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/____

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

Formula Rate - Non-Levelized

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

For the 12 months ended 12/31/____

| 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) | - | TP | - | - |
| 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 | - | - |
| 5 | Common | 356.1 for end of year, records for other months | - | CE | - | - |
| 6 | TOTAL GROSS PLANT | (Sum of Lines 1 through 5) | - | GP= | - | - |
| 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) | - | TP | - | - |
| 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 | - | - |
| 12 | Common | 356.1 for end of year, records for other months | - | CE | - | - |
| 13 | TOTAL ACCUM. DEPRECIATION | (Sum of Lines 8 through 12) | - | | | - |
| 14 | NET PLANT IN SERVICE | | | | | |
| 15 | Production | (line 1 - line 8) | - | | | - |
| 16 | Transmission | (Line 2 minus Line 9) | - | | | - |
| 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) | - | NP= | - | - |
| 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) | - | DA | 1.00000 | - |
| 24 | Account No. 283 (enter negative) | Attachment 4, Line 28, Col. (f) (Notes B and X) | - | DA | 1.00000 | - |
| 25 | Account No. 190 | Attachment 4, Line 28, Col. (g) (Notes B and X) | - | DA | 1.00000 | - |
| 26 | Account No. 255 (enter negative) | Attachment 4, Line 28, Col. (h) (Notes B and X) | - | NP | - | - |
| 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) | - | | | - |
| 31 | LAND HELD FOR FUTURE USE | Attachment 4, Line 14, Col. (e) (Note C) | - | TP | - | - |
| 32 | WORKING CAPITAL | (Note D) | | | | |
| 33 | CWC | 1/8*(Page 3, Col 3, Line 14 minus Page 3, Col 3, Line 11) | - | | | - |
| 34 | Materials & Supplies | Attachment 4, Line 14, Col. (f) (Note C) | - | TP | - | - |
| 35 | Prepayments (Account 165) | Attachment 4, Line 14, Col. (g) | - | GP | - | - |
| 36 | TOTAL WORKING CAPITAL | (Sum of Lines 33 through 35) | - | | | - |
| 37 | RATE BASE | (Sum of Lines 20, 30, 31 & 36) | - | | | - |

Formula Rate - Non-Levelized

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

For the 12 months ended 12/31/____

| 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) | - | TP | - | - |
| 2 | Less Account 566 (Misc Trans Expense) | 321.97.b Attach. 5, Line 13, Col. (b) | - | TP | - | - |
| 3 | Less Account 565 | 321.96.b Attach. 5, Line 13, Col. (c) | - | TP | - | - |
| 4 | A&G | 323.197.b Attach. 5, Line 13, Col. (d) | - | W/S | - | - |
| 5 | Less FERC Annual Fees | Attach. 5, Line 13, Col. (e) | - | W/S | - | - |
| 6 | Less EPRI & Reg. Comm. Exp. & Non-safety Ad. | (Note E) Attach. 5, Line 13, Col. (f) | - | W/S | - | - |
| 6a | Less PBOP Expense in Year | Attachment 7, Line 8, Col. (g) | - | W/S | - | - |
| 7 | Plus Transmission Related Reg. Comm. Exp. | (Note E) Attach. 5, Line 13, Col. (g) | - | TP | - | - |
| 7a | Plus PBOP Expense Allowed Amount | Attachment 7, Line 6, Col. (g) | - | W/S | - | - |
| 8 | Common | 356.1 | - | CE | - | - |
| 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 | - | - |
| 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) | - | | | - |
| 15 | DEPRECIATION EXPENSE (Note U) | | | | | |
| 16 | Transmission | 336.7.b, d &e Attach. 5, Line 13, Col. (k) | - | TP | - | - |
| 17 | General & Intangible | 336.10.b, d &e, 336.1.b, d &e Attach. 5, Line 26, Col. (a) | - | W/S | - | - |
| 18 | Common | 336.11.b, d &e | - | CE | - | - |
| 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) | - | | | - |
| 21 | TAXES OTHER THAN INCOME TAXES | (Note F) | | | | |
| 22 | LABOR RELATED | | | | | |
| 23 | Payroll | 263.i Attach. 5, Line 26, Col. (c) | - | W/S | - | - |
| 24 | Highway and vehicle | 263.i Attach. 5, Line 26, Col. (d) | - | W/S | - | - |
| 25 | PLANT RELATED | | | | | |
| 26 | Property | 263.i Attach. 5, Line 26, Co.l (e) | - | GP | - | - |
| 27 | Gross Receipts | 263.i Attach. 5, Line 26, Col. (f) | - | NA | zero | - |
| 28 | Other | 263.i Attach. 5, Line 26, Col. (g) | - | GP | - | - |
| 29 | Payments in lieu of taxes | 263.i Attach. 5, Line 26, Col. (h) | - | GP | - | - |
| 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)} | (Note G) | 0.3879 | | | |
| 33 | CIT=(T/1-T) * (1-(WCLTD/R)) = | WCLTD = Page 4, Line 20, R = Page 4, Line 23 | - | | | |
| 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)/Deficient Deferred Income Taxes | 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) | - | NA | | - |
| 41 | ITC adjustment | (Line 36 times Line 37) | - | NP | - | - |
| 42 | (Excess)/Deficient Deferred Income Tax Adjustment | (Line 36 times Line 38) | - | NP | - | - |
| 43 | Permanent Differences Tax Adjustment | (Line 36 times Line 39) | - | NP | - | - |
| 44 | Total Income Taxes | (Sum of Lines 40 through 43) | - | | | - |
| 45 | RETURN | | | | | |
| 46 | Rate Base times Return | (Page 2, Line 37 times Page 4, Line 23) | - | NA | | - |
| 47 | REV. REQUIREMENT | (Sum of Lines 14, 20, 30, 44 & 46) | - | | | - |

Formula Rate - Non-Levelized

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

For the 12 months ended 12/31/____

| | (1) | (2) | (3) | (4) | (5) |
|---|---|---|---|---|---|
| | | **SUPPORTING CALCULATIONS AND NOTES** | | | |
| Line No. | TRANSMISSION PLANT INCLUDED IN ISO RATES | | | | |
| 1 | Total Transmission plant | (Page 2, Line 2, Column 3) | | | - |
| 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) | | | - |
| 5 | Percentage of Transmission plant included in ISO Rates | (Line 4 divided by Line 1) | | TP= | - |
| 6 | WAGES & SALARY ALLOCATOR (W&S) | | | | |
| | | Form 1 Reference | $ TP | Allocation | |
| 7 | Production | 354.20.b | - - | - | |
| 8 | Transmission | 354.21.b | - - | - | |
| 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) | - | - = | - = WS |
| 12 | COMMON PLANT ALLOCATOR (CE) (Note J and X) | | $ | % Electric | W&S Allocator |
| 13 | Electric | 200.3.c | - | (line 13 / line 16) | (line 11) CE |
| 14 | Gas | 201.3.d | - | - * | - = - |
| 15 | Other | 201.3.e, f, and g | - | | |
| 16 | Total | (Sum of Lines 13 through 15) | - | | |
| 17 | RETURN (R) | (Note V) | | | $ |
| 18 | | | | Cost | |
| 19 | | | $ % | (Notes K, Q, & R) | Weighted |
| 20 | Long Term Debt | (Notes Q & R) | - - | - | - =WCLTD |
| 21 | Preferred Stock (112.3.c) | (Notes Q & R) | - - | - | - |
| 22 | Common Stock | (Notes K, Q & R) | - - | 9.80% | - |
| 23 | Total | (Sum of Lines 20 through 22) | - | | - =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. (b)] | Total Income Taxes |
| 34 | Ownership | 0.6682 | - | |
| 35 | Return from Page 3, Line 46 times % in Line 34 | - | - | |
| 36 | Income Tax Page 3, line 33 {CIT=(T/1-T) * (1-(WCLTD/R))] x Line 35 | - | N/A | - |

Formula Rate - Non-Levelized

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

For the 12 months ended 12/31/____

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 in the 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 weighted average Federal income tax rate; SIT is the weighted average State income tax rate, and p = "the percentage of federal income tax deductible for state income taxes." If the utility is taxed in more than one state it must attach a work paper showing the name of each state and how the blended or composite SIT was developed. Furthermore, a utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/1-T) (page 3, line 26). Excess Deferred Income Taxes reduce income tax expense by the amount of the expense multiplied by (T/1-T). |

| Inputs Required: | | | |
|---|---|---|---|
| | FIT = | 35.00% | (Weighted Average Federal Income Tax Rate) |
| | SIT= | 6.06% | (Weighted Average State Income Tax Rate or Composite SIT) |
| | p = | 11.18% | (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 SCMCN has long term debt, SCMCN will use 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, but capped at 60% equity. |
| R | Calculate using 13 month average balance, except ADIT which is calculated based on the ~~average of the beginning balance and a~~ prorated end of year ~~balance~~ balances as required by Section 1.167(l)-1(h)(6~~)(ii~~) of the IRS regulations for purposes of rate projections. An annual true-up is calculated based on an average of the actual beginning of the year and 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 the rate 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) | - | |
| 2 | Net Transmission Plant - Total | Attach H, p 2, line 16 col 5 plus line 27 & 29 col 5 (Note B) | - | |
| | O&M EXPENSE | | | |
| 3 | Total O&M Allocated to Transmission | Attach H, p 3, line 14 col 5 | - | |
| 4 | Annual Allocation Factor for O&M | (line 3 divided by line 1 col 3) | - | - |
| | 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** | | - |
| | INCOME TAXES | | | |
| 12 | Total Income Taxes | Attach H, p 3, line 44 col 5 | - | |
| 13 | Annual Allocation Factor for Income Taxes | (line 12 divided by line 2 col 3) | - | - |
| | RETURN | | | |
| 14 | Return on Rate Base | Attach H, p 3, line 46 col 5 | - | |
| 15 | Annual Allocation Factor for Return on Rate Base | (line 14 divided by line 2 col 3) | - | - |
| **16** | **Annual Allocation Factor for Return** | **Sum of line 13 and 15** | - | - |

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 | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| 15b | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| 15c | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | $ - | - | - | $ - | - | - | $ - | - | - | - | - | - | - | $ - | - |
| | | | | | | | | | | | | | | | | | - |
| 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 | | | | | | - |
| 2 | 100 Basis Point Incentive Return | | | | | | $ | |
| | | | | | Cost | | | |
| | | | $ | % | | | Weighted | |
| 3 | Long Term Debt | (Attachment H, Notes Q and R) | - | - | - | | - | |
| 4 | Preferred Stock | (Attachment H, Notes Q and R) | - | - | - | | - | |
| 5 | Common Stock | (Attachment H, Notes K, Q and R) Cost = Attachment H, Page 4 Line 22, Cost plus .01 | - | - | 0.1080 | | - | |
| 6 | Total (sum lines 3-5) | | - | | | | - | |
| 7 | 100 Basis Point Incentive Return multiplied by Rate Base (line 1 * line 6) | | | | | | | - |
| 8 | INCOME TAXES | | | | | | | |
| 9 | T=1 - {[(1 - SIT) * (1 - FIT)] / (1 - SIT * FIT * p)} = | | 0.3879 | | | | | |
| 10 | CIT=(T/1-T) * (1-(WCLTD/R)) = | | - | | | | | |
| 11 | WCLTD = Line 3 | | | | | | | |
| 12 | and FIT, SIT & p are as given in Attachment H, Note G. | | | | | | | |
| 13 | 1 / (1 - T) = (from line 9) | | 1.6338 | | | | | |
| 14 | Amortized Investment Tax Credit (266.8f) (enter negative) | Attachment H, Page 3, Line 37 | - | | | | | |
| 15 | (Excess)/Deficient 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 * line 29 | | - | NA | | | - | |
| 18 | ITC adjustment (line 13 * line 14) | | - | NP | - | | - | |
| 19 | (Excess)/Deficient Deferred Income Tax Adjustment (line 13 * line 15) | | - | NP | - | | - | |
| 20 | Permanent Differences Tax Adjustment (line 13 * 16) | | - | NP | - | | - | |
| 21 | Total Income Taxes (sum lines 17 - 20) | | - | | | | - | - |
| 22 | Return and Income Taxes with 100 basis point increase in ROE | | | | | | | - |
| 23 | Return (Attach. H, page 3 line 46 col 5) | | | | | | | - |
| 24 | Income Tax (Attach. H, page 3 line 44 col 5) | | | | | | | - |
| 25 | Return and Income Taxes without 100 basis point increase in ROE | | | | | | | - |
| 26 | Incremental Return and Income Taxes for 100 basis point increase in ROE | | | | | | | - |
| 27 | Rate Base (line 1) | | | | | | | - |
| 28 | Incremental Return and Income Taxes for 100 basis point increase in ROE divided by Rate Base | | | | | | | - |
| 29 | % Ownership that has Actual or Potential Income Tax Liability | Attachment H, Page 4, Line 34 | 0.6682 | | | | | |

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 | | | Actual Revenue Requirement | Annual True-Up Calculation | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | Rate Year being Trued-Up | | | | Revenue Received[3] | | | | | |
| 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 | - | - | - | - | - | - | - | - |
| 2 | January | - | - | - | - | - | - | - | - |
| 3 | February | - | - | - | - | - | - | - | - |
| 4 | March | - | - | - | - | - | - | - | - |
| 5 | April | - | - | - | - | - | - | - | - |
| 6 | May | - | - | - | - | - | - | - | - |
| 7 | June | - | - | - | - | - | - | - | - |
| 8 | July | - | - | - | - | - | - | - | - |
| 9 | August | - | - | - | - | - | - | - | - |
| 10 | September | - | - | - | - | - | - | - | - |
| 11 | October | - | - | - | - | - | - | - | - |
| 12 | November | - | - | - | - | - | - | - | - |
| 13 | December | - | - | - | - | - | - | - | - |
| 14 | Average of the 13 Monthly Balances | - | - | - | - | - | - | - | - |

**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 | Attachment 4a or 4e | Attachment 4a or 4e | Attachment 4a or 4e | Consistent with 266.8.b & 267.8.h |
| 15 | December Prior Year | - | - | - | | | | - |
| 16 | January | - | - | | | | | - |
| 17 | February | - | - | | | | | - |
| 18 | March | - | - | | | | | - |
| 19 | April | - | - | | | | | - |
| 20 | May | - | - | | | | | - |
| 21 | June | - | - | | | | | - |
| 22 | July | - | - | | | | | - |
| 23 | August | - | - | | | | | - |
| 24 | September | - | - | | | | | - |
| 25 | October | - | - | | | | | - |
| 26 | November | - | - | | | | | - |
| 27 | December | - | - | - | | | | - |
| 28 | Average of the 13 Monthly Balances | - | - | - | - | - | - | - |

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 For rate projections, ADIT is computed using the ~~average of the beginning of the year balance and a~~ prorated end of the year balances as required by Section 1.167(l)-1(h)(6~~)(ii~~) of the IRS regulations. An annual true-up is calculated based on an average of the actual beginning of the year and end of the year balances. Attachment 4a calculates the projected ADIT balances on line 28 above based on the prorated ending ADIT balances as calculated on Attachment 4b. Attachment 4e to be used for actual balances during the true-up.

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 recovered.

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 as described in Note D.

Attachment 4a - Accumulated Deferred Income Taxes (ADIT) Average Worksheet (Projection)

South Central MCN LLC

Projection for the 12 Months Ended 12/31/____

| Ln | (a) Beginning Balance & Monthly Changes | (b) Month | (c) Year | (d) Balance | (e) Transmission Related | (f) Plant Related | (g) Labor Related | (h) Total (Sum Col. (e), (f) & (g)) | |
|---|---|---|---|---|---|---|---|---|---|
| ADIT-282 | | | | | | | | | |
| 1 | Balance-BOY (Attach 4c, Line 30) | December | - | - | - | - | - | | |
| 2 | Balance-EOY (Attach 4d, Line 30 less Line 26) | December | - | - | - | - | - | | |
| ~~2~~3 | Balance-EOY- Prorated (Attach 4b, Line 14) | December | - | - | - | - | - | | |
| ~~3~~4 | ~~ADIT 282~~Balance-~~Average~~EOY- Total (Lines 2+3) | December | - | - | - | - | - | | |
| ~~4~~5 | Total Plant Allocator | | | | 1.00 | | | | 100% |
| ~~5~~6 | Net Plant Allocator | | | | | - | | | Attachment H, Page 2, Line 20 |
| ~~6~~7 | Wages & Salary Allocator | | | | | | - | | Attachment H, Page 4, Line 11 |
| ~~7~~8 | Projected ADIT Total | | | - | - | - | - | - | Enter as negative Attachment 4, Page 1, Line 28 for Projection |
| ADIT-283 | | | | | | | | | |
| ~~8~~9 | Balance-BOY (Attach 4c, Line 44) | December | - | - | - | - | - | | |
| ~~9~~10 | Balance-EOY (Attach 4d, Line 44 less Line 40) | December | - | - | - | - | - | | |
| ~~10~~11 | Balance-EOY- Prorated (Attach 4b, Line 28) | December | - | - | - | - | - | | |
| ~~11~~12 | Balance-EOY-Total (Lines 9+10) | December | - | - | - | - | - | | |
| ~~12~~ | ~~ADIT 283 Average Total~~ | | | | | | | | |
| 13 | Total Plant Allocator | | | | 1.00 | | | | 100% |
| 14 | Net Plant Allocator | | | | | - | | | Attachment H, Page 2, Line 20 |
| 15 | Wages & Salary Allocator | | | | | | - | | Attachment H, Page 4, Line 11 |
| 16 | Projected ADIT Total | | | - | - | - | - | - | Enter as negative Attachment 4, Page 1, Line 28 for Projection |
| ADIT-190 | | | | | | | | | |
| ~~16~~17 | Balance-BOY (Attach 4c, Line 18) | December | - | - | - | - | - | | |
| ~~17~~18 | Balance-EOY (Attach 4d, Line 18 less Line 14) | December | - | - | - | - | - | | |
| ~~18~~19 | Balance-EOY- Prorated (Attach 4b, Line 42) | December | - | - | - | - | - | | |
| ~~19~~20 | Balance-EOY-Total (Lines 17+18) | December | - | - | - | - | - | | |
| ~~20~~ | ~~ADIT 190 Average Total~~ | | | | | | | | |
| 21 | Total Plant Allocator | | | | 1.00 | | | | 100% |
| 22 | Net Plant Allocator | | | | | - | | | Attachment H, Page 2, Line 20 |
| 23 | Wages & Salary Allocator | | | | | | - | | Attachment H, Page 4, Line 11 |
| 24 | Projected ADIT Total | | | - | - | - | - | - | Enter Attachment 4, Page 1, Line 28 for Projection |

Attachment 4b - Accumulated Deferred Income Taxes (ADIT) Proration Worksheet (Projection)

South Central MCN LLC

Projection for the 12 Months Ended 12/31/____

| | (a) Beginning Balance & Monthly Changes | (b) Month | (c) Year | (d) Weighting for Projection | (e) Beginning Balance/ Monthly Increment | (f) Transmission | (g) Transmission Proration (d) x (f) | (h) Plant Related | (i) Plant Proration (d) x (h) | (j) Labor Related | (k) Labor Proration (d) x (j) |
|---|---|---|---|---|---|---|---|---|---|---|---|
| ADIT-282-Proration-Note A | | | | | | | | | | | |
| 1 | Balance (Attach 4c, Line 30) | December | - | 100.00% | - | - | - | - | - | - | - |
| 2 | Increment | January | - | 91.78% | - | - | - | - | - | - | - |
| 3 | Increment | February | - | 84.11% | - | - | - | - | - | - | - |
| 4 | Increment | March | - | 75.62% | - | - | - | - | - | - | - |
| 5 | Increment | April | - | 67.40% | - | - | - | - | - | - | - |
| 6 | Increment | May | - | 58.90% | - | - | - | - | - | - | - |
| 7 | Increment | June | - | 50.68% | - | - | - | - | - | - | - |
| 8 | Increment | July | - | 42.19% | - | - | - | - | - | - | - |
| 9 | Increment | August | - | 33.70% | - | - | - | - | - | - | - |
| 10 | Increment | September | - | 25.48% | - | - | - | - | - | - | - |
| 11 | Increment | October | - | 16.99% | - | - | - | - | - | - | - |
| 12 | Increment | November | - | 8.77% | - | - | - | - | - | - | - |
| 13 | Increment | December | - | 0.27% | - | - | - | - | - | - | - |
| 14 | ADIT 282-Prorated EOY Balance | | | | - | - | - | - | - | - | - |
| ADIT-283-Proration-Note B | | | | | | | | | | | |
| 15 | Balance (Attach 4c, Line 44) | December | - | 100.00% | - | - | - | - | - | - | - |
| 16 | Increment | January | - | 91.78% | - | - | - | - | - | - | - |
| 17 | Increment | February | - | 84.11% | - | - | - | - | - | - | - |
| 18 | Increment | March | - | 75.62% | - | - | - | - | - | - | - |
| 19 | Increment | April | - | 67.40% | - | - | - | - | - | - | - |
| 20 | Increment | May | - | 58.90% | - | - | - | - | - | - | - |
| 21 | Increment | June | - | 50.68% | - | - | - | - | - | - | - |
| 22 | Increment | July | - | 42.19% | - | - | - | - | - | - | - |
| 23 | Increment | August | - | 33.70% | - | - | - | - | - | - | - |
| 24 | Increment | September | - | 25.48% | - | - | - | - | - | - | - |
| 25 | Increment | October | - | 16.99% | - | - | - | - | - | - | - |
| 26 | Increment | November | - | 8.77% | - | - | - | - | - | - | - |
| 27 | Increment | December | - | 0.27% | - | - | - | - | - | - | - |
| 28 | ADIT 283-Prorated EOY Balance | | | | - | - | - | - | - | - | - |
| ADIT-190-Proration-Note C | | | | | | | | | | | |
| 29 | Balance (Attach 4c, Line 18) | December | - | 100.00% | - | - | - | - | - | - | - |
| 30 | Increment | January | - | 91.78% | - | - | - | - | - | - | - |
| 31 | Increment | February | - | 84.11% | - | - | - | - | - | - | - |
| 32 | Increment | March | - | 75.62% | - | - | - | - | - | - | - |
| 33 | Increment | April | - | 67.40% | - | - | - | - | - | - | - |
| 34 | Increment | May | - | 58.90% | - | - | - | - | - | - | - |
| 35 | Increment | June | - | 50.68% | - | - | - | - | - | - | - |
| 36 | Increment | July | - | 42.19% | - | - | - | - | - | - | - |
| 37 | Increment | August | - | 33.70% | - | - | - | - | - | - | - |
| 38 | Increment | September | - | 25.48% | - | - | - | - | - | - | - |
| 39 | Increment | October | - | 16.99% | - | - | - | - | - | - | - |
| 40 | Increment | November | - | 8.77% | - | - | - | - | - | - | - |
| 41 | Increment | December | - | 0.27% | - | - | - | - | - | - | - |
| 42 | ADIT 190-Prorated EOY Balance | | | | - | - | - | - | - | - | - |

Note 1 Uses a 365 day calendar year.

Note 2 Projected end of year ADIT must be based on solely on enacted tax law. No assumptions for future estimated changes in tax law may be forecasted.

A Substantial portion, if not all, of the ADIT-282 balance is subject to proration. Explanation must be provided for any portion of balance not subject to proration.

B Only amounts in ADIT-283 relating to Depreciation, if applicable, are subject to proration. See Line 44 in Attach 4c and 4d.

C Only amounts in ADIT-190 related to NOL carryforwards, if applicable, are subject to proration. See Line 18 in Attach 4c and 4d.

Attachment 4c - Accumulated Deferred Income Taxes (ADIT) Worksheet (Beginning of Year)
For the 12 Months Ended 12/31/____

| Ln | Item | Transmission Related | Plant Related | Labor Related | |
|---|---|---|---|---|---|
| 1 | ADIT-282 | - | - | - | Line 30 |
| 2 | ADIT-283 | - | - | - | Line 44 |
| 3 | ADIT-190 | - | - | - | Line 18 |
| 4 | Subtotal | - | - | - | Sum of Lines 1-4 |

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns B-F and each separate ADIT item will be listed. Dissimilar items with amounts exceeding $100,000 will be listed separately.

| | A | B | C | D | E | F | G |
|---|---|---|---|---|---|---|---|
| | ADIT-190 | Total | Gas, Prod or Other Related | Transmission Related | Plant Related | Labor Related | Justification |
| 5 | | | | | | | |
| 6 | | | | | | | |
| 7 | | | | | | | |
| 8 | | | | | | | |
| 9 | | | | | | | |
| 10 | | | | | | | |
| 11 | | | | | | | |
| 12 | | | | | | | |
| 13 | | | | | | | |
| 14 | NOL Carryforward | | | | | | Amount subject to Proration |
| 15 | Subtotal - p234.b | - | - | - | - | - | |
| 16 | Less FASB 109 Above if not separately removed | | | | | | |
| 17 | Less FASB 106 Above if not separately removed | | | | | | |
| 18 | Total | - | - | - | - | - | |

Instructions for Account 190:

1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C

2. ADIT items related only to Transmission are directly assigned to Column D

3. ADIT items related to Plant and not in Columns C & D are included in Column E

4. ADIT items related to labor and not in Columns C & D are included in Column F

5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded. This includes but is not limited to SFAS 109 & 158 balance sheet items and the related ADIT.

| | A | B | C | D | E | F | G |
|---|---|---|---|---|---|---|---|
| | ADIT- 282 | Total | Gas, Prod or Other Related | Transmission Related | Plant Related | Labor Related | Justification |
| 19 | | | | | | | |
| 20 | | | | | | | |
| 21 | | | | | | | |
| 22 | | | | | | | |
| 23 | | | | | | | |
| 24 | | | | | | | |
| 25 | | | | | | | |
| 26 | | | | | | | |
| 27 | Subtotal - p274.b | - | - | - | - | - | |
| 28 | Less FASB 109 Above if not separately removed | | | | | | |
| 29 | Less FASB 106 Above if not separately removed | | | | | | |
| 30 | Total | - | - | - | - | - | |

Instructions for Account 282:

1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
2. ADIT items related only to Transmission are directly assigned to Column D
3. ADIT items related to Plant and not in Columns C & D are included in Column E
4. ADIT items related to labor and not in Columns C & D are included in Column F
5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded. This includes but is not limited to SFAS 109 & 158 balance sheet items and the related ADIT.

| | A | B | C | D | E | F | G |
|---|---|---|---|---|---|---|---|
| | ADIT- 283 | Total | Gas, Prod or Other Related | Transmission Related | Plant Related | Labor Related | Justification |
| 31 | | | | | | | |
| 32 | | | | | | | |
| 33 | | | | | | | |
| 34 | | | | | | | |
| 35 | | | | | | | |
| 36 | | | | | | | |
| 37 | | | | | | | |
| 38 | | | | | | | |
| 39 | | | | | | | |
| 40 | Depreciation Items | | | | | | Amount subject to Proration |
| 41 | Subtotal - p276.b | - | - | - | - | - | |
| 42 | Less FASB 109 Above if not separately removed | | | | | | |
| 43 | Less FASB 106 Above if not separately removed | | | | | | |
| 44 | Total | - | - | - | - | - | |

Instructions for Account 283:

1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C
2. ADIT items related only to Transmission are directly assigned to Column D
3. ADIT items related to Plant and not in Columns C & D are included in Column E
4. ADIT items related to labor and not in Columns C & D are included in Column F
5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded. This includes but is not limited to SFAS 109 & 158 balance sheet items and the related ADIT.

Attachment 4d - Accumulated Deferred Income Taxes (ADIT) Worksheet (End of Year)
For the 12 Months Ended 12/31/____

| Ln | Item | Transmission Related | Plant Related | Labor Related | |
|---|---|---|---|---|---|
| 1 | ADIT- 282 | - | - | - | Line 30 |
| 2 | ADIT-283 | - | - | - | Line 44 |
| 3 | ADIT-190 | - | - | - | Line 18 |
| 4 | Subtotal | - | - | - | Sum of Lines 1-4 |

In filling out this attachment, a full and complete description of each item and justification for the allocation to Columns B-F and each separate ADIT item will be listed. Dissimilar items with amounts exceeding $100,000 will be listed separately.

| | A | B | C | D | E | F | G |
|---|---|---|---|---|---|---|---|
| | ADIT-190 | Total | Gas, Prod or Other Related | Transmission Related | Plant Related | Labor Related | Justification |
| 5 | | | | | | | |
| 6 | | | | | | | |
| 7 | | | | | | | |
| 8 | | | | | | | |
| 9 | | | | | | | |
| 10 | | | | | | | |
| 11 | | | | | | | |
| 12 | | | | | | | |
| 13 | | | | | | | |
| 14 | NOL Carryforward | | | | | | Amount subject to Proration |
| 15 | Subtotal - p234.c | - | - | - | - | - | |
| 16 | Less FASB 109 Above if not separately removed | | | | | | |
| 17 | Less FASB 106 Above if not separately removed | | | | | | |
| 18 | Total | - | - | - | - | - | |

Instructions for Account 190:

1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C

2. ADIT items related only to Transmission are directly assigned to Column D

3. ADIT items related to Plant and not in Columns C & D are included in Column E

4. ADIT items related to labor and not in Columns C & D are included in Column F

5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded. This includes but is not limited to SFAS 109 & 158 balance sheet items and the related ADIT.

| | A | B | C | D | E | F | G |
|---|---|---|---|---|---|---|---|
| | ADIT-282 | Total | Gas, Prod or Other Related | Transmission Related | Plant Related | Labor Related | Justification |
| 19 | | | | | | | |
| 20 | | | | | | | |
| 21 | | | | | | | |
| 22 | | | | | | | |
| 23 | | | | | | | |
| 24 | | | | | | | |
| 25 | | | | | | | |
| 26 | Depreciation Items | | | | | | Amount subject to Proration |
| 27 | Subtotal - p275.k | - | - | - | - | - | |
| 28 | Less FASB 109 Above if not separately removed | | | | | | |
| 29 | Less FASB 106 Above if not separately removed | | | | | | |
| 30 | Total | - | - | - | - | - | |

Instructions for Account 282:

1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C

2. ADIT items related only to Transmission are directly assigned to Column D

3. ADIT items related to Plant and not in Columns C & D are included in Column E

4. ADIT items related to labor and not in Columns C & D are included in Column F

5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded. This includes but is not limited to SFAS 109 & 158 balance sheet items and the related ADIT.

| | A | B | C | D | E | F | G |
|---|---|---|---|---|---|---|---|
| | ADIT-283 | Total | Gas, Prod or Other Related | Transmission Related | Plant Related | Labor Related | Justification |
| 31 | | | | | | | |
| 32 | | | | | | | |
| 33 | | | | | | | |
| 34 | | | | | | | |
| 35 | | | | | | | |
| 36 | | | | | | | |
| 37 | | | | | | | |
| 38 | | | | | | | |
| 39 | | | | | | | |
| 40 | Depreciation Items | | | | | | Amount subject to Proration |
| 41 | Subtotal - p277.k | - | - | - | - | - | |
| 42 | Less FASB 109 Above if not separately removed | | | | | | |
| 43 | Less FASB 106 Above if not separately removed | | | | | | |
| 44 | Total | - | - | - | - | - | |

Instructions for Account 283:

1. ADIT items related only to Non-Electric Operations (e.g., Gas, Water, Sewer) or Production are directly assigned to Column C

2. ADIT items related only to Transmission are directly assigned to Column D

3. ADIT items related to Plant and not in Columns C & D are included in Column E

4. ADIT items related to labor and not in Columns C & D are included in Column F

5. Deferred income taxes arise when items are included in taxable income in different periods than they are included in rates, therefore if the item giving rise to the ADIT is not included in the formula, the associated ADIT amount shall be excluded. This includes but is not limited to SFAS 109 & 158 balance sheet items and the related ADIT.

Attachment 4e - Accumulated Deferred Income Taxes (ADIT) Average Worksheet (True-Up)
South Central MCN LLC
For the 12 Months Ended 12/31/____

| Ln | (a) Beginning Balance & Monthly Changes | (b) Month | (c) Year | (d) Balance | (e) Transmission Related | (f) Plant Related | (g) Labor Related | (h) Total (Sum Col. (e), (f) & (g)) | |
|---|---|---|---|---|---|---|---|---|---|
| ADIT-282 | | | | | | | | | |
| 1 | Balance-BOY (Attach 4c, Line 30) | December | - | - | - | - | - | | |
| 2 | Balance-EOY (Attach 4d, Line 30) | December | - | - | - | - | - | | |
| 3 | ADIT 282-Average Total | | | - | - | - | - | | |
| 4 | Total Plant Allocator | | | | 1.00 | | | | 100% |
| 5 | Net Plant Allocator | | | | | - | | | Attachment H, Page 2, Line 20 |
| 6 | Wages & Salary Allocator | | | | | | - | | Attachment H, Page 4, Line 11 |
| 7 | Projected ADIT Total | | | - | - | - | - | - | Enter as negative Attachment 4, Page 1, Line 28 for True-up |
| ADIT-283 | | | | | | | | | |
| 4 | Balance-BOY (Attach 4c, Line 44) | December | - | - | - | - | - | | |
| 5 | Balance-EOY (Attach 4d, Line 44) | December | - | - | - | - | - | | |
| 6 | ADIT 283-Average Total | | | - | - | - | - | | |
| 7 | Total Plant Allocator | | | | 1.00 | | | | 100% |
| 8 | Net Plant Allocator | | | | | - | | | Attachment H, Page 2, Line 20 |
| 9 | Wages & Salary Allocator | | | | | | - | | Attachment H, Page 4, Line 11 |
| 10 | Projected ADIT Total | | | - | - | - | - | - | Enter as negative Attachment 4, Page 1, Line 28 for True-up |
| ADIT-190 | | | | | | | | | |
| 7 | Balance-BOY (Attach 4c, Line 18) | December | - | - | - | - | - | | |
| 8 | Balance-EOY (Attach 4d, Line 18) | December | - | - | - | - | - | | |
| 9 | ADIT 190-Average Total | | | - | - | - | - | | |
| 10 | Total Plant Allocator | | | | 1.00 | | | | 100% |
| 11 | Net Plant Allocator | | | | | - | | | Attachment H, Page 2, Line 20 |
| 12 | Wages & Salary Allocator | | | | | | - | | Attachment H, Page 4, Line 11 |
| 13 | Projected ADIT Total | | | - | - | - | - | - | Enter as negative Attachment 4, Page 1, Line 28 for True-up |

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 | | - | - | - | - | - | - | - | - | - | - |
| 2 | February | | - | - | - | - | - | - | - | - | - | - |
| 3 | March | | - | - | - | - | - | - | - | - | - | - |
| 4 | April | | - | - | - | - | - | - | - | - | - | - |
| 5 | May | | - | - | - | - | - | - | - | - | - | - |
| 6 | June | | - | - | - | - | - | - | - | - | - | - |
| 7 | July | | - | - | - | - | - | - | - | - | - | - |
| 8 | August | | - | - | - | - | - | - | - | - | - | - |
| 9 | September | | - | - | - | - | - | - | - | - | - | - |
| 10 | October | | - | - | - | - | - | - | - | - | - | - |
| 11 | November | | - | - | - | - | - | - | - | - | - | - |
| 12 | December | | - | - | - | - | - | - | - | - | - | - |
| 13 | Total | - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |

| | | 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)/Deficient 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 (112.3.c) | - |
| 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 | - | - | - | - | =WCLTD |
| 46 | Preferred Stock (112.3.c) | Note B | - | - | - | - | |
| 47 | Common Stock | Note C | - | - | 9.80% | - | |
| 48 | Total | (Sum of Lines 45-47) | - | | | - | =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 the | |
|---|---|---|---|---|
| 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 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Project # Or Other Identifier | Project Name | Date Payments Received 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 | | | | | | | | | | | | | | | - | - |
| … | | | | | | | | | | | | | | | - | - |
| | | | | | | | | | | | | | | | - | - |
| | | | | | | | | | | | | | | | - | - |
|

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** | **$ 50,000,000** |

Table 2

| | | |
|---|---|---|
| 2 | **Internal Rate of Return (Note 1)** | **4.85%** |
| 3 | **Based on following Financial Formula (Note 2):** | |
| 4 | | |
| 5 | | |
| 6 | **NPV = 0 =** $\sum_{t=1}^{N} C_t/(1+IRR)^{pwr(t)}$ | |
| 7 | | |
| 8 | | |

Table 3

| | | | |
|---|---|---|---|
| 9 | | | |
| 10 | **Origination Fees** | Rates/Fees | Amount |
| 11 | Underwriting Discount | - | - |
| 12 | Arrangement Fee | 0.75 | 375,000 |
| 13 | Upfront Fee | - | 750,000 |
| 14 | Rating Agency Fee | - | - |
| 15 | Legal Fees | - | - |
| 15a | | - | - |
| 16 | Total Issuance Expense | | **1,125,000** |
| 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 | | | | | | | | |
| 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

| | (A) | (B) | ( C) | (D) | (E) | (F) | (G) | (H) | (I) |
|---|---|---|---|---|---|---|---|---|---|
| 26 | | | | | | | | | |
| 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 | 1/1/2015 | | - | | | | | | |
| 31 | 3/31/2015 | Q1 | - | - | - | - | | | - |
| 32 | 6/30/2015 | Q2 | - | - | - | - | | | - |
| 33 | 9/30/2015 | Q3 | - | - | - | - | | | - |
| 34 | 12/31/2015 | Q4 | - | - | - | - | | | - |
| 35 | 3/31/2016 | Q1 | 25,000 | 10,000 | 10,000 | - | 1,125 | - | 8,875 |
| 36 | 6/30/2016 | Q2 | - | - | 10,000 | 57 | | - | (57) |
| 37 | 9/30/2016 | Q3 | 25,000 | 10,000 | 20,000 | 58 | | - | 9,942 |
| 38 | 12/31/2016 | Q4 | - | - | 20,000 | 116 | | - | (116) |
| 39 | 3/31/2017 | Q1 | - | - | 20,000 | 114 | | - | (114) |
| 40 | 6/30/2017 | Q2 | 25,000 | 10,000 | 30,000 | 160 | | - | 9,840 |
| 41 | 9/30/2017 | Q3 | - | - | 30,000 | 242 | | - | (242) |
| 42 | 12/31/2017 | Q4 | - | - | 30,000 | 242 | | - | (242) |
| 43 | 3/31/2018 | Q1 | 25,000 | 10,000 | 40,000 | 237 | | - | 9,763 |
| 44 | 6/30/2018 | Q2 | - | - | 40,000 | 403 | | - | (403) |
| 45 | 9/30/2018 | Q3 | 25,000 | 10,000 | 50,000 | 408 | | - | 9,592 |
| 46 | 12/31/2018 | Q4 | - | - | 50,000 | 510 | | - | (510) |
| 47 | 3/31/2019 | Q1 | - | - | 50,000 | 499 | | - | (499) |
| 48 | 6/30/2019 | Q2 | - | - | 50,000 | 562 | | - | (562) |
| 49 | 9/30/2019 | Q3 | - | - | 50,000 | 568 | | - | (568) |
| 50 | 12/31/2019 | Q4 | - | - | 50,000 | 568 | | - | (568) |
| 51 | 1/1/2020 | Q1 | - | - | 50,000 | 50,006 | | - | (50,006) |
| 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 SCMCN has long term debt, SCMCN will use 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)** |
| 1 | 2015 | | 7.18% | 6.50% | $ 2,500,000 | $ 2,400,000 | $100,000.00 | 0.550% | $ (148,288) |
| 2 | 2016 | | 6.8% | 6.50% | $ 5,000,000 | $ 5,150,000 | ($150,000.00) | 0.560% | $ 209,670 |
| 3 | 2017 | | 7.2% | 6.50% | $ 8,300,000 | $ 8,200,000 | $100,000.00 | 0.540% | $ (131,109) |
| 4 | 2018 | | 7.3% | 6.50% | $ 12,300,000 | $ 12,000,000 | $300,000.00 | 0.580% | $ (368,657) |
| 5 | 2019 | * | 7.1% | 6.50% | $ 18,000,000 | $ 17,900,000 | $100,000.00 | 0.570% | $ (114,946) |
| 6 | 2020 | ** | 6.50% | 6.50% | $ 25,000,000 | $ 25,000,000 | $- | | |
| 7 | | | | | | | | | $ (553,330) |

8 *The Hypothetical Example:*
9 ** Assumes that the construction loan is retired on Sept 1, 2020*
10 *** Assumes permanent debt structure is put in place on Sept 1, 2020 with effective rate of 6.5%*
11
12
13
14
15

16 **Applicable Interest Expense for each ATRR period**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| 17 | **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** |
| 18 | | | | From Column (g) | | | | |
| 19 | | | Column (f) above Divided by the | Above for the | | Col (c) x Col (d) x | | |
| 20 | | | Number of Months the Rate was in Effect | Rate Year | Weighting | Col (e) x -1 | | |
| 21 | **Calculation of Interest for 2015 True-Up Period** | | | | | | | |
| 22 | | | | | | **Monthly** | | |
| 23 | | | | | | | | |
| 24 | January | Year 2015 | - | 0.5500% | 12.00 | - | | - |
| 25 | February | Year 2015 | - | 0.5500% | 11.00 | - | | - |
| 26 | March | Year 2015 | 10,000 | 0.5500% | 10.00 | (550) | | (10,550) |
| 27 | April | Year 2015 | 10,000 | 0.5500% | 9.00 | (495) | | (10,495) |
| 28 | May | Year 2015 | 10,000 | 0.5500% | 8.00 | (440) | | (10,440) |
| 29 | June | Year 2015 | 10,000 | 0.5500% | 7.00 | (385) | | (10,385) |
| 30 | July | Year 2015 | 10,000 | 0.5500% | 6.00 | (330) | | (10,330) |
| 31 | August | Year 2015 | 10,000 | 0.5500% | 5.00 | (275) | | (10,275) |
| 32 | September | Year 2015 | 10,000 | 0.5500% | 4.00 | (220) | | (10,220) |
| 33 | October | Year 2015 | 10,000 | 0.5500% | 3.00 | (165) | | (10,165) |
| 34 | November | Year 2015 | 10,000 | 0.5500% | 2.00 | (110) | | (10,110) |
| 35 | December | Year 2015 | 10,000 | 0.5500% | 1.00 | (55) | | (10,055) |
| 36 | | | | | | (3,025) | | **(103,025)** |
| 37 | | | | | | | | |
| 38 | | | | | | **Annual** | | |
| 39 | | | | | | | | |
| 40 | January through December | Year 2016 | (103,025) | 0.5600% | 12.00 | (6,923) | | **(109,948)** |
| 41 | January through December | Year 2017 | (109,948) | 0.5400% | 12.00 | (7,125) | | **(117,073)** |
| 42 | January through December | Year 2018 | (117,073) | 0.5800% | 12.00 | (8,148) | | **(125,221)** |
| 43 | January through December | Year 2019 | (125,221) | 0.5700% | 12.00 | (8,565) | | **(133,786)** |
| 44 | January through December | Year 2020 | (133,786) | 0.5700% | 12.00 | (9,151) | | **(142,937)** |
| 45 | | | | | | | | |
| 46 | | | | | | | | |
| 47 | **Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months** | | | | | **Monthly** | | |
| 48 | January | Year 2021 | **142,937** | 0.5700% | | (815) | (12,357) | (131,395) |
| 49 | February | Year 2021 | 131,395 | 0.5700% | | (749) | (12,357) | (119,786) |
| 50 | March | Year 2021 | 119,786 | 0.5700% | | (683) | (12,357) | (108,112) |
| 51 | April | Year 2021 | 108,112 | 0.5700% | | (616) | (12,357) | (96,371) |
| 52 | May | Year 2021 | 96,371 | 0.5700% | | (549) | (12,357) | (84,563) |
| 53 | June | Year 2021 | 84,563 | 0.5700% | | (482) | (12,357) | (72,687) |
| 54 | July | Year 2021 | 72,687 | 0.5700% | | (414) | (12,357) | (60,744) |
| 55 | August | Year 2021 | 60,744 | 0.5700% | | (346) | (12,357) | (48,733) |
| 56 | September | Year 2021 | 48,733 | 0.5700% | | (278) | (12,357) | (36,653) |
| 57 | October | Year 2021 | 36,653 | 0.5700% | | (209) | (12,357) | (24,505) |
| 58 | November | Year 2021 | 24,505 | 0.5700% | | (140) | (12,357) | (12,287) |
| 59 | December | Year 2021 | 12,287 | 0.5700% | | (70) | (12,357) | - |
| 60 | | | | | | (5,351) | | |
| 61 | | | | | | | | |
| 62 | Total Amount of True-Up Adjustment for 2015 ATRR | | (Sum lines 48-59, column f) | | | | $ (148,288) | |
| 63 | Less Over (Under) Recovery | | (Line 1, Column f) | | | | $ 100,000 | |
| 64 | Total Interest | | (Line 62 + line 63) | | | | $ (48,288) | |

**l 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 | | (12,500) | 0.5600% | 12.00 | 840 | | 13,340 |
| February | Year 2016 | | (12,500) | 0.5600% | 11.00 | 770 | | 13,270 |
| March | Year 2016 | | (12,500) | 0.5600% | 10.00 | 700 | | 13,200 |
| April | Year 2016 | | (12,500) | 0.5600% | 9.00 | 630 | | 13,130 |
| May | Year 2016 | | (12,500) | 0.5600% | 8.00 | 560 | | 13,060 |
| June | Year 2016 | | (12,500) | 0.5600% | 7.00 | 490 | | 12,990 |
| July | Year 2016 | | (12,500) | 0.5600% | 6.00 | 420 | | 12,920 |
| August | Year 2016 | | (12,500) | 0.5600% | 5.00 | 350 | | 12,850 |
| September | Year 2016 | | (12,500) | 0.5600% | 4.00 | 280 | | 12,780 |
| October | Year 2016 | | (12,500) | 0.5600% | 3.00 | 210 | | 12,710 |
| November | Year 2016 | | (12,500) | 0.5600% | 2.00 | 140 | | 12,640 |
| December | Year 2016 | | (12,500) | 0.5600% | 1.00 | 70 | | 12,570 |
| | | | | | | 5,460 | | **155,460** |
| | | | | | | **Annual** | | |
| January through December | Year 2017 | | 155,460 | 0.5400% | 12.00 | 10,074 | | **165,534** |
| January through December | Year 2018 | | 165,534 | 0.5800% | 12.00 | 11,521 | | **177,055** |
| January through December | Year 2019 | | 177,055 | 0.5700% | 12.00 | 12,111 | | **189,166** |
| January through December | Year 2020 | | 189,166 | 0.5700% | 12.00 | 12,939 | | **202,104** |
| **Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months** | | | | | | **Monthly** | | |
| January | Year 2021 | | **(202,104)** | 0.5700% | | 1,152 | 17,473 | 185,784 |
| February | Year 2021 | | (185,784) | 0.5700% | | 1,059 | 17,473 | 169,370 |
| March | Year 2021 | | (169,370) | 0.5700% | | 965 | 17,473 | 152,863 |
| April | Year 2021 | | (152,863) | 0.5700% | | 871 | 17,473 | 136,262 |
| May | Year 2021 | | (136,262) | 0.5700% | | 777 | 17,473 | 119,566 |
| June | Year 2021 | | (119,566) | 0.5700% | | 682 | 17,473 | 102,775 |
| July | Year 2021 | | (102,775) | 0.5700% | | 586 | 17,473 | 85,888 |
| August | Year 2021 | | (85,888) | 0.5700% | | 490 | 17,473 | 68,905 |
| September | Year 2021 | | (68,905) | 0.5700% | | 393 | 17,473 | 51,826 |
| October | Year 2021 | | (51,826) | 0.5700% | | 295 | 17,473 | 34,649 |
| November | Year 2021 | | (34,649) | 0.5700% | | 197 | 17,473 | 17,374 |
| December | Year 2021 | | (17,374) | 0.5700% | | 99 | 17,473 | - |
| | | | | | | 7,566 | | |

| | | | |
|---|---|---|---|
| Total Amount of True-Up Adjustment for 2016 ATRR | (Sum lines 97-108, column f) | $ | 209,670 |
| Less Over (Under) Recovery | (Line 2, Column f) | $ | (150,000) |
| Total Interest | (Line 111 + line 112) | $ | 59,670 |

**Calculation of Interest for 2017 True-Up Period**

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | | | | | | **Monthly** | | |
| January | Year 2017 | | 8,333 | 0.5400% | 12.00 | (540) | | (8,873) |
| February | Year 2017 | | 8,333 | 0.5400% | 11.00 | (495) | | (8,828) |
| March | Year 2017 | | 8,333 | 0.5400% | 10.00 | (450) | | (8,783) |
| April | Year 2017 | | 8,333 | 0.5400% | 9.00 | (405) | | (8,738) |
| May | Year 2017 | | 8,333 | 0.5400% | 8.00 | (360) | | (8,693) |
| June | Year 2017 | | 8,333 | 0.5400% | 7.00 | (315) | | (8,648) |
| July | Year 2017 | | 8,333 | 0.5400% | 6.00 | (270) | | (8,603) |
| August | Year 2017 | | 8,333 | 0.5400% | 5.00 | (225) | | (8,558) |
| September | Year 2017 | | 8,333 | 0.5400% | 4.00 | (180) | | (8,513) |
| October | Year 2017 | | 8,333 | 0.5400% | 3.00 | (135) | | (8,468) |
| November | Year 2017 | | 8,333 | 0.5400% | 2.00 | (90) | | (8,423) |
| December | Year 2017 | | 8,333 | 0.5400% | 1.00 | (45) | | (8,378) |
| | | | | | | (3,510) | | **(103,510)** |
| | | | | | | **Annual** | | |
| January through December | Year 2018 | | (103,510) | 0.5800% | 12.00 | (7,204) | | **(110,714)** |
| January through December | Year 2019 | | (110,714) | 0.5700% | 12.00 | (7,573) | | **(118,287)** |
| January through December | Year 2020 | | (118,287) | 0.5700% | 12.00 | (8,091) | | **(126,378)** |
| **Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months** | | | | | | **Monthly** | | |
| January | Year 2021 | | **126,378** | 0.5700% | | (720) | (10,926) | (116,173) |
| February | Year 2021 | | 116,173 | 0.5700% | | (662) | (10,926) | (105,909) |
| March | Year 2021 | | 105,909 | 0.5700% | | (604) | (10,926) | (95,587) |
| April | Year 2021 | | 95,587 | 0.5700% | | (545) | (10,926) | (85,206) |
| May | Year 2021 | | 85,206 | 0.5700% | | (486) | (10,926) | (74,766) |
| June | Year 2021 | | 74,766 | 0.5700% | | (426) | (10,926) | (64,266) |
| July | Year 2021 | | 64,266 | 0.5700% | | (366) | (10,926) | (53,707) |
| August | Year 2021 | | 53,707 | 0.5700% | | (306) | (10,926) | (43,087) |
| September | Year 2021 | | 43,087 | 0.5700% | | (246) | (10,926) | (32,407) |
| October | Year 2021 | | 32,407 | 0.5700% | | (185) | (10,926) | (21,666) |
| November | Year 2021 | | 21,666 | 0.5700% | | (123) | (10,926) | (10,864) |
| December | Year 2021 | | 10,864 | 0.5700% | | (62) | (10,926) | - |
| | | | | | | (4,731) | | |

| | | | |
|---|---|---|---|
| Total Amount of True-Up Adjustment for 2017 ATRR | (Sum lines 141 - 152, column f) | $ | (131,109) |
| Less Over (Under) Recovery | (Line 3, Column f) | $ | 100,000 |
| Total Interest | (Line 155 + line 156) | $ | (31,109) |

**l 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 | 25,000 | 0.5800% | 12.00 | (1,740) | | (26,740) |
| February | Year 2018 | 25,000 | 0.5800% | 11.00 | (1,595) | | (26,595) |
| March | Year 2018 | 25,000 | 0.5800% | 10.00 | (1,450) | | (26,450) |
| April | Year 2018 | 25,000 | 0.5800% | 9.00 | (1,305) | | (26,305) |
| May | Year 2018 | 25,000 | 0.5800% | 8.00 | (1,160) | | (26,160) |
| June | Year 2018 | 25,000 | 0.5800% | 7.00 | (1,015) | | (26,015) |
| July | Year 2018 | 25,000 | 0.5800% | 6.00 | (870) | | (25,870) |
| August | Year 2018 | 25,000 | 0.5800% | 5.00 | (725) | | (25,725) |
| September | Year 2018 | 25,000 | 0.5800% | 4.00 | (580) | | (25,580) |
| October | Year 2018 | 25,000 | 0.5800% | 3.00 | (435) | | (25,435) |
| November | Year 2018 | 25,000 | 0.5800% | 2.00 | (290) | | (25,290) |
| December | Year 2018 | 25,000 | 0.5800% | 1.00 | (145) | | (25,145) |
| | | | | | (11,310) | | **(311,310)** |
| | | | | | **Annual** | | |
| January through December | Year 2019 | (311,310) | 0.5700% | 12.00 | (21,294) | | **(332,604)** |
| January through December | Year 2020 | (332,604) | 0.5700% | 12.00 | (22,750) | | **(355,354)** |
| **Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months** | | | | | **Monthly** | | |
| January | Year 2021 | **355,354** | 0.5700% | | (2,026) | (30,721) | (326,658) |
| February | Year 2021 | 326,658 | 0.5700% | | (1,862) | (30,721) | (297,798) |
| March | Year 2021 | 297,798 | 0.5700% | | (1,697) | (30,721) | (268,774) |
| April | Year 2021 | 268,774 | 0.5700% | | (1,532) | (30,721) | (239,585) |
| May | Year 2021 | 239,585 | 0.5700% | | (1,366) | (30,721) | (210,229) |
| June | Year 2021 | 210,229 | 0.5700% | | (1,198) | (30,721) | (180,706) |
| July | Year 2021 | 180,706 | 0.5700% | | (1,030) | (30,721) | (151,015) |
| August | Year 2021 | 151,015 | 0.5700% | | (861) | (30,721) | (121,154) |
| September | Year 2021 | 121,154 | 0.5700% | | (691) | (30,721) | (91,123) |
| October | Year 2021 | 91,123 | 0.5700% | | (519) | (30,721) | (60,921) |
| November | Year 2021 | 60,921 | 0.5700% | | (347) | (30,721) | (30,547) |
| December | Year 2021 | 30,547 | 0.5700% | | (174) | (30,721) | - |
| | | | | | (13,303) | | |
| Total Amount of True-Up Adjustment for 2018 ATRR | | (Sum lines 188 -199 column f) | | | | $ (368,657) | |
| Less Over (Under) Recovery | | (Line 4, Column f) | | | | $ 300,000 | |
| Total Interest | | (Line 202 + line 203) | | | | $ (68,657) | |

**Calculation of Interest for 2019 True-Up Period**

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | | | | **Monthly** | | |
| January | Year 2019 | 8,333 | 0.5700% | 12.00 | (570) | | (8,903) |
| February | Year 2019 | 8,333 | 0.5700% | 11.00 | (523) | | (8,856) |
| March | Year 2019 | 8,333 | 0.5700% | 10.00 | (475) | | (8,808) |
| April | Year 2019 | 8,333 | 0.5700% | 9.00 | (428) | | (8,761) |
| May | Year 2019 | 8,333 | 0.5700% | 8.00 | (380) | | (8,713) |
| June | Year 2019 | 8,333 | 0.5700% | 7.00 | (333) | | (8,666) |
| July | Year 2019 | 8,333 | 0.5700% | 6.00 | (285) | | (8,618) |
| August | Year 2019 | 8,333 | 0.5700% | 5.00 | (238) | | (8,571) |
| September | Year 2019 | 8,333 | 0.5700% | 4.00 | (190) | | (8,523) |
| October | Year 2019 | 8,333 | 0.5700% | 3.00 | (143) | | (8,476) |
| November | Year 2019 | 8,333 | 0.5700% | 2.00 | (95) | | (8,428) |
| December | Year 2019 | 8,333 | 0.5700% | 1.00 | (48) | | (8,381) |
| | | | | | (3,705) | | **(103,705)** |
| | | | | | **Annual** | | |
| January through December | Year 2020 | (103,705) | 0.5700% | 12.00 | (7,093) | | **(110,798)** |
| **Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months** | | | | | **Monthly** | | |
| January | Year 2021 | **110,798** | 0.5700% | | (632) | (9,579) | (101,851) |
| February | Year 2021 | 101,851 | 0.5700% | | (581) | (9,579) | (92,853) |
| March | Year 2021 | 92,853 | 0.5700% | | (529) | (9,579) | (83,803) |
| April | Year 2021 | 83,803 | 0.5700% | | (478) | (9,579) | (74,702) |
| May | Year 2021 | 74,702 | 0.5700% | | (426) | (9,579) | (65,549) |
| June | Year 2021 | 65,549 | 0.5700% | | (374) | (9,579) | (56,344) |
| July | Year 2021 | 56,344 | 0.5700% | | (321) | (9,579) | (47,086) |
| August | Year 2021 | 47,086 | 0.5700% | | (268) | (9,579) | (37,776) |
| September | Year 2021 | 37,776 | 0.5700% | | (215) | (9,579) | (28,412) |
| October | Year 2021 | 28,412 | 0.5700% | | (162) | (9,579) | (18,995) |
| November | Year 2021 | 18,995 | 0.5700% | | (108) | (9,579) | (9,525) |
| December | Year 2021 | 9,525 | 0.5700% | | (54) | (9,579) | - |
| | | | | | (4,148) | | |
| Total Amount of True-Up Adjustment for 2019 ATRR | | (Sum lines 230 - 241, column f) | | | | $ (114,946) | |
| Less Over (Under) Recovery | | (Line 5, Column f) | | | | $ 100,000 | |
| Total Interest | | (Line 244 + line 245) | | | | $ (14,946) | |

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 1-2 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 3-6
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 12
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) | - | |
| 2 | Net Transmission Plant - Total | Attach H, p 2, line 16 col 5 plus line 27 & 29 col 5 | - | |
| | O&M EXPENSE | | | |
| 3 | Total O&M Allocated to Transmission | Attach H, p 3, line 14 col 5 | - | |
| 4 | Annual Allocation Factor for O&M | (line 3 divided by line 1 col 3) | - | - |
| | 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** | | **-** |
| | INCOME TAXES | | | |
| 12 | Total Income Taxes | Attach H, p 3, line 44 col 5 | - | |
| 13 | Annual Allocation Factor for Income Taxes | (line 12 divided by line 2 col 3) | - | - |
| | RETURN | | | |
| 14 | Return on Rate Base | Attach H, p 3, line 46 col 5 | - | |
| 15 | Annual Allocation Factor for Return on Rate Base | (line 14 divided by line 2 col 3) | - | - |
| **16** | **Annual Allocation Factor for Return** | **Sum of line 13 and 15** | **-** | **-** |

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) | (Note D) | (Page 1 line 16) | (Col. 5 * Col. 6) | (Note E ) | (Sum Col. 4, 7 & 8) | | (Sum Col. 9 & 10) |
| 15a | | - | - | - | - | - | - | - | - | - | - |
| 15b | | - | - | - | - | - | - | - | - | - | - |
| 15c | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| … | | - | - | - | - | - | - | - | - | - | - |
| 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 |
| I | If a portion of the projects revenue requirement is assessed to more than one customer, the project will be entered in a row for each customer seperately, such that the total of the revenue requirements for each customer equals the revenue requirement for that project. |

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. 4, 7 & 8)** | **Use % (Note A)** | **Total Annual Revenue Requiremen t (Col. 9** |
| a | Example 1 | - | - | - | - | - | - | - | - | - | - |
| b | | | - | - | - | - | - | - | - | - | - |
| c | | | - | - | - | - | - | - | - | - | - |
| d | | | - | - | - | - | - | - | - | - | - |
| … | | | - | - | - | - | - | - | - | - | - |
| z | Total | | | | | | | | | | - |

Note A 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

| Line No. | (1) | (2) Source | (3) Company Total | (4) Allocator The allocators are shown on Pages 4 and 6 | (DA equals 1) | (5) Distribution (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 | - | NA | | - |
| 3 | Distribution | (Page 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) | - | GP= | - | - |
| 7 | ACCUMULATED DEPRECIATION | | | | | |
| 8 | Production | Attachment H, Page 2, Line 8 | - | NA | | - |
| 9 | Transmission | Attachment H, Page 2, Line 9 | - | 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) | - | | | - |
| 14 | NET PLANT IN SERVICE | | | | | |
| 15 | Production | (line 1 - line 8) | - | | | - |
| 16 | Transmission | (Line 2 minus Line 9) | - | | | - |
| 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) | - | 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 | - | DA | 1.00000 | - |
| 24 | Account No. 283 (enter negative) | Attachment H, Page 2, Line 24 | - | DA | 1.00000 | - |
| 25 | Account No. 190 | Attachment H, Page 2, Line 25 | - | DA | 1.00000 | - |
| 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) | - | | | - |
| 31 | DISTRIBUTION LAND HELD FOR FUTURE USE | (Page 6, Line 33, Col. (d) | | DA | 1.00 | - |
| 32 | WORKING CAPITAL | | | | | |
| 33 | CWC | 1/8*(Page 5, Line 8) | - | | | - |
| 34 | Distribution Materials & Supplies | (Page 6, Line 33, Col. (e) | - | DA | 1.00 | - |
| 35 | Prepayments (Account 165) | Attachment H, Page 2, Line 35 | - | GP | - | - |
| 36 | TOTAL WORKING CAPITAL | (Sum of Lines 33 through 35) | - | | | - |
| 37 | RATE BASE | (Sum of Lines 20, 30, 31 & 36) | - | | | - |

Formula Rate - Non-Levelized

Attachment 11
Wholesale Distribution Service
South Central MCN LLC

| Line No. | (1) | (2) Source | (3) Company Total | (4) Allocator | | (5) Distribution (Col 3 times Col 4) |
|---|---|---|---|---|---|---|
| | O&M | | | | | |
| 1 | Distribution | 322.156.b | | DA | 1.00 | - |
| 2 | A&G | Attachment H, Page 3, Line 4 | - | 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) | - | | | - |
| 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)} | Attachment H, Page 3, Line 32 | 0.3879 | | | |
| 26 | CIT=(T/1-T) * (1-(WCLTD/R)) = | Attachment H, Page 3, Line 33 | - | | | |
| 27 | FIT & SIT & P | Attachment H, Page 3, Line 34 | | | | |
| 28 | % Ownership that has Actual or Potential Income Tax Liabili | Attachment H, Page 4, Line 34 | 0.6682 | | | |
| 29 | 1 / (1 - T) = (T from line 25) | | - | | | |
| 30 | Amortized Investment Tax Credit | Attachment H, Page 3, Line 37 | - | | | |
| 31 | (Excess)/Deficient 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 28 times Line 39) | - | NA | | - |
| 34 | ITC adjustment | (Line 29 times Line 30) | - | NP | - | - |
| 35 | (Excess)/Deficient 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) | - | | | - |
| 38 | RETURN | | | | | |
| 39 | Rate Base times Return | (Page 4, Line 37 times Page 6, Line 17, Col. | - | NA | | - |
| 40 | REV. REQUIREMENT | (Sum of Lines 8, 13, 23, 37 & 39) | - | | | - |

Formula Rate - Non-Levelized

Attachment 11
Wholesale Distribution Service
South Central MCN LLC

| Line No. | (1) | (2) | (3) | | (4) | | (5) | | |
|---|---|---|---|---|---|---|---|---|---|
| | | **SUPPORTING CALCULATIONS AND NOTES** | | | | | | | |
| 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 | - | - | - | | | | |
| 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) | - | | - | = | - | = | 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 | - | - | - | | - | =WCLTD | |
| 15 | Preferred Stock (112.3.c) | Attachment H, Page 4, Line 21 | - | - | - | | - | | |
| 16 | Common Stock | Attachment H, Page 4, Line 22 | - | - | 9.80% | | - | | |
| 17 | Total | (Sum of Lines 14 through 16) | - | | | | - | =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) |
|---|---|---|---|---|---|
| | | 207.75.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 balance and a prorated end of year balance as required by Section 1.167(l)-1(h)(6)(ii) of the IRS regulations for purposes of rate projections. An annual true-up is calculated based on an average of the actual beginning of the year and end of the year balances.

Attachment 12

Wholesale Distribution
Project True-Up
#REF!

| | | | Revenue Requirement Projected | | 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 | | | - | - | - | - | - | - | - | - |
| 3a | | | - | - | - | - | - | - | - | - |
| 3b | | | - | - | - | - | - | - | - | - |
| 3c | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| | | | - | - | - | - | - | - | - | - |
| 4 | Total Annual Revenue Requirements (Note A) | | - | - | - | - | - | - | - | - |

| | |
|---|---|
| Monthly Interest Rate | - |
| Interest Income (Expense) | - |

Notes:
1) From Attachment 11, page 2, line 15, col. 11 and Attachment 11a, page 3, col. 11 for the projection for the Rate Year.
2) From Attachment 11, page 2, line 15, col. 11 and Attachment 11a, page 3, col. 11 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 for Wholesale Distribution service. 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 11 or 11a, 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 11 and 11a and any Wholesale Distribution service 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.