

## **Revision Notes**

### **DesertLink 2021 Annual Update** (originally published July 1, 2022)

Version 20220930

As described in the August 5, 2022, stakeholder meeting presentation, the 2021 Annual Update published July 1, 2022, inadvertently included a Workpaper 4 which introduced a value into the Attachment 6 True-up Adjustment calculation based on revenue recieved rather than the required 2021 projected revenue requirement value.

Importantly, there is no effect on the calculation of actual 2021 revenue requirement.

The following revisions included in this version of the 2021 Annual Update calculate the correct true-up adjustment. The corrected true-up adjustment has been incorporated into the 2023 Projection published September 30, 2022.

- 1** WP4 - Att. 3 Support: workpaper removed.  
This workpaper is not needed because the Actual ATRR is compared to the 2021 Projected ATRR. No cash received calculation is needed.
- 2** Att 6 (True-up Interest): Revenue requirement from the 2021 Projection (published October 1, 2021) has been entered on Line 1 under "Projected Revenue Requirement".
- 3** Attachment 3 (Formula Rate True-up - Project Summary): Revenue requirement from the 2021 Projection (published October 1, 2021) has been entered under "True-Up Year Revenue Received".

For the 12 months ended  
2021-12-31

Formula Rate Index  
DesertLink, LLC  
Table of Contents

Formula Rate Template

Attachments:

Attachment No	Worksheet Name
1	Project Revenue Requirement Worksheet
2	Incentive Return
3	Formula Rate True-Up
4	Rate Base Worksheet
5	Return on Rate Base Worksheet
6	Interest on True-Up
6A	True-Up Interest Rate Calculator
7	Weighted Average Federal and State Income Tax Rates
8	Cost of Debt Prior to Issuing Non-Construction Financing
9	True-Up - Construction Financing Cost of Debt
10	Depreciation Rates
11	Prior Period Adjustments
12	Revenue Credit Detail
13	Excess or Deficient Accumulated Deferred Income Taxes - Summary
13.1	Regulatory Assets/Liabilities for Deficient/Excess ADIT - Averaging and Proration Adjustments
13.2	Re-measurement of ADIT and Tax-related Regulatory Assets and Liabilities

Rate Formula Template  
Utilizing FERC Form 1 Data  
DesertLink, LLC

For the 12 months ended  
2021-12-31

Line No.	(1)	(2)	(3)	(4)	(5)
		Source			Allocated Amount
1	GROSS REVENUE REQUIREMENT, without incentives	(Page 3, Line 49)			\$ 24,130,175
	REVENUE CREDITS	(Note A)	<b>Total</b>	<b>Allocator (W)</b>	
2	Account No. 454	(Page 4, Line 20)	-	TP 1.0000	\$ -
3	Account No. 456.1	(Page 4, Line 21)	-	TP 1.0000	\$ -
4	Revenues from Grandfathered Interzonal Transactions	(Note B)	-	TP 1.0000	\$ -
5	Revenues from service provided by the ISO at a discount		-	TP 1.0000	\$ -
6	TOTAL REVENUE CREDITS	(Sum of Lines 2 through 5)	-		\$ -
7	Prior Period Adjustments	Attachment 11, Line 18, Col. B	-	DA 1.0000	\$ -
8	True-up Adjustment with Interest	Attachment 3, Line 9, Col. J	-	DA 1.0000	\$ -
9	NET ANNUAL TRANSMISSION REVENUE REQUIREMENT	(Line 1 less Line 6 plus Lines 7 and 8)			\$ 24,130,175

Rate Formula Template  
Utilizing FERC Form 1 Data  
DesertLink, LLC

For the 12 months ended  
2021-12-31

Line No.	(1) RATE BASE: (Note R)	(2) Source	(3) Company Total	(4) Allocator (W)	(5) Transmission (Col 3 times Col 4)
	GROSS PLANT IN SERVICE	Note C			
1	Production	205.46.g for end of year, records for other months	-	N/A	-
2	Transmission	Attachment 4, Line 14, Col. (b)	152,695,016	TP	152,695,016
3	Distribution	207.75.g for end of year, records for other months	-	N/A	-
4	General & Intangible	Attachment 4, Line 14, Col. (c)	49,356,721	WS	49,356,721
5	TOTAL GROSS PLANT	(Sum of Lines 1 through 4)	202,051,737	GP=	202,051,737
	ACCUMULATED DEPRECIATION	Note C			
6	Production	219.20-24.c for end of year, records for other months	-	N/A	-
7	Transmission	Attachment 4, Line 14, Col. (h)	3,795,923	TP	3,795,923
9	Distribution	219.26.c for end of year, records for other months	-	N/A	-
10	General & Intangible	Attachment 4, Line 14, Col. (i)	827,275	WS	827,275
11	TOTAL ACCUM. DEPRECIATION	(Sum of Lines 7 through 10)	4,623,197		4,623,197
	NET PLANT IN SERVICE				
12	Production	(Line 1 - Line 7)	-		-
13	Transmission	(Line 2 - Line 8)	148,899,094		148,899,094
14	Distribution	(Line 3 - Line 9)	-		-
15	General & Intangible	(Line 4 - Line 10)	48,529,446		48,529,446
16	TOTAL NET PLANT	( Sum of Lines 13 through 16)	197,428,539	NP=	197,428,539
	ADJUSTMENTS TO RATE BASE				
17	Account No. 281 (enter negative)	Attachment 4, Line 28, Col. (d) (Note D)	-	N/A	-
18	Account No. 282 (enter negative)	Attachment 4, Line 28, Col. (e) (Note D)	(3,639,739)	NP	(3,639,739)
19	Account No. 283 (enter negative)	Attachment 4, Line 28, Col. (f) (Note D)	(11,547)	NP	(11,547)
20	Account No. 190	Attachment 4, Line 28, Col. (g) (Note D)	1,176,806	NP	1,176,806
21a	Deficient or (Excess) Accumulated Deferred Income Taxes	Attachment 13, Line 7 (Note X)	-	NP	-
22	Account No. 255 (enter negative)	Attachment 4, Line 28, Col. (h) (Note D)	-	NP	-
23	Unfunded Reserves (enter negative)	Attachment 4, Line 43, Col. (h)	-	DA	-
24	CWIP	Attachment 4, Line 14, Col. (d)	-	DA	-
25	Unamortized Regulatory Asset	Attachment 4, Line 28, Col. (b) (Note E)	1,701,912	DA	1,701,912
26	Unamortized Abandoned Plant	Attachment 4, Line 28, Col. (c) (Note F)	-	DA	-
27	TOTAL ADJUSTMENTS	( Sum of Lines 19 through 27)	(772,568)		(772,568)
28	LAND HELD FOR FUTURE USE	Attachment 4, Line 14, Col. (e) (Note G)	-	TP	-
	WORKING CAPITAL	Note H			
29	Cash Working Capital	1/8*(Page 3, Line 17 minus Page 3, Line 14)	246,170		246,170
30	Materials & Supplies	Attachment 4, Line 14, Col. (f)	1,762,504	TP	1,762,504
31	Prepayments (Account 165)	Attachment 4, Line 14, Col. (g)	443,555	GP	443,555
32	TOTAL WORKING CAPITAL	( Sum of Lines 31 through 33)	2,452,230		2,452,230
33	RATE BASE	( Sum of Lines 17, 28, 29, and 34)	199,108,201		199,108,201
34	Formula Rate - Non-Levelized				

Rate Formula Template  
Utilizing FERC Form 1 Data  
DesertLink, LLC

For the 12 months ended  
2021-12-31

Line No.	(1)	(2) Source	(3) Company Total	(4) Allocator (W)	(5) Transmission (Col 3 times Col 4)
	O&M				
1	Transmission	321.112.b	1,270,026	TP 1.0000	1,270,026
2	Less Account 566 (Misc Trans Expense)	321.97.b	449,354	TP 1.0000	449,354
3	Less Account 565	321.96.b	-	TP 1.0000	-
4	A&G	323.197.b	1,116,129	WS 1.0000	1,116,129
5	Less FERC Annual Fees	351.h (Note I)	-	WS 1.0000	-
6	Less EPRI Dues	Note J	-	WS 1.0000	-
7	Less Reg. Commission Expense Account 928	Note J	47,858	WS 1.0000	47,858
8	Less: Non-safety Advertising account 930.1	Note J	-	WS 1.0000	-
9					
10	Plus Transmission Related Reg. Comm. Exp.	Note K	47,858	TP 1.0000	47,858
11					
12	Plus Transmission Lease Payments in Acct 565	Note V	-	DA 1.0000	-
13	Account 566				
14	Amortization of Regulatory Asset	Note E	416,795	DA 1.0000	416,795
15	Misc. Transmission Expense (less amort. of regulatory asset)	321.97.b less line 14	32,559	TP 1.0000	32,559
16	Total Account 566	(Sum of Lines 14 through 15) Ties to 321.97b	449,354		449,354
17	TOTAL O&M	(Sum of Lines 1, 4, 10, 12, and 16 less Sum of Lines 2, 3, and 5 through 8)	2,386,155		2,386,155
18	DEPRECIATION EXPENSE	Note C			
19	Transmission	336.7.b&d	3,004,678	TP 1.0000	3,004,678
20	General & Intangible	336.10.b&d, 336.1.b&d	872,045	WS 1.0000	872,045
21	Amortization of Abandoned Plant	Note F	-	DA 1.0000	-
22	TOTAL DEPRECIATION	(Sum of Lines 19 through 21)	3,876,723		3,876,723
23	TAXES OTHER THAN INCOME TAXES (Note M)				
24	LABOR RELATED				
25	Payroll	263.i	40,999	WS 1.0000	40,999
26	Highway and vehicle	263.i	-	WS 1.0000	-
27	PLANT RELATED				
28	Property	263.i	1,259,362	GP 1.0000	1,259,362
29	Gross Receipts	263.i	28,533	GP 1.0000	28,533
30	Other	263.i	-	GP 1.0000	-
31	Payments in lieu of taxes	263.i	-	GP 1.0000	-
32	TOTAL OTHER TAXES	( Sum of Lines 25 through 31)	1,328,894		1,328,894
33	INCOME TAXES (Note N)	Note N			
34	$T=1 - \{(1 - SIT) * (1 - FIT)\} / (1 - SIT * FIT * p)$		27.98%		
35	$CIT=(T/1-T) * (1-(WCLTD/R)) =$	WCLTD = Page 4, Line 15, R = Page 4, Line 18	29.94%		
36	FIT & SIT & P				
37					
38	$1 / (1 - T) =$ (from line 35)	$1 / (1 - T)$ , T from Line 35	1.3886		
39	Amortized Investment Tax Credit	266.8f (enter negative) (Note D)	-		
40	Deficient or (Excess) Deferred Income Taxes	Attachment 13, Line 12, Col. (d) (Note X)	-		
41	Tax Effect of Permanent Differences	Note O	62,909		
42	Income Tax Calculation	(Line 35 times Line 48)	3,791,032	N/A	3,791,032
43	ITC adjustment	(Line 38 times Line 39)	-	NP 1.0000	-
44	Deficient or (Excess) Deferred Income Tax Adjustment	Attachment 13, Line 12, Col. (f) (Note X)	-	NP 1.0000	-
45	Permanent Differences Tax Adjustment	(Line 38 times Line 41)	87,353	NP 1.0000	87,353
46	Total Income Taxes	(Sum of Lines 42 through 45)	3,878,385		3,878,385
47	RETURN				
48	Rate Base times Return	(Page 2, Line 35 times Page 4, Line 18)	12,660,018	N/A -	12,660,018
49	GROSS REVENUE REQUIREMENT	( Sum of Lines 17, 22, 32, 46, and 48)	24,130,175		24,130,175

For the 12 months ended  
2021-12-31

Line No.	(1)	(2)	(3)	(4)	(5)
SUPPORTING CALCULATIONS AND NOTES					
TRANSMISSION PLANT INCLUDED IN ISO RATES					
1	Total Transmission plant	(Page 2, Line 2, Col. 3)			152,695,016
2	Less Transmission plant excluded from ISO rates	(Note P)			-
3	Less Transmission plant included in OATT Ancillary Service rates	(Note S)			-
4	Transmission plant included in ISO rates	(Line 1 minus Lines 2 and 3)			152,695,016
5	Percentage of Transmission plant included in ISO Rates	(Line 4 divided by Line 1)		TP =	1.00
WAGES & SALARY ALLOCATOR (W&S)					
Form 1 Reference					
7	Production	354.20.b	\$ -	TP -	Allocation -
8	Transmission	354.21.b	-	1.00	-
9	Distribution	354.23.b	-	-	-
10	Other	354.24,25,26.b	-	-	-
11	Total (W&S Allocator is 1 if lines 7-10 are zero)	(Sum of Lines 7 through 10)	-	-	= 1.00000 = WS
RETURN (R)					
Form 1 Reference					
15	Long Term Debt	Attachment 5, Line 8 (Notes Q & R)	\$ 100,723,077	50.0%	Cost 2.92%
16	Preferred Stock (112.3.c)	Attachment 5, Line 9 (Notes Q & R)	-	0.0%	0.00%
17	Common Stock	Attachment 5, Line 10 (Notes Q, R, and T)	102,829,305	50.0%	9.80%
18	Total	( Sum of Lines 15 through 17)	203,552,382		6.36% = R
REVENUE CREDITS					
20	ACCOUNT 454 (RENT FROM ELECTRICPROPERTY)	Attachment 12, Line 8, Col. C (Note U)			\$ -
21	ACCOUNT 456.1 (OTHER ELECTRIC REVENUES)	Attachment 12, Line 18, Col. C (Note A)			\$ -

Rate Formula Template  
Utilizing FERC Form 1 Data  
DesertLink, LLC

For the 12 months ended  
2021-12-31

General Note: References to pages in this formula rate template are indicated as: (Page #, Line #, Col. #)  
References to data from FERC Form 1 are indicated as: #.y.x (page, line, column)

Notes

- A The revenues credited on page 1, lines 2-6, shall include only the amounts received by DesertLink for service rendered using facilities for which recovery is provided under this tariff. They do not include revenues associated with FERC annual charges, gross receipts taxes, or facilities not included in this template (e.g., direct assignment facilities and GSUs) which are not recovered under this Rate Formula Template.
- B Company will not have any grandfathered agreements. Therefore, this line shall remain zero.
- C Plant In Service, Accumulated Depreciation, and Depreciation Expenses shall exclude Asset Retirement Obligation amounts.
- D Accumulated deferred income tax amounts associated with asset or liability accounts excluded from rate base (such as ADIT related to asset retirement obligations and certain tax-related regulatory assets or liabilities) do not affect rate base. Balance of Account 255 will be reduced by prior flow throughs and excluded if the utility chooses to utilize amortization of tax credits against taxable income. Account 281 is not allocated to Transmission.
- E Recovery of Regulatory Asset permitted only for pre-commercial and formation expenses as authorized by the Commission. Recovery of any other regulatory assets requires authorization from the Commission. A carrying charge equal to the AFUDC rate will be applied to the Regulatory Asset prior to the rate year when costs are first recovered.
- F Unamortized Abandoned Plant and Amortization of Abandoned Plant will be zero until the Commission accepts or approves recovery of the cost of Abandoned Plant. Utility must submit a Section 205 filing to recover the cost of abandoned plant.
- G Identified in FERC Form 1, or Company records if not so indicated on the FERC Form 1, as being transmission related.
- H Cash Working Capital assigned to transmission is one-eighth of O&M allocated to transmission at page 3, line 17, column 5 minus amortization of Regulatory Asset at page 3, line 14, column 5. Prepayments are the electric related prepayments booked to Account No. 165 and reported on page 111, line 57 in the Form 1.
- I The FERC's annual charges for the year assessed the Transmission Owner for service under this tariff. To the extent the charges are separately identified on the FERC Form 1, page 350, column 1, the line number will be added to the source in Column 2 for reference. Line item references can change from year to year. Items not specifically identified in the FERC Form 1, page 350 will be obtained from Company books and records.
- J Page 3, Line 6 - Subtract all EPRI Annual Membership Dues listed in Form 1 at 353.f, all Regulatory Commission Expenses in account 928 itemized at 351.h, and non-safety related advertising included in Account 930.1.
- K Page 3, Line 8-Add back Regulatory Commission Expenses directly related to transmission service, ISO filings, or transmission siting itemized at 351.h.
- M Includes only FICA, unemployment, highway, property, gross receipts, and other assessments charged in the current year. Taxes related to income are excluded. Enter the line number on page 262-63 upon which each item is identified. To the extent individual types of taxes are separately identified on the FERC Form 1, page 262, column a, the line number will be added to the source in Column 2 for reference. Line item references can change from year to year. Items not specifically identified in the FERC Form 1, page 262-63 will be obtained from Company books and records.
- N FIT is the weighted average Federal income tax rate and SIT is the weighted average State income tax rate, both from Attachment 7, and p is the "the percentage of federal income tax deductible for state income taxes". A utility that elected to utilize amortization of tax credits against taxable income, rather than book tax credits to Account No. 255 and reduce rate base, must reduce its income tax expense by the amount of the Amortized Investment Tax Credit (Form 1, 266.8.f) multiplied by (1/(1-T)) (page 3, line 26). Excess Deferred Income Taxes reduce income tax expense by the amount of the expense multiplied by (1/(1-T)).
- |                  |       |       |   |
|------------------|-------|-------|---|
| Inputs Required: | FIT = | 21.0% | (Weighted Average Federal Income Tax Rate (Attachment 7, line 4, col. (i))) |
|                  | SIT = | 8.8%  | (Weighted Average State Income Tax Rate (Attachment 7, line 8, col. (i)))   |
|                  | p =   | 0.0%  | (Percent of federal income tax deductible for state purposes)               |
- O The Tax Effect of Permanent Differences captures the differences in the income taxes due under the Federal and State calculations and the income taxes calculated in Appendix III that are not the result of a timing difference. Tax Effect equals Permanent Differences multiplied by T.
- P Removes transmission plant determined by Commission order to be state-jurisdictional according to the seven-factor test (until Form 1 balances are adjusted to reflect application of seven-factor test).
- Q The cost of debt will be determined based on the financing in place during each stage of project development. Before debt is obtained, a proxy interest rate which will be supported in the original Section 205 filing will be used. This rate is provided on Attachment 8 line 36. If construction debt (wherein principal is drawn down over time) is issued, the rate plus an amortization of fees projected to be incurred on the construction debt during the rate year will be the cost of debt. This construction debt rate (inclusive of fees) will be reset and true-up every year using the method on Attachment 9 for multi-year construction projects. Once non-construction debt is obtained, the actual interest rate and fees on the debt in place at the end of the year such non-construction debt is obtained will become the cost of debt. In the first full year after non-construction debt is obtained, the cost of debt will be the actual cost of debt determined using the method on Attachment 5.
- R Calculate rate base using 13 month average balance, except ADIT. The calculation of ADIT in the annual true-up calculation will use the beginning-of-year and end-of-year balances, and will be performed in accordance with IRS regulation Section 1.167(l)-1(h)(6). The calculation of ADIT in the annual projection will be performed in accordance with IRS Regulation Section 1.167(l)-1(h)(6).
- S Removes dollar amount of transmission plant to be included in the development of OATT ancillary services rates and generation step-up facilities, which are deemed to be included in OATT ancillary services. For these purposes, generation step-up facilities are those facilities at a generator substation on which there is no through-flow when the generator is shut down.
- T The rate of return on common equity ("ROE") will be supported in the original Section 205 filing and shall, at no time during the life of the Project, be higher than 9.8%, including adders. No change in ROE may be made absent a filing with FERC.
- U Includes only income related to transmission facilities, such as pole attachments, rentals and special use from general ledger.
- V Add back any lease expense of transmission assets used to provide service under this tariff included in account 565. Amount to be obtained from company books and records.
- W DA = Direct Assignment; GP = Gross Plant Allocator (page 2, line 5); N/A = Not Applicable; NP = Net Plant Allocator (page 2, line 17); TP = Transmission Plant Allocator (page 4, line 5); WS = Wage and Salary Allocator (page 4, line 11).
- X Upon enactment of changes in tax law, ADIT balances are re-measured and adjusted in the Company's books of account, resulting in excess or deficient accumulated deferred income tax assets and liabilities. Excess or deficient ADIT attributable to timing differences between the amounts of expenses or revenues recognized for income tax purposes and amounts of expenses or revenues recognized for ratemaking purposes as well as subsequent recoverable or refundable amortization of such amounts will be based upon Company records and be calculated and recorded in accordance with ASC 740 and any applicable normalization requirements of the taxing jurisdiction. The Deficient or (Excess) Deferred Income Tax Adjustment (page 3, line 44) is computed by multiplying each component of Deficient or (Excess) Deferred Income Taxes (page 3, line 40) by the applicable tax gross-up factor. For each re-measurement of ADIT, the amounts entered as the Deficient or (Excess) Accumulated Deferred Income Taxes component of ADJUSTMENTS TO RATE BASE (page 2, line 22a) or as the Deficient or (Excess) Deferred Income Tax Adjustment component of INCOME TAXES (page 3, line 44) will be supported by Attachment 13 (Deficient or Excess Accumulated Deferred Income Taxes) providing the balance for each taxing jurisdiction at the beginning and end of the year, amortization for the year, calculation of the gross-up to the revenue requirement level and any other information required to support compliance with any applicable normalization requirements.

Attachment 1  
Project Revenue Requirement Worksheet  
DesertLink, LLC

To be completed in conjunction with Appendix III.

Line No.	(1)	(2) <u>Appendix III, Page, Line, Col.</u>	(3) <u>Transmission</u>	(4) <u>Allocator</u>
1	Gross Transmission Plant plus CWIP	Appendix III, p 2, line 2, col 5 plus line 25, col 5 (Note A)	152,695,016	
2	Net Transmission Plant plus CWIP and Abandoned Plant	Appendix III, p 2, line 14, col 5 plus line 25 & 27, col 5 (Note B)	148,899,094	
O&M EXPENSE				
3	Total O&M Allocated to Transmission	Appendix III, p 3, line 17, col 5	2,386,155	
4	Annual Allocation Factor for O&M	(line 3 divided by line 1, col 3)	1.56%	1.56%
GENERAL AND INTANGIBLE (G&I) DEPRECIATION EXPENSE				
5	Total G&I Depreciation Expense	Appendix III, p 3, line 20, col 5 (Note C)	872,045	
6	Annual Allocation Factor for G&I Depreciation Expense	(line 5 divided by line 1, col 3)	0.57%	0.57%
TAXES OTHER THAN INCOME TAXES				
7	Total Other Taxes	Appendix III, p 3, line 32, col 5	1,328,894	
8	Annual Allocation Factor for Other Taxes	(line 7 divided by line 1, col 3)	0.87%	0.87%
9	Less Revenue Credits	Appendix III, p 1, line 6 col 5	-	
10	Annual Allocation Factor for Revenue Credits	(line 9 divided by line 1, col 3)	0.00%	0.00%
11	<b>Annual Allocation Factor for Expense</b>	<b>Sum of lines 4, 6, 8, and 10</b>		<b>3.00%</b>
INCOME TAXES				
12	Total Income Taxes	Appendix III, p 3, line 46, col 5	3,878,385	
13	Annual Allocation Factor for Income Taxes	(line 12 divided by line 2, col 3)	2.60%	2.60%
RETURN				
14	Return on Rate Base	Appendix III, p 3, line 48, col 5	12,660,018	
15	Annual Allocation Factor for Return on Rate Base	(line 14 divided by line 2, col 3)	8.50%	8.50%
16	<b>Annual Allocation Factor for Return</b>	<b>Sum of lines 13 and 15</b>		<b>11.11%</b>



Attachment 1  
 Project Revenue Requirement Worksheet  
 DesertLink, LLC

This worksheet is used to compute project specific revenue requirements for any projects for which such calculation is required by CAISO. Other projects which comprise the remaining revenue requirement on Appendix III will not. Any hypothetical amounts or project names in a filed template will be removed and replaced with actual amounts in the first year actual values are available without the need for a section 205 filing to modify the template.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
Line No.	Project Name	CAISO Category	Identifier	Project Gross Plant	Annual Allocation Factor for Expense	Annual Expense Charge	Project Net Plant	Annual Allocation Factor for Return	Annual Return Charge
				(Note D)	(Page 1, line 11)	(Col. 3 * Col. 4)	(Note E)	(Page 1, line 16)	(Col. 6 * Col. 7)
1a	Harry Allen to Eldorado	Schedule 3	DSLK	152,695,016	3.00%	4,587,094	\$ 148,899,094	11.11%	16,538,403
1b	Project B		BBBB	-	3.00%	-	\$ -	11.11%	-
2	Total Schedule 12			152,695,016		4,587,094	\$ 148,899,094		16,538,403
3a	Project C		CCCC	-	3.00%	-	\$ -	11.11%	-
3b	Project D		DDDD	-	3.00%	-	\$ -	11.11%	-
4	Total Zonal			-		-	\$ -		-
5	Other			-	3.00%	-	\$ -	11.11%	-
6	Annual Totals			152,695,016.28		4,587,094.00	\$ 148,899,094		16,538,403

Attachment 1  
Project Revenue Requirement Worksheet  
DesertLink, LLC

Line No.	(9) Project Depreciation/Amortization Expense (Note F)	(10) Annual Revenue Requirement (Sum Col. 5, 8 & 9)	(11) Incentive Return in Basis Points (Note G)	(12) Incentive Return (Attachment 2, Line 28 Incentive Return * Col. 6 * Col. 11/100)	(12a) Ceiling Rate (Sum Col. 10 & 12)	(13) Competitive Concession (Note H)	(14) Total Annual Revenue Requirement (Sum Col. 10 & 12 Less Col. 13)	(15) True-Up Adjustment (Note I)	(16) Net Revenue Requirement (Sum Col. 14 & 15)
1a	3,004,678	24,130,175	-	-	24,130,175	-	24,130,175	-	24,130,175
1b	-	-	-	-	-	-	-	-	-
2	3,004,678	24,130,175	-	-	24,130,175	-	24,130,175	-	24,130,175
3a	-	-	-	-	-	-	-	-	-
3b	-	-	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-	-	-
5	-	-	-	-	-	-	-	-	-
6	3,004,678	24,130,175	-	-	24,130,175	-	24,130,175	-	24,130,175

Notes

- A Gross Transmission Plant is that identified on page 2 line 2 of Appendix III inclusive of any CWIP or unamortized abandoned plant included in rate base when authorized by FERC order.
- B Net Plant is that identified on page 2 line 14 of Appendix III inclusive of any CWIP or unamortized Abandoned Plant included in rate base when authorized by FERC order less any prefunded AFUDC, if applicable.
- C General and Intangible Depreciation and Amortization Expense includes all expenses (except depreciation and amortization of G&I Asset Retirement Obligations) not directly associated with a project, which is entered on page 3 , column 9.
- D Project Gross Plant is the total capital investment including CWIP for the project calculated from Company books and records in the same method as the gross plant value in line 1. This value includes subsequent capital investments required to maintain the facilities to their original capabilities.
- E Project Net Plant is the Project Gross Plant Identified in Column 3 less the associated Accumulated Depreciation plus CWIP in rate base if applicable and Unamortized Abandoned Plant.
- F Project Depreciation Expense is the actual value booked for the project (excluding General and Intangible depreciation) at Appendix III, page 3, line 19, plus amortization of Abandoned Plant at Appendix III, page 3, line 21.
- G Requires approval by FERC of incentive return applicable to the specified project(s).
- H The Competitive Concession is the reduction in revenue, if any, that the company agreed to, for instance, to be selected to build facilities as the result of a competitive process and equals the amount by which the annual revenue requirement is reduced from the ceiling rate.
- I True-Up Adjustment is calculated on the Project True-up Schedule for the relevant true-up year.



Attachment 3  
Formula Rate True-Up  
DesertLink, LLC

This Attachment 3 is used to calculate the annual formula rate true-up. Any projects for which the RTO requires a true-up on an individual project basis, as shown on Attachment 1, will be computed separately. The remainder of the Any hypothetical amounts or project names in a filed template will be removed and replaced with actual amounts in the first year actual values are available without the need for a section 205 filing to modify the template.

Line	True-Up Year			Projected True-Up Year Revenue Requirement Calculation		True-Up Year Revenue Received <sup>1</sup>	Actual True-Up Year Revenue Req.	Annual True-Up Calculation			
1	2021					22,885,782					
2	A		B	C	D	E	F	G	H	I	J
	Project Name	CAISO Identification	Project # Or Other Identifier	Net Revenue Requirement <sup>2</sup>	% of Total Revenue Requirement	Allocation of Revenue Received (E, Line 2) x (D)	True-Up Net Revenue Requirement <sup>3</sup>	Net Under/(Over) Collection (F)-(E)	True-Up Interest Income (Expense) <sup>4</sup> (D) x (H, line 10)	Prior Period Adjustment with Interest <sup>5</sup>	Total True-Up (G) + (H) + (I)
3	Remaining Appendix III				0.0%	-		-	\$ -		-
4a	Harry Allen to Eldorado	Schedule 3	DSLK	24,130,175	100.0%	22,885,782	24,130,175	1,244,393	\$ 86,192	-	1,330,585
4b	Project B		BBBB	-	0.0%	-	-	-	\$ -	-	-
5	Total Schedule 12			24,130,175		22,885,782	24,130,175	1,244,393	\$ 86,192	-	1,330,585
6a	Project C		CCCC	-	0.0%	-	-	-	\$ -	-	-
6b	Project D		DDDD	-	0.0%	-	-	-	\$ -	-	-
7	Total Zonal			-		-	-	-	\$ -	-	-
8	Other			-	0.0%	-	-	-	\$ -	-	-
9	Total Annual Revenue Requirements			24,130,175	100.0%	22,885,782	24,130,175	1,244,393	\$ 86,192	-	1,330,585
10						\$ 86,191.98	Total Interest on True-Up - Attachment 6				

Prior Period Adjustment

	A	B
	Prior Period Adjustment (Note 5)	Adjustment Amount
11	Description of Adjustment	-
	Source	
	Attachment 11	

Notes

- 1) The revenue received is the total amount of revenue distributed to company in the year as shown on pages 328-330 of the Form No 1. The Revenue Received is input on line 2, Col. E.
- 2) From the Attachment 1, lines 1a through 6, col. 16 from the template in which the true-up year revenue requirement was initially projected.
- 3) From True-Up revenue requirement template Attachment 1, lines 1a through 6, col. 14.
- 4) Interest due on the true up is calculated for the 24 month period from the start of the true-up year until the end of the year following the true up will be included in rates. Total True up Interest calculate on Attachment 6 and allocated to projects based on the percentage in Column D.
- 5) Corrections to true-ups for previous rate years including interest will be computed on Attachment 11 and entered on the appropriate line 3-8 above.

Attachment 4  
Rate Base Worksheet  
DesertLink, LLC

Line No	Month (a)	Gross Plant in Service		CWIP	LHFFU	Working Capital		Accumulated Depreciation		
		Transmission (b)	General & Intangible (c)	CWIP in Rate Base (d)	Held for Future Use (e)	Materials & Supplies (f)	Prepayments (g)	Transmission (h)	General & Intangible (i)	
	(Note A)	207.58.g less 207.57.g for end of year, records for other months	205.5.g & 207.99.g less 207.98.g for end of year, records for other months	Note B - page 2, column C	214.47.d for end of year, records for other months	227.8.c & 227.16.c for end of year, records for other months	111.57.c for end of year, records for other months	219.25.c less ARO for end of year, records for other months	219.28.c & 200.21.c less ARO for end of year, records for other months	
1	December	2020	151,815,129	48,423,581	-	-	1,677,035	941,523	2,342,656	348,544.01
2	January	2021	152,332,360	48,427,130	-	-	1,677,035	814,235	2,585,580	426,035
3	February	2021	152,333,168	48,427,130	-	-	1,761,789	666,405	2,828,821	503,529
4	March	2021	152,335,852	48,427,130	-	-	1,761,789	528,847	3,072,068	581,025
5	April	2021	153,215,804	48,429,205	-	-	1,761,789	391,288	3,316,023	658,523
6	May	2021	153,215,804	48,429,205	-	-	1,761,789	253,729	3,560,685	736,023
7	June	2021	153,099,504	48,429,205	-	-	1,729,357	278,757	3,805,253	813,523
8	July	2021	153,156,175	49,839,466	-	-	1,782,129	247,104	4,049,774	892,142
9	August	2021	153,156,175	49,839,466	-	-	1,782,129	209,193	4,293,679	972,534
10	September	2021	153,141,050	49,839,466	-	-	1,793,624	171,280	4,536,914	1,053,580
11	October	2021	152,318,870	50,998,315	-	-	1,793,624	133,368	4,778,269	1,137,010
12	November	2021	152,466,359	51,063,252	-	-	1,793,624	176,889	5,021,027	1,220,426
13	December	2021	152,448,961	51,064,818	-	-	1,836,846	953,600	5,156,246	1,411,676
14	Average of the 13 Monthly Balances		152,695,016	49,356,721	-	-	1,762,504	443,555	3,795,923	827,275

Adjustments to Rate Base

Month (a)	Unamortized Regulatory Asset (b)	Unamortized Abandoned Plant (c)	Account No. 281	Account No. 282	Account No. 283	Account No. 190	Account No. 255		
			Accumulated Deferred Income Taxes (Note E) (d)	Accumulated Deferred Income Taxes (Note E) (e)	Accumulated Deferred Income Taxes (Note E) (f)	Accumulated Deferred Income Taxes (Note E) (g)	Accumulated Deferred Investment Credit (Note I) (h)		
(Note A)	Note C	Note D	272.8.b & 273.8.k	274.2.b & 275.2.k	276.9.b & 277.9.k	234.8.b & c	Consistent with 266.8.b & 267.8.h		
15	December	2020	1,910,309	-	-	(3,639,739)	(11,547)	1,176,806	-
16	January	2021	1,875,576	-	-	-	-	-	-
17	February	2021	1,840,843	-	-	-	-	-	-
18	March	2021	1,806,111	-	-	-	-	-	-
19	April	2021	1,771,378	-	-	-	-	-	-
20	May	2021	1,736,645	-	-	-	-	-	-
21	June	2021	1,701,912	-	-	-	-	-	-
22	July	2021	1,667,179	-	-	-	-	-	-
23	August	2021	1,632,446	-	-	-	-	-	-
24	September	2021	1,597,713	-	-	-	-	-	-
25	October	2021	1,562,980	-	-	-	-	-	-
26	November	2021	1,528,247	-	-	-	-	-	-
27	December	2021	1,493,514	-	-	(3,639,739)	(11,547)	1,176,806	-
28	Average of the 13 Monthly Balances		1,701,912	-	-	(3,639,739)	(11,547)	1,176,806	-

Attachment 4  
 Rate Base Worksheet  
 DesertLink, LLC

Reconciliation of CWIP in Rate Base to FERC Form 1 - Note B

	Total CWIP (a) 216.b for end of year, records for other months	Less: CWIP and AFUDC Excluded from Rate Base (b) Company records	CWIP allowed in Rate Base (c) = (a) - (b)
29 December	-	-	-
30 January	-	-	-
31 February	-	-	-
32 March	-	-	-
33 April	-	-	-
34 May	-	-	-
35 June	-	-	-
36 July	-	-	-
37 August	-	-	-
38 September	-	-	-
39 October	-	-	-
40 November	-	-	-
41 December	-	-	-
Average of the 13 Monthly Balances	-	-	-

Unfunded Reserves (Notes A and F and G)

(a)	(b)	(b.i)	(b.ii)	(c)	(d)	(e)	(f)	(g)	(h)
List of all reserves	FERC balance sheet account where reserves are recorded	FERC income statement account where expenses are recorded	Amount	Enter 1 if NOT in a trust or reserved account, enter zero (0) if included in a trust or reserved account	Enter 1 if the accrual account is included in the formula rate, enter zero (0) if the accrual account is NOT included in the formula rate	Enter the percentage paid for by customers less the percent associated with an offsetting liability on the balance sheet (Note H)	Allocation (Plant or Labor Allocator)	Amount Allocated, col. c x col. d x col. e x col. f x col. g	
42a Reserve 1	-	-	-	-	-	-	-	-	
42b Reserve 2	-	-	-	-	-	-	-	-	
43 Total	-	-	-	-	-	-	-	-	

- Notes:
- A Calculate using 13 month average balance, except ADIT which is calculated based on the average of the beginning of the year and the end of the year balances
  - B Recovery of CWIP in rate base must be approved by FERC. Lines 29-41 of page 2 provide a reconciliation of the Company's total CWIP to the CWIP allowed in rate base. The annual report filed pursuant to the Protocols will include for each project under construction (i) the CWIP balance eligible for inclusion in rate base; (ii) the CWIP balance ineligible for inclusion in rate base; and (iii) a demonstration that AFUDC is only applied to the CWIP balance that is not included in rate base. The annual report will also describe the reconciliation prepared on this Attachment.
  - C Recovery of a Regulatory Asset is permitted only for pre-commercial and formation expenses, and is subject to FERC approval before the amortization of the Regulatory Asset can be included in rates. Recovery of any other regulatory assets requires authorization from the Commission.
  - D Recovery of abandoned plant is limited to any abandoned plant recovery authorized by FERC.
  - E ADIT is computed using the average of the beginning of the year and the end of the year balances. Electric ADIT only, Excludes ARO-related ADIT.
  - F The Formula Rate shall include a credit to rate base for all unfunded reserves (funds collected from customers that (1) have not been set aside in a trust, escrow or restricted account; (2) whose balance are collected from customers through cost accruals to accounts that are recovered under the Formula Rate; and (3) exclude the portion of any balance offset by a balance sheet account (see Note H)). Each unfunded reserve will be included on lines 42 above. The allocator in Col. (g) will be the same allocator used in the formula for the cost accruals to the account that is recovered under the Formula Rate. Since reserves can be created by creating an offsetting balance sheet account, rather than through cost accruals, the amount to be deducted from rate base should exclude the portion offset by another balance sheet account.
  - G Not all unfunded reserves are created only from contributions from customers. Many are created by creating an offsetting liability in whole or in part. Column (f) ensures only the portion of the unfunded reserve contributed by the customer (and not created by an offsetting liability) is a reduction to rate base.
  - H The inputs in Column (f) are the percentage of the unfunded reserve that was created by an offsetting liability. The percentage shown in Column (f) is then equal to the percentage that customers have contributed to the unfunded reserve.
  - I Balance of Account 255 will be reduced by prior flow throughs and excluded if the utility chooses to utilize amortization of tax credits against taxable income.



Attachment 5  
Return on Rate Base Worksheet  
DesertLink, LLC

## RETURN ON RATE BASE ( R )

		\$			
1	Long Term Interest (117, sum of 62.c through 67.c) (Note D)	2,937,812			
2	Preferred Dividends (118.29c) (positive number)	-			
3	Proprietary Capital (Line 25 (c))	102,829,305			
4	Less Preferred Stock (Line 9)	-			
5	Less Account 216.1 Undistributed Subsidiary Earnings (Line 25 (d))	-			
6	Less Account 219 Accum. Other Comprehensive Income (Line 25 (e))	-			
7	Common Stock (Sum of Lines 3 through 6)	102,829,305			
		\$	%	Cost	Weighted
8	Long Term Debt	100,723,077	50.00%	2.92%	1.46% =WCLTD
9	Preferred Stock	-	0.00%	0.00%	0.00%
10	Common Stock	102,829,305	50.00%	9.80%	4.90%
11	Total (Sum of Lines 8 through 10)	203,552,382			6.36% =R

	(a)	(b)	(c)	(d)	(e)
Monthly Balances for Capital Structure	Long Term Debt (Note A)	Preferred Stock (112.3.c)	Proprietary Capital (112.16.c)	Undistributed Sub Earnings 216.1 (112.12.c)	Accum Other Comp. Income 219 (112.15.c)
12	101,800,000	-	103,934,670	-	-
13	101,800,000	-	104,915,824	-	-
14	101,800,000	-	106,161,384	-	-
15	101,800,000	-	101,706,449	-	-
16	101,800,000	-	101,025,628	-	-
17	101,800,000	-	101,737,613	-	-
18	100,050,000	-	102,320,124	-	-
19	100,050,000	-	103,153,963	-	-
20	100,050,000	-	103,986,874	-	-
21	100,050,000	-	101,384,922	-	-
22	100,050,000	-	102,108,402	-	-
23	100,050,000	-	103,043,974	-	-
24	98,300,000	-	101,301,141	-	-
25	13-Month Average	-	102,829,305	-	-

## Notes

- A Long Term debt balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112, lines 18.c to 21.c, in the Form No. 1; the cost is calculated by dividing line 1 by the Long Term Debt balance on line 8.
- B Preferred Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112 line 3.c in the Form No. 1
- C Common Stock balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on Form 1 page 112 line 16.c less lines 3.c, 12.c, and 15.c
- D Long-term interest will exclude any short-term interest included in FERC Account 430, Interest on Debt to Associated Companies



Attachment 6  
Interest on True-Up  
DesertLink, LLC

Line	2021		2021		Over (Under) Recovery
1	Projected Revenue Requirement (Note A)		Actual Net Revenue Requirement (Note B)		
	22,885,782	Less	\$ 24,130,175	Equals	\$ (1,244,393)

Note A - Projected ATRR for the true-up year from Page 1, Line 1 of Projection Appendix III minus Line 6 of Projection Appendix III.  
Note B - Actual Net ATRR for the true-up year from Page 1, Line 9 of True-Up Appendix III.

Interest Rate on Amount of Refunds or Surcharges	Over (Under) Recovery Plus Interest	Monthly Interest Rate on Attachment 6a	Months	Calculated Interest	Amortization	Surcharge (Refund) Owed
2		0.271%				

An over or under collection will be recovered pro rata over year collected, held for one year and returned pro rata over next year

<u>Calculation of Interest</u>			<u>Monthly</u>				
3	January	2021	(103,699)	0.271%	12	3,370	107,070
4	February	2021	(103,699)	0.271%	11	3,089	106,789
5	March	2021	(103,699)	0.271%	10	2,809	106,508
6	April	2021	(103,699)	0.271%	9	2,528	106,227
7	May	2021	(103,699)	0.271%	8	2,247	105,946
8	June	2021	(103,699)	0.271%	7	1,966	105,665
9	July	2021	(103,699)	0.271%	6	1,685	105,385
10	August	2021	(103,699)	0.271%	5	1,404	105,104
11	September	2021	(103,699)	0.271%	4	1,123	104,823
12	October	2021	(103,699)	0.271%	3	843	104,542
13	November	2021	(103,699)	0.271%	2	562	104,261
14	December	2021	(103,699)	0.271%	1	281	103,980
15						21,906	1,266,299

16	January through December	2022	1,266,299	0.271%	12	41,155	1,307,454
----	--------------------------	------	-----------	--------	----	--------	-----------

<u>Over (Under) Recovery Plus Interest Amortized and Recovered Over 12 Months</u>			<u>Monthly</u>					
17	January	2023	(1,307,454)	0.271%		3,541	(110,882)	1,200,113
18	February	2023	(1,200,113)	0.271%		3,250	(110,882)	1,092,481
19	March	2023	(1,092,481)	0.271%		2,959	(110,882)	984,558
20	April	2023	(984,558)	0.271%		2,667	(110,882)	876,342
21	May	2023	(876,342)	0.271%		2,373	(110,882)	767,834
22	June	2023	(767,834)	0.271%		2,080	(110,882)	659,031
23	July	2023	(659,031)	0.271%		1,785	(110,882)	549,934
24	August	2023	(549,934)	0.271%		1,489	(110,882)	440,541
25	September	2023	(440,541)	0.271%		1,193	(110,882)	330,852
26	October	2023	(330,852)	0.271%		896	(110,882)	220,866
27	November	2023	(220,866)	0.271%		598	(110,882)	110,583
28	December	2023	(110,583)	0.271%		299	(110,882)	(0)
29						23,131		

30	Total Amount of True-Up Adjustment					\$	1,330,585
31	Less Over (Under) Recovery					\$	(1,244,393)
32	Total Interest					\$	86,192

Attachment 6a  
True-Up Interest Rate Calculator  
DesertLink, LLC

This Attachment is used to compute the interest rate to be applied to each year's revenue requirement true-up.

Applicable FERC Interest Rate (Note A):		
1	2021 January	3.25%
2	2021 February	3.25%
3	2021 March	3.25%
4	2021 April	3.25%
5	2021 May	3.25%
6	2021 June	3.25%
7	2021 July	3.25%
8	2021 August	3.25%
9	2021 September	3.25%
10	2021 October	3.25%
11	2021 November	3.25%
12	2021 December	3.25%
13	2022 January	3.25%
14	2022 February	3.25%
15	2022 March	3.25%
16	2022 April	3.25%
17	2022 May	3.25%
18	Average Rate	3.25%
19	Monthly Average Rate	0.27%

Note A - Lines 1-17 are the FERC interest rates under section 35.19a of the regulations for the period shown. Line 18 is the average of lines 1-17.

Attachment 7  
Weighted Average Federal and State Income Tax Rates  
DesertLink, LLC

Line	Description	Source	Subchapter C Corporations	Individuals	Mutual Funds	Pensions, IRAs Keogh Plans	UBTI Entities	Non-Taxpaying Entities	Weighted Average
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	Weighted Marginal Federal Income Tax Rate	Note A	21.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
2	Allocated Income Percentage	Note B	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
3	Weighted Average	Line 1 x Line 2	21.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
4	Weighted Average Federal Income Tax Rate	Sum of Line 3, Col. (c)-(h)							21.00%
5	Weighted Marginal State Income Tax Rate	Note C	8.84%	0.00%	0.00%	0.00%	0.00%	0.00%	
6	Allocated Income Percentage	Note B	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
7	Weighted Average	Line 5 x Line 6	8.84%	0.00%	0.00%	0.00%	0.00%	0.00%	
8	Weighted Average State Income Tax Rate	Sum of Line 7, Col. (c)-(h)							8.84%

- A For each Rate Year, DesertLink will develop a schedule calculating the weighted average federal income tax rate for each category of partners.
- B This percentage is developed based on the distributive income allocated to each category of partners rather than their respective ownership percentages.
- C For each Rate Year, DesertLink will develop a schedule calculating the weighted average state income tax rate for each category of partners.

Attachment 8  
Cost of Debt Prior to Issuing Non-Construction Financing  
DesertLink, LLC

This Attachment 8 is to be utilized to determine the cost of debt prior to issuing non-construction financing. Once non-construction financing is issued the cost of debt shall be determined using the methodology described in Note Q on Appendix III. If construction debt has not or will not be issued when construction starts, a proxy rate will be used for the cost of debt, which will be supported in the initial section 205 filing. The proxy rate will be entered on line 36 of this attachment. If construction financing has been obtained, the cost of debt prior the issuance of non-construction financing shall be based on the terms of the construction financing and determined below. Up-front fees including origination fees will be amortized and included in. If construction financing is obtained, all rates, fees and monthly debt balances will be subject to true up pursuant to Attachment 9. Any hypothetical amounts in a filed template will be removed and replaced with actual amounts in the first year actual construction loans are borrowed or projected to be borrowed without the need for a section 205 filing to modify the template.

Line No		
1	Interest rate on Construction Debt for Rate Year - Line 19 (g)	0.00%
2	Rate Year Debt Fee expense - Line 35 (e)	0.00%
3	<b>Total Cost of Debt - Sum of Lines 1 and 2</b>	<b>0.0000%</b>

**Interest Rate Information**

4	Commitment Fee Rate (%)	
5	Projected Average Drawn Rate for Rate Year (%) - Note A	

	Month During Rate Year (a)	Total Loan Amount (\$000) (b)	Principal Drawn (\$000) (c)	Unutilized Loan Balance (\$000) (d)	Commitment Fee & Utilization Fee (\$000) (e)	Interest Expense (\$000) (f)	Effective Annual Interest Rate (%) (g)
6	December Prior Year		-	-	-	-	
7	January		-	-	-	-	
8	February		-	-	-	-	
9	March		-	-	-	-	
10	April		-	-	-	-	
11	May		-	-	-	-	
12	June		-	-	-	-	
13	July		-	-	-	-	
14	August		-	-	-	-	
15	September		-	-	-	-	
16	October		-	-	-	-	
17	November		-	-	-	-	
18	December		-	-	-	-	
19	Average of the 13 Monthly Balances		-	-	-	-	0.00%

Example Fee Calculation - All amounts represent actual rate year expenses.

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
	Rate/Fees	Gross Fee Amount (\$000)	Year Fee Incurred	Fee Amortization Period (years)	Rate Year Amortized Fee Amount, col. b / col. d	Prior Years Accumulated Fee Amortization	Unamortized Balance - End of Rate Year
20	<b>Origination Fees</b>						
20	Underwriting Discount	0.00%			-		-
21	Arrangement Fee	0.00%			-		-
22	Upfront Fee	0.00%			-		-
23	Rating Agency Fee	0.00%			-		-
24	Legal Fees	0.00%			-		-
25	Other	0.00%			-		-
26	Total Issuance Expense / Origination Fees - Sum of Lines 20-25		-		-		-
27							
28	<b>Annual Fees</b>						
29	Annual Rating Agency Fee	0.00%		N/A	-	N/A	N/A
30	Annual Bank Agency Fee	0.00%		N/A	-	N/A	N/A
31	Utilization Fee	0.00%		N/A	-	N/A	N/A
32	Other Fees	0.00%		N/A	-	N/A	N/A
33	Total Fees		-		-		-
34	13 Month Average Debt balance - Line 19 (c)						
35	Rate Year cost of fees					0.00%	
36	Proxy Debt rate. Used prior to issuance of construction financing and supported in initial section 205 filing.						3.2220%

Notes

A Projected rate will be Average LIBOR for rate year + spread. Spread will be supported in initial section 205 filing. LIBOR will be updated based on information in the Wall Street Journal as of the 15th day of the month prior to population of this template.

LIBOR	0.0000%
Spread	2.3500%
Total	2.3500%

Attachment 9  
True-Up - Construction Financing Cost of Debt  
DesertLink, LLC

This Attachment 9 is to be utilized only in the event construction financing has been obtained to compute the actual cost of debt to be included in the return on rate base calculation for the true-up each year prior to the One time up-front debt fees, including origination fees will be amortized and included in the cost of debt. Any hypothetical amounts in a filed template will be removed and replaced with actual amounts in the first year actual construction loans are borrowed or projected to be borrowed without the need for a section 205 filing to modify the template.

Line No.		\$	
1	Long Term Interest and Fees (117, sum of 62.c through 67.c) -- Notes A and B	-	
2	Line of Credit Fees (68.c) -- Note C	-	
3	Total Interest and Fees	-	
13 Month Average Long-Term Debt - Notes A and D			
	Month During Rate Year	Long Term Debt	
	(a)	(d)	
4	December Prior Year	-	
5	January	-	
6	February	-	
7	March	-	
8	April	-	
9	May	-	
10	June	-	
11	July	-	
12	August	-	
13	September	-	
14	October	-	
15	November	-	
16	December	-	
17	Average of the 13 Monthly Balances	-	
18	True-Up Cost of Debt (Line 3 / Line 17)	0.00%	

Notes

- A Long Term debt balance will reflect the 13 month average of the balances, of which the 1st and 13th are found on page 112, line 24, columns d and c, respectively, in the Form No. 1; the cost is calculated by dividing line 1 by the Long Term Debt balance on line 8.
- B Long-term interest will exclude any short-term interest included in FERC Account 430, Interest on Debt to Associated Companies.
- C Line of credit fees will include only those related to long-term debt and not for short-term debt.
- D Long-term debt will exclude any short-term debt included in FERC Account 233, Notes Payable to Associated Companies.

Attachment 10  
Depreciation Rates  
DesertLink, LLC

**INITIAL PROPOSED TRANSMISSION AND GENERAL PLANT DEPRECIATION RATES**

Line No. INTANGIBLE PLANT		Initial Annual Depreciation Rates (Notes A and B)
1	301.0 Organization	2.00%
2	302.0 Franchises and Consents	2.00%
3	303.0 Computer Software	7.68%
3a	303.1 Contributions in Aid of Construction	Note C
<b>TRANSMISSION PLANT</b>		
4	350.2 Land Rights	1.55%
5	352.0 Structures & Improvements	0.99%
6	353.0 Station Equipment	1.67%
7	354.0 Towers & Fixtures	1.48%
8	355.0 Poles & Fixtures	2.52%
9	356.0 Overhead Conductors & Devices	2.26%
10	357.0 Underground Conduit	1.61%
11	358.0 Underground Conduit & Devices	2.21%
12	359.0 Roads and Trails	1.74%
<b>GENERAL PLANT</b>		
13	391.0 Office Furniture & Equipment	5.00%
14	391.1 Computer Hardware	20.00%
15	392.0 Transportation Equipment	9.44%
16	393.0 Stores Equipment	5.00%
17	397.0 Communication Equipment	6.67%

Notes

- A Taken directly from DesertLink affiliate Nevada Power Company for property in same FERC accounts, other than Accounts 301.0 and 302.0.
- B These depreciation rates will not be changed absent a FERC order.
- C In the event a Contribution in Aid of Construction (CIAC) is made for a transmission facility, the transmission depreciation rates above will be weighted based on the relative amount of underlying plant booked to the accounts shown in lines 4-12 above, and the resultant weighted average depreciation rate will be used to amortize the CIAC. The CIAC depreciation rate for each facility will be determined at the time the plant is placed into service, and will not change without FERC approval.

For the twelve months ended 12/31/2021

Attachment 11  
 Prior Period Adjustments  
 DesertLink, LLC

<u>Line No.</u>	<u>Description</u>	<u>Source</u>	<u>(a)</u> <u>Revenue Impact of Correction</u>	<u>(b)</u>
				<u>Calendar Year</u> <u>Revenue Requirement</u>
1	Filing Name and Date			-
2	Original Revenue Requirement			-
3				
4	Description of Correction 1			-
5	Description of Correction 2			-
6				
7	Total Corrections	Line 4 + 5		-
8				
9	Corrected Revenue Requirement	Line 2 + 7		-
10				
11				
12	Total Corrections	Line 7		-
13				
14	Average Monthly FERC Refund Rate	Note A		0.00%
15	Number of Months of Interest	Note B		30
16	Interest on Correction	Line 12 x 14 x 15		-
17				
18	Total Annual Amount Due from / (to) Customers	Line 12 + 16		-

Notes

- A The interest rate on corrections will be the average monthly FERC interest rate for the period from the beginning of the year being corrected through the most recent month available as of the time the correction is computed and included in an annual filing.
- B The number of months interest due on the correction will be the number of months from the beginning of the year being corrected through June of the year in which the correction will be reflected in rates. In this manner the interest computed will reflect all years prior to when the correction is reflected in rates plus interest on the average unrefunded balance of the correction during the year the correction is reflected in rates.

Attachment 12  
Revenue Credit Detail  
DesertLink, LLC

Line No.	(Note A)	Source	(a) Company Total	(b) Less: Non Transmission	(c) = (a) - (b) Transmission-related
1	<b>Account 454 - Rent from Electric Property</b>				
2	Joint pole attachments - telephone	Company books	-	-	-
3	Joint pole attachments - cable	Company books	-	-	-
4	Underground rentals	Company books	-	-	-
5	Transmission tower wireless rentals	Company books	-	-	-
6	Other rentals	Company books	-	-	-
7	Other rentals	Company books	-	-	-
8	<b>Account 454 Revenue Credit</b>	Form 1 300.19.b	-	-	-
9	<b>Account 456.1 Other Operating Revenues</b>				
10	CAISO NITS	Company books	-	-	-
11	CAISO Point to Point	Company books	-	-	-
12	Over/Under recovery deferral	Company books	-	-	-
13	Other Transmission Service Revenues	Company books	-	-	-
14	Other	Company books	-	-	-
15	Total Per Books	Form 1 330.n	-	-	-
16	Less: revenues received pursuant to this Formula Rate		-	-	-
17	Less: Over/Under recovery deferral		-	-	-
18	<b>Account 456.1 Revenue Credit</b>	(Line 15 - line 16 - line 17)	-	-	-
19	<b>Total Revenue Credits</b>	(Line 8 + line 18)	-	-	-

Note A All 454 and 456.1 revenues will be detailed from Company books and records or FERC Form 1, and additional rows added if necessary. Non-transmission-related amounts will be deducted to determine transmission-related amounts.



DesertLink, LLC

Attachment 13 - Excess or Deficient Accumulated Deferred Income Taxes - Summary

2021 Actual

Line No.

- 1 The primary purposes of this worksheet are to:
- reconcile the amounts of regulatory assets and liabilities comprising the rate base adjustment mechanism on Appendix III, Page 2, Line 22a (ADJUSTMENTS TO RATE BASE > Deficient or (Excess) ADIT) as of the beginning and end of the current test period (summarized beginning at Line 3 below) and
  - to support the amount of excess deferred tax expense or benefit recognized due to enacted change(s) in tax rate(s) on Appendix III, Page 3, Line 40 (INCOME TAXES > Deficient or (Excess) Deferred Income Taxes) and the effect of such excess deferred tax expense or benefit on the revenue requirement as reflected in the income tax allowance adjustment mechanism on Appendix III, Page 3, Line 44 (INCOME TAXES > Deficient or (Excess) Deferred Income Tax Adjustment) during the test period (summarized beginning on Line 9 below).

This worksheet supports the computation of the projected revenue requirement or, as appropriate, the actual revenue requirement used to compute the true-up adjustment.

Each tax law change addressed by this worksheet with its associated explanatory note is listed below. Amounts related to each tax law change are provided and supported throughout this worksheet. Additional lines and explanatory notes will be added to this worksheet as necessary as tax law changes are enacted without the need for an FPA Section 205 filing.

- 2 This worksheet addresses tax law changes resulting in:
- the decrease in federal income tax rate pursuant to the Tax Cuts and Jobs Act ("TCJA") (see Note 1a).

This line and lines described as "Items related to subsequent tax law changes" will be updated for subsequent tax law changes and such changes will be described in Note 1b.

3 Rate Base Adjustment Mechanism - Summary

4	Account	Amount	References
5	182.3 (debit or <credit>)	-	
6	254 (debit or <credit>)	-	
7	Total Deficient or (Excess) ADIT (sum of lines 5-6)	-	To Appendix III, Page 2, Line 22a, Col. (3)

- 8 The amounts summarized above are computed in the Rate Base Adjustment Mechanism-Reconciliation of Beginning and End of Test Period Balances section of the worksheet with proration and averaging of activity during the test period computed in different section of Attachment 13.1 for projected revenue requirement calculations and actual revenue requirement calculations.

9 Income Tax Allowance Adjustment Mechanism - Summary

10	(a)	(b)	(c)	(d)	(e)	(f)
				Amortization or Mitigation of Deficient or <Excess> ADIT	Tax Gross-up Factor	Amortization or Mitigation with Tax Gross- up
11	[Insert rows as necessary]			-		-
11a	[Insert rows as necessary]			-		-
11...	[Insert rows as necessary]			-		-
12	Total	(sum of lines 11_)		-		-
13				To Appendix III, Page 3, Line 40, Col. (3)		To Appendix III, Page 3, Line 44, Col. (3)

- 14 [Explanatory statements as needed]

15 **Rate Base Adjustment Mechanism - Reconciliation of Beginning and End of Test Period Balances**

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
				<b>Balance at Beginning of Year</b>	<b>Re-measurement of ADIT</b>	<b>Annual Amortization (Note 4)</b>	<b>Other Adjustments (Note 5)</b>	<b>Balance at End of Year (d)+(e)+(f)+(g)</b>	<b>Whether subject to normalization rules (Note 6)</b>	<b>Amortization period and method</b>
16	<b>Description (+ = debit, &lt; = credit)</b>									
17	[Insert rows as necessary]									
17a	[Insert rows as necessary]									
17b	[Insert rows as necessary]									
17...	[Insert rows as necessary]									
18	Total for account 182.3	(sum of lines 17_)		-	-	-	-	-		
19				FN1. pg 232			FN1. pg 232			
20	[Insert rows as necessary]									
20a	[Insert rows as necessary]									
20b	[Insert rows as necessary]									
20...	[Insert rows as necessary]									
21	Total for account 254	(sum of lines 20_)		-	-	-	-	-		
22				FN1. pg 278			FN1. pg 278			

23 **Analysis** - Balances of tax-related regulatory assets and liabilities include tax gross-up. Accordingly, for the regulatory assets and liabilities for deficient or excess deferred taxes included in rate base, the related deferred tax assets and liabilities are also included in rate base. Remeasurements in column (e) are described in Notes 2 and 3 and are based on the journal entry below and the support on the worksheet for the applicable tax law change. Averaging or proration of amounts affecting rate base is computed on different sections of Attachment 13.1 for projected revenue requirement and actual revenue requirement.

24 **Income Tax Allowance Adjustment Mechanism**

25 The income tax allowance adjustment mechanism may include amortization of excess or deficient ADIT pertaining to deferred tax expense or benefit reflected in rates at a historical tax rate when the underlying timing difference(s) originated (computed under Amortization of Excess or Deficient ADIT within the Income Tax Allowance Adjustment Mechanism section of this worksheet) as well as an adjustment for tax law changes with prospective effective dates intended to mitigate the over- or under-recovery of deferred income taxes originating prior to the effective date of such tax law changes (computed under Adjustment for Tax Law Changes with Prospective Effective Dates within the Income Tax Allowance Adjustment Mechanism section of this worksheet).

26 **Amortization of Excess or Deficient ADIT**

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
					<b>Annual Amortization from Table Above (Note 4)</b>	<b>Debit or &lt;Credit&gt; to Account 410.1</b>	<b>Debit or &lt;Credit&gt; to Account 411.1</b>	<b>Debit or &lt;Credit&gt; to Account 190</b>	<b>Debit or &lt;Credit&gt; to Account 283</b>	<b>Comments</b>
27	<b>Description (+ = debit, &lt; = credit)</b>									
28	[Insert rows as necessary]									
28a	[Insert rows as necessary]									
28b	[Insert rows as necessary]									
28...	[Insert rows as necessary]									
29	Total for account 182.3	(sum of lines 28_)			-	-	-	-	-	
30	[Insert rows as necessary]									
30a	[Insert rows as necessary]									
30b	[Insert rows as necessary]									
30...	[Insert rows as necessary]									
31	Total for account 254	(sum of lines 30_)			-	-	-	-	-	
32	Total amortization and offsetting entries		(sum of lines 29 & 31)		-	-	-	-	-	
33	Net income tax expense or benefit		(sum of lines 32(f) & 32(g))				-			To line 11

**34 Adjustment for Tax Law Changes with Prospective Effective Dates**

**35** In the case of tax law changes with an effective date(s) after the beginning of the test period, the impact of a timing difference on current tax expense or benefit differs from the impact on ADIT. For example, in the case of a deductible timing difference originating in a tax year with a higher enacted tax rate than will apply when the difference will reverse, the current tax benefit will exceed the deferred tax expense. In this situation, the adjustment computed below to recoverable income tax expense is made in order to avoid over-recovering income tax expense in the current test period due to the excess of current tax benefit over deferred tax expense (computed based on the estimated amount of the future tax liability) with respect to a given timing difference. The adjustment to recoverable tax expense during the test period in which a timing difference originates mitigates the need for refund of a regulatory liability for excess deferred taxes in a future period (or, as applicable, the need for recovery of a regulatory asset for deficient deferred taxes in a future period). Amounts in column (i) are reported in the Income Tax Allowance Adjustment Mechanism - Summary on this worksheet.

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	
36			Originating Taxable or (Deductible) Book / Tax Difference for Test Year	Tax Rate for Test Year	Current Tax Expense or (Benefit) in Test Year	Tax Gross-up Factor for Test Year	Revenue Requirement Impact for Test Year	Enacted Tax Rate for the Reversal Year(s)	Deferred Tax Expense or (Benefit) in Test Year	Total Tax Expense or (Benefit) in Test Year	Adjustment to Mitigate Over/under-recovery of Deferred Taxes	
37					(c) x (d)	1 / (1- (d))	(e) x (f)		- [(c) x (h)]	(e) + (i)	(j) x (f)	
38	[Insert rows as necessary]				-		-		-	-	-	To line 11
38...	[Insert rows as necessary]				-		-		-	-	-	To line 11

**39 Note 1 - Summary of re-measurement of ADIT resulting from tax law changes**

**40** The purposes of this portion of the worksheet are, for each change in tax law, to explain:

- how any ADIT accounts were re-measured,
- the excess or deficient ADIT contained therein, and
- the accounting for any excess or deficient amounts in Accounts 182.3 (Other Regulatory Assets) and 254 (Other Regulatory Liabilities).

Note 2 describes how ADIT accounts are re-measured upon a change in income tax law. A separate summary (i.e., Note 1a, Note 1b, etc.) will be added for each tax law change resulting in a re-measurement of ADIT.

**41 Note 1a - Summary of re-measurement of ADIT resulting from**

TCJA (2017)

Additional information is provided in Note

**42 Re-measurement entry**

43	(a)	(b)	(c)
	Account	Debit or <Credit>	Comments or References
44	190	(98,326)	See Att 13.2.
45	281		
46	282	14,046	See Att 13.2.
47	283	788	See Att 13.2.
48	182.3 (tax-related, included in rate base - protected)		
49	182.3 (tax-related, included in rate base - unprotected)		
50	182.3 (tax-related, not in rate base)	(22,138)	See Att 13.2. Relates to tax gross-up of AFUDC-equity and equity carrying charges.
51	190 (related to portion of acct. 182.3 not in rate base)		
52	254 (tax-related, included in rate base - protected)		
53	254 (tax-related, included in rate base - unprotected)		
54	254 (tax-related, not in rate base)		
55	283 (related to portion of acct. 254 not in rate base)	11,859	See Att 13.2.
56	Account 410.1		
57	Account 411.1		
58	Account 410.2	98,326	See Att 13.2. Further explanation below.
59	Account 411.2	(4,555)	See Att 13.2. Further explanation below.
60	Total	(sum of lines)	(0)

**61** Analysis of 2017 decrease in federal income tax rate - DesertLink had not begun providing electric transmission service prior to the 2017 federal change in tax law and, thus, the resulting remeasurements of ADIT recorded in 2017 did not affect rate base or result in refundable excess ADIT amounts or recoverable deficient ADIT amounts. The decrease in tax rate reduced the regulatory asset in Account 182.3 and deferred tax liabilities in Accounts 282 and 283 related to accrued/capitalized AFUDC-equity and the carrying charge for deferred pre-commercial costs. Accordingly, the decrease in tax rate will reduce the revenue requirement associated with depreciation of AFUDC-equity after the associated plant is placed in service and the revenue requirement associated with amortization of the regulatory asset for the carrying charge after recovery begins.

- 62 **Note 1b - Summary of** [name of tax law change] Additional information is provided in Note [ ]
- 63 [Insert additional analysis.]
- 64 **Note 1b - Summary of** [name of tax law change] Additional information is provided in Note [ ]
- 65 **Note 2 - Explanation of how ADIT accounts are re-measured upon a change in income tax law**  
Deferred tax assets and liabilities are adjusted (re-measured) for the effect of the changes in tax law (including tax rates) in the period that the change is enacted. Adjustments are recorded in the appropriate deferred tax balance sheet accounts (Accounts 190, 281, 282 and 283) based on the nature of the temporary difference and the related classification requirements of the accounts. If as a result of action or expected action by a regulator, it is probable that the future increase or decrease in taxes payable due to the change in tax law or rates will be recovered from or returned to customers through future rates, a regulatory asset or liability is recognized in Account 182.3 (Other Regulatory Assets), or Account 254 (Other Regulatory Liabilities), as appropriate, for that probable future revenue or reduction in future revenue. Re-measurements of deferred tax balance sheet accounts may also result in re-measurements of tax-related regulatory assets or liabilities that had been recorded prior to the change in tax law. If it is not probable that the future increase or decrease in taxes payable due to the change in tax law or rates will be recovered from or returned to customers through future rates, tax expense is recognized in Account 410.2 (Provision for Deferred Income Taxes, Other Income or Deductions) or tax benefit is recognized in Account 411.2 (Provision for Deferred Income Taxes-Credit, Other Income or Deductions), as appropriate.
- 66 **Note 3** - [Complete to support information above.]
- 67 **Note 4** - The amortization of the deficient or excess ADIT reducing Account 254 (Other Regulatory Liabilities) is recorded with credits to Account 411.1 (Provision for Deferred Income Taxes – Credit, Utility Operating Income) and to Account 190 (Accumulated Deferred Income Taxes) or Account 283 (Accumulated Deferred Income Taxes—Other), as appropriate, in accordance with the Commission’s Accounting for Income Taxes Guidance. The amortization of the deficient or excess ADIT reducing Account 182.3 (Other Regulatory Assets) is recorded with debits to Account 410.1 (Provision for Deferred Income Taxes, Utility Operating Income) and to Account 190 (Accumulated Deferred Income Taxes) or Account 283 (Accumulated Deferred Income Taxes—Other), as appropriate, in accordance with the Commission’s Accounting for Income Taxes Guidance. This activity is summarized in the table "Income Tax Allowance Mechanism - Projected" or the table "Income Tax Allowance Mechanism - Actual," as appropriate. The annual amortization in the tables above reflects tax gross-up and is stated at the revenue requirement level.
- 68 **Note 5** - No Other Adjustments during the current period.
- 69 **Note 6** - The worksheet indicates whether each excess or deficient ADIT amounts are protected (i.e., subject to normalization rules of a taxing jurisdiction) or unprotected (i.e., not subject to normalization rules of a taxing jurisdiction). To the extent that normalization requirements apply to ADIT remeasurements, additional computations (e.g., proration of excess deferred tax activity related to future test periods) may be necessary.  
[Continuation of note with respect to particular changes in tax law.]
- 70 [Insert additional notes as needed.]

DesertLink, LLC

Attachment 13.1 - Regulatory Assets/Liabilities for Deficient/Excess ADIT - Averaging and Proration Adjustments

Support for Attachment 13 (Excess or Deficient Accumulated Deferred Income Taxes - Summary)

2021 Actual

Line No.

1	Rate year =	2021
2	Test period days after rates become effective	365

This attachment includes sections that are populated only with actual data and thus, these sections remain blank when the formula rate template is calculating a projected revenue requirement. Columns (i) through (n) below are not used for the projection and are only populated with actual data for the Annual Update.

3 **Note 1** - The computations below apply the proration rules of Treasury Regulation section 1.167(l)-1(h)(6) to the annual activity of the portions of the deficient or excess accumulated deferred income taxes recorded in account 182.3 or 254 that are subject to the normalization requirements. Activity related to the portions of the account balances reflected in rate base but not subject to the proration requirement is averaged instead of prorated. The balances below include tax gross-up. The corresponding portions of the deferred tax asset related to the portions of the regulatory liability and the corresponding portions of the deferred tax liability related to the portions of the regulatory asset are also reflected in rate base and prorated or averaged, as appropriate. Columns (a) through (h) are used for projected and actual revenue requirements computations. Columns (i) through (n) are used for actual revenue requirement computations.

4 **Account 182.3 - Other Regulatory Assets (portion related to deficient or excess ADIT)**

		Amount debit / <credit>
5		
6	Beginning balance (debit or <credit>)	-
7	Less: Portion not related to transmission	-
8	Less: Portion not reflected in rate base	-
9	Subtotal: Portion reflected in rate base	-
10	Less: Portion subject to proration	-
11	Portion subject to averaging (debit or <credit>)	-
12	Ending balance (debit or <credit>)	-
13	Less: Portion not related to transmission	-
14	Less: Portion not reflected in rate base	-
15	Subtotal: Portion reflected in rate base	-
16	Less: Portion subject to proration (before proration)	-
17	Portion subject to averaging (before averaging) (debit or <credit>)	-
18	Ending balance of portion subject to proration (prorated) (debit or <credit>)	- <b>From Line 36(n)</b>
19	Average balance of portion subject to averaging	-
20	Amount reflected in rate base (debit or <credit>)	- <b>To Att. 13, Line 5</b>

21 **Account 182.3 - Other Regulatory Assets (portion related to deficient or excess ADIT)**

Columns (i) through (n) are not used for the calculation of the projected revenue requirement

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
	Month	Year	Forecasted Monthly Activity debit / <credit>	Forecasted Month-end Balance debit / <credit>	Days until End of Test Period	Days in Test Period	Prorated Forecasted Monthly Activity debit / <credit>	Forecasted Prorated Month-end Balance debit / <credit>	Actual Monthly Activity	Difference between projected monthly and actual monthly activity.	Preserve projected proration when actual monthly and projected monthly activity are either both increases or decreases.	Fifty percent of the difference between projected and actual activity when actual and projected activity are either both increases or decreases.	Fifty percent of actual monthly activity when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase.	Balance reflecting proration or averaging
23				prior month (d) + (c)		Line 2	[(c) x (e) / (f)]	prior month (h) + (g)		(i) - (c) [Note 4]	[Note 5]	[Note 6]	[Note 7]	(k) + (l) + (m) [Note 8]
24	December 31,	-	NA	-	NA	365	NA	-	NA	NA	NA	NA	NA	-
25	January	-	-	-	335	365	-	-	-	-	-	-	-	-
26	February	-	-	-	307	365	-	-	-	-	-	-	-	-
27	March	-	-	-	276	365	-	-	-	-	-	-	-	-
28	April	-	-	-	246	365	-	-	-	-	-	-	-	-
29	May	-	-	-	215	365	-	-	-	-	-	-	-	-
30	June	-	-	-	185	365	-	-	-	-	-	-	-	-
31	July	-	-	-	154	365	-	-	-	-	-	-	-	-
32	August	-	-	-	123	365	-	-	-	-	-	-	-	-
33	September	-	-	-	93	365	-	-	-	-	-	-	-	-
34	October	-	-	-	62	365	-	-	-	-	-	-	-	-
35	November	-	-	-	32	365	-	-	-	-	-	-	-	-
36	December	-	-	-	1	365	-	-	-	-	-	-	-	-
37	Total		-	-					-	-	-	-	-	-

38 **Note 2 -**

39 **Account 254 - Other Regulatory Liabilities (portion related to deficient or excess ADIT)**

	Amount debit / <credit>
40	
41	Beginning balance (debit or <credit>) -
42	Less: Portion not related to transmission -
43	Less: Portion not reflected in rate base -
44	Subtotal: Portion reflected in rate base -
45	Less: Portion subject to proration -
46	Portion subject to averaging (debit or <credit>) -
47	Ending balance (debit or <credit>) -
48	Less: Portion not related to transmission -
49	Less: Portion not reflected in rate base -
50	Subtotal: Portion reflected in rate base -
51	Less: Portion subject to proration (before proration) -
52	Portion subject to averaging (before averaging) (debit or <credit>) -
53	Ending balance of portion subject to proration (prorated) (debit or <credit>) - <b>From Line 70(n)</b>
54	Average balance of portion subject to averaging -
55	Amount reflected in rate base (debit or <credit>) - <b>To Att. 13, Line 6</b>

56 **Account 254 - Other Regulatory Liabilities (portion related to deficient or excess ADIT)**

Columns (i) through (n) are not used for the calculation of the projected revenue requirement

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
57	Month	Year	Forecasted Monthly Activity debit / <credit>	Forecasted Month-end Balance debit / <credit>	Days until End of Test Period	Days in Test Period	Prorated Forecasted Monthly Activity debit / <credit>	Forecasted Prorated Month-end Balance debit / <credit>	Actual Monthly Activity	Difference between projected monthly and actual monthly activity.	Preserve projected proration when actual monthly and projected monthly activity are either both increases or decreases.	Fifty percent of the difference between projected and actual activity when actual and projected activity are either both increases or decreases.	Fifty percent of actual monthly activity when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase.	Balance reflecting proration or averaging
58	prior month (d) + (c)				Line 2	[(c) x (e) / (f)]	prior month (h) + (g)		(i) - (c) [Note 4]	[Note 5]	[Note 6]	[Note 7]	(k) + (l) + (m) [Note 8]	
58	December 31,	-	NA	-	NA	365	NA	-	-	NA	NA	NA	NA	-
59	January	-	-	-	335	365	-	-	-	-	-	-	-	-
60	February	-	-	-	307	365	-	-	-	-	-	-	-	-
61	March	-	-	-	276	365	-	-	-	-	-	-	-	-
62	April	-	-	-	246	365	-	-	-	-	-	-	-	-
63	May	-	-	-	215	365	-	-	-	-	-	-	-	-
64	June	-	-	-	185	365	-	-	-	-	-	-	-	-
65	July	-	-	-	154	365	-	-	-	-	-	-	-	-
66	August	-	-	-	123	365	-	-	-	-	-	-	-	-
67	September	-	-	-	93	365	-	-	-	-	-	-	-	-
68	October	-	-	-	62	365	-	-	-	-	-	-	-	-
69	November	-	-	-	32	365	-	-	-	-	-	-	-	-
70	December	-	-	-	1	365	-	-	-	-	-	-	-	-
71	Total		-						-	-				-

72 **Note 3 -**

73 **Note 4 -** Column J is the difference between actual monthly and projected monthly activity (Column I minus Column C). Specifically, if projected and actual activity are both positive, a negative in Column J represents over-projection (i.e., the amount of projected activity that did not occur) and a positive in Column J represents under-projection (i.e., the excess of actual activity over projected activity). If projected and actual activity are both negative, a negative in Column J represents under-projection (i.e., the excess of actual activity over projected activity) and a positive in Column J represents over-projection (i.e., the amount of projected activity that did not occur).

74 **Note 5 -** Column K preserves the effects of excess ADIT proration from the projected revenue requirement when actual monthly excess ADIT activity and projected monthly excess ADIT activity are either both increases or decreases. Specifically, if Column J indicates that excess ADIT activity was over-projected, enter Column G x [Column I / Column C]. If Column J indicates that excess ADIT activity was under-projected, enter the amount from Column G and complete Column L). In other situations, enter zero.

75 **Note 6 -** Column L applies when (1) Column J indicates that excess ADIT activity was under-projected AND (2) actual monthly and projected monthly activity are either both increases or both decreases. Enter 50 percent of the amount from Column J. In other situations, enter zero. The excess ADIT activity in column L is multiplied by 50 percent to reflect averaging of rate base to the extent that the proration requirement has not been applied to a portion of the monthly excess ADIT activity.

76 **Note 7 -** Column M applies when (1) projected monthly activity was an increase while actual monthly activity was a decrease OR (2) projected monthly activity was a decrease while actual monthly activity was an increase. Enter 50 percent of the amount of actual monthly activity (Column I). In other situations, enter zero. The excess ADIT activity in column M is multiplied by 50 percent to reflect averaging of rate base to the extent that the proration requirement has not been applied to a portion of the monthly excess ADIT activity.

77 **Note 8 -** Column N is computed by adding the balance at the end of the prior month to EITHER (1) the sum of prorated monthly excess ADIT activity, if any, from Column K and the portion of monthly excess ADIT activity, if any, from Column L OR (2) the portion of monthly excess ADIT activity in Column M.





Line No. 1 Rate year = 2021  
 2 Test period days after rates become effective 365

3 **Note 1** - The computations on this workpaper apply the proration rules of Treasury Regulation Sec. 1.167(i)-1(h)(6) to the annual activity of depreciation-related accumulated deferred income taxes that are subject to the normalization requirements. Activity related to the portions of the account balances not subject to the proration requirement is averaged instead of prorated.

4 **Note 2** - Accumulated deferred income tax amounts reflected in rate base exclude ADIT related to assets and liabilities excluded from rate base, including amounts related to asset retirement obligations, other post-employment benefit obligations and tax-related regulatory assets and liabilities.

Account 281 - Accumulated Deferred Income Taxes - Accelerated Amortization		Amount debit / <credit>
6	Beginning Balance	-
7	Ending Balance	-
8	Average Balance	-
Account 282 - Accumulated Deferred Income Taxes		Amount debit / <credit>
10	Beginning Balance	(6,136,700)
11	Less: Portion not related to transmission	-
12	Less: Portion not reflected in rate base	(3,530,634)
13	Subtotal: Portion reflected in rate base	(2,606,065)
14	Less: Portion subject to proration	(1,658,453)
15	Portion subject to averaging	(947,613)
16	Ending Balance	(9,171,164)
17	Less: Portion not related to transmission	-
18	Less: Portion not reflected in rate base	(3,469,904)
19	Subtotal: Portion reflected in rate base	(5,701,260)
20	Less: Portion subject to proration (before proration)	(4,616,519)
21	Portion subject to averaging (before averaging)	(1,084,741)
22	Ending balance of portion subject to proration (prorated)	(3,028,753)
23	Average balance of portion subject to averaging	(1,016,177)
24	Amount reflected in rate base	(4,044,930)

25 **Note 3** - Accumulated deferred income tax activity in account 282 subject to the proration rules relates differences between depreciation methods and lives for public utility property and any other amounts subject to the Section 168 or other normalization requirements.

26 **Account 282 - Accumulated Deferred Income Taxes**

(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)
Month	Year	Forecasted Monthly Activity debit / <credit>	Forecasted Month-end Balance debit / <credit>	Days until End of Test Period	Days in Test Period	Prorated Forecasted Monthly Activity debit / <credit>	Forecasted Prorated Month-end Balance debit / <credit>	Actual Monthly Activity	Difference between projected monthly and actual monthly activity (See Note 4.)	Preserve projected proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 5.)	Fifty percent of the difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 6.)	Fifty percent of actual monthly activity when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 7.)	Balance reflecting proration or averaging (See Note 8.)
27								NA	NA	NA	NA	NA	(1,948,357)
28	December 31, 2020	NA	(1,658,453)	NA	365	NA	(1,658,453)	NA	NA	NA	NA	NA	(1,948,357)
29	January 2021	(246,505)	(1,904,958)	335	365	(226,245)	(1,884,697)	246,505	246,505	-	-	-	(1,948,357)
30	February 2021	(246,505)	(2,151,464)	307	365	(207,335)	(2,092,032)	246,505	(657,518)	(186,399)	(328,759)	-	(2,463,514)
31	March 2021	(246,505)	(2,397,969)	276	365	(186,399)	(2,278,431)	(904,023)	246,505	-	-	-	(2,463,514)
32	April 2021	(246,505)	(2,644,475)	246	365	(166,138)	(2,444,569)	246,505	(575,964)	(329,459)	(145,202)	(164,729)	(2,773,446)
33	May 2021	(246,505)	(2,890,980)	215	365	(145,202)	(2,589,771)	(339,808)	(93,303)	(124,941)	(46,651)	-	(2,945,038)
34	June 2021	(246,505)	(3,137,486)	185	365	(124,941)	(2,714,712)	(301,341)	(54,836)	(104,005)	(27,418)	-	(3,076,461)
35	July 2021	(246,505)	(3,383,991)	154	365	(104,005)	(2,818,717)	(301,341)	(83,069)	(83,069)	(27,418)	-	(3,186,948)
36	August 2021	(246,505)	(3,630,497)	123	365	(83,069)	(2,901,786)	869,500	1,116,005	-	-	434,750	(2,752,198)
37	September 2021	(246,505)	(3,877,002)	93	365	(62,808)	(2,964,594)	(301,341)	(54,836)	(41,872)	(27,418)	-	(2,821,488)
38	October 2021	(246,505)	(4,123,508)	62	365	(41,872)	(3,006,466)	(301,341)	(54,836)	(21,611)	(27,418)	-	(2,870,517)
39	November 2021	(246,505)	(4,370,013)	32	365	(21,611)	(3,028,078)	(1,534,113)	(1,287,608)	(675)	(643,804)	-	(3,514,996)
40	December 2021	(246,505)	(4,616,519)	1	365	(675)	(3,028,753)	(3,689,774)	(731,708)	-	-	-	-
41	Total	(2,958,066)											

Account 281 - Accumulated Deferred Income Taxes - Accelerated Amortization		Amount debit / <credit>	
6	Beginning Balance	-	272.8.b
7	Ending Balance	-	273.8.k
8	Average Balance	-	Appendix III, pg. 2, line 19, col. 3 (and Att 4, line 15, col. (d))
Account 282 - Accumulated Deferred Income Taxes (actual)		Amount debit / <credit>	
10	Beginning Balance	(5,712,107)	274.2.b
11	Less: Portion not related to transmission	-	
12	Less: Portion not reflected in rate base	(3,539,627)	
13	Subtotal: Portion reflected in rate base	(2,172,480)	
14	Less: Portion subject to proration	(1,948,357)	
15	Portion subject to averaging	(224,123)	
16	Ending Balance	(9,152,236)	275.2.k
17	Less: Portion not related to transmission	-	
18	Less: Portion not reflected in rate base	(3,488,743)	
19	Subtotal: Portion reflected in rate base	(5,663,493)	
20	Less: Portion subject to proration (before proration)	(5,638,130)	
21	Portion subject to averaging (before averaging)	(25,362)	
22	Ending balance of portion subject to proration (prorated)	(3,514,996)	
23	Average balance of portion subject to averaging	(124,743)	
24	Amount reflected in rate base	(3,639,739)	Appendix III, line 20, col. 3 (and Att 4, line 15, col. (e))

Account 283 - Accumulated Deferred Income Taxes - Other		Amount debit / <credit>
43	Beginning Balance	(1,427,514)
44	Less: Portion not related to transmission	-
45	Less: Portion not reflected in rate base	(1,416,303)
46	Subtotal: Portion reflected in rate base	(11,211)
47	Less: Portion subject to proration	-
48	Portion subject to averaging	(11,211)
49	Ending Balance	(1,391,784)
50	Less: Portion not related to transmission	-
51	Less: Portion not reflected in rate base	(1,383,019)
52	Subtotal: Portion reflected in rate base	(8,765)
53	Less: Portion subject to proration (before proration)	-
54	Portion subject to averaging (before averaging)	(8,765)
55	Ending balance of portion subject to proration (prorated)	-
56	Average balance of portion subject to averaging	(9,988)
57	Amount reflected in rate base	(9,988)

Account 283 - Accumulated Deferred Income Taxes (actual)		Amount debit / <credit>	
43	Beginning Balance	(1,440,493)	276.9.b
44	Less: Portion not related to transmission	-	
45	Less: Portion not reflected in rate base	(1,427,358)	
46	Subtotal: Portion reflected in rate base	(13,135)	
47	Less: Portion subject to proration	-	
48	Portion subject to averaging	(13,135)	
49	Ending Balance	(1,406,275)	277.9.k
50	Less: Portion not related to transmission	-	
51	Less: Portion not reflected in rate base	(1,396,315)	
52	Subtotal: Portion reflected in rate base	(9,960)	
53	Less: Portion subject to proration (before proration)	-	
54	Portion subject to averaging (before averaging)	(9,960)	
55	Ending balance of portion subject to proration (prorated)	-	
56	Average balance of portion subject to averaging	(11,547)	
57	Amount reflected in rate base	(11,547)	Appendix III, line 21, col. 3 (and Att 4, line 15, col. (f))

Account 190 - Accumulated Deferred Income Taxes		Amount
		debit / <credit>
59	Beginning Balance	22,868
60	Less: Portion not related to transmission	-
61	Less: Portion not reflected in rate base	-
62	Subtotal: Portion reflected in rate base	22,868
63	Less: Portion subject to proration	-
64	Portion subject to averaging	22,868
65	Ending Balance	77,752
66	Less: Portion not related to transmission	-
67	Less: Portion not reflected in rate base	-
68	Subtotal: Portion reflected in rate base	77,752
69	Less: Portion subject to proration (before proration)	-
70	Portion subject to averaging (before averaging)	77,752
71	Ending balance of portion subject to proration (prorated)	-
72	Average balance of portion subject to averaging	50,310
73	Amount reflected in rate base	50,310

(a) (b) (c) (d) (e) (f) (g) (h)

74	Month	Year	Forecasted Monthly Activity debit / <credit>	Forecasted Month-end Balance debit / <credit>	Days until End of Test Period	Days in Test Period	Prorated Forecasted Monthly Activity debit / <credit>	Forecasted Prorated Month-end Balance debit / <credit>
75	December 31,	2020	NA	22,868	NA	365	NA	22,868
76	January	2021	-	22,868	335	365	-	22,868
77	February	2021	-	22,868	307	365	-	22,868
78	March	2021	-	22,868	276	365	-	22,868
79	April	2021	-	22,868	246	365	-	22,868
80	May	2021	-	22,868	215	365	-	22,868
81	June	2021	-	22,868	185	365	-	22,868
82	July	2021	-	22,868	154	365	-	22,868
83	August	2021	-	22,868	123	365	-	22,868
84	September	2021	-	22,868	93	365	-	22,868
85	October	2021	-	22,868	62	365	-	22,868
86	November	2021	-	22,868	32	365	-	22,868
87	December	2021	-	22,868	1	365	-	22,868
88	Total		-					

89 **Note 4** - Column J is the difference between actual monthly and projected monthly activity (Column I minus Column C). Specifically, if projected and actual activity are both positive, a negative in Column J represents over-projection (i.e., the amount of projected activity that did not occur) and a positive in Column J represents under-projection (i.e., the excess of actual activity over projected activity). If projected and actual activity are both negative, a negative in Column J represents under-projection (i.e., the excess of actual activity over projected activity) and a positive in Column J represents over-projection (i.e., the amount of projected activity that did not occur).

90 **Note 5** - Column K preserves the effects of excess ADIT proration from the projected revenue requirement when actual monthly excess ADIT activity and projected monthly excess ADIT activity are either both increases or decreases. Specifically, if Column J indicates that excess ADIT activity was over-projected, enter Column G x [Column I / Column C]. If Column J indicates that excess ADIT activity was under-projected, enter the amount from Column G and complete Column L). In other situations, enter zero.

91 **Note 6** - Column L applies when (1) Column J indicates that excess ADIT activity was under-projected AND (2) actual monthly and projected monthly activity are either both increases or both decreases. Enter 50 percent of the amount from Column J. In other situations, enter zero. The excess ADIT activity in column L is multiplied by 50 percent to reflect averaging of rate base to the extent that the proration requirement has not been applied to a portion of the monthly excess ADIT activity.

92 **Note 7** - Column M applies when (1) projected monthly activity was an increase while actual monthly activity was a decrease OR (2) projected monthly activity was a decrease while actual monthly activity was an increase. Enter 50 percent of the amount of actual monthly activity (Column I). In other situations, enter zero. The excess ADIT activity in column M is multiplied by 50 percent to reflect averaging of rate base to the extent that the proration requirement has not been applied to a portion of the monthly excess ADIT activity.

93 **Note 8** - Column N is computed by adding the balance at the end of the prior month to EITHER (1) the sum of prorated monthly excess ADIT activity, if any, from Column K and the portion of monthly excess ADIT activity, if any, from Column L OR (2) the portion of monthly excess ADIT activity in Column M.

94 **Note 9** - Column I reflects the portion of account 190 activity subject to the normalization requirements, including the portion of the net operating loss carryforward attributable to depreciation-related book/tax differences.

Account 190 - Accumulated Deferred Income Taxes (actual)		Amount
		debit / <credit>
	Beginning Balance	1,360,200
	Less: Portion not related to transmission	-
	Less: Portion not reflected in rate base	371,686
	Subtotal: Portion reflected in rate base	988,514
	Less: Portion subject to proration	-
	Portion subject to averaging	988,514
	Ending Balance	993,412
	Less: Portion not related to transmission	-
	Less: Portion not reflected in rate base	-
	Subtotal: Portion reflected in rate base	993,412
	Less: Portion subject to proration (before proration)	-
	Portion subject to averaging (before averaging)	993,412
	Ending balance of portion subject to proration (prorated)	185,843
	Average balance of portion subject to averaging	990,963
	Amount reflected in rate base	1,176,806

(i) (j) (k) (l) (m) (n)

74	Month	Year	Actual Monthly Activity (See Note 9.)	Difference between projected monthly and actual monthly activity (See Note 4.)	Preserve projected proration when actual monthly and projected monthly activity are either both increases or decreases. (See Note 5.)	Fifty percent of the difference between projected and actual activity when actual and projected activity are either both increases or decreases. (See Note 6.)	Fifty percent of actual monthly activity when projected activity is an increase while actual activity is a decrease OR projected activity is a decrease while actual activity is an increase. (See Note 7.)	Balance reflecting proration or averaging (See Note 8.)
75	December 31,	2020	NA	NA	NA	NA	NA	-
76	January	2021	-	-	-	-	-	-
77	February	2021	-	-	-	-	-	-
78	March	2021	80,148	80,148	-	40,074	-	40,074
79	April	2021	-	-	-	-	-	40,074
80	May	2021	-	-	-	-	-	40,074
81	June	2021	-	-	-	-	-	83,720
82	July	2021	87,291	87,291	-	43,645	-	83,720
83	August	2021	-	-	-	-	-	83,720
84	September	2021	204,247	204,247	-	102,123	-	185,843
85	October	2021	-	-	-	-	-	185,843
86	November	2021	-	-	-	-	-	185,843
87	December	2021	-	-	-	-	-	185,843
88	Total		371,686	371,686	-	-	-	185,843

Appendix III, line 22, col. 3 (and Att 4, line 15, col. (g))

**DesertLink, LLC**  
**2021 Actual Appendix III**  
**Listing of Permanent Book/Tax Differences**

The book/tax differences reflected in recoverable income tax expense are differences between revenues and expenses reflected in the revenue requirement and revenue and deductions reflected in taxable income. As such, non-operating (below-the-line) expenses and income are not included (e.g., accrual of AFUDC-equity). Book depreciation of capitalized AFUDC-equity is reflected in ratemaking, but not for income tax purposes, and, thus, is a permanent book/tax difference in this context. Similarly, amortization of the regulatory asset for pre-commercial carrying charges accrued at an after-tax equity rate of return is permanent difference between recoverable expenses and tax deductions.

<b>Permanent book/tax differences</b>	<b>Amount per Formula Rate Template</b>
Depreciation of AFUDC-equity	195,799
Amortization of carrying charge-equity	29,006
Total permanent book/tax differences	<hr/> 224,805
Tax rate	27.98%
Tax effect of permanent book/tax differences	<hr/> <b>62,909</b> <b>To Appendix III, page 3, line 41, col. 3</b>

**DesertLink, LLC**  
**2021 Actual Appendix III**  
**Weighted Average Federal and State Income Tax Rates**

<u>Line</u>	<u>Description</u>	<u>Subchapter C Corporations</u>	<u>Weighted Average</u>
1	Weighted Marginal Federal Income Tax Rate (Note A)	21.00%	
2	Allocated Income Percentage	100.00%	
3	Weighted Average	21.00%	
4	Weighted Average Federal Income Tax Rate		21.00%
5	Weighted Marginal State Income Tax Rate (Note B)	8.84%	
6	Allocated Income Percentage	100.00%	
7	Weighted Average	8.84%	
8	Weighted Average State Income Tax Rate		8.84%

**Notes**

A DesertLink, LLC is owned by entities that are taxed as C corporations. Since April 30, 2021, LSP Transmission Holdings, LLC has indirectly owned 80% of DesertLink and NV Energy, Inc. has owned the other 20%. Prior to that date, DesertLink, LLC was entirely indirectly owned by LSP Transmission Holdings, LLC.

B California corporate income tax rate.