

ELECTRIC DIVISION
RECOMMENDED REVENUE INCREASE

	<u>Per Books</u>	<u>CLFP Adjusted</u>	<u>OCA Adjusted</u>
Net Rate Base	\$46,916,212	\$46,623,661	\$47,172,539
Allowed Return on Rate Base	<u>8.29%</u> *	<u>8.50%</u>	<u>8.125%</u>
Required Earnings	\$3,889,354	\$3,963,011	\$3,832,552
Net Operating Earnings	<u>\$2,459,363</u>	<u>\$2,034,475</u>	<u>\$2,022,817</u>
Earnings Deficiency (Excess)	\$1,429,991	\$1,928,536	\$1,809,735
Gross Tax Multiplier	<u>1.5564</u>	<u>1.5564</u>	<u>1.5564</u>
Required Revenue Increase	\$2,225,638	\$3,001,574	\$2,816,672

* 8.29% was the return on rate base allowed in the most recent rate case, Docket No. 20003-ER-99-54.

ELECTRIC DIVISION
SUMMARY OF PARTIES' POSITIONS

	<u>Per Books</u>	<u>CLFP Adjustments</u>	<u>CLFP Adjusted</u>	<u>OCA Adjustments</u>	<u>OCA Adjusted</u>
Total Intangible Plant	\$168,500	\$0	\$168,500	(\$168,500)	\$0
Total Production Plant	50,284	(50,284)	0	0	0
Total Transmission Plant	3,745,734	29,226	3,774,960	168,499	3,943,459
Total Distribution Plant	75,547,794	3,114,603	78,662,397	2,339,615	81,002,012
Total Common and General Plant	<u>2,892,188</u>	<u>1,216,871</u>	<u>4,099,059</u>	<u>57,063</u>	<u>4,156,122</u>
TOTAL PLANT IN SERVICE	\$82,394,500	\$4,310,416	\$86,704,916	\$2,396,677	\$89,101,593
Intangible Plant Depreciation/Amortization Reserve	0	(7,535)	(7,535)	0	(7,535)
Production Plant Depreciation/Amortization Reserve	(173,547)	173,547	0	0	0
Transmission Plt. Depreciation/Amortization Reserve	(1,485,952)	(78,512)	(1,564,464)	(63,357)	(1,627,821)
Distribution Plt. Depreciation/Amortization Reserve	(29,959,136)	(1,769,660)	(31,728,796)	(1,798,275)	(33,527,071)
Common/Gen'l Plant Deprec/Amortization Reserve	<u>(1,350,631)</u>	<u>(13,081)</u>	<u>(1,363,712)</u>	<u>54,553</u>	<u>(1,309,159)</u>
TOTAL DEPREC. / AMORTIZ. RESERVE	(\$32,969,266)	(\$1,695,241)	(\$34,664,507)	(\$1,807,079)	(\$36,471,586)
NET PLANT IN SERVICE	\$49,425,234	\$2,615,175	\$52,040,409	\$589,599	\$52,630,008
Plant Held for Future Use	10,915	0	10,915	(10,915)	0
Construction Work in Progress	2,885,141	(2,885,141)	0	0	0
Cash Working Capital	1,747,092	(22,585)	1,724,507	(2,974)	1,721,533
Materials and Supplies	814,500	0	814,500	0	814,500
Regulatory Assets	(220,173)	0	(220,173)	0	(220,173)
Prepaid Pension Asset	1,227,644	0	1,227,644	(1,227,644)	0
Accumulated Deferred Income Taxes	(7,255,157)	0	(7,255,157)	777,992	(6,477,165)
Pre-1971 Investment Tax Credit	0	0	0	0	0
Customer Deposits	(349,116)	0	(349,116)	349,116	0
Prepayments	0	0	0	14,543	14,543
Customer Advances for Construction	<u>(1,369,868)</u>	<u>0</u>	<u>(1,369,868)</u>	<u>59,162</u>	<u>(1,310,706)</u>
NET RATE BASE	\$46,916,212	(\$292,551)	\$46,623,661	\$548,878	\$47,172,539

ELECTRIC DIVISION
SUMMARY OF PARTIES' POSITIONS

	<u>Per Books</u>	<u>CLFP Adjustments</u>	<u>CLFP Adjusted</u>	<u>OCA Adjustments</u>	<u>OCA Adjusted</u>
Sales of Electric Energy	\$69,162,100	(\$56,122,612)	\$13,039,488	\$0	\$13,039,488
Late Payment Revenue	0	100,000	100,000	0	100,000
Miscellaneous Service Revenue	16,136	7,439	23,575	7,339	30,914
Transformer Rentals	3,398	624	4,022	0	4,022
Other Miscellaneous Revenue	<u>44,638</u>	<u>0</u>	<u>44,638</u>	<u>0</u>	<u>44,638</u>
TOTAL OPERATING REVENUES	\$69,226,272	(\$56,014,549)	\$13,211,723	\$7,339	\$13,219,062
Production Operations and Maintenance Expense	0	0	0	0	0
Purchased Power Expense	53,887,704	(53,887,703)	1	0	1
Deferred Purchased Power Expense	1,936,407	(1,936,407)	0	0	0
System Control and Dispatch Expenses	6,539	(6,539)	0	0	0
Transmission Operations and Maintenance Expense	51,090	9,579	60,669	0	60,669
Distribution Operations and Maintenance Expense	1,360,931	60,685	1,421,616	0	1,421,616
Customer Operations Expense	1,032,888	262,515	1,295,403	0	1,295,403
Administrative and General Expense	3,609,760	309,099	3,918,859	(38,518)	3,880,341
Depreciation and Amortization Expense	3,028,080	518,861	3,546,941	71,980	3,618,921
Taxes Other than Income	1,069,216	(509,583)	559,633	0	559,633
Income Taxes	<u>784,294</u>	<u>(410,168)</u>	<u>374,126</u>	<u>(14,464)</u>	<u>359,662</u>
TOTAL OPERATING EXPENSES	\$66,766,909	(\$55,589,661)	\$11,177,248	\$18,997	\$11,196,245
NET OPERATING INCOME	\$2,459,363	(\$424,888)	\$2,034,475	(\$11,658)	\$2,022,817

CHEYENNE LIGHT, FUEL AND POWER
TEST YEAR ENDED MAY 31, 2004

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ELECTRIC DIVISION
COST OF CAPITAL

	<u>Amount of Capitalization</u>	<u>Percent of Capitalizatoin</u>	<u>Rate</u>	<u>Weighted Average</u>
Debt	\$38,152,000	50.20%	5.52%	2.77%
Equity	<u>\$37,848,000</u>	<u>49.80%</u>	10.75%	<u>5.35%</u>
TOTAL	\$76,000,000	100.00%		8.12%

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ELECTRIC DIVISION
SUMMARY OF CLFP ADJUSTMENTS

	Transfer CWP to Plant in Service	Update Plant in Service	Cash Working Capital Coordination with Other Adjustments	Reflect Rate Revenue at Pro Forma Levels	Miscellaneous Service Revenue	Late Payment Revenue	Transformer Revenue	
Total Intangible Plant	\$168,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Production Plant	50,284	0	(50,284)	0	0	0	0	0
Total Transmission Plant	3,745,734	0	29,226	0	0	0	0	0
Total Distribution Plant	75,547,794	1,679,607	1,434,596	0	0	0	0	0
Total Common and General Plant	<u>7,882,188</u>	<u>205,303</u>	<u>1,011,568</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PLANT IN SERVICE	\$82,393,500	\$1,884,910	\$2,425,506	\$0	\$0	\$0	\$0	\$0
Intangible Plant Depreciation/Amortization Reserve	0	(7,535)	0	0	0	0	0	0
Production Plant Depreciation/Amortization Reserve	(173,547)	0	173,547	0	0	0	0	0
Transmission Pl. Depreciation/Amortization Reserve	(1,485,952)	0	(75,512)	0	0	0	0	0
Distribution Pl. Depreciation/Amortization Reserve	(23,959,136)	(42,174)	(1,727,486)	0	0	0	0	0
Common/Gen'l Plant Depreciation/Amortization Reserve	<u>(1,360,631)</u>	<u>(12,674)</u>	<u>(1,007)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL DEPREC. / AMORTIZ. RESERVE	(\$32,969,266)	(\$61,783)	(\$1,633,458)	\$0	\$0	\$0	\$0	\$0
NET PLANT IN SERVICE	\$49,425,234	\$1,823,127	\$792,048	\$0	\$0	\$0	\$0	\$0
Plant Held for Future Use	10,915	0	0	0	0	0	0	0
Construction Work in Progress	2,885,141	(2,885,141)	0	0	0	0	0	0
Cash Working Capital	1,747,092	0	0	(22,588)	0	0	0	0
Materials and Supplies	814,500	0	0	0	0	0	0	0
Regulatory Assets	(220,173)	0	0	0	0	0	0	0
Prepaid Pension Asset	1,227,644	0	0	0	0	0	0	0
Accumulated Deferred Income Taxes	(7,255,157)	0	0	0	0	0	0	0
Pre-1971 Investment Tax Credit	0	0	0	0	0	0	0	0
Customer Deposits	(349,116)	0	0	0	0	0	0	0
Customer Advances for Construction	<u>(1,369,868)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET RATE BASE	\$46,916,212	(\$1,062,914)	\$792,048	(\$22,588)	\$0	\$0	\$0	\$0

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ELECTRIC DIVISION
SUMMARY OF CLFP ADJUSTMENTS

	Transfer CWP to Plant in Service	Update Plant in Service	Cash Working Capital Coordination with Other Adjustments	Reflect Rate Revenue at Pro Forma Levels	Miscellaneous Service Revenue	Late Payment Revenue	Transformer Revenue	
Sales of Electric Energy	\$69,162,100	\$0	\$0	(\$56,122,612)	\$0	\$0	\$0	\$0
Late Payment Revenue	0	0	0	0	0	100,000	0	0
Miscellaneous Service Revenue	16,136	0	0	0	7,439	0	0	0
Transformer Rentals	3,398	0	0	0	0	0	624	0
Other Miscellaneous Revenue	<u>41,638</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OPERATING REVENUES	\$69,226,272	\$0	\$0	(\$56,122,612)	\$7,439	\$100,000	\$624	\$0
Production Operations and Maintenance Expense	0	0	0	0	0	0	0	0
Purchased Power Expense	53,887,704	0	0	0	0	0	0	0
Deferred Purchased Power Expense	1,936,407	0	0	0	0	0	0	0
System Control and Dispatch Expenses	6,539	0	0	0	0	0	0	0
Transmission Operations and Maintenance Expense	51,090	0	0	0	0	0	0	0
Distribution Operations and Maintenance Expense	1,360,931	0	0	0	0	0	0	0
Customer Operations Expense	1,032,888	0	0	0	0	0	0	0
Administrative and General Expense	3,609,760	0	0	0	0	0	0	0
Depreciation and Amortization Expense	3,028,080	518,961	0	0	0	0	0	0
Taxes Other than Income	1,069,216	0	0	0	0	0	0	0
Income Taxes	<u>784,294</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OPERATING EXPENSES	\$66,766,909	\$518,961	\$0	\$0	\$0	\$0	\$0	\$0
NET OPERATING INCOME	\$2,459,363	(\$518,961)	\$0	(\$56,122,612)	\$7,439	\$100,000	\$624	\$0

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ELECTRIC DIVISION
SUMMARY OF CLFP ADJUSTMENTS

	Eliminate Purchased Power Costs	Transfer Labor Between Accounts	Wage Adjustment	New Employees	Pensions and Benefits Assoc. w/ New Employees	Interest on Customer Deposits	Eliminate Advertising Costs	
Total Intangible Plant	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Production Plant	0	0	0	0	0	0	0	0
Total Transmission Plant	0	0	0	0	0	0	0	0
Total Distribution Plant	0	0	0	0	0	0	0	0
Total Common and General Plant	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL PLANT IN SERVICE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Intangible Plant Depreciation/Amortization Reserve	0	0	0	0	0	0	0	0
Production Plant Depreciation/Amortization Reserve	0	0	0	0	0	0	0	0
Transmission Pl. Depreciation/Amortization Reserve	0	0	0	0	0	0	0	0
Distribution Pl. Depreciation/Amortization Reserve	0	0	0	0	0	0	0	0
Common/Gen'l Plant Depreciation/Amortization Reserve	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL DEPREC. / AMORTIZ. RESERVE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NET PLANT IN SERVICE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plant Held for Future Use	0	0	0	0	0	0	0	0
Construction Work in Progress	0	0	0	0	0	0	0	0
Cash Working Capital	0	0	0	0	0	0	0	0
Materials and Supplies	0	0	0	0	0	0	0	0
Regulatory Assets	0	0	0	0	0	0	0	0
Prepaid Pension Asset	0	0	0	0	0	0	0	0
Accumulated Deferred Income Taxes	0	0	0	0	0	0	0	0
Pre-1971 Investment Tax Credit	0	0	0	0	0	0	0	0
Customer Deposits	0	0	0	0	0	0	0	0
Customer Advances for Construction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET RATE BASE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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TEST YEAR ENDED MAY 31, 2004

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ELECTRIC DIVISION
SUMMARY OF CLFP ADJUSTMENTS

	Eliminate Purchased Power Costs	Transfer Labor Between Accounts	Wage Adjustment	New Employees	Pensions and Benefits Assoc. w/ New Employees	Interest on Customer Deposits	Eliminate Advertising Costs	
Sales of Electric Energy	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Late Payment Revenue	0	0	0	0	0	0	0	0
Miscellaneous Service Revenue	0	0	0	0	0	0	0	0
Transformer Rentals	0	0	0	0	0	0	0	0
Other Miscellaneous Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OPERATING REVENUES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Production Operations and Maintenance Expense	0	0	0	0	0	0	0	0
Purchased Power Expense	(53,887,703)	0	0	0	0	0	0	0
Deferred Purchased Power Expense	(1,936,407)	0	0	0	0	0	0	0
System Control and Dispatch Expenses	0	(6,539)	0	0	0	0	0	0
Transmission Operations and Maintenance Expense	0	6,954	2,625	0	0	0	0	0
Distribution Operations and Maintenance Expense	0	0	60,685	0	0	0	0	0
Customer Operations Expense	0	0	36,921	204,647	0	20,947	0	0
Administrative and General Expense	0	0	149,518	0	62,968	0	(65,339)	0
Depreciation and Amortization Expense	0	0	0	0	0	0	0	0
Taxes Other than Income	0	0	0	0	0	0	0	0
Income Taxes	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL OPERATING EXPENSES	(\$55,824,110)	\$415	(\$249,749)	\$204,647	\$62,968	\$20,947	(\$65,339)	\$0
NET OPERATING INCOME	\$55,824,110	(\$415)	(\$249,749)	(\$204,647)	(\$62,968)	(\$20,947)	\$65,339	\$0

CHEYENNE LIGHT, FUEL AND POWER
TEST YEAR ENDED MAY 31, 2004

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ELECTRIC DIVISION
SUMMARY OF CLFP ADJUSTMENTS

	Matching Programs	Rate Case Expense	Match Franchise Taxes to Revenues	Reflect Other Adjustments	Unallocated	CLFP TOTALS
Total Intangible Plant	\$0	\$0	\$0	\$0	\$0	\$168,500
Total Production Plant	0	0	0	0	0	0
Total Transmission Plant	0	0	0	0	0	3,774,960
Total Distribution Plant	0	0	0	0	0	78,692,397
Total Common and General Plant	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>4,099,699</u>
TOTAL PLANT IN SERVICE	\$0	\$0	\$0	\$0	\$0	\$86,704,916
Intangible Plant Depreciation/Amortization Reserve	0	0	0	0	0	(7,535)
Production Plant Depreciation/Amortization Reserve	0	0	0	0	0	0
Transmission Pl. Depreciation/Amortization Reserve	0	0	0	0	0	(1,564,464)
Distribution Pl. Depreciation/Amortization Reserve	0	0	0	0	0	(31,728,796)
Common/Gen'l Plant Depreciation/Amortization Reserve	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,463,712)</u>
TOTAL DEPREC. / AMORTIZ. RESERVE	\$0	\$0	\$0	\$0	\$0	(\$34,664,507)
NET PLANT IN SERVICE	\$0	\$0	\$0	\$0	\$0	\$52,040,409
Plant Held for Future Use	0	0	0	0	0	10,915
Construction Work in Progress	0	0	0	0	0	0
Cash Working Capital	0	0	0	0	0	1,724,507
Materials and Supplies	0	0	0	0	0	814,500
Regulatory Assets	0	0	0	0	0	(220,173)
Prepaid Pension Asset	0	0	0	0	0	1,227,644
Accumulated Deferred Income Taxes	0	0	0	0	0	(7,255,157)
Pre-1971 Investment Tax Credit	0	0	0	0	0	0
Customer Deposits	0	0	0	0	0	(349,116)
Customer Advances for Construction	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(1,369,868)</u>
NET RATE BASE	\$0	\$0	\$0	\$0	\$0	\$46,623,661

CHEYENNE LIGHT, FUEL AND POWER
TEST YEAR ENDED MAY 31, 2004

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ELECTRIC DIVISION
SUMMARY OF CLFP ADJUSTMENTS

	Matching Programs	Rate Case Expense	Match Franchise Taxes to Revenues	Reflect Other Adjustments	Unallocated	CLFP TOTALS
Sales of Electric Energy	\$0	\$0	\$0	\$0	\$0	\$13,039,488
Late Payment Revenue	0	0	0	0	0	100,000
Miscellaneous Service Revenue	0	0	0	0	0	22,575
Transformer Rentals	0	0	0	0	0	4,022
Other Miscellaneous Revenue	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>44,638</u>
TOTAL OPERATING REVENUES	\$0	\$0	\$0	\$0	\$0	\$13,211,723
Production Operations and Maintenance Expense	0	0	0	0	0	0
Purchased Power Expense	0	0	0	0	0	1
Deferred Purchased Power Expense	0	0	0	0	0	0
System Control and Dispatch Expenses	0	0	0	0	0	0
Transmission Operations and Maintenance Expense	0	0	0	0	0	60,689
Distribution Operations and Maintenance Expense	0	0	0	0	0	1,421,616
Customer Operations Expense	0	0	0	0	0	1,295,403
Administrative and General Expense	35,952	126,000	0	0	0	

CHEYENNE LIGHT, FUEL AND POWER
TEST TEAR ENDED MAY 31, 2004

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ELECTRIC DIVISION
SUMMARY OF OCA ADJUSTMENTS

CLFP AS FILED TOTALS	Remove Double Elimination of Customer Deposits	Remove Plant Held for Future Use	Coordinate Cash Working Capital w/ Other Adjustments	Updated Plant in Service to June, 2005	Reflect Average Balances of Customer Advances	Include Prepayments in Rate Base	Remove Prepaid Pension Asset	Recognize Lighting Plant Contribution	
Total Intangible Plant	\$168,500	\$0	\$0	\$0	(\$168,500)	\$0	\$0	\$0	\$0
Total Production Plant	0	0	0	0	0	0	0	0	0
Total Transmission Plant	3,774,960	0	0	0	168,499	0	0	0	0
Total Distribution Plant	78,662,297	0	0	0	2,261,295	0	0	0	(11,780)
Total Common and General Plant	4,009,059	0	0	0	57,063	0	0	0	0
TOTAL PLANT IN SERVICE	\$86,704,916	\$0	\$0	\$0	\$2,408,457	\$0	\$0	\$0	(\$11,780)
Intangible Plant Depreciation/Amortization Reserve	(7,535)	0	0	0	0	0	0	0	0
Production Plant Depreciation/Amortization Reserve	0	0	0	0	0	0	0	0	0
Transmission Pl. Depreciation/Amortization Reserve	(1,564,464)	0	0	0	(63,357)	0	0	0	0
Distribution Pl. Depreciation/Amortization Reserve	(31,728,796)	0	0	0	(1,798,275)	0	0	0	0
Common/Gen'l Plant Deprec/Amortization Reserve	(1,363,712)	0	0	0	54,553	0	0	0	0
TOTAL DEPREC. / AMORTIZ. RESERVE	(\$34,664,507)	\$0	\$0	\$0	(\$1,807,079)	\$0	\$0	\$0	\$0
NET PLANT IN SERVICE	\$52,040,409	\$0	\$0	\$0	\$601,379	\$0	\$0	\$0	(\$11,780)
Plant Held for Future Use	10,915	0	(10,915)	0	0	0	0	0	0
Construction Work in Progress	0	0	0	0	0	0	0	0	0
Cash Working Capital	1,724,507	0	0	(2,974)	0	0	0	0	0
Materials and Supplies	814,500	0	0	0	0	0	0	0	0
Regulatory Assets	(220,173)	0	0	0	0	0	0	0	0
Prepaid Pension Asset	1,227,644	0	0	0	0	0	(\$1,227,644)	\$0	0
Accumulated Deferred Income Taxes	(7,255,157)	0	0	0	777,992	0	0	0	0
Pre-1971 Investment Tax Credit	0	0	0	0	0	0	0	0	0
Customer Deposits	(349,116)	349,116	0	0	0	0	0	0	0
Prepayments	0	0	0	0	0	59,162	0	0	0
Customer Advances for Construction	(1,369,868)	0	0	0	14,543	0	0	0	0
NET RATE BASE	\$46,623,661	\$349,116	(\$10,915)	(\$2,974)	\$1,379,371	\$14,543	\$59,162	(\$1,227,644)	(\$11,780)

CHEYENNE LIGHT, FUEL AND POWER
TEST TEAR ENDED MAY 31, 2004

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ELECTRIC DIVISION
SUMMARY OF OCA ADJUSTMENTS

CLFP AS FILED TOTALS	Remove Double Elimination of Customer Deposits	Remove Plant Held for Future Use	Coordinate Cash Working Capital w/ Other Adjustments	Updated Plant in Service to June, 2005	Reflect Average Balances of Customer Advances	Include Prepayments in Rate Base	Remove Prepaid Pension Asset	Recognize Lighting Plant Contribution	
Sales of Electric Energy	\$13,039,488	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Late Payment Revenue	100,000	0	0	0	0	0	0	0	0
Miscellaneous Service Revenue	23,575	0	0	0	0	0	0	0	0
Transformer Rentals	4,022	0	0	0	0	0	0	0	0
Other Miscellaneous Revenue	44,638	0	0	0	0	0	0	0	0
TOTAL OPERATING REVENUES	\$13,211,723	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Production Operations and Maintenance Expense	0	0	0	0	0	0	0	0	0
Purchased Power Expense	1	0	0	0	0	0	0	0	0
Deferred Purchased Power Expense	0	0	0	0	0	0	0	0	0
System Control and Dispatch Expenses	0	0	0	0	0	0	0	0	0
Transmission Operations and Maintenance Expense	60,669	0	0	0	0	0	0	0	0
Distribution Operations and Maintenance Expense	1,421,616	0	0	0	0	0	0	0	0
Customer Operations Expense	1,295,403	0	0	0	0	0	0	0	0
Administrative and General Expense	3,918,859	0	0	0	0	0	0	0	0
Depreciation and Amortization Expense	3,546,941	0	0	0	72,443	0	0	0	(463)
Taxes Other than Income	559,633	0	0	0	0	0	0	0	0
Income Taxes	374,126	0	0	0	0	0	0	0	0
TOTAL OPERATING EXPENSES	\$11,177,248	\$0	\$0	\$0	\$72,443	\$0	\$0	\$0	(\$463)
NET OPERATING INCOME	\$2,034,475	\$0	\$0	\$0	(\$72,443)	\$0	\$0	\$0	\$463

CHEYENNE LIGHT, FUEL AND POWER
TEST TEAR ENDED MAY 31, 2004

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ELECTRIC DIVISION
SUMMARY OF OCA ADJUSTMENTS

Include Estimated NSF Revenues	Correct Interest on Cust. Deposits	Eliminate Customer Share of Matching Procs.	Update Income Taxes to Match Adjustmts.	Total of OCA Adjustments	OCA Adjusted Total
Total Intangible Plant	\$0	\$0	\$0	\$0	(\$168,500)
Total Production Plant	0	0	0	0	0
Total Transmission Plant	0	0	0	0	168,499
Total Distribution Plant	0	0	0	0	2,339,815
Total Common and General Plant	0	0	0	0	57,063
TOTAL PLANT IN SERVICE	\$0	\$0	\$0	\$0	\$2,396,677
Intangible Plant Depreciation/Amortization Reserve	0	0	0	0	(7,535)
Production Plant Depreciation/Amortization Reserve	0	0	0	0	0
Transmission Pl. Depreciation/Amortization Reserve	0	0	0	0	(63,357)
Distribution Pl. Depreciation/Amortization Reserve	0	0	0	0	(1,798,275)
Common/Gen'l Plant Deprec/Amortization Reserve	0	0	0	0	54,553
TOTAL DEPREC. / AMORTIZ. RESERVE	\$0	\$0	\$0	\$0	(\$1,807,079)
NET PLANT IN SERVICE	\$0	\$0	\$0	\$0	\$589,599
Plant Held for Future Use	0	0	0	0	(10,915)
Construction Work in Progress	0	0	0	0	0
Cash Working Capital	0	0	0	0	(2,974)
Materials and Supplies	0	0	0	0	814,500
Regulatory Assets	0	0	0	0	(220,173)
Prepaid Pension Asset	0	0	0	0	(1,227,644)
Accumulated Deferred Income Taxes	0	0	0	0	777,992
Pre-1971 Investment Tax Credit	0	0	0	0	0
Customer Deposits	0	0	0	0	349,116
Prepayments	0	0	0	0	59,162
Customer Advances for Construction	0	0	0	0	14,543
NET RATE BASE	\$0	\$0	\$0	\$0	\$548,878

CHEYENNE LIGHT, FUEL AND POWER
TEST TEAR ENDED MAY 31, 2004

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ELECTRIC DIVISION
SUMMARY OF OCA ADJUSTMENTS

Include Estimated NSF Revenues	Correct Interest on Cust. Deposits	Eliminate Customer Share of Matching Procs.	Update Income Taxes to Match Adjustmts.	Total of OCA Adjustments	OCA Adjusted Total
Sales of Electric Energy	\$0	\$0	\$0	\$0	\$13,039,488
Late Payment Revenue	0	0	0	0	100,000
Miscellaneous Service Revenue	7,339	0	0	0	30,914
Transformer Rentals	0	0	0	0	4,022
Other Miscellaneous Revenue	0	0	0	0	44,638
TOTAL OPERATING REVENUES	\$7,339	\$0	\$0	\$0	\$7,339
Production Operations and Maintenance Expense	0	0	0	0	0
Purchased Power Expense	0	0	0	0	1
Deferred Purchased Power Expense	0	0	0	0	0
System Control and Dispatch Expenses	0	0	0	0	0
Transmission Operations and Maintenance Expense	0	0	0	0	60,669
Distribution Operations and Maintenance Expense	0	0	0	0	1,421,616
Customer Operations Expense	0	0	0	0	1,295,403
Administrative and General Expense	0	(2,566)	(35,952)	0	3,880,341
Depreciation and Amortization Expense	0	0	0	0	71,980
Taxes Other than Income	0	0	0	0	559,633
Income Taxes	0	0	0	(14,464)	359,662
TOTAL OPERATING EXPENSES	\$0	(\$2,566)	(\$35,952)	(\$14,464)	\$18,997
NET OPERATING INCOME	\$7,339	\$2,566	\$35,952	\$14,464	\$2,022,817

ELECTRIC DIVISION UPDATE OF PLANT BALANCES TO JUNE 2005	Per Books	Filed CLFP Adjustments	As Filed CLFP Adjusted	June 2005 CLFP Per Books Balances	OCA Update Difference
Total Intangible Plant	\$168,500	\$0	\$168,500	\$0	(\$168,500)
Total Production Plant	50,284	(50,284)	0	0	0
Total Transmission Plant	3,745,734	29,226	3,774,960	3,943,459	168,499
Total Distribution Plant	75,547,794	3,114,603	78,662,397	81,013,792	2,351,395
Total Common and General Plant	<u>2,882,188</u>	<u>1,216,871</u>	<u>4,099,059</u>	<u>4,156,122</u>	<u>57,063</u>
TOTAL PLANT IN SERVICE	\$82,394,500	\$4,310,416	\$86,704,916	\$89,113,373	\$2,408,457
Intangible Plant Depreciation/Amortization Reserve	0	0	0	0	0
Production Plant Depreciation/Amortization Reserve	(173,547)	173,547	0	0	0
Transmission Plt. Depreciation/Amortization Reserve	(1,485,952)	(78,512)	(1,564,464)	(1,627,821)	(63,357)
Distribution Plt. Depreciation/Amortization Reserve	(29,959,136)	(1,769,660)	(31,728,796)	(33,527,071)	(1,798,275)
Common/Gen'l Plant Deprec/Amortization Reserve	<u>(1,350,631)</u>	<u>(20,616)</u>	<u>(1,371,247)</u>	<u>(1,316,694)</u>	<u>54,553</u>
TOTAL DEPREC. / AMORTIZ. RESERVE	(\$32,969,266)	(\$1,695,241)	(\$34,664,507)	(\$36,471,586)	(\$1,807,079)
NET PLANT IN SERVICE	\$49,425,234	\$2,615,175	\$52,040,409	\$52,641,788	\$601,379

	Updated Plant Balance	Composite Depreciation Rate	Annual Deprec. Expense	Depreciation Expense in the Filing	Update to Depreciation Expense
Total Intangible Plant	\$0	15.00%	\$0		
Total Production Plant	0	0.00%	0		
Total Transmission Plant	3,943,459	3.38%	133,403		
Total Distribution Plant	81,013,792	3.93%	3,181,788		
Total Common and General Plant	<u>4,156,122</u>	<u>7.32%</u>	<u>304,192</u>		
TOTAL PLANT IN SERVICE	\$89,113,373		\$3,619,384	\$3,546,941	\$72,443

ELECTRIC DIVISION
COORDINATE CASH WORKING CAPITAL WITH OTHER ADJUSTMENTS

	<u>Revenue Lag Days</u>	<u>Expense Lead Days</u>	<u>Net Lag/(Lead) Days</u>	<u>Cash Working Capital Factor</u>	<u>OCA Adjusted Expenses</u>	<u>Cash Working Capital Component</u>
Energy Cost	40.1	30	10.1	0.02767	53,887,704	\$1,491,139
O&M Expenses	40.1	21.5	18.6	0.05096	6,658,029	\$339,286
Taxes Other than Income						
Property Tax	40.1	221.90	(181.80)	(0.49808)	264,650	(\$131,817)
Payroll Tax	40.1	21.20	18.90	0.05178	163,224	\$8,452
Franchise Tax	40.1	0.00	40.10	0.10986	130,395	\$14,326
Other Taxes	40.1	0.60	39.50	0.10822	1,364	<u>\$148</u>
TOTAL						\$1,721,533
Cash Working Capital in Filing						<u>\$1,724,507</u>
OCA ADJUSTMENT						<u>(\$2,974)</u>

ELECTRIC DIVISION
COORDINATE INCOME TAXES WITH OTHER ADJUSTMENT TO REVENUES AND EXPENSES

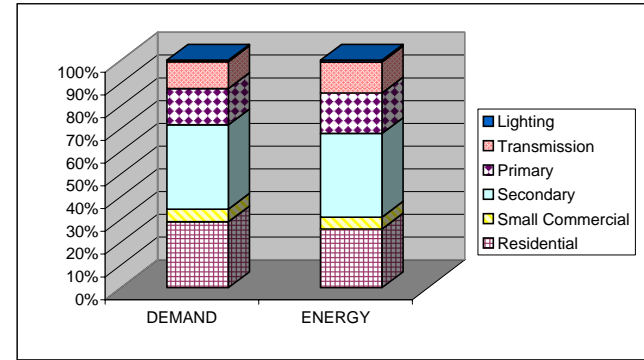
	<u>CLFP Adjusted Filing</u>	<u>OCA As Adjusted</u>
Total Revenues	\$13,211,723	\$13,219,062
Total Operating Expenses before Income Taxes	10,803,122	10,836,584
Computed Interest Deduction:		
Rate Base	\$46,623,661	\$47,172,539
Weighted Average Cost of Debt	<u>2.77%</u>	<u>2.77%</u>
Interest Necessary to Support Rate Base	\$1,291,475	\$1,306,679
Net Taxable Income	\$1,117,126	\$1,075,799
Federal Tax Rate	<u>35%</u>	<u>35%</u>
Federal Income Tax	\$390,994	\$376,530
OCA Adjustment		(\$14,464)

ELECTRIC DIVISION
DEMAND AND ENERGY ALLOCATION SUMMARY

	12 Mo. Average Coincident Peak Demand (kW)	Loss Factor	Adjusted Demand (kW)	Percent Demand Allocator
Residential	36,626	1.0587	38,776	28.99%
Small Commercial	7,044	1.0587	7,457	5.57%
Commercial and Industrial -- Secondary	46,801	1.0587	49,548	37.04%
Commercial and Industrial -- Primary	20,762	1.0272	21,327	15.94%
Commercial and Industrial -- Transmission	15,829	1.0000	15,829	11.83%
Street and Area Lighting	<u>792</u>	<u>1.0587</u>	<u>838</u>	<u>0.63%</u>
TOTAL COMPANY	127,854		133,776	100.00%

	DEMAND	ENERGY
Residential	0.2899	0.258
Small Commercial	0.0557	0.0517
Secondary	0.3704	0.3683
Primary	0.1594	0.1778
Transmission	0.1183	0.137
Lighting	0.0063	0.0072
TOTAL	1	1

	Annual Billed Energy (kWh)	Loss Factor	Adjusted Energy (kWh)	Percent Energy Allocator
Residential	224,876,524	1.0587	238,076,776	25.80%
Small Commercial	45,036,975	1.0587	47,680,645	5.17%
Commercial and Industrial -- Secondary	321,025,223	1.0587	339,869,404	36.83%
Commercial and Industrial -- Primary	159,674,590	1.0272	164,017,739	17.78%
Commercial and Industrial -- Transmission	126,409,812	1.0000	126,409,812	13.70%
Street and Area Lighting	<u>6,310,130</u>	<u>1.0587</u>	<u>6,680,535</u>	<u>0.72%</u>
TOTAL COMPANY	883,333,254		922,734,910	100.00%



ELECTRIC DIVISION
COST ALLOCATION APPROXIMATION BY RATE CLASS

	Residential	Commercial	Secondary General	Primary General	Transmission	Lighting	TOTAL
Plant in Service	\$35,054,591	\$7,231,088	\$31,305,471	\$7,506,496	\$2,122,439	\$5,881,508	\$89,101,593
Depreciation and Amortization	(14,344,194)	(2,958,752)	(12,814,976)	(3,075,910)	(872,930)	(2,404,824)	(36,471,586)
Net Plant in Service	\$20,710,397	\$4,272,336	\$18,490,495	\$4,430,586	\$1,249,509	\$3,476,684	\$52,630,007
Cash Working Capital	571,242	103,076	579,445	256,728	189,840	21,202	1,721,533
Materials and Supplies	320,443	66,101	286,171	68,619	19,224	53,764	814,322
Regulatory Assets	(86,621)	(17,868)	(77,357)	(18,549)	(5,197)	(14,533)	(220,125)
Accumulated Deferred Income Taxes	(2,548,264)	(525,658)	(2,275,725)	(545,678)	(154,289)	(427,551)	(6,477,165)
Prepayments	7,500	1,500	1,618	2,181	1,598	145	14,543
Customer Advances for Construction	(517,198)	(111,325)	(478,394)	(94,278)	0	(107,965)	(1,309,159)
NET RATE BASE	\$18,457,499	\$3,788,162	\$16,526,253	\$4,099,610	\$1,300,686	\$3,001,747	\$47,173,956
Total Operating Revenues	\$6,470,164	\$1,178,437	\$3,629,543	\$919,193	\$308,338	\$713,320	\$13,218,996
Transmission Operations and Maintenance Expense	\$17,585	\$3,382	\$22,470	\$9,672	\$7,178	\$380	\$60,667
Distribution Operations and Maintenance Expense	607,484	120,724	448,409	99,062	14,346	131,591	1,421,616
Customer Operations Expense	1,052,185	135,724	81,923	17,255	2,940	5,376	1,295,403
Administrative and General Expense	2,250,701	357,743	827,424	187,448	35,260	221,764	3,880,341
Depreciation and Amortization Expense	1,425,992	294,241	1,271,084	303,265	84,177	240,166	3,618,925
Taxes Other than Income	273,216	48,667	158,003	36,204	7,409	36,134	559,633
Income Taxes	73,662	36,809	154,158	62,014	42,391	(6,275)	362,759
TOTAL OPERATING EXPENSES	\$5,700,825	\$997,291	\$2,963,470	\$714,921	\$193,701	\$629,136	\$11,199,344
NET OPERATING INCOME	\$769,339	\$181,147	\$666,073	\$204,272	\$114,637	\$84,184	\$2,019,651
EARNED RETURN ON RATE BASE	4.17%	4.78%	4.03%	4.98%	8.81%	2.80%	4.28%
Rate Base	\$18,457,499	\$3,788,162	\$16,526,253	\$4,099,610	\$1,300,686	\$3,001,747	\$47,173,955
Recommended Return	8.125%	8.125%	8.125%	8.125%	8.125%	8.125%	8.125%
Recommended Return	\$1,499,587	\$307,771	\$1,342,682	\$333,074	\$105,675	\$243,878	3,832,667
Earned Return	\$769,339	\$181,147	\$666,073	\$204,272	\$114,637	\$84,184	2,019,651
Required Shortfall	\$730,248	\$126,624	\$676,609	\$128,802	(\$8,962)	\$159,694	1,813,016
Tax Factor	1.556400	1.556400	1.556400	1.556400	1.556400	1.556400	1.556400
Required Increase	\$1,136,558	\$197,078	\$1,053,075	\$200,468	(\$13,949)	\$248,548	2,821,777
PROPOSED INCREASE	\$1,346,720	\$211,218	\$889,390	\$134,592	(\$43,091)	\$263,569	\$2,802,397
Percent Increase	5.67%	4.59%	3.27%	1.16%	-0.05%	23.14%	3.65%