

Estimate of Nobles Bonus Tax Depr benefit to SD Customers

NSPM Nobles Wind Farm cost in the SD test year	481.2
SD Percent after IA	4.83%
SD Portion of Nobles	23.2
Current Tax Rate	35%
Deferred Tax Rate	40.87%
ROR	8.52% (assumes 10.65% ROE and updated cap str)
Weighted Cost of Debt	2.89%
Discount Rate	7.51%
Tax Gross Up	1.53846

	YR1	YR2	YR3	YR4	YR5	YR6
4th Qtr Mid Year 5 YR MACRS Schedule	5.00%	38.00%	22.80%	13.68%	10.94%	9.58%

	Tax Depr	Curr Tax	Def Tax	ADIT	Debt Interest	Operating Income	Required Operating Income	Operating Income Deficiency	Revenue Requirement
Yr 1 assuming 50% Bonus	11.0	(3.9)	4.5	2.3	(0.1)	(0.6)	(0.2)	0.4	0.6
Yr 2 assuming 50% Bonus	(4.4)	1.5	(1.8)	1.4	(0.0)	0.3	(0.1)	(0.4)	(0.6)
Yr 3 assuming 50% Bonus	(2.6)	0.9	(1.1)	0.8	(0.0)	0.2	(0.1)	(0.2)	(0.4)
Yr 4 assuming 50% Bonus	(1.6)	0.6	(0.6)	0.5	(0.0)	0.1	(0.0)	(0.1)	(0.2)
Yr 5 assuming 50% Bonus	(1.3)	0.4	(0.5)	0.2	(0.0)	0.1	(0.0)	(0.1)	(0.2)
Yr 6 assuming 50% Bonus	(1.1)	0.4	(0.5)	(0.0)	0.0	0.1	0.0	(0.1)	(0.1)
								NPV	(0.6)