

PUBLIC DOCUMENT
CONFIDENTIAL DATA EXCISED

		2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total	NPV	LCOE
Pine Bend	Proposed														
	Revenue Req - Payments														
	Revenue Req - Replacement Energy														
	Total Revenue Requirements														
	MWh														
	\$/MWh														
	Current PPA														
	Revenue Requirements														
	MWh														
	\$/MWh														
Savings															
Revenue Requirements														5,169,174	
Fibrominn	Buy & Shut Down														
	Revenue Req - Buy & Shut Down														
	Revenue Req - Replacement Energy														
	Total Revenue Requirements														
	MWh														
	\$/MWh														
	PPA														
	Revenue Requirements														
	MWh														
	PPA \$/MWh														
Delta Ownership vs. PPA Cost														345,559,598	
LEA	Proposed														
	Revenue Req - Buy & Shut Down														
	Revenue Req - Replacement Energy														
	Revenue Requirements														
	MWh														
	\$/MWh														
	Current PPA														
	Revenue Requirements														
	MWh														
	\$/MWh														
Savings															
Revenue Requirements														86,927,974	
Total Annual Savings													437,656,746		
South Dakota Annual Savings (5.1%)													22,320,494		

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System Impacts									
Contract	Current Contracts			Revised Contracts			Savings		
	Nominal (\$M)	NPV (\$M)	LCOE (\$/MWH)	Nominal (\$M)	NPV (\$M)	LCOE (\$/MWH)	Nominal (\$M)	NPV (\$M)	LCOE (\$/MWH)
Pine Bend	15.4	12.3		8.8	7.1		6.6	5.2	
Laurentian	295.4	225.5		173.9	138.6		121.5	86.9	
Fibrominn	771.6	561.2		292.0	215.6		479.6	345.6	
Total	1,082.4	799.0		474.6	361.3		607.7	437.6	

Transaction	Nominal Dollars in Millions				NPV Dollars in Millions			
	System			SD	System			SD
	Current	Proposed	Savings	Savings	Current	Proposed	Savings	Savings
Pine Bend	15.4	8.8	6.6	0.3	12.3	7.1	5.2	0.3
Laurentian	295.4	173.9	121.5	6.2	225.5	138.6	86.9	4.4
Fibrominn	771.6	292.0	479.6	24.5	561.2	215.6	345.6	17.6
Total	1,082.4	474.7	607.7	31.0	799.0	361.3	437.7	22.3

Current and proposed rounded to 1 decimal point, savings calculated using these rounded values to eliminate rounding errors

SD Allocation 5.10%

Benson Power (Fibrominn) - Purchase and Wind Down Operations Through June 2018

**Revenue Requirements Calculation
In Whole Dollars**

Revenue Requirements

Return on Average CWIP/Rate Base - Note 1
AFUDC Offset
Fuel - Note 2
Transportation
Operating Consumables and Supply
Landfill Expense
O&M Expense - Note 2
Insurance Expense - Note 2
Property Tax Expense - Note 3
Book Depreciation Expense
Deferred Income Tax Expense (Credit)
Current Income Tax Expense (Credit)
PTCs
ITCs
Deferred ITCs
Total Revenue Requirements

2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028

Income Statement

Revenue
AFUDC Offset
Fuel
Transportation
Operating Consumables and Supply
Landfill Expense
O&M Expense
Insurance Expense
Property Tax Expense
Book Depreciation Expense
Interest Expense
Income (Loss) Before Tax

Current & Deferred Income Tax (Expense) Credit
PTCs
ITCs
Deferred ITCs

Net Income (Loss)

Check: Avg Rate Base * Weighted Avg Cost of Equity = Net Income
Difference S/B = \$0

Equity Rate Base
ROE

2018 2019 2020 2021 2022 2023 2024 2025 2026 2027 2028

Notes:

- (1) Assume costs associated with acquiring and shutting down the facility are included in rate base and earn the Commission Authorized WACC.
- (2) Wind down operations through June 2018
- (3) Based on Letter Agreement with the City of Benson