

**Alaska Electric Light and Power Company
Revenue Requirement Calculation
Test Year Ended December 31, 2009**

Operating Expenses, Excluding Income Taxes	\$28,290,364
Known Changes	<u>(\$3,132,627)</u>
Total Operating Expenses and Known Changes	\$25,157,737
Add:	\$10,380,063
Return of: 9.38%	
on avg. rate base of: 110,661,653	
Income Taxes	\$5,151,803
Total Proforma Revenue Requirement	<u>\$40,689,603</u>
Less: Other Operating Revenues	\$439,632
Less: Proforma Test Year Firm Revenues	\$26,822,020
Less: Dual Fuel Margins Retained	<u>\$46,807</u>
Total Revenue Deficiency	\$13,381,144
Less: Test Year Greens Creek Revenues	\$3,461,863
Revenue Deficiency to be Recovered	<u><u>\$9,919,281</u></u>
Less: Additional Greens Creek Revenues Assumed	\$3,191,898
Revenue Deficiency to be Recovered through Firm Rates	<u><u>\$6,727,383</u></u>
Revenue Deficiency as a % of Firm Revenues	<u><u>25.08%</u></u>
Proforma Test Year Firm Revenues	\$26,822,020
Less: Customer Charges	<u>\$2,125,646</u>
Proforma Test Year Revenues from Demand and Energy Charges	\$24,696,374
Revenue Deficiency as a % of Demand and Energy Charges	<u><u>27.24%</u></u>
Proposed Increase as a Percent of Firm Rates	<u><u>22.10%</u></u>
Proposed Increase to Demand and Energy Charges	<u><u>24.00%</u></u>
Proposed Increase to Demand and Energy Charges	<u><u>\$5,927,130</u></u>
Proposed Increase / Revenue Deficiency from Firm Rates	<u><u>88.10%</u></u>