Line		Allocator				2016	
1	Line Description	Description	Reference	MERC-Total	MERC - Minnesota	MERC - Michigan	
2	Interest Expense		Exhibit LJG-1	4,611,852	4,593,889	17,963	
3	Rate Base Allocation				99.6105%	0.3895%	
4 5							
6	Federal Tax Calculation			MERC-Total	MERC - Minnesota	MERC - Michigan	
7	Book Income Before Taxes		IR-5 Page 1	20,573,760	20,153,428	420,332	
8	Interest Expense		Line 2	4,611,852	4,593,889	17,963	
9	Income Reconciliation (M1's)		Line 67	(38,857,385)	(38,745,706)	(111,679)	
10			Line 7 - Line 8 - Line 9	(22,895,477)	(23,186,167)	290,690	
11							
12	Tax Rate		Input from Tax Department	35.0000%	35.0000%	35.0000%	
13	Taxes Calculated		Line 10 * Line 12	(0.040.447)	(0.445.450)	101.742	Minnesota-Allocator
14 15	Tax Credit	System Sales	Input from Tax Department	(8,013,417) 1,811,854	(8,115,159) 1,811,854	101,742	100.0000%
16	Tax Credit Tax Liability	System Sales	Line 14 + Line 15	(6,201,563)	(6,303,305)	101.742	100.0000%
17	Tax Liability		Line 14 + Line 15	(0,201,303)	(0,303,303)	101,742	
18	Deferred Taxes		Line 97	12,470,835	12,305,967	164,868	
19				, .,	,,	,,,,,	
20	Adjusted Tax Liability		Line 16 + Line 18	6,269,272	6,002,662	266,610	
21							
22							
23	Minnesota State Tax Calculation			MERC-Total	MERC - Minnesota	MERC - Michigan	
24	Book Income Before Taxes		IR-5 Page 1	20,573,760	20,153,428	420,332	
25 26	Interest Expense		Line 2 Line 77	4,611,852 (32,826,238)	4,593,889 (32,739,784)	17,963 (86,454)	
26 27	Income Reconciliation (M1's)		Line 77 Line 24 - Line 25 + Line 26	(16,864,330)	(17,180,245)	315,915	
28			Line 24 - Line 25 + Line 20	(10,004,330)	(17,100,243)	313,913	
29	Tax Rate		Input from Tax Department	9.6988%	9.6988%	9.6988%	
30	Tax Tax		mpat nom rax poparanom	0.000070	0.000070	0.000070	
31	Taxes Calculated		Line 27 * Line 29	(1,635,634)	(1,666,273)	30,640	Minnesota-Allocator
32	Tax Credit		Input from Tax Department	(101,293)	(101,293)	-	100.0000%
33	Tax Liability		Line 31 + Line 32	(1,736,927)	(1,767,566)	30,640	
34							
35	Deferred Taxes		Line 107	2,089,671	2,088,661	1,010	
36 37	Advasted Text Liebilia		Line 33 + Line 35	352,744	321.095	31,650	
38	Adjusted Tax Liability		Line 33 + Line 35	352,744	321,095	31,000	
39							
40	Michigan State Tax Calculation			MERC-Total	MERC - Minnesota	MERC - Michigan	
41	Book Income Before Taxes		IR-5 Page 1	20,573,760	20,153,428	420,332	
42	Interest Expense		Line 2	4,611,852	4,593,889	17,963	
43	Income Reconciliation (M1's)		Line 87	(28,366,683)	(28,281,463)	(85,220)	
44			Line 41 - Line 42 + Line 43	(12,404,775)	(12,721,924)	317,149	
45							
46	Tax Rate		Input from Tax Department	0.0033%	0.0033%	0.0033%	
47 48	Taxes Calculated		Line 44 * Line 46	(403)	(414)	10	Minnesota-Allocator
		0 0.1				10	
49 50	Tax Credit Tax Liability	System Sales	Input from Tax Department Line 48 + Line 49	(19)	(19) (433)	10	100.0000%
51	rax Liability		LINE 40 T LINE 43	(422)	(433)	10	
52	Deferred Taxes		Line 117	627	622	5	
53							
54	Adjusted Tax Liability		Line 50 + Line 54	205	189	16	

56 57 58 59 60 61 62 63 64 65 66 67 68	Federal Income Tax M1's Rate Base Energy Transmission Distribution Plant Customer General and Common BCR State Tax Liability Net Income Adds/Deducts	Rate Base System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Department Line 31 + Line 48	MERC-Total (7,018,020) - (385,439) (28,506,796) (37,613 (4,920,780) 1,636,037 (38,857,385)	MERC - Minnesota (6,990,685) (332,505) (28,506,796) 337,610 (4,920,017) 1,666,687 (38,745,706)	MERC - Michigan (27,335) - (52,934) - 3 (763) (30,650) (111,679)	Minnesota-Allocator 99.6105% 100.0000% 86.2666% 100.0000% 99.9991% 99.9845%
70 71 72 73 74 75 76 77	Minnesota Income Tax M1's Rate Base Energy Transmission Distribution Plant Customer General and Common BCR Net Income Adds/Deducts	Rate Base System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Department	MERC-Total (7,133,206) (425,756) (24,299,506) 337,613 (1,305,383) (32,826,238)	MERC - Minnesota (7,105,422) - (367,285) (24,299,506) 337,610 (1,305,181) (32,739,784)	MERC - Michigan (27,784) - (58,471) - 3 (202) (86,454)	Minnesota-Allocator 99.6105% 100.0000% 86.2666% 100.0000% 99.9991% 99.9845%
78 79 80 81 82 83 84 85 86 87	Michigan Income Tax M1's Rate Base Energy Transmission Distribution Plant Customer General and Common BCR Net Income Adds/Deducts	Rate Base System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Department	MERC-Total (7,018,020) (420,098) (20,014,456) 337,613 (1,251,722) (28,366,683)	MERC - Minnesota (6,990,685) - (362,404) (20,014,456) 337,610 (1,251,528) (28,281,463)	MERC - Michigan (27,335) (57,694) 3 (194) (85,220)	Minnesota-Allocator 99.6105% 100.0000% 86.2666% 100.0000% 99.9991% 99.9845%
89 90 91 92 93 94 95 96 97	Federal Deferred Tax Expense Rate Base Energy Transmission Distribution Plant Customer General and Common	Rate Base System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Department	MERC-Total 4,436,120 1,080,344 12,088,838 (118,165) (5,016,302) 12,470,835	MERC - Minnesota 4,418,841 931,976 12,088,838 (118,164) (5,015,524) 12,305,967	MERC - Michigan 17,279 148,368 - (1) (778) 164,868	Minnesota-Allocator 99.6105% 100.0000% 86.2666% 100.0000% 99.9991% 99.9845%
98 99 100 101 102 103 104 105 106 107	Rate Base Energy Transmission Distribution Plant Customer	Rate Base System Sales System Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department	MERC-Total 798,889 (14,685) 1,875,727 (21,433) (548,827) 2,089,671	MERC - Minnesota 795,777 - (12,668) 1,875,727 (21,433) (548,742) 2,088,661	MERC - Michigan 3,112 - (2,017) - (0) (85) 1,010	Minnesota-Allocator 99.6105% 100.0000% 86.2666% 100.0000% 99.9991% 99.9845%
109 110 111 112 113 114 115 116	Rate Base Energy Transmission Distribution Plant Customer	Rate Base System Sales System Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Department	MERC-Total 154 35 654 (5) (211) 627	MERC - Minnesota 153 - 30 654 (5) (211) 622	MERC - Michigan 1	Minnesota-Allocator 99.6105% 100.0000% 86.2666% 100.0000% 99.9991% 99.9845%

MERC apportions Minnesota State Tax rate for income tax calculations, due to a portion of property, sales, and payroll occurring in other states.

Line		Allocator				2017	
1	Line Description	Description	Reference	MERC-Total	MERC - Minnesota	MERC - Michigan	
2	Interest Expense		Exhibit LJG-1	4,783,000	4,769,287	13,713	
3	Rate Base Allocation				99.7133%	0.2867%	
4							
5 6	Federal Tax Calculation			MERC-Total	MEDC Minnesote	MEDC Mishinsu	
7	Book Income Before Taxes		IR-5 Page 1	23,120,684	MERC - Minnesota 22.713.882	MERC - Michigan 406.802	
8	Interest Expense		Line 2	4,783,000	4.769.287	13.713	
9	Income Reconciliation (M1's)		Line 2	(38,322,818)	(38,207,937)	(114.881)	
10	moone reconciliation (W13)		Line 7 - Line 8 - Line 9	(19,985,134)	(20,263,342)	278,209	
11			Ellio i Ellio o Ellio o	(10,000,101)	(20,200,012)	270,200	
12	Tax Rate		Input from Tax Department	35.0000%	35.0000%	35.0000%	
13							
14	Taxes Calculated		Line 10 * Line 12	(6,994,797)	(7,092,170)	97,373	Minnesota-Allocator
15	Tax Credit	System Sales	Input from Tax Department	903,699	903,699	-	100.0000%
16	Tax Liability	•	Line 14 + Line 15	(6,091,098)	(6,188,471)	97,373	
17	•						
18	Deferred Taxes		Line 97	13,049,568	12,954,169	95,399	
19							
20	Adjusted Tax Liability		Line 16 + Line 18	6,958,470	6,765,698	192,772	
21							
22							
23	Minnesota State Tax Calculation			MERC-Total	MERC - Minnesota	MERC - Michigan	
24	Book Income Before Taxes		IR-5 Page 1	23,120,684	22,713,882	406,802	
25	Interest Expense		Line 2 Line 77	4,783,000	4,769,287	13,713	
26 27	Income Reconciliation (M1's)		Line 77 Line 24 - Line 25 + Line 26	(32,510,619)	(32,432,131)	(78,488) 314,601	
28			Line 24 - Line 25 + Line 26	(14,172,935)	(14,487,536)	314,001	
29	Tax Rate		Input from Tax Department	9.6988%	9.6988%	9.6988%	
30	Tax Nate		input from rax Department	3.0300 /0	9.0900 /6	9.0900%	
31	Taxes Calculated		Line 27 * Line 29	(1,374,601)	(1,405,114)	30,512	Minnesota-Allocator
32	Tax Credit		Input from Tax Department	(1,01.1,001)	(1,100,111)	-	100.0000%
33	Tax Liability		Line 31 + Line 32	(1,374,601)	(1,405,114)	30.512	100.000076
34	Tax Elability		Ellie 31 1 Ellie 32	(1,074,001)	(1,400,114)	00,012	
35	Deferred Taxes		Line 107	2,060,790	2,058,186	2,604	
36				,,	,,	,	
37	Adjusted Tax Liability		Line 33 + Line 35	686,189	653,072	33,117	
38							
39							
40	Michigan State Tax Calculation			MERC-Total	MERC - Minnesota	MERC - Michigan	
41	Book Income Before Taxes		IR-5 Page 1	23,120,684	22,713,882	406,802	
42	Interest Expense		Line 2	4,783,000	4,769,287	13,713	
43	Income Reconciliation (M1's)		Line 87	(27,320,842)	(27,250,407)	(70,435)	
44			Line 41 - Line 42 + Line 43	(8,983,158)	(9,305,812)	322,654	
45							
46	Tax Rate		Input from Tax Department	0.0033%	0.0033%	0.0033%	
47				(000)	(222)		
48	Taxes Calculated		Line 44 * Line 46	(292)	(303)	10	Minnesota-Allocator
49	Tax Credit	System Sales	Input from Tax Department	0 (200)	(0.00)		100.0000%
50	Tax Liability		Line 48 + Line 49	(292)	(303)	10	
51 52	Deferred Taxes		Line 117	592	588	3	
52	Deletied Taxes		Line 117	592	588	3	
53 54	Adjusted Tax Liability		Line 50 + Line 54	299	286	14	
J-4	Aujustou Tax Liability		LINE JU T LINE J4	233	200	14	

56 57 58 59 60 61 62 63 64 65 66 67 68	Federal Income Tax M1's Rate Base Energy Transmission Distribution Plant Customer General and Common BCR State Tax Liability Net Income Adds/Deducts	Rate Base System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Department Line 31 + Line 48	MERC-Total (3,509,010) (506,000) (547,720) (30,275,398) (1,132,694) (3,726,690) 1,374,893 (38,322,818)	MERC - Minnesota (3,498,950) (506,000) (474,044) (30,275,398) (1,132,683) (3,726,279) 1,405,416	MERC - Michigan (10,060) - (73,676) - (10) (611) (30,523) (114,881)	Minnesota-Allocator 99.7133% 100.0000% 86.5486% 100.0000% 99.9991% 99.9836%
70 71 72 73 74 75 76 77	Minnesota Income Tax M1's Rate Base Energy Transmission Distribution Plant Customer General and Common BCR Net Income Adds/Deducts	Rate Base System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Department	MERC-Total (3,566,603) (506,000) (505,378) (25,374,753) (885,694) (1,672,192) (32,510,619)	MERC - Minnesota (3,556,378) (506,000) (437,398) (25,374,753) (886,686) (1,671,917) (32,432,131)	MERC - Michigan (10,225) - (67,980) - (8) (274) (78,488)	Minnesota-Allocator 99.7133% 100.0000% 86.5486% 100.0000% 99.9991% 99.9836%
79 80 81 82 83 84 85 86 87	Michigan Income Tax M1's Rate Base Energy Transmission Distribution Plant Customer General and Common BCR Net Income Adds/Deducts	Rate Base System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Department	MERC-Total (3,509,010) (506,000) (447,049) (20,763,728) (667,694) (1,427,361) (27,320,842)	MERC - Minnesota (3,498,950) (506,000) (386,915) (20,763,728) (667,687) (1,427,127) (27,250,407)	MERC - Michigan (10,060) - (60,134) - (6) (234) (70,435)	Minnesota-Allocator 99.7133% 100.0000% 86.5486% 100.0000% 99.9991% 99.9836%
89 90 91 92 93 94 95 96 97	Federal Deferred Tax Expense Rate Base Energy Transmission Distribution Plant Customer General and Common	Rate Base System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Department	MERC-Total 2,218,060 177,100 664,422 11,652,119 396,443 (2,058,576) 13,049,568	MERC - Minnesota 2,211,701 177,100 575,048 11,652,119 396,439 (2,058,238) 12,954,169	MERC - Michigan 6,359 - 89,374 - 4 (338) 95,399	Minnesota-Allocator 99.7133% 100.0000% 86.5486% 100.0000% 99.9991% 99.9836%
98 99 100 101 102 103 104 105 106 107	Transmission Distribution Plant Customer	Rate Base System Sales System Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Department	MERC-Total 399,445 31,900 11,098 1,771,595 55,762 (209,008) 2,060,790	MERC - Minnesota 398,299 31,900 9,605 1,771,595 55,761 (208,973) 2,058,186	MERC - Michigan 1,145 - 1,493 - 1 (34) 2,604	Minnesota-Allocator 99.7133% 100.0000% 86.5486% 100.0000% 99.991% 99.9836%
109 110 111 112 113 114 115 116	Rate Base Energy Transmission Distribution Plant Customer	Rate Base System Sales System Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Department	MERC-Total 77 11 23 555 15 (88) 592	MERC - Minnesota 77 11 19 555 15 (88) 588	MERC - Michigan 0 - 3 - 0 (0) 3	Minnesota-Allocator 99.7133% 100.0000% 86.5486% 100.0000% 99.9991% 99.9836%

MERC apportions Minnesota State Tax rate for income tax calculations, due to a portion of property, sales, and payroll occurring in other states.

Line		Allocator				2018	
1	Line Description	Description	Reference	MERC-Total	MERC - Minnesota	MERC - Michigan	
2	Interest Expense		Exhibit LJG-1	5,335,000	5,322,196	12,804	
3	Rate Base Allocation				99.7600%	0.2400%	
4							
5 6	Federal Tax Calculation			MERC-Total	MERC - Minnesota	MERC - Michigan	
7	Book Income Before Taxes		IR-5 Page 1	18,913,930	18,434,973	478,957	
8	Interest Expense		Line 2	5,335,000	5,322,196	12,804	
9	Income Reconciliation (M1's)		Line 67	(37,096,056)	(36,959,308)	(136,748)	
10			Line 7 - Line 8 - Line 9	(23,517,126)	(23,846,531)	329,405	
11							
12	Tax Rate		Input from Tax Department	35.0000%	35.0000%	35.0000%	
13							
14	Taxes Calculated		Line 10 * Line 12	(8,230,994)	(8,346,286)	115,292	Minnesota-Allocator
15	Tax Credit	System Sales	Input from Tax Department	(4,457)	(4,457)	-	1.000000
16	Tax Liability		Line 14 + Line 15	(8,235,451)	(8,350,743)	115,292	
17							
18	Deferred Taxes		Line 97	13,628,300	13,593,482	34,818	
19 20	Adjusted Tax Liability		Line 16 + Line 18	5.392.849	5,242,740	150,109	
21	Aujusteu Tax Liability		Lille 10 + Lille 10	5,592,649	5,242,740	130,109	
22							
23	Minnesota State Tax Calculation			MERC-Total	MERC - Minnesota	MERC - Michigan	
24	Book Income Before Taxes		IR-5 Page 1	18.913.930	18,434,973	478.957	
25	Interest Expense		Line 2	5,335,000	5,322,196	12.804	
26	Income Reconciliation (M1's)		Line 77	(32,195,000)	(32,113,049)	(81,951)	
27			Line 24 - Line 25 + Line 26	(18,616,070)	(19,000,271)	384,202	
28							
29	Tax Rate		Input from Tax Department	9.6988%	9.6988%	9.6988%	
30							
31	Taxes Calculated		Line 27 * Line 29	(1,805,531)	(1,842,794)	37,263	Minnesota-Allocator
32	Tax Credit		Input from Tax Department	0	-	-	1.000000
33	Tax Liability		Line 31 + Line 32	(1,805,531)	(1,842,794)	37,263	
34	D-(1T		Line 107	0.004.000	0.000.740	5.407	
35 36	Deferred Taxes		Line 107	2,031,909	2,026,742	5,167	
37	Adjusted Tax Liability		Line 33 + Line 35	226,378	183.948	42,430	
38	Adjusted Tax Elability		Eine oo 1 Eine oo	220,010	100,040	72,700	
39							
40	Michigan State Tax Calculation			MERC-Total	MERC - Minnesota	MERC - Michigan	
41	Book Income Before Taxes		IR-5 Page 1	18,913,930	18,434,973	478,957	
42	Interest Expense		Line 2	5,335,000	5,322,196	12,804	
43	Income Reconciliation (M1's)		Line 87	(26,275,000)	(26,208,607)	(66,393)	
44			Line 41 - Line 42 + Line 43	(12,696,070)	(13,095,830)	399,760	
45							
46	Tax Rate		Input from Tax Department	0.0033%	0.0033%	0.0033%	
47							
48	Taxes Calculated		Line 44 * Line 46	(413)	(426)	13	Minnesota-Allocator
49	Tax Credit	System Sales	Input from Tax Department	0	- (100)		100.0000%
50	Tax Liability		Line 48 + Line 49	(413)	(426)	13	
51 52	Deferred Taxes		Line 117	556	555	1	
52	Deterred Taxes		Line III	556	555	1	
54	Adjusted Tax Liability		Line 50 + Line 54	143	129	14	
57	riajaoloa ran Elabinty		Ellio SS : Ellio S4	140	123		

56 57 58	Federal Income Tax M1's			MERC-Total	MERC - Minnesota	MERC - Michigan	Minnesota-Allocator
59	Rate Base	Rate Base	Input from Tax Department	WERG-TOTAL	WERC - Willinesola	WERG - Wildingan	99.7600%
60	Energy	System Sales	Input from Tax Department	(1,012,000)	(1,012,000)		100.0000%
61	Transmission	Total Sales	Input from Tax Department	(710,000)	(610,976)	(99,024)	86.0530%
62	Distribution Plant	Distribution Plant	Input from Tax Department	(32,044,000)	(32,044,000)		100.0000%
63	Customer	Fixed Charge Count	Input from Tax Department	(2,603,000)	(2,602,979)	(21)	99.9992%
64	General and Common BCR	Salaries and Wages	Input from Tax Department	(2,533,000)	(2,532,572)	(428)	99.9831%
65 66	State Tax Liability		Line 31 + Line 48	1,805,944	1,843,220	(37,276)	
67	Net Income Adds/Deducts			(37,096,056)	(36,959,308)	(136,748)	
68	Net moonie Adda Deddets			(57,050,050)	(00,000,000)	(100,140)	
69							
70	Minnesota Income Tax M1's			MERC-Total	MERC - Minnesota	MERC - Michigan	Minnesota-Allocator
71	Rate Base	Rate Base	Input from Tax Department	-	-		99.7600%
72	Energy	System Sales	Input from Tax Department	(1,012,000)	(1,012,000)	-	100.0000%
73	Transmission	Total Sales	Input from Tax Department	(585,000)	(503,410)	(81,590)	86.0530%
74	Distribution Plant	Distribution Plant	Input from Tax Department	(26,450,000)	(26,450,000)	- (47)	100.0000%
75 76	Customer General and Common BCR	Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Department	(2,109,000) (2,039,000)	(2,108,983) (2,038,655)	(17) (345)	99.9992% 99.9831%
77	Net Income Adds/Deducts	Salaties and Wages	input from Tax Department	(32,195,000)	(32,113,049)	(81,951)	99.903176
78	Net moonie Adda Deddets			(02,100,000)	(02,110,040)	(01,301)	
79							
80	Michigan Income Tax M1's			MERC-Total	MERC - Minnesota	MERC - Michigan	Minnesota-Allocator
81	Rate Base	Rate Base	Input from Tax Department	-	-		99.7600%
82	Energy	System Sales	Input from Tax Department	(1,012,000)	(1,012,000)	-	100.0000%
83	Transmission	Total Sales	Input from Tax Department	(474,000)	(407,891)	(66,109)	86.0530%
84	Distribution Plant	Distribution Plant	Input from Tax Department	(21,513,000)	(21,513,000)	- (42)	100.0000%
85 86	Customer General and Common BCR	Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Department	(1,673,000) (1,603,000)	(1,672,987) (1,602,729)	(13) (271)	99.9992% 99.9831%
87	Net Income Adds/Deducts	Salaties and Wages	input from Tax Department	(26,275,000)	(26,208,607)	(66,393)	99.903176
88	Tet moome rada boadote			(20,270,000)	(20,200,001)	(00,000)	
89							
	Federal Deferred Tax Expense			MERC-Total	MERC - Minnesota	MERC - Michigan	Minnesota-Allocator
89 90 91	Rate Base	Rate Base	Input from Tax Department	-	-	MERC - Michigan -	99.7600%
89 90 91 92	Rate Base Energy	System Sales	Input from Tax Department	354,200	- 354,200	-	99.7600% 100.0000%
89 90 91 92 93	Rate Base Energy Transmission	System Sales Total Sales	Input from Tax Department Input from Tax Department	354,200 248,500	354,200 213,842	- - 34,658	99.7600% 100.0000% 86.0530%
89 90 91 92 93 94	Rate Base Energy Transmission Distribution Plant	System Sales Total Sales Distribution Plant	Input from Tax Department Input from Tax Department Input from Tax Department	354,200 248,500 11,215,400	354,200 213,842 11,215,400	- 34,658 -	99.7600% 100.0000% 86.0530% 100.0000%
89 90 91 92 93 94 95	Rate Base Energy Transmission Distribution Plant Customer	System Sales Total Sales Distribution Plant Fixed Charge Count	Input from Tax Department Input from Tax Department Input from Tax Department Input from Tax Department	354,200 248,500 11,215,400 911,050	354,200 213,842 11,215,400 911,043	- - 34,658 - 7	99.7600% 100.0000% 86.0530% 100.0000% 99.9992%
89 90 91 92 93 94 95 96	Rate Base Energy Transmission Distribution Plant	System Sales Total Sales Distribution Plant	Input from Tax Department Input from Tax Department Input from Tax Department	354,200 248,500 11,215,400 911,050 899,150	354,200 213,842 11,215,400 911,043 898,998	- - 34,658 - 7 152	99.7600% 100.0000% 86.0530% 100.0000%
89 90 91 92 93 94 95	Rate Base Energy Transmission Distribution Plant Customer	System Sales Total Sales Distribution Plant Fixed Charge Count	Input from Tax Department Input from Tax Department Input from Tax Department Input from Tax Department	354,200 248,500 11,215,400 911,050	354,200 213,842 11,215,400 911,043	- - 34,658 - 7	99.7600% 100.0000% 86.0530% 100.0000% 99.9992%
89 90 91 92 93 94 95 96 97	Rate Base Energy Transmission Distribution Plant Customer	System Sales Total Sales Distribution Plant Fixed Charge Count	Input from Tax Department Input from Tax Department Input from Tax Department Input from Tax Department	354,200 248,500 11,215,400 911,050 899,150	354,200 213,842 11,215,400 911,043 898,998	- - 34,658 - 7 152	99.7600% 100.0000% 86.0530% 100.0000% 99.9992%
89 90 91 92 93 94 95 96 97 98 99	Rate Base Energy Transmission Distribution Plant Customer General and Common	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Department	354,200 248,500 11,215,400 911,050 899,150	354,200 213,842 11,215,400 911,043 898,998	- - 34,658 - 7 152	99.7600% 100.0000% 86.0530% 100.0000% 99.9922% 99.9831% Minnesota-Allocator
89 90 91 92 93 94 95 96 97 98 99 100	Rate Base Energy Transmission Distribution Plant Customer General and Common  Minnesota State Deferred Tax Expense Rate Base	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Department	354,200 248,500 11,215,400 911,050 899,150 13,628,300	354,200 213,842 11,215,400 911,043 898,998 13,593,482	34,658 - 7 152 34,818	99.7600% 100.0000% 86.0530% 100.0000% 99.992% 99.9831% Minnesota-Allocator 99.7600%
89 90 91 92 93 94 95 96 97 98 99 100 101	Rate Base Energy Transmission Distribution Plant Customer General and Common  Minnesota State Deferred Tax Expense Rate Base Energy	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages Rate Base System Sales	Input from Tax Department	354,200 248,500 11,215,400 911,050 899,150 13,628,300 MERC-Total	354,200 213,842 11,215,400 911,043 898,998 13,593,482 MERC - Minnesota	34,658 - 7 152 34,818 MERC - Michigan	99.7600% 100.0000% 86.0530% 100.0000% 99.9992% 99.9831% Minnesota-Allocator 99.7600% 100.0000%
89 90 91 92 93 94 95 96 97 98 99 100 101 102	Rate Base Energy Transmission Distribution Plant Customer General and Common  Minnesota State Deferred Tax Expense Rate Base Energy Transmission	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages Rate Base System Sales System Sales	Input from Tax Department	354,200 248,500 11,215,400 91,050 899,150 13,628,300 MERC-Total 63,799 36,880	354,200 213,842 11,215,400 911,043 898,998 13,593,482 MERC - Minnesota - 63,799 31,736	34,658 - 7 152 34,818	99.7600% 100.0000% 86.0530% 100.0000% 99.9992% 99.9831% Minnesota-Allocator 99.7600% 100.0000% 86.0530%
89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104	Rate Base Energy Transmission Distribution Plant Customer General and Common  Minnesota State Deferred Tax Expense Rate Base Energy Transmission Distribution Plant	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages Rate Base System Sales System Sales Distribution Plant	Input from Tax Department	354,200 248,500 11,215,400 911,050 899,150 13,628,300 MERC-Total 63,799 36,880 1,667,462	354,200 213,842 11,215,400 911,043 888,998 13,593,482 MERC - Minnesota 63,799 31,736 1,667,462	34,658 - 7 152 34,818 MERC - Michigan  - 5,144	99.7600% 100.0000% 86.0530% 100.0000% 99.9992% 99.9831% Minnesota-Allocator 99.7600% 100.0000% 86.0530% 100.0000%
89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105	Rate Base Energy Transmission Distribution Plant Customer General and Common  Minnesota State Deferred Tax Expense Rate Base Energy Transmission Distribution Plant Customer	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages Rate Base System Sales System Sales Distribution Plant Fixed Charge Count	Input from Tax Department	354,200 248,500 11,215,400 911,050 899,150 13,628,300 MERC-Total 63,799 36,880 1,667,462 132,956	354,200 213,842 11,215,400 911,043 898,998 13,593,482 MERC - Minnesota 63,799 31,736 1,667,462 132,955	34,658 - 7 152 34,818 MERC - Michigan - 5,144 - 1	99.7600% 100.0000% 86.0530% 100.0000% 99.9992% 99.9831% Minnesota-Allocator 99.7600% 100.0000% 86.0530% 100.0000% 99.9992%
89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104	Rate Base Energy Transmission Distribution Plant Customer General and Common  Minnesota State Deferred Tax Expense Rate Base Energy Transmission Distribution Plant	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages Rate Base System Sales System Sales Distribution Plant	Input from Tax Department	354,200 248,500 11,215,400 911,050 899,150 13,628,300 MERC-Total 63,799 36,880 1,667,462	354,200 213,842 11,215,400 911,043 888,998 13,593,482 MERC - Minnesota 63,799 31,736 1,667,462	34,658 - 7 152 34,818 MERC - Michigan  - 5,144	99.7600% 100.0000% 86.0530% 100.0000% 99.9992% 99.9831% Minnesota-Allocator 99.7600% 100.0000% 86.0530% 100.0000%
89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105	Rate Base Energy Transmission Distribution Plant Customer General and Common  Minnesota State Deferred Tax Expense Rate Base Energy Transmission Distribution Plant Customer	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages Rate Base System Sales System Sales Distribution Plant Fixed Charge Count	Input from Tax Department	354,200 248,500 11,215,400 911,050 899,150 13,628,300 MERC-Total 63,799 36,880 1,667,462 132,956 130,812	354,200 213,842 11,215,400 911,043 898,998 13,593,482 MERC - Minnesota 63,799 31,736 1,667,462 132,955 130,790	34,658 - 7 152 34,818 MERC - Michigan 	99.7600% 100.0000% 86.0530% 100.0000% 99.9992% 99.9831% Minnesota-Allocator 99.7600% 100.0000% 86.0530% 100.0000% 99.9992%
89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106	Rate Base Energy Transmission Distribution Plant Customer General and Common  Minnesota State Deferred Tax Expense Rate Base Energy Transmission Distribution Plant Customer	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages Rate Base System Sales System Sales Distribution Plant Fixed Charge Count	Input from Tax Department	354,200 248,500 11,215,400 911,050 999,150 13,628,300 MERC-Total 63,799 36,880 1,667,462 132,956 130,812 2,031,909	354,200 213,842 11,215,400 911,043 898,998 13,593,482 MERC - Minnesota 63,799 31,736 1,667,462 132,955 130,790	34,658 - 7 152 34,818 MERC - Michigan 	99.7600% 100.0000% 86.0530% 100.0000% 99.9992% 99.9831% Minnesota-Allocator 99.7600% 100.0000% 86.0530% 100.0000% 99.9992%
99 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 109 100 101 101 101 101 101 101 101	Rate Base Energy Transmission Distribution Plant Customer General and Common  Minnesota State Deferred Tax Expense Rate Base Energy Transmission Distribution Plant Customer General and Common  Michigan Deferred Tax Expense	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages Rate Base System Sales System Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department	354,200 248,500 11,215,400 911,050 899,150 13,628,300 MERC-Total 63,799 36,880 1,667,462 132,956 130,812	354,200 213,842 11,215,400 911,043 898,998 13,593,482 MERC - Minnesota 63,799 31,736 1,667,462 132,955 130,790	34,658 - 7 152 34,818 MERC - Michigan 	99.7600% 100.0000% 86.0530% 100.0000% 99.992% 99.9631%  Minnesota-Allocator 99.7600% 100.0000% 86.0530% 100.0000% 99.9922% 99.9831%
99 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111	Rate Base Energy Transmission Distribution Plant Customer General and Common  Minnesota State Deferred Tax Expense Rate Base Energy Transmission Distribution Plant Customer General and Common  Michigan Deferred Tax Expense Rate Base	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages Rate Base System Sales System Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department	354,200 248,500 11,215,400 911,050 899,150 13,628,300 MERC-Total 63,799 36,880 1,667,462 132,956 130,812 2,031,909	354,200 213,842 11,215,400 911,043 898,998 13,593,482 MERC - Minnesota 63,799 31,736 1,667,462 132,955 130,790 2,026,742	34,658 - 7 152 34,818 MERC - Michigan  5,144 - 4 - 22 - 5,167	99.7600% 100.0000% 86.0530% 100.0000% 99.9992% 99.9831%  Minnesota-Allocator 99.7600% 100.0000% 86.0530% 100.0000% 99.9992% 99.9831%  Minnesota-Allocator 99.7600%
89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 111	Rate Base Energy Transmission Distribution Plant Customer General and Common  Minnesota State Deferred Tax Expense Rate Base Energy Transmission Distribution Plant Customer General and Common  Michigan Deferred Tax Expense Rate Base Energy	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages Rate Base System Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Dep	354,200 248,500 11,215,400 911,050 999,150 13,628,300 MERC-Total 63,799 36,880 1,667,462 132,956 130,812 2,031,909	354,200 213,842 11,215,400 911,043 886,998 13,593,482 MERC - Minnesota 63,799 31,736 1,667,462 132,955 130,790 2,026,742	34,658 - 7 152 34,818 MERC - Michigan - 5,144 - 1 22 5,167	99.7600% 100.0000% 86.0530% 100.0000% 99.992% 99.9831%  Minnesota-Allocator 99.7600% 100.0000% 86.0530% 100.0000% 99.9922% 99.9831%  Minnesota-Allocator 99.7600% 100.0000%
99 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111 111 111 111 111 111	Rate Base Energy Transmission Distribution Plant Customer General and Common  Minnesota State Deferred Tax Expense Rate Base Energy Transmission Distribution Plant Customer General and Common  Michigan Deferred Tax Expense Rate Base Energy Transmission Transmission	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages  Rate Base System Sales Distribution Plant Fixed Charge Count Salaries and Wages  Rate Base System Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department	354,200 248,500 11,215,400 911,050 899,150 13,628,300  MERC-Total 63,799 36,880 1,667,462 132,956 130,812 2,031,909  MERC-Total 21 10	354,200 213,842 11,215,400 911,043 898,998 13,593,482 MERC - Minnesota 	34,658 - 7 152 34,818 MERC - Michigan  5,144 - 4 - 22 - 5,167	99.7600% 100.0000% 86.0530% 100.0000% 99.9992% 99.9831%  Minnesota-Allocator 99.7600% 100.0000% 86.0530% 100.0000% 99.9992% 99.9831%  Minnesota-Allocator 99.7600% 100.0000% 86.6530% 100.0000% 86.6530%
89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 110 111 111 111 111 111 111 111 111	Rate Base Energy Transmission Distribution Plant Customer General and Common  Minnesota State Deferred Tax Expense Rate Base Energy Transmission Distribution Plant Customer General and Common  Michigan Deferred Tax Expense Rate Base Energy Transmission Distribution Plant Customer General and Common	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages  Rate Base System Sales System Sales Distribution Plant Fixed Charge Count Salaries and Wages  Rate Base System Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Dep	354,200 248,500 11,215,400 911,050 899,150 13,628,300 MERC-Total 63,799 36,880 1,667,462 132,956 130,812 2,031,909	354,200 213,842 11,215,400 911,043 898,998 13,593,482 MERC - Minnesota 63,799 31,736 1,667,462 132,955 130,790 2,026,742	34,658 - 7 152 34,818 MERC - Michigan 5,144 - 22 5,167 MERC - Michigan 1	99.7600% 100.0000% 86.0530% 100.0000% 99.9992% 99.9831%  Minnesota-Allocator 99.7600% 100.0000% 86.0530% 100.0000% 99.9931%  Minnesota-Allocator 99.7600% 100.0000% 86.0530% 100.0000% 86.0530% 100.0000%
89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 106 107 108 109 111 111 112 113 114 115	Rate Base Energy Transmission Distribution Plant Customer General and Common  Minnesota State Deferred Tax Expense Rate Base Energy Transmission Distribution Plant Customer General and Common  Michigan Deferred Tax Expense Rate Base Energy Transmission Distribution Plant Customer Customer Customer	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages  Rate Base System Sales System Sales Distribution Plant Fixed Charge Count Salaries and Wages  Rate Base System Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Dep	354,200 248,500 11,215,400 911,050 899,150 13,628,300 MERC-Total 63,799 36,880 1,667,462 132,956 130,812 2,031,909 MERC-Total 21 10 455 35	354,200 213,842 11,215,400 911,043 898,998 13,593,482  MERC - Minnesota 63,799 31,736 1,667,462 132,955 130,790 2,026,742  MERC - Minnesota	34,658 - 7 152 34,818 MERC - Michigan - 1 22 5,167 MERC - Michigan - 1 - 0	99.7600% 100.0000% 86.0530% 100.0000% 99.9992% 99.9831%  Minnesota-Allocator 99.7600% 100.0000% 86.0530% 100.0000% 99.99831%  Minnesota-Allocator 99.7600% 100.0000% 86.0530% 100.0000% 99.9992%
89 90 91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 110 111 111 111 111 111 111 111 111	Rate Base Energy Transmission Distribution Plant Customer General and Common  Minnesota State Deferred Tax Expense Rate Base Energy Transmission Distribution Plant Customer General and Common  Michigan Deferred Tax Expense Rate Base Energy Transmission Distribution Plant Customer General and Common	System Sales Total Sales Distribution Plant Fixed Charge Count Salaries and Wages  Rate Base System Sales System Sales Distribution Plant Fixed Charge Count Salaries and Wages  Rate Base System Sales Distribution Plant Fixed Charge Count Salaries and Wages	Input from Tax Department Input from Tax Dep	354,200 248,500 11,215,400 911,050 899,150 13,628,300 MERC-Total 63,799 36,880 1,667,462 132,956 130,812 2,031,909	354,200 213,842 11,215,400 911,043 898,998 13,593,482 MERC - Minnesota 63,799 31,736 1,667,462 132,955 130,790 2,026,742	34,658 - 7 152 34,818 MERC - Michigan 5,144 - 22 5,167 MERC - Michigan 1	99.7600% 100.0000% 86.0530% 100.0000% 99.9992% 99.9831%  Minnesota-Allocator 99.7600% 100.0000% 86.0530% 100.0000% 99.9931%  Minnesota-Allocator 99.7600% 100.0000% 86.0530% 100.0000% 86.0530% 100.0000%

MERC apportions Minnesota State Tax rate for income tax calculations, due to a portion of property, sales, and payroll occurring in other states.