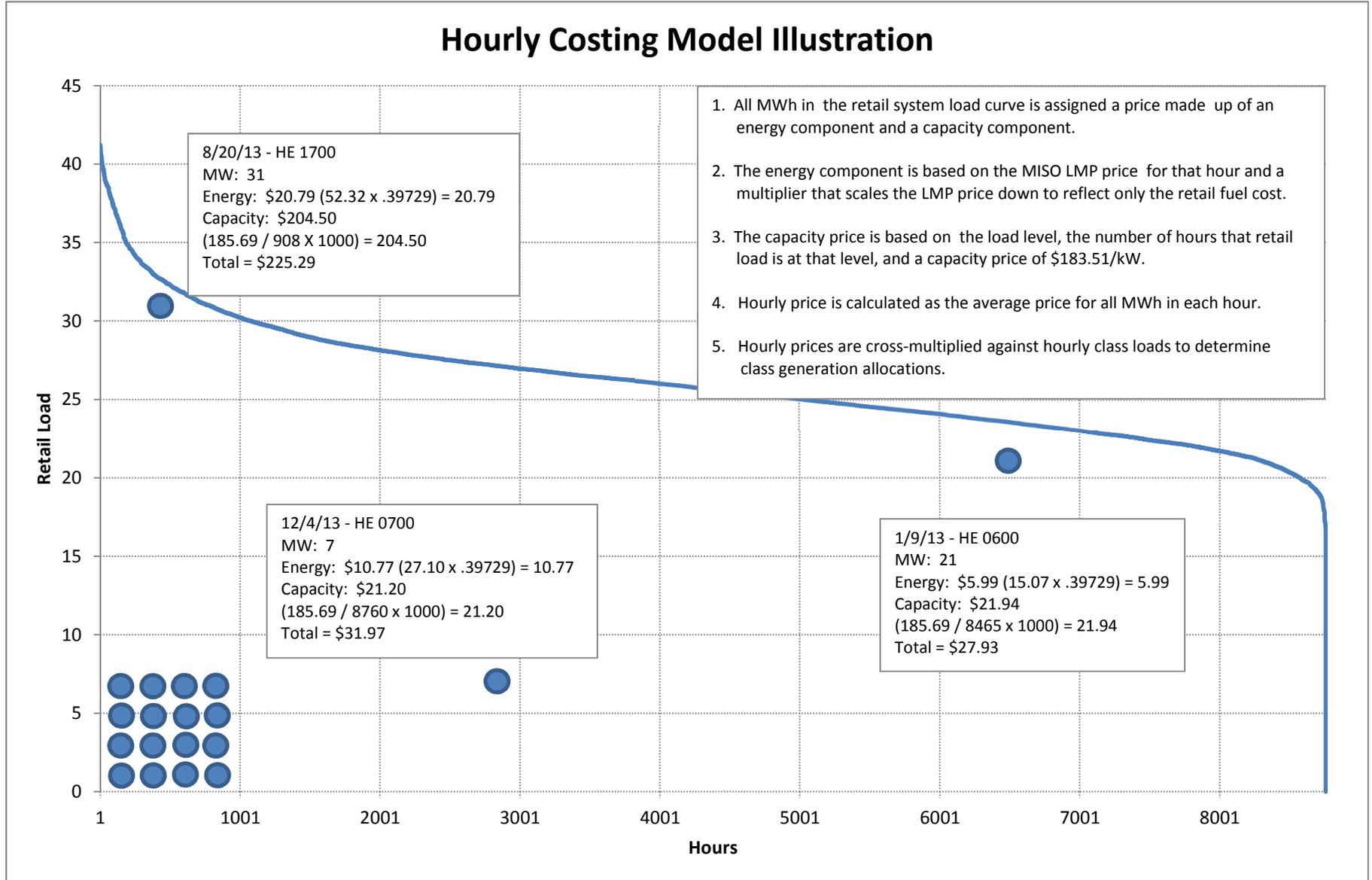


Hourly Costing Model Illustration  
Test Year Ending December 31, 2013



1. All MWh in the retail system load curve is assigned a price made up of an energy component and a capacity component.
2. The energy component is based on the MISO LMP price for that hour and a multiplier that scales the LMP price down to reflect only the retail fuel cost.
3. The capacity price is based on the load level, the number of hours that retail load is at that level, and a capacity price of \$183.51/kW.
4. Hourly price is calculated as the average price for all MWh in each hour.
5. Hourly prices are cross-multiplied against hourly class loads to determine class generation allocations.