DesertLink

an LS Power Grid Company

September 30, 2026

DesertLink 2027 Projection Posting Notice and Disclosures

In accordance with its Formula Rate Implementation Protocols ("Protocols"), DesertLink, LLC ("DesertLink") provides notice that its Annual Projection for the 2027 rate year ("2027 Projection"), including its projected Net Revenue Requirement for the 2027 rate year and the True-up Adjustment for 2025 rate year along with additional information contained herein, is available on the DesertLink website (https://www.lspowergrid.com/utilities/desertlink/).

DesertLink will host an open meeting for the 2027 Projection no less than twenty (20) business days and no more than thirty (30) business days after October 1. Details will be posted to the DesertLink website at least seven days in advance.

Please direct any inquiries, information requests, and challenges to: rates@desertlinktransmission.com

Accounting Changes and Other Disclosures

Section 1.d. of the Protocols requires that, as part of the calculation of its Annual Projection, DesertLink identify changes in accounting that may affect inputs to the formula rate or the resulting charges billed under the formula rate ("Accounting Change").

Accounting Changes

1. New standard or policy (Protocols Section 3.d.(iii).A.I)
   Depreciation Rates
   On August 11, 2026, in FERC Docket No. ER26-3479, the Company filed proposed revisions to the forward-looking transmission formula rate template in Appendix III of DesertLink's Transmission Owner Tariff to update its depreciation rates, with a requested effective date of November 1, 2026. The filing was publicly noticed, and no protest or adverse comments have been submitted.

   The depreciation rates reflected in Attachment 10 of this 2027 Projection are stated value inputs consistent with the depreciation-rate revisions currently pending before FERC. As supported by the depreciation rate study, which used data from 2025, the updated depreciation rates result in a net increase to the annual accrual (i.e., depreciation expense) and thus lead to an increase

in ATRR. If FERC accepts depreciation rates that differ from those reflected in this Projection, the Company will update the projected net revenue requirement and/or applicable formula rate inputs in accordance with the terms of its formula rate.

2. Issues of first impression (Protocols Section 3.d.(iii).A.II)
   Unfunded Plant Adjustment
   During rate year 2026, DesertLink expects to place in service certain software assets that are capitalized upon commencement of the applicable software agreements, while the related contractual payments are made over time. Accordingly, the Company's books and records will reflect the full capitalized cost of the software assets in plant in service, together with a corresponding unpaid liability for the portion of the cost not yet paid.

   The 2027 Projection utilizes WP4 – Rate Base Adjustment to reduce rate base for the estimated unpaid portion of the related plant. The adjustment is based on the expected payment schedules under the applicable software agreements and will decline as the related liabilities are paid. The adjustment does not change the Company's booked plant balance or the underlying capitalized cost of the software assets. The Company will update the adjustment using actual balances and payments in its annual update as applicable.

3. Prior period adjustments (Protocols Section 3.d.(iii).A.III)
   None to report.

4. Estimation methods (Protocols Section 3.d.(iii).A.IV)
   None to report.

5. Tax elections (Protocols Section 3.d.(iii).A.V)
   None to report.

Other Disclosures

6. Fair Value Adjustments (Protocols Section 1.d.)
   None to report.

7. Reorganization/Merger (Protocols Section 1.d.)
   None to report.