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October 31, 2018

Mr. Chris Petrie
Wyoming Public Service Commission
Hansen Building, Suite 300
2515 Warren Avenue
Cheyenne, WY 82002

Re: Docket No. 10014-193-CP-18

Dear Mr. Petrie,

Please find enclosed one (1) original and four (4) copies of Powder River Energy Corporation's Application and supporting documentation requesting approval of the proposed 2019 Cost of Power Adjustment (COPA).

This information has been filed electronically on the Commission's Document Management System as well. Also enclosed is check in the amount of \$5.00 for the filing fee.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "Michael E. Easley". The signature is written in a cursive, flowing style.

Michael E. Easley, CEO
Powder River Energy Corporation
221 Main St./PO Box 930
Sundance, WY 82729-0930

MEE/sjp

Enclosures

BEFORE THE WYOMING PUBLIC SERVICE COMMISSION

**IN THE MATTER OF THE APPLICATION OF)
POWDER RIVER ENERGY CORPORATION,)
SUNDANCE, WYOMING, FOR AUTHORITY TO)
DECREASE ITS COST OF POWER ADJUSTMENT)
OF \$9,721,331 PER ANNUM TO REFLECT A)
CHANGE IN AVERAGE WHOLESALE POWER)
COSTS)**

DOCKET No. 10014-193-CP-18

APPLICATION

Powder River Energy Corporation (the Cooperative) respectfully submits for Commission approval its application for authority to adjust its Cost of Power Adjustment (COPA) pursuant to Chapter 3, § 26 of the Rules of the Wyoming Public Service Commission (Rules) and in accordance with the COPA procedures set forth in the Cooperative’s Billing Adjustments (BA) Tariff.

The Cooperative implemented a Cost of Power Adjustment as part of its general rate filing in 2001 (Docket No. 10014-CR-01-53). The COPA is a mechanism by which the Cooperative recovers and/or returns changes in wholesale power cost relative to the amount of power cost embedded in base retail rates. The current COPA became effective on January 1, 2018 (Docket No. 10014-186-CP-17).

The proposed COPA factors for 2019 in this Application have been designed based upon the base power cost approved in Docket No. 10014-163-CR-16.

The proposed COPA factors in this application reflect the projected cost of power for January 2019 through December 2019 using projected billing units for the period and the applicable wholesale rates effective January 1 2019. The wholesale rate from Basin has not changed from the current rate, which became effective in January 2018. The proposed COPA factors reflect the reconciliation of the COPA revenue for the months of October 2017 through

September 2018 and the accrual of interest on any over-recovered balances during the true-up period. The COPA factors proposed in this application and the resulting change in revenue are listed below:

	Existing COPA Factor	Proposed COPA Factor	Change in Revenue
All Rate Classes except LPT and LPT-CBM	\$0.008568	\$0.007064	\$(1,828,269)
LPT	\$0.000527	\$0.000845	\$ 310,777
LPT-CBM	\$0.003714	\$0.004561	\$ 58,493

The net change in revenues resulting from the proposed changes to the Cooperative's COPA factors is \$(1,458,999), as shown in Exhibit A-2.

In support of this Application, the Cooperative states:

1. Company Operations. The Applicant is a non-profit cooperative electric utility organized and existing under, and by virtue of, the laws of the State of Wyoming. The Cooperative, pursuant to the laws of the State of Wyoming, is qualified to do business as a corporation within the State of Wyoming. The Cooperative is duly authorized to generate, manufacture, purchase, acquire, and transmit electric energy; sell supplies; and dispose of electric energy in its certificated territory. The rates charged by the Cooperative for its electric service have been established and placed in effect under appropriate Orders of the Commission.

2. Authority. This Application is filed pursuant to Wyoming Statute § 37-3-106, Chapter 3, §26 of the Rules and the current COPA procedures set forth in the Cooperative's Billing Adjustments (BA) Tariff (Original Sheets 37 through 41, approved in Docket No. 10014-176-CT-16).

3. Test-Year. The test year for this application is based on projected sales for January 1, 2019 through December 31, 2019.

4. Wholesale Power Supply. The Cooperative is a member of Members 1st Power Cooperative. Members 1st is a Class A member of Basin Electric Power Cooperative (Basin Electric), in Bismarck, North Dakota, and purchases all of its power requirements through agreements and contracts with Basin Electric. Members 1st has an all requirements contract with Basin Electric that extends through December 31, 2075. Members 1st contract with the Cooperative adopts Basin Electric's Class A rates to bill the Cooperative.

5. Purchased Power Costs for 2019. The Cooperative's projected purchased power costs for 2019 are calculated to be \$146,361,435 as shown in Exhibit B-1. Of this total amount, \$63,330,375 and \$4,282,900 are the projected power costs for the LPT and LPT-CBM and General rate classes, respectively, as shown in Exhibits C-1 and C-2. The Cooperative's projected power costs are based on the Cooperative's projected demand and energy purchases for January 2019 through December 2019 and were calculated using Basin Electric's published Class A rates, Basin's Hybrid rate for Western Division purchases, and WAPA's (Western Area Power Administration) rates effective January 1, 2019. The Cooperative's projected power costs also include a fixed monthly charge from Members 1st Power Cooperative. For the test year, the Cooperative's average wholesale power cost is projected to be 64.71 mills per kWh, compared to the projected average of 64.47 mills per kWh used to calculate the existing COPA factor.

6. Cost of Power Adjustment. The proposed Cost of Power Adjustment for 2019 is equal to the sum of the recoverable power cost for 2019 and the over/under recovery for the 2018 true-up period. The recoverable power cost for 2019 is calculated by taking the difference

between the projected power cost for 2019 and the base cost of power recovered through the Cooperative's retail rates. Adding the over-recovery from the 2018 true-up period to the recoverable power cost for 2019 results in a total projected Cost of Power Adjustment of \$9,721,331 as shown below:

Recoverable Power Cost for 2019	\$ 12,577,349
Over Recovery from True-up Period	(2,856,019)
Total Cost of Power Adjustment	<u>\$9,721,331</u>

Of this total, \$8,580,530 is associated with all rate classes other than the LPT and LPT-CBM rate classes (Exhibit A-1, Line 13); \$825,708 is associated with the LPT rate class (Exhibit A-1, Line 22); and \$315,093 is associated with the LPT-CBM and General rate classes (Exhibit A-1, Line 31).

The cost of power is calculated separately for the Cooperative's large power transmission rate classes in order to accurately reflect the assignment of fixed costs to each class. Basin Electric's Class A rate is applicable to wholesale purchases for the large power transmission classes, but the allocation of fixed cost is reduced over time as load growth increases for the remainder of the system. Separate COPA factors are necessary to track the change in power cost for these classes relative to the base power cost included in the base retail rates.

7. COPA Over/Under Recovery. The proposed COPA for 2019 includes a reconciliation of COPA revenues for the months of October 2017 through September 2018. During this period, the Cooperative recovered \$13,225,956 from its members through the COPA, based on the difference between the projected cost of power for the period and the base cost of power recovered in the retail rates. In addition, \$1,604,485 was returned to Cooperative's members that related to the true-up of a prior period. Therefore, total net amount recovered

through the COPA during the current true-up period was \$11,621,470. The actual COPA revenue collected in this 12 month true-up period is summarized on Exhibit S.

Exhibits E through P show the calculations of the COPA over/under recovery for each month in the true-up period. These calculations are summarized on Exhibit D. Additionally, Exhibit D shows the accrual of interest on any monthly over-recovered balance for the rate classes during the 12 month true-up period.

The total system over-recovery for this time frame is \$2,856,019 and is included in the calculation of the COPA factors for 2019 (Exhibit A-1). Of this amount, \$17,845 is an under-recovery from all customers other than the LPT and LPT-CBM rate classes; \$2,781,241 is an over-recovery from the LPT rate class; and \$92,623 is an over-recovery from the LPT-CBM rate class.

8. Supporting Documentation. The Cooperative submits the testimony of Mr. David W. Hedrick and Exhibits A through T in support of this application.

9. Tariff Rate Riders. The proposed Tariff Rate Riders are included.

10. Contacts. Communications in regard to this Application are to be addressed to Mr. Michael E. Easley, Chief Executive Officer for the Applicant, Post Office Box 930, Sundance, Wyoming 82729; Mr. Mark L. Hughes, Attorney for the Applicant, Post Office Box 456, Sundance, Wyoming 82729 and Mr. David W. Hedrick, C. H. Guernsey & Company, 5555 North Grand Boulevard, Oklahoma City, OK 73112-5507.

WHEREFORE, the Cooperative respectfully requests that the Commission, in accordance with Wyoming statutory provisions and the Commission's rules, enter an order effective January 1, 2019, authorizing the Cooperative to implement the proposed COPA for 2019.

Dated at Sundance, Wyoming this 31st day of October 2018.

POWDER RIVER ENERGY CORPORATION



Michael E. Easley
Chief Executive Officer
Powder River Energy Corporation
221 Main St./PO Box 930
Sundance, WY 82729-0930

THE PUBLIC SERVICE COMMISSION OF WYOMING

NAME: Powder River Energy Corporation
 ADDRESS: P.O. Box 930, Sundance, WY 82729

WY PSC Tariff No.9
 3rd 2nd-Revised Sheet No. 1
 Cancelling 2nd-4st Revised Sheet No. 1

TARIFF RATE RIDER					
Class	Rate Codes	Billing Unit	2017 Approved Base Rate	2018 2019 COPA *	Total Rate
Residential (A)	001	<u>Basic Charge</u>			
	001NS	200 Amps and Under	\$25.50		\$25.50
	020	Over 200 Amps	\$30.00		\$30.00
	020NS	\$/kWh - All kWh	\$0.080875	\$0.008568 \$0.007064	\$0.089443 \$0.087939
Residential Seasonal (A)	010	<u>Basic Charge</u>			
	010NS	200 Amps and Under	\$306.00		\$306.00
	011	Over 200 Amps	\$360.00		\$360.00
	011NS	\$/kWh - All kWh	\$0.080875	\$0.008568 \$0.007064	\$0.089443 \$0.087939
Residential Time of Day (TOD)	085	<u>Basic Charge</u>			
	085NS	200 Amps and Under	\$25.50		\$25.50
	086	Over 200 Amps	\$30.00		\$30.00
	086NS	\$/kWh			
		<u>September-May</u>			
		All kWh - On Peak	\$0.084180	\$0.008568 \$0.007064	\$0.092748 \$0.091244
	All kWh - Off Peak	\$0.059800	\$0.008568 \$0.007064	0.068368 \$0.066864	
	<u>June-August</u>				
	\$/kWh - All kWh	\$0.080875	\$0.008568 \$0.007064	\$0.089443 \$0.087939	
Residential Heat Rate (RHR)	RHR	<u>Basic Charge</u>			
	RHRNS	200 Amps and Under	\$27.50		\$27.50
	RHC	Over 200 Amps	\$32.50		\$32.50
	RHCNS	\$/kWh - All kWh	\$0.080875	\$0.008568 \$0.007064	\$0.089443 \$0.087939
	<u>October - April</u>				
	Heat Credit per kWh of Electric Resistant Heat	\$(0.039810)		\$(0.039810)	

Rate Schedules are subject to monthly minimums as stated on the individual rate schedule sheet.
 *Reference Sheet No. 37, Rate Schedule BA for more information on the COPA.

Date Issued: ~~October 30, 2018~~ October 31, 2018

Date Effective: ~~January 1, 2018~~ January 1, 2019

By: 

Title: Chief Executive Officer
 Docket No. ~~10014-186-CP-17~~ 10014-193-CP-18

THE PUBLIC SERVICE COMMISSION OF WYOMING

NAME: Powder River Energy Corporation
 ADDRESS: P.O. Box 930, Sundance, WY 82729

WY PSC Tariff No. 9
 2nd 1st Revised Sheet No. 2
 Cancelling 1st Revised Original Sheet No. 2

TARIFF RATE RIDER					
- continued -					
Class	Rate Codes	Billing Unit	2017 Approved Base Rate	2018 2019 COPA*	Total Rate
General Service (GS)	040	<u>Basic Charge</u>			
	041	Single-Phase	\$35.00		\$35.00
	140	Three-Phase	\$40.00		\$40.00
	141	\$/kWh - All kWh	\$0.079500	\$0.008568 \$0.007064	\$0.088068 \$0.086564
Large Power (LP)	050	Basic Charge	\$175.00		\$175.00
	050A	<u>\$/kWh</u>			
	051	First 200 kWh/mon/kW	\$0.066050	\$0.008568 \$0.007064	\$0.074618 \$0.073114
	051A	Excess kWh/mon	\$0.046050	\$0.008568 \$0.007064	\$0.054618 \$0.053114
		<u>\$/kW</u>			
		First 50 kW	\$3.25		\$3.25
		Excess kW	\$6.25		\$6.25
Irrigation (I)	030	\$/kWh - All kWh Annual Charge / H.P.	\$0.077500 \$22.50	\$0.008568 \$0.007064	\$0.088068 \$0.086564 \$22.50
Outdoor Lighting (OL)	OL	<u>\$/Month</u>			
		175W - MV	\$9.00	\$0.70 \$0.58	\$9.70 \$9.58
		100W - HPS	\$9.00	\$0.45 \$0.37	\$9.45 \$9.37
		150 W - HPS	\$9.00	\$0.67 \$0.55	\$9.67 \$9.55
Street Lighting (SL)	080	<u>\$/Month</u>			
		100W - HPS	\$9.00	\$0.45 \$0.37	\$9.45 \$9.37
		150W - HPS	\$9.00	\$0.67 \$0.55	\$9.67 \$9.55
		175W - MV	\$9.00	\$0.70 \$0.58	\$9.70 \$9.58
		400W - MV	\$16.00	\$1.47 \$1.22	\$17.47 \$17.22
		400W - HPS	\$16.00	\$1.61 \$1.33	\$17.61 \$17.33
Large Power Transmission Coal Mine (LPT-CM)	303	<u>Distribution Component</u>			
		Basic Charge	\$1,000.00		\$1,000.00
		Demand Charge	\$0.90/NCP Billing kW		\$0.90/NCP Billing kW
		<u>Power Supply Component</u>			
		Demand Charge	\$15.00/NCP Billing kW		\$15.00 /NCP Billing kW
		Energy Charge	\$0.029999	\$0.000527 \$0.000845	\$0.030526 \$0.030844

Rate Schedules are subject to monthly minimums as stated on the individual rate schedule sheet.
 *Reference Sheet No. 37, Rate Schedule BA for more information on the COPA.

Date Issued: ~~October 30, 2018~~ October 31, 2018

Date Effective: ~~January 1, 2018~~ January 1, 2019

By: 

Title: Chief Executive Officer
 Docket No. ~~10014-186-CP-17~~ 10014-193-CP-18

THE PUBLIC SERVICE COMMISSION OF WYOMING

NAME: Powder River Energy Corporation
 ADDRESS: P.O. Box 930, Sundance, WY 82729

WY PSC Tariff No. 9
 2nd 1st Revised Sheet No. 3
 Cancelling 1st Revised Original Sheet No. 3

TARIFF RATE RIDER					
- continued -					
Class	Rate Code	Billing Unit	2017 Approved Base Rate	2018 2019 COPA*	Total Rate
Large Power Transmission General (LPT-G)	480	<u>Distribution Component</u>			
	485	Basic Charge	\$300.00		\$300.00
		Demand Charge	\$0.70/NCP Billing kW		\$0.70/NCP Billing kW
		<u>Power Supply Component</u>			
		Demand Charge	\$18.10/CP Billing kW		\$18.10/CP Billing kW
		Energy Charge	\$0.028095	\$0.003714 \$0.004561	\$0.031809 \$0.032656
General Service CBM (GS-CBM)	400	<u>Basic Charge</u>			
	401	Single-Phase	\$40.00		\$40.00
		Three-Phase	\$45.00		\$45.00
		\$/kWh - All kWh	\$0.098130	\$0.008568 \$0.007064	\$0.106698 \$0.105194
Large Power CBM (LP-CBM)	460	<u>Basic Charge</u>			
	450A	Secondary Delivery	\$225.00		\$225.00
	451	Primary Delivery	\$260.00		\$260.00
	451A	\$/kWh			
	452	First 200 kWh/mon/kW	\$0.061730	\$0.008568 \$0.007064	\$0.070298 \$0.068794
	452A	Excess kWh/mon	\$0.041730	\$0.008568 \$0.007064	\$0.050298 \$0.048794
	453	\$/kW			
453A	First 50 kW	\$4.86		\$4.86	
		Excess kW	\$8.86		\$8.86
Large Power Transmission CBM (LPT-CBM)	460	<u>Distribution Component</u>			
	465	Basic Charge	\$1,000.00		\$1,000.00
		Demand Charge	\$1.50/NCP Billing kW		\$1.50/NCP Billing kW
		<u>Power Supply Component</u>			
		Demand Charge	\$18.10/CP Billing kW		\$18.10/CP Billing kW
		Energy Charge	\$0.029100	\$0.003714 \$0.004561	\$0.032814 \$0.033661

Rate Schedules are subject to monthly minimums as stated on the individual rate schedule sheet.

*Reference Sheet No. 37, Rate Schedule BA for more information on the COPA.

Date Issued: ~~October 30, 2018~~ October 31, 2018

Date Effective: ~~January 1, 2018~~ January 1, 2019

By: 

Title: Chief Executive Officer
 Docket No. ~~10014-186-CP-17~~ 10014-193-CP-18

**BEFORE THE
WYOMING PUBLIC SERVICE COMMISSION**

**DIRECT TESTIMONY
OF
DAVID W. HEDRICK
C. H. GUERNSEY & COMPANY
OKLAHOMA CITY, OKLAHOMA**

**ON BEHALF OF
POWDER RIVER ENERGY CORPORATION, INC.**

Docket No. 10014-193-CP-18

1 **Q. Please state your name and business address.**

2 A. My name is David W. Hedrick and my business address is 5555 North Grand
3 Boulevard, Oklahoma City, Oklahoma 73112-5507.

4 **Q. By whom are you employed and what is your position?**

5 A. I am employed by C. H. Guernsey & Company. I am the Executive Vice
6 President of the company and I work primarily in the area of Electric Rate
7 Analysis.

8 **Q. Please summarize your educational and professional background.**

9 A. I have earned a Bachelor of Science degree from the University of Central
10 Oklahoma and an M.B.A. degree from Oklahoma City, University. I have been
11 employed by C. H. Guernsey & Company since 1981.

12 **Q. Have you previously testified before regulatory commissions?**

13 A. Yes. I have testified before the Arizona Corporation Commission, the Arkansas
14 Public Service Commission, the Oklahoma Corporation Commission, the Public
15 Utility Commission of Texas, and the Wyoming Public Service Commission.

16 **Q. Whom do you represent in this proceeding?**

17 A. I represent Powder River Energy Corporation (“PRECorp” or “the Cooperative”).

18 **Q. What is the purpose of your testimony?**

19 A. I will provide testimony describing the purpose and development of the Cost of
20 Power Adjustment (COPA) for 2019.

21 **Q. What is the purpose of the Cost of Power Adjustment?**

22 A. The COPA provides a mechanism by which the Cooperative can recover/return
23 changes in power cost increases or decreases relative to the amount of power
24 cost embedded in the base retail rates. The change in power cost can be a
25 result of an actual change in the wholesale rates charged by the Cooperative's
26 power supplier or as a result of a change in billing units that results in a change
27 in average power cost per kWh. The COPA ensures that the Cooperative's
28 margins are not affected by changes in the wholesale cost of power and that any
29 increases or decreases are passed on to the Members of the system.

30 **Q. Please describe the general process involved in developing the COPA for**
31 **2019.**

32 A. The calculation of the COPA factor to be applied beginning in January 2019 is
33 the sum of two components: the projected over/under recovery of power cost for
34 2019, plus a true-up of the over/under recovery for the prior period. The prior
35 period over/under recovery includes October 2017 through September 2018,
36 which is the most recent month of actuals available. The projected power cost is
37 based on the wholesale rates applicable in January 2019, multiplied by the
38 projected billing units for 2019. The prior period over/under recovery is
39 determined based on the actual COPA revenue recovered compared to the
40 actual recoverable power cost. In compliance with Wyoming PSC rules, an
41 interest component has been added to each month in the prior period when the
42 Cooperative was in an over-recovered position.

43 **Q. Please describe Exhibit A-1.**

44 A. **EXHIBIT A-1** is the summary schedule showing the development of the
45 proposed 2019 COPA factor for the three customer groups: Remainder of
46 System, Large Power Transmission, and Large Power Transmission – CBM and
47 General. The projected power cost for the three groups is developed on
48 **EXHIBITS B-1, C-1, and C-2**. The base power cost in rates (per unit rates) is the
49 amount approved in Docket No. 10014-163-CR-16. The base power cost in
50 rates multiplied by the projected kWh sold produces the Base Power Cost in
51 Rates in dollars. Subtract this amount from the projected power cost to
52 determine the recoverable power cost. The over/under recovery for the prior
53 period is added to the recoverable power cost to determine the total amount to
54 include in the COPA for 2019. This amount is divided by the total projected kWh
55 to determine the factor to be applied.

56 **Q. Please describe EXHIBIT A-2.**

57 A. **EXHIBIT A-2** shows the calculation of the change in COPA revenue resulting
58 from the application of the proposed COPA factor for 2019. The change in
59 revenue is calculated by applying the change from existing to proposed COPA
60 factor to the projected kWh sold for 2019. The total change in revenue is a
61 reduction of \$1,458,999. The change in both the recoverable power cost
62 component and the over/under recovery component of the COPA factors are
63 shown.

64 **Q. Please describe the development of the projected power cost shown on**
65 **EXHIBITS B-1, C-1, and C-2.**

66 A. **EXHIBIT B-1** is the calculation of the projected total 2019 power cost for the
67 system. The projected billing units were developed by the Cooperative based on

68 the projected demand and energy requirements for 2019. The wholesale rates
69 used to develop the projected power cost are the rates to be applied beginning in
70 January 2019, which include Basin Electric's published Class A rates, Basin's
71 Hybrid rate for Western Division purchases, and WAPA's (Western Area Power
72 Administration) rates, which apply to the small WAPA allocation the Cooperative
73 receives through Basin Electric.

74 **EXHIBIT C-1** shows the calculation of the projected power cost for the Large
75 Power Transmission class based on the projected billing units for 2019 and the
76 effective Basin Rate to be applied beginning in January 2019. **EXHIBIT C-2**
77 shows the calculation of the projected power cost for the Large Power
78 Transmission – CBM and General class based on the projected billing units for
79 2019 and the effective Basin Rate to be applied beginning in January 2019.

80 **Q. Please describe the Summary of COPA Over/Under Recovery, shown on**
81 **EXHIBIT D.**

82 A. Column (a) of **EXHIBIT D** is the number of days in the month for purposes of
83 calculating the interest on any over-collected balance. Column (b) provides the
84 summary of the actual over/under recovery for the months of October 2017
85 through September 2018, as developed on **EXHIBIT E** through **EXHIBIT P** for
86 each individual month. Column (c) is the component of the COPA revenue for a
87 prior year true-up. Column (d) is the sum of the prior month's total over/under
88 recovery (which includes interest) plus column (b) and column (c). Column (d) is
89 the amount upon which monthly interest is calculated. Column (e) is the
90 applicable interest rate for the period. Column (f) is the calculation of interest
91 based upon the balance in column (d), the number of days in Column (a), and
92 the interest rate in column (e). Column (g) is the sum of columns (d) and (f).

93 **Q. What does the September 2018 balance for each of the three groups**
94 **represent?**

95 A. The balance at September 2018 represents the amount by which the COPA is
96 over/under recovered for the customer group. The September 2018 balances
97 shown on **EXHIBIT D** are included in the calculation of the 2019 COPA factor on
98 **EXHIBIT A-1** as an over/under recovery amount for the prior period.

99 **Q. Please describe the development of the monthly over/under recovery as**
100 **shown on EXHIBITS E through P.**

101 A. The summary of the actual power cost for the three different groups is shown on
102 **EXHIBITS Q, R-1, and R-2**. The base cost in rates (per-unit rates) is the amount
103 included in the Cooperative's Billing Adjustment tariff. This base power cost
104 multiplied times the actual kWh sold for the period determines the actual base
105 power cost (in dollars). The actual power cost less the base power cost in rates
106 provides the recoverable power cost for the period. The recoverable power cost
107 less the actual COPA revenue provides the amount of the over/under recovery
108 for the period.

109 **Q. Has the Cooperative confirmed that the power cost as projected represents**
110 **the best option available?**

111 A. The Cooperative has a long-term all requirements purchase agreement with
112 Members 1st, which has a long-term all requirements purchase agreement with
113 Basin Electric and therefore does not have the ability to choose a different power
114 supplier.

115 **Q. What financial information has the Cooperative provided as an indication of**
116 **the current financial condition of the Cooperative?**

117 A. **EXHIBIT T** is the comparative income statement reflecting the Adjusted 2014 test
118 year as approved in Docket No. 10014-163-CR-16, the Actual 2017 period and
119 the Budgeted 2019 period which includes the revised COPA for 2019. The
120 operating margins and financial ratios indicate that the Cooperative is not in an
121 over-earnings position.

122 **Q. Does this conclude your testimony?**

123 A. Yes, it does.

POWDER RIVER ENERGY CORPORATION
CALCULATION OF COPA FACTOR FOR 2019

	<u>Amount</u>	
<u>Remainder of System</u>		
1 Projected Cost of Power for 2019 (Exhibit B-1, Page 2)		146,361,435
2 Less: Black Hills		32,000
3 Less: Projected LPT Power Cost (L15)		63,330,375
4 Less: LPT CBM Power Cost (L24)		4,282,900
5 Remainder System Power Cost		78,716,160
6 Base Power Cost In Rates \$/kWh Sold		0.057755
7 Projected kWh Sold for 2019		1,215,604,163
8 Less: Black Hills kWh		930,540
9 Projected kWh Sold for 2019 Less Black Hills		1,214,673,623
10 Base Power Cost in Rates \$		70,153,475
11 Recoverable Power Cost (L5 - L10)		8,562,685
12 (Over)/Under Recovery for 2018 (Exhibit D)		17,845
13 Total Amount to Include in COPA for 2019		8,580,530
14 Calculated COPA Factor for Q4 2018 (L10/L6)		0.007064
	<u>Projected Billing Unit</u>	
<u>Large Power Transmission - LPT</u>		
15 Projected Cost of Power for 2019 (Exhibit C-1)		63,330,375
16 LPT Base Power Cost In Rates: (Proposed tariff)		
17 Base Demand Charge NCP Billed @ Meter	2,050,356	14.97
18 Base Energy Charge kWh Billed @ Meter	977,098,386	0.029710
19 Total LPTC Base Power Cost in Rate		59,723,426
20 LPT Recoverable Power Cost (L15 - L19)		3,606,949
21 (Over)/Under Recovery for 2018 (Exhibit D)		(2,781,241)
22 Total Amount to Include in LPT COPA for 2019		825,708
23 LPT COPA Factor for 2019 (L22/ kWh Sold for Class)	977,098,386	0.000845
<u>Large Power Transmission - LPT-CBM & Other</u>		
24 Projected LPT-CBM Power Cost for 2019 (Exhibit C-2)		4,282,900
25 LPT-CBM Base Power Cost In Rates: (Proposed tariff)		
26 Base Demand Charge CP Billed @ Meter	102,601	18.10
27 Base Energy Charge kWh Billed @ Meter	69,089,824	0.029210
28 Total LPTC Base Power Cost in Rate		3,875,184
29 LPT Recoverable Power Cost (L24 - L28)		407,716
30 (Over)/Under Recovery for 2018 (Exhibit D)		(92,623)
31 Total Amount to Include in LPT-CBM COPA for 2019		315,093
32 LPT COPA Factor for 2019 (L31/ kWh Sold for Class)	69,089,824	0.004561

POWDER RIVER ENERGY CORPORATION
CALCULATION OF INCREASED COPA REVENUE

	<u>Existing COPA</u>	<u>Proposed COPA</u>	<u>Change in COPA</u>	<u>Projected kWh</u>	<u>Change \$</u>
<u>Total COPA</u>					
Remainder of System	0.008568	0.007064	(0.001504)	1,215,604,163	(1,828,269)
Large Power Transmission	0.000527	0.000845	0.000318	977,098,386	310,777
Large Power Trans CBM & Other	0.003714	0.004561	0.000847	69,089,824	58,493
Total				2,261,792,373	(1,458,999)
<u>Power Cost Component</u>					
Remainder of System	0.007057	0.007049	(0.000008)	1,215,604,163	(9,273)
Large Power Transmission	0.003918	0.003691	(0.000227)	977,098,386	(221,323)
Large Power Trans CBM & Other	0.005540	0.005901	0.000361	69,089,824	24,958
Total					(205,638)
<u>(Over)/Under Recovery Component</u>					
Remainder of System	0.001511	0.000015	(0.001496)	1,215,604,163	(1,818,922)
Large Power Transmission	(0.003391)	(0.002846)	0.000545	977,098,386	532,100
Large Power Trans CBM & Other	(0.001826)	(0.001341)	0.000485	69,089,824	33,535
Total					(1,253,287)

POWDER RIVER ENERGY CORPORATION
PROJECTED PURCHASED POWER USING AUGUST 2018 BASIN RATE FOR ALL BASIN LOAD
FOR THE TWELVE MONTHS ENDING DECEMBER 31, 2019

	January	February	March	April	May	June	July	August	September	October	November	December	Total
<u>Black Hills Electric</u>													
Energy - kWh	0	0	0	0	0	0	0	0	0	0	0	0	0
Billing	0	0	0	0	0	0	0	0	0	0	0	32,000	32,000
<u>WAPA</u>													
Billing Demand - kW	11,014	9,669	10,349	10,164	10,206	11,477	13,591	10,762	8,238	10,471	11,271	11,256	128,469
Metered Energy - kWh	7,220,266	5,712,362	6,737,325	6,240,178	6,643,298	7,210,185	8,758,511	7,025,069	5,254,809	6,797,786	7,076,117	7,425,586	82,101,492
<u>WAPA Billing Calculation</u>													
Demand Billing	45,378.89	39,837.47	42,638.80	41,874.91	42,048.93	47,286.46	55,993.01	44,340.32	33,939.87	43,140.23	46,437.01	46,376.50	529,292
Energy Billing	113,502.59	89,798.33	105,910.75	98,095.59	104,432.64	113,344.12	137,683.79	110,434.08	82,605.60	106,861.19	111,236.56	116,730.21	1,290,635
Total	158,881.48	129,635.80	148,549.55	139,970.50	146,481.58	160,630.57	193,676.81	154,774.40	116,545.47	150,001.42	157,673.56	163,106.71	1,819,928
<u>BASIN</u>													
Projected kW Purchased	324,713.71	322,308.30	306,577.56	289,709.60	262,883.61	261,281.97	262,291.18	267,710.44	273,742.11	276,496.50	308,266.57	318,797.84	3,474,779
Projected kWh Purchased	210,215,516	187,962,000	197,017,221	175,574,816	168,884,293	162,029,533	166,735,014	172,348,221	172,022,195	177,076,199	190,871,418	207,292,124	2,188,028,551
<u>BASIN Billing Calculation</u>													
Demand Charge	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64
Energy Charge	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242
PCA Demand Credit	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
PCA Energy Credit	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
Demand Billing	6,377,377.21	6,330,135.10	6,021,183.37	5,689,896.49	5,163,034.04	5,131,577.82	5,151,398.81	5,257,833.14	5,376,295.12	5,430,391.25	6,054,355.40	6,261,189.63	68,244,667.38
Heat Rate Billing	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	12,000.00	72,000.00
Fixed Charges	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	40,800.00
Energy Billing	6,815,187.04	6,093,728.03	6,387,298.30	5,692,135.54	5,475,228.79	5,252,997.48	5,405,549.14	5,587,529.33	5,576,959.57	5,740,810.37	6,188,051.36	6,720,410.67	70,935,885.61
Members 1st Adder	19,627.33	19,627.33	19,627.33	19,627.33	19,627.33	19,627.33	19,627.33	19,627.33	19,627.33	19,627.33	19,627.33	19,627.33	235,527.96
Data Incentive Credit	(11,183.56)	(9,953.19)	(10,476.79)	(9,359.24)	(9,055.10)	(8,756.31)	(9,095.52)	(9,283.58)	(9,137.38)	(9,449.47)	(10,179.83)	(11,072.57)	-117,002.55
Power Service Agreement	37,505.00	37,505.00	37,505.00	37,505.00	37,505.00	37,505.00	37,505.00	37,505.00	37,505.00	37,505.00	37,505.00	37,505.00	450,060.00
Total	13,253,913.02	12,486,442.28	12,470,537.20	11,433,205.12	10,689,740.06	10,436,351.31	10,608,384.76	10,896,611.21	11,004,649.64	11,234,284.48	12,304,759.25	13,043,060.06	139,861,938.40
<u>Western Division</u>													
CP kW Metered	9,567	9,242	8,989	7,931	8,165	9,293	9,940	10,045	9,887	8,050	9,298	10,415	110,823
Energy kWh Metered	6,235,484	5,389,382	5,781,304	5,369,847	5,574,426	5,886,495	6,416,826	6,298,389	5,470,668	5,115,402	5,649,151	6,733,630	69,921,003
<u>Hybrid Rate from Basin</u>													
CP Demand Charge	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64
Energy Charge	0.03534	0.03534	0.03534	0.03534	0.03534	0.03534	0.03534	0.03534	0.03534	0.03534	0.03534	0.03534	0.03534
CP Billing	187,888	181,513	176,552	155,767	160,362	182,516	195,225	197,283	194,177	158,109	182,621	204,548	2,176,560
Energy Billing	220,362	190,461	204,311	189,770	197,000	208,029	226,771	222,585	193,333	180,778	199,641	237,966	2,471,008
Total	408,250	371,973	380,864	345,537	357,362	390,545	421,995	419,868	387,511	338,887	382,262	442,514	4,647,568
Total Billing kW	345,295	341,220	325,916	307,805	281,255	282,052	285,822	288,518	291,867	295,018	328,836	340,469	3,714,071
Total kWh	223,671,267	199,063,743	209,535,850	187,184,841	181,102,017	175,126,214	181,910,351	185,671,678	182,747,672	188,989,387	203,596,685	221,451,340	2,340,051,046
Total Power Cost	13,821,045	12,988,051	12,999,950	11,918,713	11,193,584	10,987,527	11,224,057	11,471,253	11,508,706	11,723,173	12,844,695	13,680,681	146,361,435

POWDER RIVER ENERGY CORPORATION

PROJECTED POWER COST THROUGH 2019 FOR LARGE POWER TRANSMISSION - (LPT)

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>Total</u>
<u>Billing Units @ Basin Level</u>													
Total Basin Billing kW	324,714	322,308	306,578	289,710	262,884	261,282	262,291	267,710	273,742	276,496	308,267	318,798	3,474,779
LPT Billing kW	143,294	143,989	138,233	133,785	118,155	119,063	120,002	127,914	122,924	135,623	145,274	142,842	1,591,097
LPT kW as % of Total	44.13%	44.67%	45.09%	46.18%	44.95%	45.57%	45.75%	47.78%	44.90%	49.05%	47.13%	44.81%	45.79%
Total LPT kWh Purchased	91,560,616	83,288,396	87,355,436	76,752,028	74,600,149	73,249,306	74,797,067	81,117,243	76,630,406	82,123,311	87,912,759	91,547,121	980,933,838
<u>Effective Basin Rate</u>													
Demand Charge	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	
Energy Charge	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	
Fixed Charges per CP kW	0.1520	0.1569	0.1633	0.1766	0.1958	0.1982	0.1961	0.1914	0.1877	0.1848	0.1633	0.1551	
Adjustments/Other Credits													
Demand Billing	2,814,293	2,827,953	2,714,899	2,627,532	2,320,555	2,338,390	2,356,841	2,512,232	2,414,225	2,663,635	2,853,188	2,805,407	31,249,150
Energy Billing	2,968,395	2,700,210	2,832,063	2,488,301	2,418,537	2,374,743	2,424,921	2,629,821	2,484,358	2,662,438	2,850,132	2,967,958	31,801,875
Fixed Charges Billing	21,777	22,596	22,570	23,631	23,137	23,594	23,533	24,487	23,079	25,056	23,729	22,161	279,350
Adjustments/Other Credits	0	0	0	0	0	0	0	0	0	0	0	0	0
Total LPT Power Cost	5,804,465	5,550,759	5,569,532	5,139,464	4,762,228	4,736,726	4,805,295	5,166,540	4,921,662	5,351,129	5,727,049	5,795,526	63,330,375
	5,804,465	5,550,759	5,569,532	5,139,464	4,762,228	4,736,726	4,805,295	5,166,540	4,921,662	5,351,129	5,727,049	5,795,526	63,330,375

POWDER RIVER ENERGY CORPORATION

PROJECTED POWER COST THROUGH 2019 FOR LARGE POWER TRANSMISSION - CBM & OTHER

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>Total</u>
<u>Billing Units @ Basin Level</u>													
Total Basin Billing kW	324,714	322,308	306,578	289,710	262,884	261,282	262,291	267,710	273,742	276,496	308,267	318,798	3,474,779
LPT-CBM Billing kW	9,136	10,728	10,411	8,831	8,840	9,797	7,685	6,968	7,386	6,490	8,506	8,058	102,835
LPT-CBM kW as % of Total	2.81%	3.33%	3.40%	3.05%	3.36%	3.75%	2.93%	2.60%	2.70%	2.35%	2.76%	2.53%	2.96%
kWh Purchased	6,595,575	6,145,063	6,873,828	6,476,728	6,320,390	5,575,703	4,405,142	4,764,058	4,562,054	5,476,258	5,576,877	6,480,440	69,252,116
<u>Effective Basin Rate</u>													
Demand Charge	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64
Energy Charge	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242
Fixed Charges per CP kW	0.1520	0.1569	0.1633	0.1766	0.1958	0.1982	0.1961	0.1914	0.1877	0.1848	0.1633	0.1551	0.1551
Adjustments/Other Credits	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Demand Billing	179,424	210,692	204,470	173,440	173,614	192,404	150,926	136,860	145,052	127,462	167,064	158,268	2,019,676
Energy Billing	213,829	199,223	222,849	209,976	204,907	180,764	142,815	154,451	147,902	177,540	180,802	210,096	2,245,154
Fixed Charges Billing	1,388	1,683	1,700	1,560	1,731	1,941	1,507	1,334	1,387	1,199	1,389	1,250	18,070
Adjustments/Other Credits	0	0	0	0	0	0	0	0	0	0	0	0	0
Total LPT - CBM Power Cost	394,641	411,598	429,020	384,976	380,252	375,110	295,247	292,645	294,340	306,201	349,256	369,614	4,282,900

POWDER RIVER ENERGY CORPORATION
SUMMARY OF COPA OVER/UNDER RECOVERY
FOR THE PERIOD OCTOBER 2017 THROUGH SEPTEMBER 2018

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	<u>Days</u>	<u>(Over)/Under Recovery</u>	<u>Prior Year True Up in COPA</u>	<u>Balance</u>	<u>Annual Interest Rate</u>	<u>Interest</u>	<u>Total (Over)/Under Recovery</u>
Remainder Classes							
Beginning Balance							1,700,126
October 17	31	(534,225)	32,321	1,198,222	2.63%	-	1,198,222
November 18	30	(123,568)	31,236	1,105,890	2.63%	-	1,105,890
December 18	31	(48,663)	35,434	1,092,661	2.63%	-	1,092,661
January 19	31	(150,684)	(167,023)	774,954	2.63%	-	774,954
February 18	28	465,635	(146,993)	1,093,596	2.63%	-	1,093,596
March 18	31	(256,406)	(154,711)	682,479	2.63%	-	682,479
April 18	30	190,265	(134,625)	738,118	2.63%	-	738,118
May 18	31	193,872	(122,308)	809,682	2.63%	-	809,682
June 18	30	28,970	(122,264)	716,388	2.63%	-	716,388
July 18	31	(166,254)	(124,639)	425,495	2.63%	-	425,495
August 18	31	279,279	(122,938)	581,836	2.63%	-	581,836
September 18	30	(436,665)	(127,326)	17,845	2.63%	-	17,845
Subtotal		(558,443)	(1,123,838)			-	
LPT Class							
Beginning Balance							(3,482,496)
October 17	31	(28,048)	38,305	(3,472,238)	2.63%	(7,756)	(3,479,994)
November 18	30	(97,533)	40,220	(3,537,307)	2.63%	(7,646)	(3,544,953)
December 18	31	(513,561)	43,026	(4,015,488)	2.63%	(8,969)	(4,024,458)
January 19	31	(1,043)	324,904	(3,700,597)	2.63%	(8,266)	(3,708,863)
February 18	28	(75,251)	295,586	(3,488,529)	2.63%	(7,038)	(3,495,567)
March 18	31	50,575	310,024	(3,134,968)	2.63%	(7,003)	(3,141,971)
April 18	30	(86,430)	272,082	(2,956,319)	2.63%	(6,391)	(2,962,709)
May 18	31	(491,139)	244,817	(3,209,032)	2.63%	(7,168)	(3,216,200)
June 18	30	(520,154)	235,017	(3,501,337)	2.63%	(7,569)	(3,508,906)
July 18	31	12,025	265,392	(3,231,488)	2.63%	(7,218)	(3,238,707)
August 18	31	(189,467)	277,357	(3,150,817)	2.63%	(7,038)	(3,157,855)
September 18	30	101,402	281,211	(2,775,242)	2.63%	(5,999)	(2,781,241)
Subtotal		(1,838,625)	2,627,941			(88,061)	
LPT CBM Class							
Beginning Balance							(168,292)
October 17	31	(9,067)	(4,444)	(181,803)	2.63%	(406)	(182,209)
November 18	30	(6,979)	(4,436)	(193,625)	2.63%	(419)	(194,043)
December 18	31	(23,012)	(4,937)	(221,992)	2.63%	(496)	(222,488)
January 19	31	(663)	16,528	(206,623)	2.63%	(462)	(207,084)
February 18	28	3,581	14,943	(188,560)	2.63%	(380)	(188,941)
March 18	31	1,026	16,847	(171,067)	2.63%	(382)	(171,449)
April 18	30	4,221	12,271	(154,957)	2.63%	(335)	(155,292)
May 18	31	454	12,041	(142,797)	2.63%	(319)	(143,116)
June 18	30	4,384	10,533	(128,199)	2.63%	(277)	(128,476)
July 18	31	3,371	9,843	(115,263)	2.63%	(257)	(115,521)
August 18	31	345	10,776	(104,400)	2.63%	(233)	(104,633)
September 18	30	1,793	10,418	(92,423)	2.63%	(200)	(92,623)
Subtotal		(20,547)	100,382			(4,166)	

(Over)/Under Recovery derived on monthly worksheets

POWDER RIVER ENERGY CORPORATION

CALCULATION OF COPA OVER/UNDER RECOVERY
FOR THE MONTH OF: OCTOBER 2017

			<u>Amount</u>
<u>Remainder of System</u>			
1	Actual Cost of Power (Schedule "Actual System Power Cost")		12,169,986
2	Less: LPT Power Cost (L11)		5,813,989
3	Less: LPT CBM Power Cost (L19)		464,326
4	Remainder System Power Cost		5,891,671
5	Base Power Cost In Rates \$/kWh Sold (Rate in Effect for Period)		0.057755
6	kWh Sold for Period Excluding LPT and LPT-CBM kWh Sold		99,186,532
7	Base Power Cost in Rates \$		5,728,518
8	Recoverable Power Cost (L4 - L7)		163,153
9	Actual COPA Revenue Collected for Period		697,378
10	(Over)/Under Recovery (L8 - L9)		(534,225)
<u>Large Power Transmission - LPT</u>			
11	LPT Power Cost (Schedule "LPT Actual Power Cost")		5,813,989
12	LPT Base Power Cost In Rates: (Rate in Effect for Period)		
13	Base Demand Charge	180,831	14.97
14	Base Energy Charge	85,148,650	0.029710
15	Total LPT Base Power Cost in Rate		5,236,811
16	LPT Recoverable Power Cost (L11 - L15)		577,178
17	Actual LPT COPA Revenue Collected for Period		605,225
18	(Over)/Under Recovery (L16 - L17)		(28,048)
<u>Large Power Transmission Coal Bed Methane - LPT-CBM</u>			
19	LPT-CBM Power Cost (Schedule "LPT-CBM Actual Power Cost")		464,326
20	LPT-CBM Base Power Cost In Rates: (Rate in Effect for Period)		
21	Base Demand Charge	9,304	18.10
22	Base Energy Charge	8,078,000	0.029210
23	Total LPT Base Power Cost in Rate		404,368
24	LPT-CBM Recoverable Power Cost (L19 - L23)		59,958
25	Actual LPT-CBM COPA Revenue Collected for Period		69,026
26	(Over)/Under Recovery (L24 - L25)		(9,067)

POWDER RIVER ENERGY CORPORATION

CALCULATION OF COPA OVER/UNDER RECOVERY
FOR THE MONTH OF: NOVEMBER 2017

			<u>Amount</u>
<u>Remainder of System</u>			
1	Actual Cost of Power (Schedule "Actual System Power Cost")		12,693,122
2	Less: LPT Power Cost (L11)		6,100,227
3	Less: LPT CBM Power Cost (L19)		506,734
4	Remainder System Power Cost		6,086,161
5	Base Power Cost In Rates \$/kWh Sold (Rate in Effect for Period)		0.057755
6	kWh Sold for Period Excluding LPT and LPT-CBM kWh Sold		95,848,877
7	Base Power Cost in Rates \$		5,535,752
8	Recoverable Power Cost (L4 - L7)		550,410
9	Actual COPA Revenue Collected for Period		673,978
10	(Over)/Under Recovery (L8 - L9)		(123,568)
<u>Large Power Transmission - LPT</u>			
11	LPT Power Cost (Schedule "LPT Actual Power Cost")		6,100,227
12	LPT Base Power Cost In Rates: (Rate in Effect for Period)		
13	Base Demand Charge	194,128	14.97
14	Base Energy Charge	89,403,913	0.029710
15	Total LPT Base Power Cost in Rate		5,562,289
16	LPT Recoverable Power Cost (L11 - L15)		537,938
17	Actual LPT COPA Revenue Collected for Period		635,471
18	(Over)/Under Recovery (L16 - L17)		(97,533)
<u>Large Power Transmission Coal Bed Methane - LPT-CBM</u>			
19	LPT-CBM Power Cost (Schedule "LPT-CBM Actual Power Cost")		506,734
20	LPT-CBM Base Power Cost In Rates: (Rate in Effect for Period)		
21	Base Demand Charge	11,561	18.10
22	Base Energy Charge	8,064,000	0.029210
23	Total LPT Base Power Cost in Rate		444,807
24	LPT-CBM Recoverable Power Cost (L19 - L23)		61,927
25	Actual LPT-CBM COPA Revenue Collected for Period		68,906
26	(Over)/Under Recovery (L24 - L25)		(6,979)

POWDER RIVER ENERGY CORPORATION
CALCULATION OF COPA OVER/UNDER RECOVERY
FOR THE MONTH OF: DECEMBER 2017

			<u>Amount</u>
<u>Remainder of System</u>			
1 Actual Cost of Power (Schedule "Actual System Power Cost")			13,507,679
2 Less: LPT Power Cost (L11)			5,942,573
3 Less: LPT CBM Power Cost (L19)			515,074
4 Remainder System Power Cost			7,050,032
5 Base Power Cost In Rates \$/kWh Sold (Rate in Effect for Period)			0.057755
6 kWh Sold for Period Excluding LPT and LPT-CBM kWh Sold			109,672,741
7 Base Power Cost in Rates \$			6,334,149
8 Recoverable Power Cost (L4 - L7)			715,882
9 Actual COPA Revenue Collected for Period			764,545
10 (Over)/Under Recovery (L8 - L9)			(48,663)
<u>Large Power Transmission - LPT</u>			
11 LPT Power Cost (Schedule "LPT Actual Power Cost")			5,942,573
12 LPT Base Power Cost In Rates: (Rate in Effect for Period)			
13 Base Demand Charge	196,043	14.97	2,934,770
14 Base Energy Charge	95,642,822	0.029710	2,841,548
15 Total LPT Base Power Cost in Rate			5,776,318
16 LPT Recoverable Power Cost (L11 - L15)			166,255
17 Actual LPT COPA Revenue Collected for Period			679,816
18 (Over)/Under Recovery (L16 - L17)			(513,561)
<u>Large Power Transmission Coal Bed Methane - LPT-CBM</u>			
19 LPT-CBM Power Cost (Schedule "LPT-CBM Actual Power Cost")			515,074
20 LPT-CBM Base Power Cost In Rates: (Rate in Effect for Period)			
21 Base Demand Charge	11,010	18.10	199,274
22 Base Energy Charge	8,974,000	0.029210	262,131
23 Total LPT Base Power Cost in Rate			461,404
24 LPT-CBM Recoverable Power Cost (L19 - L23)			53,670
25 Actual LPT-CBM COPA Revenue Collected for Period			76,682
26 (Over)/Under Recovery (L24 - L25)			(23,012)

POWDER RIVER ENERGY CORPORATION
CALCULATION OF COPA OVER/UNDER RECOVERY
FOR THE MONTH OF: JANUARY 2018

			<u>Amount</u>
<u>Remainder of System</u>			
1	Actual Cost of Power (Schedule "Actual System Power Cost")		13,629,955
2	Less: LPT Power Cost (L11)		6,080,853
3	Less: LPT CBM Power Cost (L19)		532,798
4	Remainder System Power Cost		7,016,304
5	Base Power Cost In Rates \$/kWh Sold (Rate in Effect for Period)		0.057755
6	kWh Sold for Period Excluding LPT and LPT-CBM kWh Sold		110,583,180
7	Base Power Cost in Rates \$		6,386,732
8	Recoverable Power Cost (L4 - L7)		629,572
9	Actual COPA Revenue Collected for Period		780,256
10	(Over)/Under Recovery (L8 - L9)		(150,684)
<u>Large Power Transmission - LPT</u>			
11	LPT Power Cost (Schedule "LPT Actual Power Cost")		6,080,853
12	LPT Base Power Cost In Rates: (Rate in Effect for Period)		
13	Base Demand Charge	191,013	14.97
14	Base Energy Charge	95,827,383	0.029710
15	Total LPT Base Power Cost in Rate		5,706,491
16	LPT Recoverable Power Cost (L11 - L15)		374,362
17	Actual LPT COPA Revenue Collected for Period		375,405
18	(Over)/Under Recovery (L16 - L17)		(1,043)
<u>Large Power Transmission Coal Bed Methane - LPT-CBM</u>			
19	LPT-CBM Power Cost (Schedule "LPT-CBM Actual Power Cost")		532,798
20	LPT-CBM Base Power Cost In Rates: (Rate in Effect for Period)		
21	Base Demand Charge	12,096	18.10
22	Base Energy Charge	9,051,000	0.029210
23	Total LPT Base Power Cost in Rate		483,317
24	LPT-CBM Recoverable Power Cost (L19 - L23)		49,481
25	Actual LPT-CBM COPA Revenue Collected for Period		50,143
26	(Over)/Under Recovery (L24 - L25)		(663)

POWDER RIVER ENERGY CORPORATION

CALCULATION OF COPA OVER/UNDER RECOVERY
FOR THE MONTH OF: FEBRUARY 2018

			<u>Amount</u>
<u>Remainder of System</u>			
1	Actual Cost of Power (Schedule "Actual System Power Cost")		13,028,178
2	Less: LPT Power Cost (L11)		5,723,195
3	Less: LPT CBM Power Cost (L19)		533,030
4	Remainder System Power Cost		6,771,953
5	Base Power Cost In Rates \$/kWh Sold (Rate in Effect for Period)		0.057755
6	kWh Sold for Period Excluding LPT and LPT-CBM kWh Sold		97,301,244
7	Base Power Cost in Rates \$		5,619,633
8	Recoverable Power Cost (L4 - L7)		1,152,320
9	Actual COPA Revenue Collected for Period		686,684
10	(Over)/Under Recovery (L8 - L9)		465,635
<u>Large Power Transmission - LPT</u>			
11	LPT Power Cost (Schedule "LPT Actual Power Cost")		5,723,195
12	LPT Base Power Cost In Rates: (Rate in Effect for Period)		
13	Base Demand Charge	191,502	14.97
14	Base Energy Charge	87,180,356	0.029710
15	Total LPT Base Power Cost in Rate		5,456,917
16	LPT Recoverable Power Cost (L11 - L15)		266,278
17	Actual LPT COPA Revenue Collected for Period		341,530
18	(Over)/Under Recovery (L16 - L17)		(75,251)
<u>Large Power Transmission Coal Bed Methane - LPT-CBM</u>			
19	LPT-CBM Power Cost (Schedule "LPT-CBM Actual Power Cost")		533,030
20	LPT-CBM Base Power Cost In Rates: (Rate in Effect for Period)		
21	Base Demand Charge	13,541	18.10
22	Base Energy Charge	8,183,000	0.029210
23	Total LPT Base Power Cost in Rate		484,114
24	LPT-CBM Recoverable Power Cost (L19 - L23)		48,916
25	Actual LPT-CBM COPA Revenue Collected for Period		45,334
26	(Over)/Under Recovery (L24 - L25)		3,581

POWDER RIVER ENERGY CORPORATION

CALCULATION OF COPA OVER/UNDER RECOVERY
FOR THE MONTH OF: MARCH 2018

			<u>Amount</u>
<u>Remainder of System</u>			
1	Actual Cost of Power (Schedule "Actual System Power Cost")		12,892,795
2	Less: LPT Power Cost (L11)		5,950,705
3	Less: LPT CBM Power Cost (L19)		560,992
4	Remainder System Power Cost		6,381,098
5	Base Power Cost In Rates \$/kWh Sold (Rate in Effect for Period)		0.057755
6	kWh Sold for Period Excluding LPT and LPT-CBM kWh Sold		102,411,259
7	Base Power Cost in Rates \$		5,914,762
8	Recoverable Power Cost (L4 - L7)		466,335
9	Actual COPA Revenue Collected for Period		722,742
10	(Over)/Under Recovery (L8 - L9)		(256,406)
<u>Large Power Transmission - LPT</u>			
11	LPT Power Cost (Schedule "LPT Actual Power Cost")		5,950,705
12	LPT Base Power Cost In Rates: (Rate in Effect for Period)		
13	Base Demand Charge	188,729	14.97
14	Base Energy Charge	91,438,817	0.029710
15	Total LPT Base Power Cost in Rate		5,541,918
16	LPT Recoverable Power Cost (L11 - L15)		408,787
17	Actual LPT COPA Revenue Collected for Period		358,212
18	(Over)/Under Recovery (L16 - L17)		50,575
<u>Large Power Transmission Coal Bed Methane - LPT-CBM</u>			
19	LPT-CBM Power Cost (Schedule "LPT-CBM Actual Power Cost")		560,992
20	LPT-CBM Base Power Cost In Rates: (Rate in Effect for Period)		
21	Base Demand Charge	13,224	18.10
22	Base Energy Charge	9,226,000	0.029210
23	Total LPT Base Power Cost in Rate		508,853
24	LPT-CBM Recoverable Power Cost (L19 - L23)		52,139
25	Actual LPT-CBM COPA Revenue Collected for Period		51,113
26	(Over)/Under Recovery (L24 - L25)		1,026

POWDER RIVER ENERGY CORPORATION
CALCULATION OF COPA OVER/UNDER RECOVERY
FOR THE MONTH OF: APRIL 2018

			<u>Amount</u>
<u>Remainder of System</u>			
1 Actual Cost of Power (Schedule "Actual System Power Cost")			11,714,930
2 Less: LPT Power Cost (L11)			5,300,324
3 Less: LPT CBM Power Cost (L19)			448,722
4 Remainder System Power Cost			5,965,884
5 Base Power Cost In Rates \$/kWh Sold (Rate in Effect for Period)			0.057755
6 kWh Sold for Period Excluding LPT and LPT-CBM kWh Sold			89,112,824
7 Base Power Cost in Rates \$			5,146,711
8 Recoverable Power Cost (L4 - L7)			819,173
9 Actual COPA Revenue Collected for Period			628,908
10 (Over)/Under Recovery (L8 - L9)			190,265
<u>Large Power Transmission - LPT</u>			
11 LPT Power Cost (Schedule "LPT Actual Power Cost")			5,300,324
12 LPT Base Power Cost In Rates: (Rate in Effect for Period)			
13 Base Demand Charge	179,573	14.97	2,688,208
14 Base Energy Charge	80,248,176	0.029710	2,384,173
15 Total LPT Base Power Cost in Rate			5,072,381
16 LPT Recoverable Power Cost (L11 - L15)			227,942
17 Actual LPT COPA Revenue Collected for Period			314,373
18 (Over)/Under Recovery (L16 - L17)			(86,430)
<u>Large Power Transmission Coal Bed Methane - LPT-CBM</u>			
19 LPT-CBM Power Cost (Schedule "LPT-CBM Actual Power Cost")			448,722
20 LPT-CBM Base Power Cost In Rates: (Rate in Effect for Period)			
21 Base Demand Charge	11,656	18.10	210,981
22 Base Energy Charge	6,720,000	0.029210	196,291
23 Total LPT Base Power Cost in Rate			407,272
24 LPT-CBM Recoverable Power Cost (L19 - L23)			41,450
25 Actual LPT-CBM COPA Revenue Collected for Period			37,229
26 (Over)/Under Recovery (L24 - L25)			4,221

POWDER RIVER ENERGY CORPORATION
CALCULATION OF COPA OVER/UNDER RECOVERY
FOR THE MONTH OF: MAY 2018

			<u>Amount</u>
<u>Remainder of System</u>			
1	Actual Cost of Power (Schedule "Actual System Power Cost")		10,282,113
2	Less: LPT Power Cost (L11)		4,455,552
3	Less: LPT CBM Power Cost (L19)		386,704
4	Remainder System Power Cost		5,439,857
5	Base Power Cost In Rates \$/kWh Sold (Rate in Effect for Period)		0.057755
6	kWh Sold for Period Excluding LPT and LPT-CBM kWh Sold		80,938,773
7	Base Power Cost in Rates \$		4,674,619
8	Recoverable Power Cost (L4 - L7)		765,238
9	Actual COPA Revenue Collected for Period		571,367
10	(Over)/Under Recovery (L8 - L9)		193,872
<u>Large Power Transmission - LPT</u>			
11	LPT Power Cost (Schedule "LPT Actual Power Cost")		4,455,552
12	LPT Base Power Cost In Rates: (Rate in Effect for Period)		
13	Base Demand Charge	168,241	14.97
14	Base Energy Charge	72,206,595	0.029710
15	Total LPT Base Power Cost in Rate		4,663,822
16	LPT Recoverable Power Cost (L11 - L15)		(208,270)
17	Actual LPT COPA Revenue Collected for Period		282,870
18	(Over)/Under Recovery (L16 - L17)		(491,139)
<u>Large Power Transmission Coal Bed Methane - LPT-CBM</u>			
19	LPT-CBM Power Cost (Schedule "LPT-CBM Actual Power Cost")		386,704
20	LPT-CBM Base Power Cost In Rates: (Rate in Effect for Period)		
21	Base Demand Charge	8,680	18.10
22	Base Energy Charge	6,594,000	0.029210
23	Total LPT Base Power Cost in Rate		349,719
24	LPT-CBM Recoverable Power Cost (L19 - L23)		36,985
25	Actual LPT-CBM COPA Revenue Collected for Period		36,531
26	(Over)/Under Recovery (L24 - L25)		454

POWDER RIVER ENERGY CORPORATION

CALCULATION OF COPA OVER/UNDER RECOVERY
FOR THE MONTH OF: JUNE 2018

			<u>Amount</u>
<u>Remainder of System</u>			
1 Actual Cost of Power (Schedule "Actual System Power Cost")			9,935,419
2 Less: LPT Power Cost (L11)			4,278,089
3 Less: LPT CBM Power Cost (L19)			382,862
4 Remainder System Power Cost			5,274,468
5 Base Power Cost In Rates \$/kWh Sold (Rate in Effect for Period)			0.057755
6 kWh Sold for Period Excluding LPT and LPT-CBM kWh Sold			80,933,865
7 Base Power Cost in Rates \$			4,674,335
8 Recoverable Power Cost (L4 - L7)			600,133
9 Actual COPA Revenue Collected for Period			571,163
10 (Over)/Under Recovery (L8 - L9)			28,970
<u>Large Power Transmission - LPT</u>			
11 LPT Power Cost (Schedule "LPT Actual Power Cost")			4,278,089
12 LPT Base Power Cost In Rates: (Rate in Effect for Period)			
13 Base Demand Charge	164,817	14.97	2,467,315
14 Base Energy Charge	69,316,124	0.029710	2,059,382
15 Total LPT Base Power Cost in Rate			4,526,697
16 LPT Recoverable Power Cost (L11 - L15)			(248,608)
17 Actual LPT COPA Revenue Collected for Period			271,546
18 (Over)/Under Recovery (L16 - L17)			(520,154)
<u>Large Power Transmission Coal Bed Methane - LPT-CBM</u>			
19 LPT-CBM Power Cost (Schedule "LPT-CBM Actual Power Cost")			382,862
20 LPT-CBM Base Power Cost In Rates: (Rate in Effect for Period)			
21 Base Demand Charge	9,836	18.10	178,039
22 Base Energy Charge	5,768,000	0.029210	168,483
23 Total LPT Base Power Cost in Rate			346,522
24 LPT-CBM Recoverable Power Cost (L19 - L23)			36,339
25 Actual LPT-CBM COPA Revenue Collected for Period			31,955
26 (Over)/Under Recovery (L24 - L25)			4,384

POWDER RIVER ENERGY CORPORATION
CALCULATION OF COPA OVER/UNDER RECOVERY
FOR THE MONTH OF: JULY 2018

			<u>Amount</u>
<u>Remainder of System</u>			
1	Actual Cost of Power (Schedule "Actual System Power Cost")		10,669,518
2	Less: LPT Power Cost (L11)		5,149,138
3	Less: LPT CBM Power Cost (L19)		339,318
4	Remainder System Power Cost		5,181,062
5	Base Power Cost In Rates \$/kWh Sold (Rate in Effect for Period)		0.057755
6	kWh Sold for Period Excluding LPT and LPT-CBM kWh Sold		82,504,713
7	Base Power Cost in Rates \$		4,765,060
8	Recoverable Power Cost (L4 - L7)		416,002
9	Actual COPA Revenue Collected for Period		582,256
10	(Over)/Under Recovery (L8 - L9)		(166,254)
<u>Large Power Transmission - LPT</u>			
11	LPT Power Cost (Schedule "LPT Actual Power Cost")		5,149,138
12	LPT Base Power Cost In Rates: (Rate in Effect for Period)		
13	Base Demand Charge	167,329	14.97
14	Base Energy Charge	78,275,012	0.029710
15	Total LPT Base Power Cost in Rate		4,830,469
16	LPT Recoverable Power Cost (L11 - L15)		318,668
17	Actual LPT COPA Revenue Collected for Period		306,643
18	(Over)/Under Recovery (L16 - L17)		12,025
<u>Large Power Transmission Coal Bed Methane - LPT-CBM</u>			
19	LPT-CBM Power Cost (Schedule "LPT-CBM Actual Power Cost")		339,318
20	LPT-CBM Base Power Cost In Rates: (Rate in Effect for Period)		
21	Base Demand Charge	8,212	18.10
22	Base Energy Charge	5,390,000	0.029210
23	Total LPT Base Power Cost in Rate		306,086
24	LPT-CBM Recoverable Power Cost (L19 - L23)		33,232
25	Actual LPT-CBM COPA Revenue Collected for Period		29,861
26	(Over)/Under Recovery (L24 - L25)		3,371

POWDER RIVER ENERGY CORPORATION

CALCULATION OF COPA OVER/UNDER RECOVERY
FOR THE MONTH OF: AUGUST 2018

			<u>Amount</u>
<u>Remainder of System</u>			
1	Actual Cost of Power (Schedule "Actual System Power Cost")		11,007,459
2	Less: LPT Power Cost (L11)		5,110,743
3	Less: LPT CBM Power Cost (L19)		343,103
4	Remainder System Power Cost		5,553,613
5	Base Power Cost In Rates \$/kWh Sold (Rate in Effect for Period)		0.057755
6	kWh Sold for Period Excluding LPT and LPT-CBM kWh Sold		81,378,619
7	Base Power Cost in Rates \$		4,700,022
8	Recoverable Power Cost (L4 - L7)		853,591
9	Actual COPA Revenue Collected for Period		574,312
10	(Over)/Under Recovery (L8 - L9)		279,279
<u>Large Power Transmission - LPT</u>			
11	LPT Power Cost (Schedule "LPT Actual Power Cost")		5,110,743
12	LPT Base Power Cost In Rates: (Rate in Effect for Period)		
13	Base Demand Charge	170,297	14.97
14	Base Energy Charge	81,803,914	0.029710
15	Total LPT Base Power Cost in Rate		4,979,742
16	LPT Recoverable Power Cost (L11 - L15)		131,000
17	Actual LPT COPA Revenue Collected for Period		320,468
18	(Over)/Under Recovery (L16 - L17)		(189,467)
<u>Large Power Transmission Coal Bed Methane - LPT-CBM</u>			
19	LPT-CBM Power Cost (Schedule "LPT-CBM Actual Power Cost")		343,103
20	LPT-CBM Base Power Cost In Rates: (Rate in Effect for Period)		
21	Base Demand Charge	7,608	18.10
22	Base Energy Charge	5,901,000	0.029210
23	Total LPT Base Power Cost in Rate		310,066
24	LPT-CBM Recoverable Power Cost (L19 - L23)		33,037
25	Actual LPT-CBM COPA Revenue Collected for Period		32,692
26	(Over)/Under Recovery (L24 - L25)		345

POWDER RIVER ENERGY CORPORATION

CALCULATION OF COPA OVER/UNDER RECOVERY
FOR THE MONTH OF: SEPTEMBER 2018

			<u>Amount</u>
<u>Remainder of System</u>			
1	Actual Cost of Power (Schedule "Actual System Power Cost")		10,840,456
2	Less: LPT Power Cost (L11)		5,464,289
3	Less: LPT CBM Power Cost (L19)		350,612
4	Remainder System Power Cost		5,025,555
5	Base Power Cost In Rates \$/kWh Sold (Rate in Effect for Period)		0.057755
6	kWh Sold for Period Excluding LPT and LPT-CBM kWh Sold		84,276,878
7	Base Power Cost in Rates \$		4,867,411
8	Recoverable Power Cost (L4 - L7)		158,144
9	Actual COPA Revenue Collected for Period		594,809
10	(Over)/Under Recovery (L8 - L9)		(436,665)
<u>Large Power Transmission - LPT</u>			
11	LPT Power Cost (Schedule "LPT Actual Power Cost")		5,464,289
12	LPT Base Power Cost In Rates: (Rate in Effect for Period)		
13	Base Demand Charge	171,930	14.97
14	Base Energy Charge	82,940,678	0.029710
15	Total LPT Base Power Cost in Rate		5,037,966
16	LPT Recoverable Power Cost (L11 - L15)		426,323
17	Actual LPT COPA Revenue Collected for Period		324,921
18	(Over)/Under Recovery (L16 - L17)		101,402
<u>Large Power Transmission Coal Bed Methane - LPT-CBM</u>			
19	LPT-CBM Power Cost (Schedule "LPT-CBM Actual Power Cost")		350,612
20	LPT-CBM Base Power Cost In Rates: (Rate in Effect for Period)		
21	Base Demand Charge	8,319	18.10
22	Base Energy Charge	5,705,000	0.029210
23	Total LPT Base Power Cost in Rate		317,213
24	LPT-CBM Recoverable Power Cost (L19 - L23)		33,399
25	Actual LPT-CBM COPA Revenue Collected for Period		31,606
26	(Over)/Under Recovery (L24 - L25)		1,793

POWDER RIVER ENERGY CORPORATION

ACTUAL PURCHASED POWER
FOR THE TWELVE MONTHS ENDING SEPTEMBER 30, 2018

	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>Total</u>
<u>Black Hills Electric</u>													
Energy - kWh	0	0	0	0	0	0	0	0	0	0	0	0	0
Billing	0.00	0.00	53,660.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	53,660.46
<u>WAPA</u>													
Metered Demand - kW	11,140	10,944	24,281	11,602	9,855	10,051	9,791	9,432	11,418	13,815	10,986	8,348	141,663
Metered Energy - kWh	7,007,274	7,007,274	7,670,685	7,463,369	5,887,769	6,426,789	5,921,855	6,205,780	7,138,675	8,923,343	7,138,675	5,232,324	82,023,812
<u>WAPA Billing Calculation</u>													
Demand Billing	57,625.37	57,480.71	55,995.10	49,127.52	44,914.43	50,501.21	48,836.83	50,142.48	50,584.18	56,917.80	51,494.59	40,273.99	613,894.21
Energy Billing	128,092.97	128,092.97	140,220.12	117,324.16	92,555.73	101,029.12	93,091.56	97,554.86	112,219.97	140,274.95	112,219.97	82,252.13	1,344,928.52
Total	185,718.34	185,573.68	196,215.22	166,451.68	137,470.16	151,530.33	141,928.39	147,697.34	162,804.15	197,192.75	163,714.56	122,526.12	1,958,822.73
<u>BASIN</u>													
Actual Billing kW	278,409	294,084	313,606	321,487	317,870	305,187	285,163	237,417	231,758	246,255	254,821	258,578	3,344,635
Billing kW Adjustment													
Heat Rate kW	202	708	0										910
Billing Energy - kWh	179,630,825	188,236,934	206,096,050	206,643,553	191,487,749	195,280,197	172,293,937	156,931,322	148,194,797	159,014,764	165,252,652	162,142,239	2,131,205,019
kWh Adjustment													
Heat Rate kWh	97,707	331,214	0										428,921
<u>BASIN Billing Calculation</u>													
Demand Charge	20.28	20.28	20.28	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64
Energy Charge	0.03324	0.03324	0.03324	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242	0.03242
Demand Billing	5,646,134.52	5,964,023.52	6,359,929.68	6,314,004.68	6,242,966.80	5,993,872.68	5,600,601.32	4,662,869.88	4,551,727.12	4,836,448.20	5,004,684.44	5,078,471.92	66,255,734.76
Fixed Charge 1	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	3,400.00	40,800.00
Energy Billing	5,970,928.62	6,256,995.69	6,850,632.70	6,699,383.99	6,208,032.82	6,330,983.99	5,585,769.44	5,087,713.46	4,804,475.32	5,155,258.65	5,357,490.98	5,256,651.39	69,564,317.05
Net Heat Rate Billing													0.00
Adder	0.00			19,627.33	19,627.33	19,627.33	19,627.33	19,627.33	19,627.33	19,627.33	19,627.33	19,627.33	176,645.97
Other	(8,582.27)	(114,586.78)	(433,728.84)	(27,372.01)	(30,888.41)	(19,064.50)	(22,359.70)	(1,425.96)	0.00	0.00	0.00	0.00	(658,008.47)
Power Service Agrmt	29,049.92	41,101.73	44,288.67	39,717.99	42,220.81	36,051.54	40,896.38	39,027.75	36,200.21	67,347.12	46,655.42	40,236.36	502,793.90
Data Incentive Credit	(19,218.17)	(15,779.71)	(19,083.80)	(21,267.69)	(21,317.58)	(19,764.89)	(20,131.00)	(17,771.49)	(16,224.66)	(15,352.79)	(16,530.28)	(17,136.82)	(219,578.88)
Total	11,621,712.62	12,135,154.45	12,805,438.41	13,027,494.29	12,464,041.77	12,345,106.15	11,207,803.77	9,793,440.97	9,399,205.32	10,066,728.51	10,415,327.89	10,381,250.18	135,662,704.33
<u>Western Division</u>													
Metered kW	8,170	8,114	10,572	10,446	10,638	9,321	8,830	7,797	9,254	9,337	10,809	7,423	110,711
Metered kWh	5,444,352	5,747,853	6,580,887	6,532,233	6,161,157	6,029,832	5,426,604	5,315,271	5,423,340	6,287,994	6,115,665	5,401,595	70,466,783
Demand Billing	165,687.60	164,551.92	214,400.16	205,159.44	208,930.32	183,064.44	173,421.20	153,133.08	181,748.56	183,378.68	212,288.76	145,787.72	2,191,551.88
Energy Billing	196,867.77	207,842.36	237,964.87	230,849.11	217,735.29	213,094.26	191,776.19	187,841.68	191,660.84	222,217.71	216,127.60	190,892.37	2,504,870.05
Energy Adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	362,555.37	372,394.28	452,365.03	436,008.55	426,665.61	396,158.70	365,197.39	340,974.76	373,409.40	405,596.39	428,416.36	336,680.09	4,696,421.93
Subtotal Basin/Western	11,984,267.99	12,507,548.73	13,257,803.44	13,463,502.84	12,890,707.38	12,741,264.85	11,573,001.16	10,134,415.73	9,772,614.72	10,472,324.90	10,843,744.25	10,717,930.27	140,359,126.26
<u>Total System</u>													
Total Billing kW	297,719	313,142	348,459	343,535	338,363	324,559	303,784	254,646	252,430	269,407	276,616	274,349	3,597,009
Total kWh	192,082,451	200,992,061	220,347,622	220,639,155	203,536,675	207,736,818	183,642,396	168,452,373	153,618,137	165,302,758	171,368,317	167,543,834	2,255,262,597
Total Billing	12,169,986.33	12,693,122.41	13,507,679.13	13,629,954.52	13,028,177.54	12,892,795.19	11,714,929.55	10,282,113.07	9,935,418.87	10,669,517.65	11,007,458.81	10,840,456.39	142,371,609.45

POWDER RIVER ENERGY CORPORATION

ACTUAL POWER COST FOR LARGE POWER TRANS - (COAL MINES)
FOR THE TWELVE MONTHS ENDING SEPTEMBER 30, 2018

	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>Total</u>
<u>Billing Units @ Basin Level</u>													
Total Basin Billing kW	278,409	294,084	313,606	321,487	317,870	305,187	285,163	237,417	231,758	246,255	254,821	258,578	3,344,635
LPT Billing kW	145,806	155,241	144,098	150,475	146,624	150,947	136,365	106,225	101,992	130,436	123,346	139,507	1,631,062
LPT kW as % of Total	52.37%	52.79%	45.95%	46.81%	46.13%	49.46%	47.82%	44.74%	44.01%	52.97%	48.41%	53.95%	48.77%
kWh Purchased	85,878,618	90,170,361	96,462,755	96,203,539	87,522,569	91,797,746	80,563,178	72,490,031	69,588,214	78,582,269	82,125,023	83,266,249	1,014,650,553
<u>Effective Basin Rate</u>													
Demand Charge	20.28	20.28	20.28	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64
Energy Charge	0.033240	0.033240	0.033240	0.032420	0.032420	0.032420	0.032420	0.032420	0.032420	0.032420	0.032420	0.032420	0.032420
Fixed Charges/CP kW	0.016700	-0.291974	-1.291825	0.043876	0.041030	0.066351	0.075161	0.180516	0.185551	0.304650	0.208587	0.178387	
Data Incentive Cr/kWh													
Demand Billing	2,956,949	3,148,291	2,922,300	2,955,332	2,879,697	2,964,607	2,678,216	2,086,250	2,003,115	2,561,763	2,422,521	2,739,911	32,318,952
Energy Billing	2,854,605	2,997,263	3,206,422	3,118,919	2,837,482	2,976,083	2,611,858	2,350,127	2,256,050	2,547,637	2,662,493	2,699,492	33,118,431
Fixed Charges Billing	2,435	(45,326)	(186,149)	6,602	6,016	10,016	10,249	19,175	18,925	39,737	25,728	24,886	(67,705)
Adjustments/Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Total LPT	5,813,989	6,100,227	5,942,573	6,080,853	5,723,195	5,950,705	5,300,324	4,455,552	4,278,089	5,149,138	5,110,743	5,464,289	65,369,677

POWDER RIVER ENERGY CORPORATION

ACTUAL POWER COST FOR LARGE POWER TRANS - CBM & GENERAL
FOR THE TWELVE MONTHS ENDING SEPTEMBER 30, 2018

	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>Total</u>
<u>Billing Units @ Basin Level</u>													
Total Basin Billing kW	278,409	294,084	313,606	321,487	317,870	305,187	285,163	237,417	231,758	246,255	254,821	258,578	3,344,635
LPT-CBM Billing kW	9,446.09	11,737.26	11,177.26	12,125.09	13,571.74	13,254.70	11,684.82	8,700.67	9,857.87	8,230.49	7,625.73	8,337.04	125,749
LPT-CBM kW as % of Total	3.39%	3.99%	3.56%	3.77%	4.27%	4.34%	4.10%	3.66%	4.25%	3.34%	2.99%	3.22%	3.76%
kWh Purchased	8,201,015	8,186,802	9,110,660	9,072,460	8,202,456	9,247,080	6,735,156	6,608,637	5,781,121	5,402,956	5,914,332	5,718,243	88,180,918
<u>Effective Basin Rate</u>													
Demand Charge	20.28	20.28	20.28	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64	19.64
Energy Charge	0.033240	0.033240	0.033240	0.032420	0.032420	0.032420	0.032420	0.032420	0.032420	0.032420	0.032420	0.032420	0.032420
Fixed Charges/CP kW	0.016700	-0.291974	-1.291825	0.043876	0.041030	0.066351	0.075161	0.180516	0.185551	0.304650	0.208587	0.178387	
Data Incentive Cr/kWh	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
Demand Billing	191,567	238,032	226,675	238,137	266,549	260,322	229,490	170,881	193,608	161,647	149,769	163,739	2,490,416
Energy Billing	272,602	272,129	302,838	294,129	265,924	299,790	218,354	214,252	187,424	175,164	191,743	185,385	2,879,734
Fixed Charges Billing	158	(3,427)	(14,439)	532	557	879	878	1,571	1,829	2,507	1,591	1,487	(5,877)
Adjustments/Other	0	0	0	0	0	0	0	0	0	0	0	0	0
Total LPT-CBM/Gen	464,326	506,734	515,074	532,798	533,030	560,992	448,722	386,704	382,862	339,318	343,103	350,612	5,364,274

POWDER RIVER ENERGY CORPORATION

SUMMARY OF MONTHLY KWH AND COPA REVENUE
FOR THE PERIOD OCTOBER 2017 THROUGH SEPTEMBER 2018

	<u>Actual kWh Sold</u>	<u>Power Cost Component Of COPA Rev</u>	<u>Prior Year True-Up Component Of COPA Rev</u>	<u>Total COPA Revenue</u>
<u>Remainder Classes</u>				
October 17	99,186,532	697,378	(32,321)	665,057
November 17	95,848,877	673,978	(31,236)	642,742
December 17	109,672,741	764,545	(35,434)	729,112
January 18	110,583,180	780,256	167,023	947,279
February 18	97,301,244	686,684	146,993	833,677
March 18	102,411,259	722,742	154,711	877,453
April 18	89,112,824	628,908	134,625	763,534
May 18	80,938,773	571,367	122,308	693,675
June 18	80,933,865	571,163	122,264	693,427
July 18	82,504,713	582,256	124,639	706,895
August 18	81,378,619	574,312	122,938	697,251
September 18	84,276,878	594,809	127,326	722,135
Total	1,114,149,505	7,848,397	1,123,838	8,972,235
<u>LPT Class</u>				
October 17	85,148,650	605,225	(38,305)	566,920
November 17	89,403,913	635,471	(40,220)	595,251
December 17	95,642,822	679,816	(43,026)	636,790
January 18	95,827,383	375,405	(324,904)	50,501
February 18	87,180,356	341,530	(295,586)	45,944
March 18	91,438,817	358,212	(310,024)	48,188
April 18	80,248,176	314,373	(272,082)	42,291
May 18	72,206,595	282,870	(244,817)	38,053
June 18	69,316,124	271,546	(235,017)	36,530
July 18	78,275,012	306,643	(265,392)	41,251
August 18	81,803,914	320,468	(277,357)	43,111
September 18	82,940,678	324,921	(281,211)	43,710
Total	1,009,432,440	4,816,480	(2,627,941)	2,188,539

POWDER RIVER ENERGY CORPORATION

SUMMARY OF MONTHLY KWH AND COPA REVENUE
FOR THE PERIOD OCTOBER 2017 THROUGH SEPTEMBER 2018

	<u>Actual kWh Sold</u>	<u>Power Cost Component Of COPA Rev</u>	<u>Prior Year True-Up Component Of COPA Rev</u>	<u>Total COPA Revenue</u>
<u>LPT CBM Class & Other</u>				
October 17	8,078,000	69,026	4,444	73,469
November 17	8,064,000	68,906	4,436	73,342
December 17	8,974,000	76,682	4,937	81,619
January 18	9,051,000	50,143	(16,528)	33,615
February 18	8,183,000	45,334	(14,943)	30,392
March 18	9,226,000	51,113	(16,847)	34,265
April 18	6,720,000	37,229	(12,271)	24,958
May 18	6,594,000	36,531	(12,041)	24,490
June 18	5,768,000	31,955	(10,533)	21,422
July 18	5,390,000	29,861	(9,843)	20,018
August 18	5,901,000	32,692	(10,776)	21,916
September 18	5,705,000	31,606	(10,418)	21,188
Total	87,654,000	561,079	(100,382)	460,696
<u>Total System</u>				
October 17	192,413,182	1,371,628	(66,182)	1,305,446
November 17	193,316,790	1,378,355	(67,020)	1,311,335
December 17	214,289,563	1,521,044	(73,523)	1,447,520
January 18	215,461,563	1,205,804	(174,408)	1,031,395
February 18	192,664,600	1,073,549	(163,535)	910,013
March 18	203,076,076	1,132,067	(172,160)	959,907
April 18	176,081,000	980,510	(149,728)	830,782
May 18	159,739,368	890,768	(134,550)	756,218
June 18	156,017,989	874,664	(123,285)	751,379
July 18	166,169,725	918,760	(150,596)	768,165
August 18	169,083,533	927,472	(165,194)	762,278
September 18	172,922,556	951,336	(164,303)	787,033
Total	2,211,235,945	13,225,956	(1,604,485)	11,621,470

STATEMENT OF OPERATIONS

	A Adjusted 2014 Docket # 10014-163-CR-16	B Actual 2017	C 2019 Budget Adjusted for 2019 COPA
<u>Operating Revenues</u>			
Base Revenue	\$ 202,962,095	\$ 173,724,363	\$ 173,277,893
COPA - Current Year Power Cost Recovery	13,938	16,232,970	12,523,161
COPA - Prior Year True-up	-	(773,174)	(1,781,541)
Deferred Revenue	-	(1,400,000)	-
Other Revenue	2,173,140	3,377,598	3,182,270
Total Operating Revenue	<u>\$ 205,149,173</u>	<u>\$ 191,161,757</u>	<u>\$ 187,201,783</u>
<u>Operating Expenses</u>			
Purchased Power	158,029,608	150,153,057	146,361,435
Transmission Expense	1,179,724	1,659,524	1,726,438
Distribution Expense - Operation	8,203,582	6,532,629	6,978,582
Distribution Expense - Maintenance	5,328,284	4,562,225	4,401,209
Customer Accounts Expense	3,034,144	2,449,307	2,612,351
Customer Service & Sales	91,716	69,763	165,658
Administrative and General Expense	6,420,541	6,355,030	7,019,790
Depreciation and Amortization Expense	11,114,182	10,293,973	10,851,555
Regulatory Debit - COPA Current True-Up		773,174	(1,781,541)
Regulatory Credit - COPA Prior Year True-Up		-	-
Tax Expense - Property & Gross Receipts	531,789	457,872	442,979
Tax Expense - Other		65,947	101,787
Total Operating Expense	<u>\$ 193,933,570</u>	<u>\$ 183,372,501</u>	<u>\$ 178,880,244</u>
Return	<u>\$ 11,215,603</u>	<u>\$ 7,789,256</u>	<u>\$ 8,321,539</u>
<u>Interest & Other Deductions</u>			
Interest on Long-Term Debt	6,560,056	6,185,953	6,632,738
Interest Expense - Other	200,832	434,034	587,110
Other Deductions	110,229	276,470	187,229
Total Interest & Other Deductions	<u>\$ 6,871,117</u>	<u>\$ 6,896,456</u>	<u>\$ 7,407,078</u>
Operating Margins	<u>\$ 4,344,486</u>	<u>\$ 892,800</u>	<u>\$ 914,462</u>
<u>Non-Operating Margin</u>			
Interest Income	2,722,410	1,815,711	1,850,000
Other Margins	25,430	2,714,393	5,709
G&T Capital Credits	6,415,004	6,976,828	6,000,000
Other Capital Credits	323,624	249,301	270,000
Total Non-Operating Margins	<u>\$ 9,486,468</u>	<u>\$ 11,756,232</u>	<u>\$ 8,125,709</u>
Net Margins	<u>\$ 13,830,954</u>	<u>\$ 12,649,033</u>	<u>\$ 9,040,170</u>
TIER	3.11	3.04	2.36
DSC	2.66	1.35	1.25
OPERATING TIER	1.66	1.14	1.14
RUS OPERATING TIER	1.70	1.95	1.14
RUS OPERATING DSC	2.66	1.72	1.25
RETURN ON RATE BASE	5.54%	3.80%	4.07%
RATE BASE CALCULATED *	202,494,751	204,854,827	204,433,438

* The Rate Base calculation in column A varies slightly from the calculation in the actual rate filing due to an adjustment for property tax. In the rate filing, property tax was removed from the functional accounts and reported on Line 13 - Tax Expense Property & Gross Receipts. In the Rate Base calculation above, the property tax was moved back to the functional accounts to which it was actually charged. This adjustment allows for better comparison with 2016 and the 2018 budget year.