



2021 Projection Stakeholder Meeting GridLiance High Plains LLC

Wholesale Distribution

October 30, 2020

Agenda



- Introduction
- GridLiance High Plains LLC Overview
- 2021 Projection Highlights
- Discussion

GridLiance High Plains Background



GridLiance High Plains LLC (GridLiance HP) is a startup, stand-alone, competitive electric transmission-only utility. GridLiance HP's purpose is to develop, jointly own, operate, and maintain new or existing regulated transmission assets, principally through co-development and joint development agreements with non-jurisdictional electric cooperatives, municipally-owned electric utilities, and joint action agencies within the SPP region and on SPP's seams with other RTOs.

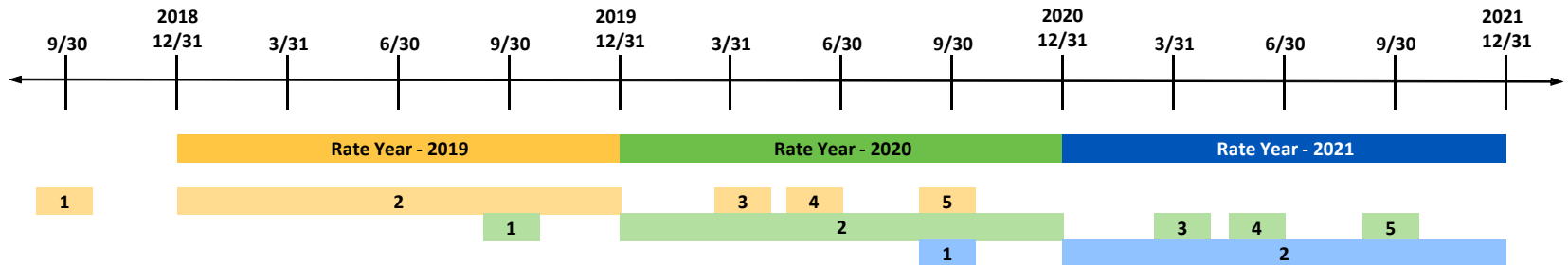
Recent Formula Rate Template Changes

- February 20, 2020 (ER20-1047)
Compliance filing setting income tax allowance (ITA) to 72.13 percent.
 - December 19, 2020 effective date requested
 - Awaiting FERC action
- April 29, 2020 (ER20-1047)
Compliance filing lowering ITA to 53.29 percent
 - July 1, 2020 effective date requested
 - Awaiting FERC action
- June 12, 2020 (ER20-2043)
Compliance filing for Order No. 864 (ADIT remeasurement)
 - January 27, 2020 effective date requested
 - Awaiting FERC action

GridLiance HP Formula Rate Timeline



Rate Year Process



Rate Year - 2019

- 1 Publish 2019 projected ATRR by October 1, 2018
- 2 Collect 2019 estimated/forecasted ATRR over the Rate Year 2019
- 3 Calculate true-up based on 2019 FERC Form No. 1 submitted in mid April 2020
- 4 Provide finalized true-up to stakeholders and post to SPP and GridLiance website on or before June 1, 2020
- 5 Incorporate actual recovery/return into 2021 projection

Rate Year - 2020

- 1 Publish 2020 projected ATRR by October 1, 2019
- 2 Collect 2020 estimated/forecasted ATRR over the Rate Year 2020
- 3 Calculate true-up based on 2020 FERC Form No. 1 submitted in mid April 2021
- 4 Provide finalized true-up to stakeholders and post to GridLiance website on or before June 1, 2021
- 5 Incorporate actual recovery/return into 2022 projection

Rate Year - 2021

- 1 Publish 2021 projected ATRR by October 1, 2020
- 2 Collect 2021 estimated/forecasted ATRR over the Rate Year 2021

Continues going forward consistent with Rate Years 2019 and 2020

GridLiance HP Formula Rate Timeline



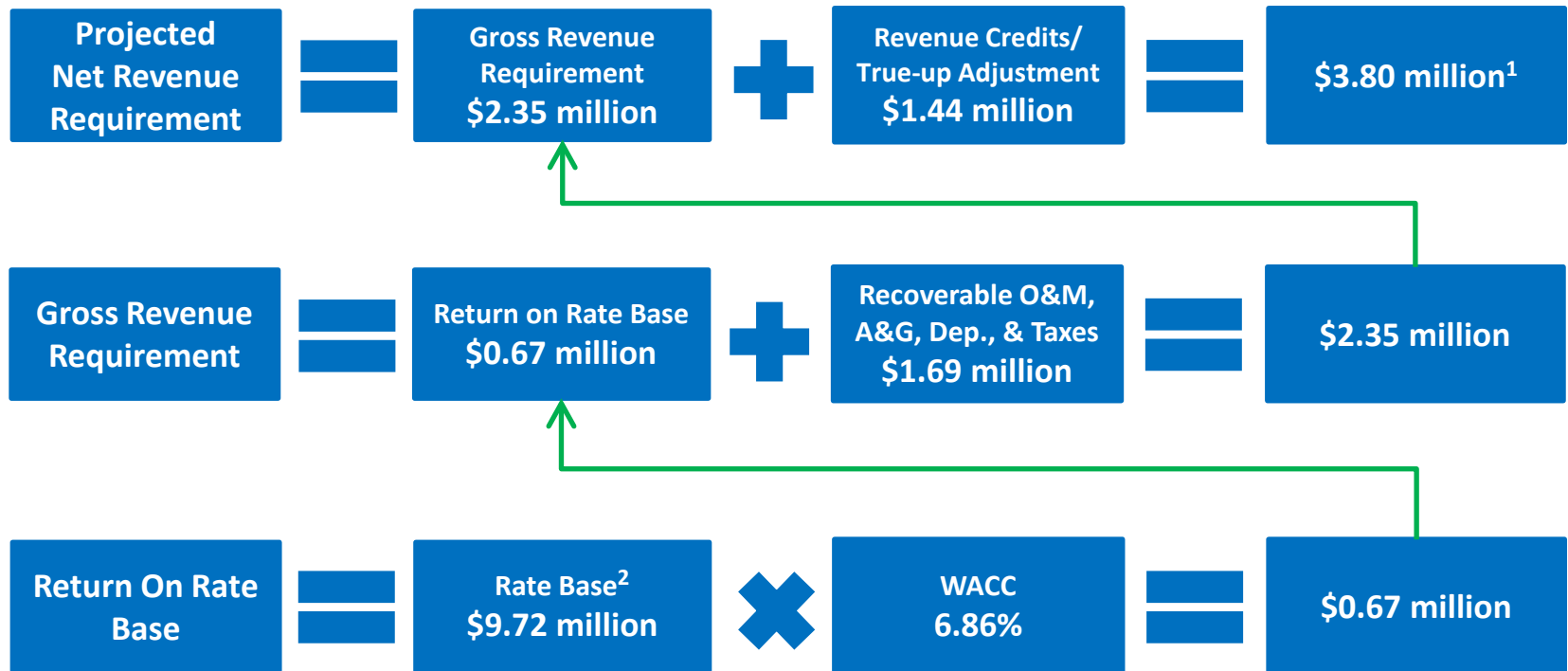
Selected 2020-21 milestones

- June 8, 2020 – Publication of actual 2019 net revenue requirement and true-up adjustment
- August 26, 2020 – 2019 True-up Stakeholder meeting
- October 1, 2020 – Publication of 2021 Projection
- October 30, 2020 – 2021 Projection Stakeholder meeting
- February 8, 2021 – Last day for Interested Parties to notify GridLiance HP of an Informal Challenge
- February 28, 2021 – Last day for GridLiance HP to respond to an Informal Challenge

GridLiance HP Formula Rate Components



Projected Net Revenue Requirement Calculation



¹ Refer to next slide for details of the Projected Net Revenue Requirement calculation.

² Rate Base is calculated as the 13-month average Net PP&E with miscellaneous adjustments.

2021 Projected Revenue Requirement Summary



<u>Att. 11A Reference</u>	<u>Return on Rate Base</u>	
Page 4, Line 37	Rate Base ¹	\$9,720,072
Page 6, Line 17	Rate of Return	6.86%
Page 5, Line 36	Return on Rate Base	\$667,005
	Recoverable Operating Expenses	
Page 5, Line 8	O&M and A&G Expenses	\$1,137,276
Page 5, Line 13	Depreciation Expenses	\$298,193
Page 5, Line 23	Taxes Other Than Income Taxes	\$158,990
Page 5, Line 34	Income Taxes	\$92,570
Sum	Total Recoverable Operating Expenses	\$1,687,028
	Projected Gross Revenue Requirement	
above	Return on Rate Base	\$667,005
above	Total Recoverable Operating Expenses	\$1,687,028
Page 3, Line 45	Projected Gross Revenue Requirement	\$2,354,033
	Projected Net Revenue Requirement	
above	Projected Gross Revenue Requirement	\$2,354,033
Att 12, Line 4, Col. J	True-up Adjustment	\$1,446,629
Sum	Projected Net Revenue Requirement	\$3,800,662

All values in dollars unless otherwise noted

¹Rate Base is calculated as the 13-month average Net Plant, Property, and Equipment, adjusted for miscellaneous items, including deferred income taxes and working capital

Discussion



Direct inquiries to rates@gridliance.com

Appendices

Appendix A – Rate Base¹



Month	Year	Transmission Plant in Service	Transmission Accumulated Depreciation	Transmission Net Plant
December	2020	14,909,649	\$4,821,831	10,087,818
January	2021	14,909,649	\$4,846,680	\$10,062,969
February	2021	14,909,649	\$4,871,530	\$10,038,119
March	2021	14,909,649	\$4,896,379	\$10,013,270
April	2021	14,909,649	\$4,921,228	\$9,988,421
May	2021	14,909,649	\$4,946,078	\$9,963,571
June	2021	14,909,649	\$4,970,927	\$9,938,722
July	2021	14,909,649	\$4,995,777	\$9,913,872
August	2021	14,909,649	\$5,020,626	\$9,889,023
September	2021	14,909,649	\$5,045,476	\$9,864,173
October	2021	14,909,649	\$5,070,325	\$9,839,324
November	2021	14,909,649	\$5,095,174	\$9,814,475
December	2021	14,909,649	\$5,120,024	\$9,789,625
13-month average		14,909,649	\$4,970,927	\$9,938,722

All values in dollars unless otherwise noted

¹ Table excludes other adjustments to rate base items such as ADIT, unamortized regulatory assets and working capital

Appendix B – WACC



Att. H Reference	Description	Total	Percent	Cost	Weighted
Page 4, Lines 20	Long Term Debt	\$54,414,846	40.00%	2.46%	0.98%
Page 4, Lines 21	Preferred Stock	\$0	0.00%	0.00%	0.00%
Page 4, Lines 22	Common Stock	\$81,808,385	60.00%	9.80%	5.88%
Total		\$136,223,231			6.86%