%	3.38%	3.38%
31	PROPOSED RETURN ON EQUITY	DA3	ROE	8.24%	8.24%	8.24%	8.24%	8.24%	8.24%

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COST OF SERVICE SUMMARY

LINE NO.	CONTROL DESCRIPTION	ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
NET PLANT IN SERVICE:								
1	PRODUCTION PLANT	NPP	\$0	\$0	\$0	\$0	\$0	\$0
2	TRANSMISSION PLANT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
3	DISTRIBUTION PLANT	NPD	\$4,454,419	\$2,846,271	\$1,070,772	\$429,822	\$42,336	\$65,218
4	GENERAL PLANT	NPG	\$1,443,039	\$970,126	\$331,577	\$108,841	\$12,726	\$19,769
5	TOTAL NET ELECTRIC PLANT	NPR	\$5,897,458	\$3,816,397	\$1,402,349	\$538,663	\$55,062	\$84,987
6	CONST. WORK IN PROGRESS	CWP	\$62,633	\$40,021	\$15,056	\$6,044	\$595	\$917
7	ACQUISITION ADJUSTMENT	ACQ	\$1,530,113	\$783,708	\$429,608	\$270,376	\$18,535	\$27,886
8	PLANT HELD FOR FUTURE USE	PLH	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL MISC DEFERD DEBITS		\$92,299	\$59,729	\$21,948	\$8,430	\$862	\$1,330
WORKING CAPITAL:								
10	CASH WORK CAP.FUNDS,MAT&SUP	MAS	\$203,247	\$131,526	\$48,330	\$18,564	\$1,898	\$2,929
11	FUEL STOCK	FUL	\$5,926	\$2,668	\$1,772	\$1,328	\$61	\$97
12	PREPAID LIGNITE ROYALTIES	E1A	\$0	\$0	\$0	\$0	\$0	\$0
13	OTHER PREPAYMENTS	NPR	\$1,816	\$1,175	\$432	\$166	\$17	\$26
14	UNAMORTIZED LOSS ON REACQD LTD	NPR	\$0	\$0	\$0	\$0	\$0	\$0
15	DEFERRED FUEL	DEF	\$0	\$0	\$0	\$0	\$0	\$0
16	ACCUMULATED DEFERRED INCOME TAX	ACC	\$0	\$0	\$0	\$0	\$0	\$0
17	PRE-1971 INVESTMENT TAX CREDIT	PIC	\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER ADVANCES AND DEPOSITS	CAD	-\$23,930	-\$18,711	-\$4,663	-\$145	-\$157	-\$254
19	STORM DAMAGE/INJ & DAM RESRVS	SDR	\$0	\$0	\$0	\$0	\$0	\$0
20	PNSN & MIS OP RSRVS, OTR DEF CRS	PEN	-\$18,188	-\$11,964	-\$4,263	-\$1,538	-\$166	-\$257
21	TRANSMISSION RATE REFUND RESERVE	TRN	\$0	\$0	\$0	\$0	\$0	\$0
22	AVERAGE ORIGINAL COST RATE BASE	RBT	\$7,751,374	\$4,804,549	\$1,910,569	\$841,888	\$76,707	\$117,661
23	RETURN AT 5.35%	RET	\$414,332	\$256,817	\$102,125	\$45,001	\$4,100	\$6,289
OPERATION & MAINTENANCE EXPENSES								
24	PRODUCTION O&M	OMP	[TRADE SECRET DATA BEGINS...]		[TRADE SECRET DATA ENDS]			
25	TRANSMISSION O&M	OMT	\$0	\$0	\$0	\$0	\$0	\$0
26	DISTRIBUTION O&M	OMD	[TRADE SECRET DATA BEGINS...]		[TRADE SECRET DATA ENDS]			
27	CUST ACCT/SERV/SALES	OMC	\$253,434	\$198,167	\$49,382	\$1,535	\$1,663	\$2,687
28	ADMINISTRATIVE & GENERAL	OMA	\$268,251	\$176,467	\$62,871	\$22,683	\$2,445	\$3,785
29	TOTAL OPER & MAIN EXPENSES	OMX	[TRADE SECRET DATA BEGINS...]		[TRADE SECRET DATA ENDS]			
30	DEPRECIATION & AMORT EXPENSES	DEP	\$246,937	\$159,152	\$58,925	\$22,965	\$2,318	\$3,577
31	INTEREST ON CUSTOMER DEPOSITS	ICD	\$0	\$0	\$0	\$0	\$0	\$0
32	GENERAL TAXES	GTX	\$2	\$2	\$0	\$0	\$0	\$0
33	FED & ST INCOME TAX	FST	\$0	\$0	\$0	\$0	\$0	\$0
34	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	\$0
35	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	\$0
36	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	\$0
37	COST OF SERVICE REVENUE REQ	CSR	\$4,233,543	\$2,339,461	\$1,143,545	\$656,921	\$24,545	\$69,071

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

REDWOOD ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

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COST OF SERVICE COMPARISON

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
*** OTHER REVENUE INCLUDED ***									
1	COST OFF SERVICE REVENUE REQ			\$4,233,543	\$2,339,461	\$1,143,545	\$656,921	\$24,545	\$69,071
2	EXISTING REVENUE			\$3,598,616	\$1,683,104	\$1,046,965	\$765,037	\$54,657	\$48,853
3	REVENUE DEFICIENCY			\$634,927	\$656,357	\$96,580	-\$108,116	-\$30,112	\$20,218
4	REQUIRED INCREASE (%)			17.64%	39.00%	9.22%	-14.13%	-55.09%	41.38%
5	EXISTING RATE OF RETURN-AS ADJ.			-2.85%	-8.32%	0.29%	18.19%	44.60%	-11.84%
6	EXISTING ROR AS % OF OVERALL ROR-AS ADJ.			100.00%	291.93%	-10.18%	-638.25%	-1564.91%	415.44%
7	EXISTING RETURN ON EQUITY-AS ADJ.			-11.74%	-25.07%	-4.08%	39.55%	103.94%	-33.65%
8	EXISTING ROE AS % OF OVERALL ROE-AS ADJ.			100.00%	213.54%	34.75%	-336.88%	-885.35%	286.63%
9	PROPOSED RATE OF RETURN-AS ADJ			5.35%	5.35%	5.35%	5.35%	5.35%	5.35%
10	PROPOSED RETURN ON EQUITY-AS ADJ			8.24%	8.24%	8.24%	8.24%	8.24%	8.24%
*** OTHER REVENUE EXCLUDED ***									
11	COST OF SERVICE REVENUE REQ			\$4,227,623	\$2,335,678	\$1,142,122	\$656,350	\$24,489	\$68,984
12	EXISTING REVENUE			\$3,592,696	\$1,679,321	\$1,045,542	\$764,466	\$54,601	\$48,766
13	REVENUE DEFICIENCY			\$634,927	\$656,357	\$96,580	-\$108,116	-\$30,112	\$20,218
14	REQUIRED INCREASE (%)			17.67%	39.08%	9.24%	-14.14%	-55.15%	41.46%
15	EXISTING RATE OF RETURN - UNADJ			-2.85%	-8.32%	0.29%	18.19%	44.60%	-11.84%
16	EXISTING ROR AS % OF OVERALL ROR-UNADJ.			100.00%	291.93%	-10.18%	-638.25%	-1564.91%	415.44%
17	EXISTING RETURN ON EQUITY-UNADJ			-11.74%	-25.07%	-4.08%	39.55%	103.94%	-33.65%
18	EXISTING ROE AS % OF OVERALL ROE-UNADJ.			100.00%	213.54%	34.75%	-336.88%	-885.35%	286.63%
19	PROPOSED RATE OF RETURN - UNADJ			5.35%	5.35%	5.35%	5.35%	5.35%	5.35%
20	PROPOSED RETURN ON EQUITY-UNADJ			8.24%	8.24%	8.24%	8.24%	8.24%	8.24%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

REDWOOD ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
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PROPOSED MILLS/KWH *****	TOTAL SMEC -----	RESIDENTIAL -----	SMALL COMMERCIAL -----	LARGE POWER -----	LIGHTING -----	MUNICIPAL PUMPING -----
1 EXISTING BASE REV	101.64	105.50	98.90	96.52	150.84	84.48
2 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----	-----
3 TOTAL MILLS / KWH	101.64	105.50	98.90	96.52	150.84	84.48
	=====	=====	=====	=====	=====	=====
4 PROPOSED BASE REV	119.60	146.74	108.04	82.87	67.65	119.50
5 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----	-----
6 TOTAL MILLS / KWH	119.60	146.74	108.04	82.87	67.65	119.50
	=====	=====	=====	=====	=====	=====

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

**SIoux VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE
CLASS COST OF SERVICE FOR MPSC COMPLIANCE FILING
SCENARIO 2: SMEC DIRECT ASSIGNMENT**

LINE NO.	CLASS	COSS BASED REVENUE ALLOCATION	EXISTING REVENUE ALLOCATION	DIFFERENCE	PERCENT DIFFERENCE
LEGACY:					
1	FARM & RURAL RESIDENTIAL	\$23,984,486	\$24,472,547	\$ (488,061)	-1.99%
2	GENERAL SERVICE	\$4,872,729	\$5,360,734	\$ (488,005)	-9.10%
3	IRRIGATION	\$357,990	\$796,703	\$ (438,713)	-55.07%
4	LARGE POWER	\$22,760,098	\$26,552,640	\$ (3,792,542)	-14.28%
	RESIDENTIAL	\$19,071,448	\$14,312,596	\$ 4,758,852	33.25%
	STREET LIGHTING	\$375,959	\$292,060	\$ 83,899	28.73%
5	WATER PUMPING	\$88,813	\$79,599	\$ 9,214	11.58%
6	TOTAL LEGACY	\$71,511,523	\$71,866,879	\$ (355,356)	-0.49%
SMEC					
7	RESIDENTIAL	\$1,192,558	\$840,780	\$ 351,778	41.84%
8	FARM & RURAL RESIDENTIAL	\$145,353	\$140,202	\$ 5,151	3.67%
9	GENERAL SERVICE	\$429,209	\$386,722	\$ 42,487	10.99%
	LARGE POWER	\$115,663	\$148,644	\$ (32,981)	-22.19%
	STREET LIGHTING	\$35,260	\$22,660	\$ 12,600	55.61%
10	PUBLIC AUTHORITIES	\$14,896	\$8,206	\$ 6,690	81.52%
11	TOTAL SMEC	\$1,932,939	\$1,547,213	\$385,726	24.93%
12					
13	TOTAL COMPANY	\$73,444,462	\$73,414,092	\$ 30,370	0.04%
14	MISC. REVENUES	\$744,487	\$744,487	\$ -	0.00%
15		\$74,188,949	\$74,158,579	\$ 30,370	0.04%
CONSOLIDATED					
17	RESIDENTIAL	\$20,264,006	\$15,153,376	\$ 5,110,630	33.73%
18	FARM & RURAL RESIDENTIAL	\$24,129,839	\$24,612,748	\$ (482,910)	-1.96%
19	IRRIGATION	\$357,990	\$796,703	\$ (438,713)	-55.07%
	GENERAL SERVICE	\$5,301,938	\$5,747,457	\$ (445,519)	-7.75%
	LARGE POWER	\$22,875,761	\$26,701,284	\$ (3,825,523)	-14.33%
	STREET LIGHTING	\$411,219	\$314,719	\$ 96,500	30.66%
	PUBLIC AUTHORITIES	\$14,896	\$8,206	\$ 6,690	81.52%
	WATER PUMPING	\$88,813	\$79,599	\$ 9,214	11.58%
23		\$73,444,462	\$73,414,092	\$ 30,370	0.04%
24	MISC. REVENUES	\$744,487	\$744,487	\$ -	0.00%
25	TOTAL COMPANY	\$74,188,949	\$74,158,579	\$ 30,370	0.04%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SIOUX VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS

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FILESPEC: K:\RATERES\ICOS\93RESALE\ICOS1292.WK3

STUDY DATE:		DECEMBER 31, 2016	
RUN DATE AND TIME:	18-Sep-17	06:22 PM	
RETURN ON COMMON EQUITY		4.54%	
OVERALL RATE OF RETURN		4.32%	
CAPITALIZATION:			
	OUTSTANDING	EFFECTIVE RATE	COMPOSITE
DBT	\$120,218,796	4.19%	2.55%
PRF		0.00%	0.00%
CMN	\$77,163,648	4.54%	1.77%
FEDERAL EFFECTIVE INCOME TAX RATE			0.00%
FEDERAL NOMINAL INCOME TAX RATE			0.00%
STATE EFFECTIVE INCOME TAX RATE			0.00%
STATE NOMINAL INCOME TAX RATE			0.00%

NOTATIONS: THIS RUN ALLOCATES ALL PLANT ON AVG OF 12 CP

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SIOUX VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

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*****CUSTOMER DATA*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	FARM & RURAL RESIDENTIAL	GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES
		ALL	OUT							
1	NUMBER OF CUSTOMERS	C1A	C1A	864	633	41	174	3	5	9
2	PERCENT OF TOTAL	C1A		100.000%	73.225%	4.688%	20.100%	0.347%	0.598%	1.042%
3	NUMBER OF WEIGHTED CUSTOMERS	C2A	C2A	858	633	41	174	3	5	3
4	PERCENT OF TOTAL	C2A		100.000%	73.737%	4.720%	20.241%	0.350%	0.602%	0.350%
5	NUMBER OF RETAIL DISTR CUSTOMERS	C3A	C3A	864	633	41	174	3	5	9
6	PERCENT OF TOTAL	C3A		100.000%	73.225%	4.688%	20.100%	0.347%	0.598%	1.042%
7	NMBR OF RETAIL WTD CUSTOMERS	C4A	C4A	858	633	41	174	3	5	3
8	PERCENT OF TOTAL	C4A		100.000%	73.737%	4.720%	20.241%	0.350%	0.602%	0.350%
9	LIGHTING DIRECT ALLOCATOR	LDE	LDE	1	0	0	0	0	1	0
10	PERCENT OF TOTAL	LDE		100.000%	0.000%	0.000%	0.000%	0.000%	100.000%	0.000%
11	LPS DIRECT ALLOCATOR	DA1	DA1	0	0	0	0	0	0	0
12	PERCENT OF TOTAL	DA1		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
13	AVERAGE COINCIDENT KW DEMAND	D1A	D1A	3,068	1,749	291	739	257	0	32
14	DEMAND ALLOCATION FACTOR-PROD	D1A		100.000%	57.008%	9.471%	24.100%	8.362%	0.000%	1.059%
15	AVERAGE COINCIDENT KW DEMAND	D1B	D1B	3,068	1,749	291	739	257	0	32
16	DEMAND ALLOCATION FACTOR-TRANS	D1B		100.000%	57.008%	9.471%	24.100%	8.362%	0.000%	1.059%
17	AVG PRIMARY DISTRIB KW DEMAND	D2A	D2A	3,201	1,816	302	767	267	16	34
18	DIST-PRI DEMAND ALLOC FACTOR	D2A		100.000%	56.729%	9.424%	23.965%	8.333%	0.495%	1.053%
19	AVG SECONDARY DISTRIB KW DEMAND	D3A	D3A	3,201	1,816	302	767	267	16	34
20	DIST-SEC DEMAND ALLOC FACTOR	D3A		100.000%	56.729%	9.424%	23.965%	8.333%	0.495%	1.053%
21	AVG SECONDARY DISTRIB KW DEMAND	D4A	D4A	3,201	1,816	302	767	267	16	34
22	DIST-SEC DEMAND ALLOC FACTOR	D4A		100.000%	56.729%	9.424%	23.965%	8.333%	0.495%	1.053%
23	ANNUAL MWH ENERGY CONTRIBUTION	E1A	E1A	15,184,485	8,272,487	1,374,279	3,561,948	1,752,721	69,430	153,619
24	ENERGY ALLOCATION FACTOR	E1A		100.000%	54.480%	9.051%	23.458%	11.543%	0.457%	1.012%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SIoux VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SM&C CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

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*****CUSTOMER DATA*****
**** CONTINUED ****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SM&C	RESIDENTIAL	FARM & RURAL RESIDENTIAL	GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES
25	RESERVED			0	0	0	0	0	0	0
26	PERCENT OF TOTAL			0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
27	WAGES/SALARIES: PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	DISTRIBUTION	NPD		\$148,757	\$101,205	\$8,274	\$30,382	\$2,979	\$5,194	\$723
30	GENERAL	NPG		\$113,039	\$81,862	\$5,601	\$22,967	\$902	\$1,418	\$289
31	WAGES/SALARIES: TOTAL	LBR	LBR	\$261,796	\$183,067	\$13,875	\$53,349	\$3,881	\$6,612	\$1,012
32	PERCENT OF TOTAL	LBR		100.000%	69.927%	5.300%	20.378%	1.482%	2.526%	0.387%
33	BULK TRANSMISSION REVENUE	D1A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
34	PRIMARY TRANSMISSION REVENUE	D2A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	TOTAL TRANSMISSION REVENUE	TRN	TRN	\$0	\$0	\$0	\$0	\$0	\$0	\$0
36	PERCENT OF TOTAL	TRN		100.000%	100.000%	0.000%	0.000%	0.000%	0.000%	0.000%
EXISTING REVENUE										
37	EXISTING BASE REV	OTR	OTR	\$1,547,214	\$840,780	\$140,202	\$386,722	\$148,644	\$22,660	\$8,206
38	FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0	\$0
39	MISCELLANEOUS REVENUE	NPD		\$27,748	\$18,878	\$1,543	\$5,667	\$556	\$969	\$135
40	TRANSMISSION REVENUE	TRN		\$0	\$0	\$0	\$0	\$0	\$0	\$0
41	NON-FRM SLS FOR RESALE	E1A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
42	TOTAL EXISTING REVENUE	EXR	EXR	\$1,574,962	\$859,658	\$141,745	\$392,389	\$149,200	\$23,629	\$8,341
PROPOSED REVENUE										
43	PROPOSED BASE REV			\$1,932,939	\$1,192,558	\$145,353	\$429,209	\$115,663	\$35,260	\$14,896
44	FUEL REVENUE			\$0	\$0	\$0	\$0	\$0	\$0	\$0
45	MISCELLANEOUS REVENUE			\$27,748	\$18,878	\$1,543	\$5,667	\$556	\$969	\$135
46	TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0	\$0
47	NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0	\$0
48	TOTAL PROPOSED REVENUE	PRV	PRV	\$1,960,687	\$1,211,436	\$146,896	\$434,876	\$116,219	\$36,229	\$15,031
49	PROPOSED BASE REVENUE INCREASE/(DECREASE)			\$385,725	\$351,778	\$5,151	\$42,487	-\$32,981	\$12,600	\$6,690
50	PROPOSED BASE REVENUE INCR/(DECR) - %			24.93%	41.84%	3.67%	10.99%	-22.19%	55.61%	81.52%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SIoux VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

****ELECTRIC GROSS PLANT****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	FARM & RURAL RESIDENTIAL	GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES
1	TOTAL PRODUCTION PLANT	D1A	GPP	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TRANSMISSION PLANT										
2	POWER PLANT EQUIP	D1A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1B		\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	GPT	GPT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION PLANT										
7	PRIMARY DEMAND RELATED	D4A		\$1,072,061	\$608,166	\$101,032	\$256,922	\$89,339	\$5,308	\$11,294
8	SECONDARY DEMAND RELATED	D3A		\$599,180	\$339,907	\$56,467	\$143,595	\$49,932	\$2,967	\$6,312
9	CUSTOMER RELATED	C4A		\$6,115,511	\$4,509,417	\$288,669	\$1,237,833	\$21,383	\$36,826	\$21,383
10	SUB-TOTAL DISTR PLANT		SGD	\$7,786,752	\$5,457,490	\$446,168	\$1,638,350	\$160,654	\$45,101	\$38,989
11	LIGHTING SPECIFIC	LDE		\$195,939	\$0	\$0	\$0	\$0	\$195,939	\$0
12	TOTAL DISTRIBUTION PLANT	GPD	GPD	\$7,982,691	\$5,496,479	\$446,168	\$1,638,350	\$160,654	\$241,040	\$0
GENERAL AND INTANGIBLE PLANT										
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$123,617	\$85,116	\$6,909	\$25,371	\$2,488	\$3,733	\$0
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$334,692	\$246,794	\$15,798	\$67,745	\$1,170	\$2,015	\$1,170
17	TOTAL GENERAL & INTANGIBLE PLANT	GPG	GPG	\$458,309	\$331,910	\$22,707	\$93,116	\$3,658	\$5,748	\$1,170
18	TOTAL GROSS PLANT IN SERVICE	GPR	GPR	\$8,441,000	\$5,828,389	\$468,875	\$1,731,466	\$164,312	\$246,788	\$1,170

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SIOUX VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

*****ELECTRIC PLANT*****
ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	FARM & RURAL RESIDENTIAL	GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES
1	TOTAL PRODUCTION PLANT	D1A	DPP	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TRANSMISSION PLANT										
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	DPT	DPT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION PLANT										
7	PRIMARY DEMAND RELATED	D4A		\$337,373	\$191,387	\$31,794	\$80,852	\$28,115	\$1,671	\$3,554
8	SECONDARY DEMAND RELATED	D3A		\$188,559	\$106,967	\$17,770	\$45,189	\$15,713	\$934	\$1,986
9	CUSTOMER RELATED	C4A		\$1,924,526	\$1,419,095	\$90,843	\$389,541	\$6,729	\$11,589	\$6,729
10	SUB-TOTAL DISTR PLANT		SDD	\$2,450,458	\$1,717,449	\$140,407	\$515,582	\$50,557	\$14,194	\$12,269
11	LIGHTING SPECIFIC	LDE		\$34,902	\$0	\$0	\$0	\$0	\$34,902	\$0
12	TOTAL DISTRIBUTION PLANT	DPD	DPD	\$2,485,360	\$1,717,449	\$140,407	\$515,582	\$50,557	\$49,096	\$12,269
GENERAL AND INTANGIBLE PLANT										
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$61,520	\$42,360	\$3,438	\$12,626	\$1,238	\$1,858	\$0
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$166,566	\$122,823	\$7,862	\$33,714	\$582	\$1,003	\$582
17	TOTAL GENERAL & INTANGIBLE PLANT	DPG	DPG	\$228,086	\$165,183	\$11,300	\$46,340	\$1,820	\$2,861	\$582
18	TOTAL ACCUMULATED DEPRECIATION	DPR	DPR	\$2,713,446	\$1,882,632	\$151,707	\$561,922	\$52,377	\$51,957	\$12,851

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SIOUX VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

*****ELECTRIC NET PLANT*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	FARM & RURAL RESIDENTIAL	GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES
		ALL	OUT							
1	TOTAL PRODUCTION PLANT	D1A	NPP	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TRANSMISSION PLANT										
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	NPT	NPT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION PLANT										
7	PRIMARY DEMAND RELATED	D4A		\$734,688	\$416,779	\$69,238	\$176,070	\$61,224	\$3,637	\$7,740
8	SECONDARY DEMAND RELATED	D3A		\$410,620	\$232,939	\$38,697	\$98,406	\$34,219	\$2,033	\$4,326
9	CUSTOMER RELATED	C4A		\$4,190,986	\$3,090,323	\$197,826	\$848,292	\$14,654	\$25,237	\$14,654
10	SUB-TOTAL DISTR PLANT		SPD	\$5,336,294	\$3,740,041	\$305,761	\$1,122,768	\$110,097	\$30,907	\$26,720
11	LIGHTING SPECIFIC	LDE		\$161,037	\$0	\$0	\$0	\$0	\$161,037	\$0
12	TOTAL DISTRIBUTION PLANT	NPD	NPD	\$5,497,331	\$3,740,041	\$305,761	\$1,122,768	\$110,097	\$191,944	\$26,720
GENERAL AND INTANGIBLE PLANT										
13	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	NPD		\$62,097	\$42,756	\$3,471	\$12,745	\$1,250	\$1,875	\$0
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$168,126	\$123,971	\$7,936	\$34,031	\$588	\$1,012	\$588
17	TOTAL GENERAL & INTANGIBLE PLANT	NPG	NPG	\$230,223	\$166,727	\$11,407	\$46,776	\$1,838	\$2,887	\$588
18	TOTAL NET PLANT IN SERVICE	NPR	NPR	\$5,727,554	\$3,906,768	\$317,168	\$1,169,544	\$111,935	\$194,831	\$27,308

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SIoux VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
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DECEMBER 31, 2016

***** RATE BASE *****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	FARM & RURAL RESIDENTIAL	GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES
		ALL	OUT							
1	NET PLANT IN SERVICE	NPR	NPR	\$5,727,554	\$3,906,768	\$317,168	\$1,169,544	\$111,935	\$194,831	\$27,308
CONSTRUCTION WORK IN PROGRESS										
2	PRODUCTION PLANT	NPP		\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION PLANT	NPT		\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION PLANT	NPD		\$133,944	\$91,126	\$7,450	\$27,357	\$2,683	\$4,677	\$651
5	GENERAL PLANT	NPG		\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	TOAL CWIP	CWP	CWP	\$133,944	\$91,126	\$7,450	\$27,357	\$2,683	\$4,677	\$651
7	NET ACQUISITION ADJUSTMENT	DZA	ACQ	-\$2,099,392	-\$1,190,958	-\$197,849	-\$503,124	-\$174,950	-\$10,395	-\$22,116
MISC DEFERRED DEBITS										
9	PROD RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	TRAN RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	DIST RELATED	NPD		\$5,792	\$3,941	\$322	\$1,183	\$116	\$202	\$28
12	GENR RELATED	NPG		\$1,988	\$1,439	\$99	\$404	\$16	\$25	\$5
13	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	NPR RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	TOTAL MISC DEFERD DEBITS			\$7,780	\$5,380	\$421	\$1,587	\$132	\$227	\$33
WORKING CAPITAL										
16	CASH WORK CAP,FUNDS,MAT&SUP	NPR	MAS	\$279,396	\$190,576	\$15,472	\$57,052	\$5,460	\$9,504	\$1,332
17	FUEL STOCK	E1A	FUL	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	PREPAID LIGNITE ROYALTIES	E1A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	OTHER PREPAYMENTS	NPR		-\$11	-\$8	-\$1	-\$2	\$0	\$0	\$0
20	TOTAL WORKING CAPITAL			\$279,385	\$190,568	\$15,471	\$57,050	\$5,460	\$9,504	\$1,332
21	UNAMORTIZED LOSS ON REACQD LTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	DEFERRED FUEL	E1A	DEF	\$0	\$0	\$0	\$0	\$0	\$0	\$0

(RATE BASE CONTINUED ON NEXT PAGE)

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SIoux VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS
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***** RATE BASE*****
** CONTINUED **

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	FARM & RURAL RESIDENTIAL	GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES
ACCUMULATED DEFERRED INCOME TAX										
23	ACCT 281: POL CON	NPP		\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	ACCT 282: LIBERAL DEP - PROD	NPP		\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	TRAN	NPT		\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	DIST	NPB		\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	GENR	NPG		\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	LIGNITE EXPLORATN	E1A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	TOTAL ACCOUNT 282			\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	ACCT 283: THIS LINE RESERVED			\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	LONG TERM DEBT LOSS	NPR		\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	TOTAL ACCOUNT 283			\$0	\$0	\$0	\$0	\$0	\$0	\$0
34	ACCOUNT 190: PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0	\$0
36	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
37	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0	\$0
38	FERC REFUND	TRN		\$0	\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL ACCOUNT 190			\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	TOTAL ACCUM DEFERD INC TAX	ACC	ACC	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41	INVESTMENT TAX CREDIT PRE '71	NPR	PIC	\$0	\$0	\$0	\$0	\$0	\$0	\$0
42	CUSTOMER ADVANCES AND DEPOSITS	C3A	CAD	-\$13,622	-\$9,975	-\$6,399	-\$2,738	-\$47	-\$81	-\$142
43	STORM DAMAGE & INJ & DAM RESRVS	D2A	SDR	\$0	\$0	\$0	\$0	\$0	\$0	\$0
44	PNSN & MIS OP RSRVS, OTR DEF CR	OMA	PEN	-\$174,110	-\$121,750	-\$9,228	-\$35,480	-\$2,582	-\$4,397	-\$673
45	TRANSMISSION RATE REFUND RESERVE	TRN		\$0	\$0	\$0	\$0	\$0	\$0	\$0
46	TOTAL RATE BASE	RBT	RBT	\$3,861,539	\$2,871,159	\$132,794	\$714,196	-\$57,369	\$194,366	\$6,393

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SIoux VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
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*****OPER AND MTN EXPENSES*****

LINE NO.	DESCRIPTION	CONTROL ALL	CONTROL OUT	TOTAL SMEC	RESIDENTIAL	FARM & RURAL RESIDENTIAL	GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES
	PRODUCTION O&M EXPENSE									
1	FUEL EXPENSE - ACCT 501	E1A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
	PURCHASED POWER - ACCT 555									
2	DEMAND - OTHER	D1A		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]						
3	ENERGY - OTHER	E1A								
4	NET OFF SYSTEM REVENUE	E1A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
	OTHER PRODUCTION O&M ACCTS									
5	DEMAND - OTHER	D1A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	ENERGY - OTHER	E1A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	TOTAL OTHER PRODUCTION O&M	PRO	PRO	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	TOTAL PRODUCTION O&M EXPENSE	OMP	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]						
9	TOTAL TRANSMISSION O&M EXPENSE	NPT	OMT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION O&M EXPENSE									
10	LIGHTING SPECIFIC	LDE		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]						
11	ALL OTHER	SPD		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]						
12	TOTAL DISTRIBUTION O&M EXPENSE	OMD	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]						
13	TOTAL CUST ACCT/SERV & INFO/ SALES EXPENSE	C2A	OMC	\$63,970	\$47,169	\$3,020	\$12,948	\$224	\$385	\$224
	ADMINISTRATIVE & GENERAL EXPENSE									
14	PROP INSURANCE/INJ & DAMG	NPR		\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	CUST ACCT/SERV&INFO/SALES REL	LBR		\$135,020	\$94,416	\$7,156	\$27,514	\$2,002	\$3,410	\$522
16	TOTAL ADMIN & GENERAL EXPENSE	OMA	OMA	\$135,020	\$94,416	\$7,156	\$27,514	\$2,002	\$3,410	\$522
17	TOTAL OPER & MTN EXPENSES	OMX	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]						

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SIoux VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
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EXPENSES OTHER THAN INCOME TAXES

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	FARM & RURAL RESIDENTIAL	GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES
		ALL	OUT							
1	TOTAL OPER & MTN EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]						
DEPRECIATION & AMORTIZATION EXPENSES										
2	PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION	NPD		\$154,174	\$104,891	\$8,575	\$31,488	\$3,088	\$5,383	\$749
5	GENERAL	NPG		\$9,492	\$6,874	\$470	\$1,929	\$76	\$119	\$24
6	TOTAL DEPR & AMORT EXPEN	DEP	DEP	\$163,666	\$111,765	\$9,045	\$33,417	\$3,164	\$5,502	\$773
7	INTEREST ON CUSTOMER DEPOSITS	C3A	ICD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
GENERAL TAXES										
8	AD VALOREM	NPR	VAL	\$41,473	\$28,287	\$2,297	\$8,469	\$811	\$1,411	\$198
9	CORP FRANCHISE TAX	NPR	SFT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	MISCELLANEOUS GENERAL TAXES	LBR	MIS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	REVENUE-RELATED (AS PROPOSED)	RTX		\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL GENERAL TAXES	GTX	GTX	\$41,473	\$28,287	\$2,297	\$8,469	\$811	\$1,411	\$198
13	TOTAL EXPENSES EXCEPT INCOME TAX	EXP	EXP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]						

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SIOUX VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
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INCOME TAX FOR 4.54% ROE

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	FARM & RURAL RESIDENTIAL	GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES
		ALL	OUT							
1	RATE BASE		RBT	\$3,861,539	\$2,871,159	\$132,794	\$714,196	-\$57,369	\$194,366	\$6,393
2	RETURN AT 4.32%		RBT RET	\$166,968	\$124,146	\$5,742	\$30,881	-\$2,481	\$8,404	\$276
3	INTEREST (2.55% OF LINE 1)		RBT INT	-\$98,442	-\$73,195	-\$3,385	-\$18,207	\$1,463	-\$4,955	-\$163
4	A F U D C		NPR AFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
PROVISION FOR DEFERRED TAXES										
5	ACT 410.1: PROD RLTD		NPP	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	TRAN RLTD		NPT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	PLANT RLTD		NPR	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	ENERGY RLTD		E1A	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	LABOR RLTD		LBR	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL 410.1			\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	ACT 411.1: PROD RLTD		NPP	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	TRAN RLTD		NPT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	TOTAL 411.1			\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	NET PROVISION FOR DEFERD INC TAX			\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	ITC AMORT		NPR ITA	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	ADJUSTED RETURN		ART ART	\$68,526	\$50,951	\$2,357	\$12,674	-\$1,018	\$3,449	\$113
FED ADD INC & UNALLOW DEDUCTS										
23	PRODUCTION RELATED		NPP	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	DISTRIBUTION RELATED		NPD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION REV RELATED		TRN	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	DISTRIBUTION CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	TOTAL ADDITIONS		FTA FTA	\$0	\$0	\$0	\$0	\$0	\$0	\$0

(INCOME TAX CALCULATION CONTINUED ON NEXT PAGE)

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SIOUX VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
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INCOME TAX FOR 4.54% ROE
*** CONTINUED ***

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	FARM & RURAL RESIDENTIAL		GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES
		ALL	OUT		RESIDENTIAL	RESIDENTIAL				
FED DEDUCTS AND NON-TAX INCOME										
32	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0	\$0
34	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
36	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0	\$0
37	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0	\$0
38	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL DEDUCTIONS	FTD	FTD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	NET FEDERAL DEDUCTIONS	NFD	NFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
41	ST ADD INC & UNALLOW DEDUCTS	FTA		\$0	\$0	\$0	\$0	\$0	\$0	\$0
42	ST DEDUCTS AND NON-TAX INCOME	FTD		\$0	\$0	\$0	\$0	\$0	\$0	\$0
43	NET STATE DEDUCTIONS	NSD	NSD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
44	PROV FOR DEF'D ITC - CURRENT	NPR	ITC	\$0	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL TAXABLE INCOME										
45	ADJ RET * 1/(1-0.0000-0.0000)	ART	TART	\$68,526	\$50,951	\$2,357	\$12,674	-\$1,018	\$3,449	\$113
46	NET FED DED * 1/(1-0.0000)	NFD		\$0	\$0	\$0	\$0	\$0	\$0	\$0
47	NET ST DED * (1/(1-0.0000))-1	NSD		\$0	\$0	\$0	\$0	\$0	\$0	\$0
48	CURRENT ITC * (1/1-0.00)-1	ITC		\$0	\$0	\$0	\$0	\$0	\$0	\$0
49	TOTAL FEDERAL TAXABLE INCOME	FTI	FTI	\$68,526	\$50,951	\$2,357	\$12,674	-\$1,018	\$3,449	\$113
50	PLUS: NET FED DEDUCTS	NFD		\$0	\$0	\$0	\$0	\$0	\$0	\$0
51	LESS: NET STATE DEDUCTS	NSD		\$0	\$0	\$0	\$0	\$0	\$0	\$0
52	TOTAL STATE TAXABLE INCOME	STI	STI	\$68,526	\$50,951	\$2,357	\$12,674	-\$1,018	\$3,449	\$113
FED & ST INCOME TAXES:										
53	FED TAXABLE INC * 0.0000	FTI		\$0	\$0	\$0	\$0	\$0	\$0	\$0
54	ST. TAXABLE INC * 0.0000	STI		\$0	\$0	\$0	\$0	\$0	\$0	\$0
55	LESS: CRNT ITC * (1-0.0000)	ITC		\$0	\$0	\$0	\$0	\$0	\$0	\$0
56	TOTAL FED & ST INCOME TAXES	FST	FST	\$0	\$0	\$0	\$0	\$0	\$0	\$0
57	INVESTMENT TAX CREDIT - NET	NPR	ITN	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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SIOUX VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
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*****COST OF SERVICE*****
** (PROPOSED) **

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	FARM & RURAL RESIDENTIAL	GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES
		ALL	OUT							
1	RATE BASE	RBT		\$3,861,539	\$2,871,159	\$132,794	\$714,196	-\$57,369	\$194,366	\$6,393
2	RETURN AT 4.32%	RET		\$166,968	\$124,146	\$5,742	\$30,881	-\$2,481	\$8,404	\$276
3	OPERATION & MAINTENANCE EXPENSES	OMX		[TRADE SECRET DATA BEGINS...]		TRADE SECRET DATA ENDS]				
4	DEPRECIATION & AMORT EXPENSES	DEP		\$163,666	\$111,765	\$9,045	\$33,417	\$3,164	\$5,502	\$773
5	INTEREST ON CUSTOMER DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	GENERAL TAXES	GTX		\$41,473	\$28,287	\$2,297	\$8,469	\$811	\$1,411	\$198
7	FEDERAL AND STATE INCOME TAX	FST		\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	PROVISION FOR DEFERRED TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	COST OF SERVICE REVENUE REQUIREMENT BEFORE ATTRITION ADJUSTMENT	CSR	CSR	\$1,960,687	\$1,211,436	\$146,896	\$434,876	\$116,219	\$36,229	\$15,031
12	LESS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	BASE COST OF SERVICE REVENUE REQUIREMENT	BRR	BRR	\$1,960,687	\$1,211,436	\$146,896	\$434,876	\$116,219	\$36,229	\$15,031
14	ATTRITION ADJUSTMENT	BRR		\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	BASE COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT	ARR	ARR	\$1,960,687	\$1,211,436	\$146,896	\$434,876	\$116,219	\$36,229	\$15,031
16	PLUS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT			\$1,960,687	\$1,211,436	\$146,896	\$434,876	\$116,219	\$36,229	\$15,031
18	LESS: MISCELLANEOUS REVENUE			-\$27,748	-\$18,878	-\$1,543	-\$5,667	-\$556	-\$969	-\$135
19	LESS: BULK TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	LESS: PRIMARY TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	LESS: NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	NET ELECTRIC REVENUE REQUIREMENT			\$1,932,939	\$1,192,558	\$145,353	\$429,209	\$115,663	\$35,260	\$14,896

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SIOUX VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

EXISTING RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	FARM & RURAL RESIDENTIAL	GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES
1	EXISTING REVENUE	EXR	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]						
2	REVENUE DEDUCTIONS:	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]						
3	O&M EXPENSES	DEP							
4	DEPRECIATION & AMORT EXPENSES	VAL	-\$163,666	-\$111,765	-\$9,045	-\$33,417	-\$3,164	-\$5,502	-\$773
5	AD VALOREM TAXES	SFT	-\$41,473	-\$28,287	-\$2,297	-\$8,469	-\$811	-\$1,411	-\$198
6	CORP FRANCHISE TAX	MIS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	MISC GENERAL TAXES	RTX	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	REVENUE-RELATED TAXES	ICD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	INTEREST ON CUST DEPOSITS		\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]						
10	NET FOR RETURN AND INCOME TAXES	NET NET	-\$218,757	-\$227,632	\$591	-\$11,606	\$30,500	-\$4,196	-\$6,414
11	LESS: INTEREST EXPENSE	INT	-\$98,442	-\$73,195	-\$3,385	-\$18,207	\$1,463	-\$4,955	-\$163
12	LESS: NET FEDERAL DEDUCTIONS	NFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME		-\$317,199	-\$300,827	-\$2,794	-\$29,813	\$31,963	-\$9,151	-\$6,577
14	PLUS: NET FEDERAL DEDUCTIONS	NFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME		-\$317,199	-\$300,827	-\$2,794	-\$29,813	\$31,963	-\$9,151	-\$6,577
17	FED AND ST INCOME TAXES								
18	FED TAXABLE INC * 0.0000		\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	ST. TAXABLE INC * 0.0000		\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	LESS: CRNT ITC * (1-0.0000)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES		\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	*****RETURN COMPUTATION*****								
21	NET FOR RETURN AND INCOME TAXES	NET	-\$218,757	-\$227,632	\$591	-\$11,606	\$30,500	-\$4,196	-\$6,414
22	FED & ST INCOME TAXES		\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN		-\$218,757	-\$227,632	\$591	-\$11,606	\$30,500	-\$4,196	-\$6,414
27	RATE BASE	RBT	\$3,861,539	\$2,871,159	\$132,794	\$714,196	-\$57,369	\$194,366	\$6,393
28	RETURN ON RATE BASE	ROR	-5.67%	-7.93%	0.44%	-1.63%	0.00%	-2.16%	-100.32%
29	NON-EQUITY PORTION OF RETURN	DA3	-2.55%	-2.55%	-2.55%	-2.55%	0.00%	-2.55%	-2.55%
30	EQUITY PORTION OF EXISTING RETRN	DA3	-8.22%	-10.48%	-2.11%	-4.18%	0.00%	-4.71%	-102.87%
31	EXISTING RETURN ON EQUITY	DA3 ROE	-21.02%	-26.81%	-5.40%	-10.69%	0.00%	-12.05%	-263.14%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SIOUX VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

PROPOSED RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	FARM & RURAL RESIDENTIAL	GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES
1	PROPOSED REVENUE	PRV	\$1,960,687	\$1,211,436	\$146,896	\$434,876	\$116,219	\$36,229	\$15,031
2	REVENUE DEDUCTIONS:								
2	O&M EXPENSES	OMX	[TRADE SECRET DATA BEGINS...]			[TRADE SECRET DATA ENDS]			
3	DEPRECIATION & AMORT EXPENSES	DEP	-\$163,666	-\$111,765	-\$9,045	-\$33,417	-\$3,164	-\$5,502	-\$773
4	AD VALOREM TAXES	VAL	-\$41,473	-\$28,287	-\$2,297	-\$8,469	-\$811	-\$1,411	-\$198
5	CORP FRANCHISE TAX	SFT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	REVENUE-RELATED TAXES	RTX	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS		[TRADE SECRET DATA BEGINS...]			[TRADE SECRET DATA ENDS]			
10	NET FOR RETURN AND INCOME TAXES	NET NET	\$166,968	\$124,146	\$5,742	\$30,881	-\$2,481	\$8,404	\$276
11	LESS: INTEREST EXPENSE	INT	-\$98,442	-\$73,195	-\$3,385	-\$18,207	\$1,463	-\$4,955	-\$163
12	LESS: NET FEDERAL DEDUCTIONS	NFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME		\$68,526	\$50,951	\$2,357	\$12,674	-\$1,018	\$3,449	\$113
14	PLUS: NET FEDERAL DEDUCTIONS	NFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME		\$68,526	\$50,951	\$2,357	\$12,674	-\$1,018	\$3,449	\$113
	FED AND ST INCOME TAXES								
17	FED TAXABLE INC * 0.0000		\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000		\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)		\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES		\$0	\$0	\$0	\$0	\$0	\$0	\$0
	*****RETURN COMPUTATION*****								
21	NET FOR RETURN AND INCOME TAXES	NET	\$166,968	\$124,146	\$5,742	\$30,881	-\$2,481	\$8,404	\$276
22	FED & ST INCOME TAXES		\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN		\$166,968	\$124,146	\$5,742	\$30,881	-\$2,481	\$8,404	\$276
27	RATE BASE	RBT	\$3,861,539	\$2,871,159	\$132,794	\$714,196	-\$57,369	\$194,366	\$6,393
28	RETURN ON RATE BASE	ROR	4.32%	4.32%	4.32%	4.32%	0.00%	4.32%	4.32%
29	NON-EQUITY PORTION OF RETURN	DA3	-2.55%	-2.55%	-2.55%	-2.55%	0.00%	-2.55%	-2.55%
30	EQUITY PORTION OF EXISTING RETRN	DA3	1.77%	1.77%	1.77%	1.77%	0.00%	1.77%	1.77%
31	PROPOSED RETURN ON EQUITY	DA3 ROE	4.54%	4.54%	4.54%	4.54%	0.00%	4.54%	4.54%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SIOUX VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

COST OF SERVICE SUMMARY

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	FARM & RURAL RESIDENTIAL	GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES	
NET PLANT IN SERVICE:										
1	PRODUCTION PLANT	NPP	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
2	TRANSMISSION PLANT	NPT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
3	DISTRIBUTION PLANT	NPD	\$5,497,331	\$3,740,041	\$305,761	\$1,122,768	\$110,097	\$191,944	\$26,720	
4	GENERAL PLANT	NPG	\$230,223	\$166,727	\$11,407	\$46,776	\$1,838	\$2,887	\$588	
5	TOTAL NET ELECTRIC PLANT	NPR	\$5,727,554	\$3,906,768	\$317,168	\$1,169,544	\$111,935	\$194,831	\$27,308	
6	CONST. WORK IN PROGRESS	CWP	\$133,944	\$91,126	\$7,450	\$27,357	\$2,683	\$4,677	\$651	
7	ACQUISITION ADJUSTMENT	ACQ	-\$2,099,392	-\$1,190,958	-\$197,849	-\$503,124	-\$174,950	-\$10,395	-\$22,116	
8	PLANT HELD FOR FUTURE USE	PLH	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
9	TOTAL MISC DEFRD DEBITS		\$7,780	\$5,380	\$421	\$1,587	\$132	\$227	\$33	
WORKING CAPITAL:										
10	CASH WORK CAP,FUNDS,MAT&SUP	MAS	\$279,396	\$190,576	\$15,472	\$57,052	\$5,460	\$9,504	\$1,332	
11	FUEL STOCK	FUL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
12	PREPAID LIGNITE ROYALTIES	E1A	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
13	OTHER PREPAYMENTS	NPR	-\$11	-\$8	-\$1	-\$2	\$0	\$0	\$0	
14	UNAMORTIZED LOSS ON REACQD LTD	NPR	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
15	DEFERRED FUEL	DEF	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
16	ACCUMULATED DEFERRED INCOME TAX	ACC	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
17	PRE-1971 INVESTMENT TAX CREDIT	PIC	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
18	CUSTOMER ADVANCES AND DEPOSITS	CAD	-\$13,622	-\$9,975	-\$639	-\$2,738	-\$47	-\$81	-\$142	
19	STORM DAMAGE/INJ & DAM RESRVS	SDR	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
20	PNSN & MIS OP RSRVS, OTR DEF CRS	PEN	-\$174,110	-\$121,750	-\$9,228	-\$35,480	-\$2,582	-\$4,397	-\$673	
21	TRANSMISSION RATE REFUND RESERVE	TRN	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
22	AVERAGE ORIGINAL COST RATE BASE	RBT	\$3,861,539	\$2,871,159	\$132,794	\$714,196	-\$57,369	\$194,366	\$6,393	
23	RETURN AT 4.32%	RET	\$166,968	\$124,146	\$5,742	\$30,881	-\$2,481	\$8,404	\$276	
OPERATION & MAINTENANCE EXPENSES										
24	PRODUCTION O&M	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]							\$0
25	TRANSMISSION O&M	OMT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
26	DISTRIBUTION O&M	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]							\$224
27	CUST ACCT/SERV/SALES	OMC	\$63,970	\$47,169	\$3,020	\$12,948	\$224	\$385	\$224	
28	ADMINISTRATIVE & GENERAL	OMA	\$135,020	\$94,416	\$7,156	\$27,514	\$2,002	\$3,410	\$522	
29	TOTAL OPER & MAIN EXPENSES	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]							\$773
30	DEPRECIATION & AMORT EXPENSES	DEP	\$163,666	\$111,765	\$9,045	\$33,417	\$3,164	\$5,502	\$773	
31	INTEREST ON CUSTOMER DEPOSITS	ICD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
32	GENERAL TAXES	GTX	\$41,473	\$28,287	\$2,297	\$8,469	\$811	\$1,411	\$198	
33	FED & ST INCOME TAX	FST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
34	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
35	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
36	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
37	COST OF SERVICE REVENUE REQ	CSR	\$1,960,687	\$1,211,436	\$146,896	\$434,876	\$116,219	\$36,229	\$15,031	

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SIoux VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

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COST OF SERVICE COMPARISON

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	FARM & RURAL RESIDENTIAL	GENERAL SERVICE	LARGE POWER	STREET LIGHTING	PUBLIC AUTHORITIES
*** OTHER REVENUE INCLUDED ***									
1	COST OFF SERVICE REVENUE REQ		\$1,960,687	\$1,211,436	\$146,896	\$434,876	\$116,219	\$36,229	\$15,031
2	EXISTING REVENUE		\$1,574,962	\$859,658	\$141,745	\$392,389	\$149,200	\$23,629	\$8,341
3	REVENUE DEFICIENCY		\$385,725	\$351,778	\$5,151	\$42,487	-\$32,981	\$12,600	\$6,690
4	REQUIRED INCREASE (%)		24.49%	40.92%	3.63%	10.83%	-22.11%	53.33%	80.20%
5	EXISTING RATE OF RETURN-AS ADJ.		-5.67%	-7.93%	0.44%	-1.63%	0.00%	-2.16%	-100.32%
6	EXISTING ROR AS % OF OVERALL ROR-AS ADJ.		100.00%	139.86%	-7.76%	28.75%	0.00%	38.10%	1769.31%
7	EXISTING RETURN ON EQUITY-AS ADJ.		-21.02%	-26.81%	-5.40%	-10.69%	0.00%	-12.05%	-263.14%
8	EXISTING ROE AS % OF OVERALL ROE-AS ADJ.		100.00%	127.55%	25.69%	50.86%	0.00%	57.33%	1251.86%
9	PROPOSED RATE OF RETURN-AS ADJ		4.32%	4.32%	4.32%	4.32%	0.00%	4.32%	4.32%
10	PROPOSED RETURN ON EQUITY-AS ADJ		4.54%	4.54%	4.54%	4.54%	0.00%	4.54%	4.54%
*** OTHER REVENUE EXCLUDED ***									
11	COST OF SERVICE REVENUE REQ		\$1,932,939	\$1,192,558	\$145,353	\$429,209	\$115,663	\$35,260	\$14,896
12	EXISTING REVENUE		\$1,547,214	\$840,780	\$140,202	\$386,722	\$148,644	\$22,660	\$8,206
13	REVENUE DEFICIENCY		\$385,725	\$351,778	\$5,151	\$42,487	-\$32,981	\$12,600	\$6,690
14	REQUIRED INCREASE (%)		24.93%	41.84%	3.67%	10.99%	-22.19%	55.61%	81.52%
15	EXISTING RATE OF RETURN - UNADJ		-5.67%	-7.93%	0.44%	-1.63%	0.00%	-2.16%	-100.32%
16	EXISTING ROR AS % OF OVERALL ROR-UNADJ.		100.00%	139.86%	-7.76%	28.75%	0.00%	38.10%	1769.31%
17	EXISTING RETURN ON EQUITY-UNADJ		-21.02%	-26.81%	-5.40%	-10.69%	0.00%	-12.05%	-263.14%
18	EXISTING ROE AS % OF OVERALL ROE-UNADJ.		100.00%	127.55%	25.69%	50.86%	0.00%	57.33%	1251.86%
19	PROPOSED RATE OF RETURN - UNADJ		4.32%	4.32%	4.32%	4.32%	0.00%	4.32%	4.32%
20	PROPOSED RETURN ON EQUITY-UNADJ		4.54%	4.54%	4.54%	4.54%	0.00%	4.54%	4.54%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SIoux VALLEY- SOUTHWESTERN ELECTRIC COOPERATIVE- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

PROPOSED MILLS/KWH *****	TOTAL SMEC -----	RESIDENTIAL -----	FARM & RURAL RESIDENTIAL -----	GENERAL SERVICE -----	LARGE POWER -----	STREET LIGHTING -----	PUBLIC AUTHORITIES -----
1 EXISTING BASE REV	101.89	101.64	102.02	108.57	84.81	326.37	53.42
2 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----	-----	-----
3 TOTAL MILLS / KWH	101.89	101.64	102.02	108.57	84.81	326.37	53.42
	=====	=====	=====	=====	=====	=====	=====
4 PROPOSED BASE REV	127.30	144.16	105.77	120.50	65.99	507.85	96.97
5 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----	-----	-----
6 TOTAL MILLS / KWH	127.30	144.16	105.77	120.50	65.99	507.85	96.97
	=====	=====	=====	=====	=====	=====	=====

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

**SOUTH CENTRAL ELECTRIC ASSOCIATION
CLASS COST OF SERVICE FOR MPSC COMPLIANCE FILING
SCENARIO 2: SMEC DIRECT ASSIGNMENT**

LINE NO.	CLASS	COSS BASED REVENUE ALLOCATION	EXISTING REVENUE ALLOCATION	DIFFERENCE	PERCENT DIFFERENCE
LEGACY:					
1	G/S 1 PHASE	\$9,039,842	\$7,449,645	\$ 1,590,196	21.35%
2	G/S MULTI PHASE	\$199,667	\$205,925	\$ (6,258)	-3.04%
3	G/S SEASONAL	\$153,404	\$85,529	\$ 67,875	79.36%
4	L/P IRRIGATION	\$57,489	\$83,158	\$ (25,669)	-30.87%
5	L/P 1 PHASE	\$1,478,478	\$2,155,014	\$ (676,536)	-31.39%
6	L/P MULTI PHASE	\$2,215,746	\$3,842,545	\$ (1,626,799)	-42.34%
7	CONTRACT RATE 1	\$3,027,169	\$3,154,801	\$ (127,632)	-4.05%
8	CONTRACT RATE 2	\$3,238,236	\$2,411,954	\$ 826,282	34.26%
9	TOTAL LEGACY	\$19,410,031	\$19,388,570	\$ 21,460	0.11%
SMEC					
10	RESIDENTIAL	\$2,306,719	\$1,707,310	\$ 599,409	35.11%
11	SMALL COMMERCIAL	\$1,042,806	\$968,899	\$ 73,907	7.63%
12	LARGE POWER	\$196,641	\$314,253	\$ (117,612)	-37.43%
13	LIGHTING	\$60,144	\$50,628	\$ 9,516	18.80%
14	MUNICIPAL PUMPING	\$46,663	\$38,681	\$ 7,982	20.64%
15	TOTAL SMEC	\$3,652,973	\$3,079,771	\$573,203	18.61%
16					
17	TOTAL COMPANY	\$23,063,004	\$22,468,342	\$ 594,661	2.65%
18	MISC. REVENUES	\$168,790	\$168,790	\$ -	0.00%
19		\$23,231,794	\$22,637,132	\$ 594,661	2.63%
CONSOLIDATED					
20	G/S 1 PHASE	\$9,039,842	\$7,449,645	\$ 1,590,196	21.35%
21	G/S MULTI PHASE	\$199,667	\$205,925	\$ (6,258)	-3.04%
22	G/S SEASONAL	\$153,404	\$85,529	\$ 67,875	79.36%
23	L/P IRRIGATION	\$57,489	\$83,158	\$ (25,669)	-30.87%
24	L/P 1 PHASE	\$1,478,478	\$2,155,014	\$ (676,536)	-31.39%
25	L/P MULTI PHASE	\$2,215,746	\$3,842,545	\$ (1,626,799)	-42.34%
26	CONTRACT RATE 1	\$3,027,169	\$3,154,801	\$ (127,632)	-4.05%
27	CONTRACT RATE 2	\$3,238,236	\$2,411,954	\$ 826,282	34.26%
28	RESIDENTIAL	\$2,306,719	\$1,707,310	\$ 599,409	35.11%
29	SMALL COMMERCIAL	\$1,042,806	\$968,899	\$ 73,907	7.63%
30	LARGE POWER	\$196,641	\$314,253	\$ (117,612)	-37.43%
31	LIGHTING	\$60,144	\$50,628	\$ 9,516	18.80%
32	MUNICIPAL PUMPING	\$46,663	\$38,681	\$ 7,982	20.64%
33		\$23,063,004	\$22,468,342	\$ 594,661	2.65%
34	MISC. REVENUES	\$168,790	\$168,790	\$ -	0.00%
35	TOTAL COMPANY	\$23,231,794	\$22,637,132	\$ 594,661	2.63%

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SOUTH CENTRAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS

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FILESPEC: KARATERESICOS\93RESALE\ICOS1292.WK3

STUDY DATE:		DECEMBER 31, 2016	
RUN DATE AND TIME:	18-Oct-17	12:51 PM	
RETURN ON COMMON EQUITY		7.24%	
OVERALL RATE OF RETURN		4.59%	
CAPITALIZATION:			
	OUTSTANDING	EFFECTIVE RATE	COMPOSITE
DBT	\$44,335,140	3.31%	2.23%
PRF		0.00%	0.00%
CMN	\$21,372,518	7.24%	2.35%
FEDERAL EFFECTIVE INCOME TAX RATE			0.00%
FEDERAL NOMINAL INCOME TAX RATE			0.00%
STATE EFFECTIVE INCOME TAX RATE			0.00%
STATE NOMINAL INCOME TAX RATE			0.00%

NOTATIONS: THIS RUN ALLOCATES ALL PLANT ON AVG OF 12 CP

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SOUTH CENTRAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
COST OF SERVICE STUDY
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DECEMBER 31, 2016

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*****CUSTOMER DATA*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	NUMBER OF CUSTOMERS	C1A	C1A	1,918	1,447	431	6	18	17
2	PERCENT OF TOTAL	C1A		100.000%	75.417%	22.489%	0.295%	0.938%	0.860%
3	NUMBER OF WEIGHTED CUSTOMERS	C2A	C2A	1,918	1,447	431	6	18	17
4	PERCENT OF TOTAL	C2A		100.000%	75.417%	22.489%	0.295%	0.938%	0.860%
5	NUMBER OF RETAIL DISTR CUSTOMERS	C3A	C3A	1,918	1,447	431	6	18	17
6	PERCENT OF TOTAL	C3A		100.000%	75.417%	22.489%	0.295%	0.938%	0.860%
7	NMBR OF RETAIL WTD CUSTOMERS	C4A	C4A	1,918	1,447	431	6	18	17
8	PERCENT OF TOTAL	C4A		100.000%	75.417%	22.489%	0.295%	0.938%	0.860%
9	LIGHTING DIRECT ALLOCATOR	LDE	LDE	1	0	0	0	1	0
10	PERCENT OF TOTAL	LDE		100.000%	0.000%	0.000%	0.000%	100.000%	0.000%
11	LPS DIRECT ALLOCATOR	DA1	DA1	0	0	0	0	0	0
12	PERCENT OF TOTAL	DA1		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
13	AVERAGE COINCIDENT KW DEMAND	D1A	D1A	5,434	3,377	1,630	347	0	80
14	DEMAND ALLOCATION FACTOR-PROD	D1A		100.000%	62.139%	30.004%	6.386%	0.000%	1.470%
15	AVERAGE COINCIDENT KW DEMAND	D1B	D1B	5,434	3,377	1,630	347	0	80
16	DEMAND ALLOCATION FACTOR-TRANS	D1B		100.000%	62.139%	30.004%	6.386%	0.000%	1.470%
17	AVG PRIMARY DISTRIB KW DEMAND	D2A	D2A	5,720	3,507	1,682	361	88	83
18	DIST-PRI DEMAND ALLOC FACTOR	D2A		100.000%	61.299%	29.408%	6.309%	1.541%	1.443%
19	AVG SECONDARY DISTRIB KW DEMAND	D3A	D3A	5,720	3,507	1,682	361	88	83
20	DIST-SEC DEMAND ALLOC FACTOR	D3A		100.000%	61.299%	29.408%	6.309%	1.541%	1.443%
21	AVG SECONDARY DISTRIB KW DEMAND	D4A	D4A	5,720	3,507	1,682	361	88	83
22	DIST-SEC DEMAND ALLOC FACTOR	D4A		100.000%	61.299%	29.408%	6.309%	1.541%	1.443%
23	ANNUAL MWH ENERGY CONTRIBUTION	E1A	E1A	28,398,900	15,972,986	9,283,807	2,371,266	385,996	384,845
24	ENERGY ALLOCATION FACTOR	E1A		100.000%	56.245%	32.691%	8.350%	1.359%	1.355%

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SOUTH CENTRAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
COST OF SERVICE STUDY
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*****CUSTOMER DATA*****
**** CONTINUED ****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
25	RESERVED			0	0	0	0	0	0
26	PERCENT OF TOTAL			0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
27	WAGES/SALARIES: PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
29	DISTRIBUTION	NPD		\$254,594	\$165,197	\$65,085	\$9,278	\$12,092	\$2,942
30	GENERAL	NPG		\$55,002	\$38,620	\$13,483	\$1,316	\$1,583	\$0
31	WAGES/SALARIES: TOTAL	LBR	LBR	\$309,596	\$203,817	\$78,568	\$10,594	\$13,675	\$2,942
32	PERCENT OF TOTAL	LBR		100.000%	65.833%	25.378%	3.422%	4.417%	0.950%
33	BULK TRANSMISSION REVENUE	D1A		\$0	\$0	\$0	\$0	\$0	\$0
34	PRIMARY TRANSMISSION REVENUE	D2A		\$0	\$0	\$0	\$0	\$0	\$0
35	TOTAL TRANSMISSION REVENUE	TRN	TRN	\$0	\$0	\$0	\$0	\$0	\$0
36	PERCENT OF TOTAL	TRN		100.000%	100.000%	0.000%	0.000%	0.000%	0.000%
EXISTING REVENUE									
37	EXISTING BASE REV	OTR	OTR	\$3,079,771	\$1,707,310	\$968,899	\$314,253	\$50,628	\$38,681
38	FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
39	MISCELLANEOUS REVENUE	NPD		\$25,308	\$16,422	\$6,470	\$922	\$1,202	\$292
40	TRANSMISSION REVENUE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
41	NON-FRM SLS FOR RESALE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
42	TOTAL EXISTING REVENUE	EXR	EXR	\$3,105,079	\$1,723,732	\$975,369	\$315,175	\$51,830	\$38,973
PROPOSED REVENUE									
43	PROPOSED BASE REV			\$3,652,973	\$2,306,719	\$1,042,806	\$196,641	\$60,144	\$46,663
44	FUEL REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
45	MISCELLANEOUS REVENUE			\$25,308	\$16,422	\$6,470	\$922	\$1,202	\$292
46	TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
47	NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
48	TOTAL PROPOSED REVENUE	PRV	PRV	\$3,678,281	\$2,323,141	\$1,049,276	\$197,563	\$61,346	\$46,955
49	PROPOSED BASE REVENUE INCREASE/(DECREASE)			\$573,202	\$599,409	\$73,907	-\$117,612	\$9,516	\$7,982
50	PROPOSED BASE REVENUE INCR/(DECR) - %			18.61%	35.11%	7.63%	-37.43%	18.80%	20.64%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SOUTH CENTRAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
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****ELECTRIC GROSS PLANT****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
				-----	-----	-----	-----	-----	-----
1	TOTAL PRODUCTION PLANT	D1A	GPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1A		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1B		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	GPT	GPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$5,367,059	\$3,289,976	\$1,578,322	\$338,633	\$82,684	\$77,444
8	SECONDARY DEMAND RELATED	D3A		\$1,556,455	\$954,097	\$457,716	\$98,204	\$23,979	\$22,459
9	CUSTOMER RELATED	C4A		\$5,037,398	\$3,799,059	\$1,132,846	\$14,883	\$47,275	\$43,335
10	SUB-TOTAL DISTR PLANT		SGD	\$11,960,912	\$8,043,132	\$3,168,884	\$451,720	\$153,938	\$143,238
11	LIGHTING SPECIFIC		LDE	\$345,952	\$0	\$0	\$0	\$345,952	\$0
12	TOTAL DISTRIBUTION PLANT	GPD	GPD	\$12,306,864	\$8,043,132	\$3,168,884	\$451,720	\$499,890	\$143,238
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$353,647	\$231,125	\$91,060	\$12,981	\$14,365	\$4,116
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$335,836	\$253,278	\$75,525	\$992	\$3,152	\$2,889
17	TOTAL GENERAL & INTANGIBLE PLANT	GPG	GPG	\$689,483	\$484,403	\$166,585	\$13,973	\$17,517	\$7,005
18	TOTAL GROSS PLANT IN SERVICE	GPR	GPR	\$12,996,347	\$8,527,535	\$3,335,469	\$465,693	\$517,407	\$150,243
				=====	=====	=====	=====	=====	=====

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SOUTH CENTRAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
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*****ELECTRIC PLANT*****
ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	TOTAL PRODUCTION PLANT	D1A	DPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	DPT	DPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$2,189,796	\$1,342,332	\$643,966	\$138,164	\$33,736	\$31,598
8	SECONDARY DEMAND RELATED	D3A		\$635,044	\$389,279	\$186,751	\$40,068	\$9,783	\$9,163
9	CUSTOMER RELATED	C4A		\$2,055,292	\$1,550,042	\$462,209	\$6,072	\$19,288	\$17,681
10	SUB-TOTAL DISTR PLANT		SDD	\$4,880,132	\$3,281,653	\$1,292,926	\$184,304	\$62,807	\$58,442
11	LIGHTING SPECIFIC	LDE		\$88,551	\$0	\$0	\$0	\$88,551	\$0
12	TOTAL DISTRIBUTION PLANT	DPD	DPD	\$4,968,683	\$3,281,653	\$1,292,926	\$184,304	\$151,358	\$58,442
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$62,915	\$41,118	\$16,200	\$2,309	\$2,556	\$732
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$158,609	\$119,618	\$35,669	\$469	\$1,489	\$1,364
17	TOTAL GENERAL & INTANGIBLE PLANT	DPG	DPG	\$221,524	\$160,736	\$51,869	\$2,778	\$4,045	\$2,096
18	TOTAL ACCUMULATED DEPRECIATION	DPR	DPR	\$5,190,207	\$3,442,389	\$1,344,795	\$187,082	\$155,403	\$60,538

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*****ELECTRIC NET PLANT*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	TOTAL PRODUCTION PLANT	D1A	NPP	\$0	\$0	\$0	\$0	\$0	\$0
TRANSMISSION PLANT									
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	NPT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION PLANT									
7	PRIMARY DEMAND RELATED	D4A		\$3,177,263	\$1,947,644	\$934,356	\$200,469	\$48,948	\$45,846
8	SECONDARY DEMAND RELATED	D3A		\$921,411	\$564,818	\$270,965	\$58,136	\$14,196	\$13,296
9	CUSTOMER RELATED	C4A		\$2,982,106	\$2,249,017	\$670,637	\$8,811	\$27,987	\$25,654
10	SUB-TOTAL DISTR PLANT		SPD	\$7,080,780	\$4,761,479	\$1,875,958	\$267,416	\$91,131	\$84,796
11	LIGHTING SPECIFIC	LDE		\$257,401	\$0	\$0	\$0	\$257,401	\$0
12	TOTAL DISTRIBUTION PLANT	NPD	NPD	\$7,338,181	\$4,761,479	\$1,875,958	\$267,416	\$348,532	\$84,796
GENERAL AND INTANGIBLE PLANT									
13	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	NPD		\$290,732	\$190,007	\$74,860	\$10,672	\$11,809	\$3,384
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$177,227	\$133,660	\$39,856	\$523	\$1,663	\$1,525
17	TOTAL GENERAL & INTANGIBLE PLANT	NPG	NPG	\$467,959	\$323,667	\$114,716	\$11,195	\$13,472	\$4,909
18	TOTAL NET PLANT IN SERVICE	NPR	NPR	\$7,806,140	\$5,085,146	\$1,990,674	\$278,611	\$362,004	\$89,705

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SOUTH CENTRAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
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***** RATE BASE *****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	NET PLANT IN SERVICE	NPR	NPR	\$7,806,140	\$5,085,146	\$1,990,674	\$278,611	\$362,004	\$89,705
CONSTRUCTION WORK IN PROGRESS									
2	PRODUCTION PLANT	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION PLANT	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION PLANT	NPD		\$39,450	\$25,597	\$10,085	\$1,438	\$1,874	\$456
5	GENERAL PLANT	NPG		\$0	\$0	\$0	\$0	\$0	\$0
6	TOAL CWIP	CWP	CWP	\$39,450	\$25,597	\$10,085	\$1,438	\$1,874	\$456
7	NET ACQUISITION ADJUSTMENT	D2A	ACQ	\$271,282	\$166,296	\$79,777	\$17,116	\$4,179	\$3,914
8	PLANT HELD FOR FUTURE USE	E1A	PLH	\$0	\$0	\$0	\$0	\$0	\$0
MISC DEFERRED DEBITS									
9	PROD RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
10	TRAN RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
11	DIST RELATED	NPD		\$116,703	\$75,724	\$29,834	\$4,253	\$5,543	\$1,349
12	GENR RELATED	NPG		\$0	\$0	\$0	\$0	\$0	\$0
13	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
14	NPR RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
15	TOTAL MISC DEFRD DEBITS			\$116,703	\$75,724	\$29,834	\$4,253	\$5,543	\$1,349
WORKING CAPITAL									
16	CASH WORK CAP,FUNDS,MAT&SUP	NPR	MAS	\$210,776	\$137,305	\$53,751	\$7,523	\$9,775	\$2,422
17	FUEL STOCK	E1A	FUL	\$0	\$0	\$0	\$0	\$0	\$0
18	PREPAID LIGNITE ROYALTIES	E1A		\$0	\$0	\$0	\$0	\$0	\$0
19	OTHER PREPAYMENTS	NPR		\$18,194	\$11,852	\$4,640	\$649	\$844	\$209
20	TOTAL WORKING CAPITAL			\$228,970	\$149,157	\$58,391	\$8,172	\$10,619	\$2,631
21	UNAMORTIZED LOSS ON REACQD LTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
22	DEFERRED FUEL	E1A	DEF	\$0	\$0	\$0	\$0	\$0	\$0

(RATE BASE CONTINUED ON NEXT PAGE)

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SOUTH CENTRAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
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***** RATE BASE*****
** CONTINUED **

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
23	ACCUMULATED DEFERRED INCOME TAX ACCT 281: POL CON	NPP		\$0	\$0	\$0	\$0	\$0	\$0
24	ACCT 282: LIBERAL DEP - PROD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
25	TRAN	NPT		\$0	\$0	\$0	\$0	\$0	\$0
26	DIST	NPD		\$0	\$0	\$0	\$0	\$0	\$0
27	GENR	NPG		\$0	\$0	\$0	\$0	\$0	\$0
28	LIGNITE EXPLORATN	E1A		\$0	\$0	\$0	\$0	\$0	\$0
29	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
30	TOTAL ACCOUNT 282			\$0	\$0	\$0	\$0	\$0	\$0
31	ACCT 283: THIS LINE RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
32	LONG TERM DEBT LOSS	NPR		\$0	\$0	\$0	\$0	\$0	\$0
33	TOTAL ACCOUNT 283			\$0	\$0	\$0	\$0	\$0	\$0
34	ACCOUNT 190: PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
35	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
36	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
37	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
38	FERC REFUND	TRN		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL ACCOUNT 190			\$0	\$0	\$0	\$0	\$0	\$0
40	TOTAL ACCUM DEFERD INC TAX	ACC	ACC	\$0	\$0	\$0	\$0	\$0	\$0
41	INVESTMENT TAX CREDIT PRE '71	NPR	PIC	\$0	\$0	\$0	\$0	\$0	\$0
42	CUSTOMER ADVANCES AND DEPOSITS	C3A	CAD	-\$21,714	-\$16,376	-\$4,883	-\$64	-\$204	-\$187
43	STORM DAMAGE & INJ & DAM RESRVS	D2A	SDR	\$0	\$0	\$0	\$0	\$0	\$0
44	PNSN & MIS OP RSRVS, OTR DEF CR	OMA	PEN	-\$10,451	-\$6,880	-\$2,652	-\$358	-\$462	-\$99
45	TRANSMISSION RATE REFUND RESERVE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
46	TOTAL RATE BASE	RBT	RBT	\$8,430,380	\$5,478,664	\$2,161,226	\$309,168	\$383,553	\$97,769

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SOUTH CENTRAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
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*****OPER AND MTN EXPENSES*****

LINE NO.	DESCRIPTION	CONTROL ALL	CONTROL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
PRODUCTION O&M EXPENSE									
1	FUEL EXPENSE - ACCT 501	E1A		\$0	\$0	\$0	\$0	\$0	\$0
PURCHASED POWER - ACCT 555									
2	DEMAND - OTHER	D1A		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
3	ENERGY - OTHER	E1A		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
4	NET OFF SYSTEM REVENUE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
OTHER PRODUCTION O&M ACCTS									
5	DEMAND - OTHER	D1A		\$2,514	\$1,562	\$754	\$161	\$0	\$37
6	ENERGY - OTHER	E1A		\$0	\$0	\$0	\$0	\$0	\$0
7	TOTAL OTHER PRODUCTION O&M	PRO	PRO	\$2,514	\$1,562	\$754	\$161	\$0	\$37
TOTAL PRODUCTION O&M EXPENSE									
8	TOTAL PRODUCTION O&M EXPENSE	OMP	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
TOTAL TRANSMISSION O&M EXPENSE									
9	TOTAL TRANSMISSION O&M EXPENSE	NPT	OMT	\$0	\$0	\$0	\$0	\$0	\$0
DISTRIBUTION O&M EXPENSE									
LIGHTING SPECIFIC									
10	LIGHTING SPECIFIC	LDE		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
ALL OTHER									
11	ALL OTHER	SPD		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
TOTAL DISTRIBUTION O&M EXPENSE									
12	TOTAL DISTRIBUTION O&M EXPENSE	OMD	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
TOTAL CUST ACCT/SERV & INFO/ SALES EXPENSE									
13	TOTAL CUST ACCT/SERV & INFO/ SALES EXPENSE	C2A	OMC	\$304,408	\$229,576	\$68,457	\$899	\$2,857	\$2,619
ADMINISTRATIVE & GENERAL EXPENSE									
PROP INSURANCE/INJ & DAMG									
14	PROP INSURANCE/INJ & DAMG	NPR		\$0	\$0	\$0	\$0	\$0	\$0
CUST ACCT/SERV&INFO/SALES REL									
15	CUST ACCT/SERV&INFO/SALES REL	LBR		\$213,801	\$140,751	\$54,258	\$7,316	\$9,444	\$2,032
16	TOTAL ADMIN & GENERAL EXPENSE	OMA	OMA	\$213,801	\$140,751	\$54,258	\$7,316	\$9,444	\$2,032
TOTAL OPER & MTN EXPENSES									
17	TOTAL OPER & MTN EXPENSES	OMX	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SOUTH CENTRAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
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EXPENSES OTHER THAN INCOME TAXES

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	TOTAL OPER & MTN EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
DEPRECIATION & AMORTIZATION EXPENSES									
2	PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION	NPD		\$323,790	\$210,095	\$82,775	\$11,799	\$15,379	\$3,742
5	GENERAL	NPG		\$20,194	\$13,968	\$4,950	\$483	\$581	\$212
6	TOTAL DEPR & AMORT EXPEN	DEP	DEP	\$343,984	\$224,063	\$87,725	\$12,282	\$15,960	\$3,954
7	INTEREST ON CUSTOMER DEPOSITS	C3A	ICD	\$0	\$0	\$0	\$0	\$0	\$0
GENERAL TAXES									
8	AD VALOREM	NPR	VAL	\$0	\$0	\$0	\$0	\$0	\$0
9	CORP FRANCHISE TAX	NPR	SFT	\$0	\$0	\$0	\$0	\$0	\$0
10	MISCELLANEOUS GENERAL TAXES	LBR	MIS	\$0	\$0	\$0	\$0	\$0	\$0
11	REVENUE-RELATED (AS PROPOSED)	RTX		\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL GENERAL TAXES	GTX	GTX	\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL EXPENSES EXCEPT INCOME TAX	EXP	EXP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

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INCOME TAX FOR 7.24% ROE

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	RATE BASE		RBT	\$8,430,380	\$5,478,664	\$2,161,226	\$309,168	\$383,553	\$97,769
2	RETURN AT 4.59%		RBT RET	\$386,820	\$251,383	\$99,166	\$14,186	\$17,599	\$4,486
3	INTEREST (2.23% OF LINE 1)		RBT INT	-\$188,334	-\$122,392	-\$48,282	-\$6,907	-\$8,569	-\$2,184
4	A F U D C		NPR AFD	\$0	\$0	\$0	\$0	\$0	\$0
PROVISION FOR DEFERRED TAXES									
5	ACT 410.1: PROD RLTD		NPP	\$0	\$0	\$0	\$0	\$0	\$0
6	TRAN RLTD		NPT	\$0	\$0	\$0	\$0	\$0	\$0
7	PLANT RLTD		NPR	\$0	\$0	\$0	\$0	\$0	\$0
8	ENERGY RLTD		E1A	\$0	\$0	\$0	\$0	\$0	\$0
9	LABOR RLTD		LBR	\$0	\$0	\$0	\$0	\$0	\$0
10	CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0
11	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL 410.1			\$0	\$0	\$0	\$0	\$0	\$0
13	ACT 411.1: PROD RLTD		NPP	\$0	\$0	\$0	\$0	\$0	\$0
14	TRAN RLTD		NPT	\$0	\$0	\$0	\$0	\$0	\$0
15	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0
16	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0
17	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0
19	TOTAL 411.1			\$0	\$0	\$0	\$0	\$0	\$0
20	NET PROVISION FOR DEFERD INC TAX		PDT	\$0	\$0	\$0	\$0	\$0	\$0
21	ITC AMORT		NPR ITA	\$0	\$0	\$0	\$0	\$0	\$0
22	ADJUSTED RETURN		ART ART	\$198,486	\$128,991	\$50,884	\$7,279	\$9,030	\$2,302
FED ADD INC & UNALLOW DEDUCTS									
23	PRODUCTION RELATED		NPP	\$0	\$0	\$0	\$0	\$0	\$0
24	DISTRIBUTION RELATED		NPD	\$0	\$0	\$0	\$0	\$0	\$0
25	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0
26	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0
27	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION REV RELATED		TRN	\$0	\$0	\$0	\$0	\$0	\$0
29	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
30	DISTRIBUTION CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0
31	TOTAL ADDITIONS		FTA FTA	\$0	\$0	\$0	\$0	\$0	\$0

(INCOME TAX CALCULATION CONTINUED ON NEXT PAGE)

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SOUTH CENTRAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
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INCOME TAX FOR 7.24% ROE
*** CONTINUED ***

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
FED DEDUCTS AND NON-TAX INCOME									
32	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
33	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
34	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
35	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
36	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
37	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0
38	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL DEDUCTIONS	FTD	FTD	\$0	\$0	\$0	\$0	\$0	\$0
40	NET FEDERAL DEDUCTIONS	NFD	NFD	\$0	\$0	\$0	\$0	\$0	\$0
41	ST ADD INC & UNALLOW DEDUCTS	FTA		\$0	\$0	\$0	\$0	\$0	\$0
42	ST DEDUCTS AND NON-TAX INCOME	FTD		\$0	\$0	\$0	\$0	\$0	\$0
43	NET STATE DEDUCTIONS	NSD	NSD	\$0	\$0	\$0	\$0	\$0	\$0
44	PROV FOR DEF'D ITC - CURRENT	NPR	ITC	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL TAXABLE INCOME									
45	ADJ RET * 1/(1-0.0000-0.0000)	ART	TART	\$198,486	\$128,991	\$50,884	\$7,279	\$9,030	\$2,302
46	NET FED DED * 1/(1-0.0000)	NFD		\$0	\$0	\$0	\$0	\$0	\$0
47	NET ST DED * (1/(1-0.0000))-1	NSD		\$0	\$0	\$0	\$0	\$0	\$0
48	CURRENT ITC * (1/1-0.00)-1	ITC		\$0	\$0	\$0	\$0	\$0	\$0
49	TOTAL FEDERAL TAXABLE INCOME	FTI	FTI	\$198,486	\$128,991	\$50,884	\$7,279	\$9,030	\$2,302
50	PLUS: NET FED DEDUCTS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
51	LESS: NET STATE DEDUCTS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
52	TOTAL STATE TAXABLE INCOME	STI	STI	\$198,486	\$128,991	\$50,884	\$7,279	\$9,030	\$2,302
FED & ST INCOME TAXES:									
53	FED TAXABLE INC * 0.0000	FTI		\$0	\$0	\$0	\$0	\$0	\$0
54	ST. TAXABLE INC * 0.0000	STI		\$0	\$0	\$0	\$0	\$0	\$0
55	LESS: CRNT ITC * (1-0.0000)	ITC		\$0	\$0	\$0	\$0	\$0	\$0
56	TOTAL FED & ST INCOME TAXES	FST	FST	\$0	\$0	\$0	\$0	\$0	\$0
57	INVESTMENT TAX CREDIT - NET	NPR	ITN	\$0	\$0	\$0	\$0	\$0	\$0

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SOUTH CENTRAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
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*****COST OF SERVICE*****
** (PROPOSED) **

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	RATE BASE	RBT		\$8,430,380	\$5,478,664	\$2,161,226	\$309,168	\$383,553	\$97,769
2	RETURN AT 4.59%	RET		\$386,820	\$251,383	\$99,166	\$14,186	\$17,599	\$4,486
3	OPERATION & MAINTENANCE EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
4	DEPRECIATION & AMORT EXPENSES	DEP		\$343,984	\$224,063	\$87,725	\$12,282	\$15,960	\$3,954
5	INTEREST ON CUSTOMER DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
6	GENERAL TAXES	GTX		\$0	\$0	\$0	\$0	\$0	\$0
7	FEDERAL AND STATE INCOME TAX	FST		\$0	\$0	\$0	\$0	\$0	\$0
8	PROVISION FOR DEFERRED TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
9	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
10	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
11	COST OF SERVICE REVENUE REQUIREMENT BEFORE ATTRITION ADJUSTMENT	CSR	CSR	\$3,678,281	\$2,323,141	\$1,049,276	\$197,563	\$61,346	\$46,955
12	LESS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
13	BASE COST OF SERVICE REVENUE REQUIREMENT	BRR	BRR	\$3,678,281	\$2,323,141	\$1,049,276	\$197,563	\$61,346	\$46,955
14	ATTRITION ADJUSTMENT	BRR		\$0	\$0	\$0	\$0	\$0	\$0
15	BASE COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT	ARR	ARR	\$3,678,281	\$2,323,141	\$1,049,276	\$197,563	\$61,346	\$46,955
16	PLUS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
17	COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT			\$3,678,281	\$2,323,141	\$1,049,276	\$197,563	\$61,346	\$46,955
18	LESS: MISCELLANEOUS REVENUE			-\$25,308	-\$16,422	-\$6,470	-\$922	-\$1,202	-\$292
19	LESS: BULK TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
20	LESS: PRIMARY TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
21	LESS: NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
22	NET ELECTRIC REVENUE REQUIREMENT			\$3,652,973	\$2,306,719	\$1,042,806	\$196,641	\$60,144	\$46,663

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EXISTING RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	EXISTING REVENUE	EXR		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
2	REVENUE DEDUCTIONS:			[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
2	O&M EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
3	DEPRECIATION & AMORT EXPENSES	DEP		-\$343,984	-\$224,063	-\$87,725	-\$12,282	-\$15,960	-\$3,954
4	AD VALOREM TAXES	VAL		\$0	\$0	\$0	\$0	\$0	\$0
5	CORP FRANCHISE TAX	SFT		\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS		\$0	\$0	\$0	\$0	\$0	\$0
7	REVENUE-RELATED TAXES	RTX		\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS			[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
10	NET FOR RETURN AND INCOME TAXES	NET	NET	-\$186,382	-\$348,026	\$25,259	\$131,798	\$8,083	-\$3,496
11	LESS: INTEREST EXPENSE	INT		-\$188,334	-\$122,392	-\$48,282	-\$6,907	-\$8,569	-\$2,184
12	LESS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			-\$374,716	-\$470,418	-\$23,023	\$124,891	-\$486	-\$5,680
14	PLUS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			-\$374,716	-\$470,418	-\$23,023	\$124,891	-\$486	-\$5,680
17	FED AND ST INCOME TAXES								
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
21	*****RETURN COMPUTATION*****								
21	NET FOR RETURN AND INCOME TAXES	NET		-\$186,382	-\$348,026	\$25,259	\$131,798	\$8,083	-\$3,496
22	FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN			-\$186,382	-\$348,026	\$25,259	\$131,798	\$8,083	-\$3,496
27	RATE BASE	RBT		\$8,430,380	\$5,478,664	\$2,161,226	\$309,168	\$383,553	\$97,769
28	RETURN ON RATE BASE	ROR		-2.21%	-6.35%	1.17%	42.63%	2.11%	-3.58%
29	NON-EQUITY PORTION OF RETURN	DA3		-2.23%	-2.23%	-2.23%	-2.23%	-2.23%	-2.23%
30	EQUITY PORTION OF EXISTING RETRN	DA3		-4.44%	-8.58%	-1.06%	40.40%	-0.12%	-5.81%
31	EXISTING RETURN ON EQUITY	DA3	ROE	-13.66%	-26.39%	-3.27%	124.19%	-0.38%	-17.87%

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SOUTH CENTRAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
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PROPOSED RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	PROPOSED REVENUE	PRV	\$3,678,281	\$2,323,141	\$1,049,276	\$197,563	\$61,346	\$46,955
	REVENUE DEDUCTIONS:							
2	O&M EXPENSES	OMX	[TRADE SECRET DATA BEGINS...]		[TRADE SECRET DATA ENDS]			
3	DEPRECIATION & AMORT EXPENSES	DEP	-\$343,984	-\$224,063	-\$87,725	-\$12,282	-\$15,960	-\$3,954
4	AD VALOREM TAXES	VAL	\$0	\$0	\$0	\$0	\$0	\$0
5	CORP FRANCHISE TAX	SFT	\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS	\$0	\$0	\$0	\$0	\$0	\$0
7	REVENUE-RELATED TAXES	RTX	\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS		[TRADE SECRET DATA BEGINS...]		[TRADE SECRET DATA ENDS]			
10	NET FOR RETURN AND INCOME TAXES	NET NET	\$386,820	\$251,383	\$99,166	\$14,186	\$17,599	\$4,486
11	LESS: INTEREST EXPENSE	INT	-\$188,334	-\$122,392	-\$48,282	-\$6,907	-\$8,569	-\$2,184
12	LESS: NET FEDERAL DEDUCTIONS	NFD	\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME		\$198,486	\$128,991	\$50,884	\$7,279	\$9,030	\$2,302
14	PLUS: NET FEDERAL DEDUCTIONS	NFD	\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD	\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME		\$198,486	\$128,991	\$50,884	\$7,279	\$9,030	\$2,302
	FED AND ST INCOME TAXES							
17	FED TAXABLE INC * 0.0000		\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000		\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)		\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES		\$0	\$0	\$0	\$0	\$0	\$0
	****RETURN COMPUTATION****							
21	NET FOR RETURN AND INCOME TAXES	NET	\$386,820	\$251,383	\$99,166	\$14,186	\$17,599	\$4,486
22	FED & ST INCOME TAXES		\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN		\$386,820	\$251,383	\$99,166	\$14,186	\$17,599	\$4,486
27	RATE BASE	RBT	\$8,430,380	\$5,478,664	\$2,161,226	\$309,168	\$383,553	\$97,769
28	RETURN ON RATE BASE	ROR	4.59%	4.59%	4.59%	4.59%	4.59%	4.59%
29	NON-EQUITY PORTION OF RETURN	DA3	-2.23%	-2.23%	-2.23%	-2.23%	-2.23%	-2.23%
30	EQUITY PORTION OF EXISTING RETRN	DA3	2.35%	2.35%	2.35%	2.35%	2.35%	2.35%
31	PROPOSED RETURN ON EQUITY	DA3 ROE	7.24%	7.24%	7.24%	7.24%	7.24%	7.24%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SOUTH CENTRAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

COST OF SERVICE SUMMARY

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
NET PLANT IN SERVICE:								
1	PRODUCTION PLANT	NPP	\$0	\$0	\$0	\$0	\$0	\$0
2	TRANSMISSION PLANT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
3	DISTRIBUTION PLANT	NPD	\$7,338,181	\$4,761,479	\$1,875,958	\$267,416	\$348,532	\$84,796
4	GENERAL PLANT	NPG	\$467,959	\$323,667	\$114,716	\$11,195	\$13,472	\$4,909
5	TOTAL NET ELECTRIC PLANT	NPR	\$7,806,140	\$5,085,146	\$1,990,674	\$278,611	\$362,004	\$89,705
6	CONST. WORK IN PROGRESS	CWP	\$39,450	\$25,597	\$10,085	\$1,438	\$1,874	\$456
7	ACQUISITION ADJUSTMENT	ACQ	\$271,282	\$166,296	\$79,777	\$17,116	\$4,179	\$3,914
8	PLANT HELD FOR FUTURE USE	PLH	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL MISC DEFERD DEBITS		\$116,703	\$75,724	\$29,834	\$4,253	\$5,543	\$1,349
WORKING CAPITAL:								
10	CASH WORK CAP,FUNDS,MAT&SUP	MAS	\$210,776	\$137,305	\$53,751	\$7,523	\$9,775	\$2,422
11	FUEL STOCK	FUL	\$0	\$0	\$0	\$0	\$0	\$0
12	PREPAID LIGNITE ROYALTIES	E1A	\$0	\$0	\$0	\$0	\$0	\$0
13	OTHER PREPAYMENTS	NPR	\$18,194	\$11,852	\$4,640	\$649	\$844	\$209
14	UNAMORTIZED LOSS ON REACQD LTD	NPR	\$0	\$0	\$0	\$0	\$0	\$0
15	DEFERRED FUEL	DEF	\$0	\$0	\$0	\$0	\$0	\$0
16	ACCUMULATED DEFERRED INCOME TAX	ACC	\$0	\$0	\$0	\$0	\$0	\$0
17	PRE-1971 INVESTMENT TAX CREDIT	PIC	\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER ADVANCES AND DEPOSITS	CAD	-\$21,714	-\$16,376	-\$4,883	-\$64	-\$204	-\$187
19	STORM DAMAGE/INJ & DAM RESRVS	SDR	\$0	\$0	\$0	\$0	\$0	\$0
20	PNSN & MIS OP RSRVS, OTR DEF CRS	PEN	-\$10,451	-\$6,880	-\$2,652	-\$358	-\$462	-\$99
21	TRANSMISSION RATE REFUND RESERVE	TRN	\$0	\$0	\$0	\$0	\$0	\$0
22	AVERAGE ORIGINAL COST RATE BASE	RBT	\$8,430,380	\$5,478,664	\$2,161,226	\$309,168	\$383,553	\$97,769
23	RETURN AT 4.59%	RET	\$386,820	\$251,383	\$99,166	\$14,186	\$17,599	\$4,486
OPERATION & MAINTENANCE EXPENSES								
24	PRODUCTION O&M	OMP	[TRADE SECRET DATA BEGINS...]		TRADE SECRET DATA ENDS]			
25	TRANSMISSION O&M	OMT	\$0	\$0	\$0	\$0	\$0	\$0
26	DISTRIBUTION O&M	OMD	[TRADE SECRET DATA BEGINS...]		TRADE SECRET DATA ENDS]			
27	CUST ACCT/SERV/SALES	OMC	\$304,408	\$229,576	\$68,457	\$899	\$2,857	\$2,619
28	ADMINISTRATIVE & GENERAL	OMA	\$213,801	\$140,751	\$54,258	\$7,316	\$9,444	\$2,032
29	TOTAL OPER & MAIN EXPENSES	OMX	[TRADE SECRET DATA BEGINS...]		TRADE SECRET DATA ENDS]			
30	DEPRECIATION & AMORT EXPENSES	DEP	\$343,984	\$224,063	\$87,725	\$12,282	\$15,960	\$3,954
31	INTEREST ON CUSTOMER DEPOSITS	ICD	\$0	\$0	\$0	\$0	\$0	\$0
32	GENERAL TAXES	GTX	\$0	\$0	\$0	\$0	\$0	\$0
33	FED & ST INCOME TAX	FST	\$0	\$0	\$0	\$0	\$0	\$0
34	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	\$0
35	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	\$0
36	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	\$0
37	COST OF SERVICE REVENUE REQ	CSR	\$3,678,281	\$2,323,141	\$1,049,276	\$197,563	\$61,346	\$46,955

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SOUTH CENTRAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

COST OF SERVICE COMPARISON

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
*** OTHER REVENUE INCLUDED ***								
1	COST OFF SERVICE REVENUE REQ		\$3,678,281	\$2,323,141	\$1,049,276	\$197,563	\$61,346	\$46,955
2	EXISTING REVENUE		\$3,105,079	\$1,723,732	\$975,369	\$315,175	\$51,830	\$38,973
3	REVENUE DEFICIENCY		\$573,202	\$599,409	\$73,907	-\$117,612	\$9,516	\$7,982
4	REQUIRED INCREASE (%)		18.46%	34.77%	7.58%	-37.32%	18.36%	20.48%
5	EXISTING RATE OF RETURN-AS ADJ.		-2.21%	-6.35%	1.17%	42.63%	2.11%	-3.58%
6	EXISTING ROR AS % OF OVERALL ROR-AS ADJ.		100.00%	287.33%	-52.94%	-1928.96%	-95.48%	161.99%
7	EXISTING RETURN ON EQUITY-AS ADJ.		-13.66%	-26.39%	-3.27%	124.19%	-0.38%	-17.87%
8	EXISTING ROE AS % OF OVERALL ROE-AS ADJ.		100.00%	193.19%	23.94%	-909.15%	2.78%	130.82%
9	PROPOSED RATE OF RETURN-AS ADJ		4.59%	4.59%	4.59%	4.59%	4.59%	4.59%
10	PROPOSED RETURN ON EQUITY-AS ADJ		7.24%	7.24%	7.24%	7.24%	7.24%	7.24%
*** OTHER REVENUE EXCLUDED ***								
11	COST OF SERVICE REVENUE REQ		\$3,652,973	\$2,306,719	\$1,042,806	\$196,641	\$60,144	\$46,663
12	EXISTING REVENUE		\$3,079,771	\$1,707,310	\$968,899	\$314,253	\$50,628	\$38,681
13	REVENUE DEFICIENCY		\$573,202	\$599,409	\$73,907	-\$117,612	\$9,516	\$7,982
14	REQUIRED INCREASE (%)		18.61%	35.11%	7.63%	-37.43%	18.80%	20.64%
15	EXISTING RATE OF RETURN - UNADJ		-2.21%	-6.35%	1.17%	42.63%	2.11%	-3.58%
16	EXISTING ROR AS % OF OVERALL ROR-UNADJ.		100.00%	287.33%	-52.94%	-1928.96%	-95.48%	161.99%
17	EXISTING RETURN ON EQUITY-UNADJ		-13.66%	-26.39%	-3.27%	124.19%	-0.38%	-17.87%
18	EXISTING ROE AS % OF OVERALL ROE-UNADJ.		100.00%	193.19%	23.94%	-909.15%	2.78%	130.82%
19	PROPOSED RATE OF RETURN - UNADJ		4.59%	4.59%	4.59%	4.59%	4.59%	4.59%
20	PROPOSED RETURN ON EQUITY-UNADJ		7.24%	7.24%	7.24%	7.24%	7.24%	7.24%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

SOUTH CENTRAL ELECTRIC ASSOCIATION- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

PROPOSED MILLS/KWH *****	TOTAL SMEC -----	RESIDENTIAL -----	SMALL COMMERCIAL -----	LARGE POWER -----	LIGHTING -----	MUNICIPAL PUMPING -----
1 EXISTING BASE REV	108.45	106.89	104.36	132.53	131.16	100.51
2 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----	-----
3 TOTAL MILLS / KWH	108.45	106.89	104.36	132.53	131.16	100.51
	=====	=====	=====	=====	=====	=====
4 PROPOSED BASE REV	128.63	144.41	112.33	82.93	155.82	121.25
5 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----	-----
6 TOTAL MILLS / KWH	128.63	144.41	112.33	82.93	155.82	121.25
	=====	=====	=====	=====	=====	=====

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

**STEELE- WASECA COOPERATIVE ELECTRIC
CLASS COST OF SERVICE FOR MPSC COMPLIANCE FILING
SCENARIO 2: SMEC DIRECT ASSIGNMENT**

LINE NO.	CLASS	COSS BASED REVENUE ALLOCATION	EXISTING REVENUE ALLOCATION	DIFFERENCE	PERCENT DIFFERENCE
LEGACY:					
1	RESIDENTIAL	\$16,273,823	\$16,775,844	\$ (502,021)	-2.99%
2	TIME OF DAY	\$2,059,099	\$1,796,569	\$ 262,530	14.61%
3	L/P 3 PHASE	\$2,526,614	\$3,830,502	\$ (1,303,888)	-34.04%
4	INTERRUPTIBLE	\$4,335,163	\$3,707,831	\$ 627,332	16.92%
5	CURTAILABLE	\$3,640,252	\$3,447,765	\$ 192,487	5.58%
6	CONTROLLED SERVICE	\$1,243,594	\$772,871	\$ 470,723	60.91%
7	STREET LIGHTING	\$121,183	\$220,212	\$ (99,029)	-44.97%
8	TOTAL LEGACY	\$30,199,728	\$30,551,594	\$ (351,866)	-1.15%
SMEC					
9	RESIDENTIAL	\$1,825,420	\$1,456,200	\$ 369,220	25.36%
10	SMALL COMMERCIAL	\$822,809	\$775,522	\$ 47,287	6.10%
11	LARGE POWER	\$3,450,239	\$3,120,074	\$ 330,165	10.58%
12	LIGHTING	\$40,516	\$46,473	\$ (5,957)	-12.82%
13	MUNICIPAL PUMPING	\$37,926	\$29,805	\$8,121	27.25%
14	TOTAL SMEC	\$6,176,910	\$5,428,074	\$748,836	13.80%
15					
16	TOTAL COMPANY	\$36,376,637	\$35,979,668	\$ 396,969	1.10%
17	MISC. REVENUES	\$480,283	\$480,283	\$ -	0.00%
18		\$36,856,920	\$36,459,951	\$ 396,969	1.09%
CONSOLIDATED					
19	RESIDENTIAL	\$18,099,242	\$18,232,044	\$ (132,802)	-0.73%
20	TIME OF DAY	\$2,059,099	\$1,796,569	\$ 262,530	14.61%
21	L/P 3 PHASE	\$2,526,614	\$3,830,502	\$ (1,303,888)	-34.04%
22	INTERRUPTIBLE	\$4,335,163	\$3,707,831	\$ 627,332	16.92%
23	CURTAILABLE	\$3,640,252	\$3,447,765	\$ 192,487	5.58%
24	CONTROLLED SERVICE	\$1,243,594	\$772,871	\$ 470,723	60.91%
25	STREET LIGHTING	\$161,699	\$266,685	\$ (104,986)	-39.37%
26	SMALL COMMERCIAL	\$822,809	\$775,522	\$ 47,287	6.10%
27	LARGE POWER	\$3,450,239	\$3,120,074	\$ 330,165	10.58%
28	MUNICIPAL PUMPING	\$37,926	\$29,805	\$ 8,121	27.25%
29		\$36,376,637	\$35,979,668	\$ 396,969	1.10%
30	MISC. REVENUES	\$480,283	\$480,283	\$ -	0.00%
31	TOTAL COMPANY	\$36,856,920	\$36,459,951	\$ 396,969	1.09%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

STEELE WASECA- SMEC CUSTOMERS

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FILESPEC: K:\RATERES\COS\93\RESALE\COS1292.WK3

STUDY DATE:		DECEMBER 31, 2016	
RUN DATE AND TIME:	19-Sep-17	11:42 AM	
RETURN ON COMMON EQUITY		7.01%	
OVERALL RATE OF RETURN		6.31%	
CAPITALIZATION:			
	OUTSTANDING	EFFECTIVE RATE	COMPOSITE
DBT	\$31,915,538	5.53%	2.61%
PRF		0.00%	0.00%
CMN	\$35,581,456	7.01%	3.70%
FEDERAL EFFECTIVE INCOME TAX RATE			0.00%
FEDERAL NOMINAL INCOME TAX RATE			0.00%
STATE EFFECTIVE INCOME TAX RATE			0.00%
STATE NOMINAL INCOME TAX RATE			0.00%

NOTATIONS: THIS RUN ALLOCATES ALL PLANT ON AVG OF 12 CP

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STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

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*****CUSTOMER DATA*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	NUMBER OF CUSTOMERS	C1A	C1A	1,579	1,249	295	21	7	7
2	PERCENT OF TOTAL	C1A		100.000%	79.105%	18.652%	1.330%	0.470%	0.443%
3	NUMBER OF WEIGHTED CUSTOMERS	C2A	C2A	1,579	1,249	295	21	7	7
4	PERCENT OF TOTAL	C2A		100.000%	79.105%	18.652%	1.330%	0.470%	0.443%
5	NUMBER OF RETAIL DISTR CUSTOMERS	C3A	C3A	1,579	1,249	295	21	7	7
6	PERCENT OF TOTAL	C3A		100.000%	79.105%	18.652%	1.330%	0.470%	0.443%
7	NMBR OF RETAIL WTD CUSTOMERS	C4A	C4A	1,579	1,249	295	21	7	7
8	PERCENT OF TOTAL	C4A		100.000%	79.105%	18.652%	1.330%	0.470%	0.443%
9	LIGHTING DIRECT ALLOCATOR	LDE	LDE	1	0	0	0	1	0
10	PERCENT OF TOTAL	LDE		100.000%	0.000%	0.000%	0.000%	100.000%	0.000%
11	LPS DIRECT ALLOCATOR	DA1	DA1	0	0	0	0	0	0
12	PERCENT OF TOTAL	DA1		#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
13	AVERAGE COINCIDENT KW DEMAND	D1A	D1A	11,518	2,972	1,523	6,942	0	81
14	DEMAND ALLOCATION FACTOR-PROD	D1A		100.000%	25.802%	13.224%	60.269%	0.000%	0.706%
15	AVERAGE COINCIDENT KW DEMAND	D1B	D1B	11,518	2,972	1,523	6,942	0	81
16	DEMAND ALLOCATION FACTOR-TRANS	D1B		100.000%	25.802%	13.224%	60.269%	0.000%	0.706%
17	AVG PRIMARY DISTRIB KW DEMAND	D2A	D2A	12,077	3,086	1,599	7,219	88	84
18	DIST-PRI DEMAND ALLOC FACTOR	D2A		100.000%	25.553%	13.241%	59.776%	0.732%	0.698%
19	AVG SECONDARY DISTRIB KW DEMAND	D3A	D3A	12,077	3,086	1,599	7,219	88	84
20	DIST-SEC DEMAND ALLOC FACTOR	D3A		100.000%	25.553%	13.241%	59.776%	0.732%	0.698%
21	AVG SECONDARY DISTRIB KW DEMAND	D4A	D4A	12,077	3,086	1,599	7,219	88	84
22	DIST-SEC DEMAND ALLOC FACTOR	D4A		100.000%	25.553%	13.241%	59.776%	0.732%	0.698%
23	ANNUAL MWH ENERGY CONTRIBUTION	E1A	E1A	70,672,172	14,057,576	8,405,404	47,430,515	387,090	391,587
24	ENERGY ALLOCATION FACTOR	E1A		100.000%	19.891%	11.894%	67.113%	0.548%	0.554%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

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*****CUSTOMER DATA*****
**** CONTINUED ****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
25	RESERVED			0	0	0	0	0	0
26	PERCENT OF TOTAL			0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
27	WAGES/SALARIES: PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
29	DISTRIBUTION	NPD		\$144,427	\$66,157	\$21,595	\$50,425	\$5,418	\$832
30	GENERAL	NPG		\$148,505	\$111,697	\$27,003	\$8,671	\$1,134	\$0
31	WAGES/SALARIES: TOTAL	LBR	LBR	\$292,932	\$177,854	\$48,598	\$59,096	\$6,552	\$832
32	PERCENT OF TOTAL	LBR		100.000%	60.715%	16.590%	20.174%	2.237%	0.284%
33	BULK TRANSMISSION REVENUE	D1A		\$0	\$0	\$0	\$0	\$0	\$0
34	PRIMARY TRANSMISSION REVENUE	D2A		\$0	\$0	\$0	\$0	\$0	\$0
35	TOTAL TRANSMISSION REVENUE	TRN	TRN	\$0	\$0	\$0	\$0	\$0	\$0
36	PERCENT OF TOTAL	TRN		100.000%	100.000%	0.000%	0.000%	0.000%	0.000%
EXISTING REVENUE									
37	EXISTING BASE REV	OTR	OTR	\$5,428,074	\$1,456,200	\$775,522	\$3,120,074	\$46,473	\$29,805
38	FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
39	MISCELLANEOUS REVENUE	NPD		\$51,692	\$23,678	\$7,729	\$18,048	\$1,939	\$298
40	TRANSMISSION REVENUE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
41	NON-FRM SLS FOR RESALE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
42	TOTAL EXISTING REVENUE	EXR	EXR	\$5,479,766	\$1,479,878	\$783,251	\$3,138,122	\$48,412	\$30,103
PROPOSED REVENUE									
43	PROPOSED BASE REV			\$6,176,910	\$1,825,420	\$822,809	\$3,450,239	\$40,516	\$37,926
44	FUEL REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
45	MISCELLANEOUS REVENUE			\$51,692	\$23,678	\$7,729	\$18,048	\$1,939	\$298
46	TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
47	NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
48	TOTAL PROPOSED REVENUE	PRV	PRV	\$6,228,602	\$1,849,098	\$830,538	\$3,468,287	\$42,455	\$38,224
49	PROPOSED BASE REVENUE INCREASE/(DECREASE)			\$748,836	\$369,220	\$47,287	\$330,165	-\$5,957	\$8,121
50	PROPOSED BASE REVENUE INCR/(DECR) - %			13.80%	25.36%	6.10%	10.58%	-12.82%	27.25%

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STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

****ELECTRIC GROSS PLANT****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
				-----	-----	-----	-----	-----	-----
1	TOTAL PRODUCTION PLANT	D1A	GPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1A		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1B		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	GPT	GPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$4,320,424	\$1,103,983	\$572,087	\$2,582,567	\$31,615	\$30,172
8	SECONDARY DEMAND RELATED	D3A		\$1,285,275	\$328,422	\$170,189	\$768,283	\$9,405	\$8,976
9	CUSTOMER RELATED	C4A		\$3,762,070	\$2,975,980	\$701,702	\$50,037	\$17,672	\$16,679
10	SUB-TOTAL DISTR PLANT		SGD	\$9,367,770	\$4,408,386	\$1,443,978	\$3,400,887	\$58,692	\$55,827
11	LIGHTING SPECIFIC	LDE		\$199,620	\$0	\$0	\$0	\$199,620	\$0
12	TOTAL DISTRIBUTION PLANT	GPD	GPD	\$9,567,390	\$4,408,386	\$1,443,978	\$3,400,887	\$258,312	\$55,827
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$46,747	\$21,540	\$7,055	\$16,617	\$1,262	\$273
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$496,444	\$392,711	\$92,597	\$6,603	\$2,332	\$2,201
17	TOTAL GENERAL & INTANGIBLE PLANT	GPG	GPG	\$543,191	\$414,251	\$99,652	\$23,220	\$3,594	\$2,474
18	TOTAL GROSS PLANT IN SERVICE	GPR	GPR	\$10,110,581	\$4,822,637	\$1,543,630	\$3,424,107	\$261,906	\$58,301

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

*****ELECTRIC PLANT*****
ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	TOTAL PRODUCTION PLANT	D1A	DPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	DPT	DPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$1,822,848	\$465,785	\$241,372	\$1,089,622	\$13,339	\$12,730
8	SECONDARY DEMAND RELATED	D3A		\$600,846	\$153,532	\$79,561	\$359,160	\$4,397	\$4,196
9	CUSTOMER RELATED	C4A		\$1,587,271	\$1,255,609	\$296,058	\$21,111	\$7,456	\$7,037
10	SUB-TOTAL DISTR PLANT		SDD	\$4,010,965	\$1,874,926	\$616,991	\$1,469,893	\$25,192	\$23,963
11	LIGHTING SPECIFIC	LDE		\$25,652	\$0	\$0	\$0	\$25,652	\$0
12	TOTAL DISTRIBUTION PLANT	DPD	DPD	\$4,036,617	\$1,874,926	\$616,991	\$1,469,893	\$50,844	\$23,963
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$3,740	\$1,724	\$564	\$1,329	\$101	\$22
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$213,059	\$168,539	\$39,740	\$2,834	\$1,001	\$945
17	TOTAL GENERAL & INTANGIBLE PLANT	DPG	DPG	\$216,799	\$170,263	\$40,304	\$4,163	\$1,102	\$967
18	TOTAL ACCUMULATED DEPRECIATION	DPR	DPR	\$4,253,416	\$2,045,189	\$657,295	\$1,474,056	\$51,946	\$24,930

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STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
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*****ELECTRIC NET PLANT*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	TOTAL PRODUCTION PLANT	D1A	NPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	NPT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$2,497,576	\$638,198	\$330,715	\$1,492,945	\$18,276	\$17,442
8	SECONDARY DEMAND RELATED	D3A		\$684,429	\$174,890	\$90,628	\$409,123	\$5,008	\$4,780
9	CUSTOMER RELATED	C4A		\$2,174,800	\$1,720,372	\$405,644	\$28,926	\$10,216	\$9,642
10	SUB-TOTAL DISTR PLANT		SPD	\$5,356,805	\$2,533,460	\$826,987	\$1,930,994	\$33,500	\$31,864
11	LIGHTING SPECIFIC		LDE	\$173,968	\$0	\$0	\$0	\$173,968	\$0
12	TOTAL DISTRIBUTION PLANT	NPD	NPD	\$5,530,773	\$2,533,460	\$826,987	\$1,930,994	\$207,468	\$31,864
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED		NPP	\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED		NPT	\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED		NPD	\$43,007	\$19,816	\$6,491	\$15,288	\$1,161	\$251
16	CUST ACCT/SERV & INFO/ SALES RELATED		C2A	\$283,385	\$224,172	\$52,857	\$3,769	\$1,331	\$1,256
17	TOTAL GENERAL & INTANGIBLE PLANT	NPG	NPG	\$326,392	\$243,988	\$59,348	\$19,057	\$2,492	\$1,507
18	TOTAL NET PLANT IN SERVICE	NPR	NPR	\$5,857,165	\$2,777,448	\$886,335	\$1,950,051	\$209,960	\$33,371

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
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***** RATE BASE *****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	NET PLANT IN SERVICE	NPR	NPR	\$5,857,165	\$2,777,448	\$886,335	\$1,950,051	\$209,960	\$33,371
	CONSTRUCTION WORK IN PROGRESS								
2	PRODUCTION PLANT	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION PLANT	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION PLANT	NPD		\$108,535	\$49,716	\$16,229	\$37,894	\$4,071	\$625
5	GENERAL PLANT	NPG		\$0	\$0	\$0	\$0	\$0	\$0
6	TOAL CWIP	CWP	CWP	\$108,535	\$49,716	\$16,229	\$37,894	\$4,071	\$625
7	NET ACQUISITION ADJUSTMENT	D2A	ACQ	\$302,015	\$77,173	\$39,991	\$180,532	\$2,210	\$2,109
8	PLANT HELD FOR FUTURE USE	E1A	PLH	\$0	\$0	\$0	\$0	\$0	\$0
	MISC DEFERRED DEBITS								
9	PROD RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
10	TRAN RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
11	DIST RELATED	NPD		\$2,583	\$1,183	\$386	\$902	\$97	\$15
12	GENR RELATED	NPG		\$0	\$0	\$0	\$0	\$0	\$0
13	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
14	NPR RELATED	NPR		\$179,292	\$85,020	\$27,131	\$59,692	\$6,427	\$1,022
15	TOTAL MISC DEFERD DEBITS			\$181,875	\$86,203	\$27,517	\$60,594	\$6,524	\$1,037
	WORKING CAPITAL								
16	CASH WORK CAP.FUNDS,MAT&SUP	NPR	MAS	\$169,833	\$80,534	\$25,700	\$56,543	\$6,088	\$968
17	FUEL STOCK	E1A	FUL	\$0	\$0	\$0	\$0	\$0	\$0
18	PREPAID LIGNITE ROYALTIES	E1A		\$0	\$0	\$0	\$0	\$0	\$0
19	OTHER PREPAYMENTS	NPR		\$572	\$271	\$87	\$190	\$21	\$3
20	TOTAL WORKING CAPITAL			\$170,405	\$80,805	\$25,787	\$56,733	\$6,109	\$971
21	UNAMORTIZED LOSS ON REACQD LTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
22	DEFERRED FUEL	E1A	DEF	\$0	\$0	\$0	\$0	\$0	\$0

(RATE BASE CONTINUED ON NEXT PAGE)

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
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***** RATE BASE*****
** CONTINUED **

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
23	ACCUMULATED DEFERRED INCOME TAX ACCT 281: POL CON		NPP	\$0	\$0	\$0	\$0	\$0	\$0
24	ACCT 282: LIBERAL DEP - PROD		NPP	\$0	\$0	\$0	\$0	\$0	\$0
25	TRAN		NPT	\$0	\$0	\$0	\$0	\$0	\$0
26	DIST		NPD	\$0	\$0	\$0	\$0	\$0	\$0
27	GENR		NPG	\$0	\$0	\$0	\$0	\$0	\$0
28	LIGNITE EXPLORATN		E1A	\$0	\$0	\$0	\$0	\$0	\$0
29	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
30	TOTAL ACCOUNT 282			\$0	\$0	\$0	\$0	\$0	\$0
31	ACCT 283: THIS LINE RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
32	LONG TERM DEBT LOSS		NPR	\$0	\$0	\$0	\$0	\$0	\$0
33	TOTAL ACCOUNT 283			\$0	\$0	\$0	\$0	\$0	\$0
34	ACCOUNT 190: PRODUCTION RELATED		NPP	\$0	\$0	\$0	\$0	\$0	\$0
35	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0
36	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0
37	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
38	FERC REFUND		TRN	\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL ACCOUNT 190			\$0	\$0	\$0	\$0	\$0	\$0
40	TOTAL ACCUM DEFERD INC TAX	ACC	ACC	\$0	\$0	\$0	\$0	\$0	\$0
41	INVESTMENT TAX CREDIT PRE '71		NPR PIC	\$0	\$0	\$0	\$0	\$0	\$0
42	CUSTOMER ADVANCES AND DEPOSITS	C3A	CAD	-\$39,961	-\$31,611	-\$7,454	-\$531	-\$188	-\$177
43	STORM DAMAGE & INJ & DAM RESRVS	D2A	SDR	\$0	\$0	\$0	\$0	\$0	\$0
44	PNSN & MIS OP RSRVS, OTR DEF CR	OMA	PEN	-\$8,449	-\$5,129	-\$1,402	-\$1,705	-\$189	-\$24
45	TRANSMISSION RATE REFUND RESERVE		TRN	\$0	\$0	\$0	\$0	\$0	\$0
46	TOTAL RATE BASE	RBT	RBT	\$6,571,585	\$3,034,605	\$987,003	\$2,283,568	\$228,497	\$37,912

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
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*****OPER AND MTN EXPENSES*****

LINE NO.	DESCRIPTION	CONTROL ALL	CONTROL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
	PRODUCTION O&M EXPENSE								
1	FUEL EXPENSE - ACCT 501	E1A		\$0	\$0	\$0	\$0	\$0	\$0
	PURCHASED POWER - ACCT 555								
2	DEMAND - OTHER	D1A		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
3	ENERGY - OTHER	E1A							
4	NET OFF SYSTEM REVENUE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
	OTHER PRODUCTION O&M ACCTS								
5	DEMAND - OTHER	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	ENERGY - OTHER	E1A		\$0	\$0	\$0	\$0	\$0	\$0
7	TOTAL OTHER PRODUCTION O&M	PRO	PRO	\$0	\$0	\$0	\$0	\$0	\$0
8	TOTAL PRODUCTION O&M EXPENSE	OMP	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
9	TOTAL TRANSMISSION O&M EXPENSE	NPT	OMT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION O&M EXPENSE								
10	LIGHTING SPECIFIC	LDE		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
11	ALL OTHER	SPD							
12	TOTAL DISTRIBUTION O&M EXPENSE	OMD	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
13	TOTAL CUST ACCT/SERV & INFO/ SALES EXPENSE	C2A	OMC	\$199,023	\$157,437	\$37,122	\$2,647	\$935	\$882
	ADMINISTRATIVE & GENERAL EXPENSE								
14	PROP INSURANCE/INJ & DAMG	NPR		\$0	\$0	\$0	\$0	\$0	\$0
15	CUST ACCT/SERV&INFO/SALES REL	LBR		\$189,669	\$115,158	\$31,466	\$38,264	\$4,242	\$539
16	TOTAL ADMIN & GENERAL EXPENSE	OMA	OMA	\$189,669	\$115,158	\$31,466	\$38,264	\$4,242	\$539
17	TOTAL OPER & MTN EXPENSES	OMX	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
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EXPENSES OTHER THAN INCOME TAXES

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	TOTAL OPER & MTN EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
DEPRECIATION & AMORTIZATION EXPENSES									
2	PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION	NPD		\$251,275	\$115,100	\$37,572	\$87,729	\$9,426	\$1,448
5	GENERAL	NPG		\$3,740	\$2,796	\$680	\$218	\$29	\$17
6	TOTAL DEPR & AMORT EXPEN	DEP	DEP	\$255,015	\$117,896	\$38,252	\$87,947	\$9,455	\$1,465
7	INTEREST ON CUSTOMER DEPOSITS	C3A	ICD	\$0	\$0	\$0	\$0	\$0	\$0
GENERAL TAXES									
8	AD VALOREM	NPR	VAL	\$0	\$0	\$0	\$0	\$0	\$0
9	CORP FRANCHISE TAX	NPR	SFT	\$0	\$0	\$0	\$0	\$0	\$0
10	MISCELLANEOUS GENERAL TAXES	LBR	MIS	\$0	\$0	\$0	\$0	\$0	\$0
11	REVENUE-RELATED (AS PROPOSED)	RTX		\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL GENERAL TAXES	GTX	GTX	\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL EXPENSES EXCEPT INCOME TAX	EXP	EXP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
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INCOME TAX FOR 7.01% ROE

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
1	RATE BASE	RBT		\$6,571,585	\$3,034,605	\$987,003	\$2,283,568	\$228,497	\$37,912
2	RETURN AT 6.31%	RBT	RET	\$414,674	\$191,487	\$62,281	\$144,096	\$14,418	\$2,392
3	INTEREST (2.61% OF LINE 1)	RBT	INT	-\$171,693	-\$79,283	-\$25,787	-\$59,662	-\$5,970	-\$991
4	A F U D C	NPR	AFD	\$0	\$0	\$0	\$0	\$0	\$0
	PROVISION FOR DEFERRED TAXES								
5	ACT 410.1: PROD RLTD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
6	TRAN RLTD	NPT		\$0	\$0	\$0	\$0	\$0	\$0
7	PLANT RLTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
8	ENERGY RLTD	E1A		\$0	\$0	\$0	\$0	\$0	\$0
9	LABOR RLTD	LBR		\$0	\$0	\$0	\$0	\$0	\$0
10	CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
11	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL 410.1			\$0	\$0	\$0	\$0	\$0	\$0
13	ACT 411.1: PROD RLTD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRAN RLTD	NPT		\$0	\$0	\$0	\$0	\$0	\$0
15	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
16	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
17	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
19	TOTAL 411.1			\$0	\$0	\$0	\$0	\$0	\$0
20	NET PROVISION FOR DEFRD INC TAX		PDT	\$0	\$0	\$0	\$0	\$0	\$0
21	ITC AMORT	NPR	ITA	\$0	\$0	\$0	\$0	\$0	\$0
22	ADJUSTED RETURN	ART	ART	\$242,981	\$112,204	\$36,494	\$84,434	\$8,448	\$1,401
	FED ADD INC & UNALLOW DEDUCTS								
23	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
24	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
25	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
26	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
27	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0
29	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
30	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
31	TOTAL ADDITIONS	FTA	FTA	\$0	\$0	\$0	\$0	\$0	\$0

(INCOME TAX CALCULATION CONTINUED ON NEXT PAGE)

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STEELE WASECA- SMEC CUSTOMERS
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INCOME TAX FOR 7.01% ROE
*** CONTINUED ***

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
		ALL	OUT						
FED DEDUCTS AND NON-TAX INCOME									
32	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
33	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
34	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
35	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
36	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
37	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0
38	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL DEDUCTIONS	FTD	FTD	\$0	\$0	\$0	\$0	\$0	\$0
40	NET FEDERAL DEDUCTIONS	NFD	NFD	\$0	\$0	\$0	\$0	\$0	\$0
41	ST ADD INC & UNALLOW DEDUCTS	FTA		\$0	\$0	\$0	\$0	\$0	\$0
42	ST DEDUCTS AND NON-TAX INCOME	FTD		\$0	\$0	\$0	\$0	\$0	\$0
43	NET STATE DEDUCTIONS	NSD	NSD	\$0	\$0	\$0	\$0	\$0	\$0
44	PROV FOR DEF'D ITC - CURRENT	NPR	ITC	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL TAXABLE INCOME									
45	ADJ RET * 1/(1-0.0000-0.0000)	ART	TART	\$242,981	\$112,204	\$36,494	\$84,434	\$8,448	\$1,401
46	NET FED DED * 1/(1-0.0000)	NFD		\$0	\$0	\$0	\$0	\$0	\$0
47	NET ST DED * (1/(1-0.0000))-1	NSD		\$0	\$0	\$0	\$0	\$0	\$0
48	CURRENT ITC * (1/1-0.00)-1	ITC		\$0	\$0	\$0	\$0	\$0	\$0
49	TOTAL FEDERAL TAXABLE INCOME	FTI	FTI	\$242,981	\$112,204	\$36,494	\$84,434	\$8,448	\$1,401
50	PLUS: NET FED DEDUCTS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
51	LESS: NET STATE DEDUCTS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
52	TOTAL STATE TAXABLE INCOME	STI	STI	\$242,981	\$112,204	\$36,494	\$84,434	\$8,448	\$1,401
FED & ST INCOME TAXES:									
53	FED TAXABLE INC * 0.0000	FTI		\$0	\$0	\$0	\$0	\$0	\$0
54	ST. TAXABLE INC * 0.0000	STI		\$0	\$0	\$0	\$0	\$0	\$0
55	LESS: CRNT ITC * (1-0.0000)	ITC		\$0	\$0	\$0	\$0	\$0	\$0
56	TOTAL FED & ST INCOME TAXES	FST	FST	\$0	\$0	\$0	\$0	\$0	\$0
57	INVESTMENT TAX CREDIT - NET	NPR	ITN	\$0	\$0	\$0	\$0	\$0	\$0

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
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*****COST OF SERVICE*****
** (PROPOSED) **

LINE NO.	DESCRIPTION	CONTROL ALL	CONTROL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
				-----	-----	-----	-----	-----	-----
1	RATE BASE	RBT		\$6,571,585	\$3,034,605	\$987,003	\$2,283,568	\$228,497	\$37,912
2	RETURN AT 6.31%	RET		\$414,674	\$191,487	\$62,281	\$144,096	\$14,418	\$2,392
3	OPERATION & MAINTENANCE EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
4	DEPRECIATION & AMORT EXPENSES	DEP		\$255,015	\$117,896	\$38,252	\$87,947	\$9,455	\$1,465
5	INTEREST ON CUSTOMER DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
6	GENERAL TAXES	GTX		\$0	\$0	\$0	\$0	\$0	\$0
7	FEDERAL AND STATE INCOME TAX	FST		\$0	\$0	\$0	\$0	\$0	\$0
8	PROVISION FOR DEFERRED TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
9	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
10	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
11	COST OF SERVICE REVENUE REQUIREMENT BEFORE ATTRITION ADJUSTMENT	CSR	CSR	\$6,228,602	\$1,849,098	\$830,538	\$3,468,287	\$42,455	\$38,224
12	LESS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
13	BASE COST OF SERVICE REVENUE REQUIREMENT	BRR	BRR	\$6,228,602	\$1,849,098	\$830,538	\$3,468,287	\$42,455	\$38,224
14	ATTRITION ADJUSTMENT	BRR		\$0	\$0	\$0	\$0	\$0	\$0
15	BASE COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT	ARR	ARR	\$6,228,602	\$1,849,098	\$830,538	\$3,468,287	\$42,455	\$38,224
16	PLUS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
17	COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT			\$6,228,602	\$1,849,098	\$830,538	\$3,468,287	\$42,455	\$38,224
18	LESS: MISCELLANEOUS REVENUE			-\$51,692	-\$23,678	-\$7,729	-\$18,048	-\$1,939	-\$298
19	LESS: BULK TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
20	LESS: PRIMARY TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
21	LESS: NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
22	NET ELECTRIC REVENUE REQUIREMENT			\$6,176,910	\$1,825,420	\$822,809	\$3,450,239	\$40,516	\$37,926

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

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EXISTING RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL ALL	CONTROL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	EXISTING REVENUE	EXR		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
	REVENUE DEDUCTIONS:								
2	O&M EXPENSES	OMX							
3	DEPRECIATION & AMORT EXPENSES	DEP		-\$255,015	-\$117,896	-\$38,252	-\$87,947	-\$9,455	-\$1,465
4	AD VALOREM TAXES	VAL		\$0	\$0	\$0	\$0	\$0	\$0
5	CORP FRANCHISE TAX	SFT		\$0	\$0	\$0	\$0	\$0	\$0
6	MISC GENERAL TAXES	MIS		\$0	\$0	\$0	\$0	\$0	\$0
7	REVENUE-RELATED TAXES	RTX		\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL REVENUE DEDUCTIONS			[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
10	NET FOR RETURN AND INCOME TAXES	NET	NET	-\$334,162	-\$177,733	\$14,994	-\$186,069	\$20,375	-\$5,729
11	LESS: INTEREST EXPENSE	INT		-\$171,693	-\$79,283	-\$25,787	-\$59,662	-\$5,970	-\$991
12	LESS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			-\$505,855	-\$257,016	-\$10,793	-\$245,731	\$14,405	-\$6,720
14	PLUS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
15	LESS: NET STATE DEDUCTIONS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			-\$505,855	-\$257,016	-\$10,793	-\$245,731	\$14,405	-\$6,720
	FED AND ST INCOME TAXES								
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$0	\$0	\$0	\$0	\$0	\$0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
	*****RETURN COMPUTATION*****								
21	NET FOR RETURN AND INCOME TAXES	NET		-\$334,162	-\$177,733	\$14,994	-\$186,069	\$20,375	-\$5,729
22	FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
23	PROV FOR DEF TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
24	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
25	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
26	NET RETURN			-\$334,162	-\$177,733	\$14,994	-\$186,069	\$20,375	-\$5,729
27	RATE BASE	RBT		\$6,571,585	\$3,034,605	\$987,003	\$2,283,568	\$228,497	\$37,912
28	RETURN ON RATE BASE	ROR		-5.08%	-5.86%	1.52%	-8.15%	8.92%	-15.11%
29	NON-EQUITY PORTION OF RETURN	DA3		-2.61%	-2.61%	-2.61%	-2.61%	-2.61%	-2.61%
30	EQUITY PORTION OF EXISTING RETRN	DA3		-7.69%	-8.47%	-1.09%	-10.76%	6.31%	-17.72%
31	EXISTING RETURN ON EQUITY	DA3	ROE	-14.59%	-16.07%	-2.07%	-20.42%	11.96%	-33.62%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

PROPOSED RETURN AND INCOME TAX

LINE NO.	CONTROL	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
1	PRV	PROPOSED REVENUE			\$6,228,602	\$1,849,098	\$830,538	\$3,468,287	\$42,455	\$38,224
2	OMX	REVENUE DEDUCTIONS:								
2	DEP	O&M EXPENSES								
3	VAL	DEPRECIATION & AMORT EXPENSES								
4	SFT	AD VALOREM TAXES								
5	MIS	CORP FRANCHISE TAX								
6	RTX	MISC GENERAL TAXES								
7	ICD	REVENUE-RELATED TAXES								
8		INTEREST ON CUST DEPOSITS								
9		TOTAL REVENUE DEDUCTIONS								
10	NET	NET FOR RETURN AND INCOME TAXES	NET	NET	\$414,674	\$191,487	\$62,281	\$144,096	\$14,418	\$2,392
11	INT	LESS: INTEREST EXPENSE			-\$171,693	-\$79,283	-\$25,787	-\$59,662	-\$5,970	-\$991
12	NFD	LESS: NET FEDERAL DEDUCTIONS			\$0	\$0	\$0	\$0	\$0	\$0
13		TOTAL FEDERAL TAXABLE INCOME			\$242,981	\$112,204	\$36,494	\$84,434	\$8,448	\$1,401
14	NFD	PLUS: NET FEDERAL DEDUCTIONS			\$0	\$0	\$0	\$0	\$0	\$0
15	NSD	LESS: NET STATE DEDUCTIONS			\$0	\$0	\$0	\$0	\$0	\$0
16		TOTAL STATE TAXABLE INCOME			\$242,981	\$112,204	\$36,494	\$84,434	\$8,448	\$1,401
17		FED AND ST INCOME TAXES								
17		FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18		ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19		LESS: CRNT ITC * (1-0.0000)			\$0	\$0	\$0	\$0	\$0	\$0
20		TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
21	NET	*****RETURN COMPUTATION*****			\$414,674	\$191,487	\$62,281	\$144,096	\$14,418	\$2,392
22		FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
23	PDT	PROV FOR DEF TAXES			\$0	\$0	\$0	\$0	\$0	\$0
24	ITN	INVESTMENT TAX CREDIT - NET			\$0	\$0	\$0	\$0	\$0	\$0
25	AFD	A F U D C			\$0	\$0	\$0	\$0	\$0	\$0
26		NET RETURN			\$414,674	\$191,487	\$62,281	\$144,096	\$14,418	\$2,392
27	RBT	RATE BASE			\$6,571,585	\$3,034,605	\$987,003	\$2,283,568	\$228,497	\$37,912
28	ROR	RETURN ON RATE BASE			6.31%	6.31%	6.31%	6.31%	6.31%	6.31%
29	DA3	NON-EQUITY PORTION OF RETURN			-2.61%	-2.61%	-2.61%	-2.61%	-2.61%	-2.61%
30	DA3	EQUITY PORTION OF EXISTING RETRN			3.70%	3.70%	3.70%	3.70%	3.70%	3.70%
31	DA3	PROPOSED RETURN ON EQUITY	ROE		7.01%	7.01%	7.01%	7.01%	7.01%	7.01%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

COST OF SERVICE SUMMARY

LINE NO.	CONTROL DESCRIPTION	ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
NET PLANT IN SERVICE:								
1	PRODUCTION PLANT	NPP	\$0	\$0	\$0	\$0	\$0	\$0
2	TRANSMISSION PLANT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
3	DISTRIBUTION PLANT	NPD	\$5,530,773	\$2,533,460	\$826,987	\$1,930,994	\$207,468	\$31,864
4	GENERAL PLANT	NPG	\$326,392	\$243,988	\$59,348	\$19,057	\$2,492	\$1,507
5	TOTAL NET ELECTRIC PLANT	NPR	\$5,857,165	\$2,777,448	\$886,335	\$1,950,051	\$209,960	\$33,371
6	CONST. WORK IN PROGRESS	CWP	\$108,535	\$49,716	\$16,229	\$37,894	\$4,071	\$625
7	ACQUISITION ADJUSTMENT	ACQ	\$302,015	\$77,173	\$39,991	\$180,532	\$2,210	\$2,109
8	PLANT HELD FOR FUTURE USE	PLH	\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL MISC DEFERRED DEBITS		\$181,875	\$86,203	\$27,517	\$60,594	\$6,524	\$1,037
WORKING CAPITAL:								
10	CASH WORK CAP, FUNDS, MAT&SUP	MAS	\$169,833	\$80,534	\$25,700	\$56,543	\$6,088	\$968
11	FUEL STOCK	FUL	\$0	\$0	\$0	\$0	\$0	\$0
12	PREPAID LIGNITE ROYALTIES	E1A	\$0	\$0	\$0	\$0	\$0	\$0
13	OTHER PREPAYMENTS	NPR	\$572	\$271	\$87	\$190	\$21	\$3
14	UNAMORTIZED LOSS ON REACQD LTD	NPR	\$0	\$0	\$0	\$0	\$0	\$0
15	DEFERRED FUEL	DEF	\$0	\$0	\$0	\$0	\$0	\$0
16	ACCUMULATED DEFERRED INCOME TAX	ACC	\$0	\$0	\$0	\$0	\$0	\$0
17	PRE-1971 INVESTMENT TAX CREDIT	PIC	\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER ADVANCES AND DEPOSITS	CAD	-\$39,961	-\$31,611	-\$7,454	-\$531	-\$188	-\$177
19	STORM DAMAGE/INJ & DAM RESRVS	SDR	\$0	\$0	\$0	\$0	\$0	\$0
20	PNSN & MIS OP RSRVS, OTR DEF CRS	PEN	-\$8,449	-\$5,129	-\$1,402	-\$1,705	-\$189	-\$24
21	TRANSMISSION RATE REFUND RESERVE	TRN	\$0	\$0	\$0	\$0	\$0	\$0
22	AVERAGE ORIGINAL COST RATE BASE	RBT	\$6,571,585	\$3,034,605	\$987,003	\$2,283,568	\$228,497	\$37,912
23	RETURN AT 6.31%	RET	\$414,674	\$191,487	\$62,281	\$144,096	\$14,418	\$2,392
OPERATION & MAINTENANCE EXPENSES								
24	PRODUCTION O&M	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
25	TRANSMISSION O&M	OMT	\$0	\$0	\$0	\$0	\$0	\$0
26	DISTRIBUTION O&M	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
27	CUST ACCT/SERV/SALES	OMC	\$199,023	\$157,437	\$37,122	\$2,647	\$935	\$882
28	ADMINISTRATIVE & GENERAL	OMA	\$189,669	\$115,158	\$31,466	\$38,264	\$4,242	\$539
29	TOTAL OPER & MAIN EXPENSES	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
30	DEPRECIATION & AMORT EXPENSES	DEP	\$255,015	\$117,896	\$38,252	\$87,947	\$9,455	\$1,465
31	INTEREST ON CUSTOMER DEPOSITS	ICD	\$0	\$0	\$0	\$0	\$0	\$0
32	GENERAL TAXES	GTX	\$0	\$0	\$0	\$0	\$0	\$0
33	FED & ST INCOME TAX	FST	\$0	\$0	\$0	\$0	\$0	\$0
34	PROV FOR DEF TAXES	PDT	\$0	\$0	\$0	\$0	\$0	\$0
35	INVESTMENT TAX CREDIT - NET	ITN	\$0	\$0	\$0	\$0	\$0	\$0
36	A F U D C	AFD	\$0	\$0	\$0	\$0	\$0	\$0
37	COST OF SERVICE REVENUE REQ	CSR	\$6,228,602	\$1,849,098	\$830,538	\$3,468,287	\$42,455	\$38,224

STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

DECEMBER 31, 2016

COST OF SERVICE COMPARISON

LINE NO.	DESCRIPTION	CONTROL ALL OUT	TOTAL SMEC	RESIDENTIAL	SMALL COMMERCIAL	LARGE POWER	LIGHTING	MUNICIPAL PUMPING
			-----	-----	-----	-----	-----	-----
*** OTHER REVENUE INCLUDED ***								
1	COST OFF SERVICE REVENUE REQ		\$6,228,602	\$1,849,098	\$830,538	\$3,468,287	\$42,455	\$38,224
2	EXISTING REVENUE		\$5,479,766	\$1,479,878	\$783,251	\$3,138,122	\$48,412	\$30,103
3	REVENUE DEFICIENCY		\$748,836	\$369,220	\$47,287	\$330,165	-\$5,957	\$8,121
4	REQUIRED INCREASE (%)		13.67%	24.95%	6.04%	10.52%	-12.30%	26.98%
5	EXISTING RATE OF RETURN-AS ADJ.		-5.08%	-5.86%	1.52%	-8.15%	8.92%	-15.11%
6	EXISTING ROR AS % OF OVERALL ROR-AS ADJ.		100.00%	115.35%	-29.92%	160.43%	-175.59%	297.44%
7	EXISTING RETURN ON EQUITY-AS ADJ.		-14.59%	-16.07%	-2.07%	-20.42%	11.96%	-33.62%
8	EXISTING ROE AS % OF OVERALL ROE-AS ADJ.		100.00%	110.14%	14.19%	139.96%	-81.97%	230.43%
9	PROPOSED RATE OF RETURN-AS ADJ		6.31%	6.31%	6.31%	6.31%	6.31%	6.31%
10	PROPOSED RETURN ON EQUITY-AS ADJ		7.01%	7.01%	7.01%	7.01%	7.01%	7.01%
*** OTHER REVENUE EXCLUDED ***								
11	COST OF SERVICE REVENUE REQ		\$6,176,910	\$1,825,420	\$822,809	\$3,450,239	\$40,516	\$37,926
12	EXISTING REVENUE		\$5,428,074	\$1,456,200	\$775,522	\$3,120,074	\$46,473	\$29,805
13	REVENUE DEFICIENCY		\$748,836	\$369,220	\$47,287	\$330,165	-\$5,957	\$8,121
14	REQUIRED INCREASE (%)		13.80%	25.36%	6.10%	10.58%	-12.82%	27.25%
15	EXISTING RATE OF RETURN - UNADJ		-5.08%	-5.86%	1.52%	-8.15%	8.92%	-15.11%
16	EXISTING ROR AS % OF OVERALL ROR-UNADJ.		100.00%	115.35%	-29.92%	160.43%	-175.59%	297.44%
17	EXISTING RETURN ON EQUITY-UNADJ		-14.59%	-16.07%	-2.07%	-20.42%	11.96%	-33.62%
18	EXISTING ROE AS % OF OVERALL ROE-UNADJ.		100.00%	110.14%	14.19%	139.96%	-81.97%	230.43%
19	PROPOSED RATE OF RETURN - UNADJ		6.31%	6.31%	6.31%	6.31%	6.31%	6.31%
20	PROPOSED RETURN ON EQUITY-UNADJ		7.01%	7.01%	7.01%	7.01%	7.01%	7.01%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

STEELE WASECA- SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 2016

PROPOSED MILLS/KWH *****	TOTAL SMEC -----	RESIDENTIAL -----	SMALL COMMERCIAL -----	LARGE POWER -----	LIGHTING -----	MUNICIPAL PUMPING -----
1 EXISTING BASE REV	76.81	103.59	92.26	65.78	120.06	76.11
2 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----	-----
3 TOTAL MILLS / KWH	76.81	103.59	92.26	65.78	120.06	76.11
	=====	=====	=====	=====	=====	=====
4 PROPOSED BASE REV	87.40	129.85	97.89	72.74	104.67	96.85
5 FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
	-----	-----	-----	-----	-----	-----
6 TOTAL MILLS / KWH	87.40	129.85	97.89	72.74	104.67	96.85
	=====	=====	=====	=====	=====	=====

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

TRI-COUNTY
SPECIFICALLY ASSIGNED DISTRIBUTION & PURCH POWER

**TRI-COUNTY ELECTRIC
CLASS COST OF SERVICE FOR MPSC COMPLIANCE FILING
SCENARIO 2: SPECIFIC ASSIGNMENT OF DISTRIBUTION AND PURCHASE POWER**

LINE NO.	CLASS	COSS BASED REVENUE ALLOCATION	EXISTING REVENUE ALLOCATION	DIFFERENCE	PERCENT DIFFERENCE
LEGACY:					
1	RESIDENTIAL	\$22,049,843	\$23,093,002	(\$1,043,158)	-4.52%
2	SEASONAL	\$185,126	\$143,656	\$41,470	28.87%
3	IRRIGATION	\$13,849	\$14,505	(\$656)	-4.52%
4	C&I <= 1000 KVA	\$4,551,948	\$5,823,153	(\$1,271,205)	-21.83%
5	C&I > 1000 KVA	\$4,429,652	\$3,866,414	\$563,238	14.57%
6	STREET LIGHTING	\$59,974	\$58,704	\$1,270	2.16%
7	RESALE	\$8,741,580	\$6,548,120	\$2,193,460	33.50%
8	TOTAL LEGACY	\$40,031,973	\$39,547,554	\$484,419	1.22%
SMEC					
9	RESIDENTIAL	\$3,221,152	\$2,559,258	\$661,894	25.86%
11	C&I <= 1000 KVA	\$1,816,779	\$1,669,217	\$147,562	8.84%
12	C&I > 1000 KVA	\$1,144,537	\$1,077,466	\$67,071	6.22%
13	STREET LIGHTING	\$35,759	\$39,305	(\$3,546)	-9.02%
	PUBLIC AUTHORITY	\$44,304	\$54,741	(\$10,437)	-19.07%
14	TOTAL SMEC	\$6,262,531	\$5,399,989	\$862,542	15.97%
16	ELECTRIC REVENUES	\$46,294,504	\$44,947,542	\$1,346,961	3.00%
17	MISC. REVENUES	\$1,217,986	\$1,217,986	\$0	0.00%
18	OPERATING REVENUES	\$47,512,490	\$46,165,529	\$1,346,961	2.92%
CONSOLIDATED					
19	RESIDENTIAL	\$25,270,995	\$25,652,260	(\$381,264)	-1.49%
20	SEASONAL	\$185,126	\$143,656	\$41,470	28.87%
21	IRRIGATION	\$13,849	\$14,505	(\$656)	-4.52%
22	C&I <= 1000 KVA	\$6,368,727	\$7,492,370	(\$1,123,643)	-15.00%
23	C&I > 1000 KVA	\$5,574,189	\$4,943,880	\$630,309	12.75%
24	STREET LIGHTING	\$95,733	\$98,009	(\$2,276)	-2.32%
25	RESALE	\$8,741,580	\$6,548,120	\$2,193,460	33.50%
26	PUBLIC AUTHORITY	\$44,304	\$54,741	(\$10,437)	-19.07%
27	ELECTRIC REVENUES	\$46,294,504	\$44,947,542	\$1,346,961	3.00%
28	MISC. REVENUES	\$1,217,986	\$1,217,986	\$0	0.00%
29	OPERATING REVENUES	\$47,512,490	\$46,165,529	\$1,346,961	2.92%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

TRI-COUNTY
SPECIFICALLY ASSIGNED DISTRIBUTION & PURCH POWER

TRI-COUNTY ELECTRIC - SMEC CUSTOMERS

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FILESPEC: K:\RATERES\COS\93RESALE\COS1292.WK3

STUDY DATE:			DECEMBER 31, 1992
RUN DATE AND TIME:	15-Oct-17		07:20 PM
RETURN ON COMMON EQUITY			4.38%
OVERALL RATE OF RETURN			4.55%
CAPITALIZATION:			
	OUTSTANDING	EFFECTIVE RATE	COMPOSITE
DBT	\$58,992,430	4.67%	2.68%
PRF	\$0	0.00%	0.00%
CMN	\$43,617,187	4.38%	1.86%
FEDERAL EFFECTIVE INCOME TAX RATE			0.00%
FEDERAL NOMINAL INCOME TAX RATE			0.00%
STATE EFFECTIVE INCOME TAX RATE			0.00%
STATE NOMINAL INCOME TAX RATE			0.00%

NOTATIONS: THIS RUN ALLOCATES PRODUCTION PLANT ON AVG OF 12 CP

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

TRI-COUNTY
SPECIFICALLY ASSIGNED DISTRIBUTION & PURCH POWER

TRI-COUNTY ELECTRIC - SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 1992

PAGE 2

*****CUSTOMER DATA*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL C&I	LARGE C&I	ST. LIGHTING	PUB. AUTH.
		ALL	OUT		440.01	442.01	442.02	444	445
1	NUMBER OF CUSTOMERS	C1A	C1A	2,576	2,071	468	14	8	15
2	PERCENT OF TOTAL	C1A		100.000%	80.396%	18.168%	0.543%	0.311%	0.582%
3	NUMBER OF WEIGHTED CUSTOMERS	C2A	C2A	2,576	2,071	468	14	8	15
4	PERCENT OF TOTAL	C2A		100.000%	80.396%	18.168%	0.543%	0.311%	0.582%
5	NUMBER OF RETAIL DISTR CUSTOMERS	C3A	C3A	2,576	2,071	468	14	8	15
6	PERCENT OF TOTAL	C3A		100.000%	80.396%	18.168%	0.543%	0.311%	0.582%
7	NMBR OF RETAIL WTD CUSTOMERS	C4A	C4A	2,576	2,071	468	14	8	15
8	PERCENT OF TOTAL	C4A		100.000%	80.396%	18.168%	0.543%	0.311%	0.582%
9	LIGHTING DIRECT ALLOCATOR	LDE	LDE	100	0	0	0	100	0
10	PERCENT OF TOTAL	LDE		100.000%	0.000%	0.000%	0.000%	100.000%	0.000%
11	LPS DIRECT ALLOCATOR	DA1	DA1	0	0	0	0	0	0
12	PERCENT OF TOTAL	DA1		ERR	ERR	ERR	ERR	ERR	ERR
13	AVERAGE COINCIDENT KW DEMAND	D1A	D1A	8,188	3,942	2,498	1,687	0	62
14	DEMAND ALLOCATION FACTOR-PROD	D1A		100.000%	48.141%	30.503%	20.603%	0.000%	0.753%
15	AVERAGE COINCIDENT KW DEMAND	D1B	D1B	8,188	3,942	2,498	1,687	0	62
16	DEMAND ALLOCATION FACTOR-TRANS	D1B		100.000%	0.000%	30.503%	20.603%	0.000%	0.753%
17	AVG PRIMARY DISTRIB KW DEMAND	D2A	D2A	10,282	4,927	3,122	2,109	47	77
18	DIST-PRI DEMAND ALLOC FACTOR	D2A		100.000%	47.922%	30.364%	20.510%	0.454%	0.749%
19	AVG SECONDARY DISTRIB KW DEMAND	D3A	D3A	10,282	4,927	3,122	2,109	47	77
20	DIST-SEC DEMAND ALLOC FACTOR	D3A		100.000%	47.922%	30.364%	20.510%	0.454%	0.749%
21	AVG SECONDARY DISTRIB KW DEMAND	D4A	D4A	10,282	4,927	3,122	2,109	47	77
22	DIST-SEC DEMAND ALLOC FACTOR	D4A		100.000%	47.922%	30.364%	20.510%	0.454%	0.749%
23	ANNUAL MWH ENERGY CONTRIBUTION	E1A	E1A	54,750,447	24,024,587	17,503,701	12,562,040	284,385	375,733
24	ENERGY ALLOCATION FACTOR	E1A		100.000%	43.880%	31.970%	22.944%	0.519%	0.686%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

TRI-COUNTY

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TRI-COUNTY ELECTRIC - SMEC CUSTOMERS
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*****CUSTOMER DATA*****
 **** CONTINUED ****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL 440.01	SMALL C&I 442.01	LARGE C&I 442.02	ST. LIGHTING 444	PUB. AUTH. 445
25	RESERVED			0	0	0	0	0	0
26	PERCENT OF TOTAL			0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
27	WAGES/SALARIES: PRODUCTION	NPP		\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION	NPT		\$0	\$0	\$0	\$0	\$0	\$0
29	DISTRIBUTION	NPD		\$500,458	\$302,520	\$124,929	\$60,497	\$9,156	\$3,356
30	GENERAL	NPG		\$44,286	\$30,508	\$9,782	\$3,190	\$526	\$280
31	WAGES/SALARIES: TOTAL	LBR	LBR	\$544,744	\$333,028	\$134,711	\$63,687	\$9,682	\$3,636
32	PERCENT OF TOTAL	LBR		100.000%	61.135%	24.729%	11.691%	1.777%	0.667%
33	BULK TRANSMISSION REVENUE	D1A ALL	D1A	\$0	\$0	\$0	\$0	\$0	\$0
34	PRIMARY TRANSMISSION REVENUE	D2A	D2A	\$0	\$0	\$0	\$0	\$0	\$0
35	TOTAL TRANSMISSION REVENUE		TRN	\$0	\$0	\$0	\$0	\$0	\$0
36	PERCENT OF TOTAL		TRN	100.000%	100.000%	0.000%	0.000%	0.000%	0.000%
EXISTING REVENUE									
37	EXISTING BASE REV		OTR	\$5,399,989	\$2,559,258	\$1,669,217	\$1,077,466	\$39,305	\$54,741
38	FUEL REVENUE		FUL	\$0	\$0	\$0	\$0	\$0	\$0
39	MISCELLANEOUS REVENUE	MUCH IS	NPD	\$156,913	\$94,852	\$39,170	\$18,968	\$2,871	\$1,052
40	TRANSMISSION REVENUE		TRN	\$0	\$0	\$0	\$0	\$0	\$0
41	NON-FRM SLS FOR RESALE		E1A	\$0	\$0	\$0	\$0	\$0	\$0
42	TOTAL EXISTING REVENUE		EXR	\$5,556,902	\$2,654,110	\$1,708,387	\$1,096,434	\$42,176	\$55,793
PROPOSED REVENUE									
43	PROPOSED BASE REV			\$6,262,531	\$3,221,152	\$1,816,779	\$1,144,537	\$35,759	\$44,304
44	FUEL REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
45	MISCELLANEOUS REVENUE			\$156,913	\$94,852	\$39,170	\$18,968	\$2,871	\$1,052
46	TRANSMISSION REVENUE			\$0	\$0	\$0	\$0	\$0	\$0
47	NON-FRM SLS FOR RESALE			\$0	\$0	\$0	\$0	\$0	\$0
48	TOTAL PROPOSED REVENUE		PRV	\$6,419,444	\$3,316,004	\$1,855,949	\$1,163,505	\$38,630	\$45,356
49	PROPOSED BASE REVENUE INCREASE/(DECREASE)			\$862,542	\$661,894	\$147,562	\$67,071	(\$3,546)	(\$10,437)
50	PROPOSED BASE REVENUE INCR/(DECR) - %			15.97%	25.86%	8.84%	6.22%	-9.02%	-19.07%

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TRI-COUNTY
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****ELECTRIC GROSS PLANT****

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL 440.01	SMALL C&I 442.01	LARGE C&I 442.02	ST. LIGHTING 444	PUB. AUTH. 445
1	TOTAL PRODUCTION PLANT	D1A	GPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1A		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1B		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	GPT	GPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$7,883,609	\$3,778,017	\$2,393,804	\$1,616,925	\$35,777	\$59,086
8	SECONDARY DEMAND RELATED	D3A		\$1,408,223	\$674,855	\$427,597	\$288,826	\$6,391	\$10,554
9	CUSTOMER RELATED	C4A		\$6,535,775	\$5,254,499	\$1,187,400	\$35,521	\$20,297	\$38,058
10	SUB-TOTAL DISTR PLANT		SGD	\$15,827,607	\$9,707,371	\$4,008,801	\$1,941,272	\$62,465	\$107,698
11	LIGHTING SPECIFIC	LDE		\$231,352	\$0	\$0	\$0	\$231,352	\$0
12	TOTAL DISTRIBUTION PLANT	GPD	GPD	\$16,058,959	\$9,707,371	\$4,008,801	\$1,941,272	\$293,817	\$107,698
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$52,520	\$31,747	\$13,111	\$6,349	\$961	\$352
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$38,537	\$30,983	\$7,001	\$209	\$120	\$224
17	TOTAL GENERAL & INTANGIBLE PLANT	GPG	GPG	\$91,057	\$62,730	\$20,112	\$6,558	\$1,081	\$576
18	TOTAL GROSS PLANT IN SERVICE	GPR	GPR	\$16,150,016	\$9,770,101	\$4,028,913	\$1,947,830	\$294,898	\$108,274

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TRI-COUNTY
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*****ELECTRIC PLANT*****
ACCUMULATED DEPRECIATION

LINE NO.	DESCRIPTION	ALL	OUT	TOTAL SMEC	RESIDENTIAL 440.01	SMALL C&I 442.01	LARGE C&I 442.02	ST. LIGHTING 444	PUB. AUTH. 445
1	TOTAL PRODUCTION PLANT	D1A	DPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	DPT	DPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$3,013,921	\$1,444,344	\$915,156	\$618,154	\$13,678	\$22,589
8	SECONDARY DEMAND RELATED	D3A		\$538,367	\$257,999	\$163,471	\$110,419	\$2,443	\$4,035
9	CUSTOMER RELATED	C4A		\$2,498,640	\$2,008,805	\$453,945	\$13,580	\$7,760	\$14,550
10	SUB-TOTAL DISTR PLANT		SDD	\$6,050,928	\$3,711,148	\$1,532,572	\$742,153	\$23,881	\$41,174
11	LIGHTING SPECIFIC		LDE	\$88,446	\$0	\$0	\$0	\$88,446	\$0
12	TOTAL DISTRIBUTION PLANT	DPD	DPD	\$6,139,374	\$3,711,148	\$1,532,572	\$742,153	\$112,327	\$41,174
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	GPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	GPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	GPD		\$0	\$0	\$0	\$0	\$0	\$0
16	CUST ACCT/SERV & INFO/ SALES RELATED		C2A	\$0	\$0	\$0	\$0	\$0	\$0
17	TOTAL GENERAL & INTANGIBLE PLANT	DPG	DPG	\$0	\$0	\$0	\$0	\$0	\$0
18	TOTAL ACCUMULATED DEPRECIATION	DPR	DPR	\$6,139,374	\$3,711,148	\$1,532,572	\$742,153	\$112,327	\$41,174

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*****ELECTRIC NET PLANT*****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL 440.01	SMALL C&I 442.01	LARGE C&I 442.02	ST. LIGHTING 444	PUB. AUTH. 445
		ALL	OUT						
1	TOTAL PRODUCTION PLANT	D1A	NPP	\$0	\$0	\$0	\$0	\$0	\$0
	TRANSMISSION PLANT								
2	POWER PLANT EQUIP	D1B		\$0	\$0	\$0	\$0	\$0	\$0
3	LARGE POWER SERVICE EQUIP	DA1		\$0	\$0	\$0	\$0	\$0	\$0
4	OTHER DIST IN ACCT 353	D2A		\$0	\$0	\$0	\$0	\$0	\$0
5	ALL OTHER TRANSMISSION	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	TOTAL TRANSMISSION PLANT	NPT	NPT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION PLANT								
7	PRIMARY DEMAND RELATED	D4A		\$4,869,688	\$2,333,673	\$1,478,648	\$998,771	\$22,099	\$36,497
8	SECONDARY DEMAND RELATED	D3A		\$869,856	\$416,856	\$264,126	\$178,407	\$3,948	\$6,519
9	CUSTOMER RELATED	C4A		\$4,037,135	\$3,245,694	\$733,455	\$21,941	\$12,537	\$23,508
10	SUB-TOTAL DISTR PLANT		SPD	\$9,776,679	\$5,996,223	\$2,476,229	\$1,199,119	\$38,584	\$66,524
11	LIGHTING SPECIFIC	LDE		\$142,906	\$0	\$0	\$0	\$142,906	\$0
12	TOTAL DISTRIBUTION PLANT	NPD	NPD	\$9,919,585	\$5,996,223	\$2,476,229	\$1,199,119	\$181,490	\$66,524
	GENERAL AND INTANGIBLE PLANT								
13	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
14	TRANSMISSION RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
15	DISTRIBUTION RELATED	NPD		\$52,520	\$31,747	\$13,111	\$6,349	\$961	\$352
16	CUST ACCT/SERV & INFO/ SALES RELATED	C2A		\$38,537	\$30,983	\$7,001	\$209	\$120	\$224
17	TOTAL GENERAL & INTANGIBLE PLANT	NPG	NPG	\$91,057	\$62,730	\$20,112	\$6,558	\$1,081	\$576
18	TOTAL NET PLANT IN SERVICE	NPR	NPR	\$10,010,642	\$6,058,953	\$2,496,341	\$1,205,677	\$182,571	\$67,100

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TRI-COUNTY
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***** RATE BASE *****

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL C&I	LARGE C&I	ST. LIGHTING	PUB. AUTH.
		ALL	OUT		440.01	442.01	442.02	444	445
1	NET PLANT IN SERVICE	NPR	NPR	\$10,010,642	\$6,058,953	\$2,496,341	\$1,205,677	\$182,571	\$67,100
CONSTRUCTION WORK IN PROGRESS									
2	PRODUCTION PLANT	NPP		\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION PLANT	NPT		\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION PLANT	NPD		\$60,135	\$36,351	\$15,012	\$7,269	\$1,100	\$403
5	GENERAL PLANT	NPG		\$0	\$0	\$0	\$0	\$0	\$0
6	TOAL CWIP	CWP	CWP	\$60,135	\$36,351	\$15,012	\$7,269	\$1,100	\$403
7	NET ACQUISITION ADJUSTMENT	D2A	ACQ	\$349,815	\$167,639	\$106,219	\$71,747	\$1,588	\$2,622
8	PLANT HELD FOR FUTURE USE	E1A	PLH	\$0	\$0	\$0	\$0	\$0	\$0
MISC DEFERRED DEBITS									
9	PROD RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
10	TRAN RELATED	NPT		\$0	\$0	\$0	\$0	\$0	\$0
11	DIST RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
12	GENR RELATED	NPG		\$0	\$0	\$0	\$0	\$0	\$0
13	LABOR RELATED	LBR		\$79,268	\$48,461	\$19,602	\$9,267	\$1,409	\$529
14	NPR RELATED	NPR		\$167,370	\$101,301	\$41,737	\$20,158	\$3,052	\$1,122
15	TOTAL MISC DEFDRD DEBITS			\$246,638	\$149,762	\$61,339	\$29,425	\$4,461	\$1,651
WORKING CAPITAL									
16	CASH WORK CAP,FUNDS,MAT&SUP	NPR	MAS	\$254,053	\$153,766	\$63,353	\$30,598	\$4,633	\$1,703
17	FUEL STOCK	E1A	FUL	\$0	\$0	\$0	\$0	\$0	\$0
18	PREPAID LIGNITE ROYALTIES	E1A		\$0	\$0	\$0	\$0	\$0	\$0
19	OTHER PREPAYMENTS	NPR		\$5,634	\$3,409	\$1,405	\$679	\$103	\$38
20	TOTAL WORKING CAPITAL			\$259,687	\$157,175	\$64,758	\$31,277	\$4,736	\$1,741
21	UNAMORTIZED LOSS ON REACQD LTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
22	DEFERRED FUEL	E1A	DEF	\$0	\$0	\$0	\$0	\$0	\$0

(RATE BASE CONTINUED ON NEXT PAGE)

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***** RATE BASE*****
** CONTINUED **

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL	SMALL C&I	LARGE C&I	ST. LIGHTING	PUB. AUTH.
		ALL	OUT		440.01	442.01	442.02	444	445
23	ACCUMULATED DEFERRED INCOME TAX ACCT 281: POL CON	NPP		\$0	\$0	\$0	\$0	\$0	\$0
24	ACCT 282: LIBERAL DEP - PROD	NPP		\$0	\$0	\$0	\$0	\$0	\$0
25	TRAN	NPT		\$0	\$0	\$0	\$0	\$0	\$0
26	DIST	NPD		\$0	\$0	\$0	\$0	\$0	\$0
27	GENR	NPG		\$0	\$0	\$0	\$0	\$0	\$0
28	LIGNITE EXPLORATN	E1A		\$0	\$0	\$0	\$0	\$0	\$0
29	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
30	TOTAL ACCOUNT 282			\$0	\$0	\$0	\$0	\$0	\$0
31	ACCT 283: THIS LINE RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
32	LONG TERM DEBT LOSS	NPR		\$0	\$0	\$0	\$0	\$0	\$0
33	TOTAL ACCOUNT 283			\$0	\$0	\$0	\$0	\$0	\$0
34	ACCOUNT 190: PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
35	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
36	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
37	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
38	FERC REFUND	TRN		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL ACCOUNT 190			\$0	\$0	\$0	\$0	\$0	\$0
40	TOTAL ACCUM DEF RD INC TAX	ACC	ACC	\$0	\$0	\$0	\$0	\$0	\$0
41	INVESTMENT TAX CREDIT PRE '71	NPR	PIC	\$0	\$0	\$0	\$0	\$0	\$0
42	CUSTOMER ADVANCES AND DEPOSITS	C3A	CAD	(\$12,483)	(\$10,035)	(\$2,268)	(\$68)	(\$39)	(\$73)
43	STORM DAMAGE & INJ & DAM RESRVS	D2A	SDR	\$0	\$0	\$0	\$0	\$0	\$0
44	PNSN & MIS OP RSRVS, OTR DEF CR	OMA	PEN	(\$127,824)	(\$78,109)	(\$31,622)	(\$14,965)	(\$2,274)	(\$854)
45	TRANSMISSION RATE REFUND RESERVE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
46	TOTAL RATE BASE	RBT	RBT	\$10,786,610	\$6,481,736	\$2,709,779	\$1,330,362	\$192,143	\$72,590

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TRI-COUNTY
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*****OPER AND MTN EXPENSES*****

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL 440.01	SMALL C&I 442.01	LARGE C&I 442.02	ST. LIGHTING 444	PUB. AUTH. 445
1	PRODUCTION O&M EXPENSE								
	FUEL EXPENSE - ACCT 501	E1A		\$0	\$0	\$0	\$0	\$0	\$0
	PURCHASED POWER - ACCT 555								
2	DEMAND - OTHER	D1A		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
3	ENERGY - OTHER	E1A							
4	NET OFF SYSTEM REVENUE	E1A		\$0	\$0	\$0	\$0	\$0	\$0
	OTHER PRODUCTION O&M ACCTS								
5	DEMAND - OTHER	D1A		\$0	\$0	\$0	\$0	\$0	\$0
6	ENERGY - OTHER	E1A		\$0	\$0	\$0	\$0	\$0	\$0
7	TOTAL OTHER PRODUCTION O&M	PRO	PRO	\$0	\$0	\$0	\$0	\$0	\$0
8	TOTAL PRODUCTION O&M EXPENSE	OMP	OMP	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
9	TOTAL TRANSMISSION O&M EXPENSE	NPT	OMT	\$0	\$0	\$0	\$0	\$0	\$0
	DISTRIBUTION O&M EXPENSE								
10	LIGHTING SPECIFIC	LDE		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
11	ALL OTHER	SPD		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
12	TOTAL DISTRIBUTION O&M EXPENSE	OMD	OMD	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
13	TOTAL CUST ACCT/SERV & INFO/ SALES EXPENSE	C2A	OMC	\$199,930	\$160,735	\$36,323	\$1,087	\$621	\$1,164
	ADMINISTRATIVE & GENERAL EXPENSE								
14	PROP INSURANCE/INJ & DAMG	NPR		\$7,150	\$4,328	\$1,783	\$861	\$130	\$48
15	CUST ACCT/SERV&INFO/SALES REL	LBR		\$149,310	\$91,280	\$36,923	\$17,456	\$2,654	\$997
16	TOTAL ADMIN & GENERAL EXPENSE	OMA	OMA	\$156,460	\$95,608	\$38,706	\$18,317	\$2,784	\$1,045
17	TOTAL OPER & MTN EXPENSES	OMX	OMX	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					

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EXPENSES OTHER THAN INCOME TAXES

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL 440.01	SMALL C&I 442.01	LARGE C&I 442.02	ST. LIGHTING 444	PUB. AUTH. 445
		ALL	OUT						
1	TOTAL OPER & MTN EXPENSES		OMX						
				[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
DEPRECIATION & AMORTIZATION EXPENSES									
2	PRODUCTION		NPP	\$0	\$0	\$0	\$0	\$0	\$0
3	TRANSMISSION		NPT	\$0	\$0	\$0	\$0	\$0	\$0
4	DISTRIBUTION		NPD	\$511,916	\$309,445	\$127,790	\$61,882	\$9,366	\$3,433
5	GENERAL		NPG	\$18,103	\$12,471	\$3,998	\$1,304	\$215	\$115
6	TOTAL DEPR & AMORT EXPEN		DEP DEP	\$530,019	\$321,916	\$131,788	\$63,186	\$9,581	\$3,548
7	INTEREST ON CUSTOMER DEPOSITS		C3A ICD	\$0	\$0	\$0	\$0	\$0	\$0
GENERAL TAXES									
8	AD VALOREM		NPR VAL	\$0	\$0	\$0	\$0	\$0	\$0
9	LA CORP FRANCHISE TAX		NPR SFT	\$0	\$0	\$0	\$0	\$0	\$0
10	MISCELLANEOUS GENERAL TAXES		LBR MIS	\$0	\$0	\$0	\$0	\$0	\$0
11	REVENUE-RELATED (AS PROPOSED)		RTX	\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL GENERAL TAXES		GTX GTX	\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL EXPENSES EXCEPT INCOME TAX		EXP EXP						
				[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
=====									

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TRI-COUNTY
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INCOME TAX FOR 4.38% ROE

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL 440.01	SMALL C&I 442.01	LARGE C&I 442.02	ST. LIGHTING 444	PUB. AUTH. 445
		ALL	OUT						
1	RATE BASE		RBT	\$10,786,610	\$6,481,736	\$2,709,779	\$1,330,362	\$192,143	\$72,590
2	RETURN AT 4.55%		RBT RET	\$490,422	\$294,698	\$123,202	\$60,486	\$8,736	\$3,300
3	INTEREST (2.68% OF LINE 1)		RBT INT	(\$289,450)	(\$173,932)	(\$72,715)	(\$35,699)	(\$5,156)	(\$1,948)
4	A F U D C		NPR AFD	\$0	\$0	\$0	\$0	\$0	\$0
	PROVISION FOR DEFERRED TAXES								
5	ACT 410.1: PROD RLTD		NPP	\$0	\$0	\$0	\$0	\$0	\$0
6	TRAN RLTD		NPT	\$0	\$0	\$0	\$0	\$0	\$0
7	PLANT RLTD		NPR	\$0	\$0	\$0	\$0	\$0	\$0
8	ENERGY RLTD		E1A	\$0	\$0	\$0	\$0	\$0	\$0
9	LABOR RLTD		LBR	\$0	\$0	\$0	\$0	\$0	\$0
10	CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0
11	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
12	TOTAL 410.1			\$0	\$0	\$0	\$0	\$0	\$0
13	ACT 411.1: PROD RLTD		NPP	\$0	\$0	\$0	\$0	\$0	\$0
14	TRAN RLTD		NPT	\$0	\$0	\$0	\$0	\$0	\$0
15	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0
16	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0
17	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0
19	TOTAL 411.1			\$0	\$0	\$0	\$0	\$0	\$0
20	NET PROVISION FOR DEFERD INC TAX		PDT	\$0	\$0	\$0	\$0	\$0	\$0
21	ITC AMORT		NPR ITA	\$0	\$0	\$0	\$0	\$0	\$0
22	ADJUSTED RETURN		ART ART	\$200,972	\$120,766	\$50,487	\$24,787	\$3,580	\$1,352
	FED ADD INC & UNALLOW DEDUCTS								
23	PRODUCTION RELATED		NPP	\$0	\$0	\$0	\$0	\$0	\$0
24	DISTRIBUTION RELATED		NPD	\$0	\$0	\$0	\$0	\$0	\$0
25	PLANT RELATED		NPR	\$0	\$0	\$0	\$0	\$0	\$0
26	ENERGY RELATED		E1A	\$0	\$0	\$0	\$0	\$0	\$0
27	LABOR RELATED		LBR	\$0	\$0	\$0	\$0	\$0	\$0
28	TRANSMISSION REV RELATED		TRN	\$0	\$0	\$0	\$0	\$0	\$0
29	RESERVED			\$0	\$0	\$0	\$0	\$0	\$0
30	DISTRIBUTION CUSTOMER RELATED		C3A	\$0	\$0	\$0	\$0	\$0	\$0
31	TOTAL ADDITIONS		FTA FTA	\$0	\$0	\$0	\$0	\$0	\$0

(INCOME TAX CALCULATION CONTINUED ON NEXT PAGE)

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INCOME TAX FOR 4.38% ROE
*** CONTINUED ***

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL 440.01	SMALL C&I 442.01	LARGE C&I 442.02	ST. LIGHTING 444	PUB. AUTH. 445
FED DEDUCTS AND NON-TAX INCOME									
32	PRODUCTION RELATED	NPP		\$0	\$0	\$0	\$0	\$0	\$0
33	DISTRIBUTION RELATED	NPD		\$0	\$0	\$0	\$0	\$0	\$0
34	PLANT RELATED	NPR		\$0	\$0	\$0	\$0	\$0	\$0
35	ENERGY RELATED	E1A		\$0	\$0	\$0	\$0	\$0	\$0
36	LABOR RELATED	LBR		\$0	\$0	\$0	\$0	\$0	\$0
37	TRANSMISSION REV RELATED	TRN		\$0	\$0	\$0	\$0	\$0	\$0
38	DISTRIBUTION CUSTOMER RELATED	C3A		\$0	\$0	\$0	\$0	\$0	\$0
39	TOTAL DEDUCTIONS	FTD	FTD	\$0	\$0	\$0	\$0	\$0	\$0
40	NET FEDERAL DEDUCTIONS	NFD	NFD	\$0	\$0	\$0	\$0	\$0	\$0
41	ST ADD INC & UNALLOW DEDUCTS	FTA		\$0	\$0	\$0	\$0	\$0	\$0
42	ST DEDUCTS AND NON-TAX INCOME	FTD		\$0	\$0	\$0	\$0	\$0	\$0
43	NET STATE DEDUCTIONS	NSD	NSD	\$0	\$0	\$0	\$0	\$0	\$0
44	PROV FOR DEF'D ITC - CURRENT	NPR	ITC	\$0	\$0	\$0	\$0	\$0	\$0
FEDERAL TAXABLE INCOME									
45	ADJ RET * 1/(1-0.0000-0.0000)	ART	TART	\$200,972	\$120,766	\$50,487	\$24,787	\$3,580	\$1,352
46	NET FED DED * 1/(1-0.0000)	NFD		\$0	\$0	\$0	\$0	\$0	\$0
47	NET ST DED * (1/(1-0.0000))-1	NSD		\$0	\$0	\$0	\$0	\$0	\$0
48	CURRENT ITC * (1/1-0.00)-1	ITC		\$0	\$0	\$0	\$0	\$0	\$0
49	TOTAL FEDERAL TAXABLE INCOME	FTI	FTI	\$200,972	\$120,766	\$50,487	\$24,787	\$3,580	\$1,352
50	PLUS: NET FED DEDUCTS	NFD		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
51	LESS: NET STATE DEDUCTS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
52	TOTAL STATE TAXABLE INCOME	STI	STI	\$200,972	\$120,766	\$50,487	\$24,787	\$3,580	\$1,352
FED & ST INCOME TAXES:									
53	FED TAXABLE INC * 0.0000	FTI		\$0	\$0	\$0	\$0	\$0	\$0
54	ST. TAXABLE INC * 0.0000	STI		\$0	\$0	\$0	\$0	\$0	\$0
55	LESS: CRNT ITC * (1-0.0000)	ITC		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
56	TOTAL FED & ST INCOME TAXES	FST	FST	\$0	\$0	\$0	\$0	\$0	\$0
57	INVESTMENT TAX CREDIT - NET	NPR	ITN	\$0	\$0	\$0	\$0	\$0	\$0

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TRI-COUNTY ELECTRIC - SMEC CUSTOMERS
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*****COST OF SERVICE*****
** (PROPOSED) **

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL 440.01	SMALL C&I 442.01	LARGE C&I 442.02	ST. LIGHTING 444	PUB. AUTH. 445
1	RATE BASE	RBT		\$10,786,610	\$6,481,736	\$2,709,779	\$1,330,362	\$192,143	\$72,590
2	RETURN AT 4.55%	RET		\$490,422	\$294,698	\$123,202	\$60,486	\$8,736	\$3,300
3	OPERATION & MAINTENANCE EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
4	DEPRECIATION & AMORT EXPENSES	DEP		\$530,019	\$321,916	\$131,788	\$63,186	\$9,581	\$3,548
5	INTEREST ON CUSTOMER DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
6	GENERAL TAXES	GTX		\$0	\$0	\$0	\$0	\$0	\$0
7	FEDERAL AND STATE INCOME TAX	FST		\$0	\$0	\$0	\$0	\$0	\$0
8	PROVISION FOR DEFERRED TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
9	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
10	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
11	COST OF SERVICE REVENUE REQUIREMENT BEFORE ATTRITION ADJUSTMENT	CSR	CSR	\$6,419,444	\$3,316,004	\$1,855,949	\$1,163,505	\$38,630	\$45,356
12	LESS: FUEL REVENUE	FUL		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
13	BASE COST OF SERVICE REVENUE REQUIREMENT	BRR	BRR	\$6,419,444	\$3,316,004	\$1,855,949	\$1,163,505	\$38,630	\$45,356
14	ATTRITION ADJUSTMENT	BRR		\$0	\$0	\$0	\$0	\$0	\$0
15	BASE COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT	ARR	ARR	\$6,419,444	\$3,316,004	\$1,855,949	\$1,163,505	\$38,630	\$45,356
16	PLUS: FUEL REVENUE	FUL		\$0	\$0	\$0	\$0	\$0	\$0
17	COST OF SERVICE REVENUE REQUIREMENT AFTER ATTRITION ADJUSTMENT			\$6,419,444	\$3,316,004	\$1,855,949	\$1,163,505	\$38,630	\$45,356
18	LESS: MISCELLANEOUS REVENUE	MUCH IS DISTR F		(\$156,913)	(\$94,852)	(\$39,170)	(\$18,968)	(\$2,871)	(\$1,052)
19	LESS: BULK TRANSMISSION REVENUE	D1A ALLC		(\$0)	(\$0)	\$-0	\$-0	\$-0	\$-0
20	LESS: PRIMARY TRANSMISSION REVENUE	D2A ALLOCA		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
21	LESS: NON-FRM SLS FOR RESALE			\$-0	\$0	\$-0	\$-0	\$-0	\$-0
22	NET ELECTRIC REVENUE REQUIREMENT			\$6,262,531	\$3,221,152	\$1,816,779	\$1,144,537	\$35,759	\$44,304

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EXISTING RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL 440.01	SMALL C&I 442.01	LARGE C&I 442.02	ST. LIGHTING 444	PUB. AUTH. 445
		ALL	OUT						
1	EXISTING REVENUE		EXR	[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
	REVENUE DEDUCTIONS:								
2	O&M EXPENSES		OMX						
3	DEPRECIATION & AMORT EXPENSES		DEP	(\$530,019)	(\$321,916)	(\$131,788)	(\$63,186)	(\$9,581)	(\$3,548)
4	AD VALOREM TAXES		VAL	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
5	CORP FRANCHISE TAX		SFT	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
6	MISC GENERAL TAXES		MIS	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
7	REVENUE-RELATED TAXES		RTX	\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS		ICD	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
9	TOTAL REVENUE DEDUCTIONS			[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
10	NET FOR RETURN AND INCOME TAXES	NET	NET	(\$372,120)	(\$367,196)	(\$24,360)	(\$6,585)	\$12,282	\$13,737
11	LESS: INTEREST EXPENSE		INT	(\$289,450)	(\$173,932)	(\$72,715)	(\$35,699)	(\$5,156)	(\$1,948)
12	LESS: NET FEDERAL DEDUCTIONS		NFD	\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			(\$661,570)	(\$541,128)	(\$97,075)	(\$42,284)	\$7,126	\$11,789
14	PLUS: NET FEDERAL DEDUCTIONS		NFD	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
15	LESS: NET STATE DEDUCTIONS		NSD	\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			(\$661,570)	(\$541,128)	(\$97,075)	(\$42,284)	\$7,126	\$11,789
	FED AND ST INCOME TAXES								
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$-0	\$0	\$-0	\$-0	\$-0	\$-0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
	*****RETURN COMPUTATION*****								
21	NET FOR RETURN AND INCOME TAXES	NET		(\$372,120)	(\$367,196)	(\$24,360)	(\$6,585)	\$12,282	\$13,737
22	FED & ST INCOME TAXES			\$-0	\$0	\$-0	\$-0	\$-0	\$-0
23	PROV FOR DEF TAXES		PDT	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
24	INVESTMENT TAX CREDIT - NET		ITN	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
25	A F U D C		AFD	\$-0	\$0	\$-0	\$-0	\$-0	\$-0
26	NET RETURN			(\$372,120)	(\$367,196)	(\$24,360)	(\$6,585)	\$12,282	\$13,737
27	RATE BASE		RBT	\$10,786,610	\$6,481,736	\$2,709,779	\$1,330,362	\$192,143	\$72,590
28	RETURN ON RATE BASE		ROR	-3.45%	-5.67%	-0.90%	-0.49%	6.39%	18.92%
29	NON-EQUITY PORTION OF RETURN		DA3	-2.68%	-2.68%	-2.68%	-2.68%	-2.68%	-2.68%
30	EQUITY PORTION OF EXISTING RETRN		DA3	-6.13%	-8.35%	-3.58%	-3.17%	3.71%	16.24%
31	EXISTING RETURN ON EQUITY		DA3 ROE	-14.43%	-19.65%	-8.43%	-7.47%	8.72%	38.20%

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PROPOSED RETURN AND INCOME TAX

LINE NO.	DESCRIPTION	CONTROL ALL	OUT	TOTAL SMEC	RESIDENTIAL 440.01	SMALL C&I 442.01	LARGE C&I 442.02	ST. LIGHTING 444	PUB. AUTH. 445
1	PROPOSED REVENUE	PRV		\$6,419,444	\$3,316,004	\$1,855,949	\$1,163,505	\$38,630	\$45,356
2	REVENUE DEDUCTIONS:								
2	O&M EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
3	DEPRECIATION & AMORT EXPENSES	DEP		(\$530,019)	(\$321,916)	(\$131,788)	(\$63,186)	(\$9,581)	(\$3,548)
4	AD VALOREM TAXES	VAL		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
5	CORP FRANCHISE TAX	SFT		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
6	MISC GENERAL TAXES	MIS		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
7	REVENUE-RELATED TAXES	RTX		\$0	\$0	\$0	\$0	\$0	\$0
8	INTEREST ON CUST DEPOSITS	ICD		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
9	TOTAL REVENUE DEDUCTIONS			[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
10	NET FOR RETURN AND INCOME TAXES	NET	NET	\$490,422	\$294,698	\$123,202	\$60,486	\$8,736	\$3,300
11	LESS: INTEREST EXPENSE	INT		(\$289,450)	(\$173,932)	(\$72,715)	(\$35,699)	(\$5,156)	(\$1,948)
12	LESS: NET FEDERAL DEDUCTIONS	NFD		\$0	\$0	\$0	\$0	\$0	\$0
13	TOTAL FEDERAL TAXABLE INCOME			\$200,972	\$120,766	\$50,487	\$24,787	\$3,580	\$1,352
14	PLUS: NET FEDERAL DEDUCTIONS	NFD		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
15	LESS: NET STATE DEDUCTIONS	NSD		\$0	\$0	\$0	\$0	\$0	\$0
16	TOTAL STATE TAXABLE INCOME			\$200,972	\$120,766	\$50,487	\$24,787	\$3,580	\$1,352
17	FED AND ST INCOME TAXES								
17	FED TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
18	ST. TAXABLE INC * 0.0000			\$0	\$0	\$0	\$0	\$0	\$0
19	LESS: CRNT ITC * (1-0.0000)			\$-0	\$0	\$-0	\$-0	\$-0	\$-0
20	TOTAL FED & ST INCOME TAXES			\$0	\$0	\$0	\$0	\$0	\$0
21	*****RETURN COMPUTATION*****								
21	NET FOR RETURN AND INCOME TAXES	NET		\$490,422	\$294,698	\$123,202	\$60,486	\$8,736	\$3,300
22	FED & ST INCOME TAXES			\$-0	\$0	\$-0	\$-0	\$-0	\$-0
23	PROV FOR DEF TAXES	PDT		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
24	INVESTMENT TAX CREDIT - NET	ITN		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
25	A F U D C	AFD		\$-0	\$0	\$-0	\$-0	\$-0	\$-0
26	NET RETURN			\$490,422	\$294,698	\$123,202	\$60,486	\$8,736	\$3,300
27	RATE BASE	RBT		\$10,786,610	\$6,481,736	\$2,709,779	\$1,330,362	\$192,143	\$72,590
28	RETURN ON RATE BASE	ROR		4.55%	4.55%	4.55%	4.55%	4.55%	4.55%
29	NON-EQUITY PORTION OF RETURN	DA3		-2.68%	-2.68%	-2.68%	-2.68%	-2.68%	-2.68%
30	EQUITY PORTION OF EXISTING RETRN	DA3		1.86%	1.86%	1.86%	1.86%	1.86%	1.86%
31	PROPOSED RETURN ON EQUITY	DA3	ROE	4.38%	4.38%	4.38%	4.38%	4.38%	4.38%

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COST OF SERVICE SUMMARY

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL 440.01	SMALL C&I 442.01	LARGE C&I 442.02	ST. LIGHTING 444	PUB. AUTH. 445
		ALL	OUT						
NET PLANT IN SERVICE:									
1	PRODUCTION PLANT	NPP		\$0	\$0	\$0	\$0	\$0	\$0
2	TRANSMISSION PLANT	NPT		\$0	\$0	\$0	\$0	\$0	\$0
3	DISTRIBUTION PLANT	NPD		\$9,919,585	\$5,996,223	\$2,476,229	\$1,199,119	\$181,490	\$66,524
4	GENERAL PLANT	NPG		\$91,057	\$62,730	\$20,112	\$6,558	\$1,081	\$576
5	TOTAL NET ELECTRIC PLANT	NPR		\$10,010,642	\$6,058,953	\$2,496,341	\$1,205,677	\$182,571	\$67,100
6	CONST. WORK IN PROGRESS	CWP		\$60,135	\$36,351	\$15,012	\$7,269	\$1,100	\$403
7	ACQUISITION ADJUSTMENT	ACQ		\$349,815	\$167,639	\$106,219	\$71,747	\$1,588	\$2,622
8	PLANT HELD FOR FUTURE USE	PLH		\$0	\$0	\$0	\$0	\$0	\$0
9	TOTAL MISC DEFERD DEBITS			\$246,638	\$149,762	\$61,339	\$29,425	\$4,461	\$1,651
WORKING CAPITAL:									
10	CASH WORK CAP,FUNDS,MAT&SUP	MAS		\$254,053	\$153,766	\$63,353	\$30,598	\$4,633	\$1,703
11	FUEL STOCK	FUL		\$0	\$0	\$0	\$0	\$0	\$0
12	PREPAID LIGNITE ROYALTIES	E1A		\$0	\$0	\$0	\$0	\$0	\$0
13	OTHER PREPAYMENTS	NPR		\$5,634	\$3,409	\$1,405	\$679	\$103	\$38
14	UNAMORTIZED LOSS ON REACQD LTD	NPR		\$0	\$0	\$0	\$0	\$0	\$0
15	DEFERRED FUEL	DEF		\$0	\$0	\$0	\$0	\$0	\$0
16	ACCUMULATED DEFERRED INCOME TAX	ACC		\$0	\$0	\$0	\$0	\$0	\$0
17	PRE-1971 INVESTMENT TAX CREDIT	PIC		\$0	\$0	\$0	\$0	\$0	\$0
18	CUSTOMER ADVANCES AND DEPOSITS	CAD		(\$12,483)	(\$10,035)	(\$2,268)	(\$68)	(\$39)	(\$73)
19	STORM DAMAGE/INJ & DAM RESRVS	SDR		\$0	\$0	\$0	\$0	\$0	\$0
20	PNSN & MIS OP RSRVS, OTR DEF CRS	PEN		(\$127,824)	(\$78,109)	(\$31,622)	(\$14,965)	(\$2,274)	(\$854)
21	TRANSMISSION RATE REFUND RESERVE	TRN		\$0	\$0	\$0	\$0	\$0	\$0
22	AVERAGE ORIGINAL COST RATE BASE	RBT		\$10,786,610	\$6,481,736	\$2,709,779	\$1,330,362	\$192,143	\$72,590
23	RETURN AT 4.55%	RET		\$490,422	\$294,698	\$123,202	\$60,486	\$8,736	\$3,300
OPERATION & MAINTENANCE EXPENSES									
24	PRODUCTION O&M	OMP		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
25	TRANSMISSION O&M	OMT		\$0	\$0	\$0	\$0	\$0	\$0
26	DISTRIBUTION O&M	OMD		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
27	CUST ACCT/SERV/SALES	OMC		\$199,930	\$160,735	\$36,323	\$1,087	\$621	\$1,164
28	ADMINISTRATIVE & GENERAL	OMA		\$156,460	\$95,608	\$38,706	\$18,317	\$2,784	\$1,045
29	TOTAL OPER & MAIN EXPENSES	OMX		[TRADE SECRET DATA BEGINS... TRADE SECRET DATA ENDS]					
30	DEPRECIATION & AMORT EXPENSES	DEP		\$530,019	\$321,916	\$131,788	\$63,186	\$9,581	\$3,548
31	INTEREST ON CUSTOMER DEPOSITS	ICD		\$0	\$0	\$0	\$0	\$0	\$0
32	GENERAL TAXES	GTX		\$0	\$0	\$0	\$0	\$0	\$0
33	FED & ST INCOME TAX	FST		\$0	\$0	\$0	\$0	\$0	\$0
34	PROV FOR DEF TAXES	PDT		\$0	\$0	\$0	\$0	\$0	\$0
35	INVESTMENT TAX CREDIT - NET	ITN		\$0	\$0	\$0	\$0	\$0	\$0
36	A F U D C	AFD		\$0	\$0	\$0	\$0	\$0	\$0
37	COST OF SERVICE REVENUE REQ	CSR		\$6,419,444	\$3,316,004	\$1,855,949	\$1,163,505	\$38,630	\$45,356

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

TRI-COUNTY
SPECIFICALLY ASSIGNED DISTRIBUTION & PURCH POWER

TRI-COUNTY ELECTRIC - SMEC CUSTOMERS
COST OF SERVICE STUDY
FOR TWELVE MONTHS ENDED
DECEMBER 31, 1992

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COST OF SERVICE COMPARISON

LINE NO.	DESCRIPTION	CONTROL		TOTAL SMEC	RESIDENTIAL 440.01	SMALL C&I 442.01	LARGE C&I 442.02	ST. LIGHTING 444	PUB. AUTH. 445
		ALL	OUT						
*** OTHER REVENUE INCLUDED ***									
1	COST OFF SERVICE REVENUE REQ T			\$6,419,444	\$3,316,004	\$1,855,949	\$1,163,505	\$38,630	\$45,356
2	EXISTING REVENUE			\$5,556,902	\$2,654,110	\$1,708,387	\$1,096,434	\$42,176	\$55,793
3	REVENUE DEFICIENCY			\$862,542	\$661,894	\$147,562	\$67,071	(\$3,546)	(\$10,437)
4	REQUIRED INCREASE (%)			15.52%	24.94%	8.64%	6.12%	-8.41%	-18.71%
5	EXISTING RATE OF RETURN-AS ADJ.			-3.45%	-5.67%	-0.90%	-0.49%	6.39%	18.92%
6	EXISTING ROR AS % OF OVERALL ROR-AS ADJ.			100.00%	164.35%	26.09%	14.20%	-185.22%	-548.41%
7	EXISTING RETURN ON EQUITY-AS ADJ.			-14.43%	-19.65%	-8.43%	-7.47%	8.72%	38.20%
8	EXISTING ROE AS % OF OVERALL ROE-AS ADJ.			100.00%	136.17%	58.42%	51.77%	-60.43%	-264.73%
9	PROPOSED RATE OF RETURN-AS ADJ			4.55%	4.55%	4.55%	4.55%	4.55%	4.55%
10	PROPOSED RETURN ON EQUITY-AS ADJ			4.38%	4.38%	4.38%	4.38%	4.38%	4.38%
*** OTHER REVENUE EXCLUDED ***									
11	COST OF SERVICE REVENUE REQ T			\$6,262,531	\$3,221,152	\$1,816,779	\$1,144,537	\$35,759	\$44,304
12	EXISTING REVENUE			\$5,399,989	\$2,559,258	\$1,669,217	\$1,077,466	\$39,305	\$54,741
13	REVENUE DEFICIENCY			\$862,542	\$661,894	\$147,562	\$67,071	(\$3,546)	(\$10,437)
14	REQUIRED INCREASE (%)			15.97%	25.86%	8.84%	6.22%	-9.02%	-19.07%
15	EXISTING RATE OF RETURN - UNADJ			-3.45%	-5.67%	-0.90%	-0.49%	6.39%	18.92%
16	EXISTING ROR AS % OF OVERALL ROR-UNADJ.			100.00%	164.35%	26.09%	14.20%	-185.22%	-548.41%
17	EXISTING RETURN ON EQUITY-UNADJ			-14.43%	-19.65%	-8.43%	-7.47%	8.72%	38.20%
18	EXISTING ROE AS % OF OVERALL ROE-UNADJ.			100.00%	136.17%	58.42%	51.77%	-60.43%	-264.73%
19	PROPOSED RATE OF RETURN - UNADJ			4.55%	4.55%	4.55%	4.55%	4.55%	4.55%
20	PROPOSED RETURN ON EQUITY-UNADJ			4.38%	4.38%	4.38%	4.38%	4.38%	4.38%

PUBLIC DOCUMENT - TRADE SECRET DATA HAS BEEN EXCISED

TRI-COUNTY
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PROPOSED MILLS/KWH *****		TOTAL SMEC	RESIDENTIAL 440.01	SMALL C&I 442.01	LARGE C&I 442.02	ST. LIGHTING 444	PUB. AUTH. 445
		-----	-----	-----	-----	-----	-----
1	EXISTING BASE REV	98.63	106.53	95.36	85.77	138.21	145.69
2	FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
		-----	-----	-----	-----	-----	-----
3	TOTAL MILLS / KWH	98.63	106.53	95.36	85.77	138.21	145.69
		=====	=====	=====	=====	=====	=====
4	PROPOSED BASE REV	114.38	134.08	103.79	91.11	125.74	117.91
5	FUEL REVENUE	0.00	0.00	0.00	0.00	0.00	0.00
		-----	-----	-----	-----	-----	-----
6	TOTAL MILLS / KWH	114.38	134.08	103.79	91.11	125.74	117.91
		=====	=====	=====	=====	=====	=====