Attachment H
Formula Rate - Non-Levelized

South Central MCN LLC

Rate Formula Template
Utilizing FERC Form 1 Data
South Central MCN LLC

For the 12 months ended 12/31/17

Line No.	(1)	(2)	(3) Total	(4) Allocator		(5) Allocated Amount
1	GROSS REVENUE REQUIREMENT	(page 3, line 47)				$ 1,362,834
	REVENUE CREDITS	(Note O)				
2	Account No. 454	(page 4, line 29)	-	TP	1.00	-
3	Account No. 456.1	(page 4, line 33)	-	TP	1.00	-
4	Account No. 457.1 Scheduling	Attachment 5, line 36, col e	-	TP	1.00	-
5	Revenues from Grandfathered Interzonal Transactions	(Note N)	-	TP	1.00	-
6	Revenues from service provided by the ISO at a discount		-	TP	1.00	-
7	TOTAL REVENUE CREDITS	(Sum of Lines 2 through 6)	-			-
8	NET REVENUE REQUIREMENT	(line 1 minus line 7)				$ 1,362,834
9	True-up Adjustment with Interest	Attachment 3, Col. J	-	DA	1.00000	-
10	NET REVENUE REQUIREMENT	(line 8 plus line 9)				$ 1,362,834

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data
South Central MCN LLC

For the 12 months ended 12/31/17

Line No.	(1)	(2) Source	(3) Company Total	(4) Allocator		(5) Transmission (Col 3 times Col 4)
	RATE BASE:					
	GROSS PLANT IN SERVICE (Notes U and R)					
1	Production	205.46.g for end of year, records for other months	-	NA		-
2	Transmission	Attachment 4, Line 14, Col. (b)	11,591,671	TP	1.00	11,591,671
3	Distribution	207.75.g for end of year, records for other months	-	NA	-	-
4	General & Intangible	Attachment 4, Line 14, Col. (c)	-	W/S	1.00	-
5	Common	356.1 for end of year, records for other months	-	CE	1.00	-
6	TOTAL GROSS PLANT	(Sum of Lines 1 through 5)	11,591,671	GP=	1.00	11,591,671
7	ACCUMULATED DEPRECIATION (Notes U and R)					
8	Production	219.20-24.c for end of year, records for other months	-	NA		-
9	Transmission	Attachment 4, Line 14, Col. (h)	2,753,457	TP	1.00	2,753,457
10	Distribution	219.26.c for end of year, records for other months	-	NA	-	-
11	General & Intangible	Attachment 4, Line 14, Col. (i)	-	W/S	1.00	-
12	Common	356.1 for end of year, records for other months	-	CE	1.00	-
13	TOTAL ACCUM. DEPRECIATION	(Sum of Lines 8 through 12)	2,753,457			2,753,457
14	NET PLANT IN SERVICE					
15	Production	(line 1 - line 8)	-			-
16	Transmission	(Line 2 minus Line 9)	8,838,214			8,838,214
17	Distribution	(line 3 - line 10)	-			-
18	General & Intangible	(Line 4 minus Line 11)	-			-
19	Common	(line 5 - line 12)	-			-
20	TOTAL NET PLANT	(Sum of Lines 15 through 19)	8,838,214	NP=	1.00	8,838,214
21	ADJUSTMENTS TO RATE BASE (Note R)					
22	Account No. 281 (enter negative)	Attachment 4, Line 28, Col. (d) (Notes B and X)	-	NA	zero	-
23	Account No. 282 (enter negative)	Attachment 4, Line 28, Col. (e) (Notes B and X)	(19,394)	NP	1.00000	(19,394)
24	Account No. 283 (enter negative)	Attachment 4, Line 28, Col. (f) (Notes B and X)	-	NP	1.00000	-
25	Account No. 190	Attachment 4, Line 28, Col. (g) (Notes B and X)	-	NP	1.00000	-
26	Account No. 255 (enter negative)	Attachment 4, Line 28, Col. (h) (Notes B and X)	-	NP	1.00000	-
26a	Unfunded Reserves (enter negative)	Attachment 4, Line 31, Col. (h)	-	DA	1.00000	-
27	CWIP	Attachment 4, Line 14, Col. (d)	-	DA	1.00000	-
28	Unamortized Regulatory Asset	Attachment 4, Line 28, Col. (b) (Note T)	-	DA	1.00000	-
29	Unamortized Abandoned Plant	Attachment 4, Line 28, Col. (c) (Note S)	-	DA	1.00000	-
30	TOTAL ADJUSTMENTS	(Sum of Lines 22 through 29)	(19,394)			(19,394)
31	LAND HELD FOR FUTURE USE	Attachment 4, Line 14, Col. (e) (Note C)	-	TP	1.00	-
32	WORKING CAPITAL	(Note D)				
33	CWC	1/8*(Page 3, Line 14 minus Page 3, Line 11)	34,469			34,469
34	Materials & Supplies	Attachment 4, Line 14, Col. (f) (Note C)	15,000	TP	1.00	15,000
35	Prepayments (Account 165)	Attachment 4, Line 14, Col. (g)	-	GP	1.00	-
36	TOTAL WORKING CAPITAL	(Sum of Lines 33 through 35)	49,469			49,469
37	RATE BASE	(Sum of Lines 20, 30, 31 & 36)	8,868,289			8,868,289

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data
South Central MCN LLC

For the 12 months ended 12/31/17

Line No.	(1)	(2) Source	(3) Company Total	(4) Allocator		(5) Transmission (Col 3 times Col 4)
	O&M					
1	Transmission	321.112.b Attach. 5, Line 13, Col. (a)	69,342	TP	1.00	69,342
2	Less Account 566 (Misc Trans Expense)	321.97.b Attach. 5, Line 13, Col. (b)	-	TP	1.00	-
3	Less Account 565	321.96.b Attach. 5, Line 13, Col. (c)	-	TP	1.00	-
4	A&G	323.197.b Attach. 5, Line 13, Col. (d)	206,411	W/S	1.00	206,411
5	Less FERC Annual Fees	Attach. 5, Line 13, Col. (e)	-	W/S	1.00	-
6	Less EPRI & Reg. Comm. Exp. & Non-safety Ad.	(Note E) Attach. 5, Line 13, Col. (f)	-	W/S	1.00	-
6a	Less PBOP Expense in Year	Attachment 7, Line 8, Col. (g)	-	W/S	1.00	-
7	Plus Transmission Related Reg. Comm. Exp.	(Note E) Attach. 5, Line 13, Col. (g)	-	TP	1.00	-
7a	Plus PBOP Expense Allowed Amount	Attachment 7, Line 6, Col. (g)	-	W/S	1.00	-
8	Common	356.1	-	CE	1.00	-
9	Transmission Lease Payments	Attach. 5, Line 13, Col (h)	-	DA	1.0000	-
10	Account 566					
11	Amortization of Regulatory Asset	(Note T) Attach. 5, Line 13, Col. (i)	-	DA	1.0000	-
12	Miscellaneous Transmission Expense (less amortization of regulatory asset)	Attach. 5, Line 13, Col .(j)	-	TP	1.0000	-
13	Total Account 566	(Line 11 plus Line 12) Ties to 321.97.b	-			-
14	TOTAL O&M	(Sum of Lines 1, 4, 7, 7a, 8, 9, 13 less Lines 2, 3, 5, 6, 6a)	275,753			275,753
15	DEPRECIATION EXPENSE (Note U)					
16	Transmission	336.7.b, d &e Attach. 5, Line 13, Col. (k)	219,132	TP	1	219,132
17	General & Intangible	336.10.b, d &e, 336.1.b, d &e Attach. 5, Line 26, Col. (a)	-	W/S	1	-
18	Common	336.11.b, d &e	-	CE	1	-
19	Amortization of Abandoned Plant	(Note S) Attach. 5, Line 26, Col. (b)	-	DA	1.0000	-
20	TOTAL DEPRECIATION	(Sum of Lines 16 through 19)	219,132			219,132
21	TAXES OTHER THAN INCOME TAXES	(Note F)				
22	LABOR RELATED					
23	Payroll	263.i Attach. 5, Line 26, Col. (c)	-	W/S	1	-
24	Highway and vehicle	263.i Attach. 5, Line 26, Col. (d)	-	W/S	1	-
25	PLANT RELATED					
26	Property	263.i Attach. 5, Line 26, Co.l (e)	-	GP	1	-
27	Gross Receipts	263.i Attach. 5, Line 26, Col. (f)	-	NA	zero	-
28	Other	263.i Attach. 5, Line 26, Col. (g)	-	GP	1	-
29	Payments in lieu of taxes	263.i Attach. 5, Line 26, Col. (h)	-	GP	1	-
30	TOTAL OTHER TAXES	(Sum of Lines 23 through 29)	-			-
31	INCOME TAXES	(Note G)				
32	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)}	WCLTD = Page 4, Line 20	0.3906			
33	CIT=(T/1-T) * (1-(WCLTD/R)) =	R = Page 4, Line 23	0.5679			
34	FIT & SIT & P	(Note G)				
35						
36	1 / (1 - T) = (from line 32)		-			
37	Amortized Investment Tax Credit	266.8f (enter negative) Attach. 5, Line 26, Col. (i)	-			
38	Excess Deferred Income Taxes	(enter negative) Attach. 5, Line 26, Col. (j)	-			
39	Tax Effect of Permanent Differences	Attach. 5, Line 26, Col. (k) (Note W)	-			
40	Income Tax Calculation	Page 4, line 36, Col. (d)	249,297	NA		249,297
41	ITC adjustment	(Line 36 times Line 37)	-	NP	1.00	-
42	Excess Deferred Income Tax Adjustment	(Line 36 times Line 38)	-	NP	1.00	-
43	Permanent Differences Tax Adjustment	(Line 36 times Line 39)	-	NP	1.00	-
44	Total Income Taxes	(Sum of Lines 40 through 43)	249,297			249,297
45	RETURN					
46	Rate Base times Return	(Page 2, Line 37 times Page 4, Line 23)	618,652	NA		618,652
47	REV. REQUIREMENT	(Sum of Lines 14, 20, 30, 44 & 46)	1,362,834			1,362,834

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data
South Central MCN LLC

For the 12 months ended 12/31/17

SUPPORTING CALCULATIONS AND NOTES

Line No.	(1)	(2)	(3)	(4)	(5)
	TRANSMISSION PLANT INCLUDED IN ISO RATES				
1	Total Transmission plant	(Page 2, Line 2, Column 3)			11,591,671
2	Less Transmission plant excluded from ISO rates	(Note H)			-
3	Less Transmission plant included in OATT Ancillary Services	(Note I)			-
4	Transmission plant included in ISO rates	(Line 1 minus Lines 2 & 3)			11,591,671
5	Percentage of Transmission plant included in ISO Rates	(Line 4 divided by Line 1)		TP=	1.0000
6	WAGES & SALARY ALLOCATOR (W&S)				
		Form 1 Reference	$ TP	Allocation	
7	Production	354.20.b	- -	-	
8	Transmission	354.21.b	1 1.00	1	
9	Distribution	354.23.b	- -	-	W&S Allocator
10	Other	354.24,25,26.b	- -	-	($ / Allocation)
11	Total (W& S Allocator is 1 if lines 7-10 are zero)	(Sum of Lines 7 through 10)	1	1 =	1.00000 = WS
12	COMMON PLANT ALLOCATOR (CE) (Note J and X)		$	% Electric	W&S Allocator
13	Electric	200.3.c	8,838,214	(line 13 / line 16)	(line 11) CE
14	Gas	201.3.d	-	1.00000 *	1.00000 = 1.00000
15	Water	201.3.e	-		
16	Total	(Sum of Lines 13 through 15)	8,838,214		
17	RETURN (R)	(Note V)			$
18				Cost	
19			$ %	(Notes K, Q, & R)	Weighted
20	Long Term Debt	(Notes Q & R)	- 40%	1.99%	0.01 =WCLTD
21	Preferred Stock (112.3.c)	(Notes Q & R)	- 0%	-	-
22	Common Stock	(Notes K, Q & R)	- 60%	10.30%	0.06
23	Total	(Sum of Lines 20 through 22)	-		0.07 =R
24	REVENUE CREDITS				
25	ACCOUNT 447 (SALES FOR RESALE) (Note L)	310 -311			
26	a. Bundled Non-RQ Sales for Resale	311.x.h			-
27	b. Bundled Sales for Resale	Attach 5, line 36, col (a)			-
28	Total of (a)-(b)				-
29	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY)	(Note M) Attach 5, line 36, col (b)			-
30	ACCOUNT 456.1 (OTHER ELECTRIC REVENUES)	330.x.n			
31	a. Transmission charges for all transmission transactions	Attach 5, line 36, col (c)			-
32	b. Transmission charges associated with Project detailed on the Project Rev Req Schedule Col. 10.	Attach 5, line 36, col (d)			-
33	Total of (a)-(b)				-

	(a)	(b)	(c)	(d)
	Income Taxes	% Ownership that has Actual or Potential Income Tax Liability	[1-Col. (c)]	Total Income Taxes
34	Ownership	70.96%	29.04%	
35	Return from Page 3, Line 46 times % in Line 34	438,995	179,656	
36	Income Tax Page 3, line 33 {CIT=(T/1-T) * (1-(WCLTD/R))] x Line 35	249,297	N/A	249,297

Formula Rate - Non-Levelized

Rate Formula Template
Utilizing FERC Form 1 Data
South Central MCN LLC

For the 12 months ended 12/31/17

General Note: References to pages in this formulary rate are indicated as: (page#, line#, col.#)
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Note Letter	
A	Reserved
B	The balances in Accounts 190, 281, 282 and 283, as adjusted by any amounts in contra accounts identified as regulatory assets or liabilities related to FASB 106 or 109. Balance of Account 255 is reduced by prior flow throughs and excluded if the utility chose to utilize amortization of tax credits against taxable income. Account 281 is not allocated.
C	Identified in Form 1 as being only transmission related.
D	Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 14, column 5 minus amortization of Regulatory Asset at page 3, line 11, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported on pages 111, line 57 Form 1.
E	Page 3, Line 6 - EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses itemized at 351.h, and non-safety related advertising included in Account 930.1 found at 323.191.b. Page 3, Line 7-Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
F	Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Gross receipts taxes are not included in transmission revenue requirement in the Rate Formula Template, since they are recovered elsewhere.
G	The currently effective income tax rate, where FIT is the Federal income tax rate; SIT is the State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes" and TEP = "the tax exempt ownership interest". If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 26). Excess Deferred Income Taxes reduce income tax expense by the amount of the expense multiplied by (T/1-T).

Inputs Required:			
	FIT =	35.00%	
	SIT=	6.25%	(State Income Tax Rate or Composite SIT)
	p =	-	(percent of federal income tax deductible for state purposes)

H	Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).
I	Removes dollar amount of transmission plant to be included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
J	Enter dollar amounts
K	ROE will be supported in the original filing and no change in ROE may be made absent a filing with FERC.
L	Page 4, Line 28 must equal zero since all short-term power sales must be unbundled and the transmission component reflected in Account No. 456.1.
M	Includes income related only to transmission facilities, such as pole attachments, rentals and special use.
N	Company will not have any grandfathered agreements. Therefore, this line shall remain zero.
O	The revenues credited on page 1 lines 2-6 shall include only the amounts received directly (in the case of grandfathered agreements) or from the ISO (for service under this tariff) reflecting the Transmission Owner's integrated transmission facilities. Revenue Credits do not include revenues associated with FERC annual charges, gross receipts taxes, facilities not included in this template (e.g., direct assignment facilities and GSUs) the costs of which are not recovered under this Rate Formula Template.
P	Reserved
Q	Prior to obtaining long term debt, the cost of debt, will be 1.99%. If SCMCN obtains project financing, the long term debt rate will be determined using the methodology in Attachment 8 and Attachment 8 contains a hypothetical example of the internal rate of return methodology; the methodology will be applied to actual amounts for use in Attachment H. Once there is $100 million in rate base, SCMCN will use the its actual cost of long term debt determined in Attachment 5. The capital structure will be 60% equity and 40% debt during the construction period, after any asset is placed in service, it will be based on the actual capital structure.
R	Calculate using 13 month average balance, except ADIT which is calculated based on the average of the beginning and the end of the year balances.
S	Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of abandoned plant. Utility must receive FERC authorization before recovering the cost of abandoned plant.
T	Recovery of Regulatory Assets is permitted only for pre-commercial and formation expenses as authorized by the Commission. Recovery of any other regulatory assets requires authorization from the Commission. A carrying charge equal to the AFUDC rate will be applied to the Regulatory Asset prior to th year when costs are first recovered.
U	Excludes Asset Retirement Obligation balances
V	Company shall be allowed recovery of costs related to interest rate locks. Absent a Section 205 filing, Company shall not include in the Formula Rate, the gains, losses, or costs related to other hedges.
W	The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State calculations and the income taxes calculated in Attachment H that are not the result of a timing difference
X	Calculate using a simple average of beginning of year and end of year balances reconciling to FERC Form No. 1 by Page, Line and Column as shown in Column 2.

Attachment 1
Project Revenue Requirement Worksheet
South Central MCN LLC

To be completed in conjunction with Attachment H.

Line No.	(1)	(2) Attachment H Page, Line, Col.	(3) Transmission	(4) Allocator
1	Gross Transmission Plant - Total	Attach H, p 2, line 2 col 5 plus line 27 col 5 (Note A)	11,591,671	
2	Net Transmission Plant - Total	Attach H, p 2, line 16 col 5 plus line 27 & 29 col 5 (Note B)	8,838,214	
	O&M EXPENSE			
3	Total O&M Allocated to Transmission	Attach H, p 3, line 14 col 5	275,753.0	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.02	0.0237889
	GENERAL, INTANGIBLE AND COMMON (G&C) DEPRECIATION EXPENSE			
5	Total G, I & C Depreciation Expense	Attach H, p 3, lines 17 & 18, col 5 (Note H)	-	
6	Annual Allocation Factor for G, I & C Depreciation Expense	(line 5 divided by line 1 col 3)	-	-
	TAXES OTHER THAN INCOME TAXES			
7	Total Other Taxes	Attach H, p 3, line 30 col 5	-	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	-	-
9	Less Revenue Credits	Attach H, p 1, line 7 col 5	-	
10	Annual Allocation Factor Revenue Credits	(line 9 divided by line 1 col 3)	-	-
11	**Annual Allocation Factor for Expense**	**Sum of line 4, 6, 8, and 10**		**0.023789**
	INCOME TAXES			
12	Total Income Taxes	Attach H, p 3, line 44 col 5	249,297	
13	Annual Allocation Factor for Income Taxes	(line 12 divided by line 2 col 3)	0.03	0.03
	RETURN			
14	Return on Rate Base	Attach H, p 3, line 46 col 5	618,652	
15	Annual Allocation Factor for Return on Rate Base	(line 14 divided by line 2 col 3)	0.07	0.07
16	**Annual Allocation Factor for Return**	**Sum of line 13 and 15**	0	**0.10**

Attachment 1
Project Revenue Requirement Worksheet
South Central MCN LLC

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(12a)	(13)	(14)	(15)	(16)
Line No.	Project Name (Notes M & N)	ITEP Project Number	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge	Project Depreciation/Amortization Expense	Annual Revenue Requirement	Incentive Return in basis Points	Incentive Return	Ceiling Rate	Discount	Total Annual Revenue Requirement	True-Up Adjustment	Net Rev Req
			(Note C)	(Page 1 line 11)	(Col. 3 * Col. 4)	(Notes D & I)	(Page 1 line 16)	(Col. 6 * Col. 7)	(Notes E & I)	(Sum Col. 5, 8 & 9)	(Note K)	(Attachment 2, Line 28 /100 * Col. 11)	(Sum Col. 10 & 12)	(Note J)	(Sum Col. 10 & 12 Less Col. 13)	(Note F)	Sum Col. 14 & 15 (Note G)
15a	NIXA Example		$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
15b			$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
15c			$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
			$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
			$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
			$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
			$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
			$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
			$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
			$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
			$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
			$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
			$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
			$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
			$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
			$ -	0.02	-	$ -	0.10	-	$ -	-	-	-	-	-	-	$ -	-
																	-
16	Annual Totals													-			-

Note Letter	
A	Gross Transmission Plant is that identified on page 2 line 2 of Attachment H
B	Inclusive of any CWIP or unamortized abandoned plant included in rate base when authorized by FERC order less any prefunded AFUDC, if applicable.
C	Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1. This value includes subsequent capital investments required to maintain the facilities to their original capabilities. Gross plant does not include Unamortized Abandoned Plant.
D	Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation. Net Plant includes CWIP and Unamortized Abandoned Plant and excludes any regulatory asset, which are to entered as a separate line item.
E	Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H, page 3, line 16. Project Depreciation Expense includes the amortization of Abandoned Plant
F	True-Up Adjustment is calculated on the Project True-up Schedule for the Rate Year
G	The Net Rev Req is the value to be used in the SPP's rate calculation under the applicable Schedule under the SPP OATT for each project.
H	The Total General, Intangible and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.
I	The Unamortized Abandoned Plant balance is included in Net Plant, and Amortization of Abandoned Plant is included in Depreciation/Amortization Expense.
J	The discount is the reduction in revenue, if any, that the company agreed to, for instance, to be selected to build facilities as the result of a competitive process and equals the amount by which the annual revenue requirement is reduced from the ceiling rate
K	Requires approval by FERC of incentive return applicable to the specified project(s)
M	All facilities other than those being recovered under Schedules 7, 8, 9 are to be included in Attachment 1.
N	Facilities that provide Wholesale Distribution Service are not to be listed as projects on lines 15, the revenue requirements associated with these facilities are calculated on Attachment 11
O	When an updated projected net revenue requirement is posted due to an asset acquisition as provided for in the Protocols, the difference between the updated net revenue requirement in Col (16) and the revenues collected to date will be recovered over the remaining months of the Rate Year.

Attachment 2
Incentive ROE
South Central MCN LLC

1	Rate Base	Attachment H, Page 2 line 37, Col.5						8,868,289
2	100 Basis Point Incentive Return						$	
						Cost		
				$	%		Weighted	
3	Long Term Debt	(Attachment H, Notes Q and R)		-	40%	1.99%	0.01	
4	Preferred Stock	(Attachment H, Notes Q and R)		-	0%	-	-	
5	Common Stock	(Attachment H, Notes K, Q and R)	Cost = Attachment H, Page 4 Line 22, Cost plus .01	-	60%	0.1130	0.07	
6	Total (sum lines 3-5)			-			0.08	
7	100 Basis Point Incentive Return multiplied by Rate Base (line 1 * line 6)							671,862
8	INCOME TAXES							
9	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} =			0.3906				
10	CIT=(T/1-T) * (1-(WCLTD/R)) =			0.5737				
11	WCLTD = Line 3							
12	and FIT, SIT & p are as given in footnote K.							
13	1 / (1 - T) = (from line 9)			1.6410				
14	Amortized Investment Tax Credit (266.8f) (enter negative)		Attachment H, Page 3, Line 37	-				
15	Excess Deferred Income Taxes (enter negative)		Attachment H, Page 3, Line 38	-				
16	Tax Effect of Permanent Differences (Note B)		Attachment H, Page 3, Line 39	-				
17	Income Tax Calculation = line 10 * line 7			606,540	NA		385,429	
18	ITC adjustment (line 13 * line 14)			-	NP	1.00	-	
19	Excess Deferred Income Tax Adjustment (line 13 * line 15)			-	NP	1.00	-	
20	Permanent Differences Tax Adjustment (line 13 * 16)			-	NP	1.00	-	
21	Total Income Taxes (sum lines 17 - 20)			606,540			385,429	385,429
22	Return and Income Taxes with 100 basis point increase in ROE							1,057,291.08
23	Return (Attach. H, page 3 line 46 col 5)							618,652
24	Income Tax (Attach. H, page 3 line 44 col 5)							249,297
25	Return and Income Taxes without 100 basis point increase in ROE							867,949
26	Incremental Return and Income Taxes for 100 basis point increase in ROE							189,342
27	Rate Base (line 1)							8,868,289
28	Incremental Return and Income Taxes for 100 basis point increase in ROE divided by Rate Base							0.021

Notes:

A Line 5 includes a 100 basis point increase in ROE that is used only to determine the increase in return and income taxes associated with a 100 basis point increase in ROE. Any actual ROE incentive must be approved by the Commission.
For example, if the Commission were to grant a 137 basis point ROE incentive, the increase in return and taxes for a 100 basis point increase in ROE would be multiplied by 1.37 on Attachment 1 column 12.

B The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State calculations and the income taxes calculated in Attachment H that are not the result of a timing difference

Attachment 3
Project True-Up
South Central MCN LLC

			Revenue Requirement Projected For Rate Year		Revenue Received[3]	Actual Revenue Requirement	Annual True-Up Calculation			
1	Rate Year being Trued-Up									
2					$ -					
	A	B	C	D	E	F	G	H	I	J
	Project # Or Other Identifier	Project Name	Projected Net Revenue Requirement[1]	% of Total Revenue Requirement	Revenue Received (E, Line 2) x (D)	Actual Net Revenue Requirement[2]	Net Under/(Over) Collection (F)-(E)	Prior Period Adjustment[5]	Interest Income (Expense)[4]	Total True-Up (G) + (H) + (I)
3	Attachment H		-	-	-	-	-	-	-	-
3a			-	-	-	-	-	-	-	-
3b			-	-	-	-	-	-	-	-
3c			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
			-	-	-	-	-	-	-	-
4	Total Annual Revenue Requirements (Note A)		-	-	-	-	-		-	-

Monthly Interest Rate -
Interest Income (Expense) -

Notes:
1) From Attachment 1, line 15, col. 14 for the projection for the Rate Year.
2) From Attachment 1, line 15, col. 14 for that project based on the actual costs for the Rate Year.
3) The "Revenue Received" on line 2, Col. (E), is the total amount of revenue distributed to company in the year as shown on pages 328-330 of the Form No 1. The Revenue Received is input on line 2, Col. E excludes any True-Up revenues.
Column E, lines 3 are the dollar amounts of Revenue Received reflecting the % in Column D. This assigns to each project a percentage of the revenue received based on the percentage of the Projected Net Revenue Requirement in Column C.
4) Interest from Attachment 6.
5) Prior Period Adjustment from line 5 is pro rata to each project, unless the error was project specific.

Prior Period Adjustment

	(a)	(b)	(c)	(d)
	Prior Period Adjustment (Note B)	Amount In Dollars	Interest Note B	Total Col. (b) + Col. (c)
5	-	-	-	-

Notes:

A For each project or Attachment H, the utility will populate the formula rate with the inputs for the True-Up Year. The revenue requirements, based on actual operating results for the True-Up Year, associated with the projects and Attachment H will then be entered in Col. (F) above. Column (E) above contains the actual revenues received associated with Attachment H and any Projects paid by SPP to the utility during the True-Up Year. Then in Col. (G), Col. (E) is subtracted from Col. (F) to calculate the True-up Adjustment. The Prior Period Adjustment from Line 5 below is input in Col. (H). Column (I) is the applicable interest rate from Attachment 6. Column (I) adds the interest on the sum of Col.(G) and (H). Col. (J) is the sum of Col. (G), (H), and (I).

B Prior Period Adjustment is the amount of an adjustment to correct an error in a prior period. The FERC Refund interest rate specified in CFR 35.19(a) for the period up to the date the projected rates that are subject to True Up here went into effect.

Attachment 4
Rate Base Worksheet
South Central MCN LLC

Line No	Month	Gross Plant In Service		CWIP	LHFFU	Working Capital		Accumulated Depreciation	
		Transmission	General & Intangible	CWIP in Rate Base	Held for Future Use	Materials & Supplies	Prepayments	Transmission	General & Intangible
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
	Attachment H, Page 2, Line No:	2	4	27	31	34	35	9	11
		207.58.g for end of year, records for other months	205.5.g & 207.99.g for end of year, records for other months	(Note C)	214.x.d for end of year, records for other months	227.8.c & 227.16.c for end of year, records for other months	111.57.c for end of year, records for other months	219.25.c for end of year, records for other months	219.28.c & 200.21.c for end of year, records for other months
1	December Prior Year	11,557,000	-	-	-	15,000		2,644,000	-
2	January	11,562,779	-	-	-	15,000		2,662,206	-
3	February	11,568,557	-	-	-	15,000		2,680,423	-
4	March	11,574,336	-	-	-	15,000		2,698,649	-
5	April	11,580,114	-	-	-	15,000		2,716,885	-
6	May	11,585,893	-	-	-	15,000		2,735,131	-
7	June	11,591,671	-	-	-	15,000		2,753,387	-
8	July	11,597,450	-	-	-	15,000		2,771,653	-
9	August	11,603,228	-	-	-	15,000		2,789,929	-
10	September	11,609,007	-	-	-	15,000		2,808,215	-
11	October	11,614,785	-	-	-	15,000		2,826,511	-
12	November	11,620,564	-	-	-	15,000		2,844,817	-
13	December	11,626,342	-	-	-	15,000		2,863,132	-
14	Average of the 13 Monthly Balances	11,591,671	-	-	-	15,000	-	2,753,457	-

Adjustments to Rate Base

Line No	Month	Unamortized Regulatory Asset	Unamortized Abandoned Plant	Account No. 281 Accumulated Deferred Income Taxes (Note D)	Account No. 282 Accumulated Deferred Income Taxes (Note D)	Account No. 283 Accumulated Deferred Income Taxes (Note D)	Account No. 190 Accumulated Deferred Income Taxes (Note D)	Account No. 255 Accumulated Deferred Investment Credit
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	Attachment H, Page 2, Line No:	28	29	22	23	24	25	26
		Notes A & E	Notes B & F	272.8.b & 273.8.k	274.2.b & 275.2.k	276.9.b & 277.9.k	234.8.b & c	Consistent with 266.8.b & 267.8.h
15	December Prior Year	-	-	-	-	-	-	-
16	January	-	-	[redacted]				-
17	February	-	-					-
18	March	-	-					-
19	April	-	-					-
20	May	-	-					-
21	June	-	-					-
22	July	-	-					-
23	August	-	-					-
24	September	-	-					-
25	October	-	-					-
26	November	-	-					-
27	December	-	-	-	(38,788)	-	-	-
28	Average of the 13 Monthly Balances	-	-	-	(19,394)	-	-	-

Attachment 4
Rate Base Worksheet
South Central MCN LLC

Unfunded Reserves (Notes G & H)

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
29	List of all reserves:		Amount	Enter 1 if NOT in a trust or reserved account, enter zero (0) if included in a trust or reserved account	Enter 1 if the accrual account is included in the formula rate, enter (0) if O if the accrual account is NOT included in the formula rate	Enter the percentage paid for by customers, 1 less the percent associated with an offsetting liability on the balance sheet	Allocation (Plant or Labor Allocator)	Amount Allocated, col. c x col. d x col. e x col. f x col. g
30a		Reserve 1	-	-				-
30b		Reserve 2	-	-				-
30c		Reserve 3						
30d		Reserve 4						
30e		…						
30f		…	-	-				-
31		Total	-					-

Notes:

A Recovery of regulatory asset is limited to any regulatory assets authorized by FERC.

B Recovery of abandoned plant is limited to any abandoned plant recovery authorized by FERC.

C Includes only CWIP authorized by the Commission for inclusion in rate base. The annual report filed pursuant to Section 7 of the Protocols will include for each project under construction (i) the CWIP balance eligible for inclusion in rate base; (ii) the CWIP balance ineligible for inclusion in rate base; and (iii) a demonstration that AFUDC is only applied to the CWIP balance that is not included in rate base. The annual report will reconcile the project-specific CWIP balances to the total Account 107 CWIP balance reported on p. 216.b of the FERC Form 1.

D ADIT and Accumulated Deferred Income Tax Credits are computed using the average of the beginning of the year and the end of the year balances.

E Recovery of a Regulatory Asset is permitted only for pre-commercial and formation expenses, and is subject to FERC approval before the amortization of the Regulatory Asset can be included in rates. Recovery of any other regulatory assets requires authorization from the Commission. A carrying charge equal to the AFUDC rate will be applied to the Regulatory Asset prior to the rate year when costs are first recoverec

F Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of abandoned plant.

G The Formula Rate shall include a credit to rate base for all unfunded reserves (funds collected from customers that (1) have not been set aside in a trust, escrow or restricted account; (2) whose balance are collected from customers through cost accruals to accounts that are recovered under the Formula Rate; and (3) exclude the portion of any balance offset by a balance sheet account). Each unfunded reserve will be included on lines 30 above. The allocator in Col. (g) will be the same allocator used in the formula for the cost accruals to the account that is recovered under the Formula Rate. Since reserves can be created by an offsetting balance sheet account, rather than through cost accruals, the amount to be deducted from rate base should exclude the portion offset by another balance sheet account.

H Calculate using 13 month average balance, except ADIT which is calculated based on the average of the beginning of the year and the end of the year balances

Attachment 5

Attachment H, Pages 3 and 4, Worksheet
South Central MCN LLC

Line No.	Month	Transmission O&M Expenses	Account No. 566 (Misc. Trans. Expense)	Account No. 565	A&G Expenses	FERC Annual Fees	EPRI & Reg. Comm. Exp. & Non-safety Ad.	Transmission Related Reg. Comm. Exp.	Transmission Lease Payments	Amortization of Regulatory Asset	Miscellaneous Transmission Expense (less amortization of regulatory asset)	Depreciation Expense - Transmission
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Attachment H, Page 3, Line No.:	1	2	3	4	5	6	7	9	11	12	16
	Form No. 1	321.112.b	321.97.b	321.96.b	323.197.b	(Note E)	(Note E)	(Note E)	Portion of Transmission O&M	Portion of Account 566	Balance of Account 566	336.7.b, d & e
1	January	5,779	-	-	17,201	-	-	-	-	-	-	18,206
2	February	5,779	-	-	17,201	-	-	-	-	-	-	18,216
3	March	5,779	-	-	17,201	-	-	-	-	-	-	18,226
4	April	5,779	-	-	17,201	-	-	-	-	-	-	18,236
5	May	5,779	-	-	17,201	-	-	-	-	-	-	18,246
6	June	5,779	-	-	17,201	-	-	-	-	-	-	18,256
7	July	5,779	-	-	17,201	-	-	-	-	-	-	18,266
8	August	5,779	-	-	17,201	-	-	-	-	-	-	18,276
9	September	5,779	-	-	17,201	-	-	-	-	-	-	18,286
10	October	5,779	-	-	17,201	-	-	-	-	-	-	18,296
11	November	5,779	-	-	17,201	-	-	-	-	-	-	18,306
12	December	5,779	-	-	17,201	-	-	-	-	-	-	18,316
13	Total	69,342	$ -	$ -	$ 206,411	$ -	$ -	$ -	$ -	$ -	$ -	$ 219,132

		Depreciation Expense - General & Intangible	Amortization of Abandoned Plant	Payroll Taxes	Highway & Vehicle Taxes	Property Taxes	Gross Receipts Taxes	Other Taxes	Payments in lieu of Taxes	Amortized Investment Tax Credit (266.8f)	Excess Deferred Income Taxes	Tax Effect of Permanent Differences
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
	Attachment H, Page 3, Line Number	17	19	23	24	26	27	28	29	37	38	39
	Form No. 1	336.10.b, d & e, 336.1.b, d & e	(Note S)	263.i	263.i	263.i	263.i	263.i	263.i	266.8.f	(Note G)	(Note W)
14	January	-	-	-	-		-	-	-	-	-	-
15	February	-	-	-	-		-	-	-	-	-	-
16	March	-	-	-	-		-	-	-	-	-	-
17	April	-	-	-	-		-	-	-	-	-	-
18	May	-	-	-	-		-	-	-	-	-	-
19	June	-	-	-	-		-	-	-	-	-	-
20	July	-	-	-	-		-	-	-	-	-	-
21	August	-	-	-	-		-	-	-	-	-	-
22	September	-	-	-	-		-	-	-	-	-	-
23	October	-	-	-	-		-	-	-	-	-	-
24	November	-	-	-	-		-	-	-	-	-	-
25	December	-	-	-	-		-	-	-	-	-	-
26	Total	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

Attachment 5
Attachment H, Pages 3 and 4, Worksheet
South Central MCN LLC

		Bundled Sales for Resale included on page 4 of Attachment H	ACCOUNT 454 (RENT FROM ELECTRIC PROPERTY)	Transmission charges for all transmission transactions	Transmission charges associated with Project detailed on the Project Rev Req Schedule Col. 10.	Account No. 457.1 Scheduling
		(a)	(b)	(c)	(d)	(e)
	Attachment H, Page 4, Line No:	27	29	31	32	Attach H, p 1 line 4
		(Note L)	(Note M)	Portion of Account 456.1	Portion of Account 456.1	
24	January	-	-	-	-	-
25	February	-	-	-	-	-
26	March	-	-	-	-	-
27	April	-	-	-	-	-
28	May	-	-	-	-	-
29	June	-	-	-	-	-
30	July	-	-	-	-	-
31	August	-	-	-	-	-
32	September	-	-	-	-	-
33	October	-	-	-	-	-
34	November	-	-	-	-	-
35	December	-	-	-	-	-
36	Total	$ -	$ -	$ -	$ -	$ -
37						
38	RETURN (R)					

Notes K, Q & R from Attachment H

		$
39	Long Term Interest (117, sum of 62.c through 67.c)	-
40	Preferred Dividends (118.29c) (positive number)	-
41	Proprietary Capital (112.16.c)	-
42	Less Preferred Stock (line 49)	-
43	Less Account 216.1 (112.12.c) (enter negative)	-
44	Common Stock (sum lines 41-43)	-

			$	%	Cost	Weighted	
45	Long Term Debt	Note A	-	40%	1.99%	0.01	=WCLTD
46	Preferred Stock (112.3.c)	Note B	-	0%	-	0	
47	Common Stock	Note C	-	60%	10.30%	0.06	
48	Total	(Sum of Lines 45-47)	-			0.07	=R

Note:

A Long Term Debt balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 18.c & d to 21.c & d in the Form No. 1, the cost is calculated by dividing line 39 by the Long Term Debt balance in line 45.

B Preferred Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 line 3.c & d in the Form No. 1

C Common Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 lines 3.c & d, 12.c & d, and 16.c & d in the Form No. 1 as shown on lines 41-44 above

Attachment 6
True-Up Interest Rate
South Central MCN LLC

	Quarter (Note A)	Interest rate for	
1	1st Qtr	-	
2	2nd Qtr	-	
3	3rd Qtr	-	
4	4th Qtr	-	
5	1st Qtr	-	
6	2nd Qtr	-	
7	3rd Qtr	-	
8	Avg. Monthly FERC Rate	-	-

Note A:
Lines 1-7 are the FERC interest rate under section 35.19(a) of the regulations for the period shown.
Line 8 is the average of lines 1-7.

9 Year
10

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
			Date Payments Received													
	Project # Or Other Identifier	Project Name	January	February	March	April	May	June	July	August	September	October	November	December	Interest Rate (line 8)	Interest (Note B)
11	Attachment H															
11a															-	-
11b															-	-
11c															-	-
…															-	-
															-	-
															-	-
															-	-
															-	-
															-	-
															-	-
															-	-
															-	-
															-	-
															-	-
															-	-
															-	-
															-	-
															-	-
															-	-

Note B
Interest is calculated by taking the interest rate in line 8 and applying it monthly to the balances in Column C-N (i.e., for January 12/12* Column O, February 11/12* Column O, etc.)
plus the interest rate in line 8 times 1.5 times the sum of the balances for January through December.

Attachment 7
PBOPs
South Central MCN LLC

Calculation of PBOP Expenses

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
1		**SCMCN**	**Affiliate**	**Affiliate**	**Affiliate**	**Affiliate**	**Total**
2	Total PBOP expenses (Note A)	-	-	-	-	-	
3	Labor dollars (total labor from budget)	-	-	-	-	-	
4	Cost per labor dollar (line2 / line3)	-	-	-	-	-	
5	labor expensed (labor not capitalized) by SCMCN in current year, 354.28.b.	-	-	-	-	-	
6	PBOP Expense for current year	-	-	-	-	-	-
7	Lines 2-3 cannot change absent approval or acceptance by FERC in a separate proceeding.						
8	PBOP amount included in Company's O&M and A&G expenses included in FERC Account Nos. 500-935						-

Note Letter	
A	There will be zero PBOP expenses in the SCMCN rates until SCMCN files for recovery of its PBOP expenses. Line 8 removes all SCMCN or affiliate BPOP expenses in FERC Accounts 500-935.

Attachment 8

Financing Costs for Long Term Debt using the Internal Rate of Return Methodology

South Central MCN LLC

To be utilized until a project is placed in service

Consistent with GAAP, the Origination Fees and Commitments Fees will be amortized using the standard Internal Rate of Return formula below.

Each year, the amounts withdrawn, the interest paid in the year, Origination Fees, Commitments Fees, and total loan amount will be updated on this attachment.

Table 1

1	**Total Loan Amount**	**$ -**

Table 2

2	**Internal Rate of Return (Note 1)**	**#NUM!**
3	**Based on following Financial Formula (Note 2):**	
4		
5		
6	**NPV = 0 =** $\sum_{t=1}^{N} Ct/(1+IRR)pwr(t)$	
7		
8		

Table 3

9			
10	**Origination Fees**	Rates/Fees	Amount
11	Underwriting Discount	-	-
12	Arrangement Fee	-	-
13	Upfront Fee	-	-
14	Rating Agency Fee	-	-
15	Legal Fees	-	-
15a		-	-
16	Total Issuance Expense		-
17			
18	**Annual Rating Agency Fee**	-	-
19	**Annual Bank Agency Fee**	-	-
21	**Revolving Credit Commitment Fee**		-
21a			

Table 4

		2015	2016	2017	2018	2019	2020	2021
22		**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**
23	LIBOR Rate	0.24%	0.56%	1.45%	2.29%	2.76%	3.03%	3.21%
24	Spread	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%	1.75%
25	**Interest Rate**	1.99%	2.31%	3.20%	4.04%	4.51%	4.78%	4.96%

Table 5

26	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
27	**Year**		**Quarterly Construction Expenditures $000's)**	**(Principle Drawn In Quarter ($000's)**	**Principle Drawn To Date ($000's)**	**Interest & Principal Payments ($000's)**	**Origination Fees ($000's)**	**Commitment, Utilization & Ratings Fees ($000's)**	**Net Cash Flows ($000's)**
28			Estimated	Estimated	Cumulative Col. D	Interest Rate from Line 25 (Note 3)	Input in first Qtr of Loan	Lines 17 - 21x	(D-F-G-H)
29									
30			-						
31			-	-	-	-			-
32			-	-	-	-			-
33			-	-	-	-			-
34			-	-	-	-			-
35			-	-	-	-	-	-	-
36			-	-	-	-		-	-
37			-	-	-	-		-	-
38			-	-	-	-		-	-
39			-	-	-	-		-	-
40			-	-	-	-		-	-
41			-	-	-	-		-	-
42			-	-	-	-		-	-
43			-	-	-	-		-	-
44			-	-	-	-		-	-
45			-	-	-	-		-	-
46			-	-	-	-		-	-
47			-	-	-	-		-	-
48			-	-	-	-		-	-
49			-	-	-	-		-	-
50			-	-	-	-		-	-
51			-	-	-	-		-	-
52									
53									
54									
55									
56									
57									
58									

Notes

1 The IRR is the input to Debt Cost shown on Attachment H, Page 4, Line 20 during the construction period, after obtaining project financing, in accordance with Note Q of Attachment H.

2. The IRR is a discount rate that makes the net present value of a series of cash flows equal to zero. The IRR equation is shown on line 6.
N is the last quarter the loan would be outstanding
t is each quarter
Ct is the cash flow (Table 5, Col. I in each quarter)
Alternatively the equation can be written as 0 = C0 + C1/(1+IRR) + C2/(1+IRR)2 + C3/(1+IRR)3 + . . . +Cn/(1+IRR)n and solved for IRR
The Excel ™ formula on line 2 is : (round(XIRR(first quarter of loan Col A of Table 5:last quarter of loan Col A of Table 5, first quarter of loan Col I of Table 5: last quarter of loan Col I of Table 5, 8%),4)
The 8% in the above formula is a seed number to ensure the formula produces a positive number.

3. Line 1 reflects the loan amount, the maximum amount that can be drawn on

4. Lines 11-21a include the fees associated with the loan. They are estimated based on current bank condition and are updated with the actual fees once the actual fees are known.

5. The estimate of the average 3 month Libor forward rate for the year on line 23 is that published by Bloomberg Finance L.P. during August of the prior year and is trued-up to actual average 3 month Libor rate for the year under the loan.

6. Table 5, Col. C reflect the capital expenditures in each quarter

7. Table 5, Col. D reflect the amount of the loan that is drawn down in the quarter

8. Table 5, Col. E is the amount of principle drawn down

9. Table 5, Col F calculates the interest on the principle drawn down to date based on the applicable interest on line 25

10. Table 5, Col. G is the total origination fees in line 16 and is input in the first quarter that a portion of the loan in drawn

11. Table 5, Col. H is calculated as follows:
A x (line 21, Col. (b)/4) + sum of line 17, Col. (c) through line 21x, Col. (c)
Where A = Loan amount in line 1 less the amount drawn down (Table 5, Col. (E)) in the prior quarter

12. The inputs shall be estimated based on the current market conditions and is subject to true up for all inputs , e.g., fees, interest rates, spread, and Table 3 once the amounts are known

13. Prior to obtaining long term debt, the cost of debt, will be 1.99%. If SCMCN obtains project financing, the long term debt rate will be determined using the methodology in Attachment 8 and Attachment 8 contains a hypothetical example of the internal rate of return methodology; the methodology will be applied to actual amounts for use in Attachment H. Once there is $100 million in rate base, SCMCN will use the its actual cost of long term debt determined in Attachment 5. The capital structure will be 60% equity and 40% debt during the construction period, after any asset is placed in service, it will be based on the actual capital structure.

Attachment 9
Hypothetical Example of Final True-Up of Interest Rates and Interest Calculations for the Construction Loan
South Central MCN LLC

SUMMARY

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
YEAR	**Cost of Debt Used in Determining the Actual Net Revenue Requirement in Attachment H, page 4, line 20**	**Cost of Debt for the Construction Loan Calculated on Attachment 8 Once the Loan is Paid Off:**	**Actual Net Revenue Requirement in Attachment 3, col. (G) for the year**	**Actual Net Revenue Requirement if the Cost of Debt in Col. (c) had been Used**	**Over (Under) Recovery Col. (d) less Col. (e)**	**Refund/Surcharge Interest Rate Calculated on Attachment 6 for the Rate Year**	**Total Amount of Construction Loan Related True-Up with Interest (Refund)/Owed (Total Amount of True-Up Adjustment below for the Rate Year)**
					$ -		$ -
					$ -		$ -
					$ -		$ -
					$ -		$ -
	*				$ -		$ -
	**				$ -		
							$ -

The Hypothetical Example:
** Assumes that the construction loan is retired on Sept 1, 2020*
*** Assumes permanent debt structure is put in place on Sept 1, 2020 with effective rate of 6.5%*

Calculation of Applicable Interest Expense for each ATRR period

Interest Rate on Amount of Refunds or Surcharges from 35.19a		Over (Under) Recovery	Hypothetical Monthly Interest Rate	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
		Column (f) above divided by 12 For the Months the Rate was in Effect	From Column (g) Above for the Rate Year	Weighting	Col (c) x Col (d) x Col (e) x -1		
Calculation of Interest for 2015 True-Up Period					**Monthly**		
January	Year 2015	-	0.0000%	12.00	-		-
February	Year 2015	-	0.0000%	11.00	-		-
March	Year 2015	-	0.0000%	10.00	-		-
April	Year 2015	-	0.0000%	9.00	-		-
May	Year 2015	-	0.0000%	8.00	-		-
June	Year 2015	-	0.0000%	7.00	-		-
July	Year 2015	-	0.0000%	6.00	-		-
August	Year 2015	-	0.0000%	5.00	-		-
September	Year 2015	-	0.0000%	4.00	-		-
October	Year 2015	-	0.0000%	3.00	-		-
November	Year 2015	-	0.0000%	2.00	-		-
December	Year 2015	-	0.0000%	1.00	-		-
					-		-
					Annual		
January through December	Year 2016	-	0.0000%	12.00	-		-
January through December	Year 2017	-	0.0000%	12.00	-		-
January through December	Year 2018	-	0.0000%	12.00	-		-
January through December	Year 2019	-	0.0000%	12.00	-		-
January through December	Year 2020	-	0.0000%	12.00	-		-
Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months					**Monthly**		
January	Year 2021	-	0.0000%		-	-	-
February	Year 2021	-	0.0000%		-	-	-
March	Year 2021	-	0.0000%		-	-	-
April	Year 2021	-	0.0000%		-	-	-
May	Year 2021	-	0.0000%		-	-	-
June	Year 2021	-	0.0000%		-	-	-
July	Year 2021	-	0.0000%		-	-	-
August	Year 2021	-	0.0000%		-	-	-
September	Year 2021	-	0.0000%		-	-	-
October	Year 2021	-	0.0000%		-	-	-
November	Year 2021	-	0.0000%		-	-	-
December	Year 2021	-	0.0000%		-	-	-
					-		
Total Amount of True-Up Adjustment for 2015 ATRR						$ -	
Less Over (Under) Recovery						$ -	
Total Interest						$ -	

Attachment 9 - Hypothetical Example of Final True-Up of Interest Rates and Interest Calculations for the Construction Loan
South Central MCN LLC

Calculation of Interest for 2016 True-Up Period

					Monthly		
January	Year 2016	-	0.0000%	12.00	-		-
February	Year 2016	-	0.0000%	11.00	-		-
March	Year 2016	-	0.0000%	10.00	-		-
April	Year 2016	-	0.0000%	9.00	-		-
May	Year 2016	-	0.0000%	8.00	-		-
June	Year 2016	-	0.0000%	7.00	-		-
July	Year 2016	-	0.0000%	6.00	-		-
August	Year 2016	-	0.0000%	5.00	-		-
September	Year 2016	-	0.0000%	4.00	-		-
October	Year 2016	-	0.0000%	3.00	-		-
November	Year 2016	-	0.0000%	2.00	-		-
December	Year 2016	-	0.0000%	1.00	-		-
					-		-
					Annual		
January through December	Year 2017	-	0.0000%	12.00	-		-
January through December	Year 2018	-	0.0000%	12.00	-		-
January through December	Year 2019	-	0.0000%	12.00	-		-
January through December	Year 2020	-	0.0000%	12.00	-		-
Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months					**Monthly**		
January	Year 2021	-	0.0000%		-	-	-
February	Year 2021	-	0.0000%		-	-	-
March	Year 2021	-	0.0000%		-	-	-
April	Year 2021	-	0.0000%		-	-	-
May	Year 2021	-	0.0000%		-	-	-
June	Year 2021	-	0.0000%		-	-	-
July	Year 2021	-	0.0000%		-	-	-
August	Year 2021	-	0.0000%		-	-	-
September	Year 2021	-	0.0000%		-	-	-
October	Year 2021	-	0.0000%		-	-	-
November	Year 2021	-	0.0000%		-	-	-
December	Year 2021	-	0.0000%		-	-	-
					-		
Total Amount of True-Up Adjustment for 2016 ATRR						$ -	
Less Over (Under) Recovery						$ -	
Total Interest						$ -	

Calculation of Interest for 2017 True-Up Period

					Monthly		
January	Year 2017	-	0.0000%	12.00	-		-
February	Year 2017	-	0.0000%	11.00	-		-
March	Year 2017	-	0.0000%	10.00	-		-
April	Year 2017	-	0.0000%	9.00	-		-
May	Year 2017	-	0.0000%	8.00	-		-
June	Year 2017	-	0.0000%	7.00	-		-
July	Year 2017	-	0.0000%	6.00	-		-
August	Year 2017	-	0.0000%	5.00	-		-
September	Year 2017	-	0.0000%	4.00	-		-
October	Year 2017	-	0.0000%	3.00	-		-
November	Year 2017	-	0.0000%	2.00	-		-
December	Year 2017	-	0.0000%	1.00	-		-
					-		-
					Annual		
January through December	Year 2018	-	0.0000%	12.00	-		-
January through December	Year 2019	-	0.0000%	12.00	-		-
January through December	Year 2020	-	0.0000%	12.00	-		-
Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months					**Monthly**		
January	Year 2021	-	0.0000%		-	-	-
February	Year 2021	-	0.0000%		-	-	-
March	Year 2021	-	0.0000%		-	-	-
April	Year 2021	-	0.0000%		-	-	-
May	Year 2021	-	0.0000%		-	-	-
June	Year 2021	-	0.0000%		-	-	-
July	Year 2021	-	0.0000%		-	-	-
August	Year 2021	-	0.0000%		-	-	-
September	Year 2021	-	0.0000%		-	-	-
October	Year 2021	-	0.0000%		-	-	-
November	Year 2021	-	0.0000%		-	-	-
December	Year 2021	-	0.0000%		-	-	-
					-		
Total Amount of True-Up Adjustment for 2017 ATRR						$ -	
Less Over (Under) Recovery						$ -	
Total Interest						$ -	

Attachment 9 - Hypothetical Example of Final True-Up of Interest Rates and Interest Calculations for the Construction Loan
South Central MCN LLC

Calculation of Interest for 2018 True-Up Period

					Monthly		
January	Year 2018	-	0.0000%	12.00	-		-
February	Year 2018	-	0.0000%	11.00	-		-
March	Year 2018	-	0.0000%	10.00	-		-
April	Year 2018	-	0.0000%	9.00	-		-
May	Year 2018	-	0.0000%	8.00	-		-
June	Year 2018	-	0.0000%	7.00	-		-
July	Year 2018	-	0.0000%	6.00	-		-
August	Year 2018	-	0.0000%	5.00	-		-
September	Year 2018	-	0.0000%	4.00	-		-
October	Year 2018	-	0.0000%	3.00	-		-
November	Year 2018	-	0.0000%	2.00	-		-
December	Year 2018	-	0.0000%	1.00	-		-
					-		-
					Annual		
January through December	Year 2019	-	0.0000%	12.00	-		-
January through December	Year 2020	-	0.0000%	12.00	-		-

Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months

					Monthly		
January	Year 2021	-	0.0000%		-	-	-
February	Year 2021	-	0.0000%		-	-	-
March	Year 2021	-	0.0000%		-	-	-
April	Year 2021	-	0.0000%		-	-	-
May	Year 2021	-	0.0000%		-	-	-
June	Year 2021	-	0.0000%		-	-	-
July	Year 2021	-	0.0000%		-	-	-
August	Year 2021	-	0.0000%		-	-	-
September	Year 2021	-	0.0000%		-	-	-
October	Year 2021	-	0.0000%		-	-	-
November	Year 2021	-	0.0000%		-	-	-
December	Year 2021	-	0.0000%		-	-	-
					-		

Total Amount of True-Up Adjustment for 2018 ATRR	$	-
Less Over (Under) Recovery	$	-
Total Interest	$	-

Calculation of Interest for 2019 True-Up Period

					Monthly		
January	Year 2019	-	0.0000%	12.00	-		-
February	Year 2019	-	0.0000%	11.00	-		-
March	Year 2019	-	0.0000%	10.00	-		-
April	Year 2019	-	0.0000%	9.00	-		-
May	Year 2019	-	0.0000%	8.00	-		-
June	Year 2019	-	0.0000%	7.00	-		-
July	Year 2019	-	0.0000%	6.00	-		-
August	Year 2019	-	0.0000%	5.00	-		-
September	Year 2019	-	0.0000%	4.00	-		-
October	Year 2019	-	0.0000%	3.00	-		-
November	Year 2019	-	0.0000%	2.00	-		-
December	Year 2019	-	0.0000%	1.00	-		-
					-		-
					Annual		
January through December	Year 2020	-	0.0000%	12.00	-		-

Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months

					Monthly		
January	Year 2021	-	0.0000%		-	-	-
February	Year 2021	-	0.0000%		-	-	-
March	Year 2021	-	0.0000%		-	-	-
April	Year 2021	-	0.0000%		-	-	-
May	Year 2021	-	0.0000%		-	-	-
June	Year 2021	-	0.0000%		-	-	-
July	Year 2021	-	0.0000%		-	-	-
August	Year 2021	-	0.0000%		-	-	-
September	Year 2021	-	0.0000%		-	-	-
October	Year 2021	-	0.0000%		-	-	-
November	Year 2021	-	0.0000%		-	-	-
December	Year 2021	-	0.0000%		-	-	-
					-		

Total Amount of True-Up Adjustment for 2019 ATRR	$	-
Less Over (Under) Recovery	$	-
Total Interest	$	-

Attachment 10

Depreciation Rates

South Central MCN LLC

FERC ACCOUNT	DESCRIPTION	RATE PERCENT
TRANSMISSION		
350	Land Rights	N/A
352	Structures and Improvements	1.5397%
353	Station Equipment	2.0285%
354	Towers and Fixtures	1.8847%
355	Poles and Fixtures	2.1496%
356	Overhead Conductors & Devices	2.0973%
357	Underground Conduit	1.3665%
358	Underground Conductors & Devices	1.8416%
359	Roads and Trails	0.0000%
GENERAL AND INTANGIBLE		
302	Franchises and Consents (Note 1)	N/A
303	Intangible Plant - 5 Year	20.0000%
390	Structures and Improvements	2.1194%
391	Office Furniture and Equipment	5.0671%
391	Network Equipment	25.0000%
392	Transportation Equipment - Auto	10.9667%
392	Transportation Equipment - Light Truck	8.4139%
392	Transportation Equipment - Trailers	6.9486%
392	Transportation Equipment - Heavy Trucks	7.2364%
393	Stores Equipment	5.0000%
394	Tools, Shop and Garage Equipment	6.6672%
395	Laboratory Equipment	10.0000%
396	Power Operated Equipment	8.4139%
397	Communication Equipment	11.1110%
398	Miscellaneous Equipment	6.6672%

Note 1:
Electric Intangible Franchises and Transmission Land Rights are amortized over the life of the franchise agreement or land right.

Note 2:
South Central's depreciation and amortization rates may not be changed absent a section 205 or 206 filing

Attachment 11
Wholesale Distribution Service
South Central MCN LLC

To be completed in conjunction with Attachment H.
Pages 1-3 are to be filed out if the facilities providing Wholesale Distribution Service are booked to transmission. If the facilities are booked to Distribution, see pages 4-6
Notes A-H refer to the notes at the bottom of page 2 of 6 of this Attachment

Line No.	(1)	(2) **Attachment H Page, Line, Col. Notes are on Page 2**	(3) **Transmission**	(4) **Allocator**
1	Gross Transmission Plant - Total	Attach H, p 2, line 2 col 5 plus line 27 col 5 (Note A)	11,591,671	
2	Net Transmission Plant - Total	Attach H, p 2, line 16 col 5 plus line 27 & 29 col 5 (Note B)	8,838,214	
	O&M EXPENSE			
3	Total O&M Allocated to Transmission	Attach H, p 3, line 14 col 5	275,753.0	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1 col 3)	0.02	0
	GENERAL, INTANGIBLE AND COMMON (G&C) DEPRECIATION EXPENSE			
5	Total G, I & C Depreciation Expense	Attach H, p 3, lines 17 & 18, col 5 (Note H)	-	
6	Annual Allocation Factor for G, I & C Depreciation Expense	(line 5 divided by line 1 col 3)	-	-
	TAXES OTHER THAN INCOME TAXES			
7	Total Other Taxes	Attach H, p 3, line 30 col 5	-	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1 col 3)	-	-
9	Less Revenue Credits	Attach H, p 1, line 7 col 5	-	
10	Annual Allocation Factor Revenue Credits	(line 9 divided by line 1 col 3)	-	-
11	**Annual Allocation Factor for Expense**	**Sum of line 4, 6, 8, and 10**		**0.02379**
	INCOME TAXES			
12	Total Income Taxes	Attach H, p 3, line 44 col 5	249,297	
13	Annual Allocation Factor for Income Taxes	(line 12 divided by line 2 col 3)	0.03	0.03
	RETURN			
14	Return on Rate Base	Attach H, p 3, line 46 col 5	618,652	
15	Annual Allocation Factor for Return on Rate Base	(line 14 divided by line 2 col 3)	0.07	0.07
16	**Annual Allocation Factor for Return**	**Sum of line 13 and 15**	0.10	**0.10**

Attachment 11
Wholesale Distribution Service
South Central MCN LLC

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Line No.	**Wholesale Distribution Service**	**Project Gross Plant**	**Annual Allocation Factor for Expense, Page 1 line 11**	**Annual Expense Charge**	**Project Net Plant (Note G)**	**Annual Allocation Factor for Return**	**Annual Return Charge**	**Project Depreciation/Amortization Expense (Notes F & G)**	**Annual Revenue Requirement**	**Use % (Note H)**	**Total Annual Revenue Requirement (Col. 9 *10)**
		(Note C)	(Page 1 line 11)	(Col. 2 * Col. 3)	(Notes D & I)	(Page 1 line 16)	(Col. 5 * Col. 6)	(Notes E & I)	(Sum Col. 4, 7 & 8)		(Sum Col. 9 & 10)
15a		-	0.02	-	-	0.10	-	-	-	-	-
15b		-	0.02	-	-	0.10	-	-	-	-	-
15c		-	0.02	-	-	0.10	-	-	-	-	-
…		-	0.02	-	-	0.10	-	-	-	-	-
…		-	0.02	-	-	0.10	-	-	-	-	-
…		-	0.02	-	-	0.10	-	-	-	-	-
…		-	0.02	-	-	0.10	-	-	-	-	-
…		-	0.02	-	-	0.10	-	-	-	-	-
…		-	0.02	-	-	0.10	-	-	-	-	-
…		-	0.02	-	-	0.10	-	-	-	-	-
…		-	0.02	-	-	0.10	-	-	-	-	-
…		-	0.02	-	-	0.10	-	-	-	-	-
…		-	0.02	-	-	0.10	-	-	-	-	-
…		-	0.02	-	-	0.10	-	-	-	-	-
…		-	0.02	-	-	0.10	-	-	-	-	-
…		-	0.02	-	-	0.10	-	-	-	-	-
…		-	0.02	-	-	0.10	-	-	-	-	-
16	Annual Totals										-

Note Letter	
A	Gross Transmission Plant is that identified on page 2 line 2 of Attachment H
B	Inclusive of any CWIP or unamortized abandoned plant included in rate base when authorized by FERC order less any prefunded AFUDC, if applicable.
C	Project Gross Plant is the total capital investment for the project calculated in the same method as the gross plant value in line 1. This value includes subsequent capital investments required to maintain the facilities to their original capabilities. Gross plant does not include Unamortized Abandoned Plant.
D	Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation. Net Plant includes CWIP and Unamortized Abandoned Plant and excludes any regulatory asset, which are to entered as a separate line item.
E	Project Depreciation Expense is the actual value booked for the project and included in the Depreciation Expense in Attachment H, page 3, line 16. Project Depreciation Expense includes the amortization of Abandoned Plant
F	The Total General, Intangible and Common Depreciation Expense excludes any depreciation expense directly associated with a project and thereby included in page 2 column 9.
G	The Unamortized Abandoned Plant balance is included in Net Plant, and Amortization of Abandoned Plant is included in Depreciation/Amortization Expense.
H	The Use % is the customers NCP load divided by all of the NCP loads on the facilities

Attachment 11
Wholesale Distribution Service
South Central MCN LLC

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Line No.	**Wholesale Distribution Service**	**Project Gross Plant**	**Annual Allocation Factor for Expense, Page 6 line 18**	**Annual Expense Charge**	**Project Net Plant**	**Annual Allocation Factor for Return, Page 6 line 19**	**Annual Return Charge**	**Project Depreciation/Amortization Expense**	**Annual Revenue Requirement (Col. 6, 7 & 8)**	**Use % (Note A)**	**Total Annual Revenue Requirement (Col. 9 *10)**
a		-	-	-	-	-	-	-	-	-	-
b			-	-	-	-	-	-	-	-	-
c			-	-	-	-	-	-	-	-	-
d			-	-	-	-	-	-	-	-	-
…			-	-	-	-	-	-	-	-	-
z	Total										-

Note A The Use % is the customers NCP load divided by all of the NCP loads on the facilities

Note B The Wholesale Distribution Revenue Requirement is projected using either pages 1-2 or 4-6. The same pages are populated with actual data and the difference with interest is calculated on Attachment 3

Attachment 11
Wholesale Distribution Service
South Central MCN LLC

Line No.	(1)	(2) Source	(3) Company Total	(4) Allocator The allocators are shown on Pages 4 and 6	(DA equals 1)	(5) Transmission (Col 3 times Col 4)
	RATE BASE:					
	GROSS PLANT IN SERVICE					
1	Production	Attachment H, Page 2, Line 1	-	NA		-
2	Transmission	Attachment H, Page 2, Line 2	11,591,671	NA		-
3	Distribution	(Pagew 6, Line 33, Col. (b)	-	DA	1.00	-
4	General & Intangible	Attachment H, Page 2, Line 4	-	W/S	-	-
5	Common	Attachment H, Page 2, Line 5	-	CE	-	-
6	TOTAL GROSS PLANT	(Sum of Lines 1 through 5)	11,591,671	GP=	-	-
7	ACCUMULATED DEPRECIATION					
8	Production	Attachment H, Page 2, Line 8	-	NA		-
9	Transmission	Attachment H, Page 2, Line 9	2,753,457	NA		-
10	Distribution	(Page 6, Line 33, Col. (c)	-	DA	1.00	-
11	General & Intangible	Attachment H, Page 2, Line 11	-	W/S	-	-
12	Common	Attachment H, Page 2, Line 12	-	CE	-	-
13	TOTAL ACCUM. DEPRECIATION	(Sum of Lines 8 through 12)	2,753,457			-
14	NET PLANT IN SERVICE					
15	Production	(line 1 - line 8)	-			-
16	Transmission	(Line 2 minus Line 9)	8,838,214			-
17	Distribution	(line 3 - line 10)	-			-
18	General & Intangible	(Line 4 minus Line 11)	-			-
19	Common	(line 5 - line 12)	-			-
20	TOTAL NET PLANT	(Sum of Lines 15 through 19)	8,838,214	NP=	-	-
21	ADJUSTMENTS TO RATE BASE					
22	Account No. 281 (enter negative)	Attachment H, Page 2, Line 22	-	NA	zero	-
23	Account No. 282 (enter negative)	Attachment H, Page 2, Line 23	(19,394)	NP	-	-
24	Account No. 283 (enter negative)	Attachment H, Page 2, Line 24	-	NP	-	-
25	Account No. 190	Attachment H, Page 2, Line 25	-	NP	-	-
26	Account No. 255 (enter negative)	Attachment H, Page 2, Line 26	-	NP	-	-
26a	Unfunded Reserves (enter negative)	(Page 6, Line 36, Col. (h)	-	DA	1.00000	-
27	CWIP	Attachment H, Page 2, Line 27	-	NA		-
28	Unamortized Regulatory Asset	Attachment H, Page 2, Line 28	-	DA	1.00000	-
29	Unamortized Abandoned Plant	Attachment H, Page 2, Line 29	-	DA	1.00000	-
30	TOTAL ADJUSTMENTS	(Sum of Lines 22 through 29)	(19,394)			-
31	DISTRIBUTION LAND HELD FOR FUTURE USE	(Page 6, Line 33, Col. (d)		DA	1.00	-
32	WORKING CAPITAL					
33	CWC	1/8*(Page 3, Line 14)	25,801			-
34	Distribution Materials & Supplies	(Page 6, Line 33, Col. (c)	-	DA	1.00	-
35	Prepayments (Account 165)	Attachment H, Page 2, Line 35	-	GP	-	-
36	TOTAL WORKING CAPITAL	(Sum of Lines 33 through 35)	25,801			-
37	RATE BASE	(Sum of Lines 20, 30, 31 & 36)	8,844,621			-

Formula Rate - Non-Levelized

Attachment 11
Wholesale Distribution Service
South Central MCN LLC

Line No.	(1)	(2) Source	(3) Company Total	(4) Allocator		(5) Transmission (Col 3 times Col 4)
	O&M					
1	Distribution	322.156.b		DA	1.00	-
2	A&G	Attachment H, Page 3, Line 4	206,411	W/S	-	-
3	Less FERC Annual Fees	Attachment H, Page 3, Line 5	-	W/S	-	-
4	Less EPRI & Reg. Comm. Exp. & Non-safety Ad.	Attachment H, Page 3, Line 6	-	W/S	-	-
5	Less PBOP Expense in Year	Attachment H, Page 3, Line 6a	-	W/S	-	-
6	Plus PBOP Expense Allowed Amount	Attachment H, Page 3, Line 7a	-	W/S	-	-
7	Common	Attachment H, Page 3, Line 8	-	CE	-	-
8	TOTAL O&M	(Sum of Lines 1, 2, 6, 7, less Lines 3, 4, 5)	206,411			-
9	DEPRECIATION EXPENSE					
10	Distribution	336.8.b, d &e		DP	1.00	-
11	General & Intangible	Attachment H, Page 3, Line 17	-	W/S	-	-
12	Common	Attachment H, Page 3, Line 18	-	CE	-	-
13	TOTAL DEPRECIATION	(Sum of Lines 10 through 12)	-			-
14	TAXES OTHER THAN INCOME TAXES					
15	LABOR RELATED					
16	Payroll	Attachment H, Page 3, Line 23	-	W/S	-	-
17	Highway and vehicle	Attachment H, Page 3, Line 24	-	W/S	-	-
18	PLANT RELATED					
19	Property	Attachment H, Page 3, Line 26	-	GP	-	-
20	Gross Receipts	Attachment H, Page 3, Line 27	-	NA	zero	-
21	Other	Attachment H, Page 3, Line 28	-	GP	-	-
22	Payments in lieu of taxes	Attachment H, Page 3, Line 29	-	GP	-	-
23	TOTAL OTHER TAXES	(Sum of Lines 16 through 22)	-			-
24	INCOME TAXES					
25	T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} * (1-T	Attachment H, Page 3, Line 32	0.3906			
26	CIT=(T/1-T) * (1-(WCLTD/R)) =	Attachment H, Page 3, Line 33	0.5679			
27	FIT & SIT & P	Attachment H, Page 3, Line 34				
28						
29	1 / (1 - T) = (T from line 25)		-			
30	Amortized Investment Tax Credit	Attachment H, Page 3, Line 37	-			
31	Excess Deferred Income Taxes	Attachment H, Page 3, Line 38	-			
32	Tax Effect of Permanent Differences	Attachment H, Page 3, Line 39	-			
33	Income Tax Calculation	(Line 26 times Line 39)	350,383	NA		-
34	ITC adjustment	(Line 29 times Line 30)	-	NP	-	-
35	Excess Deferred Income Tax Adjustment	(Line 29 times Line 31)	-	NP	-	-
36	Permanent Differences Tax Adjustment	(Line 29 times Line 32)	-	NP	-	-
37	Total Income Taxes	(Sum of Lines 33 through 36)	350,383			-
38	RETURN					
39	Rate Base times Return	(Page 2, Line 37 times Page 4, Line 1	617,001	NA		-
40	REV. REQUIREMENT	(Sum of Lines 18, 13, 23, 37 & 39)	1,173,795			-

Formula Rate - Non-Levelized

Attachment 11
Wholesale Distribution Service
South Central MCN LLC

SUPPORTING CALCULATIONS AND NOTES

Line No.										
		(1)	(2)	(3)		(4)		(5)		
1	WAGES & SALARY ALLOCATOR (W&S)									
			Form 1 Reference	$	Alloc	Allocation				
2	Production		Attachment H, Page 4, Line 7	-	-	-				
3	Transmission		Attachment H, Page 4, Line 8	1	-	-				
4	Distribution		Attachment H, Page 4, Line 9	-	1.00	-		W&S Allocator		
5	Other		Attachment H, Page 4, Line 10	-	-	-		($ / Allocation)		
6	Total (W& S Allocator is 1 if lines 7-10 are zero)		(Sum of Lines 2 through 5)	1		-	=	-	=	WS
	COMMON PLANT ALLOCATOR (CE)			**$**		% Electric		W&S Allocator		
7	Electric		Attachment H, Page 4, Line 13	-		(line 7 / line 10)		(line 6)		CE
8	Gas		Attachment H, Page 4, Line 14	-		-	*	-	=	-
9	Water		Attachment H, Page 4, Line 15	-						
10	Total		(Sum of Lines 7 through 9)	-						
11										
	RETURN (R)							$		
12										
13				$	%	Cost		Weighted		
14	Long Term Debt		Attachment H, Page 4, Line 20	-	40%	1.99%		0.01	=WCLTD	
15	Preferred Stock (112.3.c)		Attachment H, Page 4, Line 21	-	0%	-		-		
16	Common Stock		Attachment H, Page 4, Line 22	-	60%	10.30%		0.06		
17	Total		(Sum of Lines 14 through 16)	-				0.07	=R	

		Amount	Gross Plant	Allocation Factor
		Page 5 lines 8 and 23, col 5	Distribution	Amount / Gross Plant
18	Annual Allocation Factor for Expense	-	-	-
		Amount	Net Plant	Allocation Factor
		Page 5 lines 37 and 39, col 5	Distribution	Amount / Gross Plant
19	Annual Allocation Factor for Return	-	-	-

Line No	Month (a)	Gross Plant In Service Distribution (b)	Accumulated Depreciation Distribution (c)	LHFFU Held for Future Use (d)	Working Capital Materials & Supplies (e)
		206.75.g for end of year, records for other months	219.26.b for end of year, records for other months	214.x.d for end of year, records for other months	227.9.c for end of year, records for other months
20	December Prior Year	-	-	-	-
21	January	-	-	-	-
22	February	-	-	-	-
23	March	-	-	-	-
24	April	-	-	-	-
25	May	-	-	-	-
26	June	-	-	-	-
27	July	-	-	-	-
28	August	-	-	-	-
29	September	-	-	-	-
30	October	-	-	-	-
31	November	-	-	-	-
32	December	-	-	-	-
33	Average of the 13 Monthly Balances	-	-	-	-

	Unfunded Reserves (Notes A & B)							
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
34	List of all reserves:		Amount	Enter 1 if NOT in a trust or reserved account, enter zero (0) if included in a trust or reserved account	Enter 1 if the accrual account is included in the formula rate, enter (0) if O if the accrual account is NOT included in the formula rate	Enter the percentage paid for by customers, 1 less the percent associated with an offsetting liability on the balance sheet	Allocation (Plant or Labor Allocator)	Amount Allocated, col. c x col. d x col. e x col. f x col. g
35a		Reserve 1	-	-				-
35b		Reserve 2	-	-				-
35c		Reserve 3						
…								
…		…						
…		…	-	-				-
36		Total	-					-

A The Formula Rate shall include a credit to rate base for all unfunded reserves (funds collected from customers that (1) have not been set aside in a trust, escrow or restricted account; (2) whose balance are collected from customers through cost accruals to accounts that are recovered under the Formula Rate; and (3) exclude the portion of any balance offset by a balance sheet account). Each unfunded reserve will be included on lines 30 above. The allocator in Col. (g) will be the same allocator used in the formula for the cost accruals to the account that is recovered under the Formula Rate. Since reserves can be created by an offsetting balance sheet account, rather than through cost accruals, the amount to be deducted from rate base should exclude the portion offset by another balance sheet account.

B Calculate using 13 month average balance, except ADIT which is calculated based on the average of the beginning of the year and the end of the year balances