BEFORE THE NEW MEXICO PUBLIC REGULATION COMMISSION

IN THE MATTER OF SOUTHWESTERN PUBLIC SERVICE COMPANY'S APPLICATION REQUESTING: (1) ISSUANCE OF A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY AUTHORIZING CONSTRUCTION AND OPERATION OF WIND GENERATION AND ASSOCIATED FACILITIES, AND RELATED RATEMAKING PRINCIPALS INCLUDING AN ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION FOR THE WIND GENERATION AND ASSOCIATED FACILITIES; AND (2) APPROVAL OF A PURCHASED POWER AGREEMENT TO OBTAIN WIND-GENERATED ENERGY.	)	**CASE NO. 17-00044-UT**
SOUTHWESTERN PUBLIC SERVICE COMPANY,	)	
APPLICANT.	)	

DIRECT TESTIMONY

of

ARTHUR P. FREITAS

on behalf of

SOUTHWESTERN PUBLIC SERVICE COMPANY

TABLE OF CONTENTS

GLOSSARY OF ACRONYMS AND DEFINED TERMS iii
LIST OF ATTACHMENTS v
I. WITNESS IDENTIFICATION AND QUALIFICATIONS 1
II. TESTIMONY SUMMARY AND RECOMMENDATIONS 5
III. OVERVIEW OF PROCESS TO CALCULATE NET ECONOMIC BENEFITS 10
IV. DETERMINATION OF REVENUE REQUIREMENT FOR EACH WIND FACILITY AND BONITA PPA 12
A. ELEMENTS OF THE TOTAL REVENUE REQUIREMENT CALCULATIONS 12
B. JURISDICTIONAL ALLOCATION OF ECONOMIC BENEFITS 22
C. NEW MEXICO RETAIL JURISDICTIONAL REVENUE REQUIREMENT 22
D. NEW MEXICO RETAIL JURISDICTIONAL NET SAVINGS 26
V. DETERMINATION OF NEW MEXICO RETAIL REVENUE REQUIREMENT TO CALCULATE COST RECONCILIATION MECHANISM 28
VI. ACCCOUNTING FOR UNUSED FEDERAL PTCs 30
VERIFICATION 34

GLOSSARY OF ACRONYMS AND DEFINED TERMS

Acronym/Defined Term	Meaning
ADIT	Accumulated Deferred Income Taxes
AFUDC	Allowance for Funds Used During Construction
Bonita	Bonita Wind Energy, LLC
Commission	New Mexico Public Regulation Commission
Cost Reconciliation Mechanism	Mechanism to Compare the Revenue Requirement for each of the SPS Wind Facilities to the Revenues Attributable to the Facility During the Period of Time Between Commercial Operation and Inclusion in Rate Base
FERC	Federal Energy Regulatory Commission
Hale	478 MW wind-generating facility located in Hale County, Texas
MW	Megawatt
MWh	Megawatt-hour
NOL	Net Operating Loss
OATT	Open Access Transmission Tariff
PPA	Power Purchase Agreement
PTC	Production Tax Credits
PUCT	Public Utility Commission of Texas

Acronym/Defined Term	Meaning
ROE	Return on Equity
Sagamore	522 MW wind-generating facility located in Roosevelt County, New Mexico
SPS	Southwestern Public Service Company, a New Mexico corporation
SPS Wind Facilities	Sagamore and Hale Projects
TSG	Transmission-Serving Generation
WACC	Weighted Average Cost of Capital
Xcel Energy	Xcel Energy Inc.
XES	Xcel Energy Services Inc.

LIST OF ATTACHMENTS

Attachment	**Description**
APF-1.1	Overall Revenue Requirement for Hale (*Filename*: APF-1.1.xlsx)
APF-1.2	Overall Revenue Requirement for Sagamore (*Filename*: APF-1.2.xlsx)
APF-2.1	Texas Retail Jurisdictional Revenue Requirement for Hale (*Filenames*: APF-2.1.xlsx)
APF-2.2	Texas Retail Jurisdictional Revenue Requirement for Sagamore (*Filenames*: APF-2.2.xlsx)
APF-3	Texas Retail Jurisdictional Net Savings (*Filename:* APF-3.xlsx)
APF-4(CD)	Workpapers

Case No. 17-00044-UT
Direct Testimony
of
Arthur P. Freitas

I. WITNESS IDENTIFICATION AND QUALIFICATIONS

Q. Please state your name and business address.

A. My name is Arthur P. Freitas. My business address is 1800 Larimer St., Suite 1400, Denver, Colorado 80202.

Q. On whose behalf are you testifying in this proceeding?

A. I am filing testimony on behalf of Southwestern Public Service Company, a New Mexico corporation ("SPS") and wholly-owned electric utility subsidiary of Xcel Energy Inc. ("Xcel Energy"). Xcel Energy is a registered holding company that owns several electric and natural gas utility operating companies, a regulated natural gas pipeline company, and three electric transmission companies.

Q. By whom are you employed and in what position?

A. I am employed by Xcel Energy Services Inc. ("XES"), the service company subsidiary of Xcel Energy, as Manager of Revenue Analysis.

Q. Please briefly outline your responsibilities as Manager of Revenue Analysis.

A. I provide project supervision and technical expertise for jurisdictional cost of service studies, revenue requirement determinations, and related projects for the Operating Companies.

Q. Please describe your educational background.

A. I graduated from Marquette University with a Bachelor's degree in Business Administration in 1994.

Q. Please describe your professional experience.

A. I worked for Boston Gas Company from 1998 through 2000 as a rate analyst. In 2000, I began working for a consulting group, La Capra Associates. While at La Capra Associates, I gained a broad range of experience and expertise that encompassed utility functions from system planning through retail ratemaking. I performed analyses on a range of topics that included retail cost allocation and rate design, electricity market design and analysis, power market forecasting, and integrated resource planning. In 2011, I joined XES as Principal Rate Analyst and assumed my current role in July 2015.

I have significant experience involving the regulatory process. I have participated in the regulatory process on behalf of both regulated utilities and other interested stakeholders in multiple states. The issues explored include cost allocation and retail rate design, integrated resource planning, resource acquisition, transmission system expansion, and renewable energy policy. Over the course of my involvement in numerous regulatory proceedings, I have drafted

and reviewed pre-filed testimony, developed and responded to discovery, and conducted analyses on issues relevant to the proceeding to support the testimony of expert witnesses.

Q. Have you testified before any regulatory authorities?

A. Yes. I have submitted pre-filed testimony to the New Mexico Public Regulation Commission ("Commission") on SPS's cost of service and on transmission costs arising under the Federal Energy Regulatory Commission ("FERC") approved Open Access Transmission Tariffs ("OATTs"). I have testified before the Public Utility Commission of Texas ("PUCT") in Docket No. 43695, a rate case filed in late 2014, regarding expenses incurred and revenues received from the Southwest Power Pool and other utilities under the applicable OATT. I have also submitted pre-filed testimony to the PUCT on behalf of SPS in Docket Nos. 45524 and 43695 on SPS's cost of service, and I submitted pre-filed testimony to the PUCT on behalf of SPS in Docket Nos. 42042 and 42004 regarding transmission-related costs incurred under FERC-approved tariffs. I also testified before the Massachusetts Department of Public Utilities on behalf of Blackstone Gas Company. Additionally, I have submitted pre-filed testimony to the New

Hampshire Public Utilities Commission on behalf of the Office of Consumer Advocate.

II. TESTIMONY SUMMARY AND RECOMMENDATIONS

Q. What issues do you address in your testimony?

A. As explained in more detail by other SPS witnesses, SPS is planning to develop, own, and operate two wind generating facilities:

- a 522 megawatt ("MW") wind-generating facility located in Roosevelt County, New Mexico ("Sagamore"), which is scheduled to begin commercial operation in 2020; and
- a 478 MW wind-generating facility located in Hale County, Texas ("Hale"), which is scheduled to begin commercial operation in 2019.[1]

SPS is also planning to enter into a Power Purchase Agreement ("PPA") to purchase 230 MW of wind energy from Bonita Wind Energy, LLC ("Bonita").

My testimony addresses several issues related to SPS's request for approvals associated with the SPS Wind Facilities. First, I calculate a projected annual revenue requirement for each of the SPS Wind Facilities using weighted-average elements of cost that reflect rulings from all three of SPS's regulatory jurisdictions (New Mexico retail, Texas retail, and wholesale).[2] I provide those annual total company revenue requirements to SPS witness Jonathan Adelman,

[1] In this testimony, I refer to Sagamore and Hale collectively as the "SPS Wind Facilities."

[2] The overall revenue requirement for Hale is Attachment APF-1.1. The overall revenue requirement for Sagamore is Attachment APF-1.2.

who uses the SPS Wind Facilities' annual revenue requirements to calculate the long-term economic benefits that result from SPS's development and ownership of the SPS Wind Facilities and its agreement to enter into the Bonita PPA. After being provided with the total company benefits by Mr. Adelman, I allocate them to SPS's three jurisdictions using an energy allocator.

Next, I calculate a New Mexico-specific revenue requirement for each of the SPS Wind Facilities using Commission-approved elements of costs, such as depreciation rates and return on equity ("ROE").[3] After allocating the New Mexico-specific revenue requirements among jurisdictions using an energy allocator, I compare the New Mexico retail jurisdictional share of the New Mexico-specific revenue requirement to the New Mexico retail portion of the savings resulting from the SPS Wind Facilities and the Bonita PPA. The difference, which is $638 million, represents the net economic benefit produced by the SPS Wind Facilities and the Bonita PPA for the New Mexico retail jurisdiction.[4]

[3] The New Mexico-specific revenue requirement for Sagamore is Attachment APF-2.1. The New Mexico-specific revenue requirement for Hale is Attachment APF-2.2.

[4] The net economic benefit on a New Mexico retail jurisdictional basis is reflected in Attachment APF-3.

Second, separate and apart from the calculations related to the net economic benefits, I describe a revenue requirement calculation that SPS proposes to perform during the period between the date the SPS Wind Facilities begin commercial operation and the date they are included in rate base. As explained in more detail in the testimony of SPS witness Evan D. Evans, SPS is proposing to implement a "Cost Reconciliation Mechanism" that compares the revenue requirement for each of the SPS Wind Facilities to the revenues attributable to that facility during the period of time between commercial operation and inclusion in rate base. I describe the elements of cost that SPS proposes to use to calculate the jurisdictional revenue requirement for each facility as a stand-alone asset.

The third element of my testimony relates to the treatment of the federal Production Tax Credits ("PTC") that SPS will receive because of its ownership of the SPS Wind Facilities. Because of the availability of bonus depreciation, SPS is likely to be in a Net Operating Loss ("NOL") position for at least the next five years, and therefore SPS will not be able to use the PTCs attributable to the SPS Wind Facilities to reduce its income tax liability. Consequently, SPS proposes to accrue the unused PTCs in a deferred tax asset. As explained in more detail by

Mr. Evans, SPS proposes to include that deferred tax asset in the rate base that will be part of the revenue requirement in the Cost Reconciliation Mechanism. SPS also proposes to include the deferred tax asset attributable to unused PTCs in its New Mexico retail rate base for the period from 2019 to 2025. After 2025, SPS will remove the deferred tax asset attributable to unused PTCs from rate base.

Q. Is SPS asking the Commission to approve the specific methodologies that you and Mr. Adelman used to calculate the net economic benefits for SPS customers?

A. No. Although SPS believes that the methodologies are reasonable and that they demonstrate the SPS Wind Facilities and Bonita PPA provide significant benefits for customers, SPS is not asking the Commission to approve the methodologies themselves.

Q. Are you making any recommendations in your testimony?

A. Yes. I recommend that the Commission approve SPS's proposed elements of cost to calculate the revenue requirement for each of the SPS Wind Facilities between the time it begins commercial operation and the time it is included in rate base. Although the exact numbers to be used in the calculation are not known at this

time, the methodology is reasonable and consistent with standard ratemaking practice, and it should be approved.

I also recommend that the Commission approve SPS's proposal to create a deferred tax asset to reflect the PTCs that SPS is unable to use because of NOLs. I further recommend that the Commission allows SPS to include that deferred tax asset in the revenue requirement calculated for the Cost Reconciliation Mechanism, and, after the SPS Wind Facilities are placed in rate base, to include the deferred tax asset attributable to unused PTCs in rate base. SPS does not seek to include the deferred tax asset attributable to unused PTCs in rate base after 2025.

Q. Were Attachments APF-1 through APF-4(CD) prepared by you or under your direct supervision and control?

A. Yes.

III. OVERVIEW OF PROCESS TO CALCULATE NET ECONOMIC BENEFITS

Q. What topics do you discuss in this section of your testimony?

A. I describe the four-step process that SPS uses to calculate the New Mexico retail jurisdiction's share of the long-term economic benefit resulting from the SPS Wind Facilities and the Bonita PPA.

Q. What is the first step in calculating the New Mexico retail jurisdictional share of the long-term economic benefits?

A. The first step is to calculate a total company annual revenue requirement for each of the SPS Wind Facilities and the Bonita PPA. I provide those total company annual revenue requirements to Mr. Adelman, who uses a Strategist model to compare: (1) the long-term costs and benefits *with* the SPS Wind Facilities and the Bonita PPA included in SPS's generation portfolio; and (2) the long-term costs and benefits *without* the SPS Wind Facilities and Bonita PPA included in SPS's generation portfolio. The difference represents the total company economic benefit resulting from SPS's ownership of the SPS Wind Facilities and its entry into the Bonita PPA.

Q. What is the second step in the analysis?

A. The second step is to allocate the total company economic benefits among SPS's three jurisdictions to arrive at the New Mexico retail jurisdiction's share of the economic benefits.

Q. What is the third step in the analysis?

A. The third step is the calculation of the New Mexico retail jurisdictional costs associated with the SPS Wind Facilities and the Bonita PPA. As I will explain later in my testimony, I performed that calculation using New Mexico-specific elements of costs, such as the current Commission-approved rates for depreciation, capital structure, etc.

Q. What is the final step in the analysis?

A. The final step is the comparison of the New Mexico retail jurisdictional share of the economic benefits to the New Mexico retail jurisdictional costs attributable to the SPS Wind Facilities and the Bonita PPA. The difference between those two amounts is the net economic benefit for the New Mexico retail jurisdiction.

IV. DETERMINATION OF REVENUE REQUIREMENT FOR EACH WIND FACILITY AND BONITA PPA

Q. What topic do you discuss in this section of your testimony?

A. In this section of my testimony, I provide an overview of the process for determining the total company annual revenue requirements for Sagamore and Hale, and for the Bonita PPA. As explained in the previous section of my testimony, I provided those annual revenue requirements to Mr. Adelman for his calculation of the economic benefit, which I then allocated among jurisdictions. Finally, I describe the results of my revenue requirement analyses for the New Mexico retail jurisdictional revenue requirement.

A. Elements of the Total Revenue Requirement Calculations

Q. Are the elements of costs for the two SPS Wind Facilities the same?

A. Yes. Although I have calculated the forecasted revenue requirements for each project separately, the inputs used in the calculations are the same. In the following subsections, I address the significant inputs into the total company revenue requirement calculations.

1. Plant & Plant Related Items

Q. What capital assets are included in the SPS Wind Facilities for purposes of calculating the revenue requirement for each project?

A. For purposes of the overall revenue requirements determinations, the capital assets include the production-related assets associated with the SPS Wind Facilities. The plant-in-service balance also includes certain Transmission-Serving Generation ("TSG") assets. For purposes of the revenue requirement studies, the TSG assets are classified as generation-related assets, consistent with how SPS has treated these types of assets in base rate case proceedings before this Commission.

Q. What method of determining rate base have you used?

A. I calculated rate base using a 13-month average balance methodology.

Q. Why did you use a thirteen-month average?

A. Because the years used in the revenue requirement analysis are future years, a 13-month average better represents the rate base balance for those years than a year-end rate base would. This methodology is consistent with the way in which SPS filed Case No. 16-00296-UT which is a forecasted test year rate case. As discussed later in my testimony, for purposes of calculating the revenue

requirement for the Cost Reconciliation Mechanism, SPS will use a historical test year and a period-ending rate base balance.

Q. What plant and plant-related items are included in the revenue requirementstudies?

A. The plant and plant-related items used in the revenue requirement studies are composed of: (1) capital construction costs, (2) depreciation and accumulated reserve for depreciation, and (3) accumulated deferred income taxes ("ADIT").

Q. Please describe the basis for capital construction costs included in the revenue requirements calculations.

A. The projected capital expenditures and forecasted in-service dates used to develop the plant-related information included in the SPS Wind Facilities' forecasted revenue requirements are based on information sponsored by SPS witness Riley Hill. The plant-in-service balances used in the development of the revenue requirement calculations include Allowance for Funds Used During Construction ("AFUDC"). For this calculation, SPS used an AFUDC rate that was calculated in accordance with the FERC's AFUDC formula, which requires that the utility

use the ROE of the primary jurisdiction.[5] SPS's primary jurisdiction for purposes of this calculation is the Texas retail jurisdiction.

Q. Please explain how SPS calculated the depreciation expense used in the total company revenue requirements calculation.

A. As Mr. Evans explains in his testimony, SPS currently has approved depreciation rates for the FERC accounts in which the TSG assets are recorded. Therefore, I have used the weighted average of those rates as the blended depreciation rates for the TSG assets. SPS does not have approved depreciation rates for the wind production assets, but Mr. Evans explains that SPS is proposing to use a 25-year service life for the assets and a blended net salvage value from the three jurisdictions. I incorporated a depreciation rate that is a "blended" rate based on SPS's three jurisdictions. The blended depreciation rate uses a 4.34% for New Mexico and FERC and a 4.08% for Texas.

Q. Please describe how ADIT arises.

A. To account for income taxes, SPS uses the tax normalization method, which refers to the practice of recording deferred taxes on all book and tax timing differences.

[5] The formula appears in the FERC Uniform System of Accounts, Electric Plant Instruction No. 17.

Timing differences are transactions that affect book income and taxable income in different periods. This issue arises because taxes are not always required to be paid by a utility at the same time the tax obligation is incurred. In contrast, "flow-through" is the accounting method which, for ratemaking purposes, provides for income tax expense currently payable to be included as cost of service income tax expense for the period, and deferred income taxes are not recorded.

The classic example of a timing difference is related to depreciation expense, which is recorded on a straight-line basis for financial reporting purposes. For tax purposes, however, depreciation is accelerated, which reduces current taxes by the value of the accelerated depreciation deduction multiplied by the tax rate. The difference between the accelerated deduction used for tax purposes and the straight-line depreciation used for financial reporting is multiplied by the tax rate, which results in recorded ADIT and a deferred tax liability. The ADIT balance is applied as a reduction to rate base, which gives customers credit and a reduction to the revenue requirement. The reduction in the revenue requirement reflects SPS's use of taxes that have been collected from customers but that are not due and payable in SPS's current taxes.

Q. How did SPS calculate the total company ADIT balance?

A. SPS calculated the ADIT balance included in the total company annual revenue requirement calculation by using a weighted average of the tax rates applicable to SPS. SPS also included a deferred tax asset associated with unused PTCs. I discuss that deferred tax asset later in my testimony.

2. Cost of Capital

Q. What items are included as cost of capital inputs in the total company annual revenue requirement calculation?

A. The cost of capital inputs used in the total company annual revenue requirement calculation are: (1) ROE, (2) capital structure, and (3) and cost of debt.

Q. What ROE is used for purposes of calculating the weighted average cost of capital ("WACC")?

A. For purposes of calculating the WACC, the overall revenue requirement calculations assumed an ROE of 9.79%. That ROE is a "blended" rate that is based on SPS's most recent ROEs from its three jurisdictions. The New Mexico component of the ROE is 10.1%, which is what SPS has proposed in its currently pending rate case in New Mexico, Case No. 16-00296-UT. The blended ROE uses a 9.6% ROE for Texas, which is SPS's current ROE for AFUDC purposes

from the settlement of Docket No. 45524. The wholesale component of the ROE is 10.0%, which is the currently approved ROE in SPS's FERC production formula rate.

Q. What capital structure is SPS assuming for determining the revenue requirements for the SPS Wind Facilities?

A. The capital structure used in each project's revenue requirement study is 53.97% equity and 46.03% debt, which, as explained by SPS witness Mary P. Schell, is equal to SPS's target regulated capital structure.

Q. What cost of long-term debt is SPS assuming for purposes of calculating the WACC used in the revenue requirement studies?

A. The cost of debt used to calculate the WACC is 4.25%.

Q. Is that SPS's embedded cost of long-term debt?

A. No. As explained in the testimony of Ms. Schell, SPS expects that most of the debt that it issues to construct the SPS Wind Facilities will be incremental to the currently outstanding debt. Therefore, I used the incremental debt rate instead of the embedded cost of debt to calculate the SPS Wind Facilities' revenue requirements.

3. Income Taxes

Q. Please explain what is included for income taxes in the total revenue requirement calculation.

A. The income tax expense used in the total company annual revenue requirement calculation is based on a weighted average of the tax rates applicable to SPS. The income tax expense is calculated using the same income tax methodology that is used in a revenue requirement calculation for a base rate case. As noted below, SPS expects to be in an NOL position at the time the SPS Wind Facilities go into service, mainly due to the availability of bonus depreciation at that time and the forecasted balance of SPS's ADIT asset. Therefore, I did not include any PTCs in current federal income tax expense through 2022.

4. Property Taxes

Q. Does the total company revenue requirement calculation include any taxes other than income taxes?

A. Yes. The calculation includes forecasted property taxes based on current tax rates and forecasted plant balances.

5. O&M

Q. What do the O&M cost estimates used in the total company annual revenue requirement calculation include?

A. The estimates include the O&M related to the SPS Wind Facilities, property insurance costs, and land lease payments.

Q. What is the source for amounts included in the revenue requirement studies for total O&M expenses?

A. The O&M expenses included in the SPS Wind Facilities' revenue requirements are based on the data presented by SPS witness William P. Zawacki.

6. Internal Revenue Code Section 199 Domestic Production Tax Deduction

Q. Please explain the Internal Revenue Code Section 199 domestic production tax deduction.

A. Internal Revenue Code Section 199 provides businesses with certain qualified production activities with a tax deduction. Production from the SPS Wind Facilities will qualify for this deduction, but because of SPS's expected NOL position through 2025, the Section 199 deduction is not included in the SPS Wind Facilities' annual revenue requirement amounts.

7. Bonita PPA

Q. Did SPS also use the elements of costs that you have just described to calculate the Bonita PPA expense?

A. No. SPS calculated the Bonita PPA expense by multiplying the cost per megawatt-hour ("MWh") by the expected output of the Bonita facilities. I received the MWh cost from SPS Witness Tim Kawakami, and I received the expected output from Mr. Adelman.

8. Total Company Revenue Requirements

Q. Have you provided an attachment showing the total company revenue requirements for the SPS Wind Facilities?

A. Yes. Attachment APF-1 provides those revenue requirements. Within that attachment, the file labeled "APF-1.1" contains the Sagamore revenue requirement, and the file labeled "APF-1.2" contains the Hale revenue requirement. I provided these revenue requirements to Mr. Adelman for his analysis of the economic benefits associated with the SPS Wind Facilities and the Bonita PPA.

B. Jurisdictional Allocation of Economic Benefits

Q. You testified earlier that, after you provide Mr. Adelman with the overall revenue requirements associated with the SPS Wind Facilities and the PPA, he calculates the economic benefits and provides those numbers to you. What is the next step?

A. After I receive the total company economic benefits that result from the SPS Wind Facilities and the Bonita PPA, the next step is to allocate the benefits among the three jurisdictions so that it is possible to compare the New Mexico retail portion of the benefits attributable to the SPS Wind Facilities and the Bonita PPA with the New Mexico retail portion of the costs attributable to the SPS Wind Facilities and the Bonita PPA.

Q. What allocator did you use to allocate the benefits to the New Mexico retail jurisdiction?

A. I used an energy allocator for the reasons discussed by Mr. Evans.

C. New Mexico Retail Jurisdictional Revenue Requirement

Q. What do you explain in this subsection of your testimony?

A. As I explained in Section III of my testimony, after I allocate the economic benefit attributable to the SPS Wind Facilities and the Bonita PPA to the New

Mexico retail jurisdiction, it is necessary to calculate a New Mexico retail jurisdictional revenue requirement for each of the SPS Wind Facilities and the Bonita PPA. That allows the Commission to make an apples-to-apples comparison of the New Mexico retail jurisdictional costs and benefits associated with the SPS Wind Facilities and the Bonita PPA.

Q. How did you calculate the New Mexico retail jurisdictional revenue requirement?

A. I used the same methodology I described above for the overall revenue requirement, and I used the same inputs with the exception of the following inputs:

- ROE;
- Depreciation Rate; and
- Income Tax Rate.

Q. Why did you use different inputs for the cost elements listed above?

A. I used different inputs for the above items in order to reflect New Mexico-specific ratemaking principles.

Q. Please describe the ROE used in the New Mexico retail jurisdictional revenue requirement.

A. The ROE I used in the calculation of the New Mexico retail jurisdictional revenue requirement is 10.1%, which is SPS's proposed ROE in its currently pending rate case in New Mexico, Case No. 16-00296-UT.[6]

Q. Please describe the depreciation rate used in the New Mexico retail jurisdictional revenue requirement.

A. The depreciation rate used in the New Mexico retail jurisdictional revenue requirement is 4.34%, as described by Mr. Evans.

Q. Please describe the income tax rate used in the New Mexico retail jurisdictional revenue requirement.

A. The tax rate used is the combined federal and New Mexico income tax rate of 38.84% which is consistent with the tax rate used in revenue requirement calculations for New Mexico retail base rate cases. The combined tax rate is based on a 35% federal tax rate and a 5.9% New Mexico state tax rate. The 38.84% tax

[6] The 10.1% ROE was also used for the total company revenue requirement, but in that calculation it was averaged with other ROEs to create a blended 9.79% ROE. For the New Mexico retail calculation, the 10.1% ROE is used without being blended with other ROEs.

rate affects the ADIT, current tax expense, and deferred tax expense included in the revenue requirement calculation.

Q. Did you perform any other calculations to derive the New Mexico retail jurisdictional revenue requirement?

A. Yes. After calculating the total company revenue requirement using New Mexico-specific ratemaking principles, I allocated the overall revenue requirement to the New Mexico retail jurisdiction.

Q. What jurisdictional allocation factor did SPS use in the revenue requirement studies in this case?

A. As discussed by SPS witness Mr. Evans, the SPS model allocates the rate base and the costs of the SPS Wind Facilities to each jurisdiction using an energy allocator. This allocation methodology is consistent with SPS's intention to treat its investment in the SPS Wind Facilities as an economic investment on behalf of its customers.

Q. Have you prepared an attachment showing the New Mexico retail jurisdictional revenue requirement for the SPS Wind Facilities?

A. Yes. Attachment APF-2 presents the annual New Mexico retail jurisdictional revenue requirement. Within that attachment, the file labeled "APF-2.1" contains

the revenue requirement for Sagamore, and the file labeled "APF-2.2" contains the revenue requirement for Hale.

D. New Mexico Retail Jurisdictional Net Savings

Q. Please describe how you calculated the New Mexico retail jurisdictional net savings.

A. Using the overall savings from the SPS Wind Facilities as calculated by Mr. Adelman, I calculated New Mexico retail customers' share by multiplying the overall total savings by the energy allocation factor I used in the calculation of the New Mexico retail jurisdictional revenue requirement. This resulted in the New Mexico retail jurisdictional total savings. To calculate the New Mexico retail jurisdictional net savings, I compared the New Mexico retail jurisdictional total savings to the total New Mexico retail jurisdictional revenue requirement. The total New Mexico retail jurisdictional revenue requirement is the sum of the New Mexico retail jurisdictional revenue requirements for the Sagamore and Hale projects, which I present in Attachment APF-2, and the Bonita PPA New Mexico retail jurisdictional expense. Mr. Adelman also provided me with the Bonita PPA total expense, and I used the energy allocator I described earlier to calculate the New Mexico retail jurisdiction's share of the Bonita PPA expense. The

difference between the New Mexico retail jurisdictional total savings and the New Mexico retail jurisdictional total revenue requirement is the New Mexico retail jurisdictional net savings. Attachment APF-3 presents the annual New Mexico retail jurisdictional net savings as well as the total New Mexico retail jurisdictional net savings, which sum to $638 million over the lives of the SPS Wind Facilities and the Bonita PPA.

V. DETERMINATION OF NEW MEXICO RETAIL REVENUE REQUIREMENT TO CALCULATE THE COST RECONCILIATION MECHANISM

Q. What topic do you discuss in this section of your testimony?

A. In this section of my testimony I describe the process that SPS is proposing to use for determining the New Mexico retail jurisdictional revenue requirements for Sagamore during the period between the date the facilities go into commercial operation and the date they are included in rate base. That revenue requirement will be used as one part of the Cost Reconciliation Mechanism described by Mr. Evans.

Q. What revenue requirements methodologies will be used to calculate the Cost Reconciliation Mechanism before Sagamore is included in base rates?

A. SPS will use actual costs to calculate the revenue requirements used in the calculation of the Cost Reconciliation Mechanism. The particular elements of costs will be determined as follows:

- Rate base will be based on period-ending balances and will include a deferred tax asset associated with unused PTCs;
- The ROE used in the Cost Reconciliation Mechanism will be the most recent ROE approved by the Commission at the time the calculation is performed;
- The capital structure will be based on actual balances at the time the calculation is performed;

- The cost of debt will be the incremental debt rate associated with Sagamore and Hale;

- O&M will be based on actual costs of Sagamore after it begins commercial operation;

- The property insurance and property taxes will be allocated to Sagamore based on the ratio of the gross plant balances of Sagamore to total assets, multiplied by the actual total property insurance and property tax expenses;

- The jurisdictional allocators will be based on the actual energy sales during the historic period; and

- Income tax expense, including any NOL and associated deferred tax asset, will be calculated based on Sagamore's taxable income on a stand-alone basis and will be included in the stand-alone revenue requirements calculation.

VI. ACCCOUNTING FOR UNUSED FEDERAL PTCs

Q. What topic do you discuss in this section of your testimony?

A. In this section, I discuss SPS's proposed treatment of PTCs that cannot be used to reduce SPS's federal income tax expense in the years after the SPS Wind Facilities go into service.

Q. Why will SPS be unable to use the PTCs to reduce its federal income tax expense after the SPS Wind Facilities go into service?

A. SPS is currently in an NOL position because of large tax deductions that it is able to take as a result of "bonus" depreciation. Because the SPS Wind Facilities will also be eligible for bonus depreciation, SPS forecasts that it will remain in an NOL position until 2025.

Q. What is bonus tax depreciation?

A. Bonus federal income tax depreciation is a form of accelerated depreciation that provides an additional tax incentive for investment by increasing the amount of tax depreciation in the first year that a depreciable asset is placed in service beyond the tax depreciation that would normally be available. Bonus federal income tax depreciation increases the difference between the book depreciation and the tax depreciation, creating an increased deduction for current income taxes, which lowers federal taxable income and current income tax expense. Because

bonus tax depreciation creates a book-tax timing difference, there is an offset in deferred income tax expense (a debit), and a corresponding credit to the ADIT balance in rate base.

Q. Is SPS currently in an NOL position?

A. Yes. Bonus tax depreciation in recent years has created more tax deductions than SPS can currently use, which has placed SPS in a NOL position. As a result, a deferred tax asset has been created and included in rate base to offset the ADIT balances.

Q. Will the SPS Wind Facilities coming on line extend the expected duration of SPS's NOL position?

Yes. SPS expects to be in an NOL position at the time the SPS Wind Facilities enter service. In addition, the SPS Wind Facilities will qualify for bonus depreciation, which will increase SPS's accumulated deferred tax asset balance. SPS expects to remain in a NOL position through 2025.

Q. What effect will SPS's NOL accumulated deferred tax asset have on the PTCs associated with the SPS Wind Facilities' annual output?

A. SPS will not be able to use and benefit from the PTCs if it is in an NOL position in the year the PTCs are created, which is expected to continue for a number of years after the SPS Wind Facilities enter service. Accordingly, SPS proposes to

accrue the unused PTCs in a deferred tax asset, as it does with other tax credits and deductions that it is unable to use because of the NOL position.

Q. How does SPS propose to treat the deferred tax asset?

A. During the period between commercial operation of the SPS Wind Facilities and their inclusion in rate base, SPS proposes to include the deferred tax asset attributable to unused PTCs in the revenue requirement calculated for purposes of the Cost Reconciliation Mechanism. After the SPS Wind Facilities are placed in rate base, SPS proposes to include the deferred tax asset in its rate base for purposes of calculating base rates.

Q. Does SPS propose to include the unused PTCs in rate base indefinitely?

A. No. SPS proposes to include the deferred tax asset attributable to unused PTCs in rate base only until December 31, 2025. After that date, SPS will remove any deferred tax asset associated with unused PTCs from rate base.

Q. Is it reasonable to include the deferred tax asset attributable to unused PTCs in rate base?

A. Yes. As explained by Mr. Evans, customers will be gaining the benefit of the PTCs through a credit to eligible fuel expense, and, therefore, it is reasonable for the deferred tax asset associated with those PTCs to be included in rate base.

Q. Does this conclude your pre-filed direct testimony?

A. Yes.

VERIFICATION

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

ARTHUR P. FREITAS, first being sworn on his oath, states:

I am the witness identified in the preceding testimony. I have read the testimony and the accompanying attachments and am familiar with their contents. Based upon my personal knowledge, the facts stated in the testimony are true. In addition, in my judgment and based upon my professional experience, the opinions and conclusions stated in the testimony are true, valid, and accurate.

ARTHUR P. FREITAS

SUBSCRIBED AND SWORN TO before me this 9 day of March 2017.

AMANDA G. ALLEN
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20164011605
MY COMMISSION EXPIRES MARCH 24, 2020

Notary Public, State of Colorado
My Commission Expires: 03/24/2020

Revenue Requirement

Summary - Sagamore

	2017	2018	2019	2020	2021	2022	2023	2024
Plant	0	0	0	531,340,041	865,524,766	866,177,912	867,281,020	869,071,579
Accum Depr	0	0	0	(7,141,822)	(39,280,460)	(74,263,508)	(109,280,591)	(144,359,594)
Net Plant	0	0	0	524,198,219	826,244,306	791,914,404	758,000,429	724,711,985
ADIT	2,808	88,455	590,084	16,310,622	55,115,957	31,193,980	(52,907,636)	(126,232,270)
Rate Base	2,808	88,455	590,084	540,508,841	881,360,263	823,108,384	705,092,793	598,479,715
Income Tax Expense	85	2,677	17,860	(48,146,329)	(73,953,106)	(75,716,189)	(83,158,452)	(86,385,261)
O&M, Property Tax	19,524	492,704	2,556,622	12,904,706	21,271,078	22,043,035	22,149,623	23,111,565
Depreciation Expense	0	0	0	21,797,824	34,969,406	34,996,790	35,043,039	35,118,111
Total Operating Deductions	19,609	495,381	2,574,482	(13,443,799)	(17,712,622)	(18,676,364)	(25,965,790)	(28,155,585)
Return	203	6,404	42,722	39,132,840	63,810,483	59,593,047	51,048,718	43,329,931
Revenue Requirement	19,812	501,785	2,617,204	25,689,041	46,097,861	40,916,683	25,082,928	15,174,346

Revenue Requirement

Summary - Sagamore

	2025	2026	2027	2028	2029	2030	2031
Plant	871,080,819	873,140,341	875,499,783	878,426,149	881,679,644	885,013,910	888,428,113
Accum Depr	(179,519,996)	(214,765,029)	(250,101,762)	(285,548,526)	(321,127,151)	(356,843,144)	(392,701,343)
Net Plant	691,560,823	658,375,312	625,398,021	592,877,623	560,552,493	528,170,766	495,726,770
ADIT	(191,480,065)	(214,956,347)	(204,744,852)	(194,621,390)	(184,587,375)	(174,606,596)	(164,650,821)
Rate Base	500,080,758	443,418,965	420,653,169	398,256,233	375,965,118	353,564,170	331,075,949
Income Tax Expense	(93,233,797)	(98,819,093)	(99,508,135)	(104,056,353)	(104,731,027)	(29,292,347)	10,020,523
O&M, Property Tax	24,382,964	24,466,155	23,464,230	23,607,006	26,534,721	25,520,379	25,655,764
Depreciation Expense	35,202,351	35,288,699	35,387,622	35,510,314	35,646,721	35,786,514	35,929,659
Total Operating Deductions	(33,648,482)	(39,064,239)	(40,656,283)	(44,939,034)	(42,549,585)	32,014,547	71,605,947
Return	36,205,847	32,103,533	30,455,289	28,833,751	27,219,875	25,598,046	23,969,899
Revenue Requirement	2,557,365	(6,960,705)	(10,200,994)	(16,105,282)	(15,329,711)	57,612,593	95,575,845

Revenue Requirement

Summary - Sagamore

	2032	2033	2034	2035	2036	2037	2038
Plant	892,776,383	898,254,234	903,978,931	909,843,312	915,850,783	922,004,836	928,181,362
Accum Depr	(428,716,060)	(464,941,720)	(501,402,917)	(538,107,049)	(575,060,040)	(612,267,963)	(649,735,182)
Net Plant	464,060,323	433,312,514	402,576,014	371,736,263	340,790,743	309,736,873	278,446,180
ADIT	(154,763,223)	(145,026,312)	(135,432,756)	(125,543,606)	(114,955,392)	(104,020,285)	(93,062,378)
Rate Base	309,297,100	288,286,202	267,143,258	246,192,657	225,835,351	205,716,588	185,383,802
Income Tax Expense	9,361,352	8,725,426	8,085,502	7,451,399	6,835,255	6,226,330	5,610,927
O&M, Property Tax	25,870,771	25,151,188	27,738,536	28,115,769	26,912,223	27,201,457	28,772,312
Depreciation Expense	36,111,966	36,341,632	36,581,648	36,827,520	37,079,391	37,337,408	37,596,367
Total Operating Deductions	71,344,090	70,218,246	72,405,686	72,394,688	70,826,869	70,765,194	71,979,606
Return	22,393,110	20,871,921	19,341,172	17,824,348	16,350,479	14,893,881	13,421,787
Revenue Requirement	93,737,200	91,090,167	91,746,858	90,219,037	87,177,348	85,659,075	85,401,393

Revenue Requirement

Summary - Sagamore

	2039	2040	2041	2042	2043	2044	2045
Plant	934,308,709	940,587,326	947,017,336	952,885,528	957,157,715	960,290,342	961,682,644
Accum Depr	(687,459,981)	(725,443,912)	(763,695,191)	(802,207,913)	(840,936,200)	(879,813,800)	(918,280,320)
Net Plant	246,848,728	215,143,414	183,322,145	150,677,615	116,221,515	80,476,542	43,402,324
ADIT	(82,040,097)	(70,948,360)	(59,798,146)	(48,546,995)	(37,057,100)	(25,219,971)	(14,498,627)
Rate Base	164,808,631	144,195,054	123,523,999	102,130,620	79,164,415	55,256,571	28,903,697
Income Tax Expense	4,988,187	4,364,286	3,738,644	3,091,141	2,396,033	1,672,426	874,815
O&M, Property Tax	27,810,035	28,840,160	29,080,209	29,412,478	30,219,665	30,548,220	9,741,619
Depreciation Expense	37,853,264	38,116,503	38,386,090	38,632,121	38,811,238	38,942,578	34,088,679
Total Operating Deductions	70,651,486	71,320,949	71,204,943	71,135,741	71,426,936	71,163,224	44,705,114
Return	11,932,145	10,439,722	8,943,138	7,394,257	5,731,504	4,000,576	2,092,628
Revenue Requirement	82,583,631	81,760,671	80,148,081	78,529,998	77,158,440	75,163,799	46,797,741

Revenue Requirements - Sagamore

Total Revenue Requirement

Line No.	Description	2017 Total SPS	2017 Total Allocation	2017 Total SPS	2018 Total SPS	2018 Total Allocation	2018 Total SPS	2019 Total SPS	2019 Total Allocation	2019 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	-		-	-		-	-		-
3	Less: Electric Production Accumulated Reserve for Depreciation	-		-	-		-	-		-
4	Net Plant	-		-	-		-	-		-
5										
6	Accumulated Deferred Income Taxes	(2,808)		(2,808)	(88,455)		(88,455)	(590,084)		(590,084)
7										
8	Net Rate Base	2,808		2,808	88,455		88,455	590,084		590,084
9										
10	**Income Tax Expense**									
11	Net Rate Base			2,808			88,455			590,084
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			203			6,404			42,722
14										
15	Net Rate Base			2,808			88,455			590,084
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			55			1,734			11,566
18										
19										
20	Additions and Deductions for Taxes	15,415		15,415	454,700		454,700	2,298,741		2,298,741
21	NOL Sch M									
22	State Taxable Amount			15,563			459,370			2,329,897
23	State Income Tax Rate			2.21%			2.21%			2.21%
24	State Income Taxes			344			10,152			51,491
25										
26	Net Federal Taxable Amount			15,219			449,218			2,278,407
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			5,327			157,226			797,442
29										
30	Production Tax Credit	-		0	-		0	-		-
31	Deferred Income Taxes	(5,617)		(5,617)	(165,677)		(165,677)	(837,581)		(837,581)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			54			1,702			11,352
34	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
35	Total Income Tax Expense			85			2,677			17,860
36										
37	**Operating Expenses**									
38	O&M, Property Tax Expense	19,524		19,524	492,704		492,704	2,556,622		2,556,622
39	Depreciation Expense	-		-	-		-	-		-
40	Total Operating Deductions			19,609			495,381			2,574,482
41										
42	Return on Rate Base			203			6,404			42,722
43										
44	Revenue Requirements			19,812			501,785			2,617,204

Revenue Requirements - Sagamore

Total Revenue Requirement

Line No.	Description	2020 Total SPS	2020 Total Allocation	2020 Total SPS	2021 Total SPS	2021 Total Allocation	2021 Total SPS	2022 Total SPS	2022 Total Allocation
1	**Rate Base**								
2	Electric Plant in Service	531,340,041		531,340,041	865,524,766		865,524,766	866,177,912	
3	Less: Electric Production Accumulated Reserve for Depreciation	7,141,822		7,141,822	39,280,460		39,280,460	74,263,508	
4	Net Plant	524,198,219		524,198,219	826,244,306		826,244,306	791,914,404	
5									
6	Accumulated Deferred Income Taxes	23,323,074		(16,310,622)	87,289,999		(55,115,957)	148,657,476	
7									
8	Net Rate Base	500,875,145		540,508,841	738,954,307		881,360,263	643,256,928	
9									
10	**Income Tax Expense**								
11	Net Rate Base			540,508,841			881,360,263		
12	Rate of Return on Rate Base			7.24%			7.24%		
13	Earnings before Interest			39,132,840			63,810,483		
14									
15	Net Rate Base			540,508,841			881,360,263		
16	Cost of Debt			1.96%			1.96%		
17	Interest Expense			10,593,973			17,274,661		
18									
19									
20	Additions and Deductions for Taxes	(133,558,106)		(133,558,106)	(217,556,428)		(217,556,428)	(119,289,743)	
21	NOL Sch M			105,019,239			171,020,606		
22	State Taxable Amount			0			-		
23	State Income Tax Rate			2.21%			2.21%		
24	State Income Taxes			0			-		
25									
26	Net Federal Taxable Amount			0			-		
27	Federal Income Tax Rate			35.00%			35.00%		
28	Federal Income Taxes			0			-		
29									
30	Production Tax Credit	(41,002,056)		(41,002,056)	(63,963,207)		(63,963,207)	(63,963,207)	
31	Deferred Income Taxes	48,663,899		48,663,899	79,269,948		79,269,948	43,465,007	
32	NOL Deferred Tax Expense			(38,265,335)			(62,313,923)		
33	Total Income Taxes			(30,603,492)			(47,007,183)		
34	Tax Gross Up Factor			1.57322992			1.57322992		
35	Total Income Tax Expense			(48,146,329)			(73,953,106)		
36									
37	**Operating Expenses**								
38	O&M, Property Tax Expense	12,904,706		12,904,706	21,271,078		21,271,078	22,043,035	
39	Depreciation Expense	21,797,824		21,797,824	34,969,406		34,969,406	34,996,790	
40	Total Operating Deductions			(13,443,799)			(17,712,622)		
41									
42	Return on Rate Base			39,132,840			63,810,483		
43									
44	Revenue Requirements			25,689,041			46,097,861		

Revenue Requirements - Sagamore

Total Revenue Requirement

Line No.	Description	2022 Total SPS	2023 Total SPS	2023 Total Allocation	2023 Total SPS	2024 Total SPS	2024 Total Allocation	2024 Total SPS	2025 Total SPS
1	**Rate Base**								
2	Electric Plant in Service	866,177,912	867,281,020		867,281,020	869,071,579		869,071,579	871,080,819
3	Less: Electric Production Accumulated Reserve for Depreciation	74,263,508	109,280,591		109,280,591	144,359,594		144,359,594	179,519,996
4	Net Plant	791,914,404	758,000,429		758,000,429	724,711,985		724,711,985	691,560,823
5									
6	Accumulated Deferred Income Taxes	(31,193,980)	181,372,962		52,907,636	203,311,466		126,232,270	217,173,130
7									
8	Net Rate Base	823,108,384	576,627,467		705,092,793	521,400,519		598,479,715	474,387,693
9									
10	**Income Tax Expense**								
11	Net Rate Base	823,108,384			705,092,793			598,479,715	
12	Rate of Return on Rate Base	7.24%			7.24%			7.24%	
13	Earnings before Interest	59,593,047			51,048,718			43,329,931	
14									
15	Net Rate Base	823,108,384			705,092,793			598,479,715	
16	Cost of Debt	1.96%			1.96%			1.96%	
17	Interest Expense	16,132,924			13,819,819			11,730,202	
18									
19									
20	Additions and Deductions for Taxes	(119,289,743)	(60,285,603)		(60,285,603)	(60,134,876)		(60,134,876)	(15,951,822)
21	NOL Sch M	(69,009,961)			(69,009,961)			(69,009,961)	
22	State Taxable Amount	(144,839,582)			(92,066,665)			(97,545,108)	
23	State Income Tax Rate	2.21%			2.21%			2.21%	
24	State Income Taxes	(3,200,955)			(2,034,673)			(2,155,747)	
25									
26	Net Federal Taxable Amount	(141,638,627)			(90,031,992)			(95,389,362)	
27	Federal Income Tax Rate	35.00%			35.00%			35.00%	
28	Federal Income Taxes	(49,573,519)			(31,511,197)			(33,386,277)	
29									
30	Production Tax Credit	(63,963,207)	(66,423,331)		(66,423,331)	(66,423,331)		(66,423,331)	(68,883,454)
31	Deferred Income Taxes	43,465,007	21,965,964		21,965,964	21,911,044		21,911,044	5,812,286
32	NOL Deferred Tax Expense	25,144,815			25,144,815			25,144,815	
33	Total Income Taxes	(48,127,860)			(52,858,423)			(54,909,496)	
34	Tax Gross Up Factor	1.57322992			1.57322992			1.57322992	
35	Total Income Tax Expense	(75,716,189)			(83,158,452)			(86,385,261)	
36									
37	**Operating Expenses**								
38	O&M, Property Tax Expense	22,043,035	22,149,623		22,149,623	23,111,565		23,111,565	24,382,964
39	Depreciation Expense	34,996,790	35,043,039		35,043,039	35,118,111		35,118,111	35,202,351
40	Total Operating Deductions	(18,676,364)			(25,965,790)			(28,155,585)	
41									
42	Return on Rate Base	59,593,047			51,048,718			43,329,931	
43									
44	Revenue Requirements	40,916,683			25,082,928			15,174,346	

Revenue Requirements - Sagamore

Total Revenue Requirement

Line No.	Description	2025 Total Allocation	2025 Total SPS	2026 Total SPS	2026 Total Allocation	2026 Total SPS	2027 Total SPS	2027 Total Allocation	2027 Total SPS
1	**Rate Base**								
2	Electric Plant in Service		871,080,819	873,140,341		873,140,341	875,499,783		875,499,783
3	Less: Electric Production Accumulated Reserve for Depreciation		179,519,996	214,765,029		214,765,029	250,101,762		250,101,762
4	Net Plant		691,560,823	658,375,312		658,375,312	625,398,021		625,398,021
5									
6	Accumulated Deferred Income Taxes		191,480,065	214,956,347		214,956,347	204,744,852		204,744,852
7									
8	Net Rate Base		500,080,758	443,418,965		443,418,965	420,653,169		420,653,169
9									
10	**Income Tax Expense**								
11	Net Rate Base		500,080,758			443,418,965			420,653,169
12	Rate of Return on Rate Base		7.24%			7.24%			7.24%
13	Earnings before Interest		36,205,847			32,103,533			30,455,289
14									
15	Net Rate Base		500,080,758			443,418,965			420,653,169
16	Cost of Debt		1.96%			1.96%			1.96%
17	Interest Expense		9,801,583			8,691,012			8,244,802
18									
19									
20	Additions and Deductions for Taxes		(15,951,822)	28,119,744		28,119,744	27,931,169		27,931,169
21	NOL Sch M		(69,009,961)						
22	State Taxable Amount		(58,557,519)			51,532,265			50,141,656
23	State Income Tax Rate		2.21%			2.21%			2.21%
24	State Income Taxes		(1,294,121)			1,138,863			1,108,131
25									
26	Net Federal Taxable Amount		(57,263,398)			50,393,402			49,033,526
27	Federal Income Tax Rate		35.00%			35.00%			35.00%
28	Federal Income Taxes		(20,042,189)			17,637,691			17,161,734
29									
30	Production Tax Credit		(68,883,454)	(71,343,577)		(71,343,577)	(71,343,577)		(71,343,577)
31	Deferred Income Taxes		5,812,286	(10,245,851)		(10,245,851)	(10,177,140)		(10,177,140)
32	NOL Deferred Tax Expense		25,144,815			-			-
33	Total Income Taxes		(59,262,664)			(62,812,874)			(63,250,853)
34	Tax Gross Up Factor		1.57322992			1.57322992			1.57322992
35	Total Income Tax Expense		(93,233,797)			(98,819,093)			(99,508,135)
36									
37	**Operating Expenses**								
38	O&M, Property Tax Expense		24,382,964	24,466,155		24,466,155	23,464,230		23,464,230
39	Depreciation Expense		35,202,351	35,288,699		35,288,699	35,387,622		35,387,622
40	Total Operating Deductions		(33,648,482)			(39,064,239)			(40,656,283)
41									
42	Return on Rate Base		36,205,847			32,103,533			30,455,289
43									
44	Revenue Requirements		2,557,365			(6,960,705)			(10,200,994)

Revenue Requirements - Sagamore

Total Revenue Requirement

Line No.	Description	2028 Total SPS	2028 Total Allocation	2028 Total SPS	2029 Total SPS	2029 Total Allocation	2029 Total SPS	2030 Total SPS	2030 Total Allocation
1	**Rate Base**								
2	Electric Plant in Service	878,426,149		878,426,149	881,679,644		881,679,644	885,013,910	
3	Less: Electric Production Accumulated Reserve for Depreciation	285,548,526		285,548,526	321,127,151		321,127,151	356,843,144	
4	Net Plant	592,877,623		592,877,623	560,552,493		560,552,493	528,170,766	
5									
6	Accumulated Deferred Income Taxes	194,621,390		194,621,390	184,587,375		184,587,375	174,606,596	
7									
8	Net Rate Base	398,256,233		398,256,233	375,965,118		375,965,118	353,564,170	
9									
10	**Income Tax Expense**								
11	Net Rate Base			398,256,233			375,965,118		
12	Rate of Return on Rate Base			7.24%			7.24%		
13	Earnings before Interest			28,833,751			27,219,875		
14									
15	Net Rate Base			398,256,233			375,965,118		
16	Cost of Debt			1.96%			1.96%		
17	Interest Expense			7,805,822			7,368,916		
18									
19									
20	Additions and Deductions for Taxes	27,636,529		27,636,529	27,440,191		27,440,191	27,344,324	
21	NOL Sch M								
22	State Taxable Amount			48,664,458			47,291,149		
23	State Income Tax Rate			2.21%			2.21%		
24	State Income Taxes			1,075,485			1,045,134		
25									
26	Net Federal Taxable Amount			47,588,974			46,246,015		
27	Federal Income Tax Rate			35.00%			35.00%		
28	Federal Income Taxes			16,656,141			16,186,105		
29									
30	Production Tax Credit	(73,803,701)		(73,803,701)	(73,803,701)		(73,803,701)	(25,421,275)	
31	Deferred Income Taxes	(10,069,784)		(10,069,784)	(9,998,245)		(9,998,245)	(9,963,315)	
32	NOL Deferred Tax Expense			-			-		
33	Total Income Taxes			(66,141,860)			(66,570,706)		
34	Tax Gross Up Factor			1.57322992			1.57322992		
35	Total Income Tax Expense			(104,056,353)			(104,731,027)		
36									
37	**Operating Expenses**								
38	O&M, Property Tax Expense	23,607,006		23,607,006	26,534,721		26,534,721	25,520,379	
39	Depreciation Expense	35,510,314		35,510,314	35,646,721		35,646,721	35,786,514	
40	Total Operating Deductions			(44,939,034)			(42,549,585)		
41									
42	Return on Rate Base			28,833,751			27,219,875		
43									
44	Revenue Requirements			(16,105,282)			(15,329,711)		

Revenue Requirements - Sagamore

Total Revenue Requirement

Line No.	Description	2030 Total SPS	2031 Total SPS	2031 Total Allocation	2031 Total SPS	2032 Total SPS	2032 Total Allocation	2032 Total SPS	2033 Total SPS
1	**Rate Base**								
2	Electric Plant in Service	885,013,910	888,428,113		888,428,113	892,776,383		892,776,383	898,254,234
3	Less: Electric Production Accumulated Reserve for Depreciation	356,843,144	392,701,343		392,701,343	428,716,060		428,716,060	464,941,720
4	Net Plant	528,170,766	495,726,770		495,726,770	464,060,323		464,060,323	433,312,514
5									
6	Accumulated Deferred Income Taxes	174,606,596	164,650,821		164,650,821	154,763,223		154,763,223	145,026,312
7									
8	Net Rate Base	353,564,170	331,075,949		331,075,949	309,297,100		309,297,100	288,286,202
9									
10	**Income Tax Expense**								
11	Net Rate Base	353,564,170			331,075,949			309,297,100	
12	Rate of Return on Rate Base	7.24%			7.24%			7.24%	
13	Earnings before Interest	25,598,046			23,969,899			22,393,110	
14									
15	Net Rate Base	353,564,170			331,075,949			309,297,100	
16	Cost of Debt	1.96%			1.96%			1.96%	
17	Interest Expense	6,929,858			6,489,089			6,062,223	
18									
19									
20	Additions and Deductions for Taxes	27,344,324	27,302,929		27,302,929	26,970,113		26,970,113	26,475,805
21	NOL Sch M								
22	State Taxable Amount	46,012,512			44,783,739			43,301,000	
23	State Income Tax Rate	2.21%			2.21%			2.21%	
24	State Income Taxes	1,016,877			989,721			956,952	
25									
26	Net Federal Taxable Amount	44,995,636			43,794,018			42,344,048	
27	Federal Income Tax Rate	35.00%			35.00%			35.00%	
28	Federal Income Taxes	15,748,472			15,327,906			14,820,417	
29									
30	Production Tax Credit	(25,421,275)	-		-	-		-	-
31	Deferred Income Taxes	(9,963,315)	(9,948,232)		(9,948,232)	(9,826,966)		(9,826,966)	(9,646,857)
32	NOL Deferred Tax Expense	-			-			-	
33	Total Income Taxes	(18,619,241)			6,369,395			5,950,403	
34	Tax Gross Up Factor	1.57322992			1.57322992			1.57322992	
35	Total Income Tax Expense	(29,292,347)			10,020,523			9,361,352	
36									
37	**Operating Expenses**								
38	O&M, Property Tax Expense	25,520,379	25,655,764		25,655,764	25,870,771		25,870,771	25,151,188
39	Depreciation Expense	35,786,514	35,929,659		35,929,659	36,111,966		36,111,966	36,341,632
40	Total Operating Deductions	32,014,547			71,605,947			71,344,090	
41									
42	Return on Rate Base	25,598,046			23,969,899			22,393,110	
43									
44	Revenue Requirements	57,612,593			95,575,845			93,737,200	

Revenue Requirements - Sagamore

Total Revenue Requirement

Line No.	Description	2033 Total Allocation	2033 Total SPS	2034 Total SPS	2034 Total Allocation	2034 Total SPS	2035 Total SPS	2035 Total Allocation	2035 Total SPS
1	**Rate Base**								
2	Electric Plant in Service		898,254,234	903,978,931		903,978,931	909,843,312		909,843,312
3	Less: Electric Production Accumulated Reserve for Depreciation		464,941,720	501,402,917		501,402,917	538,107,049		538,107,049
4	Net Plant		433,312,514	402,576,014		402,576,014	371,736,263		371,736,263
5									
6	Accumulated Deferred Income Taxes		145,026,312	135,432,756		135,432,756	125,543,606		125,543,606
7									
8	Net Rate Base		288,286,202	267,143,258		267,143,258	246,192,657		246,192,657
9									
10	**Income Tax Expense**								
11	Net Rate Base		288,286,202			267,143,258			246,192,657
12	Rate of Return on Rate Base		7.24%			7.24%			7.24%
13	Earnings before Interest		20,871,921			19,341,172			17,824,348
14									
15	Net Rate Base		288,286,202			267,143,258			246,192,657
16	Cost of Debt		1.96%			1.96%			1.96%
17	Interest Expense		5,650,410			5,236,008			4,825,376
18									
19									
20	Additions and Deductions for Taxes		26,475,805	26,183,240		26,183,240	28,098,312		28,098,312
21	NOL Sch M								
22	State Taxable Amount		41,697,316			40,288,404			41,097,284
23	State Income Tax Rate		2.21%			2.21%			2.21%
24	State Income Taxes		921,511			890,374			908,250
25									
26	Net Federal Taxable Amount		40,775,806			39,398,030			40,189,034
27	Federal Income Tax Rate		35.00%			35.00%			35.00%
28	Federal Income Taxes		14,271,532			13,789,311			14,066,162
29									
30	Production Tax Credit		-	-		-	-		-
31	Deferred Income Taxes		(9,646,857)	(9,540,256)		(9,540,256)	(10,238,042)		(10,238,042)
32	NOL Deferred Tax Expense		-			-			-
33	Total Income Taxes		5,546,186			5,139,428			4,736,370
34	Tax Gross Up Factor		1.57322992			1.57322992			1.57322992
35	Total Income Tax Expense		8,725,426			8,085,502			7,451,399
36									
37	**Operating Expenses**								
38	O&M, Property Tax Expense		25,151,188	27,738,536		27,738,536	28,115,769		28,115,769
39	Depreciation Expense		36,341,632	36,581,648		36,581,648	36,827,520		36,827,520
40	Total Operating Deductions		70,218,246			72,405,686			72,394,688
41									
42	Return on Rate Base		20,871,921			19,341,172			17,824,348
43									
44	Revenue Requirements		91,090,167			91,746,858			90,219,037

Revenue Requirements - Sagamore

Total Revenue Requirement

Line No.	Description	2036 Total SPS	2036 Total Allocation	2036 Total SPS	2037 Total SPS	2037 Total Allocation	2037 Total SPS	2038 Total SPS	2038 Total Allocation
1	**Rate Base**								
2	Electric Plant in Service	915,850,783		915,850,783	922,004,836		922,004,836	928,181,362	
3	Less: Electric Production Accumulated Reserve for Depreciation	575,060,040		575,060,040	612,267,963		612,267,963	649,735,182	
4	Net Plant	340,790,743		340,790,743	309,736,873		309,736,873	278,446,180	
5									
6	Accumulated Deferred Income Taxes	114,955,392		114,955,392	104,020,285		104,020,285	93,062,378	
7									
8	Net Rate Base	225,835,351		225,835,351	205,716,588		205,716,588	185,383,802	
9									
10	**Income Tax Expense**								
11	Net Rate Base			225,835,351			205,716,588		
12	Rate of Return on Rate Base			7.24%			7.24%		
13	Earnings before Interest			16,350,479			14,893,881		
14									
15	Net Rate Base			225,835,351			205,716,588		
16	Cost of Debt			1.96%			1.96%		
17	Interest Expense			4,426,373			4,032,045		
18									
19									
20	Additions and Deductions for Taxes	30,020,414		30,020,414	30,002,406		30,002,406	30,145,561	
21	NOL Sch M								
22	State Taxable Amount			41,944,521			40,864,242		
23	State Income Tax Rate			2.21%			2.21%		
24	State Income Taxes			926,974			903,100		
25									
26	Net Federal Taxable Amount			41,017,547			39,961,142		
27	Federal Income Tax Rate			35.00%			35.00%		
28	Federal Income Taxes			14,356,141			13,986,400		
29									
30	Production Tax Credit	-		-	-		-	-	
31	Deferred Income Taxes	(10,938,388)		(10,938,388)	(10,931,826)		(10,931,826)	(10,983,987)	
32	NOL Deferred Tax Expense			-			-		
33	Total Income Taxes			4,344,727			3,957,673		
34	Tax Gross Up Factor			1.57322992			1.57322992		
35	Total Income Tax Expense			6,835,255			6,226,330		
36									
37	**Operating Expenses**								
38	O&M, Property Tax Expense	26,912,223		26,912,223	27,201,457		27,201,457	28,772,312	
39	Depreciation Expense	37,079,391		37,079,391	37,337,408		37,337,408	37,596,367	
40	Total Operating Deductions			70,826,869			70,765,194		
41									
42	Return on Rate Base			16,350,479			14,893,881		
43									
44	Revenue Requirements			87,177,348			85,659,075		

Revenue Requirements - Sagamore

Total Revenue Requirement

Line No.	Description	2038 Total SPS	2039 Total SPS	2039 Total Allocation	2039 Total SPS	2040 Total SPS	2040 Total Allocation	2040 Total SPS	2041 Total SPS
1	**Rate Base**								
2	Electric Plant in Service	928,181,362	934,308,709		934,308,709	940,587,326		940,587,326	947,017,336
3	Less: Electric Production Accumulated Reserve for Depreciation	649,735,182	687,459,981		687,459,981	725,443,912		725,443,912	763,695,191
4	Net Plant	278,446,180	246,848,728		246,848,728	215,143,414		215,143,414	183,322,145
5									
6	Accumulated Deferred Income Taxes	93,062,378	82,040,097		82,040,097	70,948,360		70,948,360	59,798,146
7									
8	Net Rate Base	185,383,802	164,808,631		164,808,631	144,195,054		144,195,054	123,523,999
9									
10	**Income Tax Expense**								
11	Net Rate Base	185,383,802			164,808,631			144,195,054	
12	Rate of Return on Rate Base	7.24%			7.24%			7.24%	
13	Earnings before Interest	13,421,787			11,932,145			10,439,722	
14									
15	Net Rate Base	185,383,802			164,808,631			144,195,054	
16	Cost of Debt	1.96%			1.96%			1.96%	
17	Interest Expense	3,633,523			3,230,249			2,826,223	
18									
19									
20	Additions and Deductions for Taxes	30,145,561	30,355,757		30,355,757	30,526,801		30,526,801	30,676,743
21	NOL Sch M								
22	State Taxable Amount	39,933,826			39,057,653			38,140,300	
23	State Income Tax Rate	2.21%			2.21%			2.21%	
24	State Income Taxes	882,538			863,174			842,901	
25									
26	Net Federal Taxable Amount	39,051,288			38,194,479			37,297,399	
27	Federal Income Tax Rate	35.00%			35.00%			35.00%	
28	Federal Income Taxes	13,667,951			13,368,068			13,054,090	
29									
30	Production Tax Credit	-	-		-	-		-	-
31	Deferred Income Taxes	(10,983,987)	(11,060,575)		(11,060,575)	(11,122,898)		(11,122,898)	(11,177,531)
32	NOL Deferred Tax Expense	-			-			-	
33	Total Income Taxes	3,566,501			3,170,667			2,774,093	
34	Tax Gross Up Factor	1.57322992			1.57322992			1.57322992	
35	Total Income Tax Expense	5,610,927			4,988,187			4,364,286	
36									
37	**Operating Expenses**								
38	O&M, Property Tax Expense	28,772,312	27,810,035		27,810,035	28,840,160		28,840,160	29,080,209
39	Depreciation Expense	37,596,367	37,853,264		37,853,264	38,116,503		38,116,503	38,386,090
40	Total Operating Deductions	71,979,606			70,651,486			71,320,949	
41									
42	Return on Rate Base	13,421,787			11,932,145			10,439,722	
43									
44	Revenue Requirements	85,401,393			82,583,631			81,760,671	

Revenue Requirements - Sagamore

Total Revenue Requirement

Line No.	Description	2041 Total Allocation	2041 Total SPS	2042 Total SPS	2042 Total Allocation	2042 Total SPS	2043 Total SPS	2043 Total Allocation	2043 Total SPS
1	**Rate Base**								
2	Electric Plant in Service		947,017,336	952,885,528		952,885,528	957,157,715		957,157,715
3	Less: Electric Production Accumulated Reserve for Depreciation		763,695,191	802,207,913		802,207,913	840,936,200		840,936,200
4	Net Plant		183,322,145	150,677,615		150,677,615	116,221,515		116,221,515
5									
6	Accumulated Deferred Income Taxes		59,798,146	48,546,995		48,546,995	37,057,100		37,057,100
7									
8	Net Rate Base		123,523,999	102,130,620		102,130,620	79,164,415		79,164,415
9									
10	**Income Tax Expense**								
11	Net Rate Base		123,523,999			102,130,620			79,164,415
12	Rate of Return on Rate Base		7.24%			7.24%			7.24%
13	Earnings before Interest		8,943,138			7,394,257			5,731,504
14									
15	Net Rate Base		123,523,999			102,130,620			79,164,415
16	Cost of Debt		1.96%			1.96%			1.96%
17	Interest Expense		2,421,070			2,001,760			1,551,623
18									
19									
20	Additions and Deductions for Taxes		30,676,743	31,080,838		31,080,838	31,987,214		31,987,214
21	NOL Sch M								
22	State Taxable Amount		37,198,810			36,473,335			36,167,095
23	State Income Tax Rate		2.21%			2.21%			2.21%
24	State Income Taxes		822,094			806,061			799,293
25									
26	Net Federal Taxable Amount		36,376,716			35,667,274			35,367,802
27	Federal Income Tax Rate		35.00%			35.00%			35.00%
28	Federal Income Taxes		12,731,851			12,483,546			12,378,731
29									
30	Production Tax Credit		-	-		-	-		-
31	Deferred Income Taxes		(11,177,531)	(11,324,769)		(11,324,769)	(11,655,021)		(11,655,021)
32	NOL Deferred Tax Expense		-			-			-
33	Total Income Taxes		2,376,413			1,964,837			1,523,002
34	Tax Gross Up Factor		1.57322992			1.57322992			1.57322992
35	Total Income Tax Expense		3,738,644			3,091,141			2,396,033
36									
37	**Operating Expenses**								
38	O&M, Property Tax Expense		29,080,209	29,412,478		29,412,478	30,219,665		30,219,665
39	Depreciation Expense		38,386,090	38,632,121		38,632,121	38,811,238		38,811,238
40	Total Operating Deductions		71,204,943			71,135,741			71,426,936
41									
42	Return on Rate Base		8,943,138			7,394,257			5,731,504
43									
44	Revenue Requirements		80,148,081			78,529,998			77,158,440

Revenue Requirements - Sagamore

Total Revenue Requirement

Line No.	Description	2044 Total SPS	2044 Total Allocation	2044 Total SPS	2045 Total SPS	2045 Total Allocation	2045 Total SPS
1	**Rate Base**						
2	Electric Plant in Service	960,290,342		960,290,342	961,682,644		961,682,644
3	Less: Electric Production Accumulated Reserve for Depreciation	879,813,800		879,813,800	918,280,320		918,280,320
4	Net Plant	80,476,542		80,476,542	43,402,324		43,402,324
5							
6	Accumulated Deferred Income Taxes	25,219,971		25,219,971	14,498,627		14,498,627
7							
8	Net Rate Base	55,256,571		55,256,571	28,903,697		28,903,697
9							
10	**Income Tax Expense**						
11	Net Rate Base			55,256,571			28,903,697
12	Rate of Return on Rate Base			7.24%			7.24%
13	Earnings before Interest			4,000,576			2,092,628
14							
15	Net Rate Base			55,256,571			28,903,697
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			1,083,029			566,512
18							
19							
20	Additions and Deductions for Taxes	32,986,805		32,986,805	25,862,667		25,862,667
21	NOL Sch M						
22	State Taxable Amount			35,904,352			27,388,782
23	State Income Tax Rate			2.21%			2.21%
24	State Income Taxes			793,486			605,292
25							
26	Net Federal Taxable Amount			35,110,866			26,783,490
27	Federal Income Tax Rate			35.00%			35.00%
28	Federal Income Taxes			12,288,803			9,374,222
29							
30	Production Tax Credit	-			-		
31	Deferred Income Taxes	(12,019,237)		(12,019,237)	(9,423,450)		(9,423,450)
32	NOL Deferred Tax Expense			-			-
33	Total Income Taxes			1,063,052			556,063
34	Tax Gross Up Factor			1.57322992			1.57322992
35	Total Income Tax Expense			1,672,426			874,815
36							
37	**Operating Expenses**						
38	O&M, Property Tax Expense	30,548,220		30,548,220	9,741,619		9,741,619
39	Depreciation Expense	38,942,578		38,942,578	34,088,679		34,088,679
40	Total Operating Deductions			71,163,224			44,705,114
41							
42	Return on Rate Base			4,000,576			2,092,628
43							
44	Revenue Requirements			75,163,799			46,797,741

Revenue Requirements - Sagamore

Wind Generation - Production Plant

Line No.	Description	2017 Total SPS	2017 Total Allocation	2017 Total SPS	2018 Total SPS	2018 Total Allocation	2018 Total SPS	2019 Total SPS	2019 Total Allocation	2019 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	-	100.00%	-	-	100.00%	-	-	100.00%	-
3	Less: Electric Production Accumulated Reserve for Depreciation	-	100.00%	-	-	100.00%	-	-	100.00%	-
4	Net Plant	-		-	-		-	-		-
5										
6	Accumulated Deferred Income Taxes	(2,808)	100.00%	(2,808)	(79,112)	100.00%	(79,112)	(521,513)	100.00%	(521,513)
7										
8	Net Rate Base	2,808		2,808	79,112		79,112	521,513		521,513
9										
10	**Income Tax Expense**									
11	Net Rate Base			2,808			79,112			521,513
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			203			5,728			37,758
14										
15	Net Rate Base			2,808			79,112			521,513
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			55			1,551			10,222
18										
19	Additions and Deductions for Taxes	15,415	100.00%	15,415	403,418	100.00%	403,418	2,024,919	100.00%	2,024,919
20										
21	State Taxable Amount			15,563			407,595			2,052,455
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			344			9,008			45,359
24										
25	Net Federal Taxable Amount			15,219			398,587			2,007,096
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			5,327			139,506			702,483
28										
29	Production Tax Credit	-	100.00%	-	-	100.00%	-	-	100.00%	-
30	Deferred Income Taxes	(5,617)	100.00%	(5,617)	(146,991)	100.00%	(146,991)	(737,810)	100.00%	(737,810)
31										
32	Total Income Taxes			54			1,522			10,033
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			85			2,394			15,784
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	19,524	100.00%	19,524	492,704	100.00%	492,704	2,556,622	100.00%	2,556,622
38	Depreciation Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
39	Total Operating Deductions			19,609			495,098			2,572,407
40										
41	Return on Rate Base			203			5,728			37,758
42										
43	Revenue Requirements			19,812			500,826			2,610,164

Revenue Requirements - Sagamore

Wind Generation - Production Plant

Line No.	Description	2020 Total SPS	2020 Total Allocation	2020 Total SPS	2021 Total SPS	2021 Total Allocation	2021 Total SPS	2022 Total SPS	2022 Total Allocation	2022 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	486,919,227	100.00%	486,919,227	793,340,944	100.00%	793,340,944	793,994,090	100.00%	793,994,090
3	Less: Electric Production Accumulated Reserve for Depreciation	6,790,524	100.00%	6,790,524	37,353,818	100.00%	37,353,818	70,624,295	100.00%	70,624,295
4	Net Plant	480,128,703		480,128,703	755,987,126		755,987,126	723,369,795		723,369,795
5										
6	Accumulated Deferred Income Taxes	23,029,646	100.00%	23,029,646	85,687,025	100.00%	85,687,025	145,378,522	100.00%	145,378,522
7										
8	Net Rate Base	457,099,057		457,099,057	670,300,101		670,300,101	577,991,273		577,991,273
9										
10	**Income Tax Expense**									
11	Net Rate Base			457,099,057			670,300,101			577,991,273
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			33,093,972			48,529,727			41,846,568
14										
15	Net Rate Base			457,099,057			670,300,101			577,991,273
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			8,959,142			13,137,882			11,328,629
18										
19	Additions and Deductions for Taxes	(131,297,264)	100.00%	(131,297,264)	(212,629,176)	100.00%	(212,629,176)	(115,017,537)	100.00%	(115,017,537)
20										
21	State Taxable Amount			(107,162,434)			(177,237,331)			(84,499,598)
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			(2,368,290)			(3,916,945)			(1,867,441)
24										
25	Net Federal Taxable Amount			(104,794,144)			(173,320,386)			(82,632,157)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(36,677,950)			(60,662,135)			(28,921,255)
28										
29	Production Tax Credit	(41,002,056)	100.00%	(41,002,056)	(63,963,207)	100.00%	(63,963,207)	(63,963,207)	100.00%	(63,963,207)
30	Deferred Income Taxes	47,840,127	100.00%	47,840,127	77,474,630	100.00%	77,474,630	41,908,365	100.00%	41,908,365
31										
32	Total Income Taxes			(32,208,169)			(51,067,658)			(52,843,539)
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			(50,670,855)			(80,341,167)			(83,135,036)
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	12,904,706	100.00%	12,904,706	21,271,078	100.00%	21,271,078	22,043,035	100.00%	22,043,035
38	Depreciation Expense	20,727,467	100.00%	20,727,467	33,256,835	100.00%	33,256,835	33,284,219	100.00%	33,284,219
39	Total Operating Deductions			(17,038,681)			(25,813,254)			(27,807,782)
40										
41	Return on Rate Base			33,093,972			48,529,727			41,846,568
42										
43	Revenue Requirements			16,055,290			22,716,474			14,038,787

Revenue Requirements - Sagamore

Wind Generation - Production Plant

Line No.	Description	2023 Total SPS	2023 Total Allocation	2023 Total SPS	2024 Total SPS	2024 Total Allocation	2024 Total SPS
1	**Rate Base**						
2	Electric Plant in Service	795,097,198	100.00%	795,097,198	796,887,757	100.00%	796,887,757
3	Less: Electric Production Accumulated Reserve for Depreciation	103,928,807	100.00%	103,928,807	137,295,239	100.00%	137,295,239
4	Net Plant	691,168,391		691,168,391	659,592,518		659,592,518
5							
6	Accumulated Deferred Income Taxes	176,644,141	100.00%	176,644,141	197,336,281	100.00%	197,336,281
7							
8	Net Rate Base	514,524,250		514,524,250	462,256,237		462,256,237
9							
10	**Income Tax Expense**						
11	Net Rate Base			514,524,250			462,256,237
12	Rate of Return on Rate Base			7.24%			7.24%
13	Earnings before Interest			37,251,556			33,467,352
14							
15	Net Rate Base			514,524,250			462,256,237
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			10,084,675			9,060,222
18							
19	Additions and Deductions for Taxes	(56,599,490)	100.00%	(56,599,490)	(56,979,695)	100.00%	(56,979,695)
20							
21	State Taxable Amount			(29,432,610)			(32,572,566)
22	State Income Tax Rate			2.21%			2.21%
23	State Income Taxes			(650,461)			(719,854)
24							
25	Net Federal Taxable Amount			(28,782,149)			(31,852,712)
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			(10,073,752)			(11,148,449)
28							
29	Production Tax Credit	(66,423,331)	100.00%	(66,423,331)	(66,423,331)	100.00%	(66,423,331)
30	Deferred Income Taxes	20,622,873	100.00%	20,622,873	20,761,407	100.00%	20,761,407
31							
32	Total Income Taxes			(56,524,670)			(57,530,227)
33	Tax Gross Up Factor			1.57322992			1.57322992
34	Total Income Tax Expense			(88,926,303)			(90,508,275)
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense	22,149,623	100.00%	22,149,623	23,111,565	100.00%	23,111,565
38	Depreciation Expense	33,330,468	100.00%	33,330,468	33,405,540	100.00%	33,405,540
39	Total Operating Deductions			(33,446,211)			(33,991,169)
40							
41	Return on Rate Base			37,251,556			33,467,352
42							
43	Revenue Requirements			3,805,345			(523,818)

Revenue Requirements - Sagamore

Wind Generation - Production Plant

Line No.	Description	2025 Total SPS	2025 Total Allocation	2025 Total SPS	2026 Total SPS	2026 Total Allocation	2026 Total SPS
1	**Rate Base**						
2	Electric Plant in Service	798,896,997	100.00%	798,896,997	800,956,519	100.00%	800,956,519
3	Less: Electric Production Accumulated Reserve for Depreciation	170,743,070	100.00%	170,743,070	204,275,531	100.00%	204,275,531
4	Net Plant	628,153,927		628,153,927	596,680,988		596,680,988
5							
6	Accumulated Deferred Income Taxes	210,136,241	100.00%	210,136,241	206,987,142	100.00%	206,987,142
7							
8	Net Rate Base	418,017,686		418,017,686	389,693,846		389,693,846
9							
10	**Income Tax Expense**						
11	Net Rate Base			418,017,686			389,693,846
12	Rate of Return on Rate Base			7.24%			7.24%
13	Earnings before Interest			30,264,480			28,213,834
14							
15	Net Rate Base			418,017,686			389,693,846
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			8,193,147			7,637,999
18							
19	Additions and Deductions for Taxes	(13,279,307)	100.00%	(13,279,307)	30,564,717	100.00%	30,564,717
20							
21	State Taxable Amount			8,792,027			51,140,552
22	State Income Tax Rate			2.21%			2.21%
23	State Income Taxes			194,304			1,130,206
24							
25	Net Federal Taxable Amount			8,597,723			50,010,346
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			3,009,203			17,503,621
28							
29	Production Tax Credit	(68,883,454)	100.00%	(68,883,454)	(71,343,577)	100.00%	(71,343,577)
30	Deferred Income Taxes	4,838,515	100.00%	4,838,515	(11,136,713)	100.00%	(11,136,713)
31							
32	Total Income Taxes			(60,841,432)			(63,846,463)
33	Tax Gross Up Factor			1.57322992			1.57322992
34	Total Income Tax Expense			(95,717,562)			(100,445,167)
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense	24,382,964	100.00%	24,382,964	24,466,155	100.00%	24,466,155
38	Depreciation Expense	33,489,780	100.00%	33,489,780	33,576,128	100.00%	33,576,128
39	Total Operating Deductions			(37,844,818)			(42,402,883)
40							
41	Return on Rate Base			30,264,480			28,213,834
42							
43	Revenue Requirements			(7,580,338)			(14,189,049)

Revenue Requirements - Sagamore

Wind Generation - Production Plant

Line No.	Description	2027 Total SPS	2027 Total Allocation	2027 Total SPS	2028 Total SPS	2028 Total Allocation	2028 Total SPS
1	**Rate Base**						
2	Electric Plant in Service	803,315,961	100.00%	803,315,961	806,242,327	100.00%	806,242,327
3	Less: Electric Production Accumulated Reserve for Depreciation	237,899,693	100.00%	237,899,693	271,633,886	100.00%	271,633,886
4	Net Plant	565,416,268		565,416,268	534,608,441		534,608,441
5							
6	Accumulated Deferred Income Taxes	195,884,784	100.00%	195,884,784	184,869,203	100.00%	184,869,203
7							
8	Net Rate Base	369,531,484		369,531,484	349,739,238		349,739,238
9							
10	**Income Tax Expense**						
11	Net Rate Base			369,531,484			349,739,238
12	Rate of Return on Rate Base			7.24%			7.24%
13	Earnings before Interest			26,754,079			25,321,121
14							
15	Net Rate Base			369,531,484			349,739,238
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			7,242,817			6,854,889
18							
19	Additions and Deductions for Taxes	30,376,142	100.00%	30,376,142	30,088,398	100.00%	30,088,398
20							
21	State Taxable Amount			49,887,404			48,554,630
22	State Income Tax Rate			2.21%			2.21%
23	State Income Taxes			1,102,512			1,073,057
24							
25	Net Federal Taxable Amount			48,784,893			47,481,572
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			17,074,712			16,618,550
28							
29	Production Tax Credit	(71,343,577)	100.00%	(71,343,577)	(73,803,701)	100.00%	(73,803,701)
30	Deferred Income Taxes	(11,068,003)	100.00%	(11,068,003)	(10,963,159)	100.00%	(10,963,159)
31							
32	Total Income Taxes			(64,234,356)			(67,075,252)
33	Tax Gross Up Factor			1.57322992			1.57322992
34	Total Income Tax Expense			(101,055,411)			(105,524,794)
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense	23,464,230	100.00%	23,464,230	23,607,006	100.00%	23,607,006
38	Depreciation Expense	33,675,051	100.00%	33,675,051	33,797,743	100.00%	33,797,743
39	Total Operating Deductions			(43,916,131)			(48,120,046)
40							
41	Return on Rate Base			26,754,079			25,321,121
42							
43	Revenue Requirements			(17,162,051)			(22,798,925)

Revenue Requirements - Sagamore

Wind Generation - Production Plant

Line No.	Description	2029 Total SPS	2029 Total Allocation	2029 Total SPS	2030 Total SPS	2030 Total Allocation	2030 Total SPS
1	**Rate Base**						
2	Electric Plant in Service	809,495,822	100.00%	809,495,822	812,830,088	100.00%	812,830,088
3	Less: Electric Production Accumulated Reserve for Depreciation	305,499,940	100.00%	305,499,940	339,503,361	100.00%	339,503,361
4	Net Plant	503,995,882		503,995,882	473,326,727		473,326,727
5							
6	Accumulated Deferred Income Taxes	173,943,069	100.00%	173,943,069	163,070,170	100.00%	163,070,170
7							
8	Net Rate Base	330,052,813		330,052,813	310,256,557		310,256,557
9							
10	**Income Tax Expense**						
11	Net Rate Base			330,052,813			310,256,557
12	Rate of Return on Rate Base			7.24%			7.24%
13	Earnings before Interest			23,895,824			22,462,575
14							
15	Net Rate Base			330,052,813			310,256,557
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			6,469,035			6,081,029
18							
19	Additions and Deductions for Taxes	29,885,164	100.00%	29,885,164	29,796,193	100.00%	29,796,193
20							
21	State Taxable Amount			47,311,953			46,177,739
22	State Income Tax Rate			2.21%			2.21%
23	State Income Taxes			1,045,594			1,020,528
24							
25	Net Federal Taxable Amount			46,266,358			45,157,211
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			16,193,225			15,805,024
28							
29	Production Tax Credit	(73,803,701)	100.00%	(73,803,701)	(25,421,275)	100.00%	(25,421,275)
30	Deferred Income Taxes	(10,889,108)	100.00%	(10,889,108)	(10,856,690)	100.00%	(10,856,690)
31							
32	Total Income Taxes			(67,453,989)			(19,452,413)
33	Tax Gross Up Factor			1.57322992			1.57322992
34	Total Income Tax Expense			(106,120,634)			(30,603,118)
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense	26,534,721	100.00%	26,534,721	25,520,379	100.00%	25,520,379
38	Depreciation Expense	33,934,150	100.00%	33,934,150	34,073,943	100.00%	34,073,943
39	Total Operating Deductions			(45,651,763)			28,991,205
40							
41	Return on Rate Base			23,895,824			22,462,575
42							
43	Revenue Requirements			(21,755,939)			51,453,779

Revenue Requirements - Sagamore

Wind Generation - Production Plant

Line No.	Description	2031 Total SPS	2031 Total Allocation	2031 Total SPS	2032 Total SPS	2032 Total Allocation	2032 Total SPS
1	**Rate Base**						
2	Electric Plant in Service	816,244,291	100.00%	816,244,291	820,592,561	100.00%	820,592,561
3	Less: Electric Production Accumulated Reserve for Depreciation	373,648,990	100.00%	373,648,990	407,951,136	100.00%	407,951,136
4	Net Plant	442,595,301		442,595,301	412,641,425		412,641,425
5							
6	Accumulated Deferred Income Taxes	152,222,278	100.00%	152,222,278	141,442,561	100.00%	141,442,561
7							
8	Net Rate Base	290,373,023		290,373,023	271,198,864		271,198,864
9							
10	**Income Tax Expense**						
11	Net Rate Base			290,373,023			271,198,864
12	Rate of Return on Rate Base			7.24%			7.24%
13	Earnings before Interest			21,023,007			19,634,798
14							
15	Net Rate Base			290,373,023			271,198,864
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			5,691,311			5,315,498
18							
19	Additions and Deductions for Taxes	29,747,902	100.00%	29,747,902	29,421,982	100.00%	29,421,982
20							
21	State Taxable Amount			45,079,598			43,741,282
22	State Income Tax Rate			2.21%			2.21%
23	State Income Taxes			996,259			966,682
24							
25	Net Federal Taxable Amount			44,083,339			42,774,600
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			15,429,168			14,971,110
28							
29	Production Tax Credit	-	100.00%	-	-	100.00%	-
30	Deferred Income Taxes	(10,839,094)	100.00%	(10,839,094)	(10,720,341)	100.00%	(10,720,341)
31							
32	Total Income Taxes			5,586,333			5,217,452
33	Tax Gross Up Factor			1.57322992			1.57322992
34	Total Income Tax Expense			8,788,586			8,208,251
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense	25,655,764	100.00%	25,655,764	25,870,771	100.00%	25,870,771
38	Depreciation Expense	34,217,088	100.00%	34,217,088	34,399,395	100.00%	34,399,395
39	Total Operating Deductions			68,661,439			68,478,417
40							
41	Return on Rate Base			21,023,007			19,634,798
42							
43	Revenue Requirements			89,684,446			88,113,215

Revenue Requirements - Sagamore

Wind Generation - Production Plant

Line No.	Description	2033 Total SPS	2033 Total Allocation	2033 Total SPS	2034 Total SPS	2034 Total Allocation	2034 Total SPS
1	**Rate Base**						
2	Electric Plant in Service	826,070,412	100.00%	826,070,412	831,795,109	100.00%	831,795,109
3	Less: Electric Production Accumulated Reserve for Depreciation	442,464,225	100.00%	442,464,225	477,212,852	100.00%	477,212,852
4	Net Plant	383,606,187		383,606,187	354,582,257		354,582,257
5							
6	Accumulated Deferred Income Taxes	130,813,531	100.00%	130,813,531	120,327,856	100.00%	120,327,856
7							
8	Net Rate Base	252,792,656		252,792,656	234,254,401		234,254,401
9							
10	**Income Tax Expense**						
11	Net Rate Base			252,792,656			234,254,401
12	Rate of Return on Rate Base			7.24%			7.24%
13	Earnings before Interest			18,302,188			16,960,019
14							
15	Net Rate Base			252,792,656			234,254,401
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			4,954,736			4,591,386
18							
19	Additions and Deductions for Taxes	28,920,778	100.00%	28,920,778	28,635,109	100.00%	28,635,109
20							
21	State Taxable Amount			42,268,230			41,003,741
22	State Income Tax Rate			2.21%			2.21%
23	State Income Taxes			934,128			906,183
24							
25	Net Federal Taxable Amount			41,334,102			40,097,559
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			14,466,936			14,034,146
28							
29	Production Tax Credit	-	100.00%	-	-	100.00%	-
30	Deferred Income Taxes	(10,537,719)	100.00%	(10,537,719)	(10,433,631)	100.00%	(10,433,631)
31							
32	Total Income Taxes			4,863,345			4,506,697
33	Tax Gross Up Factor			1.57322992			1.57322992
34	Total Income Tax Expense			7,651,159			7,090,070
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense	25,151,188	100.00%	25,151,188	27,738,536	100.00%	27,738,536
38	Depreciation Expense	34,629,061	100.00%	34,629,061	34,869,077	100.00%	34,869,077
39	Total Operating Deductions			67,431,408			69,697,684
40							
41	Return on Rate Base			18,302,188			16,960,019
42							
43	Revenue Requirements			85,733,596			86,657,702

Revenue Requirements - Sagamore

Wind Generation - Production Plant

Line No.	Description	2035 Total SPS	2035 Total Allocation	2035 Total SPS	2036 Total SPS	2036 Total Allocation	2036 Total SPS
1	**Rate Base**						
2	Electric Plant in Service	837,659,490	100.00%	837,659,490	843,666,961	100.00%	843,666,961
3	Less: Electric Production Accumulated Reserve for Depreciation	512,204,412	100.00%	512,204,412	547,444,832	100.00%	547,444,832
4	Net Plant	325,455,078		325,455,078	296,222,129		296,222,129
5							
6	Accumulated Deferred Income Taxes	109,917,163	100.00%	109,917,163	99,549,813	100.00%	99,549,813
7							
8	Net Rate Base	215,537,915		215,537,915	196,672,316		196,672,316
9							
10	**Income Tax Expense**						
11	Net Rate Base			215,537,915			196,672,316
12	Rate of Return on Rate Base			7.24%			7.24%
13	Earnings before Interest			15,604,945			14,239,076
14							
15	Net Rate Base			215,537,915			196,672,316
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			4,224,543			3,854,777
18							
19	Additions and Deductions for Taxes	28,509,196	100.00%	28,509,196	28,397,207	100.00%	28,397,207
20							
21	State Taxable Amount			39,889,598			38,781,505
22	State Income Tax Rate			2.21%			2.21%
23	State Income Taxes			881,560			857,071
24							
25	Net Federal Taxable Amount			39,008,038			37,924,434
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			13,652,813			13,273,552
28							
29	Production Tax Credit	-	100.00%	-	-	100.00%	-
30	Deferred Income Taxes	(10,387,753)	100.00%	(10,387,753)	(10,346,948)	100.00%	(10,346,948)
31							
32	Total Income Taxes			4,146,620			3,783,675
33	Tax Gross Up Factor			1.57322992			1.57322992
34	Total Income Tax Expense			6,523,587			5,952,591
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense	28,115,769	100.00%	28,115,769	26,912,223	100.00%	26,912,223
38	Depreciation Expense	35,114,949	100.00%	35,114,949	35,366,820	100.00%	35,366,820
39	Total Operating Deductions			69,754,305			68,231,633
40							
41	Return on Rate Base			15,604,945			14,239,076
42							
43	Revenue Requirements			85,359,250			82,470,709

Revenue Requirements - Sagamore

Wind Generation - Production Plant

Line No.	Description	2037 Total SPS	2037 Total Allocation	2037 Total SPS	2038 Total SPS	2038 Total Allocation	2038 Total SPS
1	**Rate Base**						
2	Electric Plant in Service	849,821,014	100.00%	849,821,014	855,997,540	100.00%	855,997,540
3	Less: Electric Production Accumulated Reserve for Depreciation	582,940,185	100.00%	582,940,185	618,694,832	100.00%	618,694,832
4	Net Plant	266,880,829		266,880,829	237,302,708		237,302,708
5							
6	Accumulated Deferred Income Taxes	89,206,145	100.00%	89,206,145	78,839,678	100.00%	78,839,678
7							
8	Net Rate Base	177,674,684		177,674,684	158,463,030		158,463,030
9							
10	**Income Tax Expense**						
11	Net Rate Base			177,674,684			158,463,030
12	Rate of Return on Rate Base			7.24%			7.24%
13	Earnings before Interest			12,863,647			11,472,723
14							
15	Net Rate Base			177,674,684			158,463,030
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			3,482,424			3,105,875
18							
19	Additions and Deductions for Taxes	28,379,199	100.00%	28,379,199	28,522,354	100.00%	28,522,354
20							
21	State Taxable Amount			37,760,422			36,889,202
22	State Income Tax Rate			2.21%			2.21%
23	State Income Taxes			834,505			815,251
24							
25	Net Federal Taxable Amount			36,925,917			36,073,951
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			12,924,071			12,625,883
28							
29	Production Tax Credit	-	100.00%	-	-	100.00%	-
30	Deferred Income Taxes	(10,340,387)	100.00%	(10,340,387)	(10,392,547)	100.00%	(10,392,547)
31							
32	Total Income Taxes			3,418,190			3,048,587
33	Tax Gross Up Factor			1.57322992			1.57322992
34	Total Income Tax Expense			5,377,598			4,796,128
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense	27,201,457	100.00%	27,201,457	28,772,312	100.00%	28,772,312
38	Depreciation Expense	35,624,837	100.00%	35,624,837	35,883,796	100.00%	35,883,796
39	Total Operating Deductions			68,203,892			69,452,236
40							
41	Return on Rate Base			12,863,647			11,472,723
42							
43	Revenue Requirements			81,067,539			80,924,959

Revenue Requirements - Sagamore

Wind Generation - Production Plant

Line No.	Description	2039 Total SPS	2039 Total Allocation	2039 Total SPS	2040 Total SPS	2040 Total Allocation	2040 Total SPS
1	**Rate Base**						
2	Electric Plant in Service	862,124,887	100.00%	862,124,887	868,403,504	100.00%	868,403,504
3	Less: Electric Production Accumulated Reserve for Depreciation	654,707,060	100.00%	654,707,060	690,978,420	100.00%	690,978,420
4	Net Plant	207,417,827		207,417,827	177,425,084		177,425,084
5							
6	Accumulated Deferred Income Taxes	68,408,837	100.00%	68,408,837	57,908,540	100.00%	57,908,540
7							
8	Net Rate Base	139,008,990		139,008,990	119,516,544		119,516,544
9							
10	**Income Tax Expense**						
11	Net Rate Base			139,008,990			119,516,544
12	Rate of Return on Rate Base			7.24%			7.24%
13	Earnings before Interest			10,064,251			8,652,998
14							
15	Net Rate Base			139,008,990			119,516,544
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			2,724,576			2,342,524
18							
19	Additions and Deductions for Taxes	28,732,550	100.00%	28,732,550	28,903,594	100.00%	28,903,594
20							
21	State Taxable Amount			36,072,225			35,214,068
22	State Income Tax Rate			2.21%			2.21%
23	State Income Taxes			797,196			778,231
24							
25	Net Federal Taxable Amount			35,275,029			34,435,837
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			12,346,260			12,052,543
28							
29	Production Tax Credit	-	100.00%	-	-	100.00%	-
30	Deferred Income Taxes	(10,469,135)	100.00%	(10,469,135)	(10,531,458)	100.00%	(10,531,458)
31							
32	Total Income Taxes			2,674,321			2,299,316
33	Tax Gross Up Factor			1.57322992			1.57322992
34	Total Income Tax Expense			4,207,321			3,617,352
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense	27,810,035	100.00%	27,810,035	28,840,160	100.00%	28,840,160
38	Depreciation Expense	36,140,693	100.00%	36,140,693	36,403,932	100.00%	36,403,932
39	Total Operating Deductions			68,158,049			68,861,444
40							
41	Return on Rate Base			10,064,251			8,652,998
42							
43	Revenue Requirements			78,222,300			77,514,442

Revenue Requirements - Sagamore

Wind Generation - Production Plant

Line No.	Description	2041 Total SPS	2041 Total Allocation	2041 Total SPS	2042 Total SPS	2042 Total Allocation	2042 Total SPS
1	**Rate Base**						
2	Electric Plant in Service	874,833,514	100.00%	874,833,514	880,701,706	100.00%	880,701,706
3	Less: Electric Production Accumulated Reserve for Depreciation	727,517,128	100.00%	727,517,128	764,317,279	100.00%	764,317,279
4	Net Plant	147,316,386		147,316,386	116,384,427		116,384,427
5							
6	Accumulated Deferred Income Taxes	47,349,765	100.00%	47,349,765	36,690,054	100.00%	36,690,054
7							
8	Net Rate Base	99,966,621		99,966,621	79,694,373		79,694,373
9							
10	**Income Tax Expense**						
11	Net Rate Base			99,966,621			79,694,373
12	Rate of Return on Rate Base			7.24%			7.24%
13	Earnings before Interest			7,237,583			5,769,873
14							
15	Net Rate Base			99,966,621			79,694,373
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			1,959,346			1,562,010
18							
19	Additions and Deductions for Taxes	29,053,536	100.00%	29,053,536	29,457,631	100.00%	29,457,631
20							
21	State Taxable Amount			34,331,774			33,665,494
22	State Income Tax Rate			2.21%			2.21%
23	State Income Taxes			758,732			744,007
24							
25	Net Federal Taxable Amount			33,573,041			32,921,486
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			11,750,564			11,522,520
28							
29	Production Tax Credit	-	100.00%	-	-	100.00%	-
30	Deferred Income Taxes	(10,586,092)	100.00%	(10,586,092)	(10,733,330)	100.00%	(10,733,330)
31							
32	Total Income Taxes			1,923,205			1,533,198
33	Tax Gross Up Factor			1.57322992			1.57322992
34	Total Income Tax Expense			3,025,644			2,412,073
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense	29,080,209	100.00%	29,080,209	29,412,478	100.00%	29,412,478
38	Depreciation Expense	36,673,519	100.00%	36,673,519	36,919,550	100.00%	36,919,550
39	Total Operating Deductions			68,779,372			68,744,102
40							
41	Return on Rate Base			7,237,583			5,769,873
42							
43	Revenue Requirements			76,016,955			74,513,974

Revenue Requirements - Sagamore

Wind Generation - Production Plant

Line No.	Description	2043 Total SPS	2043 Total Allocation	2043 Total SPS	2044 Total SPS	2044 Total Allocation	2044 Total SPS
1	**Rate Base**						
2	Electric Plant in Service	884,973,893	100.00%	884,973,893	888,106,520	100.00%	888,106,520
3	Less: Electric Production Accumulated Reserve for Depreciation	801,332,995	100.00%	801,332,995	838,498,024	100.00%	838,498,024
4	Net Plant	83,640,898		83,640,898	49,608,496		49,608,496
5							
6	Accumulated Deferred Income Taxes	25,791,599	100.00%	25,791,599	14,545,909	100.00%	14,545,909
7							
8	Net Rate Base	57,849,299		57,849,299	35,062,587		35,062,587
9							
10	**Income Tax Expense**						
11	Net Rate Base			57,849,299			35,062,587
12	Rate of Return on Rate Base			7.24%			7.24%
13	Earnings before Interest			4,188,289			2,538,531
14							
15	Net Rate Base			57,849,299			35,062,587
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			1,133,846			687,227
18							
19	Additions and Deductions for Taxes	30,364,007	100.00%	30,364,007	31,363,598	100.00%	31,363,598
20							
21	State Taxable Amount			33,418,450			33,214,903
22	State Income Tax Rate			2.21%			2.21%
23	State Income Taxes			738,548			734,049
24							
25	Net Federal Taxable Amount			32,679,902			32,480,853
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			11,437,966			11,368,299
28							
29	Production Tax Credit	-	100.00%	-	-	100.00%	-
30	Deferred Income Taxes	(11,063,581)	100.00%	(11,063,581)	(11,427,797)	100.00%	(11,427,797)
31							
32	Total Income Taxes			1,112,932			674,551
33	Tax Gross Up Factor			1.57322992			1.57322992
34	Total Income Tax Expense			1,750,898			1,061,223
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense	30,219,665	100.00%	30,219,665	30,548,220	100.00%	30,548,220
38	Depreciation Expense	37,098,667	100.00%	37,098,667	37,230,007	100.00%	37,230,007
39	Total Operating Deductions			69,069,230			68,839,450
40							
41	Return on Rate Base			4,188,289			2,538,531
42							
43	Revenue Requirements			73,257,519			71,377,982

Revenue Requirements - Sagamore

Wind Generation - Production Plant

Line No.	Description	2045 Total SPS	2045 Total Allocation	2045 Total SPS
1	**Rate Base**			
2	Electric Plant in Service	889,498,822	100.00%	889,498,822
3	Less: Electric Production Accumulated Reserve for Depreciation	875,251,973	100.00%	875,251,973
4	Net Plant	14,246,849		14,246,849
5				
6	Accumulated Deferred Income Taxes	4,416,005	100.00%	4,416,005
7				
8	Net Rate Base	9,830,844		9,830,844
9				
10	**Income Tax Expense**			
11	Net Rate Base			9,830,844
12	Rate of Return on Rate Base			7.24%
13	Earnings before Interest			711,753
14				
15	Net Rate Base			9,830,844
16	Cost of Debt			1.96%
17	Interest Expense			192,685
18				
19	Additions and Deductions for Taxes	24,239,460	100.00%	24,239,460
20				
21	State Taxable Amount			24,758,529
22	State Income Tax Rate			2.21%
23	State Income Taxes			547,163
24				
25	Net Federal Taxable Amount			24,211,365
26	Federal Income Tax Rate			35.00%
27	Federal Income Taxes			8,473,978
28				
29	Production Tax Credit	-	100.00%	-
30	Deferred Income Taxes	(8,832,011)	100.00%	(8,832,011)
31				
32	Total Income Taxes			189,131
33	Tax Gross Up Factor			1.57322992
34	Total Income Tax Expense			297,546
35				
36	**Operating Expenses**			
37	O&M, Property Tax Expense	9,741,619	100.00%	9,741,619
38	Depreciation Expense	32,376,108	100.00%	32,376,108
39	Total Operating Deductions			42,415,273
40				
41	Return on Rate Base			711,753
42				
43	Revenue Requirements			43,127,026

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2017 Total SPS	2017 Total Allocation	2017 Total SPS	2018 Total SPS	2018 Total Allocation	2018 Total SPS	2019 Total SPS	2019 Total Allocation	2019 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	-	100.00%	-	-	100.00%	-	-	100.00%	-
3	Less: Electric Production Accumulated Reserve for Depreciation	-	100.00%	-	-	100.00%	-	-	100.00%	-
4	Net Plant	-		-	-		-	-		-
5										
6	Accumulated Deferred Income Taxes	-	100.00%	-	-	100.00%	-	(6,360)	100.00%	(6,360)
7										
8	Net Rate Base	-		-	-		-	6,360		6,360
9										
10	**Income Tax Expense**									
11	Net Rate Base			-			-			6,360
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			-			-			460
14										
15	Net Rate Base			-			-			6,360
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			-			-			125
18										
19	Additions and Deductions for Taxes	-	100.00%	-	-	100.00%	-	34,910	100.00%	34,910
20										
21	State Taxable Amount			-			-			35,246
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			-			-			779
24										
25	Net Federal Taxable Amount			-			-			34,467
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			-			-			12,063
28										
29	Production Tax Credit									
30	Deferred Income Taxes	-	100.00%	-	-	100.00%	-	(12,720)	100.00%	(12,720)
31										
32	Total Income Taxes			-			-			122
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			-			-			192
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
39	Total Operating Deductions			-			-			192
40										
41	Return on Rate Base			-			-			460
42										
43	Revenue Requirements			-			-			653

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2020 Total SPS	2020 Total Allocation	2020 Total SPS	2021 Total SPS	2021 Total Allocation	2021 Total SPS	2022 Total SPS	2022 Total Allocation	2022 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	11,381,648	100.00%	11,381,648	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178
3	Less: Electric Production Accumulated Reserve for Depreciation	80,105	100.00%	80,105	439,323	100.00%	439,323	829,833	100.00%	829,833
4	Net Plant	11,301,543		11,301,543	18,055,855		18,055,855	17,665,345		17,665,345
5										
6	Accumulated Deferred Income Taxes	98,586	100.00%	98,586	450,999	100.00%	450,999	902,252	100.00%	902,252
7										
8	Net Rate Base	11,202,957		11,202,957	17,604,856		17,604,856	16,763,093		16,763,093
9										
10	**Income Tax Expense**									
11	Net Rate Base			11,202,957			17,604,856			16,763,093
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			811,094			1,274,592			1,213,648
14										
15	Net Rate Base			11,202,957			17,604,856			16,763,093
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			219,578			345,055			328,557
18										
19	Additions and Deductions for Taxes	(610,961)	100.00%	(610,961)	(1,323,434)	100.00%	(1,323,434)	(1,153,492)	100.00%	(1,153,492)
20										
21	State Taxable Amount			(19,445)			(393,898)			(268,401)
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			(430)			(8,705)			(5,932)
24										
25	Net Federal Taxable Amount			(19,015)			(385,192)			(262,469)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(6,655)			(134,817)			(91,864)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	222,613	100.00%	222,613	482,213	100.00%	482,213	420,292	100.00%	420,292
31										
32	Total Income Taxes			215,528			338,690			322,496
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			339,075			532,838			507,361
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	244,069	100.00%	244,069	390,510	100.00%	390,510	390,510	100.00%	390,510
39	Total Operating Deductions			583,143			923,348			897,871
40										
41	Return on Rate Base			811,094			1,274,592			1,213,648
42										
43	Revenue Requirements			1,394,237			2,197,939			2,111,519

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2023 Total SPS	2023 Total Allocation	2023 Total SPS	2024 Total SPS	2024 Total Allocation	2024 Total SPS	2025 Total SPS	2025 Total Allocation	2025 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178
3	Less: Electric Production Accumulated Reserve for Depreciation	1,220,343	100.00%	1,220,343	1,610,852	100.00%	1,610,852	2,001,362	100.00%	2,001,362
4	Net Plant	17,274,835		17,274,835	16,884,326		16,884,326	16,493,816		16,493,816
5										
6	Accumulated Deferred Income Taxes	1,294,843	100.00%	1,294,843	1,634,638	100.00%	1,634,638	1,926,526	100.00%	1,926,526
7										
8	Net Rate Base	15,979,992		15,979,992	15,249,688		15,249,688	14,567,290		14,567,290
9										
10	**Income Tax Expense**									
11	Net Rate Base			15,979,992			15,249,688			14,567,290
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			1,156,951			1,104,077			1,054,672
14										
15	Net Rate Base			15,979,992			15,249,688			14,567,290
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			313,208			298,894			285,519
18										
19	Additions and Deductions for Taxes	(1,001,440)	100.00%	(1,001,440)	(863,698)	100.00%	(863,698)	(738,478)	100.00%	(738,478)
20										
21	State Taxable Amount			(157,696)			(58,514)			30,675
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			(3,485)			(1,293)			678
24										
25	Net Federal Taxable Amount			(154,211)			(57,221)			29,997
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(53,974)			(20,027)			10,499
28										
29	Production Tax Credit									
30	Deferred Income Taxes	364,890	100.00%	364,890	314,701	100.00%	314,701	269,076	100.00%	269,076
31										
32	Total Income Taxes			307,431			293,381			280,252
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			483,659			461,555			440,901
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	390,510	100.00%	390,510	390,510	100.00%	390,510	390,510	100.00%	390,510
39	Total Operating Deductions			874,169			852,065			831,411
40										
41	Return on Rate Base			1,156,951			1,104,077			1,054,672
42										
43	Revenue Requirements			2,031,120			1,956,142			1,886,083

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2026 Total SPS	2026 Total Allocation	2026 Total SPS	2027 Total SPS	2027 Total Allocation	2027 Total SPS	2028 Total SPS	2028 Total Allocation	2028 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178
3	Less: Electric Production Accumulated Reserve for Depreciation	2,391,872	100.00%	2,391,872	2,782,381	100.00%	2,782,381	3,172,891	100.00%	3,172,891
4	Net Plant	16,103,306		16,103,306	15,712,797		15,712,797	15,322,287		15,322,287
5										
6	Accumulated Deferred Income Taxes	2,184,847	100.00%	2,184,847	2,432,414	100.00%	2,432,414	2,680,305	100.00%	2,680,305
7										
8	Net Rate Base	13,918,459		13,918,459	13,280,383		13,280,383	12,641,982		12,641,982
9										
10	**Income Tax Expense**									
11	Net Rate Base			13,918,459			13,280,383			12,641,982
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			1,007,696			961,500			915,279
14										
15	Net Rate Base			13,918,459			13,280,383			12,641,982
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			272,802			260,296			247,783
18										
19	Additions and Deductions for Taxes	(679,446)	100.00%	(679,446)	(679,446)	100.00%	(679,446)	(681,235)	100.00%	(681,235)
20										
21	State Taxable Amount			55,449			21,758			(13,738)
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			1,225			481			(304)
24										
25	Net Federal Taxable Amount			54,223			21,277			(13,435)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			18,978			7,447			(4,702)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	247,566	100.00%	247,566	247,566	100.00%	247,566	248,218	100.00%	248,218
31										
32	Total Income Taxes			267,770			255,494			243,212
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			421,263			401,951			382,629
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	390,510	100.00%	390,510	390,510	100.00%	390,510	390,510	100.00%	390,510
39	Total Operating Deductions			811,773			792,461			773,138
40										
41	Return on Rate Base			1,007,696			961,500			915,279
42										
43	Revenue Requirements			1,819,470			1,753,960			1,688,418

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2029 Total SPS	2029 Total Allocation	2029 Total SPS	2030 Total SPS	2030 Total Allocation	2030 Total SPS	2031 Total SPS	2031 Total Allocation	2031 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178
3	Less: Electric Production Accumulated Reserve for Depreciation	3,563,401	100.00%	3,563,401	3,953,911	100.00%	3,953,911	4,344,420	100.00%	4,344,420
4	Net Plant	14,931,777		14,931,777	14,541,267		14,541,267	14,150,758		14,150,758
5										
6	Accumulated Deferred Income Taxes	2,928,198	100.00%	2,928,198	3,176,091	100.00%	3,176,091	3,423,982	100.00%	3,423,982
7										
8	Net Rate Base	12,003,579		12,003,579	11,365,176		11,365,176	10,726,776		10,726,776
9										
10	**Income Tax Expense**									
11	Net Rate Base			12,003,579			11,365,176			10,726,776
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			869,059			822,839			776,619
14										
15	Net Rate Base			12,003,579			11,365,176			10,726,776
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			235,270			222,757			210,245
18										
19	Additions and Deductions for Taxes	(679,446)	100.00%	(679,446)	(681,235)	100.00%	(681,235)	(679,446)	100.00%	(679,446)
20										
21	State Taxable Amount			(45,657)			(81,154)			(113,072)
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			(1,009)			(1,793)			(2,499)
24										
25	Net Federal Taxable Amount			(44,648)			(79,360)			(110,573)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(15,627)			(27,776)			(38,701)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	247,566	100.00%	247,566	248,218	100.00%	248,218	247,566	100.00%	247,566
31										
32	Total Income Taxes			230,930			218,648			206,367
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			363,307			343,984			324,662
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	390,510	100.00%	390,510	390,510	100.00%	390,510	390,510	100.00%	390,510
39	Total Operating Deductions			753,816			734,494			715,172
40										
41	Return on Rate Base			869,059			822,839			776,619
42										
43	Revenue Requirements			1,622,875			1,557,333			1,491,790

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2032 Total SPS	2032 Total Allocation	2032 Total SPS	2033 Total SPS	2033 Total Allocation	2033 Total SPS	2034 Total SPS	2034 Total Allocation	2034 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178
3	Less: Electric Production Accumulated Reserve for Depreciation	4,734,930	100.00%	4,734,930	5,125,439	100.00%	5,125,439	5,515,948	100.00%	5,515,948
4	Net Plant	13,760,248		13,760,248	13,369,739		13,369,739	12,979,230		12,979,230
5										
6	Accumulated Deferred Income Taxes	3,671,875	100.00%	3,671,875	3,919,766	100.00%	3,919,766	4,167,659	100.00%	4,167,659
7										
8	Net Rate Base	10,088,373		10,088,373	9,449,973		9,449,973	8,811,571		8,811,571
9										
10	**Income Tax Expense**									
11	Net Rate Base			10,088,373			9,449,973			8,811,571
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			730,398			684,178			637,958
14										
15	Net Rate Base			10,088,373			9,449,973			8,811,571
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			197,732			185,219			172,707
18										
19	Additions and Deductions for Taxes	(681,235)	100.00%	(681,235)	(679,446)	100.00%	(679,446)	(681,235)	100.00%	(681,235)
20										
21	State Taxable Amount			(148,569)			(180,487)			(215,984)
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			(3,283)			(3,989)			(4,773)
24										
25	Net Federal Taxable Amount			(145,286)			(176,499)			(211,211)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(50,850)			(61,775)			(73,924)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	248,218	100.00%	248,218	247,566	100.00%	247,566	248,218	100.00%	248,218
31										
32	Total Income Taxes			194,085			181,803			169,521
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			305,340			286,018			266,696
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	390,510	100.00%	390,510	390,510	100.00%	390,510	390,510	100.00%	390,510
39	Total Operating Deductions			695,850			676,528			657,205
40										
41	Return on Rate Base			730,398			684,178			637,958
42										
43	Revenue Requirements			1,426,248			1,360,706			1,295,163

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2035 Total SPS	2035 Total Allocation	2035 Total SPS	2036 Total SPS	2036 Total Allocation	2036 Total SPS	2037 Total SPS	2037 Total Allocation	2037 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178
3	Less: Electric Production Accumulated Reserve for Depreciation	5,906,458	100.00%	5,906,458	6,296,968	100.00%	6,296,968	6,687,477	100.00%	6,687,477
4	Net Plant	12,588,720		12,588,720	12,198,210		12,198,210	11,807,701		11,807,701
5										
6	Accumulated Deferred Income Taxes	4,319,411	100.00%	4,319,411	4,278,557	100.00%	4,278,557	4,141,564	100.00%	4,141,564
7										
8	Net Rate Base	8,269,309		8,269,309	7,919,653		7,919,653	7,666,137		7,666,137
9										
10	**Income Tax Expense**									
11	Net Rate Base			8,269,309			7,919,653			7,666,137
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			598,698			573,383			555,028
14										
15	Net Rate Base			8,269,309			7,919,653			7,666,137
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			162,078			155,225			150,256
18										
19	Additions and Deductions for Taxes	(151,734)	100.00%	(151,734)	375,979	100.00%	375,979	375,979	100.00%	375,979
20										
21	State Taxable Amount			284,886			794,137			780,751
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			6,296			17,550			17,255
24										
25	Net Federal Taxable Amount			278,590			776,586			763,496
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			97,506			271,805			267,224
28										
29	Production Tax Credit									
30	Deferred Income Taxes	55,286	100.00%	55,286	(136,994)	100.00%	(136,994)	(136,994)	100.00%	(136,994)
31										
32	Total Income Taxes			159,089			152,362			147,485
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			250,283			239,701			232,028
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	390,510	100.00%	390,510	390,510	100.00%	390,510	390,510	100.00%	390,510
39	Total Operating Deductions			640,793			630,210			622,537
40										
41	Return on Rate Base			598,698			573,383			555,028
42										
43	Revenue Requirements			1,239,491			1,203,593			1,177,566

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2038 Total SPS	2038 Total Allocation	2038 Total SPS	2039 Total SPS	2039 Total Allocation	2039 Total SPS	2040 Total SPS	2040 Total Allocation	2040 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178
3	Less: Electric Production Accumulated Reserve for Depreciation	7,077,987	100.00%	7,077,987	7,468,497	100.00%	7,468,497	7,859,007	100.00%	7,859,007
4	Net Plant	11,417,191		11,417,191	11,026,681		11,026,681	10,636,171		10,636,171
5										
6	Accumulated Deferred Income Taxes	4,004,571	100.00%	4,004,571	3,867,577	100.00%	3,867,577	3,730,583	100.00%	3,730,583
7										
8	Net Rate Base	7,412,620		7,412,620	7,159,104		7,159,104	6,905,588		6,905,588
9										
10	**Income Tax Expense**									
11	Net Rate Base			7,412,620			7,159,104			6,905,588
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			536,674			518,319			499,965
14										
15	Net Rate Base			7,412,620			7,159,104			6,905,588
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			145,287			140,318			135,350
18										
19	Additions and Deductions for Taxes	375,979	100.00%	375,979	375,979	100.00%	375,979	375,979	100.00%	375,979
20										
21	State Taxable Amount			767,365			753,980			740,594
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			16,959			16,663			16,367
24										
25	Net Federal Taxable Amount			750,407			737,317			724,227
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			262,642			258,061			253,479
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(136,994)	100.00%	(136,994)	(136,994)	100.00%	(136,994)	(136,994)	100.00%	(136,994)
31										
32	Total Income Taxes			142,608			137,730			132,853
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			224,354			216,681			209,008
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	390,510	100.00%	390,510	390,510	100.00%	390,510	390,510	100.00%	390,510
39	Total Operating Deductions			614,864			607,191			599,518
40										
41	Return on Rate Base			536,674			518,319			499,965
42										
43	Revenue Requirements			1,151,538			1,125,510			1,099,483

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2041 Total SPS	2041 Total Allocation	2041 Total SPS	2042 Total SPS	2042 Total Allocation	2042 Total SPS	2043 Total SPS	2043 Total Allocation	2043 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178
3	Less: Electric Production Accumulated Reserve for Depreciation	8,249,516	100.00%	8,249,516	8,640,026	100.00%	8,640,026	9,030,536	100.00%	9,030,536
4	Net Plant	10,245,662		10,245,662	9,855,152		9,855,152	9,464,642		9,464,642
5										
6	Accumulated Deferred Income Taxes	3,593,590	100.00%	3,593,590	3,456,596	100.00%	3,456,596	3,319,603	100.00%	3,319,603
7										
8	Net Rate Base	6,652,072		6,652,072	6,398,556		6,398,556	6,145,039		6,145,039
9										
10	**Income Tax Expense**									
11	Net Rate Base			6,652,072			6,398,556			6,145,039
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			481,610			463,255			444,901
14										
15	Net Rate Base			6,652,072			6,398,556			6,145,039
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			130,381			125,412			120,443
18										
19	Additions and Deductions for Taxes	375,979	100.00%	375,979	375,979	100.00%	375,979	375,979	100.00%	375,979
20										
21	State Taxable Amount			727,208			713,823			700,437
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			16,071			15,775			15,480
24										
25	Net Federal Taxable Amount			711,137			698,047			684,957
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			248,898			244,317			239,735
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(136,994)	100.00%	(136,994)	(136,994)	100.00%	(136,994)	(136,994)	100.00%	(136,994)
31										
32	Total Income Taxes			127,976			123,099			118,221
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			201,335			193,662			185,989
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	390,510	100.00%	390,510	390,510	100.00%	390,510	390,510	100.00%	390,510
39	Total Operating Deductions			591,845			584,172			576,499
40										
41	Return on Rate Base			481,610			463,255			444,901
42										
43	Revenue Requirements			1,073,455			1,047,427			1,021,400

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2044 Total SPS	2044 Total Allocation	2044 Total SPS	2045 Total SPS	2045 Total Allocation	2045 Total SPS
1	**Rate Base**						
2	Electric Plant in Service	18,495,178	100.00%	18,495,178	18,495,178	100.00%	18,495,178
3	Less: Electric Production Accumulated Reserve for Depreciation	9,421,045	100.00%	9,421,045	9,811,555	100.00%	9,811,555
4	Net Plant	9,074,133		9,074,133	8,683,623		8,683,623
5							
6	Accumulated Deferred Income Taxes	3,182,610	100.00%	3,182,610	3,045,616	100.00%	3,045,616
7							
8	Net Rate Base	5,891,523		5,891,523	5,638,007		5,638,007
9							
10	**Income Tax Expense**						
11	Net Rate Base			5,891,523			5,638,007
12	Rate of Return on Rate Base			7.24%			7.24%
13	Earnings before Interest			426,546			408,192
14							
15	Net Rate Base			5,891,523			5,638,007
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			115,474			110,505
18							
19	Additions and Deductions for Taxes	375,979	100.00%	375,979	375,979	100.00%	375,979
20							
21	State Taxable Amount			687,051			673,666
22	State Income Tax Rate			2.21%			2.21%
23	State Income Taxes			15,184			14,888
24							
25	Net Federal Taxable Amount			671,868			658,778
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			235,154			230,572
28							
29	Production Tax Credit						
30	Deferred Income Taxes	(136,994)	100.00%	(136,994)	(136,994)	100.00%	(136,994)
31							
32	Total Income Taxes			113,344			108,467
33	Tax Gross Up Factor			1.57322992			1.57322992
34	Total Income Tax Expense			178,316			170,643
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	390,510	100.00%	390,510	390,510	100.00%	390,510
39	Total Operating Deductions			568,826			561,153
40							
41	Return on Rate Base			426,546			408,192
42							
43	Revenue Requirements			995,372			969,344

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2017 Total SPS	2017 Total Allocation	2017 Total SPS	2018 Total SPS	2018 Total Allocation	2018 Total SPS	2019 Total SPS	2019 Total Allocation	2019 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	-	100.00%	-	-	100.00%	-	-	100.00%	-
3	Less: Electric Production Accumulated Reserve for Depreciation	-	100.00%	-	-	100.00%	-	-	100.00%	-
4	Net Plant	-		-	-		-	-		-
5										
6										
7	Accumulated Deferred Income Taxes	-	100.00%	-	(9,343)	100.00%	(9,343)	(62,211)	100.00%	(62,211)
8	Net Rate Base	-		-	9,343		9,343	62,211		62,211
9										
10	**Income Tax Expense**									
11	Net Rate Base			-			9,343			62,211
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			-			676			4,504
14										
15	Net Rate Base			-			9,343			62,211
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			-			183			1,219
18										
19	Additions and Deductions for Taxes	-	100.00%	-	51,282	100.00%	51,282	238,912	100.00%	238,912
20										
21	State Taxable Amount			-			51,775			242,197
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			-			1,144			5,353
24										
25	Net Federal Taxable Amount			-			50,631			236,844
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			-			17,721			82,895
28										
29	Production Tax Credit									
30	Deferred Income Taxes	-	100.00%	-	(18,685)	100.00%	(18,685)	(87,051)	100.00%	(87,051)
31										
32	Total Income Taxes			-			180			1,197
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			-			283			1,883
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
39	Total Operating Deductions			-			283			1,883
40										
41	Return on Rate Base			-			676			4,504
42										
43	Revenue Requirements			-			959			6,387

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2020 Total SPS	2020 Total Allocation	2020 Total SPS	2021 Total SPS	2021 Total Allocation	2021 Total SPS	2022 Total SPS	2022 Total Allocation	2022 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	33,039,166	100.00%	33,039,166	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644
3	Less: Electric Production Accumulated Reserve for Depreciation	271,193	100.00%	271,193	1,487,319	100.00%	1,487,319	2,809,380	100.00%	2,809,380
4	Net Plant	32,767,973		32,767,973	52,201,325		52,201,325	50,879,264		50,879,264
5										
6										
7	Accumulated Deferred Income Taxes	194,842	100.00%	194,842	1,151,975	100.00%	1,151,975	2,376,702	100.00%	2,376,702
8	Net Rate Base	32,573,131		32,573,131	51,049,350		51,049,350	48,502,562		48,502,562
9										
10	**Income Tax Expense**									
11	Net Rate Base			32,573,131			51,049,350			48,502,562
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			2,358,295			3,695,973			3,511,585
14										
15	Net Rate Base			32,573,131			51,049,350			48,502,562
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			638,433			1,000,567			950,650
18										
19	Additions and Deductions for Taxes	(1,649,881)	100.00%	(1,649,881)	(3,603,818)	100.00%	(3,603,818)	(3,118,714)	100.00%	(3,118,714)
20										
21	State Taxable Amount			69,980			(908,412)			(557,779)
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			1,547			(20,076)			(12,327)
24										
25	Net Federal Taxable Amount			68,434			(888,336)			(545,452)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			23,952			(310,918)			(190,908)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	601,159	100.00%	601,159	1,313,105	100.00%	1,313,105	1,136,350	100.00%	1,136,350
31										
32	Total Income Taxes			626,657			982,112			933,115
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			985,876			1,545,087			1,468,005
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	826,288	100.00%	826,288	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061
39	Total Operating Deductions			1,812,164			2,867,149			2,790,066
40										
41	Return on Rate Base			2,358,295			3,695,973			3,511,585
42										
43	Revenue Requirements			4,170,459			6,563,122			6,301,651

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2023 Total SPS	2023 Total Allocation	2023 Total SPS	2024 Total SPS	2024 Total Allocation	2024 Total SPS	2025 Total SPS	2025 Total Allocation	2025 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644
3	Less: Electric Production Accumulated Reserve for Depreciation	4,131,441	100.00%	4,131,441	5,453,503	100.00%	5,453,503	6,775,564	100.00%	6,775,564
4	Net Plant	49,557,203		49,557,203	48,235,141		48,235,141	46,913,080		46,913,080
5										
6										
7	Accumulated Deferred Income Taxes	3,433,978	100.00%	3,433,978	4,340,547	100.00%	4,340,547	5,110,363	100.00%	5,110,363
8	Net Rate Base	46,123,225		46,123,225	43,894,594		43,894,594	41,802,717		41,802,717
9										
10	**Income Tax Expense**									
11	Net Rate Base			46,123,225			43,894,594			41,802,717
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			3,339,321			3,177,969			3,026,517
14										
15	Net Rate Base			46,123,225			43,894,594			41,802,717
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			904,015			860,334			819,333
18										
19	Additions and Deductions for Taxes	(2,684,673)	100.00%	(2,684,673)	(2,291,483)	100.00%	(2,291,483)	(1,934,037)	100.00%	(1,934,037)
20										
21	State Taxable Amount			(249,367)			26,152			273,146
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			(5,511)			578			6,037
24										
25	Net Federal Taxable Amount			(243,856)			25,574			267,110
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(85,350)			8,951			93,488
28										
29	Production Tax Credit									
30	Deferred Income Taxes	978,201	100.00%	978,201	834,936	100.00%	834,936	704,695	100.00%	704,695
31										
32	Total Income Taxes			887,340			844,465			804,220
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			1,395,990			1,328,537			1,265,224
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061
39	Total Operating Deductions			2,718,052			2,650,599			2,587,285
40										
41	Return on Rate Base			3,339,321			3,177,969			3,026,517
42										
43	Revenue Requirements			6,057,373			5,828,567			5,613,802

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2026 Total SPS	2026 Total Allocation	2026 Total SPS	2027 Total SPS	2027 Total Allocation	2027 Total SPS	2028 Total SPS	2028 Total Allocation	2028 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644
3	Less: Electric Production Accumulated Reserve for Depreciation	8,097,626	100.00%	8,097,626	9,419,688	100.00%	9,419,688	10,741,749	100.00%	10,741,749
4	Net Plant	45,591,018		45,591,018	44,268,956		44,268,956	42,946,895		42,946,895
5										
6										
7	Accumulated Deferred Income Taxes	5,784,358	100.00%	5,784,358	6,427,654	100.00%	6,427,654	7,071,882	100.00%	7,071,882
8	Net Rate Base	39,806,660		39,806,660	37,841,302		37,841,302	35,875,013		35,875,013
9										
10	**Income Tax Expense**									
11	Net Rate Base			39,806,660			37,841,302			35,875,013
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			2,882,002			2,739,710			2,597,351
14										
15	Net Rate Base			39,806,660			37,841,302			35,875,013
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			780,211			741,690			703,150
18										
19	Additions and Deductions for Taxes	(1,765,527)	100.00%	(1,765,527)	(1,765,527)	100.00%	(1,765,527)	(1,770,634)	100.00%	(1,770,634)
20										
21	State Taxable Amount			336,265			232,494			123,567
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			7,431			5,138			2,731
24										
25	Net Federal Taxable Amount			328,833			227,356			120,836
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			115,092			79,574			42,293
28										
29	Production Tax Credit									
30	Deferred Income Taxes	643,296	100.00%	643,296	643,296	100.00%	643,296	645,157	100.00%	645,157
31										
32	Total Income Taxes			765,819			728,009			690,180
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			1,204,810			1,145,325			1,085,812
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061
39	Total Operating Deductions			2,526,871			2,467,387			2,407,874
40										
41	Return on Rate Base			2,882,002			2,739,710			2,597,351
42										
43	Revenue Requirements			5,408,874			5,207,097			5,005,225

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2029 Total SPS	2029 Total Allocation	2029 Total SPS	2030 Total SPS	2030 Total Allocation	2030 Total SPS	2031 Total SPS	2031 Total Allocation	2031 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644
3	Less: Electric Production Accumulated Reserve for Depreciation	12,063,810	100.00%	12,063,810	13,385,872	100.00%	13,385,872	14,707,933	100.00%	14,707,933
4	Net Plant	41,624,834		41,624,834	40,302,772		40,302,772	38,980,711		38,980,711
5										
6										
7	Accumulated Deferred Income Taxes	7,716,108	100.00%	7,716,108	8,360,335	100.00%	8,360,335	9,004,561	100.00%	9,004,561
8	Net Rate Base	33,908,726		33,908,726	31,942,437		31,942,437	29,976,150		29,976,150
9										
10	**Income Tax Expense**									
11	Net Rate Base			33,908,726			31,942,437			29,976,150
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			2,454,992			2,312,632			2,170,273
14										
15	Net Rate Base			33,908,726			31,942,437			29,976,150
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			664,611			626,072			587,533
18										
19	Additions and Deductions for Taxes	(1,765,527)	100.00%	(1,765,527)	(1,770,634)	100.00%	(1,770,634)	(1,765,527)	100.00%	(1,765,527)
20										
21	State Taxable Amount			24,854			(84,073)			(182,786)
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			549			(1,858)			(4,040)
24										
25	Net Federal Taxable Amount			24,304			(82,215)			(178,747)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			8,507			(28,775)			(62,561)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	643,296	100.00%	643,296	645,157	100.00%	645,157	643,296	100.00%	643,296
31										
32	Total Income Taxes			652,352			614,524			576,695
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			1,026,300			966,787			907,274
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061
39	Total Operating Deductions			2,348,361			2,288,848			2,229,336
40										
41	Return on Rate Base			2,454,992			2,312,632			2,170,273
42										
43	Revenue Requirements			4,803,353			4,601,481			4,399,609

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2032 Total SPS	2032 Total Allocation	2032 Total SPS	2033 Total SPS	2033 Total Allocation	2033 Total SPS	2034 Total SPS	2034 Total Allocation	2034 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644
3	Less: Electric Production Accumulated Reserve for Depreciation	16,029,994	100.00%	16,029,994	17,352,056	100.00%	17,352,056	18,674,117	100.00%	18,674,117
4	Net Plant	37,658,650		37,658,650	36,336,588		36,336,588	35,014,527		35,014,527
5										
6										
7	Accumulated Deferred Income Taxes	9,648,787	100.00%	9,648,787	10,293,015	100.00%	10,293,015	10,937,241	100.00%	10,937,241
8	Net Rate Base	28,009,863		28,009,863	26,043,573		26,043,573	24,077,286		24,077,286
9										
10	**Income Tax Expense**									
11	Net Rate Base			28,009,863			26,043,573			24,077,286
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			2,027,914			1,885,555			1,743,196
14										
15	Net Rate Base			28,009,863			26,043,573			24,077,286
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			548,993			510,454			471,915
18										
19	Additions and Deductions for Taxes	(1,770,634)	100.00%	(1,770,634)	(1,765,527)	100.00%	(1,765,527)	(1,770,634)	100.00%	(1,770,634)
20										
21	State Taxable Amount			(291,713)			(390,426)			(499,353)
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			(6,447)			(8,628)			(11,036)
24										
25	Net Federal Taxable Amount			(285,266)			(381,798)			(488,318)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(99,843)			(133,629)			(170,911)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	645,157	100.00%	645,157	643,296	100.00%	643,296	645,157	100.00%	645,157
31										
32	Total Income Taxes			538,867			501,039			463,210
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			847,761			788,249			728,736
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061
39	Total Operating Deductions			2,169,823			2,110,310			2,050,797
40										
41	Return on Rate Base			2,027,914			1,885,555			1,743,196
42										
43	Revenue Requirements			4,197,737			3,995,865			3,793,993

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2035 Total SPS	2035 Total Allocation	2035 Total SPS	2036 Total SPS	2036 Total Allocation	2036 Total SPS	2037 Total SPS	2037 Total Allocation	2037 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644
3	Less: Electric Production Accumulated Reserve for Depreciation	19,996,179	100.00%	19,996,179	21,318,240	100.00%	21,318,240	22,640,301	100.00%	22,640,301
4	Net Plant	33,692,465		33,692,465	32,370,404		32,370,404	31,048,343		31,048,343
5										
6										
7	Accumulated Deferred Income Taxes	11,307,032	100.00%	11,307,032	11,127,022	100.00%	11,127,022	10,672,576	100.00%	10,672,576
8	Net Rate Base	22,385,433		22,385,433	21,243,382		21,243,382	20,375,767		20,375,767
9										
10	**Income Tax Expense**									
11	Net Rate Base			22,385,433			21,243,382			20,375,767
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			1,620,705			1,538,021			1,475,206
14										
15	Net Rate Base			22,385,433			21,243,382			20,375,767
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			438,754			416,370			399,365
18										
19	Additions and Deductions for Taxes	(259,150)	100.00%	(259,150)	1,247,228	100.00%	1,247,228	1,247,228	100.00%	1,247,228
20										
21	State Taxable Amount			922,801			2,368,879			2,323,068
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			20,394			52,352			51,340
24										
25	Net Federal Taxable Amount			902,407			2,316,526			2,271,729
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			315,842			810,784			795,105
28										
29	Production Tax Credit									
30	Deferred Income Taxes	94,425	100.00%	94,425	(454,446)	100.00%	(454,446)	(454,446)	100.00%	(454,446)
31										
32	Total Income Taxes			430,661			408,690			391,999
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			677,529			642,964			616,704
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061
39	Total Operating Deductions			1,999,591			1,965,025			1,938,765
40										
41	Return on Rate Base			1,620,705			1,538,021			1,475,206
42										
43	Revenue Requirements			3,620,296			3,503,046			3,413,971

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2038 Total SPS	2038 Total Allocation	2038 Total SPS	2039 Total SPS	2039 Total Allocation	2039 Total SPS	2040 Total SPS	2040 Total Allocation	2040 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644
3	Less: Electric Production Accumulated Reserve for Depreciation	23,962,363	100.00%	23,962,363	25,284,424	100.00%	25,284,424	26,606,485	100.00%	26,606,485
4	Net Plant	29,726,281		29,726,281	28,404,220		28,404,220	27,082,159		27,082,159
5										
6										
7	Accumulated Deferred Income Taxes	10,218,129	100.00%	10,218,129	9,763,683	100.00%	9,763,683	9,309,237	100.00%	9,309,237
8	Net Rate Base	19,508,152		19,508,152	18,640,537		18,640,537	17,772,922		17,772,922
9										
10	**Income Tax Expense**									
11	Net Rate Base			19,508,152			18,640,537			17,772,922
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			1,412,390			1,349,575			1,286,760
14										
15	Net Rate Base			19,508,152			18,640,537			17,772,922
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			382,360			365,355			348,349
18										
19	Additions and Deductions for Taxes	1,247,228	100.00%	1,247,228	1,247,228	100.00%	1,247,228	1,247,228	100.00%	1,247,228
20										
21	State Taxable Amount			2,277,258			2,231,448			2,185,638
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			50,327			49,315			48,303
24										
25	Net Federal Taxable Amount			2,226,931			2,182,133			2,137,336
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			779,426			763,747			748,067
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(454,446)	100.00%	(454,446)	(454,446)	100.00%	(454,446)	(454,446)	100.00%	(454,446)
31										
32	Total Income Taxes			375,307			358,616			341,924
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			590,444			564,185			537,925
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061
39	Total Operating Deductions			1,912,506			1,886,246			1,859,986
40										
41	Return on Rate Base			1,412,390			1,349,575			1,286,760
42										
43	Revenue Requirements			3,324,896			3,235,821			3,146,746

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2041 Total SPS	2041 Total Allocation	2041 Total SPS	2042 Total SPS	2042 Total Allocation	2042 Total SPS	2043 Total SPS	2043 Total Allocation	2043 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644
3	Less: Electric Production Accumulated Reserve for Depreciation	27,928,547	100.00%	27,928,547	29,250,608	100.00%	29,250,608	30,572,669	100.00%	30,572,669
4	Net Plant	25,760,097		25,760,097	24,438,036		24,438,036	23,115,975		23,115,975
5										
6										
7	Accumulated Deferred Income Taxes	8,854,791	100.00%	8,854,791	8,400,345	100.00%	8,400,345	7,945,898	100.00%	7,945,898
8	Net Rate Base	16,905,306		16,905,306	16,037,691		16,037,691	15,170,077		15,170,077
9										
10	**Income Tax Expense**									
11	Net Rate Base			16,905,306			16,037,691			15,170,077
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			1,223,944			1,161,129			1,098,314
14										
15	Net Rate Base			16,905,306			16,037,691			15,170,077
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			331,344			314,339			297,334
18										
19	Additions and Deductions for Taxes	1,247,228	100.00%	1,247,228	1,247,228	100.00%	1,247,228	1,247,228	100.00%	1,247,228
20										
21	State Taxable Amount			2,139,828			2,094,018			2,048,208
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			47,290			46,278			45,265
24										
25	Net Federal Taxable Amount			2,092,538			2,047,740			2,002,943
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			732,388			716,709			701,030
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(454,446)	100.00%	(454,446)	(454,446)	100.00%	(454,446)	(454,446)	100.00%	(454,446)
31										
32	Total Income Taxes			325,232			308,541			291,849
33	Tax Gross Up Factor			1.57322992			1.57322992			1.57322992
34	Total Income Tax Expense			511,665			485,406			459,146
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061
39	Total Operating Deductions			1,833,727			1,807,467			1,781,207
40										
41	Return on Rate Base			1,223,944			1,161,129			1,098,314
42										
43	Revenue Requirements			3,057,671			2,968,596			2,879,521

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2044 Total SPS	2044 Total Allocation	2044 Total SPS	2045 Total SPS	2045 Total Allocation	2045 Total SPS
1	**Rate Base**						
2	Electric Plant in Service	53,688,644	100.00%	53,688,644	53,688,644	100.00%	53,688,644
3	Less: Electric Production Accumulated Reserve for Depreciation	31,894,731	100.00%	31,894,731	33,216,792	100.00%	33,216,792
4	Net Plant	21,793,913		21,793,913	20,471,852		20,471,852
5							
6							
7	Accumulated Deferred Income Taxes	7,491,452	100.00%	7,491,452	7,037,006	100.00%	7,037,006
8	Net Rate Base	14,302,461		14,302,461	13,434,846		13,434,846
9							
10	**Income Tax Expense**						
11	Net Rate Base			14,302,461			13,434,846
12	Rate of Return on Rate Base			7.24%			7.24%
13	Earnings before Interest			1,035,498			972,683
14							
15	Net Rate Base			14,302,461			13,434,846
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			280,328			263,323
18							
19	Additions and Deductions for Taxes	1,247,228	100.00%	1,247,228	1,247,228	100.00%	1,247,228
20							
21	State Taxable Amount			2,002,398			1,956,588
22	State Income Tax Rate			2.21%			2.21%
23	State Income Taxes			44,253			43,241
24							
25	Net Federal Taxable Amount			1,958,145			1,913,347
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			685,351			669,672
28							
29	Production Tax Credit						
30	Deferred Income Taxes	(454,446)	100.00%	(454,446)	(454,446)	100.00%	(454,446)
31							
32	Total Income Taxes			275,158			258,466
33	Tax Gross Up Factor			1.57322992			1.57322992
34	Total Income Tax Expense			432,886			406,626
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense						
38	Depreciation Expense	1,322,061	100.00%	1,322,061	1,322,061	100.00%	1,322,061
39	Total Operating Deductions			1,754,948			1,728,688
40							
41	Return on Rate Base			1,035,498			972,683
42							
43	Revenue Requirements			2,790,446			2,701,371

Revenue Requirements - Sagamore

Tax Rates and Capital Structure

Tax Rates

Total Composite Tax Rate	36.44%
New Mexico State Tax Rate	2.21%
Federal Rate	35.00%
Revenue Conversion Factor	1.57322992

	Forecast 2019 - 2045		
	Rate	Ratio	Cost
Long Term Debt	4.25%	46.03%	1.9600%
Short Term Debt	0.00%	0.00%	0.0000%
Preferred Stock	0.00%	0.00%	0.0000%
Common Equity	9.79%	53.97%	5.2800%
Calculated Return on Rate Base			7.2400%

Revenue Requirement

Summary - Hale

	2017	2018	2019	2020	2021	2022	2023	2024
Plant	0	0	414,221,460	769,557,942	770,144,033	771,194,807	772,942,717	774,727,880
Accum Depr	0	0	(4,989,223)	(33,096,002)	(64,888,498)	(96,712,422)	(128,596,412)	(160,557,297)
Net Plant	0	0	409,232,237	736,461,940	705,255,535	674,482,385	644,346,305	614,170,583
ADIT	4,282	254,364	12,019,439	42,737,223	82,123,316	61,325,393	(20,691,836)	(97,507,417)
Rate Base	4,282	254,364	421,251,676	779,199,163	787,378,851	735,807,778	623,654,469	516,663,166
Income Tax Expense	130	7,699	(36,245,210)	(60,407,801)	(63,519,903)	(65,080,813)	(71,835,055)	(75,073,380)
O&M, Property Tax	50,000	762,000	6,706,425	18,650,363	13,336,344	13,721,019	15,000,905	16,674,511
Depreciation Expense	0	0	17,207,730	31,780,255	31,804,828	31,848,883	31,922,166	31,997,011
Total Operating Deductions	50,130	769,699	(12,331,055)	(9,977,183)	(18,378,731)	(19,510,912)	(24,911,985)	(26,401,857)
Return	310	18,416	30,498,621	56,414,019	57,006,229	53,272,483	45,152,584	37,406,413
Revenue Requirement	50,440	788,115	18,167,566	46,436,836	38,627,497	33,761,571	20,240,599	11,004,556

Revenue Requirement

Summary - Hale

	2025	2026	2027	2028	2029	2030	2031
Plant	776,381,610	778,504,335	781,360,998	784,536,999	787,791,846	791,124,727	795,093,067
Accum Depr	(192,588,522)	(224,696,817)	(256,909,895)	(289,251,693)	(321,727,586)	(354,342,300)	(387,105,779)
Net Plant	583,793,088	553,807,518	524,451,103	495,285,306	466,064,260	436,782,427	407,987,288
ADIT	(163,806,143)	(189,190,639)	(178,995,094)	(168,905,578)	(158,876,676)	(148,883,236)	(138,949,644)
Rate Base	419,986,945	364,616,879	345,456,009	326,379,728	307,187,584	287,899,191	269,037,644
Income Tax Expense	(81,359,174)	(86,394,748)	(86,974,693)	(90,911,756)	(32,698,278)	8,713,895	8,143,009
O&M, Property Tax	17,037,182	16,430,639	17,679,350	22,841,858	22,548,423	22,734,677	23,012,327
Depreciation Expense	32,066,346	32,155,344	32,275,114	32,408,272	32,544,735	32,684,471	32,850,849
Total Operating Deductions	(32,255,646)	(37,808,764)	(37,020,229)	(35,661,627)	22,394,880	64,133,042	64,006,185
Return	30,407,055	26,398,262	25,011,015	23,629,892	22,240,381	20,843,901	19,478,325
Revenue Requirement	(1,848,592)	(11,410,502)	(12,009,214)	(12,031,734)	44,635,261	84,976,943	83,484,511

Revenue Requirement

Summary - Hale

	2032	2033	2034	2035	2036	2037	2038
Plant	799,880,980	804,896,209	810,033,810	815,177,990	820,261,748	825,471,189	830,806,061
Accum Depr	(420,055,929)	(453,212,265)	(486,581,426)	(520,166,878)	(553,966,418)	(587,980,866)	(622,217,227)
Net Plant	379,825,051	351,683,944	323,452,384	295,011,112	266,295,330	237,490,323	208,588,834
ADIT	(129,120,892)	(119,387,785)	(109,613,570)	(99,677,126)	(89,637,687)	(79,556,667)	(69,427,583)
Rate Base	250,704,159	232,296,159	213,838,814	195,333,986	176,657,643	157,933,656	139,161,251
Income Tax Expense	7,588,106	7,030,948	6,472,296	5,912,208	5,346,928	4,780,205	4,212,018
O&M, Property Tax	22,451,787	24,870,874	25,618,439	24,662,765	26,098,209	25,578,200	25,946,523
Depreciation Expense	33,051,588	33,261,858	33,477,259	33,692,936	33,906,079	34,124,492	34,348,163
Total Operating Deductions	63,091,482	65,163,681	65,567,994	64,267,908	65,351,215	64,482,897	64,506,704
Return	18,150,981	16,818,242	15,481,930	14,142,181	12,790,013	11,434,397	10,075,275
Revenue Requirement	81,242,463	81,981,923	81,049,924	78,410,089	78,141,229	75,917,293	74,581,979

Revenue Requirement

Summary - Hale

	2039	2040	2041	2042	2043	2044
Plant	836,272,824	841,871,214	847,256,312	851,426,741	854,484,752	855,961,033
Accum Depr	(656,679,112)	(691,373,872)	(726,300,175)	(761,431,912)	(796,709,405)	(831,627,188)
Net Plant	179,593,712	150,497,342	120,956,137	89,994,829	57,775,347	24,333,845
ADIT	(59,252,084)	(49,031,477)	(38,748,284)	(28,305,387)	(17,588,451)	(7,931,352)
Rate Base	120,341,628	101,465,865	82,207,853	61,689,442	40,186,896	16,402,493
Income Tax Expense	3,642,401	3,071,085	2,488,200	1,867,165	1,216,344	496,457
O&M, Property Tax	26,507,473	27,250,599	27,793,757	28,901,430	27,151,779	10,947,801
Depreciation Expense	34,577,364	34,812,084	35,037,862	35,212,712	35,340,923	30,937,366
Total Operating Deductions	64,727,238	65,133,768	65,319,818	65,981,307	63,709,046	42,381,625
Return	8,712,734	7,346,129	5,951,849	4,466,316	2,909,531	1,187,540
Revenue Requirement	73,439,972	72,479,896	71,271,667	70,447,623	66,618,577	43,569,165

Revenue Requirements - Hale

Total Revenue Requirement

Line No.	Description	2017 Total SPS	2017 Total Allocation	2017 Total SPS	2018 Total SPS	2018 Total Allocation	2018 Total SPS	2019 Total SPS	2019 Total Allocation	2019 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	-		-	-		-	414,221,460		414,221,460
3	Less: Electric Production Accumulated Reserve for Depreciation	-		-	-		-	4,989,223		4,989,223
4	Net Plant	-		-	-		-	409,232,237		409,232,237
5										
6	Accumulated Deferred Income Taxes	(4,282)		(4,282)	(254,364)		(254,364)	54,987,005		(12,019,439)
7										
8	Net Rate Base	4,282		4,282	254,364		254,364	354,245,232		421,251,676
9										
10	**Income Tax Expense**									
11	Net Rate Base			4,282			254,364			421,251,676
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			310			18,416			30,498,621
14										
15	Net Rate Base			4,282			254,364			421,251,676
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			84			4,986			8,256,533
18										
19										
20	Additions and Deductions for Taxes	23,501		23,501	1,349,185		1,349,185	(304,565,100)		(304,565,100)
21	NOL Sch M									282,323,011
22	State Taxable Amount			23,727			1,362,615			-
23	State Income Tax Rate			2.21%			2.21%			2.21%
24	State Income Taxes			525			30,124			-
25										
26	Net Federal Taxable Amount			23,203			1,332,491			-
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			8,121			466,372			-
29										
30	Production Tax Credit	-		0	-		0	(31,142,895)		(31,142,895)
31	Deferred Income Taxes	(8,563)		(8,563)	(491,602)		(491,602)	110,974,340		110,974,340
32	NOL Deferred Tax Expense			-			-			(102,869,994)
33	Total Income Taxes			82			4,894			(23,038,548)
34	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
35	Total Income Tax Expense			130			7,699			(36,245,210)
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	50,000		50,000	762,000		762,000	6,706,425		6,706,425
39	Depreciation Expense	-		-	-		-	17,207,730		17,207,730
40	Total Operating Deductions			50,130			769,699			(12,331,055)
41										
42	Return on Rate Base			310			18,416			30,498,621
43										
44	Revenue Requirements			50,440			788,115			18,167,566

Revenue Requirements - Hale

Total Revenue Requirement

Line No.	Description	2020 Total SPS	2020 Total Allocation	2020 Total SPS	2021 Total SPS	2021 Total Allocation	2021 Total SPS	2022 Total SPS	2022 Total Allocation	2022 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	769,557,942		769,557,942	770,144,033		770,144,033	771,194,807		771,194,807
3	Less: Electric Production Accumulated Reserve for Depreciation	33,096,002		33,096,002	64,888,498		64,888,498	96,712,422		96,712,422
4	Net Plant	736,461,940		736,461,940	705,255,535		705,255,535	674,482,385		674,482,385
5										
6	Accumulated Deferred Income Taxes	134,496,577		(42,737,223)	170,830,007		(82,123,316)	188,445,050		(61,325,393)
7										
8	Net Rate Base	601,965,363		779,199,163	534,425,528		787,378,851	486,037,335		735,807,778
9										
10	**Income Tax Expense**									
11	Net Rate Base			779,199,163			787,378,851			735,807,778
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			56,414,019			57,006,229			53,272,483
14										
15	Net Rate Base			779,199,163			787,378,851			735,807,778
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			15,272,304			15,432,625			14,421,832
18										
19										
20	Additions and Deductions for Taxes	(131,857,243)		(131,857,243)	(67,574,354)		(67,574,354)	(29,113,348)		(29,113,348)
21	NOL Sch M			90,715,527			26,000,751			(99,759,822)
22	State Taxable Amount			-			-			(90,022,520)
23	State Income Tax Rate			2.21%			2.21%			2.21%
24	State Income Taxes			-			-			(1,990,170)
25										
26	Net Federal Taxable Amount			-			-			(88,032,350)
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			-			-			(30,811,323)
29										
30	Production Tax Credit	(53,387,820)		(53,387,820)	(55,523,333)		(55,523,333)	(55,523,333)		(55,523,333)
31	Deferred Income Taxes	48,044,804		48,044,804	24,622,057		24,622,057	10,608,027		10,608,027
32	NOL Deferred Tax Expense			(33,054,003)			(9,473,890)			36,349,472
33	Total Income Taxes			(38,397,019)			(40,375,165)			(41,367,327)
34	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
35	Total Income Tax Expense			(60,407,801)			(63,519,903)			(65,080,813)
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	18,650,363		18,650,363	13,336,344		13,336,344	13,721,019		13,721,019
39	Depreciation Expense	31,780,255		31,780,255	31,804,828		31,804,828	31,848,883		31,848,883
40	Total Operating Deductions			(9,977,183)			(18,378,731)			(19,510,912)
41										
42	Return on Rate Base			56,414,019			57,006,229			53,272,483
43										
44	Revenue Requirements			46,436,836			38,627,497			33,761,571

Revenue Requirements - Hale

Total Revenue Requirement

Line No.	Description	2023 Total SPS	2023 Total Allocation	2023 Total SPS	2024 Total SPS	2024 Total Allocation	2024 Total SPS	2025 Total SPS	2025 Total Allocation	2025 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	772,942,717		772,942,717	774,727,880		774,727,880	776,381,610		776,381,610
3	Less: Electric Production Accumulated Reserve for Depreciation	128,596,412		128,596,412	160,557,297		160,557,297	192,588,522		192,588,522
4	Net Plant	644,346,305		644,346,305	614,170,583		614,170,583	583,793,088		583,793,088
5										
6	Accumulated Deferred Income Taxes	199,099,295		20,691,836	204,551,892		97,507,417	199,487,635		163,806,143
7										
8	Net Rate Base	445,247,010		623,654,469	409,618,691		516,663,166	384,305,453		419,986,945
9										
10	**Income Tax Expense**									
11	Net Rate Base			623,654,469			516,663,166			419,986,945
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			45,152,584			37,406,413			30,407,055
14										
15	Net Rate Base			623,654,469			516,663,166			419,986,945
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			12,223,628			10,126,598			8,231,744
18										
19										
20	Additions and Deductions for Taxes	(29,367,039)		(29,367,039)	(561,883)		(561,883)	28,359,235		28,359,235
21	NOL Sch M			(99,759,822)			(99,759,822)			(99,759,822)
22	State Taxable Amount			(96,197,905)			(73,041,890)			(49,225,277)
23	State Income Tax Rate			2.21%			2.21%			2.21%
24	State Income Taxes			(2,126,692)			(1,614,771)			(1,088,246)
25										
26	Net Federal Taxable Amount			(94,071,214)			(71,427,119)			(48,137,031)
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			(32,924,925)			(24,999,492)			(16,847,961)
29										
30	Production Tax Credit	(57,658,846)		(57,658,846)	(57,658,846)		(57,658,846)	(59,794,358)		(59,794,358)
31	Deferred Income Taxes	10,700,464		10,700,464	204,733		204,733	(10,333,250)		(10,333,250)
32	NOL Deferred Tax Expense			36,349,472			36,349,472			36,349,472
33	Total Income Taxes			(45,660,527)			(47,718,903)			(51,714,344)
34	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
35	Total Income Tax Expense			(71,835,055)			(75,073,380)			(81,359,174)
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	15,000,905		15,000,905	16,674,511		16,674,511	17,037,182		17,037,182
39	Depreciation Expense	31,922,166		31,922,166	31,997,011		31,997,011	32,066,346		32,066,346
40	Total Operating Deductions			(24,911,985)			(26,401,857)			(32,255,646)
41										
42	Return on Rate Base			45,152,584			37,406,413			30,407,055
43										
44	Revenue Requirements			20,240,599			11,004,556			(1,848,592)

Revenue Requirements - Hale

Total Revenue Requirement

Line No.	Description	2026 Total SPS	2026 Total Allocation	2026 Total SPS	2027 Total SPS	2027 Total Allocation	2027 Total SPS	2028 Total SPS	2028 Total Allocation	2028 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	778,504,335		778,504,335	781,360,998		781,360,998	784,536,999		784,536,999
3	Less: Electric Production Accumulated Reserve for Depreciation	224,696,817		224,696,817	256,909,895		256,909,895	289,251,693		289,251,693
4	Net Plant	553,807,518		553,807,518	524,451,103		524,451,103	495,285,306		495,285,306
5										
6	Accumulated Deferred Income Taxes	189,190,639		189,190,639	178,995,094		178,995,094	168,905,578		168,905,578
7										
8	Net Rate Base	364,616,879		364,616,879	345,456,009		345,456,009	326,379,728		326,379,728
9										
10	**Income Tax Expense**									
11	Net Rate Base			364,616,879			345,456,009			326,379,728
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			26,398,262			25,011,015			23,629,892
14										
15	Net Rate Base			364,616,879			345,456,009			326,379,728
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			7,146,491			6,770,938			6,397,043
18										
19										
20	Additions and Deductions for Taxes	28,160,234		28,160,234	27,802,380		27,802,380	27,578,253		27,578,253
21	NOL Sch M			-			-			
22	State Taxable Amount			47,412,005			46,042,457			44,811,103
23	State Income Tax Rate			2.21%			2.21%			2.21%
24	State Income Taxes			1,048,159			1,017,882			990,660
25										
26	Net Federal Taxable Amount			46,363,846			45,024,575			43,820,443
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			16,227,346			15,758,601			15,337,155
29										
30	Production Tax Credit	(61,929,871)		(61,929,871)	(61,929,871)		(61,929,871)	(64,065,384)		(64,065,384)
31	Deferred Income Taxes	(10,260,741)		(10,260,741)	(10,130,349)		(10,130,349)	(10,048,684)		(10,048,684)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			(54,915,106)			(55,283,737)			(57,786,253)
34	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
35	Total Income Tax Expense			(86,394,748)			(86,974,693)			(90,911,756)
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	16,430,639		16,430,639	17,679,350		17,679,350	22,841,858		22,841,858
39	Depreciation Expense	32,155,344		32,155,344	32,275,114		32,275,114	32,408,272		32,408,272
40	Total Operating Deductions			(37,808,764)			(37,020,229)			(35,661,627)
41										
42	Return on Rate Base			26,398,262			25,011,015			23,629,892
43										
44	Revenue Requirements			(11,410,502)			(12,009,214)			(12,031,734)

Revenue Requirements - Hale

Total Revenue Requirement

Line No.	Description	2029 Total SPS	2029 Total Allocation	2029 Total SPS	2030 Total SPS	2030 Total Allocation	2030 Total SPS	2031 Total SPS	2031 Total Allocation	2031 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	787,791,846		787,791,846	791,124,727		791,124,727	795,093,067		795,093,067
3	Less: Electric Production Accumulated Reserve for Depreciation	321,727,586		321,727,586	354,342,300		354,342,300	387,105,779		387,105,779
4	Net Plant	466,064,260		466,064,260	436,782,427		436,782,427	407,987,288		407,987,288
5										
6	Accumulated Deferred Income Taxes	158,876,676		158,876,676	148,883,236		148,883,236	138,949,644		138,949,644
7										
8	Net Rate Base	307,187,584		307,187,584	287,899,191		287,899,191	269,037,644		269,037,644
9										
10	**Income Tax Expense**									
11	Net Rate Base			307,187,584			287,899,191			269,037,644
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			22,240,381			20,843,901			19,478,325
14										
15	Net Rate Base			307,187,584			287,899,191			269,037,644
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			6,020,877			5,642,824			5,273,138
18										
19										
20	Additions and Deductions for Taxes	27,469,673		27,469,673	27,383,602		27,383,602	27,141,165		27,141,165
21	NOL Sch M									
22	State Taxable Amount			43,689,177			42,584,679			41,346,353
23	State Income Tax Rate			2.21%			2.21%			2.21%
24	State Income Taxes			965,857			941,439			914,063
25										
26	Net Federal Taxable Amount			42,723,321			41,643,240			40,432,290
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			14,953,162			14,575,134			14,151,301
29										
30	Production Tax Credit	(26,693,910)		(26,693,910)	-		-	-		-
31	Deferred Income Taxes	(10,009,121)		(10,009,121)	(9,977,759)		(9,977,759)	(9,889,422)		(9,889,422)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			(20,784,011)			5,538,814			5,175,942
34	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
35	Total Income Tax Expense			(32,698,278)			8,713,895			8,143,009
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	22,548,423		22,548,423	22,734,677		22,734,677	23,012,327		23,012,327
39	Depreciation Expense	32,544,735		32,544,735	32,684,471		32,684,471	32,850,849		32,850,849
40	Total Operating Deductions			22,394,880			64,133,042			64,006,185
41										
42	Return on Rate Base			22,240,381			20,843,901			19,478,325
43										
44	Revenue Requirements			44,635,261			84,976,943			83,484,511

Revenue Requirements - Hale

Total Revenue Requirement

Line No.	Description	2032 Total SPS	2032 Total Allocation	2032 Total SPS	2033 Total SPS	2033 Total Allocation	2033 Total SPS	2034 Total SPS	2034 Total Allocation	2034 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	799,880,980		799,880,980	804,896,209		804,896,209	810,033,810		810,033,810
3	Less: Electric Production Accumulated Reserve for Depreciation	420,055,929		420,055,929	453,212,265		453,212,265	486,581,426		486,581,426
4	Net Plant	379,825,051		379,825,051	351,683,944		351,683,944	323,452,384		323,452,384
5										
6	Accumulated Deferred Income Taxes	129,120,892		129,120,892	119,387,785		119,387,785	109,613,570		109,613,570
7										
8	Net Rate Base	250,704,159		250,704,159	232,296,159		232,296,159	213,838,814		213,838,814
9										
10	**Income Tax Expense**									
11	Net Rate Base			250,704,159			232,296,159			213,838,814
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			18,150,981			16,818,242			15,481,930
14										
15	Net Rate Base			250,704,159			232,296,159			213,838,814
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			4,913,802			4,553,005			4,191,241
18										
19										
20	Additions and Deductions for Taxes	26,808,153		26,808,153	26,616,175		26,616,175	27,033,793		27,033,793
21	NOL Sch M									
22	State Taxable Amount			40,045,333			38,881,412			38,324,482
23	State Income Tax Rate			2.21%			2.21%			2.21%
24	State Income Taxes			885,301			859,569			847,257
25										
26	Net Federal Taxable Amount			39,160,032			38,021,843			37,477,225
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			13,706,011			13,307,645			13,117,029
29										
30	Production Tax Credit	-		-	-		-	-		-
31	Deferred Income Taxes	(9,768,083)		(9,768,083)	(9,698,132)		(9,698,132)	(9,850,299)		(9,850,299)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			4,823,229			4,469,083			4,113,987
34	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
35	Total Income Tax Expense			7,588,106			7,030,948			6,472,296
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	22,451,787		22,451,787	24,870,874		24,870,874	25,618,439		25,618,439
39	Depreciation Expense	33,051,588		33,051,588	33,261,858		33,261,858	33,477,259		33,477,259
40	Total Operating Deductions			63,091,482			65,163,681			65,567,994
41										
42	Return on Rate Base			18,150,981			16,818,242			15,481,930
43										
44	Revenue Requirements			81,242,463			81,981,923			81,049,924

Revenue Requirements - Hale

Total Revenue Requirement

Line No.	Description	2035 Total SPS	2035 Total Allocation	2035 Total SPS	2036 Total SPS	2036 Total Allocation	2036 Total SPS	2037 Total SPS	2037 Total Allocation	2037 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	815,177,990		815,177,990	820,261,748		820,261,748	825,471,189		825,471,189
3	Less: Electric Production Accumulated Reserve for Depreciation	520,166,878		520,166,878	553,966,418		553,966,418	587,980,866		587,980,866
4	Net Plant	295,011,112		295,011,112	266,295,330		266,295,330	237,490,323		237,490,323
5										
6	Accumulated Deferred Income Taxes	99,677,126		99,677,126	89,637,687		89,637,687	79,556,667		79,556,667
7										
8	Net Rate Base	195,333,986		195,333,986	176,657,643		176,657,643	157,933,656		157,933,656
9										
10	**Income Tax Expense**									
11	Net Rate Base			195,333,986			176,657,643			157,933,656
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			14,142,181			12,790,013			11,434,397
14										
15	Net Rate Base			195,333,986			176,657,643			157,933,656
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			3,828,546			3,462,490			3,095,500
18										
19										
20	Additions and Deductions for Taxes	27,506,630		27,506,630	27,599,133		27,599,133	27,734,863		27,734,863
21	NOL Sch M									
22	State Taxable Amount			37,820,264			36,926,657			36,073,760
23	State Income Tax Rate			2.21%			2.21%			2.21%
24	State Income Taxes			836,110			816,355			797,499
25										
26	Net Federal Taxable Amount			36,984,154			36,110,302			35,276,261
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			12,944,454			12,638,606			12,346,691
29										
30	Production Tax Credit	-		-	-		-	-		-
31	Deferred Income Taxes	(10,022,587)		(10,022,587)	(10,056,292)		(10,056,292)	(10,105,748)		(10,105,748)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			3,757,977			3,398,668			3,038,443
34	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
35	Total Income Tax Expense			5,912,208			5,346,928			4,780,205
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	24,662,765		24,662,765	26,098,209		26,098,209	25,578,200		25,578,200
39	Depreciation Expense	33,692,936		33,692,936	33,906,079		33,906,079	34,124,492		34,124,492
40	Total Operating Deductions			64,267,908			65,351,215			64,482,897
41										
42	Return on Rate Base			14,142,181			12,790,013			11,434,397
43										
44	Revenue Requirements			78,410,089			78,141,229			75,917,293

Revenue Requirements - Hale

Total Revenue Requirement

Line No.	Description	2038 Total SPS	2038 Total Allocation	2038 Total SPS	2039 Total SPS	2039 Total Allocation	2039 Total SPS	2040 Total SPS	2040 Total Allocation	2040 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	830,806,061		830,806,061	836,272,824		836,272,824	841,871,214		841,871,214
3	Less: Electric Production Accumulated Reserve for Depreciation	622,217,227		622,217,227	656,679,112		656,679,112	691,373,872		691,373,872
4	Net Plant	208,588,834		208,588,834	179,593,712		179,593,712	150,497,342		150,497,342
5										
6	Accumulated Deferred Income Taxes	69,427,583		69,427,583	59,252,084		59,252,084	49,031,477		49,031,477
7										
8	Net Rate Base	139,161,251		139,161,251	120,341,628		120,341,628	101,465,865		101,465,865
9										
10	**Income Tax Expense**									
11	Net Rate Base			139,161,251			120,341,628			101,465,865
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			10,075,275			8,712,734			7,346,129
14										
15	Net Rate Base			139,161,251			120,341,628			101,465,865
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			2,727,561			2,358,696			1,988,731
18										
19										
20	Additions and Deductions for Taxes	27,862,953		27,862,953	27,989,632		27,989,632	28,110,547		28,110,547
21	NOL Sch M									
22	State Taxable Amount			35,210,667			34,343,670			33,467,945
23	State Income Tax Rate			2.21%			2.21%			2.21%
24	State Income Taxes			778,419			759,251			739,891
25										
26	Net Federal Taxable Amount			34,432,248			33,584,419			32,728,053
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			12,051,287			11,754,546			11,454,819
29										
30	Production Tax Credit	-		-	-		-	-		-
31	Deferred Income Taxes	(10,152,420)		(10,152,420)	(10,198,578)		(10,198,578)	(10,242,636)		(10,242,636)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			2,677,285			2,315,220			1,952,074
34	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
35	Total Income Tax Expense			4,212,018			3,642,401			3,071,085
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	25,946,523		25,946,523	26,507,473		26,507,473	27,250,599		27,250,599
39	Depreciation Expense	34,348,163		34,348,163	34,577,364		34,577,364	34,812,084		34,812,084
40	Total Operating Deductions			64,506,704			64,727,238			65,133,768
41										
42	Return on Rate Base			10,075,275			8,712,734			7,346,129
43										
44	Revenue Requirements			74,581,979			73,439,972			72,479,896

Revenue Requirements - Hale

Total Revenue Requirement

Line No.	Description	2041 Total SPS	2041 Total Allocation	2041 Total SPS	2042 Total SPS	2042 Total Allocation	2042 Total SPS	2043 Total SPS	2043 Total Allocation	2043 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	847,256,312		847,256,312	851,426,741		851,426,741	854,484,752		854,484,752
3	Less: Electric Production Accumulated Reserve for Depreciation	726,300,175		726,300,175	761,431,912		761,431,912	796,709,405		796,709,405
4	Net Plant	120,956,137		120,956,137	89,994,829		89,994,829	57,775,347		57,775,347
5										
6	Accumulated Deferred Income Taxes	38,748,284		38,748,284	28,305,387		28,305,387	17,588,451		17,588,451
7										
8	Net Rate Base	82,207,853		82,207,853	61,689,442		61,689,442	40,186,896		40,186,896
9										
10	**Income Tax Expense**									
11	Net Rate Base			82,207,853			61,689,442			40,186,896
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			5,951,849			4,466,316			2,909,531
14										
15	Net Rate Base			82,207,853			61,689,442			40,186,896
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,611,274			1,209,113			787,663
18										
19										
20	Additions and Deductions for Taxes	28,333,161		28,333,161	28,987,149		28,987,149	29,837,349		29,837,349
21	NOL Sch M									
22	State Taxable Amount			32,673,736			32,244,352			31,959,217
23	State Income Tax Rate			2.21%			2.21%			2.21%
24	State Income Taxes			722,333			712,841			706,537
25										
26	Net Federal Taxable Amount			31,951,402			31,531,511			31,252,680
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			11,182,991			11,036,029			10,938,438
29										
30	Production Tax Credit	-		-	-		-	-		-
31	Deferred Income Taxes	(10,323,749)		(10,323,749)	(10,562,043)		(10,562,043)	(10,871,830)		(10,871,830)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			1,581,575			1,186,826			773,145
34	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
35	Total Income Tax Expense			2,488,200			1,867,165			1,216,344
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	27,793,757		27,793,757	28,901,430		28,901,430	27,151,779		27,151,779
39	Depreciation Expense	35,037,862		35,037,862	35,212,712		35,212,712	35,340,923		35,340,923
40	Total Operating Deductions			65,319,818			65,981,307			63,709,046
41										
42	Return on Rate Base			5,951,849			4,466,316			2,909,531
43										
44	Revenue Requirements			71,271,667			70,447,623			66,618,577

Revenue Requirements - Hale

Total Revenue Requirement

Line No.	Description	2044 Total SPS	2044 Total Allocation	2044 Total SPS
1	**Rate Base**			
2	Electric Plant in Service	855,961,033		855,961,033
3	Less: Electric Production Accumulated Reserve for Depreciation	831,627,188		831,627,188
4	Net Plant	24,333,845		24,333,845
5				
6	Accumulated Deferred Income Taxes	7,931,352		7,931,352
7				
8	Net Rate Base	16,402,493		16,402,493
9				
10	**Income Tax Expense**			
11	Net Rate Base			16,402,493
12	Rate of Return on Rate Base			7.24%
13	Earnings before Interest			1,187,540
14				
15	Net Rate Base			16,402,493
16	Cost of Debt			1.96%
17	Interest Expense			321,489
18				
19				
20	Additions and Deductions for Taxes	23,169,780		23,169,780
21	NOL Sch M			
22	State Taxable Amount			24,035,832
23	State Income Tax Rate			2.21%
24	State Income Taxes			531,371
25				
26	Net Federal Taxable Amount			23,504,460
27	Federal Income Tax Rate			35.00%
28	Federal Income Taxes			8,226,561
29				
30	Production Tax Credit	-		
31	Deferred Income Taxes	(8,442,369)		(8,442,369)
32	NOL Deferred Tax Expense			-
33	Total Income Taxes			315,563
34	Tax Gross Up Factor			1.57324193
35	Total Income Tax Expense			496,457
36				
37	**Operating Expenses**			
38	O&M, Insurance, Property Tax Expense	10,947,801		10,947,801
39	Depreciation Expense	30,937,366		30,937,366
40	Total Operating Deductions			42,381,625
41				
42	Return on Rate Base			1,187,540
43				
44	Revenue Requirements			43,569,165

Revenue Requirements - Hale

Wind Generation - Production Plan

Line No.	Description	2017 Total SPS	2017 Total Allocation	2017 Total SPS	2018 Total SPS	2018 Total Allocation	2018 Total SPS	2019 Total SPS	2019 Total Allocation	2019 Total SPS	2020 Total SPS
1	**Rate Base**										
2	Electric Plant in Service	-	100.00%	-	-	100.00%	-	401,065,235	100.00%	401,065,235	745,124,951
3	Less: Electric Production Accumulated Reserve for Depreciation	-	100.00%	-	-	100.00%	-	4,903,640	100.00%	4,903,640	32,528,358
4	Net Plant	-		-	-		-	396,161,595		396,161,595	712,596,593
5											
6	Accumulated Deferred Income Taxes	(4,243)	100.00%	(4,243)	(251,993)	100.00%	(251,993)	53,609,439	100.00%	53,609,439	131,545,265
7											
8	Net Rate Base	4,243		4,243	251,993		251,993	342,552,156		342,552,156	581,051,328
9											
10	**Income Tax Expense**										
11	Net Rate Base			4,243			251,993			342,552,156	
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%	
13	Earnings before Interest			307			18,244			24,800,776	
14											
15	Net Rate Base			4,243			251,993			342,552,156	
16	Cost of Debt			1.96%			1.96%			1.96%	
17	Interest Expense			83			4,939			6,714,022	
18											
19	Additions and Deductions for Taxes	23,288	100.00%	23,288	1,336,597	100.00%	1,336,597	(296,978,135)	100.00%	(296,978,135)	(130,806,030)
20											
21	State Taxable Amount			23,512			1,349,902			(278,891,381)	
22	State Income Tax Rate			2.21%			2.21%			2.21%	
23	State Income Taxes			520			29,843			(6,165,581)	
24											
25	Net Federal Taxable Amount			22,992			1,320,059			(272,725,800)	
26	Federal Income Tax Rate			35.00%			35.00%			35.00%	
27	Federal Income Taxes			8,047			462,021			(95,454,030)	
28											
29	Production Tax Credit	-	100.00%	-	-	100.00%	-	(31,142,895)	100.00%	(31,142,895)	(53,387,820)
30	Deferred Income Taxes	(8,485)	100.00%	(8,485)	(487,015)	100.00%	(487,015)	108,209,879	100.00%	108,209,879	47,661,774
31											
32	Total Income Taxes			82			4,848			(24,552,627)	
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193	
34	Total Income Tax Expense			128			7,627			(38,627,222)	
35											
36	**Operating Expenses**										
37	O&M, Property Tax Expense	50,000	100.00%	50,000	762,000	100.00%	762,000	6,706,425	100.00%	6,706,425	18,650,363
38	Depreciation Expense	-	100.00%	-	-	100.00%	-	16,912,555	100.00%	16,912,555	31,235,316
39	Total Operating Deductions			50,128			769,627			(15,008,243)	
40											
41	Return on Rate Base			307			18,244			24,800,776	
42											
43	Revenue Requirements			50,436			787,872			9,792,533	

Revenue Requirements - Hale

Wind Generation - Production Plan

Line No.	Description	2020 Total Allocation	2020 Total SPS	2021 Total SPS	2021 Total Allocation	2021 Total SPS	2022 Total SPS	2022 Total Allocation	2022 Total SPS
1	**Rate Base**								
2	Electric Plant in Service	100.00%	745,124,951	745,711,042	100.00%	745,711,042	746,761,816	100.00%	746,761,816
3	Less: Electric Production Accumulated Reserve for Depreciation	100.00%	32,528,358	63,775,915	100.00%	63,775,915	95,054,900	100.00%	95,054,900
4	Net Plant		712,596,593	681,935,127		681,935,127	651,706,916		651,706,916
5									
6	Accumulated Deferred Income Taxes	100.00%	131,545,265	167,524,417	100.00%	167,524,417	184,839,656	100.00%	184,839,656
7									
8	Net Rate Base		581,051,328	514,410,710		514,410,710	466,867,260		466,867,260
9									
10	**Income Tax Expense**								
11	Net Rate Base		581,051,328			514,410,710			466,867,260
12	Rate of Return on Rate Base		7.24%			7.24%			7.24%
13	Earnings before Interest		42,068,116			37,243,335			33,801,190
14									
15	Net Rate Base		581,051,328			514,410,710			466,867,260
16	Cost of Debt		1.96%			1.96%			1.96%
17	Interest Expense		11,388,606			10,082,450			9,150,598
18									
19	Additions and Deductions for Taxes	100.00%	(130,806,030)	(66,680,955)	100.00%	(66,680,955)	(28,361,151)	100.00%	(28,361,151)
20									
21	State Taxable Amount		(100,126,520)			(39,520,070)			(3,710,560)
22	State Income Tax Rate		2.21%			2.21%			2.21%
23	State Income Taxes		(2,213,543)			(873,689)			(82,031)
24									
25	Net Federal Taxable Amount		(97,912,976)			(38,646,381)			(3,628,529)
26	Federal Income Tax Rate		35.00%			35.00%			35.00%
27	Federal Income Taxes		(34,269,542)			(13,526,233)			(1,269,985)
28									
29	Production Tax Credit	100.00%	(53,387,820)	(55,523,333)	100.00%	(55,523,333)	(55,523,333)	100.00%	(55,523,333)
30	Deferred Income Taxes	100.00%	47,661,774	24,296,530	100.00%	24,296,530	10,333,949	100.00%	10,333,949
31									
32	Total Income Taxes		(42,209,132)			(45,626,725)			(46,541,400)
33	Tax Gross Up Factor		1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense		(66,405,176)			(71,781,877)			(73,220,882)
35									
36	**Operating Expenses**								
37	O&M, Property Tax Expense	100.00%	18,650,363	13,336,344	100.00%	13,336,344	13,721,019	100.00%	13,721,019
38	Depreciation Expense	100.00%	31,235,316	31,259,889	100.00%	31,259,889	31,303,944	100.00%	31,303,944
39	Total Operating Deductions		(16,519,497)			(27,185,645)			(28,195,920)
40									
41	Return on Rate Base		42,068,116			37,243,335			33,801,190
42									
43	Revenue Requirements		25,548,619			10,057,691			5,605,269

Revenue Requirements - Hale

Wind Generation - Production Plan

Line No.	Description	2023 Total SPS	2023 Total Allocation	2023 Total SPS	2024 Total SPS	2024 Total Allocation	2024 Total SPS	2025 Total SPS	2025 Total Allocation	2025 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	748,509,726	100.00%	748,509,726	750,294,889	100.00%	750,294,889	751,948,619	100.00%	751,948,619
3	Less: Electric Production Accumulated Reserve for Depreciation	126,393,951	100.00%	126,393,951	157,809,897	100.00%	157,809,897	189,296,183	100.00%	189,296,183
4	Net Plant	622,115,775		622,115,775	592,484,992		592,484,992	562,652,436		562,652,436
5										
6	Accumulated Deferred Income Taxes	195,243,127	100.00%	195,243,127	200,489,439	100.00%	200,489,439	195,250,068	100.00%	195,250,068
7										
8	Net Rate Base	426,872,648		426,872,648	391,995,553		391,995,553	367,402,368		367,402,368
9										
10	**Income Tax Expense**									
11	Net Rate Base			426,872,648			391,995,553			367,402,368
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			30,905,580			28,380,478			26,599,931
14										
15	Net Rate Base			426,872,648			391,995,553			367,402,368
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			8,366,704			7,683,113			7,201,086
18										
19	Additions and Deductions for Taxes	(28,742,754)	100.00%	(28,742,754)	(53,882)	100.00%	(53,882)	28,812,417	100.00%	28,812,417
20										
21	State Taxable Amount			(6,203,878)			20,643,483			48,211,262
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			(137,152)			456,375			1,065,829
24										
25	Net Federal Taxable Amount			(6,066,726)			20,187,108			47,145,433
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(2,123,354)			7,065,488			16,500,902
28										
29	Production Tax Credit	(57,658,846)	100.00%	(57,658,846)	(57,658,846)	100.00%	(57,658,846)	(59,794,358)	100.00%	(59,794,358)
30	Deferred Income Taxes	10,472,993	100.00%	10,472,993	19,633	100.00%	19,633	(10,498,376)	100.00%	(10,498,376)
31										
32	Total Income Taxes			(49,446,359)			(50,117,350)			(52,726,004)
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			(77,791,085)			(78,846,716)			(82,950,760)
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	15,000,905	100.00%	15,000,905	16,674,511	100.00%	16,674,511	17,037,182	100.00%	17,037,182
38	Depreciation Expense	31,377,227	100.00%	31,377,227	31,452,072	100.00%	31,452,072	31,521,407	100.00%	31,521,407
39	Total Operating Deductions			(31,412,953)			(30,720,132)			(34,392,172)
40										
41	Return on Rate Base			30,905,580			28,380,478			26,599,931
42										
43	Revenue Requirements			(507,373)			(2,339,654)			(7,792,240)

Revenue Requirements - Hale

Wind Generation - Production Plan

Line No.	Description	2026 Total SPS	2026 Total Allocation	2026 Total SPS	2027 Total SPS	2027 Total Allocation	2027 Total SPS	2028 Total SPS	2028 Total Allocation	2028 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	754,071,344	100.00%	754,071,344	756,928,007	100.00%	756,928,007	760,104,008	100.00%	760,104,008
3	Less: Electric Production Accumulated Reserve for Depreciation	220,859,539	100.00%	220,859,539	252,527,678	100.00%	252,527,678	284,324,537	100.00%	284,324,537
4	Net Plant	533,211,805		533,211,805	504,400,329		504,400,329	475,779,471		475,779,471
5										
6	Accumulated Deferred Income Taxes	184,787,947	100.00%	184,787,947	174,426,973	100.00%	174,426,973	164,172,028	100.00%	164,172,028
7										
8	Net Rate Base	348,423,858		348,423,858	329,973,356		329,973,356	311,607,443		311,607,443
9										
10	**Income Tax Expense**									
11	Net Rate Base			348,423,858			329,973,356			311,607,443
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			25,225,887			23,890,071			22,560,379
14										
15	Net Rate Base			348,423,858			329,973,356			311,607,443
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			6,829,108			6,467,478			6,107,506
18										
19	Additions and Deductions for Taxes	28,613,416	100.00%	28,613,416	28,257,223	100.00%	28,257,223	28,031,435	100.00%	28,031,435
20										
21	State Taxable Amount			47,010,196			45,679,816			44,484,308
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			1,039,276			1,009,865			983,435
24										
25	Net Federal Taxable Amount			45,970,919			44,669,951			43,500,873
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			16,089,822			15,634,483			15,225,305
28										
29	Production Tax Credit	(61,929,871)	100.00%	(61,929,871)	(61,929,871)	100.00%	(61,929,871)	(64,065,384)	100.00%	(64,065,384)
30	Deferred Income Taxes	(10,425,866)	100.00%	(10,425,866)	(10,296,080)	100.00%	(10,296,080)	(10,213,810)	100.00%	(10,213,810)
31										
32	Total Income Taxes			(55,226,639)			(55,581,604)			(58,070,453)
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			(86,884,865)			(87,443,309)			(91,358,872)
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	16,430,639	100.00%	16,430,639	17,679,350	100.00%	17,679,350	22,841,858	100.00%	22,841,858
38	Depreciation Expense	31,610,405	100.00%	31,610,405	31,730,175	100.00%	31,730,175	31,863,333	100.00%	31,863,333
39	Total Operating Deductions			(38,843,820)			(38,033,784)			(36,653,681)
40										
41	Return on Rate Base			25,225,887			23,890,071			22,560,379
42										
43	Revenue Requirements			(13,617,933)			(14,143,713)			(14,093,302)

Revenue Requirements - Hale

Wind Generation - Production Plan

Line No.	Description	2029 Total SPS	2029 Total Allocation	2029 Total SPS	2030 Total SPS	2030 Total Allocation	2030 Total SPS	2031 Total SPS	2031 Total Allocation	2031 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	763,358,855	100.00%	763,358,855	766,691,736	100.00%	766,691,736	770,660,076	100.00%	770,660,076
3	Less: Electric Production Accumulated Reserve for Depreciation	316,255,491	100.00%	316,255,491	348,325,266	100.00%	348,325,266	380,543,806	100.00%	380,543,806
4	Net Plant	447,103,364		447,103,364	418,366,470		418,366,470	390,116,270		390,116,270
5										
6	Accumulated Deferred Income Taxes	153,977,698	100.00%	153,977,698	143,818,829	100.00%	143,818,829	133,719,810	100.00%	133,719,810
7										
8	Net Rate Base	293,125,666		293,125,666	274,547,641		274,547,641	256,396,460		256,396,460
9										
10	**Income Tax Expense**									
11	Net Rate Base			293,125,666			274,547,641			256,396,460
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			21,222,298			19,877,249			18,563,104
14										
15	Net Rate Base			293,125,666			274,547,641			256,396,460
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			5,745,263			5,381,134			5,025,371
18										
19	Additions and Deductions for Taxes	27,924,516	100.00%	27,924,516	27,836,784	100.00%	27,836,784	27,596,008	100.00%	27,596,008
20										
21	State Taxable Amount			43,401,551			42,332,899			41,133,741
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			959,498			935,873			909,363
24										
25	Net Federal Taxable Amount			42,442,053			41,397,026			40,224,378
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			14,854,719			14,488,959			14,078,532
28										
29	Production Tax Credit	(26,693,910)	100.00%	(26,693,910)	-	100.00%	-	-	100.00%	-
30	Deferred Income Taxes	(10,174,852)	100.00%	(10,174,852)	(10,142,885)	100.00%	(10,142,885)	(10,055,153)	100.00%	(10,055,153)
31										
32	Total Income Taxes			(21,054,545)			5,281,947			4,932,742
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			(33,123,893)			8,309,781			7,760,396
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	22,548,423	100.00%	22,548,423	22,734,677	100.00%	22,734,677	23,012,327	100.00%	23,012,327
38	Depreciation Expense	31,999,796	100.00%	31,999,796	32,139,532	100.00%	32,139,532	32,305,910	100.00%	32,305,910
39	Total Operating Deductions			21,424,327			63,183,990			63,078,634
40										
41	Return on Rate Base			21,222,298			19,877,249			18,563,104
42										
43	Revenue Requirements			42,646,625			83,061,239			81,641,737

Revenue Requirements - Hale

Wind Generation - Production Plan

Line No.	Description	2032 Total SPS	2032 Total Allocation	2032 Total SPS	2033 Total SPS	2033 Total Allocation	2033 Total SPS	2034 Total SPS	2034 Total Allocation	2034 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	775,447,989	100.00%	775,447,989	780,463,218	100.00%	780,463,218	785,600,819	100.00%	785,600,819
3	Less: Electric Production Accumulated Reserve for Depreciation	412,949,017	100.00%	412,949,017	445,560,414	100.00%	445,560,414	478,384,637	100.00%	478,384,637
4	Net Plant	362,498,972		362,498,972	334,902,804		334,902,804	307,216,182		307,216,182
5										
6	Accumulated Deferred Income Taxes	123,725,629	100.00%	123,725,629	113,827,094	100.00%	113,827,094	103,976,730	100.00%	103,976,730
7										
8	Net Rate Base	238,773,343		238,773,343	221,075,710		221,075,710	203,239,452		203,239,452
9										
10	**Income Tax Expense**									
11	Net Rate Base			238,773,343			221,075,710			203,239,452
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			17,287,190			16,005,881			14,714,536
14										
15	Net Rate Base			238,773,343			221,075,710			203,239,452
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			4,679,958			4,333,084			3,983,493
18										
19	Additions and Deductions for Taxes	27,261,335	100.00%	27,261,335	27,071,018	100.00%	27,071,018	26,996,922	100.00%	26,996,922
20										
21	State Taxable Amount			39,868,568			38,743,815			37,727,965
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			881,393			856,528			834,070
24										
25	Net Federal Taxable Amount			38,987,175			37,887,288			36,893,895
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			13,645,511			13,260,551			12,912,863
28										
29	Production Tax Credit	-	100.00%	-	-	100.00%	-	-	100.00%	-
30	Deferred Income Taxes	(9,933,209)	100.00%	(9,933,209)	(9,863,863)	100.00%	(9,863,863)	(9,836,865)	100.00%	(9,836,865)
31										
32	Total Income Taxes			4,593,696			4,253,216			3,910,068
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			7,226,994			6,691,337			6,151,484
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	22,451,787	100.00%	22,451,787	24,870,874	100.00%	24,870,874	25,618,439	100.00%	25,618,439
38	Depreciation Expense	32,506,649	100.00%	32,506,649	32,716,919	100.00%	32,716,919	32,932,320	100.00%	32,932,320
39	Total Operating Deductions			62,185,431			64,279,131			64,702,243
40										
41	Return on Rate Base			17,287,190			16,005,881			14,714,536
42										
43	Revenue Requirements			79,472,621			80,285,012			79,416,779

Revenue Requirements - Hale

Wind Generation - Production Plan

Line No.	Description	2035 Total SPS	2035 Total Allocation	2035 Total SPS	2036 Total SPS	2036 Total Allocation	2036 Total SPS	2037 Total SPS	2037 Total Allocation	2037 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	790,744,999	100.00%	790,744,999	795,828,757	100.00%	795,828,757	801,038,198	100.00%	801,038,198
3	Less: Electric Production Accumulated Reserve for Depreciation	511,425,150	100.00%	511,425,150	544,679,751	100.00%	544,679,751	578,149,260	100.00%	578,149,260
4	Net Plant	279,319,849		279,319,849	251,149,006		251,149,006	222,888,938		222,888,938
5										
6	Accumulated Deferred Income Taxes	94,143,002	100.00%	94,143,002	84,295,558	100.00%	84,295,558	74,406,534	100.00%	74,406,534
7										
8	Net Rate Base	185,176,847		185,176,847	166,853,448		166,853,448	148,482,404		148,482,404
9										
10	**Income Tax Expense**									
11	Net Rate Base			185,176,847			166,853,448			148,482,404
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			13,406,804			12,080,190			10,750,126
14										
15	Net Rate Base			185,176,847			166,853,448			148,482,404
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			3,629,466			3,270,328			2,910,255
18										
19	Additions and Deductions for Taxes	26,979,705	100.00%	26,979,705	27,072,208	100.00%	27,072,208	27,207,938	100.00%	27,207,938
20										
21	State Taxable Amount			36,757,043			35,882,070			35,047,809
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			812,605			793,262			774,818
24										
25	Net Federal Taxable Amount			35,944,438			35,088,808			34,272,991
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			12,580,553			12,281,083			11,995,547
28										
29	Production Tax Credit	-	100.00%	-	-	100.00%	-	-	100.00%	-
30	Deferred Income Taxes	(9,830,591)	100.00%	(9,830,591)	(9,864,296)	100.00%	(9,864,296)	(9,913,752)	100.00%	(9,913,752)
31										
32	Total Income Taxes			3,562,567			3,210,048			2,856,613
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			5,604,780			5,050,182			4,494,143
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	24,662,765	100.00%	24,662,765	26,098,209	100.00%	26,098,209	25,578,200	100.00%	25,578,200
38	Depreciation Expense	33,147,997	100.00%	33,147,997	33,361,140	100.00%	33,361,140	33,579,553	100.00%	33,579,553
39	Total Operating Deductions			63,415,541			64,509,531			63,651,895
40										
41	Return on Rate Base			13,406,804			12,080,190			10,750,126
42										
43	Revenue Requirements			76,822,345			76,589,721			74,402,021

Revenue Requirements - Hale

Wind Generation - Production Plan

Line No.	Description	2038 Total SPS	2038 Total Allocation	2038 Total SPS	2039 Total SPS	2039 Total Allocation	2039 Total SPS	2040 Total SPS	2040 Total Allocation	2040 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	806,373,070	100.00%	806,373,070	811,839,833	100.00%	811,839,833	817,438,223	100.00%	817,438,223
3	Less: Electric Production Accumulated Reserve for Depreciation	611,840,682	100.00%	611,840,682	645,757,628	100.00%	645,757,628	679,907,449	100.00%	679,907,449
4	Net Plant	194,532,388		194,532,388	166,082,205		166,082,205	137,530,774		137,530,774
5										
6	Accumulated Deferred Income Taxes	64,469,445	100.00%	64,469,445	54,485,942	100.00%	54,485,942	44,457,330	100.00%	44,457,330
7										
8	Net Rate Base	130,062,943		130,062,943	111,596,263		111,596,263	93,073,444		93,073,444
9										
10	**Income Tax Expense**									
11	Net Rate Base			130,062,943			111,596,263			93,073,444
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			9,416,557			8,079,569			6,738,517
14										
15	Net Rate Base			130,062,943			111,596,263			93,073,444
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			2,549,234			2,187,287			1,824,240
18										
19	Additions and Deductions for Taxes	27,336,028	100.00%	27,336,028	27,462,707	100.00%	27,462,707	27,583,622	100.00%	27,583,622
20										
21	State Taxable Amount			34,203,351			33,354,990			32,497,900
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			756,149			737,394			718,446
24										
25	Net Federal Taxable Amount			33,447,202			32,617,595			31,779,454
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			11,706,521			11,416,158			11,122,809
28										
29	Production Tax Credit	-	100.00%	-	-	100.00%	-	-	100.00%	-
30	Deferred Income Taxes	(9,960,425)	100.00%	(9,960,425)	(10,006,583)	100.00%	(10,006,583)	(10,050,640)	100.00%	(10,050,640)
31										
32	Total Income Taxes			2,502,245			2,146,970			1,790,615
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			3,936,637			3,377,703			2,817,070
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	25,946,523	100.00%	25,946,523	26,507,473	100.00%	26,507,473	27,250,599	100.00%	27,250,599
38	Depreciation Expense	33,803,224	100.00%	33,803,224	34,032,425	100.00%	34,032,425	34,267,145	100.00%	34,267,145
39	Total Operating Deductions			63,686,385			63,917,601			64,334,814
40										
41	Return on Rate Base			9,416,557			8,079,569			6,738,517
42										
43	Revenue Requirements			73,102,942			71,997,171			71,073,331

Revenue Requirements - Hale

Wind Generation - Production Plan

Line No.	Description	2041 Total SPS	2041 Total Allocation	2041 Total SPS	2042 Total SPS	2042 Total Allocation	2042 Total SPS	2043 Total SPS	2043 Total Allocation	2043 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	822,823,321	100.00%	822,823,321	826,993,750	100.00%	826,993,750	830,051,761	100.00%	830,051,761
3	Less: Electric Production Accumulated Reserve for Depreciation	714,288,814	100.00%	714,288,814	748,875,612	100.00%	748,875,612	783,608,166	100.00%	783,608,166
4	Net Plant	108,534,507		108,534,507	78,118,138		78,118,138	46,443,595		46,443,595
5										
6	Accumulated Deferred Income Taxes	34,366,133	100.00%	34,366,133	24,115,232	100.00%	24,115,232	13,590,291	100.00%	13,590,291
7										
8	Net Rate Base	74,168,374		74,168,374	54,002,906		54,002,906	32,853,304		32,853,304
9										
10	**Income Tax Expense**									
11	Net Rate Base			74,168,374			54,002,906			32,853,304
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			5,369,790			3,909,810			2,378,579
14										
15	Net Rate Base			74,168,374			54,002,906			32,853,304
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,453,700			1,058,457			643,925
18										
19	Additions and Deductions for Taxes	27,806,236	100.00%	27,806,236	28,460,224	100.00%	28,460,224	29,310,424	100.00%	29,310,424
20										
21	State Taxable Amount			31,722,326			31,311,577			31,045,078
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			701,300			692,220			686,328
24										
25	Net Federal Taxable Amount			31,021,026			30,619,358			30,358,750
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			10,857,359			10,716,775			10,625,563
28										
29	Production Tax Credit	-	100.00%	-	-	100.00%	-	-	100.00%	-
30	Deferred Income Taxes	(10,131,754)	100.00%	(10,131,754)	(10,370,048)	100.00%	(10,370,048)	(10,679,835)	100.00%	(10,679,835)
31										
32	Total Income Taxes			1,426,905			1,038,947			632,056
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			2,244,867			1,634,515			994,377
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	27,793,757	100.00%	27,793,757	28,901,430	100.00%	28,901,430	27,151,779	100.00%	27,151,779
38	Depreciation Expense	34,492,923	100.00%	34,492,923	34,667,773	100.00%	34,667,773	34,795,985	100.00%	34,795,985
39	Total Operating Deductions			64,531,547			65,203,719			62,942,140
40										
41	Return on Rate Base			5,369,790			3,909,810			2,378,579
42										
43	Revenue Requirements			69,901,337			69,113,529			65,320,719

Revenue Requirements - Hale

Wind Generation - Production Plant

Line No.	Description	2044 Total SPS	2044 Total Allocation	2044 Total SPS
1	**Rate Base**			
2	Electric Plant in Service	831,528,042	100.00%	831,528,042
3	Less: Electric Production Accumulated Reserve for Depreciation	817,981,010	100.00%	817,981,010
4	Net Plant	13,547,032		13,547,032
5				
6	Accumulated Deferred Income Taxes	4,125,187	100.00%	4,125,187
7				
8	Net Rate Base	9,421,845		9,421,845
9				
10	**Income Tax Expense**			
11	Net Rate Base			9,421,845
12	Rate of Return on Rate Base			7.24%
13	Earnings before Interest			682,142
14				
15	Net Rate Base			9,421,845
16	Cost of Debt			1.96%
17	Interest Expense			184,668
18				
19	Additions and Deductions for Taxes	22,642,855	100.00%	22,642,855
20				
21	State Taxable Amount			23,140,328
22	State Income Tax Rate			2.21%
23	State Income Taxes			511,574
24				
25	Net Federal Taxable Amount			22,628,754
26	Federal Income Tax Rate			35.00%
27	Federal Income Taxes			7,920,064
28				
29	Production Tax Credit	-	100.00%	-
30	Deferred Income Taxes	(8,250,374)	100.00%	(8,250,374)
31				
32	Total Income Taxes			181,264
33	Tax Gross Up Factor			1.57324193
34	Total Income Tax Expense			285,173
35				
36	**Operating Expenses**			
37	O&M, Property Tax Expense	10,947,801	100.00%	10,947,801
38	Depreciation Expense	30,392,427	100.00%	30,392,427
39	Total Operating Deductions			41,625,401
40				
41	Return on Rate Base			682,142
42				
43	Revenue Requirements			42,307,543

Revenue Requirements - Hale

Transmission Serving Production

Line No.	Description	2017 Total SPS	2017 Total Allocation	2017 Total SPS	2018 Total SPS	2018 Total Allocation	2018 Total SPS	2019 Total SPS	2019 Total Allocation	2019 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	-	100.00%	-	-	100.00%	-	12,280,999	100.00%	12,280,999
3	Less: Electric Production Accumulated Reserve for Depreciation	-	100.00%	-	-	100.00%	-	79,225	100.00%	79,225
4	Net Plant	-		-	-		-	12,201,774		12,201,774
5										
6	Accumulated Deferred Income Taxes	(3)	100.00%	(3)	(1,087)	100.00%	(1,087)	1,290,992	100.00%	1,290,992
7										
8	Net Rate Base	3		3	1,087		1,087	10,910,782		10,910,782
9										
10	**Income Tax Expense**									
11	Net Rate Base			3			1,087			10,910,782
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			0			79			789,941
14										
15	Net Rate Base			3			1,087			10,910,782
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			0			21			213,851
18										
19	Additions and Deductions for Taxes	17	100.00%	17	5,930	100.00%	5,930	(7,098,058)	100.00%	(7,098,058)
20										
21	State Taxable Amount			17			5,987			(6,521,969)
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			0			132			(144,184)
24										
25	Net Federal Taxable Amount			17			5,855			(6,377,785)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			6			2,049			(2,232,225)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(6)	100.00%	(6)	(2,161)	100.00%	(2,161)	2,586,318	100.00%	2,586,318
31										
32	Total Income Taxes			0			21			209,909
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			0			33			330,238
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	-	100.00%	-	-	100.00%	-	273,246	100.00%	273,246
39	Total Operating Deductions			0			33			603,484
40										
41	Return on Rate Base			0			79			789,941
42										
43	Revenue Requirements			0			112			1,393,424

Revenue Requirements - Hale

Transmission Serving Production

Line No.	Description	2020 Total SPS	2020 Total Allocation	2020 Total SPS	2021 Total SPS	2021 Total Allocation	2021 Total SPS	2022 Total SPS	2022 Total Allocation	2022 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571
3	Less: Electric Production Accumulated Reserve for Depreciation	525,472	100.00%	525,472	1,029,925	100.00%	1,029,925	1,534,379	100.00%	1,534,379
4	Net Plant	22,282,099		22,282,099	21,777,646		21,777,646	21,273,192		21,273,192
5										
6	Accumulated Deferred Income Taxes	2,763,940	100.00%	2,763,940	3,096,630	100.00%	3,096,630	3,378,380	100.00%	3,378,380
7										
8	Net Rate Base	19,518,159		19,518,159	18,681,016		18,681,016	17,894,812		17,894,812
9										
10	**Income Tax Expense**									
11	Net Rate Base			19,518,159			18,681,016			17,894,812
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			1,413,115			1,352,506			1,295,584
14										
15	Net Rate Base			19,518,159			18,681,016			17,894,812
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			382,556			366,148			350,738
18										
19	Additions and Deductions for Taxes	(986,846)	100.00%	(986,846)	(839,271)	100.00%	(839,271)	(707,230)	100.00%	(707,230)
20										
21	State Taxable Amount			43,713			147,087			237,616
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			966			3,252			5,253
24										
25	Net Federal Taxable Amount			42,746			143,835			232,363
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			14,961			50,342			81,327
28										
29	Production Tax Credit									
30	Deferred Income Taxes	359,577	100.00%	359,577	305,805	100.00%	305,805	257,693	100.00%	257,693
31										
32	Total Income Taxes			375,504			359,399			344,274
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			590,759			565,422			541,626
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	504,453	100.00%	504,453	504,453	100.00%	504,453	504,453	100.00%	504,453
39	Total Operating Deductions			1,095,213			1,069,875			1,046,079
40										
41	Return on Rate Base			1,413,115			1,352,506			1,295,584
42										
43	Revenue Requirements			2,508,327			2,422,380			2,341,663

Revenue Requirements - Hale

Transmission Serving Production

Line No.	Description	2023 Total SPS	2023 Total Allocation	2023 Total SPS	2024 Total SPS	2024 Total Allocation	2024 Total SPS	2025 Total SPS	2025 Total Allocation	2025 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571
3	Less: Electric Production Accumulated Reserve for Depreciation	2,038,832	100.00%	2,038,832	2,543,286	100.00%	2,543,286	3,047,739	100.00%	3,047,739
4	Net Plant	20,768,739		20,768,739	20,264,285		20,264,285	19,759,832		19,759,832
5										
6	Accumulated Deferred Income Taxes	3,614,281	100.00%	3,614,281	3,808,580	100.00%	3,808,580	3,973,730	100.00%	3,973,730
7										
8	Net Rate Base	17,154,458		17,154,458	16,455,705		16,455,705	15,786,102		15,786,102
9										
10	**Income Tax Expense**									
11	Net Rate Base			17,154,458			16,455,705			15,786,102
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			1,241,983			1,191,393			1,142,914
14										
15	Net Rate Base			17,154,458			16,455,705			15,786,102
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			336,227			322,532			309,408
18										
19	Additions and Deductions for Taxes	(587,617)	100.00%	(587,617)	(478,878)	100.00%	(478,878)	(427,615)	100.00%	(427,615)
20										
21	State Taxable Amount			318,138			389,983			405,891
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			7,033			8,622			8,973
24										
25	Net Federal Taxable Amount			311,105			381,362			396,918
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			108,887			133,477			138,921
28										
29	Production Tax Credit									
30	Deferred Income Taxes	214,110	100.00%	214,110	174,489	100.00%	174,489	155,810	100.00%	155,810
31										
32	Total Income Taxes			330,030			316,587			303,705
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			519,217			498,068			477,801
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	504,453	100.00%	504,453	504,453	100.00%	504,453	504,453	100.00%	504,453
39	Total Operating Deductions			1,023,670			1,002,521			982,254
40										
41	Return on Rate Base			1,241,983			1,191,393			1,142,914
42										
43	Revenue Requirements			2,265,653			2,193,914			2,125,168

Revenue Requirements - Hale

Transmission Serving Production

Line No.	Description	2026 Total SPS	2026 Total Allocation	2026 Total SPS	2027 Total SPS	2027 Total Allocation	2027 Total SPS	2028 Total SPS	2028 Total Allocation	2028 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571
3	Less: Electric Production Accumulated Reserve for Depreciation	3,552,193	100.00%	3,552,193	4,056,646	100.00%	4,056,646	4,561,099	100.00%	4,561,099
4	Net Plant	19,255,378		19,255,378	18,750,925		18,750,925	18,246,472		18,246,472
5										
6	Accumulated Deferred Income Taxes	4,129,540	100.00%	4,129,540	4,285,633	100.00%	4,285,633	4,441,727	100.00%	4,441,727
7										
8	Net Rate Base	15,125,838		15,125,838	14,465,292		14,465,292	13,804,745		13,804,745
9										
10	**Income Tax Expense**									
11	Net Rate Base			15,125,838			14,465,292			13,804,745
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			1,095,111			1,047,287			999,464
14										
15	Net Rate Base			15,125,838			14,465,292			13,804,745
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			296,466			283,520			270,573
18										
19	Additions and Deductions for Taxes	(427,615)	100.00%	(427,615)	(429,168)	100.00%	(429,168)	(427,615)	100.00%	(427,615)
20										
21	State Taxable Amount			371,029			334,599			301,276
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			8,203			7,397			6,660
24										
25	Net Federal Taxable Amount			362,827			327,202			294,615
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			126,989			114,521			103,115
28										
29	Production Tax Credit									
30	Deferred Income Taxes	155,810	100.00%	155,810	156,376	100.00%	156,376	155,810	100.00%	155,810
31										
32	Total Income Taxes			291,002			278,294			265,586
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			457,816			437,824			417,831
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	504,453	100.00%	504,453	504,453	100.00%	504,453	504,453	100.00%	504,453
39	Total Operating Deductions			962,270			942,277			922,284
40										
41	Return on Rate Base			1,095,111			1,047,287			999,464
42										
43	Revenue Requirements			2,057,380			1,989,564			1,921,748

Revenue Requirements - Hale

Transmission Serving Production

Line No.	Description	2029 Total SPS	2029 Total Allocation	2029 Total SPS	2030 Total SPS	2030 Total Allocation	2030 Total SPS	2031 Total SPS	2031 Total Allocation	2031 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571
3	Less: Electric Production Accumulated Reserve for Depreciation	5,065,553	100.00%	5,065,553	5,570,006	100.00%	5,570,006	6,074,460	100.00%	6,074,460
4	Net Plant	17,742,018		17,742,018	17,237,565		17,237,565	16,733,111		16,733,111
5										
6	Accumulated Deferred Income Taxes	4,597,820	100.00%	4,597,820	4,753,913	100.00%	4,753,913	4,910,005	100.00%	4,910,005
7										
8	Net Rate Base	13,144,198		13,144,198	12,483,652		12,483,652	11,823,106		11,823,106
9										
10	**Income Tax Expense**									
11	Net Rate Base			13,144,198			12,483,652			11,823,106
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			951,640			903,816			855,993
14										
15	Net Rate Base			13,144,198			12,483,652			11,823,106
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			257,626			244,680			231,733
18										
19	Additions and Deductions for Taxes	(429,168)	100.00%	(429,168)	(427,615)	100.00%	(427,615)	(429,168)	100.00%	(429,168)
20										
21	State Taxable Amount			264,846			231,522			195,092
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			5,855			5,118			4,313
24										
25	Net Federal Taxable Amount			258,991			226,403			190,779
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			90,647			79,241			66,773
28										
29	Production Tax Credit									
30	Deferred Income Taxes	156,376	100.00%	156,376	155,810	100.00%	155,810	156,376	100.00%	156,376
31										
32	Total Income Taxes			252,878			240,170			227,462
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			397,838			377,845			357,852
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	504,453	100.00%	504,453	504,453	100.00%	504,453	504,453	100.00%	504,453
39	Total Operating Deductions			902,291			882,298			862,306
40										
41	Return on Rate Base			951,640			903,816			855,993
42										
43	Revenue Requirements			1,853,931			1,786,115			1,718,298

Revenue Requirements - Hale

Transmission Serving Production

Line No.	Description	2032 Total SPS	2032 Total Allocation	2032 Total SPS	2033 Total SPS	2033 Total Allocation	2033 Total SPS	2034 Total SPS	2034 Total Allocation	2034 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571
3	Less: Electric Production Accumulated Reserve for Depreciation	6,578,913	100.00%	6,578,913	7,083,367	100.00%	7,083,367	7,587,819	100.00%	7,587,819
4	Net Plant	16,228,658		16,228,658	15,724,204		15,724,204	15,219,752		15,219,752
5										
6	Accumulated Deferred Income Taxes	5,066,098	100.00%	5,066,098	5,222,191	100.00%	5,222,191	5,294,797	100.00%	5,294,797
7										
8	Net Rate Base	11,162,560		11,162,560	10,502,013		10,502,013	9,924,955		9,924,955
9										
10	**Income Tax Expense**									
11	Net Rate Base			11,162,560			10,502,013			9,924,955
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			808,169			760,346			718,567
14										
15	Net Rate Base			11,162,560			10,502,013			9,924,955
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			218,786			205,839			194,529
18										
19	Additions and Deductions for Taxes	(427,615)	100.00%	(427,615)	(429,168)	100.00%	(429,168)	30,643	100.00%	30,643
20										
21	State Taxable Amount			161,768			125,338			554,681
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			3,576			2,771			12,263
24										
25	Net Federal Taxable Amount			158,192			122,567			542,418
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			55,367			42,899			189,846
28										
29	Production Tax Credit									
30	Deferred Income Taxes	155,810	100.00%	155,810	156,376	100.00%	156,376	(11,166)	100.00%	(11,166)
31										
32	Total Income Taxes			214,753			202,046			190,943
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			337,859			317,866			300,400
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	504,453	100.00%	504,453	504,453	100.00%	504,453	504,453	100.00%	504,453
39	Total Operating Deductions			842,313			822,320			804,853
40										
41	Return on Rate Base			808,169			760,346			718,567
42										
43	Revenue Requirements			1,650,482			1,582,666			1,523,420

Revenue Requirements - Hale

Transmission Serving Production

Line No.	Description	2035 Total SPS	2035 Total Allocation	2035 Total SPS	2036 Total SPS	2036 Total Allocation	2036 Total SPS	2037 Total SPS	2037 Total Allocation	2037 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571
3	Less: Electric Production Accumulated Reserve for Depreciation	8,092,273	100.00%	8,092,273	8,596,726	100.00%	8,596,726	9,101,180	100.00%	9,101,180
4	Net Plant	14,715,298		14,715,298	14,210,845		14,210,845	13,706,391		13,706,391
5										
6	Accumulated Deferred Income Taxes	5,200,143	100.00%	5,200,143	5,022,002	100.00%	5,022,002	4,843,861	100.00%	4,843,861
7										
8	Net Rate Base	9,515,155		9,515,155	9,188,843		9,188,843	8,862,530		8,862,530
9										
10	**Income Tax Expense**									
11	Net Rate Base			9,515,155			9,188,843			8,862,530
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			688,897			665,272			641,647
14										
15	Net Rate Base			9,515,155			9,188,843			8,862,530
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			186,497			180,101			173,706
18										
19	Additions and Deductions for Taxes	488,902	100.00%	488,902	488,902	100.00%	488,902	488,902	100.00%	488,902
20										
21	State Taxable Amount			991,302			974,073			956,844
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			21,915			21,534			21,153
24										
25	Net Federal Taxable Amount			969,387			952,539			935,690
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			339,285			333,389			327,492
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(178,141)	100.00%	(178,141)	(178,141)	100.00%	(178,141)	(178,141)	100.00%	(178,141)
31										
32	Total Income Taxes			183,060			176,782			170,504
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			287,997			278,120			268,244
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	504,453	100.00%	504,453	504,453	100.00%	504,453	504,453	100.00%	504,453
39	Total Operating Deductions			792,450			782,574			772,697
40										
41	Return on Rate Base			688,897			665,272			641,647
42										
43	Revenue Requirements			1,481,347			1,447,846			1,414,344

Revenue Requirements - Hale

Transmission Serving Production

Line No.	Description	2038 Total SPS	2038 Total Allocation	2038 Total SPS	2039 Total SPS	2039 Total Allocation	2039 Total SPS	2040 Total SPS	2040 Total Allocation	2040 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571
3	Less: Electric Production Accumulated Reserve for Depreciation	9,605,633	100.00%	9,605,633	10,110,087	100.00%	10,110,087	10,614,540	100.00%	10,614,540
4	Net Plant	13,201,938		13,201,938	12,697,484		12,697,484	12,193,031		12,193,031
5										
6	Accumulated Deferred Income Taxes	4,665,720	100.00%	4,665,720	4,487,579	100.00%	4,487,579	4,309,438	100.00%	4,309,438
7										
8	Net Rate Base	8,536,218		8,536,218	8,209,905		8,209,905	7,883,593		7,883,593
9										
10	**Income Tax Expense**									
11	Net Rate Base			8,536,218			8,209,905			7,883,593
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			618,022			594,397			570,772
14										
15	Net Rate Base			8,536,218			8,209,905			7,883,593
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			167,310			160,914			154,518
18										
19	Additions and Deductions for Taxes	488,902	100.00%	488,902	488,902	100.00%	488,902	488,902	100.00%	488,902
20										
21	State Taxable Amount			939,614			922,385			905,156
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			20,772			20,392			20,011
24										
25	Net Federal Taxable Amount			918,842			901,993			885,145
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			321,595			315,698			309,801
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(178,141)	100.00%	(178,141)	(178,141)	100.00%	(178,141)	(178,141)	100.00%	(178,141)
31										
32	Total Income Taxes			164,226			157,948			151,670
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			258,367			248,491			238,614
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	504,453	100.00%	504,453	504,453	100.00%	504,453	504,453	100.00%	504,453
39	Total Operating Deductions			762,821			752,944			743,067
40										
41	Return on Rate Base			618,022			594,397			570,772
42										
43	Revenue Requirements			1,380,843			1,347,341			1,313,840

Revenue Requirements - Hale

Transmission Serving Production

Line No.	Description	2041 Total SPS	2041 Total Allocation	2041 Total SPS	2042 Total SPS	2042 Total Allocation	2042 Total SPS	2043 Total SPS	2043 Total Allocation	2043 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571	22,807,571	100.00%	22,807,571
3	Less: Electric Production Accumulated Reserve for Depreciation	11,118,993	100.00%	11,118,993	11,623,446	100.00%	11,623,446	12,127,900	100.00%	12,127,900
4	Net Plant	11,688,578		11,688,578	11,184,125		11,184,125	10,679,671		10,679,671
5										
6	Accumulated Deferred Income Taxes	4,131,296	100.00%	4,131,296	3,953,155	100.00%	3,953,155	3,775,014	100.00%	3,775,014
7										
8	Net Rate Base	7,557,282		7,557,282	7,230,970		7,230,970	6,904,657		6,904,657
9										
10	**Income Tax Expense**									
11	Net Rate Base			7,557,282			7,230,970			6,904,657
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			547,147			523,522			499,897
14										
15	Net Rate Base			7,557,282			7,230,970			6,904,657
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			148,123			141,727			135,331
18										
19	Additions and Deductions for Taxes	488,902	100.00%	488,902	488,902	100.00%	488,902	488,902	100.00%	488,902
20										
21	State Taxable Amount			887,926			870,697			853,468
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			19,630			19,249			18,868
24										
25	Net Federal Taxable Amount			868,297			851,448			834,600
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			303,904			298,007			292,110
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(178,141)	100.00%	(178,141)	(178,141)	100.00%	(178,141)	(178,141)	100.00%	(178,141)
31										
32	Total Income Taxes			145,393			139,115			132,837
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			228,738			218,861			208,984
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	100.00%	-	-	100.00%	-	-	100.00%	-
38	Depreciation Expense	504,453	100.00%	504,453	504,453	100.00%	504,453	504,453	100.00%	504,453
39	Total Operating Deductions			733,191			723,314			713,438
40										
41	Return on Rate Base			547,147			523,522			499,897
42										
43	Revenue Requirements			1,280,338			1,246,837			1,213,335

Revenue Requirements - Hale

Transmission Serving Production

Line No.	Description	2044 Total SPS	2044 Total Allocation	2044 Total SPS
1	**Rate Base**			
2	Electric Plant in Service	22,807,571	100.00%	22,807,571
3	Less: Electric Production Accumulated Reserve for Depreciation	12,632,353	100.00%	12,632,353
4	Net Plant	10,175,218		10,175,218
5				
6	Accumulated Deferred Income Taxes	3,596,873	100.00%	3,596,873
7				
8	Net Rate Base	6,578,345		6,578,345
9				
10	**Income Tax Expense**			
11	Net Rate Base			6,578,345
12	Rate of Return on Rate Base			7.24%
13	Earnings before Interest			476,272
14				
15	Net Rate Base			6,578,345
16	Cost of Debt			1.96%
17	Interest Expense			128,936
18				
19	Additions and Deductions for Taxes	488,902	100.00%	488,902
20				
21	State Taxable Amount			836,239
22	State Income Tax Rate			2.21%
23	State Income Taxes			18,487
24				
25	Net Federal Taxable Amount			817,752
26	Federal Income Tax Rate			35.00%
27	Federal Income Taxes			286,213
28				
29	Production Tax Credit			
30	Deferred Income Taxes	(178,141)	100.00%	(178,141)
31				
32	Total Income Taxes			126,559
33	Tax Gross Up Factor			1.57324193
34	Total Income Tax Expense			199,108
35				
36	**Operating Expenses**			
37	O&M, Property Tax Expense	-	100.00%	-
38	Depreciation Expense	504,453	100.00%	504,453
39	Total Operating Deductions			703,561
40				
41	Return on Rate Base			476,272
42				
43	Revenue Requirements			1,179,834

Revenue Requirements - Hale

Network Transmission

Line No.	Description	2017 Total SPS	2017 Total Allocation	2017 Total SPS	2018 Total SPS	2018 Total Allocation	2018 Total SPS	2019 Total SPS	2019 Total Allocation	2019 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	-	100.00%	-	-	100.00%	-	875,226	100.00%	875,226
3	Less: Electric Production Accumulated Reserve for Depreciation	-	100.00%	-	-	100.00%	-	6,358	100.00%	6,358
4	Net Plant	-		-	-		-	868,868		868,868
5										
6	Accumulated Deferred Income Taxes	(36)	100.00%	(36)	(1,284)	100.00%	(1,284)	86,574	100.00%	86,574
7										
8	Net Rate Base	36		36	1,284		1,284	782,294		782,294
9										
10	**Income Tax Expense**									
11	Net Rate Base			36			1,284			782,294
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			3			93			56,638
14										
15	Net Rate Base			36			1,284			782,294
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1			25			15,333
18										
19	Additions and Deductions for Taxes	196	100.00%	196	6,658	100.00%	6,658	(488,907)	100.00%	(488,907)
20										
21	State Taxable Amount			198			6,726			(447,602)
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			4			149			(9,895)
24										
25	Net Federal Taxable Amount			194			6,577			(437,707)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			68			2,302			(153,197)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(71)	100.00%	(71)	(2,426)	100.00%	(2,426)	178,143	100.00%	178,143
31										
32	Total Income Taxes			1			25			15,050
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			1			39			23,678
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	-	100.00%	-	-	100.00%	-	21,930	100.00%	21,930
39	Total Operating Deductions			1			39			45,608
40										
41	Return on Rate Base			3			93			56,638
42										
43	Revenue Requirements			4			132			102,246

Revenue Requirements - Hale

Network Transmission

Line No.	Description	2020 Total SPS	2020 Total Allocation	2020 Total SPS	2021 Total SPS	2021 Total Allocation	2021 Total SPS	2022 Total SPS	2022 Total Allocation	2022 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420
3	Less: Electric Production Accumulated Reserve for Depreciation	42,172	100.00%	42,172	82,658	100.00%	82,658	123,143	100.00%	123,143
4	Net Plant	1,583,248		1,583,248	1,542,762		1,542,762	1,502,277		1,502,277
5										
6	Accumulated Deferred Income Taxes	187,372	100.00%	187,372	208,960	100.00%	208,960	227,014	100.00%	227,014
7										
8	Net Rate Base	1,395,876		1,395,876	1,333,802		1,333,802	1,275,263		1,275,263
9										
10	**Income Tax Expense**									
11	Net Rate Base			1,395,876			1,333,802			1,275,263
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			101,061			96,567			92,329
14										
15	Net Rate Base			1,395,876			1,333,802			1,275,263
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			27,359			26,143			24,995
18										
19	Additions and Deductions for Taxes	(64,367)	100.00%	(64,367)	(54,128)	100.00%	(54,128)	(44,967)	100.00%	(44,967)
20										
21	State Taxable Amount			9,335			16,297			22,367
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			206			360			494
24										
25	Net Federal Taxable Amount			9,129			15,936			21,872
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			3,195			5,578			7,655
28										
29	Production Tax Credit									
30	Deferred Income Taxes	23,453	100.00%	23,453	19,723	100.00%	19,723	16,385	100.00%	16,385
31										
32	Total Income Taxes			26,855			25,661			24,534
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			42,249			40,371			38,599
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	40,486	100.00%	40,486	40,486	100.00%	40,486	40,486	100.00%	40,486
39	Total Operating Deductions			82,735			80,856			79,084
40										
41	Return on Rate Base			101,061			96,567			92,329
42										
43	Revenue Requirements			183,796			177,423			171,413

Revenue Requirements - Hale

Network Transmission

Line No.	Description	2023 Total SPS	2023 Total Allocation	2023 Total SPS	2024 Total SPS	2024 Total Allocation	2024 Total SPS	2025 Total SPS	2025 Total Allocation	2025 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420
3	Less: Electric Production Accumulated Reserve for Depreciation	163,629	100.00%	163,629	204,114	100.00%	204,114	244,600	100.00%	244,600
4	Net Plant	1,461,791		1,461,791	1,421,306		1,421,306	1,380,820		1,380,820
5										
6	Accumulated Deferred Income Taxes	241,887	100.00%	241,887	253,873	100.00%	253,873	263,837	100.00%	263,837
7										
8	Net Rate Base	1,219,904		1,219,904	1,167,433		1,167,433	1,116,983		1,116,983
9										
10	**Income Tax Expense**									
11	Net Rate Base			1,219,904			1,167,433			1,116,983
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			88,321			84,522			80,870
14										
15	Net Rate Base			1,219,904			1,167,433			1,116,983
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			23,910			22,882			21,893
18										
19	Additions and Deductions for Taxes	(36,668)	100.00%	(36,668)	(29,123)	100.00%	(29,123)	(25,567)	100.00%	(25,567)
20										
21	State Taxable Amount			27,743			32,517			33,410
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			613			719			739
24										
25	Net Federal Taxable Amount			27,130			31,799			32,671
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			9,495			11,130			11,435
28										
29	Production Tax Credit									
30	Deferred Income Taxes	13,361	100.00%	13,361	10,612	100.00%	10,612	9,316	100.00%	9,316
31										
32	Total Income Taxes			23,469			22,460			21,489
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			36,923			35,335			33,808
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	40,486	100.00%	40,486	40,486	100.00%	40,486	40,486	100.00%	40,486
39	Total Operating Deductions			77,409			75,821			74,293
40										
41	Return on Rate Base			88,321			84,522			80,870
42										
43	Revenue Requirements			165,730			160,343			155,163

Revenue Requirements - Hale

Network Transmission

Line No.	Description	2026 Total SPS	2026 Total Allocation	2026 Total SPS	2027 Total SPS	2027 Total Allocation	2027 Total SPS	2028 Total SPS	2028 Total Allocation	2028 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420
3	Less: Electric Production Accumulated Reserve for Depreciation	285,085	100.00%	285,085	325,571	100.00%	325,571	366,057	100.00%	366,057
4	Net Plant	1,340,335		1,340,335	1,299,849		1,299,849	1,259,363		1,259,363
5										
6	Accumulated Deferred Income Taxes	273,152	100.00%	273,152	282,488	100.00%	282,488	291,823	100.00%	291,823
7										
8	Net Rate Base	1,067,183		1,067,183	1,017,361		1,017,361	967,540		967,540
9										
10	**Income Tax Expense**									
11	Net Rate Base			1,067,183			1,017,361			967,540
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			77,264			73,657			70,050
14										
15	Net Rate Base			1,067,183			1,017,361			967,540
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			20,917			19,940			18,964
18										
19	Additions and Deductions for Taxes	(25,567)	100.00%	(25,567)	(25,675)	100.00%	(25,675)	(25,567)	100.00%	(25,567)
20										
21	State Taxable Amount			30,780			28,042			25,519
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			680			620			564
24										
25	Net Federal Taxable Amount			30,100			27,422			24,955
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			10,535			9,598			8,734
28										
29	Production Tax Credit									
30	Deferred Income Taxes	9,316	100.00%	9,316	9,355	100.00%	9,355	9,316	100.00%	9,316
31										
32	Total Income Taxes			20,531			19,573			18,614
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			32,300			30,792			29,285
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	40,486	100.00%	40,486	40,486	100.00%	40,486	40,486	100.00%	40,486
39	Total Operating Deductions			72,786			71,278			69,770
40										
41	Return on Rate Base			77,264			73,657			70,050
42										
43	Revenue Requirements			150,050			144,935			139,820

Revenue Requirements - Hale

Network Transmission

Line No.	Description	2029 Total SPS	2029 Total Allocation	2029 Total SPS	2030 Total SPS	2030 Total Allocation	2030 Total SPS	2031 Total SPS	2031 Total Allocation	2031 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420
3	Less: Electric Production Accumulated Reserve for Depreciation	406,542	100.00%	406,542	447,028	100.00%	447,028	487,513	100.00%	487,513
4	Net Plant	1,218,878		1,218,878	1,178,392		1,178,392	1,137,907		1,137,907
5										
6	Accumulated Deferred Income Taxes	301,158	100.00%	301,158	310,494	100.00%	310,494	319,829	100.00%	319,829
7										
8	Net Rate Base	917,720		917,720	867,898		867,898	818,078		818,078
9										
10	**Income Tax Expense**									
11	Net Rate Base			917,720			867,898			818,078
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			66,443			62,836			59,229
14										
15	Net Rate Base			917,720			867,898			818,078
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			17,987			17,011			16,034
18										
19	Additions and Deductions for Taxes	(25,675)	100.00%	(25,675)	(25,567)	100.00%	(25,567)	(25,675)	100.00%	(25,675)
20										
21	State Taxable Amount			22,781			20,258			17,520
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			504			448			387
24										
25	Net Federal Taxable Amount			22,277			19,810			17,132
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			7,797			6,934			5,996
28										
29	Production Tax Credit									
30	Deferred Income Taxes	9,355	100.00%	9,355	9,316	100.00%	9,316	9,355	100.00%	9,355
31										
32	Total Income Taxes			17,656			16,697			15,739
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			27,777			26,269			24,761
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	40,486	100.00%	40,486	40,486	100.00%	40,486	40,486	100.00%	40,486
39	Total Operating Deductions			68,262			66,754			65,246
40										
41	Return on Rate Base			66,443			62,836			59,229
42										
43	Revenue Requirements			134,705			129,590			124,475

Revenue Requirements - Hale

Network Transmission

Line No.	Description	2032 Total SPS	2032 Total Allocation	2032 Total SPS	2033 Total SPS	2033 Total Allocation	2033 Total SPS	2034 Total SPS	2034 Total Allocation	2034 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420
3	Less: Electric Production Accumulated Reserve for Depreciation	527,999	100.00%	527,999	568,484	100.00%	568,484	608,970	100.00%	608,970
4	Net Plant	1,097,421		1,097,421	1,056,936		1,056,936	1,016,450		1,016,450
5										
6	Accumulated Deferred Income Taxes	329,165	100.00%	329,165	338,500	100.00%	338,500	342,043	100.00%	342,043
7										
8	Net Rate Base	768,256		768,256	718,436		718,436	674,407		674,407
9										
10	**Income Tax Expense**									
11	Net Rate Base			768,256			718,436			674,407
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			55,622			52,015			48,827
14										
15	Net Rate Base			768,256			718,436			674,407
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			15,058			14,081			13,218
18										
19	Additions and Deductions for Taxes	(25,567)	100.00%	(25,567)	(25,675)	100.00%	(25,675)	6,228	100.00%	6,228
20										
21	State Taxable Amount			14,997			12,258			41,837
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			332			271			925
24										
25	Net Federal Taxable Amount			14,665			11,987			40,912
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			5,133			4,196			14,319
28										
29	Production Tax Credit									
30	Deferred Income Taxes	9,316	100.00%	9,316	9,355	100.00%	9,355	(2,269)	100.00%	(2,269)
31										
32	Total Income Taxes			14,780			13,822			12,975
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			23,253			21,745			20,412
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	40,486	100.00%	40,486	40,486	100.00%	40,486	40,486	100.00%	40,486
39	Total Operating Deductions			63,738			62,230			60,898
40										
41	Return on Rate Base			55,622			52,015			48,827
42										
43	Revenue Requirements			119,360			114,245			109,725

Revenue Requirements - Hale

Network Transmission

Line No.	Description	2035 Total SPS	2035 Total Allocation	2035 Total SPS	2036 Total SPS	2036 Total Allocation	2036 Total SPS	2037 Total SPS	2037 Total Allocation	2037 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420
3	Less: Electric Production Accumulated Reserve for Depreciation	649,455	100.00%	649,455	689,941	100.00%	689,941	730,426	100.00%	730,426
4	Net Plant	975,965		975,965	935,479		935,479	894,994		894,994
5										
6	Accumulated Deferred Income Taxes	333,981	100.00%	333,981	320,127	100.00%	320,127	306,272	100.00%	306,272
7										
8	Net Rate Base	641,984		641,984	615,352		615,352	588,722		588,722
9										
10	**Income Tax Expense**									
11	Net Rate Base			641,984			615,352			588,722
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			46,480			44,551			42,623
14										
15	Net Rate Base			641,984			615,352			588,722
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			12,583			12,061			11,539
18										
19	Additions and Deductions for Taxes	38,023	100.00%	38,023	38,023	100.00%	38,023	38,023	100.00%	38,023
20										
21	State Taxable Amount			71,920			70,514			69,108
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			1,590			1,559			1,528
24										
25	Net Federal Taxable Amount			70,330			68,955			67,580
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			24,615			24,134			23,653
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(13,854)	100.00%	(13,854)	(13,854)	100.00%	(13,854)	(13,854)	100.00%	(13,854)
31										
32	Total Income Taxes			12,351			11,839			11,326
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			19,431			18,625			17,819
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	40,486	100.00%	40,486	40,486	100.00%	40,486	40,486	100.00%	40,486
39	Total Operating Deductions			59,917			59,111			58,305
40										
41	Return on Rate Base			46,480			44,551			42,623
42										
43	Revenue Requirements			106,396			103,662			100,928

Revenue Requirements - Hale

Network Transmission

Line No.	Description	2038 Total SPS	2038 Total Allocation	2038 Total SPS	2039 Total SPS	2039 Total Allocation	2039 Total SPS	2040 Total SPS	2040 Total Allocation	2040 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420
3	Less: Electric Production Accumulated Reserve for Depreciation	770,912	100.00%	770,912	811,397	100.00%	811,397	851,883	100.00%	851,883
4	Net Plant	854,508		854,508	814,023		814,023	773,537		773,537
5										
6	Accumulated Deferred Income Taxes	292,418	100.00%	292,418	278,563	100.00%	278,563	264,709	100.00%	264,709
7										
8	Net Rate Base	562,090		562,090	535,460		535,460	508,828		508,828
9										
10	**Income Tax Expense**									
11	Net Rate Base			562,090			535,460			508,828
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			40,695			38,767			36,839
14										
15	Net Rate Base			562,090			535,460			508,828
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			11,017			10,495			9,973
18										
19	Additions and Deductions for Taxes	38,023	100.00%	38,023	38,023	100.00%	38,023	38,023	100.00%	38,023
20										
21	State Taxable Amount			67,701			66,295			64,889
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			1,497			1,466			1,435
24										
25	Net Federal Taxable Amount			66,205			64,830			63,455
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			23,172			22,690			22,209
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(13,854)	100.00%	(13,854)	(13,854)	100.00%	(13,854)	(13,854)	100.00%	(13,854)
31										
32	Total Income Taxes			10,814			10,302			9,789
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			17,013			16,207			15,401
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	40,486	100.00%	40,486	40,486	100.00%	40,486	40,486	100.00%	40,486
39	Total Operating Deductions			57,498			56,692			55,886
40										
41	Return on Rate Base			40,695			38,767			36,839
42										
43	Revenue Requirements			98,194			95,460			92,726

Revenue Requirements - Hale

Network Transmission

Line No.	Description	2041 Total SPS	2041 Total Allocation	2041 Total SPS	2042 Total SPS	2042 Total Allocation	2042 Total SPS	2043 Total SPS	2043 Total Allocation	2043 Total SPS
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420	1,625,420	100.00%	1,625,420
3	Less: Electric Production Accumulated Reserve for Depreciation	892,368	100.00%	892,368	932,854	100.00%	932,854	973,339	100.00%	973,339
4	Net Plant	733,052		733,052	692,566		692,566	652,081		652,081
5										
6	Accumulated Deferred Income Taxes	250,855	100.00%	250,855	237,000	100.00%	237,000	223,146	100.00%	223,146
7										
8	Net Rate Base	482,197		482,197	455,566		455,566	428,935		428,935
9										
10	**Income Tax Expense**									
11	Net Rate Base			482,197			455,566			428,935
12	Rate of Return on Rate Base			7.24%			7.24%			7.24%
13	Earnings before Interest			34,911			32,983			31,055
14										
15	Net Rate Base			482,197			455,566			428,935
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			9,451			8,929			8,407
18										
19	Additions and Deductions for Taxes	38,023	100.00%	38,023	38,023	100.00%	38,023	38,023	100.00%	38,023
20										
21	State Taxable Amount			63,483			62,077			60,671
22	State Income Tax Rate			2.21%			2.21%			2.21%
23	State Income Taxes			1,403			1,372			1,341
24										
25	Net Federal Taxable Amount			62,080			60,705			59,329
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			21,728			21,247			20,765
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(13,854)	100.00%	(13,854)	(13,854)	100.00%	(13,854)	(13,854)	100.00%	(13,854)
31										
32	Total Income Taxes			9,277			8,765			8,252
33	Tax Gross Up Factor			1.57324193			1.57324193			1.57324193
34	Total Income Tax Expense			14,595			13,789			12,983
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	40,486	100.00%	40,486	40,486	100.00%	40,486	40,486	100.00%	40,486
39	Total Operating Deductions			55,080			54,274			53,468
40										
41	Return on Rate Base			34,911			32,983			31,055
42										
43	Revenue Requirements			89,991			87,257			84,523

Revenue Requirements - Hale

Network Transmission

Line No.	Description	2044 Total SPS	2044 Total Allocation	2044 Total SPS
1	**Rate Base**			
2	Electric Plant in Service	1,625,420	100.00%	1,625,420
3	Less: Electric Production Accumulated Reserve for Depreciation	1,013,825	100.00%	1,013,825
4	Net Plant	611,595		611,595
5				
6	Accumulated Deferred Income Taxes	209,292	100.00%	209,292
7				
8	Net Rate Base	402,303		402,303
9				
10	**Income Tax Expense**			
11	Net Rate Base			402,303
12	Rate of Return on Rate Base			7.24%
13	Earnings before Interest			29,127
14				
15	Net Rate Base			402,303
16	Cost of Debt			1.96%
17	Interest Expense			7,885
18				
19	Additions and Deductions for Taxes	38,023	100.00%	38,023
20				
21	State Taxable Amount			59,265
22	State Income Tax Rate			2.21%
23	State Income Taxes			1,310
24				
25	Net Federal Taxable Amount			57,954
26	Federal Income Tax Rate			35.00%
27	Federal Income Taxes			20,284
28				
29	Production Tax Credit			
30	Deferred Income Taxes	(13,854)	100.00%	(13,854)
31				
32	Total Income Taxes			7,740
33	Tax Gross Up Factor			1.57324193
34	Total Income Tax Expense			12,177
35				
36	**Operating Expenses**			
37	O&M, Property Tax Expense			
38	Depreciation Expense	40,486	100.00%	40,486
39	Total Operating Deductions			52,662
40				
41	Return on Rate Base			29,127
42				
43	Revenue Requirements			81,789

Revenue Requirements - Hale

Tax Rates and Capital Structure

Tax Rates

Composite Tax Rate	36.4370%
Apportioned State Tax Rate	2.21%
Federal Rate	35.00%
Revenue Conversion Factor	1.57324193

	Forecast 2019 - 2045		
	Rate	Ratio	Cost
Long Term Debt	4.25%	46.03%	1.9600%
Short Term Debt	0.00%	0.00%	0.0000%
Preferred Stock	0.00%	0.00%	0.0000%
Common Equity	9.79%	53.97%	5.2800%
Calculated Return on Rate Base			7.2400%

Revenue Requirement Summary - Sagamore

	2017	2018	2019	2020	2021	2022	2023	2024
Plant	0	0	0	119,285,459	194,309,691	194,456,322	194,703,969	195,105,948
Accum Depr	0	0	0	(1,670,705)	(9,188,811)	(17,372,231)	(25,563,561)	(33,769,281)
Net Plant	0	0	0	117,614,754	185,120,881	177,084,091	169,140,408	161,336,667
ADIT	681	21,448	143,082	3,564,709	11,978,821	5,909,497	(13,810,635)	(30,917,416)
Rate Base	681	21,448	143,082	121,179,463	197,099,702	182,993,588	155,329,773	130,419,251
Income Tax Expense	24	742	4,951	(10,856,143)	(16,656,690)	(17,144,807)	(19,005,026)	(19,867,011)
O&M, Property Tax	4,383	110,612	573,960	2,897,097	4,775,342	4,948,646	4,972,575	5,188,530
Depreciation Expense	0	0	0	5,099,165	8,180,251	8,186,614	8,197,362	8,214,808
Total Operating Deductions	4,407	111,354	578,911	(2,859,880)	(3,701,097)	(4,009,547)	(5,835,089)	(6,463,673)
Return	50	1,589	10,602	8,979,398	14,605,088	13,559,825	11,509,936	9,664,066
Revenue Requirement	4,457	112,943	589,513	6,119,518	10,903,990	9,550,278	5,674,847	3,200,394

Revenue Requirement Summary - Sagamore

	2025	2026	2027	2028	2029	2030	2031
Plant	195,557,021	196,019,382	196,549,076	197,206,043	197,936,450	198,684,990	199,451,476
Accum Depr	(41,993,917)	(50,238,221)	(58,503,834)	(66,795,018)	(75,116,845)	(83,470,595)	(91,857,393)
Net Plant	153,563,104	145,781,162	138,045,241	130,411,024	122,819,605	115,214,395	107,594,084
ADIT	(46,065,512)	(51,358,775)	(48,757,303)	(46,176,846)	(43,617,692)	(41,071,033)	(38,530,016)
Rate Base	107,497,592	94,422,387	89,287,938	84,234,178	79,201,913	74,143,362	69,064,068
Income Tax Expense	(21,563,135)	(22,918,540)	(23,096,209)	(24,174,046)	(24,348,179)	(6,764,993)	2,389,841
O&M, Property Tax	5,473,958	5,492,634	5,267,703	5,299,756	5,957,026	5,729,307	5,759,701
Depreciation Expense	8,234,385	8,254,451	8,277,440	8,305,952	8,337,652	8,370,139	8,403,404
Total Operating Deductions	(7,854,792)	(9,171,455)	(9,551,066)	(10,568,338)	(10,053,501)	7,334,452	16,552,946
Return	7,965,572	6,996,699	6,616,236	6,241,753	5,868,862	5,494,023	5,117,647
Revenue Requirement	110,779	(2,174,756)	(2,934,830)	(4,326,586)	(4,184,639)	12,828,475	21,670,593

Revenue Requirement Summary - Sagamore

	2032	2033	2034	2035	2036	2037	2038
Plant	200,427,660	201,657,434	202,942,624	204,259,173	205,607,846	206,989,427	208,376,052
Accum Depr	(100,280,564)	(108,752,755)	(117,279,684)	(125,863,068)	(134,504,284)	(143,204,745)	(151,965,463)
Net Plant	100,147,096	92,904,678	85,662,940	78,396,105	71,103,562	63,784,682	56,410,590
ADIT	(36,005,043)	(33,515,993)	(31,061,003)	(28,533,612)	(25,835,971)	(23,053,456)	(20,264,640)
Rate Base	64,142,053	59,388,685	54,601,938	49,862,493	45,267,590	40,731,227	36,145,950
Income Tax Expense	2,219,523	2,055,041	1,889,404	1,725,404	1,566,405	1,409,432	1,250,767
O&M, Property Tax	5,807,970	5,646,424	6,227,282	6,311,970	6,041,775	6,106,708	6,459,364
Depreciation Expense	8,445,770	8,499,143	8,554,920	8,612,058	8,670,591	8,730,551	8,790,731
Total Operating Deductions	16,473,263	16,200,608	16,671,606	16,649,432	16,278,771	16,246,691	16,500,861
Return	4,752,926	4,400,702	4,046,004	3,694,811	3,354,328	3,018,184	2,678,415
Revenue Requirement	21,226,189	20,601,309	20,717,609	20,344,243	19,633,099	19,264,875	19,179,276

Revenue Requirement Summary - Sagamore

	2039	2040	2041	2042	2043	2044	2045
Plant	209,751,637	211,161,182	212,604,715	213,922,120	214,881,223	215,584,495	215,897,066
Accum Depr	(160,786,040)	(169,666,837)	(178,609,762)	(187,613,445)	(196,667,223)	(205,755,700)	(211,001,614)
Net Plant	48,965,598	41,494,346	33,994,953	26,308,675	18,214,000	9,828,795	4,895,452
ADIT	(17,459,445)	(14,636,631)	(11,798,843)	(8,935,810)	(6,014,252)	(3,008,035)	(1,607,481)
Rate Base	31,506,153	26,857,715	22,196,110	17,372,865	12,199,748	6,820,761	3,287,971
Income Tax Expense	1,090,215	929,364	768,057	601,157	422,151	236,020	113,774
O&M, Property Tax	6,243,333	6,474,595	6,528,486	6,603,080	6,784,293	6,858,054	2,186,987
Depreciation Expense	8,850,431	8,911,605	8,974,255	9,031,430	9,073,055	9,103,577	956,553
Total Operating Deductions	16,183,979	16,315,565	16,270,798	16,235,668	16,279,499	16,197,651	3,257,314
Return	2,334,606	1,990,157	1,644,732	1,287,329	904,001	505,418	243,639
Revenue Requirement	18,518,585	18,305,721	17,915,530	17,522,997	17,183,500	16,703,069	3,500,953

Revenue Requirements - Sagamore

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2017 Total SPS	2017 New Mexico Allocation	2017 New Mexico Retail	2018 Total SPS	2018 New Mexico Allocation	2018 New Mexico Retail	2019 Total SPS	2019 New Mexico Allocation	2019 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	-		-	-		-	-		-
3	Less: Electric Production Accumulated Reserve for Depreciation	-		-	-		-	-		-
4	Net Plant	-		-	-		-	-		-
5										
6	Accumulated Deferred Income Taxes	(3,033)		(681)	(95,537)		(21,448)	(637,337)		(143,082)
7										
8	Net Rate Base	3,033		681	95,537		21,448	637,337		143,082
9										
10	**Income Tax Expense**									
11	Net Rate Base			681			21,448			143,082
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			50			1,589			10,602
14										
15	Net Rate Base			681			21,448			143,082
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			13			420			2,804
18										
19										
20	Additions and Deductions for Taxes	15,621		3,507	460,781		103,445	2,329,479		522,966
21	NOL Sch M									
22	State Taxable Amount			3,544			104,614			530,764
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			209			6,172			31,315
25										
26	Net Federal Taxable Amount			3,335			98,442			499,449
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			1,167			34,455			174,807
29										
30	Production Tax Credit	-		0	-		0	-		-
31	Deferred Income Taxes	(6,066)		(1,362)	(178,944)		(40,173)	(904,654)		(203,094)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			14			454			3,028
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			24			742			4,951
36										
37	**Operating Expenses**									
38	O&M, Property Tax Expense	19,524		4,383	492,704		110,612	2,556,622		573,960
39	Depreciation Expense	-		-	-		-	-		-
40	Total Operating Deductions			4,407			111,354			578,911
41										
42	Return on Rate Base			50			1,589			10,602
43										
44	Revenue Requirements			4,457			112,943			589,513

Revenue Requirements - Sagamore

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2020 Total SPS	2020 New Mexico Allocation	2020 New Mexico Retail	2021 Total SPS	2021 New Mexico Allocation	2021 New Mexico Retail	2022 Total SPS	2022 New Mexico Allocation	2022 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	531,340,041		119,285,459	865,524,766		194,309,691	866,177,912		194,456,322
3	Less: Electric Production Accumulated Reserve for Depreciation	7,441,917		1,670,705	40,930,244		9,188,811	77,382,122		17,372,231
4	Net Plant	523,898,124		117,614,754	824,594,522		185,120,881	788,795,790		177,084,091
5										
6	Accumulated Deferred Income Taxes	25,018,103		(3,564,709)	93,657,899		(11,978,821)	159,385,690		(5,909,497)
7										
8	Net Rate Base	498,880,021		121,179,463	730,936,623		197,099,702	629,410,100		182,993,588
9										
10	**Income Tax Expense**									
11	Net Rate Base			121,179,463			197,099,702			182,993,588
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			8,979,398			14,605,088			13,559,825
14										
15	Net Rate Base			121,179,463			197,099,702			182,993,588
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			2,375,117			3,863,154			3,586,674
18										
19										
20	Additions and Deductions for Taxes	(134,454,833)		(30,185,014)	(219,039,673)		(49,174,250)	(119,458,026)		(26,818,241)
21	NOL Sch M			23,580,733			38,432,316			(15,503,262)
22	State Taxable Amount			-			-			(32,348,353)
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			-			-			(1,908,553)
25										
26	Net Federal Taxable Amount			-			-			(30,439,800)
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			-			-			(10,653,930)
29										
30	Production Tax Credit	(41,002,056)		(9,204,932)	(63,963,207)		(14,359,694)	(63,963,207)		(14,359,694)
31	Deferred Income Taxes	52,215,535		11,722,350	85,064,057		19,096,820	46,391,525		10,414,864
32	NOL Deferred Tax Expense			(9,157,578)			(14,925,190)			6,020,692
33	Total Income Taxes			(6,640,160)			(10,188,064)			(10,486,621)
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			(10,856,143)			(16,656,690)			(17,144,807)
36										
37	**Operating Expenses**									
38	O&M, Property Tax Expense	12,904,706		2,897,097	21,271,078		4,775,342	22,043,035		4,948,646
39	Depreciation Expense	22,713,503		5,099,165	36,437,758		8,180,251	36,466,104		8,186,614
40	Total Operating Deductions			(2,859,880)			(3,701,097)			(4,009,547)
41										
42	Return on Rate Base			8,979,398			14,605,088			13,559,825
43										
44	Revenue Requirements			6,119,518			10,903,990			9,550,278

Revenue Requirements - Sagamore

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2023 Total SPS	2023 New Mexico Allocation	2023 New Mexico Retail	2024 Total SPS	2024 New Mexico Allocation	2024 New Mexico Retail	2025 Total SPS	2025 New Mexico Allocation	2025 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	867,281,020		194,703,969	869,071,579		195,105,948	871,080,819		195,557,021
3	Less: Electric Production Accumulated Reserve for Depreciation	113,869,231		25,563,561	150,420,439		33,769,281	187,055,907		41,993,917
4	Net Plant	753,411,789		169,140,408	718,651,140		161,336,667	684,024,912		153,563,104
5										
6	Accumulated Deferred Income Taxes	194,166,573		13,810,635	217,306,657		30,917,416	231,722,057		46,065,512
7										
8	Net Rate Base	559,245,216		155,329,773	501,344,483		130,419,251	452,302,855		107,497,592
9										
10	**Income Tax Expense**									
11	Net Rate Base			155,329,773			130,419,251			107,497,592
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			11,509,936			9,664,066			7,965,572
14										
15	Net Rate Base			155,329,773			130,419,251			107,497,592
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			3,044,464			2,556,217			2,106,953
18										
19										
20	Additions and Deductions for Taxes	(59,663,298)		(13,394,368)	(59,507,985)		(13,359,500)	(14,731,230)		(3,307,151)
21	NOL Sch M			(15,503,262)			(15,503,262)			(15,503,262)
22	State Taxable Amount			(20,432,158)			(21,754,913)			(12,951,794)
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			(1,205,497)			(1,283,540)			(764,156)
25										
26	Net Federal Taxable Amount			(19,226,660)			(20,471,373)			(12,187,638)
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			(6,729,331)			(7,164,981)			(4,265,673)
29										
30	Production Tax Credit	(66,423,331)		(14,911,990)	(66,423,331)		(14,911,990)	(68,883,454)		(15,464,286)
31	Deferred Income Taxes	23,170,242		5,201,703	23,109,926		5,188,162	5,720,873		1,284,332
32	NOL Deferred Tax Expense			6,020,692			6,020,692			6,020,692
33	Total Income Taxes			(11,624,424)			(12,151,657)			(13,189,092)
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			(19,005,026)			(19,867,011)			(21,563,135)
36										
37	**Operating Expenses**									
38	O&M, Property Tax Expense	22,149,623		4,972,575	23,111,565		5,188,530	24,382,964		5,473,958
39	Depreciation Expense	36,513,979		8,197,362	36,591,690		8,214,808	36,678,891		8,234,385
40	Total Operating Deductions			(5,835,089)			(6,463,673)			(7,854,792)
41										
42	Return on Rate Base			11,509,936			9,664,066			7,965,572
43										
44	Revenue Requirements			5,674,847			3,200,394			110,779

Revenue Requirements - Sagamore

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2026 Total SPS	2026 New Mexico Allocation	2026 New Mexico Retail	2027 Total SPS	2027 New Mexico Allocation	2027 New Mexico Retail	2028 Total SPS	2028 New Mexico Allocation	2028 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	873,140,341		196,019,382	875,499,783		196,549,076	878,426,149		197,206,043
3	Less: Electric Production Accumulated Reserve for Depreciation	223,778,978		50,238,221	260,596,974		58,503,834	297,528,868		66,795,018
4	Net Plant	649,361,363		145,781,162	614,902,809		138,045,241	580,897,281		130,411,024
5										
6	Accumulated Deferred Income Taxes	228,770,327		51,358,775	217,182,443		48,757,303	205,688,166		46,176,846
7										
8	Net Rate Base	420,591,036		94,422,387	397,720,366		89,287,938	375,209,115		84,234,178
9										
10	**Income Tax Expense**									
11	Net Rate Base			94,422,387			89,287,938			84,234,178
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			6,996,699			6,616,236			6,241,753
14										
15	Net Rate Base			94,422,387			89,287,938			84,234,178
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,850,679			1,750,044			1,650,990
18										
19										
20	Additions and Deductions for Taxes	29,932,620		6,719,852	29,744,911		6,677,711	29,450,534		6,611,624
21	NOL Sch M									
22	State Taxable Amount			11,865,872			11,543,904			11,202,387
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			700,086			681,090			660,941
25										
26	Net Federal Taxable Amount			11,165,785			10,862,814			10,541,446
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			3,908,025			3,801,985			3,689,506
29										
30	Production Tax Credit	(71,343,577)		(16,016,582)	(71,343,577)		(16,016,582)	(73,803,701)		(16,568,878)
31	Deferred Income Taxes	(11,624,333)		(2,609,654)	(11,551,436)		(2,593,289)	(11,437,115)		(2,567,624)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			(14,018,125)			(14,126,796)			(14,786,055)
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			(22,918,540)			(23,096,209)			(24,174,046)
36										
37	**Operating Expenses**									
38	O&M, Property Tax Expense	24,466,155		5,492,634	23,464,230		5,267,703	23,607,006		5,299,756
39	Depreciation Expense	36,768,274		8,254,451	36,870,674		8,277,440	36,997,678		8,305,952
40	Total Operating Deductions			(9,171,455)			(9,551,066)			(10,568,338)
41										
42	Return on Rate Base			6,996,699			6,616,236			6,241,753
43										
44	Revenue Requirements			(2,174,756)			(2,934,830)			(4,326,586)

Revenue Requirements - Sagamore

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2029 Total SPS	2029 New Mexico Allocation	2029 New Mexico Retail	2030 Total SPS	2030 New Mexico Allocation	2030 New Mexico Retail	2031 Total SPS	2031 New Mexico Allocation	2031 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	881,679,644		197,936,450	885,013,910		198,684,990	888,428,113		199,451,476
3	Less: Electric Production Accumulated Reserve for Depreciation	334,597,258		75,116,845	371,807,845		83,470,595	409,165,636		91,857,393
4	Net Plant	547,082,386		122,819,605	513,206,065		115,214,395	479,262,477		107,594,084
5										
6	Accumulated Deferred Income Taxes	194,288,779		43,617,692	182,945,051		41,071,033	171,626,451		38,530,016
7										
8	Net Rate Base	352,793,607		79,201,913	330,261,014		74,143,362	307,636,026		69,064,068
9										
10	**Income Tax Expense**									
11	Net Rate Base			79,201,913			74,143,362			69,064,068
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			5,868,862			5,494,023			5,117,647
14										
15	Net Rate Base			79,201,913			74,143,362			69,064,068
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,552,357			1,453,210			1,353,656
18										
19										
20	Additions and Deductions for Taxes	29,256,242		6,568,005	29,163,882		6,547,271	29,126,836		6,538,954
21	NOL Sch M									
22	State Taxable Amount			10,884,510			10,588,084			10,302,946
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			642,186			624,697			607,874
25										
26	Net Federal Taxable Amount			10,242,324			9,963,387			9,695,072
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			3,584,813			3,487,185			3,393,275
29										
30	Production Tax Credit	(73,803,701)		(16,568,878)	(25,421,275)		(5,707,058)	-		-
31	Deferred Income Taxes	(11,361,661)		(2,550,685)	(11,325,794)		(2,542,633)	(11,311,406)		(2,539,403)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			(14,892,564)			(4,137,808)			1,461,746
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			(24,348,179)			(6,764,993)			2,389,841
36										
37	**Operating Expenses**									
38	O&M, Property Tax Expense	26,534,721		5,957,026	25,520,379		5,729,307	25,655,764		5,759,701
39	Depreciation Expense	37,138,880		8,337,652	37,283,587		8,370,139	37,431,763		8,403,404
40	Total Operating Deductions			(10,053,501)			7,334,452			16,552,946
41										
42	Return on Rate Base			5,868,862			5,494,023			5,117,647
43										
44	Revenue Requirements			(4,184,639)			12,828,475			21,670,593

Revenue Requirements - Sagamore

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2032 Total SPS	2032 New Mexico Allocation	2032 New Mexico Retail	2033 Total SPS	2033 New Mexico Allocation	2033 New Mexico Retail	2034 Total SPS	2034 New Mexico Allocation	2034 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	892,776,383		200,427,660	898,254,234		201,657,434	903,978,931		202,942,624
3	Less: Electric Production Accumulated Reserve for Depreciation	446,685,447		100,280,564	484,423,615		108,752,755	522,405,599		117,279,684
4	Net Plant	446,090,936		100,147,096	413,830,619		92,904,678	381,573,332		85,662,940
5										
6	Accumulated Deferred Income Taxes	160,379,322		36,005,043	149,292,205		33,515,993	138,356,800		31,061,003
7										
8	Net Rate Base	285,711,614		64,142,053	264,538,414		59,388,685	243,216,532		54,601,938
9										
10	**Income Tax Expense**									
11	Net Rate Base			64,142,053			59,388,685			54,601,938
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			4,752,926			4,400,702			4,046,004
14										
15	Net Rate Base			64,142,053			59,388,685			54,601,938
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,257,184			1,164,018			1,070,198
18										
19										
20	Additions and Deductions for Taxes	28,795,813		6,464,639	28,302,761		6,353,950	28,014,504		6,289,236
21	NOL Sch M									
22	State Taxable Amount			9,960,381			9,590,633			9,265,042
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			587,662			565,847			546,637
25										
26	Net Federal Taxable Amount			9,372,719			9,024,786			8,718,404
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			3,280,452			3,158,675			3,051,441
29										
30	Production Tax Credit	-		-	-		-	-		-
31	Deferred Income Taxes	(11,182,854)		(2,510,543)	(10,991,377)		(2,467,556)	(10,879,433)		(2,442,425)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			1,357,571			1,256,966			1,155,654
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			2,219,523			2,055,041			1,889,404
36										
37	**Operating Expenses**									
38	O&M, Property Tax Expense	25,870,771		5,807,970	25,151,188		5,646,424	27,738,536		6,227,282
39	Depreciation Expense	37,620,478		8,445,770	37,858,217		8,499,143	38,106,669		8,554,920
40	Total Operating Deductions			16,473,263			16,200,608			16,671,606
41										
42	Return on Rate Base			4,752,926			4,400,702			4,046,004
43										
44	Revenue Requirements			21,226,189			20,601,309			20,717,609

Revenue Requirements - Sagamore

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2035 Total SPS	2035 New Mexico Allocation	2035 New Mexico Retail	2036 Total SPS	2036 New Mexico Allocation	2036 New Mexico Retail	2037 Total SPS	2037 New Mexico Allocation	2037 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	909,843,312		204,259,173	915,850,783		205,607,846	922,004,836		206,989,427
3	Less: Electric Production Accumulated Reserve for Depreciation	560,639,058		125,863,068	599,130,123		134,504,284	637,885,080		143,204,745
4	Net Plant	349,204,254		78,396,105	316,720,660		71,103,562	284,119,756		63,784,682
5										
6	Accumulated Deferred Income Taxes	127,098,900		28,533,612	115,082,644		25,835,971	102,688,325		23,053,456
7										
8	Net Rate Base	222,105,354		49,862,493	201,638,016		45,267,590	181,431,431		40,731,227
9										
10	**Income Tax Expense**									
11	Net Rate Base			49,862,493			45,267,590			40,731,227
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			3,694,811			3,354,328			3,018,184
14										
15	Net Rate Base			49,862,493			45,267,590			40,731,227
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			977,305			887,245			798,332
18										
19										
20	Additions and Deductions for Taxes	29,963,607		6,726,808	31,920,035		7,166,025	31,910,623		7,163,912
21	NOL Sch M									
22	State Taxable Amount			9,444,314			9,633,109			9,383,764
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			557,215			568,353			553,642
25										
26	Net Federal Taxable Amount			8,887,100			9,064,755			8,830,122
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			3,110,485			3,172,664			3,090,543
29										
30	Production Tax Credit	-		-	-		-	-		-
31	Deferred Income Taxes	(11,636,367)		(2,612,356)	(12,396,146)		(2,782,926)	(12,392,491)		(2,782,105)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			1,055,343			958,092			862,079
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			1,725,404			1,566,405			1,409,432
36										
37	**Operating Expenses**									
38	O&M, Property Tax Expense	28,115,769		6,311,970	26,912,223		6,041,775	27,201,457		6,106,708
39	Depreciation Expense	38,361,183		8,612,058	38,621,907		8,670,591	38,888,993		8,730,551
40	Total Operating Deductions			16,649,432			16,278,771			16,246,691
41										
42	Return on Rate Base			3,694,811			3,354,328			3,018,184
43										
44	Revenue Requirements			20,344,243			19,633,099			19,264,875

Revenue Requirements - Sagamore

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2038 Total SPS	2038 New Mexico Allocation	2038 New Mexico Retail	2039 Total SPS	2039 New Mexico Allocation	2039 New Mexico Retail	2040 Total SPS	2040 New Mexico Allocation	2040 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	928,181,362		208,376,052	934,308,709		209,751,637	940,587,326		211,161,182
3	Less: Electric Production Accumulated Reserve for Depreciation	676,908,447		151,965,463	716,198,448		160,786,040	755,756,689		169,666,837
4	Net Plant	251,272,915		56,410,590	218,110,261		48,965,598	184,830,637		41,494,346
5										
6	Accumulated Deferred Income Taxes	90,265,944		20,264,640	77,770,602		17,459,445	65,196,783		14,636,631
7										
8	Net Rate Base	161,006,971		36,145,950	140,339,659		31,506,153	119,633,854		26,857,715
9										
10	**Income Tax Expense**									
11	Net Rate Base			36,145,950			31,506,153			26,857,715
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			2,678,415			2,334,606			1,990,157
14										
15	Net Rate Base			36,145,950			31,506,153			26,857,715
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			708,461			617,521			526,411
18										
19										
20	Additions and Deductions for Taxes	32,064,562		7,198,471	32,286,368		7,248,267	32,468,715		7,289,203
21	NOL Sch M									
22	State Taxable Amount			9,168,426			8,965,352			8,752,949
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			540,937			528,956			516,424
25										
26	Net Federal Taxable Amount			8,627,488			8,436,396			8,236,525
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			3,019,621			2,952,739			2,882,784
29										
30	Production Tax Credit	-		-	-		-	-		-
31	Deferred Income Taxes	(12,452,273)		(2,795,526)	(12,538,411)		(2,814,864)	(12,609,226)		(2,830,762)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			765,032			666,830			568,445
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			1,250,767			1,090,215			929,364
36										
37	**Operating Expenses**									
38	O&M, Property Tax Expense	28,772,312		6,459,364	27,810,035		6,243,333	28,840,160		6,474,595
39	Depreciation Expense	39,157,054		8,790,731	39,422,981		8,850,431	39,695,473		8,911,605
40	Total Operating Deductions			16,500,861			16,183,979			16,315,565
41										
42	Return on Rate Base			2,678,415			2,334,606			1,990,157
43										
44	Revenue Requirements			19,179,276			18,518,585			18,305,721

Revenue Requirements - Sagamore

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2041 Total SPS	2041 New Mexico Allocation	2041 New Mexico Retail	2042 Total SPS	2042 New Mexico Allocation	2042 New Mexico Retail	2043 Total SPS	2043 New Mexico Allocation	2043 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	947,017,336		212,604,715	952,885,528		213,922,120	957,157,715		214,881,223
3	Less: Electric Production Accumulated Reserve for Depreciation	795,591,675		178,609,762	835,697,292		187,613,445	876,026,054		196,667,223
4	Net Plant	151,425,661		33,994,953	117,188,236		26,308,675	81,131,661		18,214,000
5										
6	Accumulated Deferred Income Taxes	52,556,260		11,798,843	39,803,289		8,935,810	26,789,628		6,014,252
7										
8	Net Rate Base	98,869,401		22,196,110	77,384,947		17,372,865	54,342,033		12,199,748
9										
10	**Income Tax Expense**									
11	Net Rate Base			22,196,110			17,372,865			12,199,748
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			1,644,732			1,287,329			904,001
14										
15	Net Rate Base			22,196,110			17,372,865			12,199,748
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			435,044			340,508			239,115
18										
19										
20	Additions and Deductions for Taxes	32,629,896		7,325,388	33,047,821		7,419,212	33,972,452		7,626,791
21	NOL Sch M									
22	State Taxable Amount			8,535,076			8,366,033			8,291,677
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			503,570			493,596			489,209
25										
26	Net Federal Taxable Amount			8,031,507			7,872,437			7,802,468
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			2,811,027			2,755,353			2,730,864
29										
30	Production Tax Credit	-		-	-		-	-		-
31	Deferred Income Taxes	(12,671,820)		(2,844,815)	(12,834,121)		(2,881,251)	(13,193,202)		(2,961,864)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			469,782			367,698			258,208
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			768,057			601,157			422,151
36										
37	**Operating Expenses**									
38	O&M, Property Tax Expense	29,080,209		6,528,486	29,412,478		6,603,080	30,219,665		6,784,293
39	Depreciation Expense	39,974,535		8,974,255	40,229,215		9,031,430	40,414,628		9,073,055
40	Total Operating Deductions			16,270,798			16,235,668			16,279,499
41										
42	Return on Rate Base			1,644,732			1,287,329			904,001
43										
44	Revenue Requirements			17,915,530			17,522,997			17,183,500

Revenue Requirements - Sagamore

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2044 Total SPS	2044 New Mexico Allocation	2044 New Mexico Retail	2045 Total SPS	2045 New Mexico Allocation	2045 New Mexico Retail
1	**Rate Base**						
2	Electric Plant in Service	960,290,342		215,584,495	961,682,644		215,897,066
3	Less: Electric Production Accumulated Reserve for Depreciation	916,509,377		205,755,700	939,876,551		211,001,614
4	Net Plant	43,780,965		9,828,795	21,806,093		4,895,452
5							
6	Accumulated Deferred Income Taxes	13,398,861		3,008,035	7,160,294		1,607,481
7							
8	Net Rate Base	30,382,104		6,820,761	14,645,799		3,287,971
9							
10	**Income Tax Expense**						
11	Net Rate Base			6,820,761			3,287,971
12	Rate of Return on Rate Base			7.41%			7.41%
13	Earnings before Interest			505,418			243,639
14							
15	Net Rate Base			6,820,761			3,287,971
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			133,687			64,444
18							
19							
20	Additions and Deductions for Taxes	34,989,907		7,855,209	(2,861,328)		(642,366)
21	NOL Sch M						
22	State Taxable Amount			8,226,941			(463,172)
23	State Income Tax Rate			5.90%			5.90%
24	State Income Taxes			485,389			(27,327)
25							
26	Net Federal Taxable Amount			7,741,551			(435,845)
27	Federal Income Tax Rate			35.00%			35.00%
28	Federal Income Taxes			2,709,543			(152,546)
29							
30	Production Tax Credit	-			-		
31	Deferred Income Taxes	(13,588,331)		(3,050,571)	1,111,196		249,463
32	NOL Deferred Tax Expense			-			-
33	Total Income Taxes			144,362			69,590
34	Tax Gross Up Factor			1.63492193			1.63492193
35	Total Income Tax Expense			236,020			113,774
36							
37	**Operating Expenses**						
38	O&M, Property Tax Expense	30,548,220		6,858,054	9,741,619		2,186,987
39	Depreciation Expense	40,550,584		9,103,577	4,260,830		956,553
40	Total Operating Deductions			16,197,651			3,257,314
41							
42	Return on Rate Base			505,418			243,639
43							
44	Revenue Requirements			16,703,069			3,500,953

Revenue Requirements - Sagamore

Wind Generation - Production Plan

Line No.	Description	2017 Total SPS	2017 New Mexico Allocation	2017 New Mexico Retail	2018 Total SPS	2018 New Mexico Allocation	2018 New Mexico Retail	2019 Total SPS	2019 New Mexico Allocation	2019 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	-	22.45%	-	-	22.45%	-	-	22.45%	-
3	Less: Electric Production Accumulated Reserve for Depreciation	-	22.45%	-	-	22.45%	-	-	22.45%	-
4	Net Plant	-		-	-		-	-		-
5										
6	Accumulated Deferred Income Taxes	(3,033)	22.45%	(681)	(85,447)	22.45%	(19,183)	(563,275)	22.45%	(126,455)
7										
8	Net Rate Base	3,033		681	85,447		19,183	563,275		126,455
9										
10	**Income Tax Expense**									
11	Net Rate Base			681			19,183			126,455
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			50			1,421			9,370
14										
15	Net Rate Base			681			19,183			126,455
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			13			376			2,479
18										
19	Additions and Deductions for Taxes	15,621	22.45%	3,507	408,813	22.45%	91,778	2,051,996	22.45%	460,672
20										
21	State Taxable Amount			3,544			92,824			467,563
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			209			5,477			27,586
24										
25	Net Federal Taxable Amount			3,335			87,347			439,977
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			1,167			30,571			153,992
28										
29	Production Tax Credit	-	22.45%	-	-	22.45%	-	-	22.45%	-
30	Deferred Income Taxes	(6,066)	22.45%	(1,362)	(158,762)	22.45%	(35,642)	(796,893)	22.45%	(178,902)
31										
32	Total Income Taxes			14			406			2,676
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			24			664			4,376
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	19,524	22.45%	4,383	492,704	22.45%	110,612	2,556,622	22.45%	573,960
38	Depreciation Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
39	Total Operating Deductions			4,407			111,275			578,336
40										
41	Return on Rate Base			50			1,421			9,370
42										
43	Revenue Requirements			4,457			112,697			587,706

Revenue Requirements - Sagamore

Wind Generation - Production Plan

Line No.	Description	2020 Total SPS	2020 New Mexico Allocation	2020 New Mexico Retail	2021 Total SPS	2021 New Mexico Allocation	2021 New Mexico Retail	2022 Total SPS	2022 New Mexico Allocation	2022 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	486,919,227	22.45%	109,313,018	793,340,944	22.45%	178,104,475	793,994,090	22.45%	178,251,106
3	Less: Electric Production Accumulated Reserve for Depreciation	7,029,206	22.45%	1,578,052	38,666,778	22.45%	8,680,664	73,106,688	22.45%	16,412,399
4	Net Plant	479,890,021		107,734,967	754,674,166		169,423,811	720,887,402		161,838,707
5										
6	Accumulated Deferred Income Taxes	24,735,990	22.45%	5,553,212	92,051,890	22.45%	20,665,584	156,080,894	22.45%	35,040,049
7										
8	Net Rate Base	455,154,031		102,181,755	662,622,276		148,758,227	564,806,508		126,798,657
9										
10	**Income Tax Expense**									
11	Net Rate Base			102,181,755			148,758,227			126,798,657
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			7,571,668			11,022,985			9,395,781
14										
15	Net Rate Base			102,181,755			148,758,227			126,798,657
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			2,002,762			2,915,661			2,485,254
18										
19	Additions and Deductions for Taxes	(132,343,050)	22.45%	(29,710,920)	(214,333,399)	22.45%	(48,117,695)	(115,415,558)	22.45%	(25,910,710)
20										
21	State Taxable Amount			(24,142,015)			(40,010,371)			(19,000,183)
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			(1,424,379)			(2,360,612)			(1,121,011)
24										
25	Net Federal Taxable Amount			(22,717,636)			(37,649,760)			(17,879,173)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(7,951,172)			(13,177,416)			(6,257,710)
28										
29	Production Tax Credit	(41,002,056)	22.45%	(9,204,932)	(63,963,207)	22.45%	(14,359,694)	(63,963,207)	22.45%	(14,359,694)
30	Deferred Income Taxes	51,395,424	22.45%	11,538,236	83,236,376	22.45%	18,686,507	44,821,632	22.45%	10,062,424
31										
32	Total Income Taxes			(7,042,248)			(11,211,215)			(11,675,991)
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			(11,513,525)			(18,329,462)			(19,089,334)
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	12,904,706	22.45%	2,897,097	21,271,078	22.45%	4,775,342	22,043,035	22.45%	4,948,646
38	Depreciation Expense	21,456,023	22.45%	4,816,862	34,425,789	22.45%	7,728,565	34,454,136	22.45%	7,734,929
39	Total Operating Deductions			(3,799,566)			(5,825,555)			(6,405,760)
40										
41	Return on Rate Base			7,571,668			11,022,985			9,395,781
42										
43	Revenue Requirements			3,772,102			5,197,430			2,990,021

Revenue Requirements - Sagamore

Wind Generation - Production Plan

Line No.	Description	2023 Total SPS	2023 New Mexico Allocation	2023 New Mexico Retail	2024 Total SPS	2024 New Mexico Allocation	2024 New Mexico Retail	2025 Total SPS	2025 New Mexico Allocation	2025 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	795,097,198	22.45%	178,498,753	796,887,757	22.45%	178,900,732	798,896,997	22.45%	179,351,805
3	Less: Electric Production Accumulated Reserve for Depreciation	107,581,829	22.45%	24,152,044	142,121,068	22.45%	31,906,078	176,744,566	22.45%	39,679,029
4	Net Plant	687,515,369		154,346,709	654,766,689		146,994,654	622,152,431		139,672,776
5										
6	Accumulated Deferred Income Taxes	189,407,211	22.45%	42,521,783	211,312,528	22.45%	47,439,512	224,692,607	22.45%	50,443,330
7										
8	Net Rate Base	498,108,158		111,824,925	443,454,161		99,555,142	397,459,824		89,229,446
9										
10	**Income Tax Expense**									
11	Net Rate Base			111,824,925			99,555,142			89,229,446
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			8,286,227			7,377,036			6,611,902
14										
15	Net Rate Base			111,824,925			99,555,142			89,229,446
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			2,191,769			1,951,281			1,748,897
18										
19	Additions and Deductions for Taxes	(56,214,761)	22.45%	(12,620,174)	(56,597,479)	22.45%	(12,706,094)	(12,309,844)	22.45%	(2,763,551)
20										
21	State Taxable Amount			(6,525,715)			(7,280,338)			2,099,454
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			(385,017)			(429,540)			123,868
24										
25	Net Federal Taxable Amount			(6,140,698)			(6,850,798)			1,975,586
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(2,149,244)			(2,397,779)			691,455
28										
29	Production Tax Credit	(66,423,331)	22.45%	(14,911,990)	(66,423,331)	22.45%	(14,911,990)	(68,883,454)	22.45%	(15,464,286)
30	Deferred Income Taxes	21,831,002	22.45%	4,901,044	21,979,631	22.45%	4,934,411	4,780,528	22.45%	1,073,225
31										
32	Total Income Taxes			(12,545,207)			(12,804,898)			(13,575,738)
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			(20,510,435)			(20,935,009)			(22,195,272)
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	22,149,623	22.45%	4,972,575	23,111,565	22.45%	5,188,530	24,382,964	22.45%	5,473,958
38	Depreciation Expense	34,502,010	22.45%	7,745,677	34,579,721	22.45%	7,763,123	34,666,922	22.45%	7,782,699
39	Total Operating Deductions			(7,792,183)			(7,983,356)			(8,938,615)
40										
41	Return on Rate Base			8,286,227			7,377,036			6,611,902
42										
43	Revenue Requirements			494,044			(606,320)			(2,326,713)

Revenue Requirements - Sagamore

Wind Generation - Production Plan

Line No.	Description	2026 Total SPS	2026 New Mexico Allocation	2026 New Mexico Retail	2027 Total SPS	2027 New Mexico Allocation	2027 New Mexico Retail	2028 Total SPS	2028 New Mexico Allocation	2028 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	800,956,519	22.45%	179,814,166	803,315,961	22.45%	180,343,859	806,242,327	22.45%	181,000,826
3	Less: Electric Production Accumulated Reserve for Depreciation	211,455,669	22.45%	47,471,647	246,261,696	22.45%	55,285,575	281,181,622	22.45%	63,125,073
4	Net Plant	589,500,850		132,342,519	557,054,265		125,058,284	525,060,705		117,875,753
5										
6	Accumulated Deferred Income Taxes	220,845,306	22.45%	49,579,613	208,406,624	22.45%	46,787,138	196,060,194	22.45%	44,015,373
7										
8	Net Rate Base	368,655,544		82,762,906	348,647,641		78,271,146	329,000,511		73,860,380
9										
10	**Income Tax Expense**									
11	Net Rate Base			82,762,906			78,271,146			73,860,380
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			6,132,731			5,799,892			5,473,054
14										
15	Net Rate Base			82,762,906			78,271,146			73,860,380
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,622,153			1,534,114			1,447,663
18										
19	Additions and Deductions for Taxes	32,123,421	22.45%	7,211,685	31,935,712	22.45%	7,169,545	31,648,323	22.45%	7,105,026
20										
21	State Taxable Amount			11,722,263			11,435,322			11,130,417
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			691,614			674,684			656,695
24										
25	Net Federal Taxable Amount			11,030,650			10,760,638			10,473,722
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			3,860,727			3,766,223			3,665,803
28										
29	Production Tax Credit	(71,343,577)	22.45%	(16,016,582)	(71,343,577)	22.45%	(16,016,582)	(73,803,701)	22.45%	(16,568,878)
30	Deferred Income Taxes	(12,475,131)	22.45%	(2,800,658)	(12,402,234)	22.45%	(2,784,293)	(12,290,626)	22.45%	(2,759,237)
31										
32	Total Income Taxes			(14,264,899)			(14,359,967)			(15,005,618)
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			(23,321,996)			(23,477,426)			(24,533,013)
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	24,466,155	22.45%	5,492,634	23,464,230	22.45%	5,267,703	23,607,006	22.45%	5,299,756
38	Depreciation Expense	34,756,305	22.45%	7,802,766	34,858,705	22.45%	7,825,754	34,985,709	22.45%	7,854,267
39	Total Operating Deductions			(10,026,596)			(10,383,969)			(11,378,991)
40										
41	Return on Rate Base			6,132,731			5,799,892			5,473,054
42										
43	Revenue Requirements			(3,893,865)			(4,584,077)			(5,905,937)

Revenue Requirements - Sagamore

Wind Generation - Production Plan

Line No.	Description	2029 Total SPS	2029 New Mexico Allocation	2029 New Mexico Retail	2030 Total SPS	2030 New Mexico Allocation	2030 New Mexico Retail	2031 Total SPS	2031 New Mexico Allocation	2031 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	809,495,822	22.45%	181,731,233	812,830,088	22.45%	182,479,774	816,244,291	22.45%	183,246,260
3	Less: Electric Production Accumulated Reserve for Depreciation	316,238,043	22.45%	70,995,215	351,436,660	22.45%	78,897,279	386,782,483	22.45%	86,832,391
4	Net Plant	493,257,779		110,736,019	461,393,428		103,582,495	429,461,808		96,413,869
5										
6	Accumulated Deferred Income Taxes	183,808,651	22.45%	41,264,911	171,612,769	22.45%	38,526,944	159,442,015	22.45%	35,794,618
7										
8	Net Rate Base	309,449,128		69,471,108	289,780,659		65,055,551	270,019,793		60,619,251
9										
10	**Income Tax Expense**									
11	Net Rate Base			69,471,108			65,055,551			60,619,251
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			5,147,809			4,820,616			4,491,886
14										
15	Net Rate Base			69,471,108			65,055,551			60,619,251
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,361,634			1,275,089			1,188,137
18										
19	Additions and Deductions for Taxes	31,447,043	22.45%	7,059,839	31,361,671	22.45%	7,040,673	31,317,637	22.45%	7,030,787
20										
21	State Taxable Amount			10,846,014			10,586,200			10,334,536
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			639,915			624,586			609,738
24										
25	Net Federal Taxable Amount			10,206,099			9,961,614			9,724,799
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			3,572,135			3,486,565			3,403,680
28										
29	Production Tax Credit	(73,803,701)	22.45%	(16,568,878)	(25,421,275)	22.45%	(5,707,058)	-	22.45%	-
30	Deferred Income Taxes	(12,212,459)	22.45%	(2,741,688)	(12,179,305)	22.45%	(2,734,245)	(12,162,204)	22.45%	(2,730,406)
31										
32	Total Income Taxes			(15,098,517)			(4,330,152)			1,283,011
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			(24,684,896)			(7,079,461)			2,097,623
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	26,534,721	22.45%	5,957,026	25,520,379	22.45%	5,729,307	25,655,764	22.45%	5,759,701
38	Depreciation Expense	35,126,911	22.45%	7,885,966	35,271,618	22.45%	7,918,453	35,419,794	22.45%	7,951,718
39	Total Operating Deductions			(10,841,904)			6,568,299			15,809,042
40										
41	Return on Rate Base			5,147,809			4,820,616			4,491,886
42										
43	Revenue Requirements			(5,694,095)			11,388,915			20,300,929

Revenue Requirements - Sagamore

Wind Generation - Production Plan

Line No.	Description	2032 Total SPS	2032 New Mexico Allocation	2032 New Mexico Retail	2033 Total SPS	2033 New Mexico Allocation	2033 New Mexico Retail	2034 Total SPS	2034 New Mexico Allocation	2034 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	820,592,561	22.45%	184,222,443	826,070,412	22.45%	185,452,217	831,795,109	22.45%	186,737,407
3	Less: Electric Production Accumulated Reserve for Depreciation	422,290,325	22.45%	94,803,876	458,016,524	22.45%	102,824,382	493,986,540	22.45%	110,899,625
4	Net Plant	398,302,236		89,418,567	368,053,888		82,627,835	337,808,569		75,837,782
5										
6	Accumulated Deferred Income Taxes	147,342,730	22.45%	33,078,338	135,403,460	22.45%	30,397,980	123,615,900	22.45%	27,751,681
7										
8	Net Rate Base	250,959,506		56,340,230	232,650,428		52,229,855	214,192,669		48,086,101
9										
10	**Income Tax Expense**									
11	Net Rate Base			56,340,230			52,229,855			48,086,101
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			4,174,811			3,870,232			3,563,180
14										
15	Net Rate Base			56,340,230			52,229,855			48,086,101
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,104,269			1,023,705			942,488
18										
19	Additions and Deductions for Taxes	30,993,602	22.45%	6,958,041	30,493,562	22.45%	6,845,783	30,212,293	22.45%	6,782,638
20										
21	State Taxable Amount			10,028,584			9,692,310			9,403,331
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			591,686			571,846			554,797
24										
25	Net Federal Taxable Amount			9,436,898			9,120,464			8,848,534
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			3,302,914			3,192,162			3,096,987
28										
29	Production Tax Credit	-	22.45%	-	-	22.45%	-	-	22.45%	-
30	Deferred Income Taxes	(12,036,365)	22.45%	(2,702,155)	(11,842,175)	22.45%	(2,658,560)	(11,732,944)	22.45%	(2,634,038)
31										
32	Total Income Taxes			1,192,445			1,105,449			1,017,746
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			1,949,555			1,807,322			1,663,935
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	25,870,771	22.45%	5,807,970	25,151,188	22.45%	5,646,424	27,738,536	22.45%	6,227,282
38	Depreciation Expense	35,608,509	22.45%	7,994,085	35,846,248	22.45%	8,047,457	36,094,700	22.45%	8,103,234
39	Total Operating Deductions			15,751,609			15,501,203			15,994,451
40										
41	Return on Rate Base			4,174,811			3,870,232			3,563,180
42										
43	Revenue Requirements			19,926,420			19,371,435			19,557,631

Revenue Requirements - Sagamore

Wind Generation - Production Plan

Line No.	Description	2035 Total SPS	2035 New Mexico Allocation	2035 New Mexico Retail	2036 Total SPS	2036 New Mexico Allocation	2036 New Mexico Retail	2037 Total SPS	2037 New Mexico Allocation	2037 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	837,659,490	22.45%	188,053,957	843,666,961	22.45%	189,402,630	849,821,014	22.45%	190,784,210
3	Less: Electric Production Accumulated Reserve for Depreciation	530,208,028	22.45%	119,031,323	566,687,124	22.45%	127,220,854	603,430,113	22.45%	135,469,629
4	Net Plant	307,451,462		69,022,633	276,979,837		62,181,775	246,390,901		55,314,581
5										
6	Accumulated Deferred Income Taxes	111,906,097	22.45%	25,122,839	100,239,796	22.45%	22,503,763	88,595,683	22.45%	19,889,668
7										
8	Net Rate Base	195,545,365		43,899,795	176,740,041		39,678,013	157,795,218		35,424,914
9										
10	**Income Tax Expense**									
11	Net Rate Base			43,899,795			39,678,013			35,424,914
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			3,252,975			2,940,141			2,624,986
14										
15	Net Rate Base			43,899,795			39,678,013			35,424,914
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			860,436			777,689			694,328
18										
19	Additions and Deductions for Taxes	30,093,118	22.45%	6,755,883	29,988,258	22.45%	6,732,342	29,978,846	22.45%	6,730,230
20										
21	State Taxable Amount			9,148,422			8,894,794			8,660,887
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			539,757			524,793			510,992
24										
25	Net Federal Taxable Amount			8,608,665			8,370,001			8,149,895
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			3,013,033			2,929,500			2,852,463
28										
29	Production Tax Credit	-	22.45%	-	-	22.45%	-	-	22.45%	-
30	Deferred Income Taxes	(11,686,663)	22.45%	(2,623,647)	(11,645,940)	22.45%	(2,614,505)	(11,642,285)	22.45%	(2,613,685)
31										
32	Total Income Taxes			929,142			839,788			749,771
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			1,519,075			1,372,988			1,225,817
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	28,115,769	22.45%	6,311,970	26,912,223	22.45%	6,041,775	27,201,457	22.45%	6,106,708
38	Depreciation Expense	36,349,214	22.45%	8,160,373	36,609,938	22.45%	8,218,905	36,877,024	22.45%	8,278,866
39	Total Operating Deductions			15,991,418			15,633,668			15,611,390
40										
41	Return on Rate Base			3,252,975			2,940,141			2,624,986
42										
43	Revenue Requirements			19,244,393			18,573,808			18,236,376

Revenue Requirements - Sagamore

Wind Generation - Production Plan

Line No.	Description	2038 Total SPS	2038 New Mexico Allocation	2038 New Mexico Retail	2039 Total SPS	2039 New Mexico Allocation	2039 New Mexico Retail	2040 Total SPS	2040 New Mexico Allocation	2040 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	855,997,540	22.45%	192,170,836	862,124,887	22.45%	193,546,421	868,403,504	22.45%	194,955,966
3	Less: Electric Production Accumulated Reserve for Depreciation	640,441,511	22.45%	143,778,661	677,719,543	22.45%	152,147,553	715,265,815	22.45%	160,576,664
4	Net Plant	215,556,029		48,392,174	184,405,344		41,398,868	153,137,689		34,379,302
5										
6	Accumulated Deferred Income Taxes	76,923,507	22.45%	17,269,272	65,178,371	22.45%	14,632,498	53,354,758	22.45%	11,978,105
7										
8	Net Rate Base	138,632,522		31,122,902	119,226,973		26,766,370	99,782,931		22,401,197
9										
10	**Income Tax Expense**									
11	Net Rate Base			31,122,902			26,766,370			22,401,197
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			2,306,207			1,983,388			1,659,929
14										
15	Net Rate Base			31,122,902			26,766,370			22,401,197
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			610,009			524,621			439,063
18										
19	Additions and Deductions for Taxes	30,132,785	22.45%	6,764,789	30,354,591	22.45%	6,814,584	30,536,938	22.45%	6,855,521
20										
21	State Taxable Amount			8,460,987			8,273,351			8,076,386
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			499,198			488,128			476,507
24										
25	Net Federal Taxable Amount			7,961,789			7,785,223			7,599,879
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			2,786,626			2,724,828			2,659,958
28										
29	Production Tax Credit	-	22.45%	-	-	22.45%	-	-	22.45%	-
30	Deferred Income Taxes	(11,702,067)	22.45%	(2,627,106)	(11,788,205)	22.45%	(2,646,444)	(11,859,020)	22.45%	(2,662,341)
31										
32	Total Income Taxes			658,719			566,512			474,123
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			1,076,953			926,203			775,154
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	28,772,312	22.45%	6,459,364	27,810,035	22.45%	6,243,333	28,840,160	22.45%	6,474,595
38	Depreciation Expense	37,145,085	22.45%	8,339,045	37,411,012	22.45%	8,398,745	37,683,504	22.45%	8,459,920
39	Total Operating Deductions			15,875,362			15,568,282			15,709,669
40										
41	Return on Rate Base			2,306,207			1,983,388			1,659,929
42										
43	Revenue Requirements			18,181,569			17,551,670			17,369,598

Revenue Requirements - Sagamore

Wind Generation - Production Plan

Line No.	Description	2041 Total SPS	2041 New Mexico Allocation	2041 New Mexico Retail	2042 Total SPS	2042 New Mexico Allocation	2042 New Mexico Retail	2043 Total SPS	2043 New Mexico Allocation	2043 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	874,833,514	22.45%	196,399,499	880,701,706	22.45%	197,716,904	884,973,893	22.45%	198,676,006
3	Less: Electric Production Accumulated Reserve for Depreciation	753,088,832	22.45%	169,067,905	791,182,481	22.45%	177,619,902	829,499,274	22.45%	186,221,994
4	Net Plant	121,744,682		27,331,594	89,519,225		20,097,002	55,474,619		12,454,012
5										
6	Accumulated Deferred Income Taxes	41,464,441	22.45%	9,308,737	29,461,676	22.45%	6,614,125	17,198,221	22.45%	3,860,988
7										
8	Net Rate Base	80,280,241		18,022,857	60,057,549		13,482,877	38,276,398		8,593,024
9										
10	**Income Tax Expense**									
11	Net Rate Base			18,022,857			13,482,877			8,593,024
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			1,335,494			999,081			636,743
14										
15	Net Rate Base			18,022,857			13,482,877			8,593,024
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			353,248			264,264			168,423
18										
19	Additions and Deductions for Taxes	30,698,119	22.45%	6,891,706	31,116,044	22.45%	6,985,530	32,040,675	22.45%	7,193,109
20										
21	State Taxable Amount			7,873,951			7,720,346			7,661,428
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			464,563			455,500			452,024
24										
25	Net Federal Taxable Amount			7,409,388			7,264,846			7,209,404
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			2,593,286			2,542,696			2,523,291
28										
29	Production Tax Credit	-	22.45%	-	-	22.45%	-	-	22.45%	-
30	Deferred Income Taxes	(11,921,614)	22.45%	(2,676,394)	(12,083,916)	22.45%	(2,712,830)	(12,442,996)	22.45%	(2,793,444)
31										
32	Total Income Taxes			381,455			285,366			181,872
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			623,649			466,551			297,347
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	29,080,209	22.45%	6,528,486	29,412,478	22.45%	6,603,080	30,219,665	22.45%	6,784,293
38	Depreciation Expense	37,962,567	22.45%	8,522,569	38,217,246	22.45%	8,579,744	38,402,659	22.45%	8,621,369
39	Total Operating Deductions			15,674,705			15,649,376			15,703,009
40										
41	Return on Rate Base			1,335,494			999,081			636,743
42										
43	Revenue Requirements			17,010,198			16,648,457			16,339,752

Revenue Requirements - Sagamore

Wind Generation - Production Plan

Line No.	Description	2044 Total SPS	2044 New Mexico Allocation	2044 New Mexico Retail	2045 Total SPS	2045 New Mexico Allocation	2045 New Mexico Retail
1	**Rate Base**						
2	Electric Plant in Service	888,106,520	22.45%	199,379,279	889,498,822	22.45%	199,691,850
3	Less: Electric Production Accumulated Reserve for Depreciation	867,970,627	22.45%	194,858,785	889,325,833	22.45%	199,653,014
4	Net Plant	20,135,893		4,520,494	172,989		38,836
5							
6	Accumulated Deferred Income Taxes	4,557,660	22.45%	1,023,191	(930,701)	22.45%	(208,942)
7							
8	Net Rate Base	15,578,233		3,497,302	1,103,690		247,778
9							
10	**Income Tax Expense**						
11	Net Rate Base			3,497,302			247,778
12	Rate of Return on Rate Base			7.41%			7.41%
13	Earnings before Interest			259,150			18,360
14							
15	Net Rate Base			3,497,302			247,778
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			68,547			4,856
18							
19	Additions and Deductions for Taxes	33,058,130	22.45%	7,421,527	(4,793,105)	22.45%	(1,076,049)
20							
21	State Taxable Amount			7,612,130			(1,062,545)
22	State Income Tax Rate			5.90%			5.90%
23	State Income Taxes			449,116			(62,690)
24							
25	Net Federal Taxable Amount			7,163,014			(999,855)
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			2,507,055			(349,949)
28							
29	Production Tax Credit	-	22.45%	-	-	22.45%	-
30	Deferred Income Taxes	(12,838,125)	22.45%	(2,882,150)	1,861,402	22.45%	417,884
31							
32	Total Income Taxes			74,021			5,244
33	Tax Gross Up Factor			1.63492193			1.63492193
34	Total Income Tax Expense			121,018			8,574
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense	30,548,220	22.45%	6,858,054	9,741,619	22.45%	2,186,987
38	Depreciation Expense	38,538,615	22.45%	8,651,892	2,248,861	22.45%	504,868
39	Total Operating Deductions			15,630,963			2,700,428
40							
41	Return on Rate Base			259,150			18,360
42							
43	Revenue Requirements			15,890,113			2,718,788

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2017 Total SPS	2017 New Mexico Allocation	2017 New Mexico Retail	2018 Total SPS	2018 New Mexico Allocation	2018 New Mexico Retail	2019 Total SPS	2019 New Mexico Allocation	2019 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	-	22.45%	-	-	22.45%	-	-	22.45%	-
3	Less: Electric Production Accumulated Reserve for Depreciation	-	22.45%	-	-	22.45%	-	-	22.45%	-
4	Net Plant	-		-	-		-	-		-
5										
6	Accumulated Deferred Income Taxes	-	22.45%	-	-	22.45%	-	(6,869)	22.45%	(1,542)
7										
8	Net Rate Base	-		-	-		-	6,869		1,542
9										
10	**Income Tax Expense**									
11	Net Rate Base			-			-			1,542
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			-			-			114
14										
15	Net Rate Base			-			-			1,542
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			-			-			30
18										
19	Additions and Deductions for Taxes	-	22.45%	-	-	22.45%	-	35,377	22.45%	7,942
20										
21	State Taxable Amount			-			-			8,026
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			-			-			474
24										
25	Net Federal Taxable Amount			-			-			7,553
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			-			-			2,643
28										
29	Production Tax Credit									
30	Deferred Income Taxes	-	22.45%	-	-	22.45%	-	(13,739)	22.45%	(3,084)
31										
32	Total Income Taxes			-			-			33
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			-			-			53
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
39	Total Operating Deductions			-			-			53
40										
41	Return on Rate Base			-			-			114
42										
43	Revenue Requirements			-			-			168

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2020 Total SPS	2020 New Mexico Allocation	2020 New Mexico Retail	2021 Total SPS	2021 New Mexico Allocation	2021 New Mexico Retail	2022 Total SPS	2022 New Mexico Allocation	2022 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	11,381,648	22.45%	2,555,172	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154
3	Less: Electric Production Accumulated Reserve for Depreciation	86,412	22.45%	19,399	473,918	22.45%	106,394	895,178	22.45%	200,967
4	Net Plant	11,295,236		2,535,772	18,021,260		4,045,760	17,600,000		3,951,187
5										
6	Accumulated Deferred Income Taxes	102,836	22.45%	23,087	473,992	22.45%	106,411	949,716	22.45%	213,211
7										
8	Net Rate Base	11,192,400		2,512,686	17,547,268		3,939,349	16,650,284		3,737,977
9										
10	**Income Tax Expense**									
11	Net Rate Base			2,512,686			3,939,349			3,737,977
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			186,190			291,906			276,984
14										
15	Net Rate Base			2,512,686			3,939,349			3,737,977
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			49,249			77,211			73,264
18										
19	Additions and Deductions for Taxes	(600,358)	22.45%	(134,780)	(1,311,095)	22.45%	(294,340)	(1,138,881)	22.45%	(255,678)
20										
21	State Taxable Amount			2,161			(79,645)			(51,958)
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			128			(4,699)			(3,066)
24										
25	Net Federal Taxable Amount			2,034			(74,946)			(48,893)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			712			(26,231)			(17,112)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	233,149	22.45%	52,342	509,164	22.45%	114,307	442,284	22.45%	99,293
31										
32	Total Income Taxes			53,181			83,377			79,115
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			86,947			136,314			129,346
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	263,288	22.45%	59,108	421,260	22.45%	94,573	421,260	22.45%	94,573
39	Total Operating Deductions			146,055			230,887			223,919
40										
41	Return on Rate Base			186,190			291,906			276,984
42										
43	Revenue Requirements			332,245			522,793			500,903

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2023 Total SPS	2023 New Mexico Allocation	2023 New Mexico Retail	2024 Total SPS	2024 New Mexico Allocation	2024 New Mexico Retail	2025 Total SPS	2025 New Mexico Allocation	2025 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154
3	Less: Electric Production Accumulated Reserve for Depreciation	1,316,438	22.45%	295,539	1,737,698	22.45%	390,112	2,158,959	22.45%	484,685
4	Net Plant	17,178,740		3,856,615	16,757,480		3,762,042	16,336,219		3,667,469
5										
6	Accumulated Deferred Income Taxes	1,362,081	22.45%	305,786	1,717,422	22.45%	385,560	2,021,021	22.45%	453,718
7										
8	Net Rate Base	15,816,659		3,550,829	15,040,058		3,376,482	14,315,198		3,213,752
9										
10	**Income Tax Expense**									
11	Net Rate Base			3,550,829			3,376,482			3,213,752
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			263,116			250,197			238,139
14										
15	Net Rate Base			3,550,829			3,376,482			3,213,752
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			69,596			66,179			62,990
18										
19	Additions and Deductions for Taxes	(984,795)	22.45%	(221,086)	(845,211)	22.45%	(189,749)	(718,317)	22.45%	(161,262)
20										
21	State Taxable Amount			(27,566)			(5,731)			13,888
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			(1,626)			(338)			819
24										
25	Net Federal Taxable Amount			(25,939)			(5,393)			13,068
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(9,079)			(1,887)			4,574
28										
29	Production Tax Credit									
30	Deferred Income Taxes	382,445	22.45%	85,859	328,238	22.45%	73,689	278,958	22.45%	62,626
31										
32	Total Income Taxes			75,154			71,464			68,019
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			122,870			116,837			111,206
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	421,260	22.45%	94,573	421,260	22.45%	94,573	421,260	22.45%	94,573
39	Total Operating Deductions			217,443			211,410			205,779
40										
41	Return on Rate Base			263,116			250,197			238,139
42										
43	Revenue Requirements			480,559			461,607			443,918

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2026 Total SPS	2026 New Mexico Allocation	2026 New Mexico Retail	2027 Total SPS	2027 New Mexico Allocation	2027 New Mexico Retail	2028 Total SPS	2028 New Mexico Allocation	2028 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154
3	Less: Electric Production Accumulated Reserve for Depreciation	2,580,219	22.45%	579,257	3,001,479	22.45%	673,830	3,422,739	22.45%	768,402
4	Net Plant	15,914,959		3,572,897	15,493,699		3,478,324	15,072,439		3,383,752
5										
6	Accumulated Deferred Income Taxes	2,288,363	22.45%	513,736	2,544,090	22.45%	571,146	2,800,168	22.45%	628,636
7										
8	Net Rate Base	13,626,596		3,059,161	12,949,609		2,907,178	12,272,271		2,755,116
9										
10	**Income Tax Expense**									
11	Net Rate Base			3,059,161			2,907,178			2,755,116
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			226,684			215,422			204,154
14										
15	Net Rate Base			3,059,161			2,907,178			2,755,116
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			59,960			56,981			54,000
18										
19	Additions and Deductions for Taxes	(658,495)	22.45%	(147,832)	(658,495)	22.45%	(147,832)	(660,308)	22.45%	(148,239)
20										
21	State Taxable Amount			18,893			10,610			1,915
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			1,115			626			113
24										
25	Net Federal Taxable Amount			17,778			9,984			1,802
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			6,222			3,494			631
28										
29	Production Tax Credit									
30	Deferred Income Taxes	255,727	22.45%	57,410	255,727	22.45%	57,410	256,431	22.45%	57,568
31										
32	Total Income Taxes			64,747			61,531			58,312
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			105,857			100,598			95,336
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	421,260	22.45%	94,573	421,260	22.45%	94,573	421,260	22.45%	94,573
39	Total Operating Deductions			200,430			195,170			189,909
40										
41	Return on Rate Base			226,684			215,422			204,154
42										
43	Revenue Requirements			427,113			410,592			394,063

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2029 Total SPS	2029 New Mexico Allocation	2029 New Mexico Retail	2030 Total SPS	2030 New Mexico Allocation	2030 New Mexico Retail	2031 Total SPS	2031 New Mexico Allocation	2031 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154
3	Less: Electric Production Accumulated Reserve for Depreciation	3,843,999	22.45%	862,975	4,265,260	22.45%	957,548	4,686,520	22.45%	1,052,120
4	Net Plant	14,651,179		3,289,179	14,229,918		3,194,606	13,808,658		3,100,034
5										
6	Accumulated Deferred Income Taxes	3,056,247	22.45%	686,125	3,312,326	22.45%	743,615	3,568,404	22.45%	801,104
7										
8	Net Rate Base	11,594,932		2,603,054	10,917,592		2,450,992	10,240,254		2,298,930
9										
10	**Income Tax Expense**									
11	Net Rate Base			2,603,054			2,450,992			2,298,930
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			192,886			181,618			170,351
14										
15	Net Rate Base			2,603,054			2,450,992			2,298,930
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			51,020			48,039			45,059
18										
19	Additions and Deductions for Taxes	(658,495)	22.45%	(147,832)	(660,308)	22.45%	(148,239)	(658,495)	22.45%	(147,832)
20										
21	State Taxable Amount			(5,965)			(14,660)			(22,540)
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			(352)			(865)			(1,330)
24										
25	Net Federal Taxable Amount			(5,613)			(13,795)			(21,210)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(1,965)			(4,828)			(7,424)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	255,727	22.45%	57,410	256,431	22.45%	57,568	255,727	22.45%	57,410
31										
32	Total Income Taxes			55,094			51,875			48,657
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			90,074			84,812			79,550
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	421,260	22.45%	94,573	421,260	22.45%	94,573	421,260	22.45%	94,573
39	Total Operating Deductions			184,647			179,385			174,123
40										
41	Return on Rate Base			192,886			181,618			170,351
42										
43	Revenue Requirements			377,533			361,003			344,474

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2032 Total SPS	2032 New Mexico Allocation	2032 New Mexico Retail	2033 Total SPS	2033 New Mexico Allocation	2033 New Mexico Retail	2034 Total SPS	2034 New Mexico Allocation	2034 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154
3	Less: Electric Production Accumulated Reserve for Depreciation	5,107,780	22.45%	1,146,693	5,529,040	22.45%	1,241,266	5,950,300	22.45%	1,335,838
4	Net Plant	13,387,398		3,005,461	12,966,138		2,910,889	12,544,878		2,816,316
5										
6	Accumulated Deferred Income Taxes	3,824,483	22.45%	858,594	4,080,561	22.45%	916,083	4,336,640	22.45%	973,573
7										
8	Net Rate Base	9,562,915		2,146,868	8,885,577		1,994,806	8,208,238		1,842,744
9										
10	**Income Tax Expense**									
11	Net Rate Base			2,146,868			1,994,806			1,842,744
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			159,083			147,815			136,547
14										
15	Net Rate Base			2,146,868			1,994,806			1,842,744
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			42,079			39,098			36,118
18										
19	Additions and Deductions for Taxes	(660,308)	22.45%	(148,239)	(658,495)	22.45%	(147,832)	(660,308)	22.45%	(148,239)
20										
21	State Taxable Amount			(31,234)			(39,115)			(47,809)
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			(1,843)			(2,308)			(2,821)
24										
25	Net Federal Taxable Amount			(29,392)			(36,807)			(44,988)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(10,287)			(12,882)			(15,746)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	256,431	22.45%	57,568	255,727	22.45%	57,410	256,431	22.45%	57,568
31										
32	Total Income Taxes			45,439			42,220			39,002
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			74,289			69,027			63,765
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	421,260	22.45%	94,573	421,260	22.45%	94,573	421,260	22.45%	94,573
39	Total Operating Deductions			168,861			163,599			158,338
40										
41	Return on Rate Base			159,083			147,815			136,547
42										
43	Revenue Requirements			327,944			311,415			294,885

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2035 Total SPS	2035 New Mexico Allocation	2035 New Mexico Retail	2036 Total SPS	2036 New Mexico Allocation	2036 New Mexico Retail	2037 Total SPS	2037 New Mexico Allocation	2037 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154
3	Less: Electric Production Accumulated Reserve for Depreciation	6,371,562	22.45%	1,430,411	6,792,822	22.45%	1,524,984	7,214,082	22.45%	1,619,556
4	Net Plant	12,123,616		2,721,743	11,702,356		2,627,171	11,281,096		2,532,598
5										
6	Accumulated Deferred Income Taxes	4,488,880	22.45%	1,007,750	4,433,091	22.45%	995,226	4,273,462	22.45%	959,389
7										
8	Net Rate Base	7,634,736		1,713,993	7,269,265		1,631,945	7,007,634		1,573,209
9										
10	**Income Tax Expense**									
11	Net Rate Base			1,713,993			1,631,945			1,573,209
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			127,007			120,927			116,575
14										
15	Net Rate Base			1,713,993			1,631,945			1,573,209
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			33,594			31,986			30,835
18										
19	Additions and Deductions for Taxes	(123,726)	22.45%	(27,776)	411,042	22.45%	92,279	411,042	22.45%	92,279
20										
21	State Taxable Amount			65,636			181,220			178,019
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			3,873			10,692			10,503
24										
25	Net Federal Taxable Amount			61,764			170,528			167,515
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			21,617			59,685			58,630
28										
29	Production Tax Credit									
30	Deferred Income Taxes	48,049	22.45%	10,787	(159,628)	22.45%	(35,836)	(159,628)	22.45%	(35,836)
31										
32	Total Income Taxes			36,277			34,540			33,297
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			59,310			56,471			54,438
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	421,260	22.45%	94,573	421,260	22.45%	94,573	421,260	22.45%	94,573
39	Total Operating Deductions			153,882			151,043			149,011
40										
41	Return on Rate Base			127,007			120,927			116,575
42										
43	Revenue Requirements			280,889			271,970			265,585

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2038 Total SPS	2038 New Mexico Allocation	2038 New Mexico Retail	2039 Total SPS	2039 New Mexico Allocation	2039 New Mexico Retail	2040 Total SPS	2040 New Mexico Allocation	2040 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154
3	Less: Electric Production Accumulated Reserve for Depreciation	7,635,342	22.45%	1,714,129	8,056,603	22.45%	1,808,702	8,477,863	22.45%	1,903,274
4	Net Plant	10,859,836		2,438,025	10,438,575		2,343,453	10,017,315		2,248,880
5										
6	Accumulated Deferred Income Taxes	4,113,834	22.45%	923,553	3,954,206	22.45%	887,716	3,794,577	22.45%	851,880
7										
8	Net Rate Base	6,746,002		1,514,473	6,484,369		1,455,736	6,222,738		1,397,000
9										
10	**Income Tax Expense**									
11	Net Rate Base			1,514,473			1,455,736			1,397,000
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			112,222			107,870			103,518
14										
15	Net Rate Base			1,514,473			1,455,736			1,397,000
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			29,684			28,532			27,381
18										
19	Additions and Deductions for Taxes	411,042	22.45%	92,279	411,042	22.45%	92,279	411,042	22.45%	92,279
20										
21	State Taxable Amount			174,817			171,616			168,415
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			10,314			10,125			9,936
24										
25	Net Federal Taxable Amount			164,503			161,491			158,479
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			57,576			56,522			55,468
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(159,628)	22.45%	(35,836)	(159,628)	22.45%	(35,836)	(159,628)	22.45%	(35,836)
31										
32	Total Income Taxes			32,054			30,811			29,568
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			52,406			50,373			48,341
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	421,260	22.45%	94,573	421,260	22.45%	94,573	421,260	22.45%	94,573
39	Total Operating Deductions			146,978			144,946			142,913
40										
41	Return on Rate Base			112,222			107,870			103,518
42										
43	Revenue Requirements			259,201			252,816			246,431

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2041 Total SPS	2041 New Mexico Allocation	2041 New Mexico Retail	2042 Total SPS	2042 New Mexico Allocation	2042 New Mexico Retail	2043 Total SPS	2043 New Mexico Allocation	2043 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154
3	Less: Electric Production Accumulated Reserve for Depreciation	8,899,123	22.45%	1,997,847	9,320,383	22.45%	2,092,419	9,741,643	22.45%	2,186,992
4	Net Plant	9,596,055		2,154,307	9,174,795		2,059,735	8,753,535		1,965,162
5										
6	Accumulated Deferred Income Taxes	3,634,949	22.45%	816,043	3,475,321	22.45%	780,207	3,315,692	22.45%	744,370
7										
8	Net Rate Base	5,961,106		1,338,264	5,699,474		1,279,528	5,437,843		1,220,792
9										
10	**Income Tax Expense**									
11	Net Rate Base			1,338,264			1,279,528			1,220,792
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			99,165			94,813			90,461
14										
15	Net Rate Base			1,338,264			1,279,528			1,220,792
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			26,230			25,079			23,928
18										
19	Additions and Deductions for Taxes	411,042	22.45%	92,279	411,042	22.45%	92,279	411,042	22.45%	92,279
20										
21	State Taxable Amount			165,214			162,013			158,812
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			9,748			9,559			9,370
24										
25	Net Federal Taxable Amount			155,466			152,454			149,442
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			54,413			53,359			52,305
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(159,628)	22.45%	(35,836)	(159,628)	22.45%	(35,836)	(159,628)	22.45%	(35,836)
31										
32	Total Income Taxes			28,324			27,081			25,838
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			46,308			44,276			42,243
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	421,260	22.45%	94,573	421,260	22.45%	94,573	421,260	22.45%	94,573
39	Total Operating Deductions			140,881			138,848			136,816
40										
41	Return on Rate Base			99,165			94,813			90,461
42										
43	Revenue Requirements			240,046			233,661			227,277

Revenue Requirements - Sagamore

Transmission Serving Production

Line No.	Description	2044 Total SPS	2044 New Mexico Allocation	2044 New Mexico Retail	2045 Total SPS	2045 New Mexico Allocation	2045 New Mexico Retail
1	**Rate Base**						
2	Electric Plant in Service	18,495,178	22.45%	4,152,154	18,495,178	22.45%	4,152,154
3	Less: Electric Production Accumulated Reserve for Depreciation	10,162,904	22.45%	2,281,565	10,584,164	22.45%	2,376,137
4	Net Plant	8,332,274		1,870,590	7,911,014		1,776,017
5							
6	Accumulated Deferred Income Taxes	3,156,064	22.45%	708,534	2,996,436	22.45%	672,698
7							
8	Net Rate Base	5,176,210		1,162,055	4,914,578		1,103,319
9							
10	**Income Tax Expense**						
11	Net Rate Base			1,162,055			1,103,319
12	Rate of Return on Rate Base			7.41%			7.41%
13	Earnings before Interest			86,108			81,756
14							
15	Net Rate Base			1,162,055			1,103,319
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			22,776			21,625
18							
19	Additions and Deductions for Taxes	411,042	22.45%	92,279	411,042	22.45%	92,279
20							
21	State Taxable Amount			155,611			152,410
22	State Income Tax Rate			5.90%			5.90%
23	State Income Taxes			9,181			8,992
24							
25	Net Federal Taxable Amount			146,430			143,417
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			51,250			50,196
28							
29	Production Tax Credit						
30	Deferred Income Taxes	(159,628)	22.45%	(35,836)	(159,628)	22.45%	(35,836)
31							
32	Total Income Taxes			24,595			23,352
33	Tax Gross Up Factor			1.63492193			1.63492193
34	Total Income Tax Expense			40,211			38,178
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	421,260	22.45%	94,573	421,260	22.45%	94,573
39	Total Operating Deductions			134,783			132,751
40							
41	Return on Rate Base			86,108			81,756
42							
43	Revenue Requirements			220,892			214,507

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2017 Total SPS	2017 New Mexico Allocation	2017 New Mexico Retail	2018 Total SPS	2018 New Mexico Allocation	2018 New Mexico Retail	2019 Total SPS	2019 New Mexico Allocation	2019 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	-	22.45%	-	-	22.45%	-	-	22.45%	-
3	Less: Electric Production Accumulated Reserve for Depreciation	-	22.45%	-	-	22.45%	-	-	22.45%	-
4	Net Plant	-		-	-		-	-		-
5										
6										
7	Accumulated Deferred Income Taxes	-	22.45%	-	(10,090)	22.45%	(2,265)	(67,193)	22.45%	(15,085)
8	Net Rate Base	-		-	10,090		2,265	67,193		15,085
9										
10	**Income Tax Expense**									
11	Net Rate Base			-			2,265			15,085
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			-			168			1,118
14										
15	Net Rate Base			-			2,265			15,085
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			-			44			296
18										
19	Additions and Deductions for Taxes	-	22.45%	-	51,968	22.45%	11,667	242,106	22.45%	54,353
20										
21	State Taxable Amount			-			11,790			55,175
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			-			696			3,255
24										
25	Net Federal Taxable Amount			-			11,095			51,919
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			-			3,883			18,172
28										
29	Production Tax Credit									
30	Deferred Income Taxes	-	22.45%	-	(20,182)	22.45%	(4,531)	(94,022)	22.45%	(21,108)
31										
32	Total Income Taxes			-			48			319
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			-			78			522
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
39	Total Operating Deductions			-			78			522
40										
41	Return on Rate Base			-			168			1,118
42										
43	Revenue Requirements			-			246			1,640

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2020 Total SPS	2020 New Mexico Allocation	2020 New Mexico Retail	2021 Total SPS	2021 New Mexico Allocation	2021 New Mexico Retail	2022 Total SPS	2022 New Mexico Allocation	2022 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	33,039,166	22.45%	7,417,269	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062
3	Less: Electric Production Accumulated Reserve for Depreciation	326,299	22.45%	73,254	1,789,548	22.45%	401,752	3,380,256	22.45%	758,865
4	Net Plant	32,712,867		7,344,015	51,899,096		11,651,310	50,308,388		11,294,197
5										
6										
7	Accumulated Deferred Income Taxes	179,277	22.45%	40,248	1,132,017	22.45%	254,137	2,355,080	22.45%	528,714
8	Net Rate Base	32,533,590		7,303,768	50,767,079		11,397,173	47,953,308		10,765,483
9										
10	**Income Tax Expense**									
11	Net Rate Base			7,303,768			11,397,173			10,765,483
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			541,209			844,531			797,722
14										
15	Net Rate Base			7,303,768			11,397,173			10,765,483
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			143,154			223,385			211,003
18										
19	Additions and Deductions for Taxes	(1,511,425)	22.45%	(339,314)	(3,395,179)	22.45%	(762,215)	(2,903,587)	22.45%	(651,853)
20										
21	State Taxable Amount			58,742			(141,069)			(65,134)
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			3,466			(8,323)			(3,843)
24										
25	Net Federal Taxable Amount			55,276			(132,746)			(61,291)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			19,347			(46,461)			(21,452)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	586,962	22.45%	131,772	1,318,518	22.45%	296,006	1,127,608	22.45%	253,147
31										
32	Total Income Taxes			154,585			241,222			227,852
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			252,734			394,379			372,521
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	994,193	22.45%	223,196	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113
39	Total Operating Deductions			475,930			751,492			729,634
40										
41	Return on Rate Base			541,209			844,531			797,722
42										
43	Revenue Requirements			1,017,139			1,596,023			1,527,356

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2023 Total SPS	2023 New Mexico Allocation	2023 New Mexico Retail	2024 Total SPS	2024 New Mexico Allocation	2024 New Mexico Retail	2025 Total SPS	2025 New Mexico Allocation	2025 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062
3	Less: Electric Production Accumulated Reserve for Depreciation	4,970,964	22.45%	1,115,978	6,561,673	22.45%	1,473,091	8,152,382	22.45%	1,830,204
4	Net Plant	48,717,680		10,937,084	47,126,971		10,579,971	45,536,262		10,222,858
5										
6										
7	Accumulated Deferred Income Taxes	3,397,281	22.45%	762,687	4,276,707	22.45%	960,118	5,008,429	22.45%	1,124,389
8	Net Rate Base	45,320,399		10,174,397	42,850,264		9,619,854	40,527,833		9,098,470
9										
10	**Income Tax Expense**									
11	Net Rate Base			10,174,397			9,619,854			9,098,470
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			753,923			712,831			674,197
14										
15	Net Rate Base			10,174,397			9,619,854			9,098,470
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			199,418			188,549			178,330
18										
19	Additions and Deductions for Taxes	(2,463,742)	22.45%	(553,108)	(2,065,295)	22.45%	(463,657)	(1,703,069)	22.45%	(382,338)
20										
21	State Taxable Amount			1,396			60,625			113,529
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			82			3,577			6,698
24										
25	Net Federal Taxable Amount			1,314			57,048			106,831
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			460			19,967			37,391
28										
29	Production Tax Credit									
30	Deferred Income Taxes	956,794	22.45%	214,800	802,057	22.45%	180,061	661,387	22.45%	148,481
31										
32	Total Income Taxes			215,342			203,605			192,570
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			352,067			332,878			314,837
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113
39	Total Operating Deductions			709,180			689,991			671,950
40										
41	Return on Rate Base			753,923			712,831			674,197
42										
43	Revenue Requirements			1,463,103			1,402,822			1,346,146

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2026 Total SPS	2026 New Mexico Allocation	2026 New Mexico Retail	2027 Total SPS	2027 New Mexico Allocation	2027 New Mexico Retail	2028 Total SPS	2028 New Mexico Allocation	2028 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062
3	Less: Electric Production Accumulated Reserve for Depreciation	9,743,090	22.45%	2,187,317	11,333,799	22.45%	2,544,430	12,924,507	22.45%	2,901,543
4	Net Plant	43,945,554		9,865,745	42,354,845		9,508,632	40,764,137		9,151,520
5										
6										
7	Accumulated Deferred Income Taxes	5,636,658	22.45%	1,265,426	6,231,729	22.45%	1,399,019	6,827,804	22.45%	1,532,837
8	Net Rate Base	38,308,896		8,600,320	36,123,116		8,109,614	33,936,333		7,618,683
9										
10	**Income Tax Expense**									
11	Net Rate Base			8,600,320			8,109,614			7,618,683
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			637,284			600,922			564,544
14										
15	Net Rate Base			8,600,320			8,109,614			7,618,683
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			168,566			158,948			149,326
18										
19	Additions and Deductions for Taxes	(1,532,306)	22.45%	(344,002)	(1,532,306)	22.45%	(344,002)	(1,537,481)	22.45%	(345,163)
20										
21	State Taxable Amount			124,716			97,972			70,055
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			7,358			5,780			4,133
24										
25	Net Federal Taxable Amount			117,358			92,192			65,922
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			41,075			32,267			23,073
28										
29	Production Tax Credit									
30	Deferred Income Taxes	595,071	22.45%	133,593	595,071	22.45%	133,593	597,081	22.45%	134,044
31										
32	Total Income Taxes			182,026			171,641			161,250
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			297,599			280,619			263,631
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113
39	Total Operating Deductions			654,712			637,732			620,744
40										
41	Return on Rate Base			637,284			600,922			564,544
42										
43	Revenue Requirements			1,291,996			1,238,654			1,185,288

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2029 Total SPS	2029 New Mexico Allocation	2029 New Mexico Retail	2030 Total SPS	2030 New Mexico Allocation	2030 New Mexico Retail	2031 Total SPS	2031 New Mexico Allocation	2031 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062
3	Less: Electric Production Accumulated Reserve for Depreciation	14,515,216	22.45%	3,258,656	16,105,925	22.45%	3,615,769	17,696,633	22.45%	3,972,881
4	Net Plant	39,173,428		8,794,407	37,582,719		8,437,294	35,992,011		8,080,181
5										
6										
7	Accumulated Deferred Income Taxes	7,423,881	22.45%	1,666,656	8,019,956	22.45%	1,800,474	8,616,032	22.45%	1,934,293
8	Net Rate Base	31,749,547		7,127,751	29,562,763		6,636,819	27,375,979		6,145,888
9										
10	**Income Tax Expense**									
11	Net Rate Base			7,127,751			6,636,819			6,145,888
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			528,166			491,788			455,410
14										
15	Net Rate Base			7,127,751			6,636,819			6,145,888
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			139,704			130,082			120,459
18										
19	Additions and Deductions for Taxes	(1,532,306)	22.45%	(344,002)	(1,537,481)	22.45%	(345,163)	(1,532,306)	22.45%	(344,002)
20										
21	State Taxable Amount			44,461			16,543			(9,051)
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			2,623			976			(534)
24										
25	Net Federal Taxable Amount			41,838			15,567			(8,517)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			14,643			5,449			(2,981)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	595,071	22.45%	133,593	597,081	22.45%	134,044	595,071	22.45%	133,593
31										
32	Total Income Taxes			150,859			140,469			130,078
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			246,643			229,655			212,668
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113
39	Total Operating Deductions			603,756			586,768			569,781
40										
41	Return on Rate Base			528,166			491,788			455,410
42										
43	Revenue Requirements			1,131,923			1,078,557			1,025,191

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2032 Total SPS	2032 New Mexico Allocation	2032 New Mexico Retail	2033 Total SPS	2033 New Mexico Allocation	2033 New Mexico Retail	2034 Total SPS	2034 New Mexico Allocation	2034 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062
3	Less: Electric Production Accumulated Reserve for Depreciation	19,287,342	22.45%	4,329,994	20,878,051	22.45%	4,687,108	22,468,759	22.45%	5,044,220
4	Net Plant	34,401,302		7,723,068	32,810,593		7,365,955	31,219,885		7,008,842
5										
6										
7	Accumulated Deferred Income Taxes	9,212,109	22.45%	2,068,112	9,808,184	22.45%	2,201,930	10,404,260	22.45%	2,335,749
8	Net Rate Base	25,189,193		5,654,956	23,002,409		5,164,024	20,815,625		4,673,093
9										
10	**Income Tax Expense**									
11	Net Rate Base			5,654,956			5,164,024			4,673,093
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			419,032			382,654			346,276
14										
15	Net Rate Base			5,654,956			5,164,024			4,673,093
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			110,837			101,215			91,593
18										
19	Additions and Deductions for Taxes	(1,537,481)	22.45%	(345,163)	(1,532,306)	22.45%	(344,002)	(1,537,481)	22.45%	(345,163)
20										
21	State Taxable Amount			(36,968)			(62,562)			(90,480)
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			(2,181)			(3,691)			(5,338)
24										
25	Net Federal Taxable Amount			(34,787)			(58,871)			(85,142)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(12,176)			(20,605)			(29,800)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	597,081	22.45%	134,044	595,071	22.45%	133,593	597,081	22.45%	134,044
31										
32	Total Income Taxes			119,688			109,297			98,906
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			195,680			178,692			161,704
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113
39	Total Operating Deductions			552,793			535,805			518,817
40										
41	Return on Rate Base			419,032			382,654			346,276
42										
43	Revenue Requirements			971,825			918,459			865,093

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2035 Total SPS	2035 New Mexico Allocation	2035 New Mexico Retail	2036 Total SPS	2036 New Mexico Allocation	2036 New Mexico Retail	2037 Total SPS	2037 New Mexico Allocation	2037 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062
3	Less: Electric Production Accumulated Reserve for Depreciation	24,059,468	22.45%	5,401,333	25,650,177	22.45%	5,758,446	27,240,885	22.45%	6,115,559
4	Net Plant	29,629,176		6,651,729	28,038,467		6,294,616	26,447,759		5,937,503
5										
6										
7	Accumulated Deferred Income Taxes	10,703,923	22.45%	2,403,023	10,409,757	22.45%	2,336,983	9,819,180	22.45%	2,204,399
8	Net Rate Base	18,925,253		4,248,706	17,628,710		3,957,633	16,628,579		3,733,104
9										
10	**Income Tax Expense**									
11	Net Rate Base			4,248,706			3,957,633			3,733,104
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			314,829			293,261			276,623
14										
15	Net Rate Base			4,248,706			3,957,633			3,733,104
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			83,275			77,570			73,169
18										
19	Additions and Deductions for Taxes	(5,785)	22.45%	(1,299)	1,520,735	22.45%	341,404	1,520,735	22.45%	341,404
20										
21	State Taxable Amount			230,256			557,095			544,858
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			13,585			32,869			32,147
24										
25	Net Federal Taxable Amount			216,671			524,226			512,711
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			75,835			183,479			179,449
28										
29	Production Tax Credit									
30	Deferred Income Taxes	2,247	22.45%	504	(590,578)	22.45%	(132,584)	(590,578)	22.45%	(132,584)
31										
32	Total Income Taxes			89,924			83,764			79,011
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			147,019			136,947			129,177
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113
39	Total Operating Deductions			504,132			494,060			486,290
40										
41	Return on Rate Base			314,829			293,261			276,623
42										
43	Revenue Requirements			818,961			787,320			762,913

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2038 Total SPS	2038 New Mexico Allocation	2038 New Mexico Retail	2039 Total SPS	2039 New Mexico Allocation	2039 New Mexico Retail	2040 Total SPS	2040 New Mexico Allocation	2040 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062
3	Less: Electric Production Accumulated Reserve for Depreciation	28,831,594	22.45%	6,472,672	30,422,302	22.45%	6,829,785	32,013,011	22.45%	7,186,898
4	Net Plant	24,857,050		5,580,390	23,266,342		5,223,277	21,675,633		4,866,164
5										
6										
7	Accumulated Deferred Income Taxes	9,228,603	22.45%	2,071,815	8,638,025	22.45%	1,939,230	8,047,448	22.45%	1,806,646
8	Net Rate Base	15,628,447		3,508,575	14,628,317		3,284,047	13,628,185		3,059,518
9										
10	**Income Tax Expense**									
11	Net Rate Base			3,508,575			3,284,047			3,059,518
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			259,985			243,348			226,710
14										
15	Net Rate Base			3,508,575			3,284,047			3,059,518
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			68,768			64,367			59,967
18										
19	Additions and Deductions for Taxes	1,520,735	22.45%	341,404	1,520,735	22.45%	341,404	1,520,735	22.45%	341,404
20										
21	State Taxable Amount			532,621			520,384			508,148
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			31,425			30,703			29,981
24										
25	Net Federal Taxable Amount			501,197			489,682			478,167
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			175,419			171,389			167,358
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(590,578)	22.45%	(132,584)	(590,578)	22.45%	(132,584)	(590,578)	22.45%	(132,584)
31										
32	Total Income Taxes			74,259			69,507			64,755
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			121,408			113,639			105,869
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113
39	Total Operating Deductions			478,521			470,752			462,982
40										
41	Return on Rate Base			259,985			243,348			226,710
42										
43	Revenue Requirements			738,506			714,099			689,692

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2041 Total SPS	2041 New Mexico Allocation	2041 New Mexico Retail	2042 Total SPS	2042 New Mexico Allocation	2042 New Mexico Retail	2043 Total SPS	2043 New Mexico Allocation	2043 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062
3	Less: Electric Production Accumulated Reserve for Depreciation	33,603,720	22.45%	7,544,011	35,194,428	22.45%	7,901,124	36,785,137	22.45%	8,258,237
4	Net Plant	20,084,924		4,509,051	18,494,216		4,151,938	16,903,507		3,794,825
5										
6										
7	Accumulated Deferred Income Taxes	7,456,870	22.45%	1,674,062	6,866,292	22.45%	1,541,478	6,275,715	22.45%	1,408,894
8	Net Rate Base	12,628,054		2,834,989	11,627,924		2,610,461	10,627,792		2,385,932
9										
10	**Income Tax Expense**									
11	Net Rate Base			2,834,989			2,610,461			2,385,932
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			210,073			193,435			176,798
14										
15	Net Rate Base			2,834,989			2,610,461			2,385,932
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			55,566			51,165			46,764
18										
19	Additions and Deductions for Taxes	1,520,735	22.45%	341,404	1,520,735	22.45%	341,404	1,520,735	22.45%	341,404
20										
21	State Taxable Amount			495,911			483,674			471,437
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			29,259			28,537			27,815
24										
25	Net Federal Taxable Amount			466,652			455,137			443,622
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			163,328			159,298			155,268
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(590,578)	22.45%	(132,584)	(590,578)	22.45%	(132,584)	(590,578)	22.45%	(132,584)
31										
32	Total Income Taxes			60,003			55,251			50,498
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			98,100			90,330			82,561
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113
39	Total Operating Deductions			455,213			447,443			439,674
40										
41	Return on Rate Base			210,073			193,435			176,798
42										
43	Revenue Requirements			665,285			640,878			616,471

Revenue Requirements - Sagamore

Network Transmission

Line No.	Description	2044 Total SPS	2044 New Mexico Allocation	2044 New Mexico Retail	2045 Total SPS	2045 New Mexico Allocation	2045 New Mexico Retail
1	**Rate Base**						
2	Electric Plant in Service	53,688,644	22.45%	12,053,062	53,688,644	22.45%	12,053,062
3	Less: Electric Production Accumulated Reserve for Depreciation	38,375,846	22.45%	8,615,350	39,966,554	22.45%	8,972,463
4	Net Plant	15,312,798		3,437,712	13,722,090		3,080,599
5							
6							
7	Accumulated Deferred Income Taxes	5,685,137	22.45%	1,276,309	5,094,559	22.45%	1,143,725
8	Net Rate Base	9,627,661		2,161,403	8,627,531		1,936,875
9							
10	**Income Tax Expense**						
11	Net Rate Base			2,161,403			1,936,875
12	Rate of Return on Rate Base			7.41%			7.41%
13	Earnings before Interest			160,160			143,522
14							
15	Net Rate Base			2,161,403			1,936,875
16	Cost of Debt			1.96%			1.96%
17	Interest Expense			42,363			37,963
18							
19	Additions and Deductions for Taxes	1,520,735	22.45%	341,404	1,520,735	22.45%	341,404
20							
21	State Taxable Amount			459,200			446,964
22	State Income Tax Rate			5.90%			5.90%
23	State Income Taxes			27,093			26,371
24							
25	Net Federal Taxable Amount			432,108			420,593
26	Federal Income Tax Rate			35.00%			35.00%
27	Federal Income Taxes			151,238			147,207
28							
29	Production Tax Credit						
30	Deferred Income Taxes	(590,578)	22.45%	(132,584)	(590,578)	22.45%	(132,584)
31							
32	Total Income Taxes			45,746			40,994
33	Tax Gross Up Factor			1.63492193			1.63492193
34	Total Income Tax Expense			74,791			67,022
35							
36	**Operating Expenses**						
37	O&M, Property Tax Expense						
38	Depreciation Expense	1,590,709	22.45%	357,113	1,590,709	22.45%	357,113
39	Total Operating Deductions			431,904			424,135
40							
41	Return on Rate Base			160,160			143,522
42							
43	Revenue Requirements			592,064			567,657

Revenue Requirements - Sagamore

Tax Rates and Capital Structure

Tax Rates

New Mexico Composite Tax Rate	38.84%
New Mexico State Tax Rate	5.90%
Federal Rate	35.00%
Revenue Conversion Factor	1.63492193

	Forecast 2019 - 2045		
	Rate	Ratio	Cost
Long Term Debt	4.25%	46.03%	1.9600%
Short Term Debt	0.00%	0.00%	0.0000%
Preferred Stock	0.00%	0.00%	0.0000%
Common Equity	10.10%	53.97%	5.4500%
Calculated Return on Rate Base			7.4100%

Revenue Requirement

Summary - Hale

	2017	2018	2019	2020	2021	2022	2023	2024
Plant	0	0	92,992,422	172,765,208	172,896,785	173,132,683	173,525,088	173,925,855
Accum Depr	0	0	(1,161,179)	(7,702,675)	(15,101,968)	(22,508,564)	(29,929,119)	(37,367,544)
Net Plant	0	0	91,831,243	165,062,533	157,794,817	150,624,119	143,595,968	136,558,311
ADIT	1,038	61,678	2,617,550	9,261,791	17,784,164	12,632,814	(6,429,790)	(24,230,893)
Rate Base	1,038	61,678	94,448,793	174,324,324	175,578,981	163,256,933	137,166,178	112,327,418
Income Tax Expense	36	2,134	(8,162,416)	(13,563,214)	(14,303,615)	(14,729,998)	(16,416,639)	(17,276,141)
O&M, Property Tax	11,225	171,068	1,505,588	4,186,993	2,994,000	3,080,359	3,367,692	3,743,416
Depreciation Expense	0	0	4,004,882	7,396,448	7,402,159	7,412,397	7,429,427	7,446,820
Total Operating Deductions	11,261	173,203	(2,651,947)	(1,979,773)	(3,907,457)	(4,237,243)	(5,619,519)	(6,085,905)
Return	77	4,570	6,998,656	12,917,432	13,010,402	12,097,339	10,164,014	8,323,462
Revenue Requirement	11,338	177,773	4,346,708	10,937,659	9,102,946	7,860,096	4,544,494	2,237,557

Revenue Requirement

Summary - Hale

	2025	2026	2027	2028	2029	2030	2031
Plant	174,297,117	174,773,667	175,414,986	176,127,996	176,858,706	177,606,936	178,497,825
Accum Depr	(44,822,315)	(52,294,997)	(59,792,029)	(67,318,974)	(74,877,082)	(82,467,450)	(90,092,390)
Net Plant	129,474,801	122,478,670	115,622,957	108,809,021	101,981,625	95,139,485	88,405,435
ADIT	(39,481,685)	(45,174,142)	(42,601,607)	(40,054,404)	(37,521,495)	(34,996,774)	(32,486,107)
Rate Base	89,993,116	77,304,528	73,021,350	68,754,618	64,460,129	60,142,712	55,919,328
Income Tax Expense	(18,832,796)	(20,055,678)	(20,203,890)	(21,135,349)	(7,567,171)	2,081,133	1,934,990
O&M, Property Tax	3,824,835	3,688,667	3,969,002	5,127,981	5,062,105	5,103,919	5,166,251
Depreciation Expense	7,462,933	7,483,615	7,511,449	7,542,393	7,574,106	7,606,579	7,645,244
Total Operating Deductions	(7,545,028)	(8,883,396)	(8,723,440)	(8,464,975)	5,069,040	14,791,631	14,746,485
Return	6,668,490	5,728,266	5,410,882	5,094,717	4,776,496	4,456,575	4,143,622
Revenue Requirement	(876,538)	(3,155,131)	(3,312,558)	(3,370,258)	9,845,535	19,248,206	18,890,107

Revenue Requirement

Summary - Hale

	2032	2033	2034	2035	2036	2037	2038
Plant	179,572,708	180,698,624	181,852,011	183,006,876	184,148,176	185,317,692	186,515,367
Accum Depr	(97,760,711)	(105,476,947)	(113,242,641)	(121,058,600)	(128,924,310)	(136,839,963)	(144,807,187)
Net Plant	81,811,998	75,221,677	68,609,370	61,948,276	55,223,866	48,477,729	41,708,180
ADIT	(30,000,313)	(27,537,097)	(25,063,279)	(22,549,480)	(20,010,068)	(17,459,928)	(14,897,475)
Rate Base	51,811,685	47,684,580	43,546,091	39,398,796	35,213,798	31,017,801	26,810,706
Income Tax Expense	1,792,852	1,650,041	1,506,836	1,363,326	1,218,512	1,073,316	927,737
O&M, Property Tax	5,040,410	5,583,493	5,751,321	5,536,773	5,859,029	5,742,288	5,824,976
Depreciation Expense	7,691,894	7,740,758	7,790,815	7,840,937	7,890,469	7,941,226	7,993,205
Total Operating Deductions	14,525,156	14,974,293	15,048,973	14,741,036	14,968,010	14,756,830	14,745,918
Return	3,839,246	3,533,427	3,226,765	2,919,451	2,609,342	2,298,419	1,986,673
Revenue Requirement	18,364,402	18,507,720	18,275,738	17,660,487	17,577,352	17,055,249	16,732,592

Revenue Requirement

Summary - Hale

	2039	2040	2041	2042	2043	2044
Plant	187,742,651	188,999,486	190,208,436	191,144,695	191,831,216	192,162,640
Accum Depr	(152,826,819)	(160,900,571)	(169,028,130)	(177,203,430)	(185,412,602)	(190,059,225)
Net Plant	34,915,832	28,098,915	21,180,306	13,941,265	6,418,614	2,103,415
ADIT	(12,323,090)	(9,737,076)	(7,135,199)	(4,494,000)	(1,785,899)	(582,145)
Rate Base	22,592,742	18,361,839	14,045,107	9,447,266	4,632,715	1,521,270
Income Tax Expense	781,782	635,379	486,006	326,906	160,307	52,641
O&M, Property Tax	5,950,909	6,117,740	6,239,679	6,488,350	6,095,555	2,457,774
Depreciation Expense	8,046,469	8,101,016	8,153,484	8,194,118	8,223,913	639,938
Total Operating Deductions	14,779,160	14,854,135	14,879,169	15,009,374	14,479,775	3,150,352
Return	1,674,122	1,360,612	1,040,742	700,042	343,284	112,726
Revenue Requirement	16,453,282	16,214,747	15,919,912	15,709,417	14,823,059	3,263,078

Revenue Requirements - Hale

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2017 Total SPS	2017 New Mexico Allocation	2017 New Mexico Retail	2018 Total SPS	2018 New Mexico Allocation	2018 New Mexico Retail	2019 Total SPS	2019 New Mexico Allocation	2019 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	-		-	-		-	414,221,460		92,992,422
3	Less: Electric Production Accumulated Reserve for Depreciation	-		-	-		-	5,172,305		1,161,179
4	Net Plant	-		-	-		-	409,049,155		91,831,243
5										
6	Accumulated Deferred Income Taxes	(4,624)		(1,038)	(274,734)		(61,678)	59,270,863		(2,617,550)
7										
8	Net Rate Base	4,624		1,038	274,734		61,678	349,778,292		94,448,793
9										
10	**Income Tax Expense**									
11	Net Rate Base			1,038			61,678			94,448,793
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			77			4,570			6,998,656
14										
15	Net Rate Base			1,038			61,678			94,448,793
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			20			1,209			1,851,196
18										
19										
20	Additions and Deductions for Taxes	23,816		5,347	1,367,244		306,945	(308,026,685)		(69,151,771)
21	NOL Sch M									64,004,311
22	State Taxable Amount			5,404			310,307			-
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			319			18,308			-
25										
26	Net Federal Taxable Amount			5,085			291,999			-
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			1,780			102,200			-
29										
30	Production Tax Credit	-		0	-		0	(31,142,895)		(6,991,558)
31	Deferred Income Taxes	(9,249)		(2,076)	(530,969)		(119,202)	119,622,163		26,855,090
32	NOL Deferred Tax Expense			-			-			(24,856,074)
33	Total Income Taxes			22			1,305			(4,992,542)
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			36			2,134			(8,162,416)
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	50,000		11,225	762,000		171,068	6,706,425		1,505,588
39	Depreciation Expense	-		-	-		-	17,839,173		4,004,882
40	Total Operating Deductions			11,261			173,203			(2,651,947)
41										
42	Return on Rate Base			77			4,570			6,998,656
43										
44	Revenue Requirements			11,338			177,773			4,346,708

Revenue Requirements - Hale

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2020 Total SPS	2020 New Mexico Allocation	2020 New Mexico Retail	2021 Total SPS	2021 New Mexico Allocation	2021 New Mexico Retail	2022 Total SPS	2022 New Mexico Allocation	2022 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	769,557,942		172,765,208	770,144,033		172,896,785	771,194,807		173,132,683
3	Less: Electric Production Accumulated Reserve for Depreciation	34,310,465		7,702,675	67,269,558		15,101,968	100,261,184		22,508,564
4	Net Plant	735,247,477		165,062,533	702,874,475		157,794,817	670,933,623		150,624,119
5										
6	Accumulated Deferred Income Taxes	144,807,433		(9,261,791)	183,609,036		(17,784,164)	202,192,842		(12,632,814)
7										
8	Net Rate Base	590,440,044		174,324,324	519,265,439		175,578,981	468,740,781		163,256,933
9										
10	**Income Tax Expense**									
11	Net Rate Base			174,324,324			175,578,981			163,256,933
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			12,917,432			13,010,402			12,097,339
14										
15	Net Rate Base			174,324,324			175,578,981			163,256,933
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			3,416,757			3,441,348			3,199,836
18										
19										
20	Additions and Deductions for Taxes	(132,486,098)		(29,743,034)	(67,341,909)		(15,118,210)	(28,364,575)		(6,367,827)
21	NOL Sch M			20,242,359			5,549,156			(22,448,957)
22	State Taxable Amount			-			-			(19,919,281)
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			-			-			(1,175,238)
25										
26	Net Federal Taxable Amount			-			-			(18,744,043)
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			-			-			(6,560,415)
29										
30	Production Tax Credit	(53,387,820)		(11,985,527)	(55,523,333)		(12,464,949)	(55,523,333)		(12,464,949)
31	Deferred Income Taxes	51,450,976		11,550,707	26,152,230		5,871,157	11,015,383		2,472,946
32	NOL Deferred Tax Expense			(7,861,120)			(2,155,015)			8,718,052
33	Total Income Taxes			(8,295,940)			(8,748,806)			(9,009,603)
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			(13,563,214)			(14,303,615)			(14,729,998)
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	18,650,363		4,186,993	13,336,344		2,994,000	13,721,019		3,080,359
39	Depreciation Expense	32,946,422		7,396,448	32,971,858		7,402,159	33,017,462		7,412,397
40	Total Operating Deductions			(1,979,773)			(3,907,457)			(4,237,243)
41										
42	Return on Rate Base			12,917,432			13,010,402			12,097,339
43										
44	Revenue Requirements			10,937,659			9,102,946			7,860,096

Revenue Requirements - Hale

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2023 Total SPS	2023 New Mexico Allocation	2023 New Mexico Retail	2024 Total SPS	2024 New Mexico Allocation	2024 New Mexico Retail	2025 Total SPS	2025 New Mexico Allocation	2025 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	772,942,717		173,525,088	774,727,880		173,925,855	776,381,610		174,297,117
3	Less: Electric Production Accumulated Reserve for Depreciation	133,314,987		29,929,119	166,448,387		37,367,544	199,654,602		44,822,315
4	Net Plant	639,627,730		143,595,968	608,279,493		136,558,311	576,727,008		129,474,801
5										
6	Accumulated Deferred Income Taxes	213,257,659		6,429,790	218,703,299		24,230,893	212,788,943		39,481,685
7										
8	Net Rate Base	426,370,071		137,166,178	389,576,194		112,327,418	363,938,065		89,993,116
9										
10	**Income Tax Expense**									
11	Net Rate Base			137,166,178			112,327,418			89,993,116
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			10,164,014			8,323,462			6,668,490
14										
15	Net Rate Base			137,166,178			112,327,418			89,993,116
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			2,688,457			2,201,617			1,763,865
18										
19										
20	Additions and Deductions for Taxes	(28,619,151)		(6,424,979)	574,137		128,893	29,884,754		6,709,106
21	NOL Sch M			(22,448,957)			(22,448,957)			(22,448,957)
22	State Taxable Amount			(21,398,379)			(16,198,219)			(10,835,226)
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			(1,262,504)			(955,695)			(639,278)
25										
26	Net Federal Taxable Amount			(20,135,874)			(15,242,524)			(10,195,947)
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			(7,047,556)			(5,334,883)			(3,568,582)
29										
30	Production Tax Credit	(57,658,846)		(12,944,370)	(57,658,846)		(12,944,370)	(59,794,358)		(13,423,791)
31	Deferred Income Taxes	11,114,248		2,495,141	(222,967)		(50,056)	(11,605,744)		(2,605,481)
32	NOL Deferred Tax Expense			8,718,052			8,718,052			8,718,052
33	Total Income Taxes			(10,041,237)			(10,566,952)			(11,519,080)
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			(16,416,639)			(17,276,141)			(18,832,796)
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	15,000,905		3,367,692	16,674,511		3,743,416	17,037,182		3,824,835
39	Depreciation Expense	33,093,321		7,429,427	33,170,797		7,446,820	33,242,569		7,462,933
40	Total Operating Deductions			(5,619,519)			(6,085,905)			(7,545,028)
41										
42	Return on Rate Base			10,164,014			8,323,462			6,668,490
43										
44	Revenue Requirements			4,544,494			2,237,557			(876,538)

Revenue Requirements - Hale

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2026 Total SPS	2026 New Mexico Allocation	2026 New Mexico Retail	2027 Total SPS	2027 New Mexico Allocation	2027 New Mexico Retail	2028 Total SPS	2028 New Mexico Allocation	2028 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	778,504,335		174,773,667	781,360,998		175,414,986	784,536,999		176,127,996
3	Less: Electric Production Accumulated Reserve for Depreciation	232,940,594		52,294,997	266,335,052		59,792,029	299,862,755		67,318,974
4	Net Plant	545,563,741		122,478,670	515,025,946		115,622,957	484,674,244		108,809,021
5										
6	Accumulated Deferred Income Taxes	201,221,764		45,174,142	189,762,774		42,601,607	178,416,620		40,054,404
7										
8	Net Rate Base	344,341,977		77,304,528	325,263,172		73,021,350	306,257,624		68,754,618
9										
10	**Income Tax Expense**									
11	Net Rate Base			77,304,528			73,021,350			68,754,618
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			5,728,266			5,410,882			5,094,717
14										
15	Net Rate Base			77,304,528			73,021,350			68,754,618
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,515,169			1,431,218			1,347,591
18										
19										
20	Additions and Deductions for Taxes	29,686,137		6,664,517	29,327,593		6,584,024	29,105,026		6,534,058
21	NOL Sch M			-			-			
22	State Taxable Amount			10,877,613			10,563,687			10,281,184
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			641,779			623,258			606,590
25										
26	Net Federal Taxable Amount			10,235,834			9,940,430			9,674,594
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			3,582,542			3,479,150			3,386,108
29										
30	Production Tax Credit	(61,929,871)		(13,903,212)	(61,929,871)		(13,903,212)	(64,065,384)		(14,382,633)
31	Deferred Income Taxes	(11,528,611)		(2,588,165)	(11,389,371)		(2,556,906)	(11,302,937)		(2,537,501)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			(12,267,056)			(12,357,710)			(12,927,436)
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			(20,055,678)			(20,203,890)			(21,135,349)
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	16,430,639		3,688,667	17,679,350		3,969,002	22,841,858		5,127,981
39	Depreciation Expense	33,334,696		7,483,615	33,458,675		7,511,449	33,596,513		7,542,393
40	Total Operating Deductions			(8,883,396)			(8,723,440)			(8,464,975)
41										
42	Return on Rate Base			5,728,266			5,410,882			5,094,717
43										
44	Revenue Requirements			(3,155,131)			(3,312,558)			(3,370,258)

Revenue Requirements - Hale

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2029 Total SPS	2029 New Mexico Allocation	2029 New Mexico Retail	2030 Total SPS	2030 New Mexico Allocation	2030 New Mexico Retail	2031 Total SPS	2031 New Mexico Allocation	2031 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	787,791,846		176,858,706	791,124,727		177,606,936	795,093,067		178,497,825
3	Less: Electric Production Accumulated Reserve for Depreciation	333,529,266		74,877,082	367,339,479		82,467,450	401,303,685		90,092,390
4	Net Plant	454,262,580		101,981,625	423,785,248		95,139,485	393,789,382		88,405,435
5										
6	Accumulated Deferred Income Taxes	167,134,141		37,521,495	155,888,130		34,996,774	144,704,723		32,486,107
7										
8	Net Rate Base	287,128,439		64,460,129	267,897,118		60,142,712	249,084,659		55,919,328
9										
10	**Income Tax Expense**									
11	Net Rate Base			64,460,129			60,142,712			55,919,328
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			4,776,496			4,456,575			4,143,622
14										
15	Net Rate Base			64,460,129			60,142,712			55,919,328
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,263,419			1,178,797			1,096,019
18										
19										
20	Additions and Deductions for Taxes	28,999,664		6,510,404	28,917,227		6,491,897	28,677,241		6,438,020
21	NOL Sch M									
22	State Taxable Amount			10,023,481			9,769,675			9,485,623
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			591,385			576,411			559,652
25										
26	Net Federal Taxable Amount			9,432,096			9,193,264			8,925,972
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			3,301,233			3,217,642			3,124,090
29										
30	Production Tax Credit	(26,693,910)		(5,992,764)	-		-	-		-
31	Deferred Income Taxes	(11,262,020)		(2,528,315)	(11,230,005)		(2,521,128)	(11,136,807)		(2,500,205)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			(4,628,460)			1,272,925			1,183,537
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			(7,567,171)			2,081,133			1,934,990
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	22,548,423		5,062,105	22,734,677		5,103,919	23,012,327		5,166,251
39	Depreciation Expense	33,737,774		7,574,106	33,882,421		7,606,579	34,054,647		7,645,244
40	Total Operating Deductions			5,069,040			14,791,631			14,746,485
41										
42	Return on Rate Base			4,776,496			4,456,575			4,143,622
43										
44	Revenue Requirements			9,845,535			19,248,206			18,890,107

Revenue Requirements - Hale

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2032 Total SPS	2032 New Mexico Allocation	2032 New Mexico Retail	2033 Total SPS	2033 New Mexico Allocation	2033 New Mexico Retail	2034 Total SPS	2034 New Mexico Allocation	2034 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	799,880,980		179,572,708	804,896,209		180,698,624	810,033,810		181,852,011
3	Less: Electric Production Accumulated Reserve for Depreciation	435,461,122		97,760,711	469,831,993		105,476,947	504,423,171		113,242,641
4	Net Plant	364,419,858		81,811,998	335,064,216		75,221,677	305,610,639		68,609,370
5										
6	Accumulated Deferred Income Taxes	133,632,108		30,000,313	122,660,067		27,537,097	111,640,797		25,063,279
7										
8	Net Rate Base	230,787,750		51,811,685	212,404,149		47,684,580	193,969,842		43,546,091
9										
10	**Income Tax Expense**									
11	Net Rate Base			51,811,685			47,684,580			43,546,091
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			3,839,246			3,533,427			3,226,765
14										
15	Net Rate Base			51,811,685			47,684,580			43,546,091
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,015,509			934,618			853,503
18										
19										
20	Additions and Deductions for Taxes	28,346,645		6,363,802	28,159,296		6,321,742	28,589,882		6,418,408
21	NOL Sch M									
22	State Taxable Amount			9,187,538			8,920,551			8,791,670
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			542,065			526,313			518,709
25										
26	Net Federal Taxable Amount			8,645,474			8,394,239			8,272,961
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			3,025,916			2,937,984			2,895,537
29										
30	Production Tax Credit	-		-	-		-	-		-
31	Deferred Income Taxes	(11,008,420)		(2,471,382)	(10,935,663)		(2,455,049)	(11,102,881)		(2,492,589)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			1,096,598			1,009,248			921,656
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			1,792,852			1,650,041			1,506,836
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	22,451,787		5,040,410	24,870,874		5,583,493	25,618,439		5,751,321
39	Depreciation Expense	34,262,442		7,691,894	34,480,103		7,740,758	34,703,075		7,790,815
40	Total Operating Deductions			14,525,156			14,974,293			15,048,973
41										
42	Return on Rate Base			3,839,246			3,533,427			3,226,765
43										
44	Revenue Requirements			18,364,402			18,507,720			18,275,738

Revenue Requirements - Hale

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2035 Total SPS	2035 New Mexico Allocation	2035 New Mexico Retail	2036 Total SPS	2036 New Mexico Allocation	2036 New Mexico Retail	2037 Total SPS	2037 New Mexico Allocation	2037 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	815,177,990		183,006,876	820,261,748		184,148,176	825,471,189		185,317,692
3	Less: Electric Production Accumulated Reserve for Depreciation	539,238,242		121,058,600	574,274,926		128,924,310	609,534,070		136,839,963
4	Net Plant	275,939,748		61,948,276	245,986,822		55,223,866	215,937,119		48,477,729
5										
6	Accumulated Deferred Income Taxes	100,443,439		22,549,480	89,131,988		20,010,068	77,772,757		17,459,928
7										
8	Net Rate Base	175,496,309		39,398,796	156,854,834		35,213,798	138,164,362		31,017,801
9										
10	**Income Tax Expense**									
11	Net Rate Base			39,398,796			35,213,798			31,017,801
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			2,919,451			2,609,342			2,298,419
14										
15	Net Rate Base			39,398,796			35,213,798			31,017,801
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			772,216			690,190			607,949
18										
19										
20	Additions and Deductions for Taxes	29,076,432		6,527,638	29,177,471		6,550,321	29,322,496		6,582,879
21	NOL Sch M									
22	State Taxable Amount			8,674,873			8,469,473			8,273,350
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			511,817			499,699			488,128
25										
26	Net Federal Taxable Amount			8,163,055			7,969,774			7,785,222
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			2,857,069			2,789,421			2,724,828
29										
30	Production Tax Credit	-		-	-		-	-		-
31	Deferred Income Taxes	(11,291,832)		(2,535,008)	(11,331,071)		(2,543,817)	(11,387,392)		(2,556,461)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			833,878			745,303			656,494
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			1,363,326			1,218,512			1,073,316
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	24,662,765		5,536,773	26,098,209		5,859,029	25,578,200		5,742,288
39	Depreciation Expense	34,926,332		7,840,937	35,146,967		7,890,469	35,373,057		7,941,226
40	Total Operating Deductions			14,741,036			14,968,010			14,756,830
41										
42	Return on Rate Base			2,919,451			2,609,342			2,298,419
43										
44	Revenue Requirements			17,660,487			17,577,352			17,055,249

Revenue Requirements - Hale

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2038 Total SPS	2038 New Mexico Allocation	2038 New Mexico Retail	2039 Total SPS	2039 New Mexico Allocation	2039 New Mexico Retail	2040 Total SPS	2040 New Mexico Allocation	2040 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	830,806,061		186,515,367	836,272,824		187,742,651	841,871,214		188,999,486
3	Less: Electric Production Accumulated Reserve for Depreciation	645,022,929		144,807,187	680,745,238		152,826,819	716,708,610		160,900,571
4	Net Plant	185,783,132		41,708,180	155,527,586		34,915,832	125,162,604		28,098,915
5										
6	Accumulated Deferred Income Taxes	66,358,673		14,897,475	54,891,446		12,323,090	43,372,416		9,737,076
7										
8	Net Rate Base	119,424,459		26,810,706	100,636,140		22,592,742	81,790,188		18,361,839
9										
10	**Income Tax Expense**									
11	Net Rate Base			26,810,706			22,592,742			18,361,839
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			1,986,673			1,674,122			1,360,612
14										
15	Net Rate Base			26,810,706			22,592,742			18,361,839
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			525,490			442,818			359,892
18										
19										
20	Additions and Deductions for Taxes	29,459,959		6,613,740	29,596,182		6,644,322	29,726,752		6,673,635
21	NOL Sch M									
22	State Taxable Amount			8,074,923			7,875,626			7,674,355
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			476,420			464,662			452,787
25										
26	Net Federal Taxable Amount			7,598,503			7,410,964			7,221,568
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			2,659,476			2,593,837			2,527,549
29										
30	Production Tax Credit	-		-	-		-	-		-
31	Deferred Income Taxes	(11,440,776)		(2,568,446)	(11,493,678)		(2,580,322)	(11,544,385)		(2,591,706)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			567,450			478,177			388,630
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			927,737			781,782			635,379
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	25,946,523		5,824,976	26,507,473		5,950,909	27,250,599		6,117,740
39	Depreciation Expense	35,604,590		7,993,205	35,841,848		8,046,469	36,084,818		8,101,016
40	Total Operating Deductions			14,745,918			14,779,160			14,854,135
41										
42	Return on Rate Base			1,986,673			1,674,122			1,360,612
43										
44	Revenue Requirements			16,732,592			16,453,282			16,214,747

Revenue Requirements - Hale

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2041 Total SPS	2041 New Mexico Allocation	2041 New Mexico Retail	2042 Total SPS	2042 New Mexico Allocation	2042 New Mexico Retail	2043 Total SPS	2043 New Mexico Allocation	2043 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	847,256,312		190,208,436	851,426,741		191,144,695	854,484,752		191,831,216
3	Less: Electric Production Accumulated Reserve for Depreciation	752,911,662		169,028,130	789,327,367		177,203,430	825,893,953		185,412,602
4	Net Plant	94,344,650		21,180,306	62,099,374		13,941,265	28,590,799		6,418,614
5										
6	Accumulated Deferred Income Taxes	31,782,726		7,135,199	20,017,879		4,494,000	7,955,033		1,785,899
7										
8	Net Rate Base	62,561,924		14,045,107	42,081,495		9,447,266	20,635,766		4,632,715
9										
10	**Income Tax Expense**									
11	Net Rate Base			14,045,107			9,447,266			4,632,715
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			1,040,742			700,042			343,284
14										
15	Net Rate Base			14,045,107			9,447,266			4,632,715
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			275,284			185,166			90,801
18										
19										
20	Additions and Deductions for Taxes	29,960,076		6,726,016	30,628,806		6,876,145	31,494,776		7,070,555
21	NOL Sch M									
22	State Taxable Amount			7,491,474			7,391,021			7,323,038
23	State Income Tax Rate			5.90%			5.90%			5.90%
24	State Income Taxes			441,997			436,070			432,059
25										
26	Net Federal Taxable Amount			7,049,477			6,954,951			6,890,978
27	Federal Income Tax Rate			35.00%			35.00%			35.00%
28	Federal Income Taxes			2,467,317			2,434,233			2,411,842
29										
30	Production Tax Credit	-		-	-		-	-		-
31	Deferred Income Taxes	(11,634,996)		(2,612,048)	(11,894,697)		(2,670,351)	(12,230,997)		(2,745,850)
32	NOL Deferred Tax Expense			-			-			-
33	Total Income Taxes			297,266			199,952			98,052
34	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
35	Total Income Tax Expense			486,006			326,906			160,307
36										
37	**Operating Expenses**									
38	O&M, Insurance, Property Tax Expense	27,793,757		6,239,679	28,901,430		6,488,350	27,151,779		6,095,555
39	Depreciation Expense	36,318,531		8,153,484	36,499,528		8,194,118	36,632,246		8,223,913
40	Total Operating Deductions			14,879,169			15,009,374			14,479,775
41										
42	Return on Rate Base			1,040,742			700,042			343,284
43										
44	Revenue Requirements			15,919,912			15,709,417			14,823,059

Revenue Requirements - Hale

New Mexico Jurisdictional Revenue Requirement

Line No.	Description	2044 Total SPS	2044 New Mexico Allocation	2044 New Mexico Retail
1	**Rate Base**			
2	Electric Plant in Service	855,961,033	22.45%	192,162,640
3	Less: Electric Production Accumulated Reserve for Depreciation	846,591,672	22.45%	190,059,225
4	Net Plant	9,369,361		2,103,415
5				
6	Accumulated Deferred Income Taxes	2,593,083	22.45%	582,145
7				
8	Net Rate Base	6,776,278	22.45%	1,521,270
9				
10	**Income Tax Expense**			
11	Net Rate Base			1,521,270
12	Rate of Return on Rate Base			7.41%
13	Earnings before Interest			112,726
14				
15	Net Rate Base			1,521,270
16	Cost of Debt			1.96%
17	Interest Expense			29,817
18				
19				
20	Additions and Deductions for Taxes	(3,880,777)	22.45%	(871,232)
21	NOL Sch M			
22	State Taxable Amount			(788,322)
23	State Income Tax Rate			5.90%
24	State Income Taxes			(46,511)
25				
26	Net Federal Taxable Amount			(741,811)
27	Federal Income Tax Rate			35.00%
28	Federal Income Taxes			(259,634)
29				
30	Production Tax Credit	-		
31	Deferred Income Taxes	1,507,099		338,343
32	NOL Deferred Tax Expense			-
33	Total Income Taxes			32,198
34	Tax Gross Up Factor			1.63492193
35	Total Income Tax Expense			52,641
36				
37	**Operating Expenses**			
38	O&M, Insurance, Property Tax Expense	10,947,801		2,457,774
39	Depreciation Expense	2,850,512		639,938
40	Total Operating Deductions			3,150,352
41				
42	Return on Rate Base			112,726
43				
44	Revenue Requirements			3,263,078

Revenue Requirement - Hale

Wind Generation - Production Plan

Line No.	Description	2017 Total SPS	2017 New Mexico Allocation	2017 New Mexico Retail	2018 Total SPS	2018 New Mexico Allocation	2018 New Mexico Retail	2019 Total SPS	2019 New Mexico Allocation	2019 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	-	22.45%	-	-	22.45%	-	401,065,235	22.45%	90,038,859
3	Less: Electric Production Accumulated Reserve for Depreciation	-	22.45%	-	-	22.45%	-	5,076,000	22.45%	1,139,558
4	Net Plant	-		-	-		-	395,989,235		88,899,300
5										
6	Accumulated Deferred Income Taxes	(4,582)	22.45%	(1,029)	(272,173)	22.45%	(61,103)	57,789,988	22.45%	12,973,811
7										
8	Net Rate Base	4,582		1,029	272,173		61,103	338,199,247		75,925,489
9										
10	**Income Tax Expense**									
11	Net Rate Base			1,029			61,103			75,925,489
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			76			4,528			5,626,079
14										
15	Net Rate Base			1,029			61,103			75,925,489
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			20			1,198			1,488,140
18										
19	Additions and Deductions for Taxes	23,600	22.45%	5,298	1,354,488	22.45%	304,082	(300,374,241)	22.45%	(67,433,802)
20										
21	State Taxable Amount			5,354			307,412			(63,295,863)
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			316			18,137			(3,734,456)
24										
25	Net Federal Taxable Amount			5,038			289,274			(59,561,407)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			1,763			101,246			(20,846,493)
28										
29	Production Tax Credit	-	22.45%	-	-	22.45%	-	(31,142,895)	22.45%	(6,991,558)
30	Deferred Income Taxes	(9,165)	22.45%	(2,058)	(526,015)	22.45%	(118,090)	116,650,336	22.45%	26,187,917
31										
32	Total Income Taxes			22			1,293			(5,384,589)
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			36			2,114			(8,803,383)
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	50,000	22.45%	11,225	762,000	22.45%	171,068	6,706,425	22.45%	1,505,588
38	Depreciation Expense	-	22.45%	-	-	22.45%	-	17,507,019	22.45%	3,930,313
39	Total Operating Deductions			11,261			173,183			(3,367,482)
40										
41	Return on Rate Base			76			4,528			5,626,079
42										
43	Revenue Requirements			11,337			177,711			2,258,597

Revenue Requirement - Hale

Wind Generation - Production Plan

Line No.	Description	2020 Total SPS	2020 New Mexico Allocation	2020 New Mexico Retail	2021 Total SPS	2021 New Mexico Allocation	2021 New Mexico Retail	2022 Total SPS	2022 New Mexico Allocation	2022 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	745,124,951	22.45%	167,280,019	745,711,042	22.45%	167,411,596	746,761,816	22.45%	167,647,494
3	Less: Electric Production Accumulated Reserve for Depreciation	33,671,707	22.45%	7,559,274	66,017,593	22.45%	14,820,902	98,396,012	22.45%	22,089,834
4	Net Plant	711,453,244		159,720,745	679,693,449		152,590,694	648,365,804		145,557,660
5										
6	Accumulated Deferred Income Taxes	141,646,725	22.45%	31,799,589	180,091,544	22.45%	40,430,423	198,377,405	22.45%	44,535,586
7										
8	Net Rate Base	569,806,519		127,921,156	499,601,905		112,160,271	449,988,399		101,022,074
9										
10	**Income Tax Expense**									
11	Net Rate Base			127,921,156			112,160,271			101,022,074
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			9,478,958			8,311,076			7,485,736
14										
15	Net Rate Base			127,921,156			112,160,271			101,022,074
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			2,507,255			2,198,341			1,980,033
18										
19	Additions and Deductions for Taxes	(131,487,417)	22.45%	(29,518,831)	(66,503,154)	22.45%	(14,929,911)	(27,668,912)	22.45%	(6,211,651)
20										
21	State Taxable Amount			(22,547,128)			(8,817,176)			(705,948)
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			(1,330,281)			(520,213)			(41,651)
24										
25	Net Federal Taxable Amount			(21,216,848)			(8,296,962)			(664,297)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(7,425,897)			(2,903,937)			(232,504)
28										
29	Production Tax Credit	(53,387,820)	22.45%	(11,985,527)	(55,523,333)	22.45%	(12,464,949)	(55,523,333)	22.45%	(12,464,949)
30	Deferred Income Taxes	51,063,138	22.45%	11,463,638	25,826,500	22.45%	5,798,031	10,745,222	22.45%	2,412,295
31										
32	Total Income Taxes			(9,278,067)			(10,091,068)			(10,326,809)
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			(15,168,915)			(16,498,108)			(16,883,526)
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	18,650,363	22.45%	4,186,993	13,336,344	22.45%	2,994,000	13,721,019	22.45%	3,080,359
38	Depreciation Expense	32,333,215	22.45%	7,258,784	32,358,651	22.45%	7,264,494	32,404,255	22.45%	7,274,732
39	Total Operating Deductions			(3,723,138)			(6,239,615)			(6,528,435)
40										
41	Return on Rate Base			9,478,958			8,311,076			7,485,736
42										
43	Revenue Requirements			5,755,820			2,071,461			957,301

Revenue Requirement - Hale

Wind Generation - Production Plan

Line No.	Description	2023 Total SPS	2023 New Mexico Allocation	2023 New Mexico Retail	2024 Total SPS	2024 New Mexico Allocation	2024 New Mexico Retail	2025 Total SPS	2025 New Mexico Allocation	2025 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	748,509,726	22.45%	168,039,899	750,294,889	22.45%	168,440,666	751,948,619	22.45%	168,811,928
3	Less: Electric Production Accumulated Reserve for Depreciation	130,836,608	22.45%	29,372,725	163,356,801	22.45%	36,673,485	195,949,808	22.45%	43,990,592
4	Net Plant	617,673,118		138,667,174	586,938,088		131,767,181	555,998,811		124,821,336
5										
6	Accumulated Deferred Income Taxes	209,197,230	22.45%	46,964,629	214,445,931	22.45%	48,142,958	208,368,305	22.45%	46,778,536
7										
8	Net Rate Base	408,475,888		91,702,545	372,492,157		83,624,223	347,630,506		78,042,800
9										
10	**Income Tax Expense**									
11	Net Rate Base			91,702,545			83,624,223			78,042,800
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			6,795,159			6,196,555			5,782,971
14										
15	Net Rate Base			91,702,545			83,624,223			78,042,800
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,797,370			1,639,035			1,529,639
18										
19	Additions and Deductions for Taxes	(28,053,113)	22.45%	(6,297,904)	1,022,336	22.45%	229,514	30,277,399	22.45%	6,797,254
20										
21	State Taxable Amount			(1,300,115)			4,787,034			11,050,587
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			(76,707)			282,435			651,985
24										
25	Net Federal Taxable Amount			(1,223,408)			4,504,599			10,398,602
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			(428,193)			1,576,610			3,639,511
28										
29	Production Tax Credit	(57,658,846)	22.45%	(12,944,370)	(57,658,846)	22.45%	(12,944,370)	(59,794,358)	22.45%	(13,423,791)
30	Deferred Income Taxes	10,894,427	22.45%	2,445,791	(397,024)	22.45%	(89,132)	(11,758,228)	22.45%	(2,639,714)
31										
32	Total Income Taxes			(11,003,478)			(11,174,457)			(11,772,009)
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			(17,989,828)			(18,269,364)			(19,246,316)
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	15,000,905	22.45%	3,367,692	16,674,511	22.45%	3,743,416	17,037,182	22.45%	3,824,835
38	Depreciation Expense	32,480,114	22.45%	7,291,762	32,557,590	22.45%	7,309,156	32,629,362	22.45%	7,325,268
39	Total Operating Deductions			(7,330,373)			(7,216,793)			(8,096,212)
40										
41	Return on Rate Base			6,795,159			6,196,555			5,782,971
42										
43	Revenue Requirements			(535,215)			(1,020,238)			(2,313,241)

Revenue Requirement - Hale

Wind Generation - Production Plan

Line No.	Description	2026 Total SPS	2026 New Mexico Allocation	2026 New Mexico Retail	2027 Total SPS	2027 New Mexico Allocation	2027 New Mexico Retail	2028 Total SPS	2028 New Mexico Allocation	2028 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	754,071,344	22.45%	169,288,478	756,928,007	22.45%	169,929,797	760,104,008	22.45%	170,642,807
3	Less: Electric Production Accumulated Reserve for Depreciation	228,622,593	22.45%	51,325,609	261,403,844	22.45%	58,684,976	294,318,340	22.45%	66,074,257
4	Net Plant	525,448,751		117,962,869	495,524,163		111,244,820	465,785,668		104,568,550
5										
6	Accumulated Deferred Income Taxes	196,648,643	22.45%	44,147,480	185,036,841	22.45%	41,540,639	173,537,877	22.45%	38,959,129
7										
8	Net Rate Base	328,800,108		73,815,389	310,487,322		69,704,182	292,247,791		65,609,420
9										
10	**Income Tax Expense**									
11	Net Rate Base			73,815,389			69,704,182			65,609,420
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			5,469,720			5,165,080			4,861,658
14										
15	Net Rate Base			73,815,389			69,704,182			65,609,420
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,446,782			1,366,202			1,285,945
18										
19	Additions and Deductions for Taxes	30,078,782	22.45%	6,752,665	29,721,922	22.45%	6,672,550	29,497,671	22.45%	6,622,206
20										
21	State Taxable Amount			10,775,604			10,471,428			10,197,919
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			635,761			617,814			601,677
24										
25	Net Federal Taxable Amount			10,139,843			9,853,614			9,596,242
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			3,548,945			3,448,765			3,358,685
28										
29	Production Tax Credit	(61,929,871)	22.45%	(13,903,212)	(61,929,871)	22.45%	(13,903,212)	(64,065,384)	22.45%	(14,382,633)
30	Deferred Income Taxes	(11,681,095)	22.45%	(2,622,398)	(11,542,508)	22.45%	(2,591,285)	(11,455,421)	22.45%	(2,571,734)
31										
32	Total Income Taxes			(12,340,904)			(12,427,918)			(12,994,005)
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			(20,176,414)			(20,318,675)			(21,244,183)
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	16,430,639	22.45%	3,688,667	17,679,350	22.45%	3,969,002	22,841,858	22.45%	5,127,981
38	Depreciation Expense	32,721,488	22.45%	7,345,951	32,845,467	22.45%	7,373,784	32,983,306	22.45%	7,404,729
39	Total Operating Deductions			(9,141,796)			(8,975,890)			(8,711,474)
40										
41	Return on Rate Base			5,469,720			5,165,080			4,861,658
42										
43	Revenue Requirements			(3,672,076)			(3,810,810)			(3,849,816)

Revenue Requirement - Hale

Wind Generation - Production Plan

Line No.	Description	2029 Total SPS	2029 New Mexico Allocation	2029 New Mexico Retail	2030 Total SPS	2030 New Mexico Allocation	2030 New Mexico Retail	2031 Total SPS	2031 New Mexico Allocation	2031 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	763,358,855	22.45%	171,373,517	766,691,736	22.45%	172,121,747	770,660,076	22.45%	173,012,636
3	Less: Electric Production Accumulated Reserve for Depreciation	327,371,644	22.45%	73,494,700	360,568,649	22.45%	80,947,404	393,919,647	22.45%	88,434,679
4	Net Plant	435,987,211		97,878,817	406,123,087		91,174,343	376,740,429		84,577,957
5										
6	Accumulated Deferred Income Taxes	162,102,588	22.45%	36,391,915	150,703,765	22.45%	33,832,888	139,367,548	22.45%	31,287,915
7										
8	Net Rate Base	273,884,623		61,486,902	255,419,322		57,341,455	237,372,881		53,290,042
9										
10	**Income Tax Expense**									
11	Net Rate Base			61,486,902			57,341,455			53,290,042
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			4,556,179			4,249,002			3,948,792
14										
15	Net Rate Base			61,486,902			57,341,455			53,290,042
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,205,143			1,123,893			1,044,485
18										
19	Additions and Deductions for Taxes	29,393,993	22.45%	6,598,930	29,309,872	22.45%	6,580,045	29,071,570	22.45%	6,526,547
20										
21	State Taxable Amount			9,949,967			9,705,155			9,430,854
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			587,048			572,604			556,420
24										
25	Net Federal Taxable Amount			9,362,919			9,132,551			8,874,434
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			3,277,021			3,196,393			3,106,052
28										
29	Production Tax Credit	(26,693,910)	22.45%	(5,992,764)	-	22.45%	-	-	22.45%	-
30	Deferred Income Taxes	(11,415,157)	22.45%	(2,562,695)	(11,382,489)	22.45%	(2,555,361)	(11,289,944)	22.45%	(2,534,584)
31										
32	Total Income Taxes			(4,691,389)			1,213,636			1,127,888
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			(7,670,055)			1,984,200			1,844,008
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	22,548,423	22.45%	5,062,105	22,734,677	22.45%	5,103,919	23,012,327	22.45%	5,166,251
38	Depreciation Expense	33,124,566	22.45%	7,436,441	33,269,213	22.45%	7,468,915	33,441,439	22.45%	7,507,579
39	Total Operating Deductions			4,828,492			14,557,034			14,517,839
40										
41	Return on Rate Base			4,556,179			4,249,002			3,948,792
42										
43	Revenue Requirements			9,384,671			18,806,036			18,466,631

Revenue Requirement - Hale

Wind Generation - Production Plan

Line No.	Description	2032 Total SPS	2032 New Mexico Allocation	2032 New Mexico Retail	2033 Total SPS	2033 New Mexico Allocation	2033 New Mexico Retail	2034 Total SPS	2034 New Mexico Allocation	2034 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	775,447,989	22.45%	174,087,519	780,463,218	22.45%	175,213,435	785,600,819	22.45%	176,366,822
3	Less: Electric Production Accumulated Reserve for Depreciation	427,463,878	22.45%	95,965,335	461,221,542	22.45%	103,543,907	495,199,513	22.45%	111,171,937
4	Net Plant	347,984,111		78,122,184	319,241,676		71,669,528	290,401,306		65,194,886
5										
6	Accumulated Deferred Income Taxes	128,142,124	22.45%	28,767,815	117,017,272	22.45%	26,270,294	105,941,620	22.45%	23,783,818
7										
8	Net Rate Base	219,841,987		49,354,369	202,224,404		45,399,234	184,459,686		41,411,068
9										
10	**Income Tax Expense**									
11	Net Rate Base			49,354,369			45,399,234			41,411,068
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			3,657,159			3,364,083			3,068,560
14										
15	Net Rate Base			49,354,369			45,399,234			41,411,068
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			967,346			889,825			811,657
18										
19	Additions and Deductions for Taxes	28,739,290	22.45%	6,451,950	28,553,625	22.45%	6,410,268	28,485,914	22.45%	6,395,067
20										
21	State Taxable Amount			9,141,763			8,884,527			8,651,971
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			539,364			524,187			510,466
24										
25	Net Federal Taxable Amount			8,602,399			8,360,340			8,141,504
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			3,010,840			2,926,119			2,849,526
28										
29	Production Tax Credit	-	22.45%	-	-	22.45%	-	-	22.45%	-
30	Deferred Income Taxes	(11,160,903)	22.45%	(2,505,615)	(11,088,800)	22.45%	(2,489,428)	(11,062,505)	22.45%	(2,483,524)
31										
32	Total Income Taxes			1,044,589			960,878			876,468
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			1,707,821			1,570,961			1,432,957
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	22,451,787	22.45%	5,040,410	24,870,874	22.45%	5,583,493	25,618,439	22.45%	5,751,321
38	Depreciation Expense	33,649,235	22.45%	7,554,229	33,866,896	22.45%	7,603,094	34,089,868	22.45%	7,653,151
39	Total Operating Deductions			14,302,461			14,757,548			14,837,430
40										
41	Return on Rate Base			3,657,159			3,364,083			3,068,560
42										
43	Revenue Requirements			17,959,619			18,121,631			17,905,990

Revenue Requirement - Hale

Wind Generation - Production Plan

Line No.	Description	2035 Total SPS	2035 New Mexico Allocation	2035 New Mexico Retail	2036 Total SPS	2036 New Mexico Allocation	2036 New Mexico Retail	2037 Total SPS	2037 New Mexico Allocation	2037 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	790,744,999	22.45%	177,521,687	795,828,757	22.45%	178,662,987	801,038,198	22.45%	179,832,503
3	Less: Electric Production Accumulated Reserve for Depreciation	529,401,376	22.45%	118,850,231	563,824,852	22.45%	126,578,276	598,470,790	22.45%	134,356,265
4	Net Plant	261,343,623		58,671,457	232,003,905		52,084,711	202,567,408		45,476,238
5										
6	Accumulated Deferred Income Taxes	94,881,069	22.45%	21,300,732	83,802,853	22.45%	18,813,681	72,676,857	22.45%	16,315,902
7										
8	Net Rate Base	166,462,554		37,370,724	148,201,052		33,271,030	129,890,551		29,160,336
9										
10	**Income Tax Expense**									
11	Net Rate Base			37,370,724			33,271,030			29,160,336
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			2,769,171			2,465,383			2,160,781
14										
15	Net Rate Base			37,370,724			33,271,030			29,160,336
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			732,466			652,112			571,543
18										
19	Additions and Deductions for Taxes	28,475,852	22.45%	6,392,808	28,576,891	22.45%	6,415,492	28,721,916	22.45%	6,448,050
20										
21	State Taxable Amount			8,429,513			8,228,763			8,037,288
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			497,341			485,497			474,200
24										
25	Net Federal Taxable Amount			7,932,172			7,743,266			7,563,088
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			2,776,260			2,710,143			2,647,081
28										
29	Production Tax Credit	-	22.45%	-	-	22.45%	-	-	22.45%	-
30	Deferred Income Taxes	(11,058,597)	22.45%	(2,482,647)	(11,097,835)	22.45%	(2,491,456)	(11,154,156)	22.45%	(2,504,100)
31										
32	Total Income Taxes			790,954			704,184			617,181
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			1,293,148			1,151,286			1,009,042
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	24,662,765	22.45%	5,536,773	26,098,209	22.45%	5,859,029	25,578,200	22.45%	5,742,288
38	Depreciation Expense	34,313,125	22.45%	7,703,272	34,533,760	22.45%	7,752,804	34,759,850	22.45%	7,803,561
39	Total Operating Deductions			14,533,194			14,763,119			14,554,891
40										
41	Return on Rate Base			2,769,171			2,465,383			2,160,781
42										
43	Revenue Requirements			17,302,364			17,228,503			16,715,672

Revenue Requirement - Hale

Wind Generation - Production Plan

Line No.	Description	2038 Total SPS	2038 New Mexico Allocation	2038 New Mexico Retail	2039 Total SPS	2039 New Mexico Allocation	2039 New Mexico Retail	2040 Total SPS	2040 New Mexico Allocation	2040 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	806,373,070	22.45%	181,030,178	811,839,833	22.45%	182,257,462	817,438,223	22.45%	183,514,297
3	Less: Electric Production Accumulated Reserve for Depreciation	633,346,442	22.45%	142,185,824	668,455,544	22.45%	150,067,792	703,805,707	22.45%	158,003,878
4	Net Plant	173,026,628		38,844,354	143,384,289		32,189,670	113,632,516		25,510,419
5										
6	Accumulated Deferred Income Taxes	61,496,009	22.45%	13,805,810	50,262,018	22.45%	11,283,787	38,976,223	22.45%	8,750,134
7										
8	Net Rate Base	111,530,619		25,038,544	93,122,271		20,905,883	74,656,293		16,760,284
9										
10	**Income Tax Expense**									
11	Net Rate Base			25,038,544			20,905,883			16,760,284
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			1,855,356			1,549,126			1,241,937
14										
15	Net Rate Base			25,038,544			20,905,883			16,760,284
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			490,755			409,755			328,502
18										
19	Additions and Deductions for Taxes	28,859,379	22.45%	6,478,910	28,995,602	22.45%	6,509,492	29,126,172	22.45%	6,538,805
20										
21	State Taxable Amount			7,843,511			7,648,863			7,452,240
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			462,767			451,283			439,682
24										
25	Net Federal Taxable Amount			7,380,743			7,197,580			7,012,558
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			2,583,260			2,519,153			2,454,395
28										
29	Production Tax Credit	-	22.45%	-	-	22.45%	-	-	22.45%	-
30	Deferred Income Taxes	(11,207,540)	22.45%	(2,516,085)	(11,260,442)	22.45%	(2,527,961)	(11,311,149)	22.45%	(2,539,345)
31										
32	Total Income Taxes			529,943			442,475			354,733
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			866,415			723,411			579,960
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	25,946,523	22.45%	5,824,976	26,507,473	22.45%	5,950,909	27,250,599	22.45%	6,117,740
38	Depreciation Expense	34,991,383	22.45%	7,855,541	35,228,641	22.45%	7,908,805	35,471,611	22.45%	7,963,351
39	Total Operating Deductions			14,546,931			14,583,125			14,661,051
40										
41	Return on Rate Base			1,855,356			1,549,126			1,241,937
42										
43	Revenue Requirements			16,402,287			16,132,251			15,902,988

Revenue Requirement - Hale

Wind Generation - Production Plan

Line No.	Description	2041 Total SPS	2041 New Mexico Allocation	2041 New Mexico Retail	2042 Total SPS	2042 New Mexico Allocation	2042 New Mexico Retail	2043 Total SPS	2043 New Mexico Allocation	2043 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	822,823,321	22.45%	184,723,247	826,993,750	22.45%	185,659,506	830,051,761	22.45%	186,346,027
3	Less: Electric Production Accumulated Reserve for Depreciation	739,395,552	22.45%	165,993,773	775,198,051	22.45%	174,031,408	811,151,430	22.45%	182,102,916
4	Net Plant	83,427,769		18,729,475	51,795,699		11,628,097	18,900,331		4,243,111
5										
6	Accumulated Deferred Income Taxes	27,619,768	22.45%	6,200,618	16,088,157	22.45%	3,611,780	4,258,546	22.45%	956,041
7										
8	Net Rate Base	55,808,001		12,528,856	35,707,542		8,016,318	14,641,785		3,287,070
9										
10	**Income Tax Expense**									
11	Net Rate Base			12,528,856			8,016,318			3,287,070
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			928,388			594,009			243,572
14										
15	Net Rate Base			12,528,856			8,016,318			3,287,070
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			245,566			157,120			64,427
18										
19	Additions and Deductions for Taxes	29,359,496	22.45%	6,591,186	30,028,226	22.45%	6,741,315	30,894,196	22.45%	6,935,725
20										
21	State Taxable Amount			7,274,009			7,178,205			7,114,870
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			429,167			423,514			419,777
24										
25	Net Federal Taxable Amount			6,844,842			6,754,691			6,695,093
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			2,395,695			2,364,142			2,343,283
28										
29	Production Tax Credit	-	22.45%	-	-	22.45%	-	-	22.45%	-
30	Deferred Income Taxes	(11,401,760)	22.45%	(2,559,687)	(11,661,462)	22.45%	(2,617,990)	(11,997,761)	22.45%	(2,693,489)
31										
32	Total Income Taxes			265,174			169,666			69,571
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			433,539			277,391			113,743
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	27,793,757	22.45%	6,239,679	28,901,430	22.45%	6,488,350	27,151,779	22.45%	6,095,555
38	Depreciation Expense	35,705,324	22.45%	8,015,820	35,886,321	22.45%	8,056,453	36,019,038	22.45%	8,086,248
39	Total Operating Deductions			14,689,037			14,822,194			14,295,547
40										
41	Return on Rate Base			928,388			594,009			243,572
42										
43	Revenue Requirements			15,617,426			15,416,204			14,539,118

Revenue Requirement - Hale

Wind Generation - Production Plan

Line No.	Description	2044 Total SPS	2044 New Mexico Allocation	2044 New Mexico Retail
1	**Rate Base**			
2	Electric Plant in Service	831,528,042	22.45%	186,677,451
3	Less: Electric Production Accumulated Reserve for Depreciation	831,235,942	22.45%	186,611,875
4	Net Plant	292,100		65,576
5				
6	Accumulated Deferred Income Taxes	(870,168)	22.45%	(195,352)
7				
8	Net Rate Base	1,162,268		260,928
9				
10	**Income Tax Expense**			
11	Net Rate Base			260,928
12	Rate of Return on Rate Base			7.41%
13	Earnings before Interest			19,335
14				
15	Net Rate Base			260,928
16	Cost of Debt			1.96%
17	Interest Expense			5,114
18				
19	Additions and Deductions for Taxes	(4,481,357)	22.45%	(1,006,061)
20				
21	State Taxable Amount			(991,841)
22	State Income Tax Rate			5.90%
23	State Income Taxes			(58,519)
24				
25	Net Federal Taxable Amount			(933,322)
26	Federal Income Tax Rate			35.00%
27	Federal Income Taxes			(326,663)
28				
29	Production Tax Credit	-	22.45%	-
30	Deferred Income Taxes	1,740,335	22.45%	390,704
31				
32	Total Income Taxes			5,523
33	Tax Gross Up Factor			1.63492193
34	Total Income Tax Expense			9,029
35				
36	**Operating Expenses**			
37	O&M, Property Tax Expense	10,947,801	22.45%	2,457,774
38	Depreciation Expense	2,237,305	22.45%	502,273
39	Total Operating Deductions			2,969,076
40				
41	Return on Rate Base			19,335
42				
43	Revenue Requirements			2,988,411

Revenue Requirement - Hale

Transmission Serving Production

Line No.	Description	2017 Total SPS	2017 New Mexico Allocation	2017 New Mexico Retail	2018 Total SPS	2018 New Mexico Allocation	2018 New Mexico Retail	2019 Total SPS	2019 New Mexico Allocation	2019 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	-	22.45%	-	-	22.45%	-	12,280,999	22.45%	2,757,075
3	Less: Electric Production Accumulated Reserve for Depreciation	-	22.45%	-	-	22.45%	-	88,601	22.45%	19,891
4	Net Plant	-		-	-		-	12,192,398		2,737,185
5										
6	Accumulated Deferred Income Taxes	(3)	22.45%	(1)	(1,174)	22.45%	(264)	1,388,226	22.45%	311,656
7										
8	Net Rate Base	3		1	1,174		264	10,804,172		2,425,529
9										
10	**Income Tax Expense**									
11	Net Rate Base			1			264			2,425,529
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			0			20			179,732
14										
15	Net Rate Base			1			264			2,425,529
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			0			5			47,540
18										
19	Additions and Deductions for Taxes	17	22.45%	4	6,009	22.45%	1,349	(7,161,411)	22.45%	(1,607,732)
20										
21	State Taxable Amount			4			1,363			(1,475,540)
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			0			80			(87,057)
24										
25	Net Federal Taxable Amount			4			1,283			(1,388,483)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			1			449			(485,969)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(7)	22.45%	(1)	(2,334)	22.45%	(524)	2,781,134	22.45%	624,363
31										
32	Total Income Taxes			0			6			51,336
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			0			9			83,931
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	-	22.45%	-	-	22.45%	-	305,581	22.45%	68,603
39	Total Operating Deductions			0			9			152,534
40										
41	Return on Rate Base			0			20			179,732
42										
43	Revenue Requirements			0			29			332,266

Revenue Requirement - Hale

Transmission Serving Production

Line No.	Description	2020 Total SPS	2020 New Mexico Allocation	2020 New Mexico Retail	2021 Total SPS	2021 New Mexico Allocation	2021 New Mexico Retail	2022 Total SPS	2022 New Mexico Allocation	2022 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283
3	Less: Electric Production Accumulated Reserve for Depreciation	587,657	22.45%	131,929	1,151,807	22.45%	258,580	1,715,958	22.45%	385,231
4	Net Plant	22,219,914		4,988,355	21,655,764		4,861,704	21,091,613		4,735,052
5										
6	Accumulated Deferred Income Taxes	2,961,631	22.45%	664,884	3,298,266	22.45%	740,458	3,579,880	22.45%	803,681
7										
8	Net Rate Base	19,258,283		4,323,471	18,357,498		4,121,245	17,511,733		3,931,372
9										
10	**Income Tax Expense**									
11	Net Rate Base			4,323,471			4,121,245			3,931,372
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			320,369			305,384			291,315
14										
15	Net Rate Base			4,323,471			4,121,245			3,931,372
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			84,740			80,776			77,055
18										
19	Additions and Deductions for Taxes	(941,610)	22.45%	(211,391)	(792,060)	22.45%	(177,817)	(658,252)	22.45%	(147,777)
20										
21	State Taxable Amount			24,238			46,791			66,483
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			1,430			2,761			3,922
24										
25	Net Federal Taxable Amount			22,808			44,030			62,560
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			7,983			15,411			21,896
28										
29	Production Tax Credit									
30	Deferred Income Taxes	365,674	22.45%	82,094	307,596	22.45%	69,055	255,632	22.45%	57,389
31										
32	Total Income Taxes			91,507			87,226			83,208
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			149,606			142,608			136,038
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	564,150	22.45%	126,651	564,150	22.45%	126,651	564,150	22.45%	126,651
39	Total Operating Deductions			276,257			269,260			262,690
40										
41	Return on Rate Base			320,369			305,384			291,315
42										
43	Revenue Requirements			596,627			574,644			554,004

Revenue Requirement - Hale

Transmission Serving Production

Line No.	Description	2023 Total SPS	2023 New Mexico Allocation	2023 New Mexico Retail	2024 Total SPS	2024 New Mexico Allocation	2024 New Mexico Retail	2025 Total SPS	2025 New Mexico Allocation	2025 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283
3	Less: Electric Production Accumulated Reserve for Depreciation	2,280,108	22.45%	511,883	2,844,258	22.45%	638,534	3,408,409	22.45%	765,185
4	Net Plant	20,527,463		4,608,401	19,963,313		4,481,750	19,399,162		4,355,098
5										
6	Accumulated Deferred Income Taxes	3,811,976	22.45%	855,786	3,999,137	22.45%	897,803	4,154,814	22.45%	932,753
7										
8	Net Rate Base	16,715,487		3,752,615	15,964,176		3,583,946	15,244,348		3,422,345
9										
10	**Income Tax Expense**									
11	Net Rate Base			3,752,615			3,583,946			3,422,345
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			278,069			265,570			253,596
14										
15	Net Rate Base			3,752,615			3,583,946			3,422,345
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			73,551			70,245			67,078
18										
19	Additions and Deductions for Taxes	(537,037)	22.45%	(120,564)	(426,843)	22.45%	(95,826)	(374,894)	22.45%	(84,163)
20										
21	State Taxable Amount			83,953			99,499			102,354
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			4,953			5,870			6,039
24										
25	Net Federal Taxable Amount			79,000			93,629			96,315
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			27,650			32,770			33,710
28										
29	Production Tax Credit									
30	Deferred Income Taxes	208,558	22.45%	46,821	165,764	22.45%	37,214	145,590	22.45%	32,685
31										
32	Total Income Taxes			79,424			75,854			72,434
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			129,853			124,016			118,424
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	564,150	22.45%	126,651	564,150	22.45%	126,651	564,150	22.45%	126,651
39	Total Operating Deductions			256,504			250,667			245,076
40										
41	Return on Rate Base			278,069			265,570			253,596
42										
43	Revenue Requirements			534,573			516,238			498,671

Revenue Requirement - Hale

Transmission Serving Production

Line No.	Description	2026 Total SPS	2026 New Mexico Allocation	2026 New Mexico Retail	2027 Total SPS	2027 New Mexico Allocation	2027 New Mexico Retail	2028 Total SPS	2028 New Mexico Allocation	2028 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283
3	Less: Electric Production Accumulated Reserve for Depreciation	3,972,559	22.45%	891,837	4,536,710	22.45%	1,018,488	5,100,860	22.45%	1,145,139
4	Net Plant	18,835,012		4,228,447	18,270,861		4,101,795	17,706,711		3,975,144
5										
6	Accumulated Deferred Income Taxes	4,300,403	22.45%	965,437	4,446,300	22.45%	998,191	4,592,195	22.45%	1,030,944
7										
8	Net Rate Base	14,534,609		3,263,009	13,824,561		3,103,604	13,114,516		2,944,199
9										
10	**Income Tax Expense**									
11	Net Rate Base			3,263,009			3,103,604			2,944,199
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			241,789			229,977			218,165
14										
15	Net Rate Base			3,263,009			3,103,604			2,944,199
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			63,955			60,831			57,706
18										
19	Additions and Deductions for Taxes	(374,894)	22.45%	(84,163)	(376,468)	22.45%	(84,517)	(374,894)	22.45%	(84,163)
20										
21	State Taxable Amount			93,671			84,630			76,295
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			5,527			4,993			4,501
24										
25	Net Federal Taxable Amount			88,144			79,636			71,794
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			30,850			27,873			25,128
28										
29	Production Tax Credit									
30	Deferred Income Taxes	145,590	22.45%	32,685	146,201	22.45%	32,822	145,590	22.45%	32,685
31										
32	Total Income Taxes			69,062			65,688			62,314
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			112,911			107,395			101,879
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	564,150	22.45%	126,651	564,150	22.45%	126,651	564,150	22.45%	126,651
39	Total Operating Deductions			239,562			234,046			228,530
40										
41	Return on Rate Base			241,789			229,977			218,165
42										
43	Revenue Requirements			481,351			464,023			446,695

Revenue Requirement - Hale

Transmission Serving Production

Line No.	Description	2029 Total SPS	2029 New Mexico Allocation	2029 New Mexico Retail	2030 Total SPS	2030 New Mexico Allocation	2030 New Mexico Retail	2031 Total SPS	2031 New Mexico Allocation	2031 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283
3	Less: Electric Production Accumulated Reserve for Depreciation	5,665,010	22.45%	1,271,791	6,229,161	22.45%	1,398,442	6,793,312	22.45%	1,525,094
4	Net Plant	17,142,561		3,848,493	16,578,410		3,721,841	16,014,259		3,595,190
5										
6	Accumulated Deferred Income Taxes	4,738,090	22.45%	1,063,698	4,883,987	22.45%	1,096,452	5,029,882	22.45%	1,129,205
7										
8	Net Rate Base	12,404,471		2,784,795	11,694,423		2,625,390	10,984,377		2,465,985
9										
10	**Income Tax Expense**									
11	Net Rate Base			2,784,795			2,625,390			2,465,985
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			206,353			194,541			182,729
14										
15	Net Rate Base			2,784,795			2,625,390			2,465,985
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			54,582			51,458			48,333
18										
19	Additions and Deductions for Taxes	(376,468)	22.45%	(84,517)	(374,894)	22.45%	(84,163)	(376,468)	22.45%	(84,517)
20										
21	State Taxable Amount			67,255			58,920			49,879
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			3,968			3,476			2,943
24										
25	Net Federal Taxable Amount			63,287			55,444			46,936
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			22,150			19,405			16,428
28										
29	Production Tax Credit									
30	Deferred Income Taxes	146,201	22.45%	32,822	145,590	22.45%	32,685	146,201	22.45%	32,822
31										
32	Total Income Taxes			58,940			55,567			52,193
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			96,363			90,847			85,331
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	564,150	22.45%	126,651	564,150	22.45%	126,651	564,150	22.45%	126,651
39	Total Operating Deductions			223,014			217,498			211,982
40										
41	Return on Rate Base			206,353			194,541			182,729
42										
43	Revenue Requirements			429,368			412,040			394,712

Revenue Requirement - Hale

Transmission Serving Production

Line No.	Description	2032 Total SPS	2032 New Mexico Allocation	2032 New Mexico Retail	2033 Total SPS	2033 New Mexico Allocation	2033 New Mexico Retail	2034 Total SPS	2034 New Mexico Allocation	2034 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283
3	Less: Electric Production Accumulated Reserve for Depreciation	7,357,462	22.45%	1,651,745	7,921,612	22.45%	1,778,396	8,485,762	22.45%	1,905,048
4	Net Plant	15,450,109		3,468,538	14,885,959		3,341,887	14,321,809		3,215,236
5										
6	Accumulated Deferred Income Taxes	5,175,777	22.45%	1,161,958	5,321,673	22.45%	1,194,712	5,377,396	22.45%	1,207,222
7										
8	Net Rate Base	10,274,332		2,306,580	9,564,286		2,147,175	8,944,413		2,008,014
9										
10	**Income Tax Expense**									
11	Net Rate Base			2,306,580			2,147,175			2,008,014
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			170,918			159,106			148,794
14										
15	Net Rate Base			2,306,580			2,147,175			2,008,014
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			45,209			42,085			39,357
18										
19	Additions and Deductions for Taxes	(374,894)	22.45%	(84,163)	(376,468)	22.45%	(84,517)	89,499	22.45%	20,092
20										
21	State Taxable Amount			41,545			32,504			129,529
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			2,451			1,918			7,642
24										
25	Net Federal Taxable Amount			39,094			30,587			121,887
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			13,683			10,705			42,660
28										
29	Production Tax Credit									
30	Deferred Income Taxes	145,590	22.45%	32,685	146,201	22.45%	32,822	(34,757)	22.45%	(7,803)
31										
32	Total Income Taxes			48,819			45,445			42,500
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			79,815			74,299			69,484
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	564,150	22.45%	126,651	564,150	22.45%	126,651	564,150	22.45%	126,651
39	Total Operating Deductions			206,466			200,951			196,135
40										
41	Return on Rate Base			170,918			159,106			148,794
42										
43	Revenue Requirements			377,384			360,056			344,929

Revenue Requirement - Hale

Transmission Serving Production

Line No.	Description	2035 Total SPS	2035 New Mexico Allocation	2035 New Mexico Retail	2036 Total SPS	2036 New Mexico Allocation	2036 New Mexico Retail	2037 Total SPS	2037 New Mexico Allocation	2037 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283
3	Less: Electric Production Accumulated Reserve for Depreciation	9,049,913	22.45%	2,031,699	9,614,064	22.45%	2,158,350	10,178,214	22.45%	2,285,002
4	Net Plant	13,757,658		3,088,584	13,193,507		2,961,933	12,629,357		2,835,282
5										
6	Accumulated Deferred Income Taxes	5,252,465	22.45%	1,179,175	5,037,361	22.45%	1,130,884	4,822,258	22.45%	1,082,593
7										
8	Net Rate Base	8,505,193		1,909,410	8,156,146		1,831,049	7,807,099		1,752,688
9										
10	**Income Tax Expense**									
11	Net Rate Base			1,909,410			1,831,049			1,752,688
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			141,487			135,681			129,874
14										
15	Net Rate Base			1,909,410			1,831,049			1,752,688
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			37,424			35,889			34,353
18										
19	Additions and Deductions for Taxes	553,891	22.45%	124,348	553,891	22.45%	124,348	553,891	22.45%	124,348
20										
21	State Taxable Amount			228,411			224,140			219,870
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			13,476			13,224			12,972
24										
25	Net Federal Taxable Amount			214,935			210,916			206,897
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			75,227			73,821			72,414
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(215,104)	22.45%	(48,291)	(215,104)	22.45%	(48,291)	(215,104)	22.45%	(48,291)
31										
32	Total Income Taxes			40,413			38,754			37,096
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			66,072			63,360			60,649
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	564,150	22.45%	126,651	564,150	22.45%	126,651	564,150	22.45%	126,651
39	Total Operating Deductions			192,723			190,012			187,300
40										
41	Return on Rate Base			141,487			135,681			129,874
42										
43	Revenue Requirements			334,210			325,692			317,174

Revenue Requirement - Hale

Transmission Serving Production

Line No.	Description	2038 Total SPS	2038 New Mexico Allocation	2038 New Mexico Retail	2039 Total SPS	2039 New Mexico Allocation	2039 New Mexico Retail	2040 Total SPS	2040 New Mexico Allocation	2040 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283
3	Less: Electric Production Accumulated Reserve for Depreciation	10,742,364	22.45%	2,411,653	11,306,514	22.45%	2,538,304	11,870,666	22.45%	2,664,956
4	Net Plant	12,065,207		2,708,630	11,501,057		2,581,979	10,936,905		2,455,327
5										
6	Accumulated Deferred Income Taxes	4,607,154	22.45%	1,034,303	4,392,050	22.45%	986,012	4,176,947	22.45%	937,722
7										
8	Net Rate Base	7,458,053		1,674,328	7,109,007		1,595,967	6,759,958		1,517,606
9										
10	**Income Tax Expense**									
11	Net Rate Base			1,674,328			1,595,967			1,517,606
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			124,068			118,261			112,455
14										
15	Net Rate Base			1,674,328			1,595,967			1,517,606
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			32,817			31,281			29,745
18										
19	Additions and Deductions for Taxes	553,891	22.45%	124,348	553,891	22.45%	124,348	553,891	22.45%	124,348
20										
21	State Taxable Amount			215,599			211,328			207,058
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			12,720			12,468			12,216
24										
25	Net Federal Taxable Amount			202,879			198,860			194,841
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			71,008			69,601			68,194
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(215,104)	22.45%	(48,291)	(215,104)	22.45%	(48,291)	(215,104)	22.45%	(48,291)
31										
32	Total Income Taxes			35,437			33,779			32,120
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			57,937			55,226			52,514
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	564,150	22.45%	126,651	564,150	22.45%	126,651	564,150	22.45%	126,651
39	Total Operating Deductions			184,588			181,877			179,165
40										
41	Return on Rate Base			124,068			118,261			112,455
42										
43	Revenue Requirements			308,656			300,138			291,620

Revenue Requirement - Hale

Transmission Serving Production

Line No.	Description	2041 Total SPS	2041 New Mexico Allocation	2041 New Mexico Retail	2042 Total SPS	2042 New Mexico Allocation	2042 New Mexico Retail	2043 Total SPS	2043 New Mexico Allocation	2043 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283	22,807,571	22.45%	5,120,283
3	Less: Electric Production Accumulated Reserve for Depreciation	12,434,816	22.45%	2,791,607	12,998,966	22.45%	2,918,259	13,563,116	22.45%	3,044,910
4	Net Plant	10,372,755		2,328,676	9,808,605		2,202,025	9,244,455		2,075,374
5										
6	Accumulated Deferred Income Taxes	3,961,844	22.45%	889,431	3,746,740	22.45%	841,140	3,531,636	22.45%	792,850
7										
8	Net Rate Base	6,410,911		1,439,245	6,061,865		1,360,884	5,712,819		1,282,524
9										
10	**Income Tax Expense**									
11	Net Rate Base			1,439,245			1,360,884			1,282,524
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			106,648			100,842			95,035
14										
15	Net Rate Base			1,439,245			1,360,884			1,282,524
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			28,209			26,673			25,137
18										
19	Additions and Deductions for Taxes	553,891	22.45%	124,348	553,891	22.45%	124,348	553,891	22.45%	124,348
20										
21	State Taxable Amount			202,787			198,516			194,246
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			11,964			11,712			11,460
24										
25	Net Federal Taxable Amount			190,823			186,804			182,785
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			66,788			65,381			63,975
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(215,104)	22.45%	(48,291)	(215,104)	22.45%	(48,291)	(215,104)	22.45%	(48,291)
31										
32	Total Income Taxes			30,462			28,803			27,145
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			49,803			47,091			44,379
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense	-	22.45%	-	-	22.45%	-	-	22.45%	-
38	Depreciation Expense	564,150	22.45%	126,651	564,150	22.45%	126,651	564,150	22.45%	126,651
39	Total Operating Deductions			176,454			173,742			171,031
40										
41	Return on Rate Base			106,648			100,842			95,035
42										
43	Revenue Requirements			283,102			274,584			266,066

Revenue Requirement - Hale

Transmission Serving Production

Line No.	Description	2044 Total SPS	2044 New Mexico Allocation	2044 New Mexico Retail
1	**Rate Base**			
2	Electric Plant in Service	22,807,571	22.45%	5,120,283
3	Less: Electric Production Accumulated Reserve for Depreciation	14,127,266	22.45%	3,171,561
4	Net Plant	8,680,305		1,948,722
5				
6	Accumulated Deferred Income Taxes	3,316,532	22.45%	744,559
7				
8	Net Rate Base	5,363,773		1,204,163
9				
10	**Income Tax Expense**			
11	Net Rate Base			1,204,163
12	Rate of Return on Rate Base			7.41%
13	Earnings before Interest			89,228
14				
15	Net Rate Base			1,204,163
16	Cost of Debt			1.96%
17	Interest Expense			23,602
18				
19	Additions and Deductions for Taxes	553,891	22.45%	124,348
20				
21	State Taxable Amount			189,975
22	State Income Tax Rate			5.90%
23	State Income Taxes			11,209
24				
25	Net Federal Taxable Amount			178,767
26	Federal Income Tax Rate			35.00%
27	Federal Income Taxes			62,568
28				
29	Production Tax Credit			
30	Deferred Income Taxes	(215,104)	22.45%	(48,291)
31				
32	Total Income Taxes			25,486
33	Tax Gross Up Factor			1.63492193
34	Total Income Tax Expense			41,668
35				
36	**Operating Expenses**			
37	O&M, Property Tax Expense	-	22.45%	-
38	Depreciation Expense	564,150	22.45%	126,651
39	Total Operating Deductions			168,319
40				
41	Return on Rate Base			89,228
42				
43	Revenue Requirements			257,548

Revenue Requirement - Hale

Network Transmission

Line No.	Description	2017 Total SPS	2017 New Mexico Allocation	2017 New Mexico Retail	2018 Total SPS	2018 New Mexico Allocation	2018 New Mexico Retail	2019 Total SPS	2019 New Mexico Allocation	2019 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	-	22.45%	-	-	22.45%	-	875,226	22.45%	196,488
3	Less: Electric Production Accumulated Reserve for Depreciation	-	22.45%	-	-	22.45%	-	7,704	22.45%	1,730
4	Net Plant	-		-	-		-	867,522		194,758
5										
6	Accumulated Deferred Income Taxes	(39)	22.45%	(9)	(1,387)	22.45%	(311)	92,649	22.45%	20,800
7										
8	Net Rate Base	39		9	1,387		311	774,873		173,958
9										
10	**Income Tax Expense**									
11	Net Rate Base			9			311			173,958
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			1			23			12,890
14										
15	Net Rate Base			9			311			173,958
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			0			6			3,410
18										
19	Additions and Deductions for Taxes	199	22.45%	45	6,747	22.45%	1,515	(491,033)	22.45%	(110,237)
20										
21	State Taxable Amount			45			1,532			(100,756)
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			3			90			(5,945)
24										
25	Net Federal Taxable Amount			43			1,441			(94,811)
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			15			504			(33,184)
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(77)	22.45%	(17)	(2,620)	22.45%	(588)	190,693	22.45%	42,810
31										
32	Total Income Taxes			0			7			3,682
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			1			11			6,019
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	-	22.45%	-	-	22.45%	-	26,572	22.45%	5,965
39	Total Operating Deductions			1			11			11,985
40										
41	Return on Rate Base			1			23			12,890
42										
43	Revenue Requirements			1			34			24,875

Revenue Requirement - Hale

Network Transmission

Line No.	Description	2020 Total SPS	2020 New Mexico Allocation	2020 New Mexico Retail	2021 Total SPS	2021 New Mexico Allocation	2021 New Mexico Retail	2022 Total SPS	2022 New Mexico Allocation	2022 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906
3	Less: Electric Production Accumulated Reserve for Depreciation	51,101	22.45%	11,472	100,158	22.45%	22,485	149,214	22.45%	33,498
4	Net Plant	1,574,319		353,433	1,525,262		342,420	1,476,206		331,407
5										
6	Accumulated Deferred Income Taxes	199,077	22.45%	44,693	219,226	22.45%	49,216	235,557	22.45%	52,882
7										
8	Net Rate Base	1,375,242		308,741	1,306,036		293,204	1,240,649		278,525
9										
10	**Income Tax Expense**									
11	Net Rate Base			308,741			293,204			278,525
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			22,878			21,726			20,639
14										
15	Net Rate Base			308,741			293,204			278,525
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			6,051			5,747			5,459
18										
19	Additions and Deductions for Taxes	(57,071)	22.45%	(12,812)	(46,695)	22.45%	(10,483)	(37,411)	22.45%	(8,399)
20										
21	State Taxable Amount			4,014			5,497			6,781
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			237			324			400
24										
25	Net Federal Taxable Amount			3,777			5,172			6,381
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			1,322			1,810			2,233
28										
29	Production Tax Credit									
30	Deferred Income Taxes	22,164	22.45%	4,976	18,134	22.45%	4,071	14,529	22.45%	3,262
31										
32	Total Income Taxes			6,535			6,206			5,895
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			10,683			10,146			9,638
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	49,057	22.45%	11,013	49,057	22.45%	11,013	49,057	22.45%	11,013
39	Total Operating Deductions			21,697			21,159			20,651
40										
41	Return on Rate Base			22,878			21,726			20,639
42										
43	Revenue Requirements			44,574			42,885			41,290

Revenue Requirement - Hale

Network Transmission

Line No.	Description	2023 Total SPS	2023 New Mexico Allocation	2023 New Mexico Retail	2024 Total SPS	2024 New Mexico Allocation	2024 New Mexico Retail	2025 Total SPS	2025 New Mexico Allocation	2025 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906
3	Less: Electric Production Accumulated Reserve for Depreciation	198,271	22.45%	44,512	247,328	22.45%	55,525	296,385	22.45%	66,538
4	Net Plant	1,427,149		320,394	1,378,092		309,381	1,329,035		298,367
5										
6	Accumulated Deferred Income Taxes	248,453	22.45%	55,778	258,231	22.45%	57,973	265,824	22.45%	59,677
7										
8	Net Rate Base	1,178,696		264,616	1,119,861		251,408	1,063,211		238,690
9										
10	**Income Tax Expense**									
11	Net Rate Base			264,616			251,408			238,690
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			19,608			18,629			17,687
14										
15	Net Rate Base			264,616			251,408			238,690
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			5,186			4,928			4,678
18										
19	Additions and Deductions for Taxes	(29,001)	22.45%	(6,511)	(21,356)	22.45%	(4,794)	(17,751)	22.45%	(3,985)
20										
21	State Taxable Amount			7,911			8,907			9,024
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			467			526			532
24										
25	Net Federal Taxable Amount			7,444			8,382			8,491
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			2,605			2,934			2,972
28										
29	Production Tax Credit									
30	Deferred Income Taxes	11,263	22.45%	2,528	8,293	22.45%	1,862	6,894	22.45%	1,548
31										
32	Total Income Taxes			5,601			5,321			5,052
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			9,157			8,699			8,259
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	49,057	22.45%	11,013	49,057	22.45%	11,013	49,057	22.45%	11,013
39	Total Operating Deductions			20,170			19,713			19,273
40										
41	Return on Rate Base			19,608			18,629			17,687
42										
43	Revenue Requirements			39,778			38,342			36,960

Revenue Requirement - Hale

Network Transmission

Line No.	Description	2026 Total SPS	2026 New Mexico Allocation	2026 New Mexico Retail	2027 Total SPS	2027 New Mexico Allocation	2027 New Mexico Retail	2028 Total SPS	2028 New Mexico Allocation	2028 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906
3	Less: Electric Production Accumulated Reserve for Depreciation	345,442	22.45%	77,551	394,498	22.45%	88,565	443,555	22.45%	99,578
4	Net Plant	1,279,978		287,354	1,230,922		276,341	1,181,865		265,328
5										
6	Accumulated Deferred Income Taxes	272,718	22.45%	61,225	279,633	22.45%	62,777	286,548	22.45%	64,330
7										
8	Net Rate Base	1,007,260		226,129	951,289		213,564	895,317		200,998
9										
10	**Income Tax Expense**									
11	Net Rate Base			226,129			213,564			200,998
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			16,756			15,825			14,894
14										
15	Net Rate Base			226,129			213,564			200,998
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			4,432			4,186			3,940
18										
19	Additions and Deductions for Taxes	(17,751)	22.45%	(3,985)	(17,861)	22.45%	(4,010)	(17,751)	22.45%	(3,985)
20										
21	State Taxable Amount			8,339			7,629			6,969
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			492			450			411
24										
25	Net Federal Taxable Amount			7,847			7,179			6,558
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			2,746			2,513			2,295
28										
29	Production Tax Credit									
30	Deferred Income Taxes	6,894	22.45%	1,548	6,936	22.45%	1,557	6,894	22.45%	1,548
31										
32	Total Income Taxes			4,786			4,520			4,254
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			7,825			7,390			6,955
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	49,057	22.45%	11,013	49,057	22.45%	11,013	49,057	22.45%	11,013
39	Total Operating Deductions			18,838			18,403			17,968
40										
41	Return on Rate Base			16,756			15,825			14,894
42										
43	Revenue Requirements			35,594			34,228			32,862

Revenue Requirement - Hale

Network Transmission

Line No.	Description	2029 Total SPS	2029 New Mexico Allocation	2029 New Mexico Retail	2030 Total SPS	2030 New Mexico Allocation	2030 New Mexico Retail	2031 Total SPS	2031 New Mexico Allocation	2031 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906
3	Less: Electric Production Accumulated Reserve for Depreciation	492,612	22.45%	110,591	541,669	22.45%	121,604	590,726	22.45%	132,618
4	Net Plant	1,132,808		254,315	1,083,751		243,301	1,034,694		232,288
5										
6	Accumulated Deferred Income Taxes	293,463	22.45%	65,882	300,378	22.45%	67,435	307,293	22.45%	68,987
7										
8	Net Rate Base	839,345		188,432	783,373		175,867	727,401		163,301
9										
10	**Income Tax Expense**									
11	Net Rate Base			188,432			175,867			163,301
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			13,963			13,032			12,101
14										
15	Net Rate Base			188,432			175,867			163,301
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			3,693			3,447			3,201
18										
19	Additions and Deductions for Taxes	(17,861)	22.45%	(4,010)	(17,751)	22.45%	(3,985)	(17,861)	22.45%	(4,010)
20										
21	State Taxable Amount			6,260			5,600			4,890
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			369			330			289
24										
25	Net Federal Taxable Amount			5,890			5,269			4,602
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			2,062			1,844			1,611
28										
29	Production Tax Credit									
30	Deferred Income Taxes	6,936	22.45%	1,557	6,894	22.45%	1,548	6,936	22.45%	1,557
31										
32	Total Income Taxes			3,988			3,722			3,456
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			6,520			6,086			5,651
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	49,057	22.45%	11,013	49,057	22.45%	11,013	49,057	22.45%	11,013
39	Total Operating Deductions			17,534			17,099			16,664
40										
41	Return on Rate Base			13,963			13,032			12,101
42										
43	Revenue Requirements			31,496			30,131			28,764

Revenue Requirement - Hale

Network Transmission

Line No.	Description	2032 Total SPS	2032 New Mexico Allocation	2032 New Mexico Retail	2033 Total SPS	2033 New Mexico Allocation	2033 New Mexico Retail	2034 Total SPS	2034 New Mexico Allocation	2034 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906
3	Less: Electric Production Accumulated Reserve for Depreciation	639,782	22.45%	143,631	688,839	22.45%	154,644	737,896	22.45%	165,657
4	Net Plant	985,638		221,275	936,581		210,262	887,524		199,249
5										
6	Accumulated Deferred Income Taxes	314,207	22.45%	70,539	321,122	22.45%	72,092	321,781	22.45%	72,240
7										
8	Net Rate Base	671,431		150,736	615,459		138,170	565,743		127,009
9										
10	**Income Tax Expense**									
11	Net Rate Base			150,736			138,170			127,009
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			11,170			10,238			9,411
14										
15	Net Rate Base			150,736			138,170			127,009
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			2,954			2,708			2,489
18										
19	Additions and Deductions for Taxes	(17,751)	22.45%	(3,985)	(17,861)	22.45%	(4,010)	14,469	22.45%	3,248
20										
21	State Taxable Amount			4,230			3,520			10,170
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			250			208			600
24										
25	Net Federal Taxable Amount			3,980			3,313			9,570
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			1,393			1,159			3,350
28										
29	Production Tax Credit									
30	Deferred Income Taxes	6,894	22.45%	1,548	6,936	22.45%	1,557	(5,619)	22.45%	(1,261)
31										
32	Total Income Taxes			3,190			2,924			2,688
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			5,216			4,781			4,395
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	49,057	22.45%	11,013	49,057	22.45%	11,013	49,057	22.45%	11,013
39	Total Operating Deductions			16,229			15,794			15,408
40										
41	Return on Rate Base			11,170			10,238			9,411
42										
43	Revenue Requirements			27,399			26,033			24,819

Revenue Requirement - Hale

Network Transmission

Line No.	Description	2035 Total SPS	2035 New Mexico Allocation	2035 New Mexico Retail	2036 Total SPS	2036 New Mexico Allocation	2036 New Mexico Retail	2037 Total SPS	2037 New Mexico Allocation	2037 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906
3	Less: Electric Production Accumulated Reserve for Depreciation	786,953	22.45%	176,670	836,010	22.45%	187,684	885,066	22.45%	198,697
4	Net Plant	838,467		188,235	789,410		177,222	740,354		166,209
5										
6	Accumulated Deferred Income Taxes	309,905	22.45%	69,573	291,774	22.45%	65,503	273,642	22.45%	61,432
7										
8	Net Rate Base	528,562		118,662	497,636		111,719	466,712		104,777
9										
10	**Income Tax Expense**									
11	Net Rate Base			118,662			111,719			104,777
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			8,793			8,278			7,764
14										
15	Net Rate Base			118,662			111,719			104,777
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			2,326			2,190			2,054
18										
19	Additions and Deductions for Taxes	46,689	22.45%	10,482	46,689	22.45%	10,482	46,689	22.45%	10,482
20										
21	State Taxable Amount			16,949			16,570			16,192
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			1,000			978			955
24										
25	Net Federal Taxable Amount			15,949			15,593			15,237
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			5,582			5,457			5,333
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(18,132)	22.45%	(4,071)	(18,132)	22.45%	(4,071)	(18,132)	22.45%	(4,071)
31										
32	Total Income Taxes			2,511			2,364			2,218
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			4,106			3,866			3,626
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	49,057	22.45%	11,013	49,057	22.45%	11,013	49,057	22.45%	11,013
39	Total Operating Deductions			15,119			14,879			14,639
40										
41	Return on Rate Base			8,793			8,278			7,764
42										
43	Revenue Requirements			23,912			23,157			22,403

Revenue Requirement - Hale

Network Transmission

Line No.	Description	2038 Total SPS	2038 New Mexico Allocation	2038 New Mexico Retail	2039 Total SPS	2039 New Mexico Allocation	2039 New Mexico Retail	2040 Total SPS	2040 New Mexico Allocation	2040 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906
3	Less: Electric Production Accumulated Reserve for Depreciation	934,123	22.45%	209,710	983,180	22.45%	220,723	1,032,237	22.45%	231,736
4	Net Plant	691,297		155,196	642,240		144,182	593,183		133,169
5										
6	Accumulated Deferred Income Taxes	255,510	22.45%	57,362	237,378	22.45%	53,291	219,246	22.45%	49,221
7										
8	Net Rate Base	435,787		97,834	404,862		90,891	373,937		83,949
9										
10	**Income Tax Expense**									
11	Net Rate Base			97,834			90,891			83,949
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			7,249			6,735			6,221
14										
15	Net Rate Base			97,834			90,891			83,949
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,918			1,781			1,645
18										
19	Additions and Deductions for Taxes	46,689	22.45%	10,482	46,689	22.45%	10,482	46,689	22.45%	10,482
20										
21	State Taxable Amount			15,814			15,435			15,057
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			933			911			888
24										
25	Net Federal Taxable Amount			14,881			14,525			14,168
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			5,208			5,084			4,959
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(18,132)	22.45%	(4,071)	(18,132)	22.45%	(4,071)	(18,132)	22.45%	(4,071)
31										
32	Total Income Taxes			2,071			1,924			1,777
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			3,385			3,145			2,905
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	49,057	22.45%	11,013	49,057	22.45%	11,013	49,057	22.45%	11,013
39	Total Operating Deductions			14,399			14,158			13,918
40										
41	Return on Rate Base			7,249			6,735			6,221
42										
43	Revenue Requirements			21,648			20,893			20,139

Revenue Requirement - Hale

Network Transmission

Line No.	Description	2041 Total SPS	2041 New Mexico Allocation	2041 New Mexico Retail	2042 Total SPS	2042 New Mexico Allocation	2042 New Mexico Retail	2043 Total SPS	2043 New Mexico Allocation	2043 New Mexico Retail
1	**Rate Base**									
2	Electric Plant in Service	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906	1,625,420	22.45%	364,906
3	Less: Electric Production Accumulated Reserve for Depreciation	1,081,294	22.45%	242,750	1,130,350	22.45%	253,763	1,179,407	22.45%	264,776
4	Net Plant	544,126		122,156	495,070		111,143	446,013		100,130
5										
6	Accumulated Deferred Income Taxes	201,114	22.45%	45,150	182,982	22.45%	41,079	164,851	22.45%	37,009
7										
8	Net Rate Base	343,012		77,006	312,088		70,064	281,162		63,121
9										
10	**Income Tax Expense**									
11	Net Rate Base			77,006			70,064			63,121
12	Rate of Return on Rate Base			7.41%			7.41%			7.41%
13	Earnings before Interest			5,706			5,192			4,677
14										
15	Net Rate Base			77,006			70,064			63,121
16	Cost of Debt			1.96%			1.96%			1.96%
17	Interest Expense			1,509			1,373			1,237
18										
19	Additions and Deductions for Taxes	46,689	22.45%	10,482	46,689	22.45%	10,482	46,689	22.45%	10,482
20										
21	State Taxable Amount			14,678			14,300			13,922
22	State Income Tax Rate			5.90%			5.90%			5.90%
23	State Income Taxes			866			844			821
24										
25	Net Federal Taxable Amount			13,812			13,456			13,100
26	Federal Income Tax Rate			35.00%			35.00%			35.00%
27	Federal Income Taxes			4,834			4,710			4,585
28										
29	Production Tax Credit									
30	Deferred Income Taxes	(18,132)	22.45%	(4,071)	(18,132)	22.45%	(4,071)	(18,132)	22.45%	(4,071)
31										
32	Total Income Taxes			1,630			1,483			1,336
33	Tax Gross Up Factor			1.63492193			1.63492193			1.63492193
34	Total Income Tax Expense			2,665			2,424			2,184
35										
36	**Operating Expenses**									
37	O&M, Property Tax Expense									
38	Depreciation Expense	49,057	22.45%	11,013	49,057	22.45%	11,013	49,057	22.45%	11,013
39	Total Operating Deductions			13,678			13,438			13,197
40										
41	Return on Rate Base			5,706			5,192			4,677
42										
43	Revenue Requirements			19,384			18,629			17,875

Revenue Requirement - Hale

Network Transmission

Line No.	Description	2044 Total SPS	2044 New Mexico Allocation	2044 New Mexico Retail
1	**Rate Base**			
2	Electric Plant in Service	1,625,420	22.45%	364,906
3	Less: Electric Production Accumulated Reserve for Depreciation	1,228,464	22.45%	275,789
4	Net Plant	396,956		89,116
5				
6	Accumulated Deferred Income Taxes	146,719	22.45%	32,938
7				
8	Net Rate Base	250,237		56,178
9				
10	**Income Tax Expense**			
11	Net Rate Base			56,178
12	Rate of Return on Rate Base			7.41%
13	Earnings before Interest			4,163
14				
15	Net Rate Base			56,178
16	Cost of Debt			1.96%
17	Interest Expense			1,101
18				
19	Additions and Deductions for Taxes	46,689	22.45%	10,482
20				
21	State Taxable Amount			13,543
22	State Income Tax Rate			5.90%
23	State Income Taxes			799
24				
25	Net Federal Taxable Amount			12,744
26	Federal Income Tax Rate			35.00%
27	Federal Income Taxes			4,461
28				
29	Production Tax Credit			
30	Deferred Income Taxes	(18,132)	22.45%	(4,071)
31				
32	Total Income Taxes			1,189
33	Tax Gross Up Factor			1.63492193
34	Total Income Tax Expense			1,944
35				
36	**Operating Expenses**			
37	O&M, Property Tax Expense			
38	Depreciation Expense	49,057	22.45%	11,013
39	Total Operating Deductions			12,957
40				
41	Return on Rate Base			4,163
42				
43	Revenue Requirements			17,120

Revenue Requirement - Hale

Tax Rates and Capital Structure

Tax Rates

Composite Tax Rate	38.8350%
Apportioned State Tax Rate	5.90%
Federal Rate	35.00%
Revenue Conversion Factor	1.63492193

	Forecast 2019 - 2045		
	Rate	Ratio	Cost
Long Term Debt	4.25%	46.03%	1.9600%
Short Term Debt	0.00%	0.00%	0.0000%
Preferred Stock	0.00%	0.00%	0.0000%
Common Equity	10.10%	53.97%	5.4500%
Calculated Return on Rate Base			7.4100%

New Mexico Jurisdictional Annual Wind Savings

	2019	2020	2021	2022	2023	2024
Total Annual Wind Savings	(52,288,579)	(118,991,245)	(158,965,202)	(168,156,627)	(175,163,262)	(189,001,068)
New Mexico Energy Allocator	22.45%	22.45%	22.45%	22.45%	22.45%	22.45%
New Mexico Jurisdiction Annual Savings	(11,738,749)	(26,713,449)	(35,687,574)	(37,751,043)	(39,324,027)	(42,430,605)
New Mexico Jurisdictional Revenue Requirements						
Hale	4,346,708	10,937,659	9,102,946	7,860,096	4,544,494	2,237,557
Sagamore	0	6,119,518	10,903,990	9,550,278	5,674,847	3,200,394
Bonita	4,175,374	4,270,025	4,343,772	4,431,432	4,519,092	4,621,620
Total New Mexico Jurisdiction Revenue Requirements	8,522,082	21,327,202	24,350,709	21,841,806	14,738,434	10,059,571
Net New Mexico Jurisdictional Annual Wind Savings	(3,216,667)	(5,386,248)	(11,336,866)	(15,909,237)	(24,585,593)	(32,371,034)

New Mexico Jurisdictional Annual Wind Savings

	2025	2026	2027	2028	2029	2030
Total Annual Wind Savings	(197,910,072)	(211,675,027)	(224,577,230)	(239,125,351)	(233,138,811)	(244,237,647)
New Mexico Energy Allocator	22.45%	22.45%	22.45%	22.45%	22.45%	22.45%
New Mexico Jurisdiction Annual Savings	(44,430,670)	(47,520,892)	(50,417,428)	(53,683,470)	(52,339,496)	(54,831,177)
New Mexico Jurisdictional Revenue Requirements						
Hale	(876,538)	(3,155,131)	(3,312,558)	(3,370,258)	9,845,535	19,248,206
Sagamore	110,779	(2,174,756)	(2,934,830)	(4,326,586)	(4,184,639)	12,828,475
Bonita	4,701,332	4,795,912	4,892,799	5,003,285	5,088,881	5,192,688
Total New Mexico Jurisdiction Revenue Requirements	3,935,573	(533,974)	(1,354,589)	(2,693,559)	10,749,777	37,269,369
Net New Mexico Jurisdictional Annual Wind Savings	(40,495,097)	(48,054,867)	(51,772,017)	(56,377,029)	(41,589,720)	(17,561,808)

New Mexico Jurisdictional Annual Wind Savings

	2031	2032	2033	2034	2035	2036
Total Annual Wind Savings	(239,068,009)	(246,251,480)	(241,205,390)	(248,325,471)	(250,646,577)	(256,853,899)
New Mexico Energy Allocator	22.45%	22.45%	22.45%	22.45%	22.45%	22.45%
New Mexico Jurisdiction Annual Savings	(53,670,597)	(55,283,281)	(54,150,438)	(55,748,891)	(56,269,977)	(57,663,517)
New Mexico Jurisdictional Revenue Requirements						
Hale	18,890,107	18,364,402	18,507,720	18,275,738	17,660,487	17,577,352
Sagamore	21,670,593	21,226,189	20,601,309	20,717,609	20,344,243	19,633,099
Bonita	5,296,495	5,415,021	5,508,725	5,619,453	5,732,487	5,861,453
Total New Mexico Jurisdiction Revenue Requirements	45,857,196	45,005,612	44,617,754	44,612,800	43,737,217	43,071,905
Net New Mexico Jurisdictional Annual Wind Savings	(7,813,401)	(10,277,669)	(9,532,683)	(11,136,090)	(12,532,760)	(14,591,612)

New Mexico Jurisdictional Annual Wind Savings

	2037	2038	2039	2040	2041	2042
Total Annual Wind Savings	(274,428,551)	(291,628,822)	(282,243,263)	(280,572,487)	(281,189,738)	(274,575,736)
New Mexico Energy Allocator	22.45%	22.45%	22.45%	22.45%	22.45%	22.45%
New Mexico Jurisdiction Annual Savings	(61,609,013)	(65,470,462)	(63,363,411)	(62,988,323)	(63,126,895)	(61,642,056)
New Mexico Jurisdictional Revenue Requirements						
Hale	17,055,249	16,732,592	16,453,282	16,214,747	15,919,912	15,709,417
Sagamore	19,264,875	19,179,276	18,518,585	18,305,721	17,915,530	17,522,997
Bonita	5,963,172	6,083,127	6,205,390	6,344,897	6,454,527	6,583,710
Total New Mexico Jurisdiction Revenue Requirements	42,283,296	41,994,994	41,177,257	40,865,365	40,289,968	39,816,124
Net New Mexico Jurisdictional Annual Wind Savings	(19,325,718)	(23,475,468)	(22,186,154)	(22,122,958)	(22,836,927)	(21,825,933)

New Mexico Jurisdictional Annual Wind Savings

	2043	2044	2045	2046	2047	2048	Grand Total
Total Annual Wind Savings	(287,005,280)	(247,173,631)	(121,432,107)	(59,847,113)	(62,533,079)	(64,791,005)	
New Mexico Energy Allocator	22.45%	22.45%	22.45%	22.45%	22.45%	22.45%	
New Mexico Jurisdiction Annual Savings	(64,432,480)	(55,490,304)	(27,261,421)	(13,435,634)	(14,038,632)	(14,545,534)	
New Mexico Jurisdictional Revenue Requirements							
Hale	14,823,059	3,263,078	0	0	0	0	
Sagamore	17,183,500	16,703,069	3,500,953	0	0	0	
Bonita	6,715,200	6,867,662	6,987,407	7,125,816	7,268,841	7,434,378	
Total New Mexico Jurisdiction Revenue Requirements	38,721,759	26,833,810	10,488,360	7,125,816	7,268,841	7,434,378	
Net New Mexico Jurisdictional Annual Wind Savings	(25,710,721)	(28,656,494)	(16,773,062)	(6,309,818)	(6,769,791)	(7,111,157)	(637,644,595)

CASE NO. 17-00044-UT

APPLICATION OF SOUTHWESTERN PUBLIC SERVICE COMPANY FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY AUTHORIZING CONSTRUCTION AND OPERATION OF WIND GENERATION AND ASSOCIATED FACILITIES, AND RELATED RATEMAKING PRINCIPALS INCLUDING AN ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION FOR THE WIND GENERATION AND ASSOCIATED FACILITIES; AND APPROVAL OF A PURCHASED POWER AGREEMENT TO OBTAIN WIND-GENERATED ENERGY

Attachment APF-4 (CD)