

Revised Calculation of Docket No. 17-057-18 Revenue Requirement

A	B Original Revenue Requirement 17-057-18	C Revised Revenue Requirement
1 Total Net Investment	\$296,433,089	\$299,683,476 2/
2 Less: Amount currently in rates	(\$84,000,000)	(\$84,000,000)
3 Replacement Infrastructure in Tracker	\$212,433,089	\$215,683,476
4 Less: Accumulated Depreciation	(\$5,798,337)	(\$5,844,710) 3/
5 Accumulated Deferred Income Tax	(32,152,639)	(38,824,257) 4/
6 Net Rate Base	<u>\$174,482,113</u>	<u>\$171,014,509</u>
7 Current Commission-Allowed Pre-Tax Rate of Return	10.79%	10.79% 5/
8 Allowed Pre-Tax Return (Line 6 x Line 7)	\$18,826,620	\$18,452,466
9 Plus: Net Depreciation Expense	\$4,546,068	\$4,615,626 3/
10 Net Taxes Other Than Income (1.2% x Line 6)	<u>\$2,093,785</u>	<u>\$2,052,174</u>
11 Total Revenue Requirement	<u>\$25,466,473</u>	<u>\$25,120,266</u>
12 Reduction for Over Collection in October 2015 through January 2016	(\$137,985)	(\$137,985) 6/
13 Remaining Revenue Requirement	\$25,328,488	\$24,982,281
14 Previous Revenue Requirement	\$19,413,381	\$19,413,381
15 Incremental Revenue Requirement	<u>\$5,915,107</u>	<u>\$5,568,900</u>
16 Difference in Revenue Requirement		(\$346,207)
17 Percentage of Annual Revenue collected in October-November 2017		16.63%
18 Amount to be refunded:		(\$57,574)

1/ Original amounts shown in Docket No. 17-057-18, Exhibit 1.1, Page 4

2/ Change reflects correction to include two IHP projects (01044742 and 01045069) totaling \$3.25MM.

3/ Depreciation expense and accumulated depreciation calculated by multiplying the depreciation rate of 2.14% (rate approved in depreciation study Docket No. 13-057-19) by the net investment amount on line 3.

4/ Correction to include accumulated depreciation related to FL21 project and IHP projects that had been excluded.

5/ Current Commission allowed pretax return as shown in Section 2.07 of the Company's tariff

6/ Revenue requirement reduction due to interruption penalties collected in 2017.