

**REVISED APPENDIX A**

**ADJUSTMENTS TO REVENUE REQUIREMENTS**

**ELECTRIC OPERATIONS**

		Commission Decision		
		NOI	Rate Base	Revenue Requirement
Adj. No.	Adjustment			
	Actual Results of Operation	391,140,691	5,208,778,506	(8,267,390)
<b>Restating Adjustments</b>				
6.01	Revenues and Expenses	8,327,800	-	(11,083,325)
6.02	Temperature Normalization	4,922,913	-	(6,551,820)
6.03	Federal Income Tax	(38,397,755)	-	51,102,909
6.04	Tax Benefit of Interest	33,059,305	-	(43,998,058)
6.05	Pass-Through Revenues and Expenses	(1,955,986)	-	2,603,188
6.06	Normalize Injuries and Damages	66,597	-	(88,633)
6.07	Bad Debts	303,154	-	(403,462)
6.08	Incentive Pay	184,145	-	(245,076)
6.09	Excise Tax & Filing Fee	71,835	-	(95,604)
6.10	Directors & Officers Insurance	5,301	-	(7,055)
6.11	Interest on Customer Deposits	(803,909)	-	1,069,909
6.12	Rate Case Expenses	(496,558)	-	660,860
6.13	Pension Plan	(1,726,149)	-	2,297,302
6.14	Property & Liability Insurance	319,951	-	(425,818)
6.15	Wage Increase	(61,810)	-	82,262
6.16	Investment Plan	(13,157)	-	17,510
6.17	Employee Insurance	(23,850)	-	31,742
6.18	AMA to EOP Rate Base	-	182,818,242	17,980,583
6.19	AMA to EOP Depreciation	(16,904,953)	(16,904,953)	20,835,871
6.23	Rent Expense	340,893	-	(453,689)
7.01	Power Costs	(7,589,560)	-	10,100,815
7.02	Montana Electric Energy Tax	(68,620)	-	91,325
7.03	Wild Horse Solar	167,531	(1,615,371)	(381,839)
7.04	ASC 815	(32,912,586)	-	43,802,792
7.05	Storm Damage	(11,001)	-	14,641
7.07	Colstrip Depreciation	1,855,595	(12,991,853)	(3,747,358)
<b>Pro Forma Adjustments</b>				
6.01	Revenues and Expenses	(25,679,090)	-	34,175,857
6.02	Temperature Normalization	8,570,014	-	(11,405,684)
6.04	Tax Benefit of Interest	(768,317)	-	1,022,540
6.09	Excise Tax & Filing Fee	-	-	-
6.10	Directors & Officers Insurance	-	-	-
6.14	Property & Liability Insurance	(442,588)	-	589,033
6.15	Wage Increase	(3,003,557)	-	3,997,382
6.16	Investment Plan	(208,177)	-	277,060
6.17	Employee Insurance	(691,247)	-	919,969
6.20	Deferred Gains/Losses on Property Sales	4,520,668	-	(6,016,479)
6.21	Environmental Remediation	(120,118)	-	159,863
6.22	AMI	(6,154,931)	-	8,191,491
6.23	Rent Expense	394,549	-	(525,098)
6.24	Get to Zero	(12,535,389)	36,080,289	20,231,710
6.25	Credit Card Payment Processing Costs	477,331	-	(635,271)
6.26	Unprotected EDIT	-	-	-
6.27	Public Improvement	(582,530)	25,767,063	3,309,527
6.28	Contract Escalations	(1,330,726)	-	1,771,040
6.29	HR TOPS	(567,399)	5,798,358	1,325,423
7.01	Power Costs	(835,714)	-	1,112,238
7.02	Montana Electric Energy Tax	526,903	-	(701,247)
7.05	Storm Damage	(10,681,805)	-	14,216,229
7.06	Regulatory Assets and Liabilities	9,100,115	(23,391,892)	(14,411,831)
7.08	Energy Imbalance Market (EIM)	4,478,734	(3,321,470)	(6,287,344)
7.09	High Molecular Weight Cable	(809,932)	34,322,392	4,453,609
7.10	Energy Management System (EMS)	(2,484,594)	4,143,549	3,714,230
<b>Other Party Adjustments</b>				
12.01	SmartBurn (Staff)	431,825	(5,272,401)	(1,093,260)
12.02	Remove Colstrip Outage (Staff)	-	-	-
12.03	Remove Green Direct (Staff)	-	(211,405)	(20,792)
AWEC-1	Bothell Data Center (AWEC)	-	-	-
12.04	Remove Shuffleton (Staff)	45,030	(550,000)	(114,023)
<b>Total Adjustments</b>		(89,691,818)	224,670,547	141,466,143
<b>Revenue Requirement Before Other Tariff Schedules</b>		301,448,872.52	5,433,449,053	133,198,753
Less Riders				(3,117,000)
Less EDIT Separate Credit Tariff Sch.				(70,484,295)
<b>Revenue Requirement Before Mitigation Strategy</b>		301,448,873	5,433,449,053	59,597,458
Extend Amortization of Regulatory Assets - Estimated				(17,700,000)
Decoupling Deferral - Estimated				(10,900,000)
<b>Final Revenue Requirement</b>		301,448,873	5,433,449,053	30,997,458

**NATURAL GAS OPERATIONS**

		Commission Decision		
		NOI	Rate Base	Revenue Requirement
Adj. No.	Adjustment			
	Actual Results of Operation	103,864,304	1,951,252,143	53,485,466
<b>Restating Adjustments</b>				
6.01	Revenues and Expenses	1,442,871	-	(1,913,375)
6.02	Temperature Normalization	54,148	-	(71,805)
6.03	Federal Income Tax	(5,017,714)	-	6,653,938
6.04	Tax Benefit of Interest	12,916,466	-	(17,128,388)
6.05	Pass-Through Revenues and Expenses	(1,412,119)	-	1,872,595
6.06	Normalize Injuries and Damages	(1,256,319)	-	1,665,991
6.07	Bad Debts	(125,429)	-	166,330
6.08	Incentive Pay	(187,098)	-	248,109
6.09	Excise Tax & Filing Fee	69,886	-	(92,675)
6.10	Directors & Officers Insurance	3,831	-	(5,080)
6.11	Interest on Customer Deposits	(204,504)	-	271,190
6.12	Rate Case Expenses	(438,078)	-	580,931
6.13	Pension Plan	(770,451)	-	1,021,687
6.14	Property & Liability Insurance	(52,646)	-	69,813
6.15	Wage Increase	(359,399)	-	476,596
6.16	Investment Plan	(4,190)	-	5,557
6.17	Employee Insurance	(10,645)	-	14,117
6.18	AMA to EOP Rate Base	-	150,665,688	14,764,937
6.19	AMA to EOP Depreciation	(9,738,308)	(9,738,308)	11,959,531
6.23	Rent Expense	520,589	-	(690,348)
<b>Pro Forma Adjustments</b>				
6.01	Revenues and Expenses	(7,393,164)	-	9,803,996
6.02	Temperature Normalization	12,260,525	-	(16,258,552)
6.04	Tax Benefit of Interest	(501,416)	-	664,923
6.09	Excise Tax & Filing Fee	-	-	-
6.10	Directors & Officers Insurance	-	-	-
6.14	Property & Liability Insurance	(24,480)	-	32,463
6.15	Wage Increase	(1,909,978)	-	2,532,802
6.16	Investment Plan	(92,854)	-	123,132
6.17	Employee Insurance	(308,532)	-	409,141
6.20	Deferred Gains/Losses on Property Sales	72,647	-	(96,336)
6.21	Environmental Remediation	(676,944)	-	897,688
6.22	AMI	(2,682,091)	-	3,556,692
6.23	Rent Expense	134,162	-	(177,910)
6.24	Get to Zero	(6,383,799)	18,429,892	10,271,581
6.25	Credit Card Payment Processing Costs	344,098	-	(456,305)
6.26	Unprotected EDIT	-	-	-
6.27	Public Improvement	(128,060)	17,461,761	1,881,037
6.28	Contract Escalations	(303,817)	-	402,889
6.29	HR TOPS	(289,829)	2,961,814	674,591
8.01	Remove 2018 CRM	31,240	(9,327,511)	(955,504)
8.02	Proforma Exiting CRM	(5,263,989)	(6,388,044)	6,354,504
<b>Other Party Adjustments</b>				
12.03	Remove Green Direct (Staff)	-	(105,392)	(10,328)
12.05	Tacoma LNG (Staff)	627,299	(26,191,470)	(3,398,566)
AWEC-1	Bothell Data Center (AWEC)	-	-	-
	<b>Total Adjustments</b>	(17,058,093)	137,768,432	36,121,586
	<b>Revenue Requirement Before Other Tariff Schedules</b>	86,806,211	2,089,020,576	89,607,052
	Less Riders			(32,408,666)
	Less EDIT Separate Credit Tariff Sch.			(14,267,653)
	<b>Revenue Requirement Before Mitigation Strategy</b>	86,806,211	2,089,020,576	42,930,734
	Extend Amortization of Regulatory Assets - Estimated			(4,400,000)
	PGA Deferral - Extend to 3 years			(30,800,000)
	<b>Final Revenue Requirement</b>	<b>86,806,211</b>	<b>2,089,020,576</b>	<b>7,730,734</b>