

**DETERMINATION OF DEFICIENCY ASSOCIATED WITH
PROVISIONAL PROFORMA ADJUSTMENTS
SUBJECT TO REFUND**

UE-240004
Exh. SEF-41 page 1 of 3

ELECTRIC

LINE	PLANT RELATED COSTS	2025	2026	Source
9	Cost of Debt	2.72%	2.69%	Exh. SEF-29 page 2
10	Requested Rate of Return	7.52%	7.64%	Exh. SEF-29 page 2
11	Statutory Federal Income Tax Rate	21.00%	21.00%	
12	Conversion Factor	75.05%	75.05%	Exh. SEF-29 page 3
13				
14	Rate Base Associated with Post 2024 Plant Additions	\$ 1,374,594,032	\$ 2,714,637,943	SEF-41 page 2 line 89
15	Rate Base Associated with Post 2024 Plant Retirements	2,492,517	4,530,245	SEF-41 page 3 line 25
16	Total Rate Base Proposed Subject to Refund	1,377,086,549	2,719,168,188	
17				
18	Depr/Amort Expense Associated with Post 2024 Plant Additions	(60,455,678)	(138,479,505)	SEF-41 page 2 line 80
19	Depr/Amort Expense Associated with Post 2024 Plant Retirements	724,834	2,463,707	SEF-41 page 3 line 12
20	Impact on Operating Income for Depreciation/Amortization Expense	(59,730,844)	(136,015,798)	
21				
22	Income Tax Expense Associated with Post 2024 Plant Additions	12,695,692	29,080,696	SEF-41 page 2 line 82
23	Income Tax Expense Associated with Post 2024 Plant Retirements	(111,522)	(547,253)	SEF-41 page 3 line 16
24	Income Tax Expense	12,584,170	28,533,443	
25				
26	Impact on NOI for Depreciation/Amortization Expense	(47,146,674)	(107,482,355)	
27				
28	Tax Benefit of Proforma Interest	7,865,918	15,360,581	Line 9 x Line 11 x Line 16
29				
30	Net Operating Income	(39,280,755)	(92,121,773)	Line 27 + Line 28
31				
32	Net Operating Income Requirement (Return on Rate Base)	103,556,908	207,744,450	Line 10 x Line 16
33				
34	Net Operating Income Deficiency	142,837,664	299,866,223	Line 32 - Line 30
35				
36	Grossed Up Deficiency - Cumulative	190,317,504	399,543,016	Line 34 / Line 12
37				
38	Grossed Up Deficiency - Cumulative In Rates	190,317,504	399,543,016	Line 36
39				
40	Grossed Up Deficiency - By Year	190,317,504	209,225,512	Line 38 - Prior Year Line 38