



Midwest Energy, Inc.

May 10, 2017

Ms. Amy Green
Secretary of the Commission
Kansas Corporation Commission
1500 SW Arrowhead Road
Topeka, Kansas 66604-4027

RE: Midwest Energy 2017 Transmission Formula Rate Annual Update Filing

Dear Ms. Green:

Midwest Energy, Inc. (Midwest Energy) hereby submits its 2017 update to the Annual Transmission Revenue Requirement (ATRR) associated with its Transmission Formula Rate. This filing is being presented according the Protocols as approved by the Kansas Corporation Commission on August 25, 2016 in Midwest Energy's Open Access Transmission Tariff (OATT), Docket 16-MDWE-324-TFR.

Included below is a copy of Attachment H-1 to the OATT. Also included with the filing is the electronic version of Attachment H-1 with the data used to calculated the ATRR with all formulas intact.

Midwest Energy has also made Attachment H-1 available on SPP's Member Related Posting website at:

<http://sppoasis.spp.org/documents/SWPP/MemberRelatedPostings/MemberRelatedPostings.asp>

Midwest Energy has scheduled a customer meeting with its zonal customers on June 15, 2017 at 10:00 A.M to review this filing. This information was provided via email.

If you have any questions, please contact me at 785-625-1461.

Sincerely,

Michael S. Billinger,
Manager of Rates and Demand Response

Attachments

1330 Canterbury Drive
P.O. Box 898
Hays, Kansas 67601-0898
(785) 625-3437
1-800-222-3121
Fax (785) 625-1494
www.mwenergy.com

Midwest Energy, Inc.
Transmission Formula Rate
Attachment H-1 to Open Access Transmission Tariff
Test Year 12/31/2016

Formula Rate	Notes	FERC Form 1 Page # or Instruction	Year Ending 12/31/2016
--------------	-------	-----------------------------------	---------------------------

Shaded cells are input cells

Allocators

Wages & Salary Allocation Factor			
1	Transmission Wages Expense	p354.21.b	981,304
2	Total Wages Expense	p354.28b	6,667,833
3	Less A&G Wages Expense	p354.27b	1,830,960
4	Total	(Lines 2 - 3)	4,836,873
5	Wages & Salary Allocator	(Lines 1 / 4)	20.2880%
Plant Allocation Factors			
6	Electric Plant in Service	(Note B) Cost Support Sheets	570,120,195
7	Common Plant In Service - Electric	(Line 24)	25,355,537
8	Total Plant In Service	(Sum Lines 6 to 7)	595,475,732
9	Accumulated Depreciation (Total Electric Plant)	p219.29c	195,119,953
10	Accumulated Intangible Amortization	(Note A) p200.21c	192,811
11	Accumulated Common Amortization - Electric	(Note A) p356	0
12	Accumulated Common Plant Depreciation - Electric	(Note A) p356.1	20,550,504
13	Total Accumulated Depreciation	(Sum Lines 9 to 12)	215,863,268
14	Net Plant	(Lines 8 - 13)	379,612,464
15	Transmission Gross Plant	(Lines 29 - Line 28)	151,764,848
16	Gross Plant Allocator	(Lines 15 / 8)	25.4863%
17	Transmission Net Plant	(Lines 39 - Line 28)	110,410,271
18	Net Plant Allocator	(Lines 17 / 14)	29.0850%

Plant Calculations

Plant In Service			
19	Transmission Plant In Service	(Note B) p207.58.g	141,706,033
20			
21	This line is not used, but is held for future use.		
22	Total Transmission Plant In Service	(Lines 19 - 20 + 21)	141,706,033
23	General & Intangible	p205.5.g & p207.99.g	24,224,626
24	Common Plant (Electric Only)	(Notes A & B) p356	25,355,537
25	Total General & Common	(Lines 23 + 24)	49,580,163
26	Wage & Salary Allocation Factor	(Line 5)	20.28798%
27	General & Common Plant Allocated to Transmission	(Lines 25 * 26)	10,058,815
28	Plant Held for Future Use (Including Land)	(Note C) p214	0
29	TOTAL Plant In Service	(Lines 22 + 27 + 28)	151,764,848

Midwest Energy, Inc.
Transmission Formula Rate
Attachment H-1 to Open Access Transmission Tariff
Test Year 12/31/2016

Formula Rate				Notes	FERC Form 1 Page # or Instruction	Year Ending 12/31/2016
Shaded cells are input cells						
Accumulated Depreciation						
30	Transmission Accumulated Depreciation	(Note B)	p219.25.c			34,576,795
31	Accumulated General Depreciation		p219.28.c			12,664,551
32	Accumulated Intangible Amortization		(Line 10)			192,811
33	Accumulated Common Amortization - Electric		(Line 11)			0
34	Common Plant Accumulated Depreciation (Electric Only)		(Line 12)			20,550,504
35	Total Accumulated Depreciation		(Sum Lines 31 to 34)			33,407,866
36	Wage & Salary Allocation Factor		(Line 5)			20.28798%
37	General & Common Allocated to Transmission		(Lines 35 x 36)			6,777,782
38	TOTAL Accumulated Depreciation		(Lines 30 + 37)			41,354,577
39	TOTAL Net Property, Plant & Equipment		(Lines 29 - 38)			110,410,271
Adjustment To Rate Base						
Prepayments						
40	Prepayments (Account 165)	(Note A)	p111.57c			591,971
41	Net Plant Allocation Factor		(Line 18)			29.0850%
42	Total Prepayments Allocated to Transmission		(Lines 40 x 41)			172,175
Materials and Supplies						
43	Materials and Supplies	(Note A)	Cost Support Sheets			4,900,797
44	Wage & Salary Allocation Factor		(Line 5)			20.29%
45	Total Transmission Allocated		(Lines 43 x 44)			994,273
46	Transmission Materials & Supplies - if not included in line 43					0
47	Total Materials & Supplies Allocated to Transmission		(Lines 45 + 46)			994,273
Cash Working Capital						
48	Transmission Operation & Maintenance Expense		(Line 73)			4,715,828
49	1/8th Rule		x 1/8			12.5%
50	Total Cash Working Capital Allocated to Transmission		(Lines 48 x 49)			589,479
Construction Work in Progress (CWIP)						
51	Transmission Construction Work in Progress		Cost Support Sheets			25,030,676
52	TOTAL Adjustment to Rate Base		(Line 42+47+50+51)			26,786,603
53	Rate Base		(Lines 39 + 52)			137,196,874

Midwest Energy, Inc.
Transmission Formula Rate
Attachment H-1 to Open Access Transmission Tariff
Test Year 12/31/2016

Formula Rate				Notes	FERC Form 1 Page # or Instruction	Year Ending 12/31/2016
Shaded cells are input cells						
O&M						
Transmission O&M						
54	Transmission O&M				p322.112.b	3,296,944
55	Less Account 565	(Note I)			p322.96.b	-
56	Less Schedule 12 payments if specifically recovered elsewhere	(Note I)			MWE Data	-
57	Less Transmission Share of Acc. 454 - Rent from Elec Property	(Note C)			Cost Support Sheets	66,350
58	Plus Transmission Lease Payments	(Note E)				0
59	Transmission O&M				(Lines 54-55-56-57+58)	3,230,594
Allocated General & Common Expenses						
60	Common Plant O&M	(Note A)			p356	0
61	Adjusted A&G				Cost Support Sheets	5,477,755
62	General & Common Expenses				(Lines 60 x 61)	5,477,755
63	Wage & Salary Allocation Factor				(Line 5)	20.2880%
64	General & Common Expenses Allocated to Transmission				(Lines 62 x 63)	1,111,326
Directly Assigned A&G						
66	Property Insurance Account 924				Cost Support Sheets	383,321
67	Net Plant Allocation Factor				(Line 18)	29.08%
68	Transmission Property Insurance				(Lines 67 x 68)	111,489
69	Plus Transmission General Advertising	(Note J)			Cost Support Sheets	5,548
70	Plus Transmission Regulatory - State				Cost Support Sheets	67,391
71	Plus Transmission Regulatory - Federal				Cost Support Sheets	172,959
72	Plus Transmission Industry Dues	(Note D)			Cost Support Sheets	16,522
73	Total Transmission O&M				(Lines 59 + 64 + 68 + 69 + 70 + 71 + 72)	4,715,828
Depreciation & Amortization Expense						
Depreciation Expense						
74	Transmission Depreciation Expense				Depreciation & Amortization Sheets	2,241,878
75	General Depreciation				Depreciation & Amortization Sheets	189,812
76	Intangible Amortization	(Note A)			Depreciation & Amortization Sheets	90,569
77	Total				(Lines 75 + 76)	280,381
78	Wage & Salary Allocation Factor				(Line 5)	20.2880%
79	General Depreciation Allocated to Transmission				(Lines 77 x 78)	56,884
80	Common Depreciation - Electric Only	(Note A)			Depreciation & Amortization Sheets	3,396,134
81	Common Amortization - Electric Only	(Note A)			p356 or p336.11.d	0
82	Total				(Lines 80 + 81)	3,396,134
83	Wage & Salary Allocation Factor				(Line 5)	20.2880%
84	Common Depreciation - Electric Only Allocated to Transmission				(Lines 82 x 83)	689,007
85	Total Transmission Depreciation & Amortization				(Lines 74 + 79 + 84)	2,987,769
Taxes Other than Income						
86	Taxes Other than Income				Other Taxes Sheets	1,726,824
87	Total Taxes Other than Income				(Line 86)	1,726,824

Midwest Energy, Inc.
Transmission Formula Rate
Attachment H-1 to Open Access Transmission Tariff
Test Year 12/31/2016

Formula Rate		Notes	FERC Form 1 Page # or Instruction	Year Ending 12/31/2016
Shaded cells are input cells				
Return / Capitalization Calculations				
Long Term Interest				
88	Long Term Interest (Consolidated)		p117.62c through 67c	14,771,376
Patronage Capital & Other Equity				
89	Patronage Capital & Other Equity (Consolidated)		p112.16c	204,111,642
Capitalization				
90	Long Term Debt (Consolidated)		p112.18.c through 21.c	294,383,431
91	Total Long Term Debt		(Line 90)	294,383,431
92	Patronage Cap.		(Line 89)	204,111,642
93	Total Capitalization		(Lines 91 + 92)	498,495,073
94	Debt %	Total Long Term Debt	(Lines 91 / 93)	59.0544%
95	Capital %	Patronage Cap.	(Lines 92 / 93)	40.9456%
96	Debt Cost	Total Long Term Debt	(Lines 88 / 91)	5.0177%
97	Equity Cost	Patronage Cap.	(Note F) Fixed - with 50 bps RTO Member adder	10.5000%
98	Weighted Cost of Debt	Total Long Term Debt (WCLTD)	(Lines 94 x 96)	2.9632%
99	Weighted Cost of Capital	Patronage Cap.	(Lines 95 x 97)	4.2993%
100	Total Return (R)		(Lines 98 + 99)	7.2625%
101	Investment Return = Rate Base * Rate of Return		(Lines 53 x 100)	9,963,894
REVENUE REQUIREMENT				
Summary				
102	Net Property, Plant & Equipment		(Line 39)	110,410,271
103	Adjustment to Rate Base		(Line 52)	26,786,603
104	Rate Base		(Line 53)	137,196,874
105	O&M		(Line 73)	4,715,828
106	Depreciation & Amortization		(Line 85)	2,987,769
107	Taxes Other than Income		(Line 87)	1,726,824
108	Investment Return		(Line 101)	9,963,894
109	Gross Revenue Requirement		(Sum Lines 105 to 108)	19,394,315

Midwest Energy, Inc.
Transmission Formula Rate
Attachment H-1 to Open Access Transmission Tariff
Test Year 12/31/2016

Formula Rate			Notes	FERC Form 1 Page # or Instruction	Year Ending 12/31/2016
Shaded cells are input cells					
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities					
110	Transmission Plant In Service			(Line 19)	141,706,033
111	Excluded Transmission Facilities		(Note H)	Cost Support Sheets	2,396,088
112	Included Transmission Facilities			(Lines 110 - 111)	139,309,945
113	Inclusion Ratio			(Lines 112 / 110)	98.3091%
114	Gross Revenue Requirement			(Lines 109)	19,394,315
115	Adjusted Gross Revenue Requirement			(Lines 113 x 114)	19,066,379
116	Less Account 456 - Other Electric Revenue (transmission-related activity)			Cost Support Sheets	273,035
117	Net Revenue Requirement			(Lines 115 - 116)	18,793,344
Net Plant Carrying Charge without New Investment Incentive					
118	Net Revenue Requirement			(Line 117)	18,793,344
119	Net Transmission Plant			(Lines 19 - 30)	107,129,238
120	Net Plant Carrying Charge			(Lines 118 / 119)	17.5427%
121	Net Plant Carrying Charge without Depreciation			((Ln118 - 74) / Ln119)	15.4500%
122	Net Revenue Requirement			(Line 117)	18,793,344
123	Less Base Plan Revenue Requirement			RTO Directed Projects, L13, Col. (k)	3,880,237
	Less Balanced Portfolio Revenue Requirement			RTO Directed Projects, L17, Col.(k)	838,343
	Line currently not used, but reserved for future use				
124	Net Zonal Revenue Requirement			(Line 122 - Line 123)	14,074,764
Network Zonal Service Rate					
125	12 CP Peak		(Note G)	12CP Firm Trans Sheet	300,650
126	Rate (\$/KW-Year)			(Lines 124 / 125)	46.8144
Firm Transmission Service Rates			Non-Firm Transmission Service Rates		
127	Annual Point-to-Point Firm (\$/kW)	46.8144		Annual Point-to-Point Non-Firm (\$/kW)	n/a
128	Monthly Firm (\$/kW) - (Annual/12)	3.9012		Monthly Non-Firm (\$/kW) - (Annual/12)	3.9012
129	Weekly Firm (\$/kW) - (Annual/52)	0.9003		Weekly Non-Firm (\$/kW) - (Annual/52)	0.9003
130	Daily Firm (\$/kW) - (Weekly/5)	0.1801		Daily Non-Firm (\$/kW) - (Weekly/5)	0.1801
131	Hourly Firm (\$/MWh)	n/a		Hourly Non-Firm (\$/MWh) (Daily/16 x 1000)	11.26
Notes					
A Electric portion only					
B Exclude Construction Work In Progress.					
C Transmission Portion Only					
D 50% of W/S portion of all KEC and NRECA Annual Membership Dues					
E Transmission lines leased from others. Midwest does not lease transmission lines from other entities.					
F Equity cost shall remain fixed as approved by the Kansas Corporation Commission, and shall not change until a change in the cost of equity as approved by the Commission becomes effective.					
G Average aggregated firm demand during each of the 12 calendar-month peak demand hours (i.e., "12 CP") for Network and Point to Point transactions of over one year on the Company's transmission system.					
H Amount of transmission plant excluded from rates, includes investment that does not pass the FERC tests for functionalization as transmission plant. Midwest Energy details specific segments of line in Attachment 3.					
I Midwest Energy Records assessments by SPP less revenues from SPP in account 555 (i.e. debit and credits) . The amounts offset each other completely. However, SPP also adds its administrative fees thereby making a net expense charged to 555. This administrative fee is recovered through the ECA mechanism and therefore should not be included as part of the TFR.					
MWE does not record anything in account 565. ="Account 566 is the account where NERC and FERC assessments are charged and are included in Transmission O&M expense (line 56)."					
J 50% of W/S Allocated Advertising					
END					

Midwest Energy, Inc.
Transmission Formula Rate
Attachment H-1 to Open Access Transmission Tariff - Other Taxes
Test Year 12/31/2016

Taxes Other Than Income Worksheet

		FERC Form 1 Reference		
Other Taxes		Page 263 Col (i)	Allocator	Allocated Amount
Plant Related		Gross Plant Allocator		
Property Taxes	Pg 263.14.i (Or Appropriate Line)	6,775,493		
Total Plant Related		6,775,493	25.4863%	1,726,824
Labor Related		Wages & Salary Allocator		
Total Labor Related		0	20.2880%	0
Other Included		Gross Plant Allocator		
Total Other Included		0	25.4863%	0
Total Included				1,726,824
Currently Excluded				
Total as reported on p. 263(i)		6,775,493		

Midwest Energy, Inc.
Transmission Formula Rate
Attachment H-1 to Open Access Transmission Tariff - Cost Support

Test Year 12/31/2016

Electric / Non-electric Cost Support

SPP Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Electric Portion	Non-electric Portion	Details
Plant Allocation Factors							
10	Accumulated Intangible Amortization	(Note A)	p200.21c				
11	Accumulated Common Amortization - Electric	(Note A)	p356				
12	Accumulated Common Plant Depreciation - Electric	(Note A)	p356.1				
Plant In Service							
6	Electric Plant in Service		p207.104g	570,120,195	570,120,195	-	RC Sched 4-1, Col 4, L7
24	Common Plant (Electric Only)	(Notes A & B)	p356				
87	Gross Plant in Service		200.13.b and c	740,166,885	622,989,613	117,177,272	RC Sched 8-1, C4, L7-L6, Sched 4-1, C4, L13
	Gross Plant in Service Allocation Factor				84.17%	15.83%	
Prepayments							
40	Prepayments (Account 165)	(Note A)	p111.57c				
Materials and Supplies							
43	Materials and Supplies	(Note A)	p227.5c & 6c	5,631,323	4,900,797	730,526	RC Sched 6-1, Col 4 & 5, L6
	Reference footnote in Form 1 for split between electric and non-electric portion.						
Allocated General & Common Expenses							
58	Plus Transmission Lease Payments	(Note E)	0	-	-	-	
60	Common Plant O&M	(Note A)	p356				
Depreciation Expense							
76	Intangible Amortization	(Note A)	Depreciation & Amortization Sheets				
80	Common Depreciation - Electric Only	(Note A)	Depreciation & Amortization Sheets				
81	Common Amortization - Electric Only	(Note A)	p356 or p336.11.d				

Transmission / Non-transmission Cost Support

SPP Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Transmission Related	Non-transmission Related	Details
28	Plant Held for Future Use (Including Land)	(Note C)	p214				Specific identification based on plant records
							1
							2
							3
							4
							5
							6
							7

Midwest Energy, Inc.
Transmission Formula Rate
Attachment H-1 to Open Access Transmission Tariff - Cost Support

Test Year 12/31/2016

CWIP & Expensed Lease Worksheet

SPP Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions				Form 1 Amount	Adjustments	Adjusted CWIP	Details
6	Plant Allocation Factors Electric Plant in Service	(Note B)	Cost Support Sheets				See Form 1
51	Construction Work in Progress CWIP Adjustment		p200.11c	37,548,947	-	37,548,947	Goodman Energy Center included in CWIP
	Plant In Service					-	Direct amt, see WP1
19	Transmission Plant In Service	(Note B)	p207.58.g				See Form 1
24	Common Plant (Electric Only)	(Notes A & B)	p356				See Line 24
30	Accumulated Depreciation Transmission Accumulated Depreciation	(Note B)	p219.25.c				See Form 1

Administrative and General Cost Support

SPP Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions	Form 1 Amount	Transmission Amount	Removed from Transmission	Calculation Details	Notes
Allocated General & Common Expenses					
Administrative and General Expense	6,389,928				
Less Property Insurance, Account 924	383,321				
Less General Advertising, Account 930.1	54,693	5,548	(49,144.95)	\$54,693 x 20.2880% 50% = \$5,548	Applying W/S to the Form 1 amount times 50%
Less Regulatory- State, Account 928.1	119,775	67,391	(52,383.99)	\$119,775 x (\$15,663.092 / \$27,838,234) = \$67,391	Prior Year TFR Revenue Requirement divided by GIOR for Prior Year.*
Less Regulatory - Federal, Account 928.0	182,702	172,959	(9,743.40)	Charges for 2016 FERC Dockets = \$172,959	Direct Assigned if/when applicable
Less Industry Dues, Account 930.20.30	171,682	16,522	(155,160.18)	(\$132,324 (KEC) + \$30,549 (NRECA)) x 20.2880% x 50% = \$16,522	NRECA plus KEC dues times W/S times 50%
Adjusted Administrative & General Expense	5,477,755				
*The GIOR is the sum of Prior Year TFR revenue requirement, current year Sale for Resale Revenue (Form 1), and TFR-related portion of the Account 456 identified as revenue credit in the Prior Year's TFR.					

Excluded Plant Cost Support

SPP Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions	Excluded Transmission Facilities	Description of the Facilities
Adjustment to Remove Revenue Requirements Associated with Excluded Transmission Facilities		
111 Excluded Transmission Facilities	(Note H)	Cost Support Sheets
	\$	2,396,088
	\$	2,224,212 NGPL Substation 115kV radial line, single retail customer 2,224,212
	\$	31,648 Jayhawk pipeline N. of Bunker Hill 31,648
	\$	115,101 Chase Pump StationLine - as allocated below.
		Total 69 KV Line (miles) 237
		Miles of Chase Pump Station Line 5
		Total cost of 69 KV Line 5,455,806
		Cost of Chase Pump Station Line 115,101
	\$	22,754 OPPL Milberger Portion of the Russel Pump Station 115kV segment identified in last year's CWIP as non-TFR transmission, now booked to assets in 2016.
	\$	2,373 OPPL Seguin Portion of Seguin Pump 115 kV line segment identified last year's CWIP as non-TFR transmission, booked to assets in 2016.
Add more lines if necessary		

Midwest Energy, Inc.
Transmission Formula Rate
Attachment H-1 to Open Access Transmission Tariff - Cost Support

Test Year 12/31/2016

Revenue Credit Support

SPP Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			Form 1 Balance	Functional Allocation	Transmission Portion
57	Revenue Credits for Rents and Non-Firm Transmission Service Account 454 - Rents from Utility Property	p300.19.b	\$ 228,125	29.08%	\$ 66,350 Sched 9-2, Col 1, L16
116	Account 456.20.10 - Portion that is Non-Firm Transmission Service	MWE Data	Non-Firm RTO PTP Transmission Revenue and Revenue Crediting per SPP Attachment Z2 Company Total \$ -		
			January	\$ 38,819	
			February	\$ 43,690	
			March	\$ 38,972	
			April	\$ 115,751	
			May	\$ 38,334	
			June	\$ 44,811	
			July	\$ 41,217	
			August	\$ 38,558	
			September	\$ 57,415	
			October	\$ (256,394)	
			November	\$ 33,780	
			December	\$ 38,083	
			Period Total	\$ 273,035	
				See Acct 456 TFR Amt Sheets	

Load Cost Support

SPP Formula Line #s, Descriptions, Notes, Form 1 Page #s and Instructions			12 CP Peak	Documentation
125	Network Zonal Service Rate 12 CP Peak	(Note G) 12CP Firm Trans Sheet		Total Transmission System Firm 12 CP Demand

Midwest Energy, Inc.
Transmission Formula Rate
Attachment H-1 to Open Access Transmission Tariff - Acct 456 TFR-related Amount

Revenues for Non-Firm RTO PTP Transmission Service and Revenue Crediting for Upgrades
Test Year 12/31/2016

TFR-related Amounts Booked to Acct. 456.

Month	Schedule 7, 8, 11 PTP Revenues or any Other PTP Revenue, or Adjustment Revenue Credited to TO by SPP similar to PTP									Total
	SPP Schedule 7 Revenues ¹	SPP Schedule 8 Revenues ¹	SPP Schedule 11 Revenues	SPP Attachment Z2 Revenue Credits ¹	SPP Schedule 1 Revenues	Other Revenue ²				
January	\$30,174	\$2,059	\$117		\$3,649	\$2,820				\$38,819
February	\$36,185	\$1,145	\$0		\$4,176	\$2,184				\$43,690
March	\$30,228	\$2,468	-\$90		\$4,099	\$2,256				\$38,972
April	\$101,532	\$7,490	\$21		\$3,868	\$2,850				\$115,751
May	\$29,482	\$985	\$81		\$3,959	\$3,827				\$38,334
June	\$35,061	\$1,605	\$3		\$4,245	\$3,897				\$44,811
July	\$33,352	\$2,191	\$2		\$5,612	\$59				\$41,217
August	\$30,911	\$1,828	-\$237		\$6,037	\$19				\$38,558
September	\$41,086	\$5,377	\$109		\$6,284	\$4,559				\$57,415
October	-\$221,514	-\$19,536	-\$20,190		\$4,846	\$0				-\$256,394
November	\$27,924	\$1,331	\$208		\$4,316	\$0				\$33,780
December	\$31,769	\$2,302	\$2		\$4,009	\$0				\$38,083
Total	\$206,188	\$9,236	-\$19,964	\$0	\$55,103	\$22,472	\$0	\$0	\$0	\$273,035

- ¹ Beginning in October'16, SPP began assessing Z2 revenue credits (revenue reversals for MDWE for non-MDWE projects) through Schedule 7 and 8 adjustments. Since Midwest Energy does not have any of its own projects that are "creditable" under SPP OATT Attachment Z2, the "SPP Attachment Z2 Revenue Credits" column amounts remained at \$0. SPP assessed Midwest (revenue reversals amounts) per SPP OATT Attachment Z2 under Schedules 7 and 8 adjustments. Therefore, those amounts were incorporated in the corresponding columns.
- ² Schedule 9 NITS Adjustments per SPP, or AdjSchd9NitsMultiRev dollars. This category was included in Other Revenue column by KCC Staff in 16-324-MDWE-TFR.

Midwest Energy, Inc.
Transmission Formula Rate
Attachment H-1 to Open Access Transmission Tariff - 12CP Firm Transmission

Summary of 12 CP Firm Calculation
Test Year 12/31/2016

Month	Year	System Firm Peak Load	Wholesale Firm PTP Contribution to Peak	Wholesale NITS Cont. to Peak Non-MDWE	Total MIDW NITS Contribution to Peak	WHOLESALE NITS Cont. to Peak MDWE Munis	RETAIL NITS Contribution to Peak
Jan.	2016	260,000	-	63,940	196,060	0	196,060
Feb	2016	254,700	-	63,730	190,970	0	190,970
Mar	2016	232,200	-	56,450	175,750	0	175,750
Apr	2016	241,300	-	56,890	184,410	0	184,410
May	2016	256,600	-	66,620	189,980	0	189,980
Jun	2016	392,300	-	104,640	287,660	0	287,660
Jul	2016	425,500	-	120,090	305,410	0	305,410
Aug	2016	407,900	-	109,450	298,450	0	298,450
Sep	2016	343,300	-	83,720	259,580	0	259,580
Oct	2016	262,500	-	63,980	198,520	0	198,520
Nov	2016	253,900	-	59,040	194,860	0	194,860
Dec	2016	277,600	-	71,820	205,780	0	205,780
Average 12 CP		300,650	-	76,698	223,953	-	223,953

PTP = "Point-to-Point" transmission service.

NITS = "Network Integration Transmission Service" provided under either Midwest Energy's or the Southwest Power Pool's Open Access Transmission Tariff.

Table 1. Total Transmission System Firm Demand (kW) at Coincident Peak

Month	Date	Hour Ending	Monthly Coincident Peak Demand (kW)						Total Transmission System Firm Demand (kW)	Correction for Over-Scheduled Firm Demand (Note 1)	Corrected Total Transmission System Firm Demand (kW)
			Total Transmission System Scheduled Peak	Less: Firm PTP Scheduled Demand (Table 2)	Plus: Firm PTP Contract Demand (Table 3)	Less: Non-Firm Demand (Table 4)	Plus: Non-Company Generation (Table 5)	Plus: Non-Control-Area Demand (Table 6)			
January	1/19/16	19	260,000	0	0	0	0	0	260,000	0	260,000
February	2/2/16	19	254,700	0	0	0	0	0	254,700	0	254,700
March	3/24/16	10	232,200	0	0	0	0	0	232,200	0	232,200
April	4/26/16	15	241,300	0	0	0	0	0	241,300	0	241,300
May	5/25/16	18	256,600	0	0	0	0	0	256,600	0	256,600
June	6/21/16	17	392,300	0	0	0	0	0	392,300	0	392,300
July	7/21/16	16	425,500	0	0	0	0	0	425,500	0	425,500
August	8/1/16	17	407,900	0	0	0	0	0	407,900	0	407,900
September	9/6/16	19	343,300	0	0	0	0	0	343,300	0	343,300
October	10/17/16	17	262,500	0	0	0	0	0	262,500	0	262,500
November	11/30/16	19	253,900	0	0	0	0	0	253,900	0	253,900
December	12/17/16	19	277,600	0	0	0	0	0	277,600	0	277,600
12-CP			0	0	0	0	0	0	300,650	0	300,650

Midwest Energy, Inc.
Transmission Formula Rate
Attachment H-1 to Open Access Transmission Tariff - 12CP Firm Transmission
Test Year 12/31/2016

Table 2. Firm Point-to-Point (PTP) Scheduled Demand (kW) at Coincident Peak

Data reflect actual scheduled demand under PTP transmission service agreements during monthly coincident peaks.

Month	Date	Hour Ending	Firm PTP Transmission Customer												Firm PTP
			Sunflower GFA	WAPA (OAKLEY)	WAPA (COLBY)	GRDA (STERLING)	GRDA (ELLINWOOD)	GRDA (LARNED)	St. John Firm	Colby Firm	Jetmore Firm	LaCrosse Firm	Seward Firm	Radium Firm	Scheduled Demand
January	1/19/16	19	0	0	0	0	0	0	0	0	0	0	0	0	0
February	2/2/16	19	0	0	0	0	0	0	0	0	0	0	0	0	0
March	3/24/16	10	0	0	0	0	0	0	0	0	0	0	0	0	0
April	4/26/16	15	0	0	0	0	0	0	0	0	0	0	0	0	0
May	5/25/16	18	0	0	0	0	0	0	0	0	0	0	0	0	0
June	6/21/16	17	0	0	0	0	0	0	0	0	0	0	0	0	0
July	7/21/16	16	0	0	0	0	0	0	0	0	0	0	0	0	0
August	8/1/16	17	0	0	0	0	0	0	0	0	0	0	0	0	0
Septembe	9/6/16	19	0	0	0	0	0	0	0	0	0	0	0	0	0
October	10/17/16	17	0	0	0	0	0	0	0	0	0	0	0	0	0
November	11/30/16	19	0	0	0	0	0	0	0	0	0	0	0	0	0
December	12/17/16	19	0	0	0	0	0	0	0	0	0	0	0	0	0
12-CP			0	0	0	0	0	0	0	0	0	0	0	0	0

Table 3. Firm Point-to-Point (PTP) Contract Demand (kW) at Coincident Peak

Data reflect contract demand reservations under PTP transmission service agreements during monthly coincident peaks.

Month	Date	Hour Ending	Firm PTP Transmission Customer											Firm PTP
			Sunflower GFA	WAPA (OAKLEY)	WAPA (COLBY)	GRDA (STERLING)	GRDA (ELLINWOOD)	GRDA (LARNED)	St. John Firm	Colby Firm	Jetmore Firm	LaCrosse Firm	Seward Firm	Radium Firm
January	1/19/16	19	0	0	0	0	0	0	0	0	0	0	0	0
February	2/2/16	19	0	0	0	0	0	0	0	0	0	0	0	0
March	3/24/16	10	0	0	0	0	0	0	0	0	0	0	0	0
April	4/26/16	15	0	0	0	0	0	0	0	0	0	0	0	0
May	5/25/16	18	0	0	0	0	0	0	0	0	0	0	0	0
June	6/21/16	17	0	0	0	0	0	0	0	0	0	0	0	0
July	7/21/16	16	0	0	0	0	0	0	0	0	0	0	0	0
August	8/1/16	17	0	0	0	0	0	0	0	0	0	0	0	0
Septembe	9/6/16	19	0	0	0	0	0	0	0	0	0	0	0	0
October	10/17/16	17	0	0	0	0	0	0	0	0	0	0	0	0
November	11/30/16	19	0	0	0	0	0	0	0	0	0	0	0	0
December	12/17/16	19	0	0	0	0	0	0	0	0	0	0	0	0
12-CP			0	0	0	0	0	0	0	0	0	0	0	0

Table 4. Non-Firm Sales Demand (kW) at Coincident Peak

Data reflect scheduled demands under non-firm Point to Point transmission service agreements during monthly coincident peaks.

Month	Date	Hour Ending	Non-Firm Transmission Customer									Non-Firm Sales
			Colby	Oakley	Jetmore	LaCrosse	Ellinwood	Stafford	Sterling	St. John	Larned	
January	1/19/16	19	0	0	0	0	0	0	0	0	0	0
February	2/2/16	19	0	0	0	0	0	0	0	0	0	0
March	3/24/16	10	0	0	0	0	0	0	0	0	0	0
April	4/26/16	15	0	0	0	0	0	0	0	0	0	0
May	5/25/16	18	0	0	0	0	0	0	0	0	0	0
June	6/21/16	17	0	0	0	0	0	0	0	0	0	0
July	7/21/16	16	0	0	0	0	0	0	0	0	0	0
August	8/1/16	17	0	0	0	0	0	0	0	0	0	0
Septembe	9/6/16	19	0	0	0	0	0	0	0	0	0	0
October	10/17/16	17	0	0	0	0	0	0	0	0	0	0
November	11/30/16	19	0	0	0	0	0	0	0	0	0	0
December	12/17/16	19	0	0	0	0	0	0	0	0	0	0
12-CP			0	0	0	0	0	0	0	0	0	0

Midwest Energy, Inc.
Transmission Formula Rate
Attachment H-1 to Open Access Transmission Tariff - 12CP Firm Transmission
Test Year 12/31/2016

Table 5. Non-Company Generation (kW) at Coincident Peak

Data reflect self-generation covered by grandfathered agreements operating synchronously with the Company's transmission system to serve transmission system demand not accounted for elsewhere.

Month	Date	Hour Ending	Company Providing Generation on Transmission System										Non-Company Gen. Demand
January	1/19/16	19	0	0	0	0	0	0	0	0	0	0	0
February	2/2/16	19	0	0	0	0	0	0	0	0	0	0	0
March	3/24/16	10	0	0	0	0	0	0	0	0	0	0	0
April	4/26/16	15	0	0	0	0	0	0	0	0	0	0	0
May	5/25/16	18	0	0	0	0	0	0	0	0	0	0	0
June	6/21/16	17	0	0	0	0	0	0	0	0	0	0	0
July	7/21/16	16	0	0	0	0	0	0	0	0	0	0	0
August	8/1/16	17	0	0	0	0	0	0	0	0	0	0	0
September	9/6/16	19	0	0	0	0	0	0	0	0	0	0	0
October	10/17/16	17	0	0	0	0	0	0	0	0	0	0	0
November	11/30/16	19	0	0	0	0	0	0	0	0	0	0	0
December	12/17/16	19	0	0	0	0	0	0	0	0	0	0	0
12-CP			0	0	0	0	0	0	0	0	0	0	0

Table 6. Non-Control Area Demand (kW) at Coincident Peak

Data reflect demand on the Company's transmission system that is electronically transferred to other control areas that is not accounted for elsewhere.

Month	Date	Hour Ending	Customer with Non-Control Area Demand										Non-Control-Area Demand (kW)
January	1/19/16	19	0	0	0	0	0	0	0	0	0	0	0
February	2/2/16	19	0	0	0	0	0	0	0	0	0	0	0
March	3/24/16	10	0	0	0	0	0	0	0	0	0	0	0
April	4/26/16	15	0	0	0	0	0	0	0	0	0	0	0
May	5/25/16	18	0	0	0	0	0	0	0	0	0	0	0
June	6/21/16	17	0	0	0	0	0	0	0	0	0	0	0
July	7/21/16	16	0	0	0	0	0	0	0	0	0	0	0
August	8/1/16	17	0	0	0	0	0	0	0	0	0	0	0
September	9/6/16	19	0	0	0	0	0	0	0	0	0	0	0
October	10/17/16	17	0	0	0	0	0	0	0	0	0	0	0
November	11/30/16	19	0	0	0	0	0	0	0	0	0	0	0
December	12/17/16	19	0	0	0	0	0	0	0	0	0	0	0
12-CP			0	0	0	0	0	0	0	0	0	0	0

Midwest Energy, Inc.
Transmission Formula Rate
Attachment H-1 to Open Access Transmission Tariff - Depreciation & Amortization Expense Annualization
Test Year 12/31/2016

Line #	Description	[1] Account Number	[2] Plant Balance At 12/31/2016	[3] Adjustments and/or Plant Reclassification	[4] Adjusted Plant Balance [2] + [3]	[5] Annualized Depreciation Rate*	[6] Pro Forma Annualized Depreciation Expense [4] * [5]
INTANGIBLE PLANT							
1	Organization	301	\$ -	\$ -	\$ -		\$ -
2	Franchise & Consent	302	\$ -		\$ -		\$ -
3	Miscellaneous Intangible Plant	303	\$ 1,811,381		\$ 1,811,381	0.0500	\$ 90,569
4	TOTAL INTANGIBLE	Sum L 1 to L 3	\$ 1,811,381	\$ -	\$ 1,811,381		\$ 90,569
COMMON PLANT - electric only (use same spread by GL as grand total)							
5	Land and land rights	118-89	\$ 748,907	\$ -	\$ 748,907		\$ -
6	Structures, Improvements	118-90	\$ 6,528,722	-	\$ 6,528,722	0.0234	152,772
7	Office furniture and equipment	118-91-00	\$ 1,571,518	-	\$ 1,571,518	0.0131	20,587
8	CES Project	118-91-10	\$ -		\$ -	0.1429	-
9	Other Computer Equipment	118-91-10	\$ 12,396,391		\$ 12,396,391	0.2433	3,016,042
10	Transportation equipment		\$ -	-	\$ -	-	-
11	Communications equipment	118-97	\$ 4,109,999	-	\$ 4,109,999	0.0503	206,733
12	Other		\$ -		\$ -		-
13	TOTAL COMMON PLANT - Electric (see F1, p.356)	Sum L 5 to L 12	\$ 25,355,537	\$ -	\$ 25,355,537		\$ 3,396,134
TRANSMISSION PLANT							
14	Land and land rights	350	\$ 3,630,971		\$ 3,630,971		\$ -
15	Structures, Improvements	352	\$ 739,601		\$ 739,601	0.0129	\$ 9,541
16	Station Equipment (non-GMEC)	353	\$ 47,725,287		\$ 47,725,287	0.0144	\$ 687,244
17	Station Equipment (GMEC portion)	353	\$ 3,692,381		\$ 3,692,381	0.0286	\$ 105,602
18	Towers and Fixtures	354			\$ -		\$ -
19	Poles and Fixtures	355	\$ 51,347,714		\$ 51,347,714	0.0160	\$ 821,563
20	Overhead Conductors and Devices	356	\$ 33,396,871		\$ 33,396,871	0.0178	\$ 594,464
21	Underground Conduit	357	\$ 9,836		\$ 9,836	0.0200	\$ 197
22	Underground Conductor & Devices	358	\$ 1,163,372		\$ 1,163,372	0.0200	\$ 23,267
23	Other Transmission Plant				\$ -		\$ -
24	TOTAL TRANSMISSION PLANT	Sum L 14 to L 23	\$ 141,706,033	-	\$ 141,706,033	0.015821	\$ 2,241,878
GENERAL PLANT							
25	Land and land rights	389	\$ 193,135	\$ -	\$ 193,135		\$ -
26	Structures, Improvements	390	\$ 3,422,990	\$ -	\$ 3,422,990	0.0170	\$ 58,191
27	Office furniture and equipment	391	\$ 431,731	\$ -	\$ 431,731	0.0236	\$ 10,189
28	Transportation equipment	392	\$ 14,043,237	\$ -	\$ 14,043,237	N/A	\$ -
29	Store equipment	393	\$ 233,242	\$ -	\$ 233,242	0.0150	\$ 3,499
30	Tools, shop and garage equipment	394	\$ 1,972,225	\$ -	\$ 1,972,225	0.0227	\$ 44,770
31	Laboratory equipment	395	\$ 778,930	\$ -	\$ 778,930	0.0212	\$ 16,513
32	Power operated equipment	396	\$ 547,282	\$ -	\$ 547,282	0.0577	\$ 31,578
33	Electric communications equipment	397	\$ 778,243	\$ -	\$ 778,243	0.0322	\$ 25,059
34	Miscellaneous equipment	398	\$ 12,231	\$ -	\$ 12,231	0.0011	\$ 13
35	Other tangible property	399	\$ -	\$ -	\$ -		\$ -
36	TOTAL GENERAL	Sum L 25 to L 35	\$ 22,413,246	-	\$ 22,413,246		\$ 189,812

* From 11-MDWE-609-RTS (KCC-approved)

Midwest Energy, Inc.
Transmission Formula Rate

Populated TFR Template

Attachment H-1 to Open Access Transmission Tariff - RTO Directed Transmission Projects Qualified for Regional Funding

Test Year 12/31/2016

I. Summary of Actual RTO Directed Transmission Projects

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)		
Line	Proj. No.	Proj. ID	Upgrade ID	Description	In Service Date	Gross Plant	Net Plant	Net Plant Carrying Chg. w/o Depr.	Gross Revenue Req. w/o Depr.	Depreciation Expense	KCC/FERC Approved Incentive Adder	Total Gross Revenue Requirements
A. Base Plan Projects Qualified for Regional Funding (see WP2)						(see below)	(see below)	(see Apx. A, L125)	(f x g)	(see below)	(see WP3)	(h + i + j)
1	1	316	10410	Line - South Hays - Hays Plant - Vine St. 115 kV Ckt 1 #2	6/1/2012	\$ 35,000	\$ 32,512	15.45%	\$ 5,023	\$ 554	\$ -	\$ 5,577
2	2	998	11312	Line - MIDW Heizer - Mullergren 115kV	12/31/2012	\$ 637,135	\$ 596,879	15.45%	\$ 92,218	\$ 10,080	\$ -	\$ 102,298
3	3	30176	50184	Device - Kinsley Capacitor 115 kV	6/27/2012	\$ 926,685	\$ 860,819	15.45%	\$ 132,997	\$ 14,661	\$ -	\$ 147,657
4	4	30190	50197	Device-Pawnee 115 kV	1/31/2013	\$ 712,979	\$ 668,869	15.45%	\$ 103,340	\$ 11,280	\$ -	\$ 114,620
5	5	30358	50411	Multi - Ellsworth - Bushton - Rice 115 kV	9/28/2012	\$ 575,964	\$ 537,300	15.45%	\$ 83,013	\$ 9,112	\$ -	\$ 92,125
6	6	30358	50448	Multi - Ellsworth - Bushton - Rice 115 kV	7/10/2012	\$ 2,604,440	\$ 2,422,752	15.45%	\$ 374,315	\$ 41,204	\$ -	\$ 415,519
7	7	30426	50519	Line - Pheasant Run - Seguin 115 kV Ckt 1	7/15/2014	\$ 7,811,905	\$ 7,513,599	15.45%	\$ 1,160,851	\$ 123,589	\$ -	\$ 1,284,440
8	8	30507	50634	Line - Hays Plant - Vine Street 115 kV Ckt 1	10/1/2014	\$ 15,720	\$ 15,182	15.45%	\$ 2,346	\$ 249	\$ -	\$ 2,594
9	9	30358	50549	Multi - Ellsworth - Bushton - Rice 115 kV	6/1/2015	\$ 1,459,629	\$ 1,425,015	15.45%	\$ 220,165	\$ 23,092	\$ -	\$ 243,257
10	10	30494	50606	South Hays 115 kV Ckt 1 Rebuild (Ckt 1 #2)	10/13/2016	\$ 9,392,940	\$ 9,368,173	15.45%	\$ 1,447,383	\$ 24,767	\$ -	\$ 1,472,150
11	11											
12	12											
13	Total Base Plan Projects						\$ 24,172,397	\$ 23,441,100	\$ 3,621,650	\$ 258,587	\$ -	\$ 3,880,237
B. Balanced Portfolio Projects (see WP2)												
14	1	707	10941	Spearville – Wolf– Axtell 345 kV line	5/11/2012	\$ 5,268,093	\$ 4,886,725	15.45%	\$ 754,998.89	\$ 83,345	\$ -	\$ 838,343
15	2					\$ -	\$ -	15.45%	\$ -	\$ -	\$ -	\$ -
16	3					\$ -	\$ -	15.45%	\$ -	\$ -	\$ -	\$ -
17	Total Balanced Portfolio Projects						\$ 5,268,093	\$ 4,886,725	\$ 754,999	\$ 83,345	\$ -	\$ 838,343
C. Reserved for Future Use												
18	1											
19	2											
20	3											
21	3											
22	Total - reserved for future category											

II. Calculation of Net Plant and Depreciation Expense for Base Plan Projects:

Line - South Hays - Hays Plant - Vine St. 115 kV Ckt 1 #2					Line - MIDW Heizer - Mullergren 115kV					Device - Kinsley Capacitor 115 kV					
Project		1		Upgrade ID	Project		2		Upgrade ID	Project		3		Upgrade ID	
SPP Proj. ID		316		10410	SPP Proj. ID		998		11312	SPP Proj. ID		30176		50184	
Plant Balance by		Monthly Depr. Rate		Depreciation Expense	Plant Balance by		Monthly Depr. Rate		Depreciation Expense	Plant Balance by Month		Monthly Depr. Rate		Depreciation Expense	
Month					Month					Month					
Year	Month														
2015	Dec	\$	35,000		\$	637,135			\$	926,685					
2016	Jan	\$	35,000	0.0013184	\$	637,135	0.0013184	\$	840	\$	926,685	0.0013184	\$	1,222	
2016	Feb	\$	35,000	0.0013184	\$	637,135	0.0013184	\$	840	\$	926,685	0.0013184	\$	1,222	
2016	Mar	\$	35,000	0.0013184	\$	637,135	0.0013184	\$	840	\$	926,685	0.0013184	\$	1,222	
2016	Apr	\$	35,000	0.0013184	\$	637,135	0.0013184	\$	840	\$	926,685	0.0013184	\$	1,222	
2016	May	\$	35,000	0.0013184	\$	637,135	0.0013184	\$	840	\$	926,685	0.0013184	\$	1,222	
2016	Jun	\$	35,000	0.0013184	\$	637,135	0.0013184	\$	840	\$	926,685	0.0013184	\$	1,222	
2016	Jul	\$	35,000	0.0013184	\$	637,135	0.0013184	\$	840	\$	926,685	0.0013184	\$	1,222	
2016	Aug	\$	35,000	0.0013184	\$	637,135	0.0013184	\$	840	\$	926,685	0.0013184	\$	1,222	
2016	Sep	\$	35,000	0.0013184	\$	637,135	0.0013184	\$	840	\$	926,685	0.0013184	\$	1,222	
2016	Oct	\$	35,000	0.0013184	\$	637,135	0.0013184	\$	840	\$	926,685	0.0013184	\$	1,222	
2016	Nov	\$	35,000	0.0013184	\$	637,135	0.0013184	\$	840	\$	926,685	0.0013184	\$	1,222	
2016	Dec	\$	35,000	0.0013184	\$	637,135	0.0013184	\$	840	\$	926,685	0.0013184	\$	1,222	
Sum lines 29 - 40				\$	Sum lines 29 - 40				\$	Sum lines 29 - 40				\$	14,661
				554					10,080						

Line - South Hays - Hays Plant - Vine St. 115 kV Ckt 1 #2					Line - MIDW Heizer - Mullergren 115kV					Device - Kinsley Capacitor 115 kV														
SPP Proj. ID		316		Upgrade ID	SPP Proj. ID		998		Upgrade ID	SPP Proj. ID		30176		Upgrade ID										
Gross Plant. (EOY)		Depr. Exp.		Accm. Depr.	Gross Plant. (EOY)		Depr. Exp.		Accm. Depr.	Gross Plant. (EOY)		Depr. Exp.		Accm. Depr.										
Net Plant					Net Plant					Net Plant														
Year																								
2011																								
2012	\$	35,000	\$	276	\$	276	\$	34,724	\$	637,135	\$	-	\$	-	\$	637,135	\$	926,685	\$	7,315	\$	7,315	\$	919,370
2013	\$	35,000	\$	553	\$	829	\$	34,171	\$	637,135	\$	10,059	\$	10,059	\$	627,077	\$	926,685	\$	14,630	\$	21,945	\$	904,740
2014	\$	35,000	\$	553	\$	1,381	\$	33,619	\$	637,135	\$	10,059	\$	20,117	\$	617,018	\$	926,685	\$	14,630	\$	36,575	\$	890,110
2015	\$	35,000	\$	553	\$	1,934	\$	33,066	\$	637,135	\$	10,059	\$	30,176	\$	606,959	\$	926,685	\$	14,630	\$	51,205	\$	875,480
2016	\$	35,000	\$	554	\$	2,488	\$	32,512	\$	637,135	\$	10,080	\$	40,256	\$	596,879	\$	926,685	\$	14,661	\$	65,866	\$	860,819
2017																								
2018																								
2019																								
2020																								
2021																								
2022																								
2023																								
2024																								
2025																								
2026																								
2027																								
2028																								
2029																								
2030																								

Midwest Energy, Inc.
Transmission Formula Rate

Populated TFR Template

Attachment H-1 to Open Access Transmission Tariff - RTO Directed Transmission Projects Qualified for Regional Funding

Test Year 12/31/2016

II. Calculation of Net Plant and Depreciation Expense for Base Plan Projects (Continued):

67	Device-Pawnee 115 kV					Multi - Ellsworth - Bushton - Rice 115 kV					Multi - Ellsworth - Bushton - Rice 115 kV				
68	Project					Project					Project				
	SPP Proj. ID					SPP Proj. ID					SPP Proj. ID				
	4					5					6				
	30190					30358					30358				
	Upgrade ID					Upgrade ID					Upgrade ID				
	50197					50411					50448				
	Year	Month	Plant Balance by Month	Monthly Depr. Rate	Depreciation Expense	Plant Balance by Month	Monthly Depr. Rate	Depreciation Expense			Plant Balance by Month	Monthly Depr. Rate	Depreciation Expense		
69	2015	Dec	\$ 712,979			\$ 575,964					\$ 2,604,440				
70	2016	Jan	\$ 712,979	0.0013184	\$ 940	\$ 575,964	0.0013184	\$ 759			\$ 2,604,440	0.0013184	\$ 3,434		
71	2016	Feb	\$ 712,979	0.0013184	\$ 940	\$ 575,964	0.0013184	\$ 759			\$ 2,604,440	0.0013184	\$ 3,434		
72	2016	Mar	\$ 712,979	0.0013184	\$ 940	\$ 575,964	0.0013184	\$ 759			\$ 2,604,440	0.0013184	\$ 3,434		
73	2016	Apr	\$ 712,979	0.0013184	\$ 940	\$ 575,964	0.0013184	\$ 759			\$ 2,604,440	0.0013184	\$ 3,434		
74	2016	May	\$ 712,979	0.0013184	\$ 940	\$ 575,964	0.0013184	\$ 759			\$ 2,604,440	0.0013184	\$ 3,434		
75	2016	Jun	\$ 712,979	0.0013184	\$ 940	\$ 575,964	0.0013184	\$ 759			\$ 2,604,440	0.0013184	\$ 3,434		
76	2016	Jul	\$ 712,979	0.0013184	\$ 940	\$ 575,964	0.0013184	\$ 759			\$ 2,604,440	0.0013184	\$ 3,434		
77	2016	Aug	\$ 712,979	0.0013184	\$ 940	\$ 575,964	0.0013184	\$ 759			\$ 2,604,440	0.0013184	\$ 3,434		
78	2016	Sep	\$ 712,979	0.0013184	\$ 940	\$ 575,964	0.0013184	\$ 759			\$ 2,604,440	0.0013184	\$ 3,434		
79	2016	Oct	\$ 712,979	0.0013184	\$ 940	\$ 575,964	0.0013184	\$ 759			\$ 2,604,440	0.0013184	\$ 3,434		
80	2016	Nov	\$ 712,979	0.0013184	\$ 940	\$ 575,964	0.0013184	\$ 759			\$ 2,604,440	0.0013184	\$ 3,434		
81	2016	Dec	\$ 712,979	0.0013184	\$ 940	\$ 575,964	0.0013184	\$ 759			\$ 2,604,440	0.0013184	\$ 3,434		
82	Sum lines 70 - 81					Sum lines 70 - 81					Sum lines 70 - 81				
83															
84	Device-Pawnee 115 kV					Multi - Ellsworth - Bushton - Rice 115 kV					Multi - Ellsworth - Bushton - Rice 115 kV				
85	SPP Proj. ID					SPP Proj. ID					SPP Proj. ID				
86	7					30358					9				
87	30426					30507					30358				
88	Upgrade ID					Upgrade ID					Upgrade ID				
89	50197					50411					50448				
90	Year		Gross Plant. (EOY)	Depr. Exp.	Accm. Depr.	Net Plant	Gross Plant. (EOY)	Depr. Exp.	Accm. Depr.	Net Plant	Gross Plant. (EOY)	Depr. Exp.	Accm. Depr.	Net Plant	
91	2011														
92	2012		\$ -	\$ -	\$ -	\$ -	\$ 575,964	\$ 2,273	\$ 2,273	\$ 573,691	\$ 2,604,440	\$ 17,132	\$ 17,132	\$ 2,587,308	
93	2013		\$ 712,979	\$ 10,318	\$ 702,661	\$ 702,661	\$ 575,964	\$ 9,093	\$ 11,366	\$ 564,598	\$ 2,604,440	\$ 41,117	\$ 58,250	\$ 2,546,190	
94	2014		\$ 712,979	\$ 11,256	\$ 21,574	\$ 691,405	\$ 575,964	\$ 9,093	\$ 20,459	\$ 555,505	\$ 2,604,440	\$ 41,117	\$ 99,367	\$ 2,505,073	
95	2015		\$ 712,979	\$ 11,256	\$ 32,830	\$ 680,149	\$ 575,964	\$ 9,093	\$ 29,552	\$ 546,412	\$ 2,604,440	\$ 41,117	\$ 140,484	\$ 2,463,956	
96	2016		\$ 712,979	\$ 11,280	\$ 44,110	\$ 668,869	\$ 575,964	\$ 9,112	\$ 38,664	\$ 537,300	\$ 2,604,440	\$ 41,204	\$ 181,688	\$ 2,422,752	
97	2017														
98	2018														
99	2019														
100	2020														
101	2021														
102	2022														
103	2023														
104	2024														
105	2025														
106	2026														
107	2027														
108	2028														
109	2029														
	2030														
110	Line - Pheasant Run - Sequin 115 kV Ckt 1					Line - Hays Plant - Vine Street 115 kV Ckt 1					Multi - Ellsworth - Bushton - Rice 115 kV				
111	Project					Project					Project				
112	SPP Proj. ID					SPP Proj. ID					SPP Proj. ID				
113	7					8					9				
114	30426					30507					30358				
115	Upgrade ID					Upgrade ID					Upgrade ID				
116	50519					50634					50549				
117	Year	Month	Plant Balance by Month	Monthly Depr. Rate	Depreciation Expense	Plant Balance by Month	Monthly Depr. Rate	Depreciation Expense			Plant Balance by Month	Monthly Depr. Rate	Depreciation Expense		
118	2015	Dec	\$ 7,811,905			\$ 15,720					\$ 1,459,629				
119	2016	Jan	\$ 7,811,905	0.0013184	\$ 10,299	\$ 15,720	0.0013184	\$ 21			\$ 1,459,629	0.0013184	\$ 1,924		
120	2016	Feb	\$ 7,811,905	0.0013184	\$ 10,299	\$ 15,720	0.0013184	\$ 21			\$ 1,459,629	0.0013184	\$ 1,924		
121	2016	Mar	\$ 7,811,905	0.0013184	\$ 10,299	\$ 15,720	0.0013184	\$ 21			\$ 1,459,629	0.0013184	\$ 1,924		
122	2016	Apr	\$ 7,811,905	0.0013184	\$ 10,299	\$ 15,720	0.0013184	\$ 21			\$ 1,459,629	0.0013184	\$ 1,924		
123	2016	May	\$ 7,811,905	0.0013184	\$ 10,299	\$ 15,720	0.0013184	\$ 21			\$ 1,459,629	0.0013184	\$ 1,924		
124	2016	Jun	\$ 7,811,905	0.0013184	\$ 10,299	\$ 15,720	0.0013184	\$ 21			\$ 1,459,629	0.0013184	\$ 1,924		
125	2016	Jul	\$ 7,811,905	0.0013184	\$ 10,299	\$ 15,720	0.0013184	\$ 21			\$ 1,459,629	0.0013184	\$ 1,924		
126	2016	Aug	\$ 7,811,905	0.0013184	\$ 10,299	\$ 15,720	0.0013184	\$ 21			\$ 1,459,629	0.0013184	\$ 1,924		
127	2016	Sep	\$ 7,811,905	0.0013184	\$ 10,299	\$ 15,720	0.0013184	\$ 21			\$ 1,459,629	0.0013184	\$ 1,924		
128	2016	Oct	\$ 7,811,905	0.0013184	\$ 10,299	\$ 15,720	0.0013184	\$ 21			\$ 1,459,629	0.0013184	\$ 1,924		
129	2016	Nov	\$ 7,811,905	0.0013184	\$ 10,299	\$ 15,720	0.0013184	\$ 21			\$ 1,459,629	0.0013184	\$ 1,924		
130	2016	Dec	\$ 7,811,905	0.0013184	\$ 10,299	\$ 15,720	0.0013184	\$ 21			\$ 1,459,629	0.0013184	\$ 1,924		
131	Sum lines 112 - 123					Sum lines 112 - 123					Sum lines 112 - 123				
132															
133	Line - Pheasant Run - Sequin 115 kV Ckt 1					Line - Hays Plant - Vine Street 115 kV Ckt 1					Multi - Ellsworth - Bushton - Rice 115 kV				
134	SPP Proj. ID					SPP Proj. ID					SPP Proj. ID				
135	30426					30507					30358				
136	Upgrade ID					Upgrade ID					Upgrade ID				
137	50519					50634					50549				
138	Year		Gross Plant. (EOY)	Depr. Exp.	Accm. Depr.	Net Plant	Gross Plant. (EOY)	Depr. Exp.	Accm. Depr.	Net Plant	Gross Plant. (EOY)	Depr. Exp.	Accm. Depr.	Net Plant	
139	2011														
140	2012		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
141	2013		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
142	2014		\$ 7,811,905	\$ 51,387	\$ 51,387	\$ 7,760,518	\$ 15,720	\$ 41	\$ 41	\$ 15,679	\$ -	\$ -	\$ -	\$ -	
143	2015		\$ 7,811,905	\$ 123,330	\$ 174,717	\$ 7,637,188	\$ 15,720	\$ 248	\$ 290	\$ 15,431	\$ 1,459,629	\$ 11,522	\$ 11,522	\$ 1,448,107	
144	2016		\$ 7,811,905	\$ 123,589	\$ 298,306	\$ 7,513,599	\$ 15,720	\$ 249	\$ 538	\$ 15,182	\$ 1,459,629	\$ 23,092	\$ 34,614	\$ 1,425,015	
145	2017														
146	2018														
147	2019														
148	2020														
149	2021														
150	2022														
151	2023														
152	2024														
153	2025														
154	2026														
155	2027														
156	2028														
157	2029														
158	2030														

Midwest Energy, Inc.
Transmission Formula Rate

Populated TFR Template

Attachment H-1 to Open Access Transmission Tariff - RTO Directed Transmission Projects Qualified for Regional Funding

Test Year 12/31/2016

II. Calculation of Net Plant and Depreciation Expense for Base Plan Projects (Continued):

		Line - Hays Plant - South Hays 115 kV Ckt 1 Rebuild (Ckt 1 #2)		
		Project SPP Proj. ID	10 30494	Upgrade ID 50606
Year	Month	Plant Balance by Month	Monthly Depr. Rate	Depreciation Expense
2015	Dec	\$ -	0.001318	\$ -
2016	Jan	\$ -	0.001318	\$ -
2016	Feb	\$ -	0.001318	\$ -
2016	Mar	\$ -	0.001318	\$ -
2016	Apr	\$ -	0.001318	\$ -
2016	May	\$ -	0.001318	\$ -
2016	Jun	\$ -	0.001318	\$ -
2016	Jul	\$ -	0.001318	\$ -
2016	Aug	\$ -	0.001318	\$ -
2016	Sep	\$ -	0.001318	\$ -
2016	Oct	\$ 9,392,940	0.001318	\$ -
2016	Nov	\$ 9,392,940	0.001318	\$ 12,384
2016	Dec	\$ 9,392,940	0.001318	\$ 12,384
		Sum lines 155 - 166		\$ 24,767

		Project SPP Proj. ID	11	Upgrade ID
Year	Month	Plant Balance by Month	Monthly Depr. Rate	Depreciation Expense
2015	Dec	\$ -	0.001318	\$ -
2016	Jan	\$ -	0.001318	\$ -
2016	Feb	\$ -	0.001318	\$ -
2016	Mar	\$ -	0.001318	\$ -
2016	Apr	\$ -	0.001318	\$ -
2016	May	\$ -	0.001318	\$ -
2016	Jun	\$ -	0.001318	\$ -
2016	Jul	\$ -	0.001318	\$ -
2016	Aug	\$ -	0.001318	\$ -
2016	Sep	\$ -	0.001318	\$ -
2016	Oct	\$ -	0.001318	\$ -
2016	Nov	\$ -	0.001318	\$ -
2016	Dec	\$ -	0.001318	\$ -
		Sum lines 155 - 166		\$ -

		Project SPP Proj. ID	12	Upgrade ID
Year	Month	Plant Balance by Month	Monthly Depr. Rate	Depreciation Expense
2015	Dec	\$ -	0.001318	\$ -
2016	Jan	\$ -	0.001318	\$ -
2016	Feb	\$ -	0.001318	\$ -
2016	Mar	\$ -	0.001318	\$ -
2016	Apr	\$ -	0.001318	\$ -
2016	May	\$ -	0.001318	\$ -
2016	Jun	\$ -	0.001318	\$ -
2016	Jul	\$ -	0.001318	\$ -
2016	Aug	\$ -	0.001318	\$ -
2016	Sep	\$ -	0.001318	\$ -
2016	Oct	\$ -	0.001318	\$ -
2016	Nov	\$ -	0.001318	\$ -
2016	Dec	\$ -	0.001318	\$ -
		Sum lines 155 - 166		\$ -

		Line - Hays Plant - South Hays 115 kV Ckt 1 Rebuild (Ckt 1 #2)											
		SPP Proj. ID	30494	Upgrade ID	50606	SPP Proj. ID		Upgrade ID		SPP Proj. ID		Upgrade ID	
Year		Gross Plant. (EOY)	Depr. Exp.	Accm. Depr.	Net Plant	Gross Plant. (EOY)	Depr. Exp.	Accm. Depr.	Net Plant	Gross Plant. (EOY)	Depr. Exp.	Accm. Depr.	Net Plant
2011													
2012		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2013		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2014		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016		\$ 9,392,940	\$ 24,767	\$ 24,767	\$ 9,368,173								
2017													
2018													
2019													
2020													
2021													
2022													
2023													
2024													
2025													
2026													
2027													
2028													
2029													
2030													

III. Calculation of Net Plant and Depreciation Expense for Balanced Portfolio Projects :

		Spearville - Wolf- Axtell 345 kV line		
		Project SPP Proj. ID	1 707	Upgrade ID 10941
Year	Month	Plant Balance by Month	Monthly Depr. Rate	Depreciation Expense
2015	Dec	\$ 5,268,093		
2016	Jan	\$ 5,268,093	0.001318	\$ 6,945
2016	Feb	\$ 5,268,093	0.001318	\$ 6,945
2016	Mar	\$ 5,268,093	0.001318	\$ 6,945
2016	Apr	\$ 5,268,093	0.001318	\$ 6,945
2016	May	\$ 5,268,093	0.001318	\$ 6,945
2016	Jun	\$ 5,268,093	0.001318	\$ 6,945
2016	Jul	\$ 5,268,093	0.001318	\$ 6,945
2016	Aug	\$ 5,268,093	0.001318	\$ 6,945
2016	Sep	\$ 5,268,093	0.001318	\$ 6,945
2016	Oct	\$ 5,268,093	0.001318	\$ 6,945
2016	Nov	\$ 5,268,093	0.001318	\$ 6,945
2016	Dec	\$ 5,268,093	0.001318	\$ 6,945
		Sum lines 199 - 210		\$ 83,345

		Project SPP Proj. ID	2	Upgrade ID
Year	Month	Plant Balance by Month	Monthly Depr. Rate	Depreciation Expense
2015	Dec	\$ -		
2016	Jan	\$ -	0.001318	\$ -
2016	Feb	\$ -	0.001318	\$ -
2016	Mar	\$ -	0.001318	\$ -
2016	Apr	\$ -	0.001318	\$ -
2016	May	\$ -	0.001318	\$ -
2016	Jun	\$ -	0.001318	\$ -
2016	Jul	\$ -	0.001318	\$ -
2016	Aug	\$ -	0.001318	\$ -
2016	Sep	\$ -	0.001318	\$ -
2016	Oct	\$ -	0.001318	\$ -
2016	Nov	\$ -	0.001318	\$ -
2016	Dec	\$ -	0.001318	\$ -
		Sum lines 199 - 210		\$ -

		Project SPP Proj. ID	3	Upgrade ID
Year	Month	Plant Balance by Month	Monthly Depr. Rate	Depreciation Expense
2015	Dec	\$ -		
2016	Jan	\$ -	0.001318	\$ -
2016	Feb	\$ -	0.001318	\$ -
2016	Mar	\$ -	0.001318	\$ -
2016	Apr	\$ -	0.001318	\$ -
2016	May	\$ -	0.001318	\$ -
2016	Jun	\$ -	0.001318	\$ -
2016	Jul	\$ -	0.001318	\$ -
2016	Aug	\$ -	0.001318	\$ -
2016	Sep	\$ -	0.001318	\$ -
2016	Oct	\$ -	0.001318	\$ -
2016	Nov	\$ -	0.001318	\$ -
2016	Dec	\$ -	0.001318	\$ -
		Sum lines 199 - 210		\$ -

		Spearville - Wolf- Axtell 345 kV line											
		SPP Proj. ID	707	Upgrade ID	10941	SPP Proj. ID		Upgrade ID		SPP Proj. ID		Upgrade ID	
Year		Gross Plant. (EOY)	Depr. Exp.	Accm. Depr.	Net Plant	Gross Plant. (EOY)	Depr. Exp.	Accm. Depr.	Net Plant	Gross Plant. (EOY)	Depr. Exp.	Accm. Depr.	Net Plant
2011													
2012		\$ 5,268,093	\$ 48,516	\$ 48,516	\$ 5,219,578	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2013		\$ 5,268,093	\$ 83,170	\$ 131,685	\$ 5,136,408	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2014		\$ 5,268,093	\$ 83,170	\$ 214,855	\$ 5,053,239	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2015		\$ 5,268,093	\$ 83,170	\$ 298,024	\$ 4,970,069	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2016		\$ 5,268,093	\$ 83,345	\$ 381,369	\$ 4,886,725								
2017													
2018													
2019													
2020													
2021													
2022													
2023													
2024													
2025													
2026													
2027													
2028													
2029													
2030													

Change Analysis

Per Midwest Energy TFR Protocols, Section 1.F.(vi)

Per Midwest Energy TFR Protocols, Section 1.F.VI, each Annual Update for the Rate Year shall include a change analysis of the following components below as compared to the corresponding items in the revenue requirement that was calculated for the prior rate year, with an explanation of any material changes (increase over 10 percent and over \$100,000 from the previous year for each of the listed revenue requirement components):

	<u>TFR REFERENCE</u>	<u>TFR 2016 TY</u>	<u>TFR 2015 TY</u>	<u>Difference \$</u>	<u>%</u>	<u>Explanation of Change</u>
Rate Base	Pg 2 Ln 53	\$137,196,874	\$ 112,659,125	\$ 24,537,749	22%	Most pronounced component contributing to the overall change in the TFR's rate base is increase in Transmission Plant in Service and Transmission CWIP. On the latter - please note that the majority of the dollars in the largest Transmission CWIP item will be recovered thru the SPP region/as a Base Plan project. For detail on CWIP, please see WP 1. Of the Transmisison Plant that went into service in 2016, the 2 biggest projects were Seguin Pheasant run (\$7.9M) and NERC Upgrades (\$3.1M). Both of these projects were driven by the reliability improvement as required by SPP NTC or NERC requirement.
Operating and Maintenance expenses	Pg 3 Ln 73	\$ 4,715,828	\$ 4,236,730	\$ 479,098	11%	While Transmission O&M actually decreased compared to 2015, W/S Allocator has increased, thus allocating a greater portion of A&G expenses to the TFR. Additionally, Federal Regulatory expenses have increased significantly compared to last year due to heightened transmission dockets activity at FERC (including proceedings involving Midwest Energy's TFR at FERC).
Depreciation expense	Pg 3 Ln 85	\$ 2,987,769	\$ 2,472,769	\$ 514,999	21%	Increase in the Transmisison Depreciation expense, as well as Common Plant depreciation are the main contributors to the change in Depreciation expense (where increase in plant were the drivers, as already explained in the item Rate Base above). Additionally, since the W/S allocator has increased this year, a larger portion of the Common Plant depreciation was assigned to the TFR.
Taxes	Pg 3 Ln 87	\$ 1,726,824	\$ 1,806,403	\$ (79,579)	-4%	Explanation is not required/decrease of < 10%
Return on Rate Base	Pg 4 Ln 101	\$ 9,963,894	\$ 7,996,937	\$ 1,966,957	25%	Return on Rate Base increased primarily due to increase in the rate base itself, as already explained above.
Revenue Credits	Pg 5 Ln 116	\$ 273,035	\$ 539,600	\$ (266,565)	-49%	SPP reversed a significant amounts of revenues per SPP OATT Z2, see Page 10 of the populated TFR for detail.