

Transmission Cost Recovery Rider
TCR Tracker Account Calculation - 2011

| | Jan-11 | Feb-11 | Mar-11 | Apr-11 | May-11 | Jun-11 | Jul-11 | Aug-11 | Sep-11 | Oct-11 | Nov-11 | Dec-11 | Annual |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Chisago Apple River | | | | | | | | | | | | | |
| Rate Base | | | | | | | | | | | | | |
| Plus CWIP Ending Balance | 20,313,108 | 20,665,058 | 20,890,758 | 20,991,858 | 17,539,680 | 17,562,680 | 17,562,680 | 17,562,680 | 0 | 0 | 0 | 0 | 0 |
| Plus Plant In-Service | 28,844,954 | 28,845,054 | 28,845,154 | 28,845,254 | 32,354,232 | 32,354,232 | 32,354,232 | 32,354,232 | 49,916,912 | 49,916,912 | 49,916,912 | 49,916,912 | 49,916,912 |
| Less Book Depreciation Reserve | 355,899 | 415,792 | 475,685 | 535,578 | 599,295 | 666,835 | 734,376 | 801,916 | 888,862 | 995,213 | 1,101,564 | 1,207,914 | 1,207,914 |
| Less Accum Deferred Taxes | 2,972,391 | 3,088,992 | 3,204,945 | 3,320,465 | 3,445,018 | 3,578,700 | 3,712,265 | 3,845,715 | 4,067,081 | 4,376,454 | 4,685,857 | 4,995,255 | 4,995,255 |
| End Of Month Rate Base | 45,829,772 | 46,005,325 | 46,055,278 | 45,981,070 | 45,849,600 | 45,671,371 | 45,470,266 | 45,269,282 | 44,960,970 | 44,545,240 | 44,129,492 | 43,713,735 | 43,713,735 |
| Average Rate Base (BOM/EOM) | 45,678,666 | 45,917,550 | 46,030,302 | 46,018,174 | 45,915,335 | 45,760,485 | 45,570,815 | 45,369,775 | 45,115,120 | 44,753,108 | 44,337,365 | 43,921,610 | 45,365,694 |
| Calculation of Return | | | | | | | | | | | | | |
| Plus Debt Return | 117,623 | 118,238 | 118,528 | 118,497 | 118,232 | 117,833 | 117,345 | 116,827 | 116,171 | 115,239 | 114,169 | 113,098 | 1,401,800 |
| Plus Equity Return | 201,367 | 202,420 | 202,917 | 202,863 | 202,410 | 201,727 | 200,891 | 200,005 | 198,883 | 197,287 | 195,454 | 193,621 | 2,399,845 |
| Total Return | 318,989 | 320,658 | 321,445 | 321,360 | 320,642 | 319,561 | 318,236 | 316,832 | 315,054 | 312,526 | 309,623 | 306,719 | 3,801,645 |
| Income Statement Items | | | | | | | | | | | | | |
| Plus Operating Expense | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Plus Accrued Costs / Benefits | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Plus Avoided Property Taxes | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Plus Property Taxes | 22,811 | 22,811 | 22,811 | 22,811 | 22,811 | 22,811 | 22,811 | 22,811 | 22,811 | 22,811 | 22,811 | 22,811 | 273,728 |
| Plus Book Depreciation | 49,843 | 59,893 | 59,893 | 59,893 | 63,717 | 67,540 | 67,540 | 67,540 | 86,946 | 106,351 | 106,351 | 106,351 | 901,858 |
| Plus Deferred Taxes | 69,998 | 116,601 | 115,957 | 115,516 | 124,553 | 133,688 | 133,563 | 133,446 | 221,366 | 309,373 | 309,403 | 309,403 | 2,092,860 |
| Plus Gross Up for Income Tax | 55,441 | 19,926 | 20,695 | 21,011 | 13,858 | 6,505 | 6,153 | 5,767 | (62,899) | (131,888) | (132,898) | (133,885) | (312,215) |
| Less AFUDC | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Less AFUDC Gross Up for Income Tax | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Less OATT Credit to retail customers | 96,658 | 100,888 | 100,859 | 100,709 | 104,900 | 109,031 | 108,674 | 108,296 | 115,605 | 122,720 | 121,950 | 121,179 | 1,311,470 |
| Less Wind Production Tax Credit | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Less Wind PTC Gross up for Income Tax (Fed only) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Income Statement Expense | 101,435 | 118,342 | 118,496 | 118,521 | 120,038 | 121,514 | 121,393 | 121,268 | 152,617 | 183,927 | 183,716 | 183,500 | 1,644,767 |
| Total Revenue Requirements | 420,424 | 439,000 | 439,941 | 439,881 | 440,680 | 441,075 | 439,629 | 438,100 | 467,671 | 496,452 | 493,339 | 490,219 | 5,446,412 |
| SD Jurisdictional Revenue Requirement | 19,670 | 20,539 | 20,583 | 20,580 | 20,617 | 20,636 | 20,568 | 20,497 | 21,880 | 23,227 | 23,081 | 22,935 | 254,810 |