



Northern States Power, a Minnesota corporation  
 Annual Revenue Requirement  
 11411387 MNGP Appen R Hot Shorts Cble R  
 2011 Test Year South Dakota Electric Rate Case - 2011 Rev Requirement  
 (000's)

**Rate Analysis**

	Total Company SD Jurisdiction	
Plant Investment	2,279	110
Depreciation Reserve	20	1
CWIP	-	-
Accumulated Deferred Taxes	1,296	63
	<u>963</u>	<u>46</u>
Average Rate Base	963	46
Tax Preferreded Items:		
Tax Depreciation & Removal Expense	6,516	315
Avoided Tax Interest	85	4
Debt Return	28	1
Equity Return	47	2
Current Income Tax Requirement	(1,979)	(96)
Book Depreciation	113	5
Annual Deferred Tax	2,595	126
ITC Flow Thru	-	-
AFUDC Expenditure	-	-
Property Taxes	-	-
<b>Total Revenue Requirements</b>	<b>804</b>	<b>39</b>

Last Authorized			
Capital Structure	Rate	Ratio	Weighted Cost
Long Term Debt	6.1300%	46.9600%	2.8800%
Short Term Debt	0.0000%	0.0000%	0.0000%
Preferred Stock	0.0000%	0.0000%	0.0000%
Common Equity	9.2500%	53.0400%	4.9100%
Required Rate of Return			7.7900%
<b>Tax Rate (SD)</b>	<b>35.0000%</b>		

Ave RB \* Weighted Cost of St & LT Debt  
 Ave RB \* Weighted Cost of Equity  
 (Eq Ret+Bk Depre+Def Tx+ITC-Tax Depre-ADUDC+Avoid Tax)\* T/(1-T)

Dt Ret+Eq Ret+Cur Tax+Bk Depre+Def Tax+ITC+ADUDC+Prop Tax

Property Tax Rate 0.0000%  
 Demand Prod SD Jur % 5.7712%  
 Demand MN Co % 83.8019%  
 South Dakota Post I/A 4.8364%

CWIP (Not Allowed in SD)

	Total Company		Total Company after IA		SD Jurisdiction	
	BOY	EOY	BOY	EOY	BOY	EOY
Production	-	-	-	-	-	-
COSS Adj (000's)	-	-	-	-	-	-

Plant

	Total Company		Total Company after IA		SD Jurisdiction	
	BOY	EOY	BOY	EOY	BOY	EOY
Production	2,279,396.00	2,279,396.00	1,910,177.16	1,910,177.16	110,240.14	110,240.14
COSS Adj (000's)	2,279	2,279	1,910	1,910	110	110

Reserve

	Total Company		Total Company after IA		SD Jurisdiction	
	BOY	EOY	BOY	EOY	BOY	EOY
Production	19,791.00	19,791.00	16,585.23	16,585.23	957.17	957.17
COSS Adj (000's)	20	20	17	17	1	1

Accumulated Deferred

	Total Company		Total Company after IA		SD Jurisdiction	
	BOY	EOY	BOY	EOY	BOY	EOY
Production	1,296,182.00	1,296,182.00	1,086,225.14	1,086,225.14	62,688.23	62,688.23
COSS Adj (000's)	1,296	1,296	1,086	1,086	63	63

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Property Tax Rate 0.0000%  
 Demand Prod SD Jur % 5.7712%  
 Demand MN Co % 83.8019%  
 South Dakota Post I/A 4.8364%

**Book Depreciation**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	113,467.85	95,088.21	5,487.73
COSS Adj (000's)	- 113	- 95	- 5

**Annual Deferred**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	2,595,055.18	2,174,705.55	125,506.61
COSS Adj (000's)	- 2,595	- 2,175	- 126

**Tax Depreciation**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	6,515,585.20	5,460,184.19	315,118.15
COSS Adj (000's)	- 6,516	- 5,460	- 315

**AFUDC (Not allowed in SD)**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	-	-	-
COSS Adj (000's)	- -	- -	- -

**Avoided Tax**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	85,463.99	71,620.45	4,133.36
COSS Adj (000's)	- 85	- 72	- 4

**Property Tax**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	-	-	-
COSS Adj (000's)	- -	- -	- -

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Northern States Power, a Minnesota corporation  
Annual Revenue Requirement  
11411387 MNGP Appen R Hot Shorts Cble R  
2011 Test Year South Dakota Electric Rate Case - 2013 Step Rev Requirement  
(000's)

<u>Rate Analysis</u>	<u>Total Company SD Jurisdiction</u>	
Plant Investment	6,197	300
Depreciation Reserve	719	35
CWIP	-	-
Accumulated Deferred Taxes	1,532	74
	<u>3,946</u>	<u>191</u>
Average Rate Base	3,946	191
Tax Prefenced Items:		
Tax Depreciation & Removal Expense	(6,327)	(306)
Avoided Tax Interest	(85)	(4)
Debt Return	114	6
Equity Return	194	9
Current Income Tax Requirement	2,193	106
Book Depreciation	335	16
Annual Deferred Tax	(2,698)	(131)
ITC Flow Thru	-	-
AFUDC Expenditure	-	-
Property Taxes	93	4
<b>Total Revenue Requirements</b>	<b>230</b>	<b>10</b>

Last Authorized			
<u>Capital Structure</u>	<u>Rate</u>	<u>Ratio</u>	<u>Weighted Cost</u>
Long Term Debt	6.1300%	46.9600%	2.8800%
Short Term Debt	0.0000%	0.0000%	0.0000%
Preferred Stock	0.0000%	0.0000%	0.0000%
Common Equity	9.2500%	53.0400%	4.9100%
Required Rate of Return			7.7900%
Tax Rate (SD)	35.0000%		

Ave RB \* Weighted Cost of St & LT Debt  
Ave RB \* Weighted Cost of Equity  
(Eq Ret+Bk Depre+Def Tx+ITC-Tax Depre-ADUDC+Avoid Tax)\* T/I

Per 2012 Step tab  
Per 2012 Step tab  
Per 2012 Step tab  
Per 2012 Step tab  
Per 2012 Step tab  
Dt Ret+Eq Ret+Cur Tax+Bk Depre+Def Tax+ITC+ADUDC+Prop Ta

Northern States Power, a Minnesota corporation  
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 (000's)

<u>Rate Analysis</u>	<u>Total Company SD Jurisdiction</u>	
Plant Investment	8,476	410
Depreciation Reserve	739	36
CWIP	-	-
Accumulated Deferred Taxes	2,828	137
	<u>4,909</u>	<u>237</u>
Average Rate Base	4,909	237
Tax Preferenced Items:		
Tax Depreciation & Removal Expense	188	9
Avoided Tax Interest	-	-
Debt Return	141	7
Equity Return	241	12
Current Income Tax Requirement	215	11
Book Depreciation	449	22
Annual Deferred Tax	(103)	(5)
ITC Flow Thru	-	-
AFUDC Expenditure	-	-
Property Taxes	93	4
<b>Total Revenue Requirements</b>	<b>1,036</b>	<b>50</b>

Last Authorized			
<u>Capital Structure</u>	<u>Rate</u>	<u>Ratio</u>	<u>Weighted Cost</u>
Long Term Debt	6.1300%	46.9600%	2.8800%
Short Term Debt	0.0000%	0.0000%	0.0000%
Preferred Stock	0.0000%	0.0000%	0.0000%
Common Equity	9.2500%	53.0400%	4.9100%
Required Rate of Return			7.7900%
Tax Rate (SD)	35.0000%		

Ave RB \* Weighted Cost of St & LT Debt  
 Ave RB \* Weighted Cost of Equity  
 (Eq Ret+Bk Depre+Def Tx+ITC-Tax Depre-ADUDC+Avoid Tax)\* T/  
 Per 2012 Step tab  
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 Dt Ret+Eq Ret+Cur Tax+Bk Depre+Def Tax+ITC+ADUDC+Prop Ta

Demand Prod SD Jur % 5.7712%  
 Demand MN Co % 83.8019%  
 South Dakota Post I/A 4.8364%

**CWIP (Not Allowed in SD)**

	Total Company		Total Company after IA		SD Jurisdiction	
	BOY	EOY	BOY	EOY	BOY	EOY
Production	-	-	-	-	-	-
COSS Adj (000's)	-	-	-	-	-	-

**Plant**

	Total Company		Total Company after IA		SD Jurisdiction	
	BOY	EOY	BOY	EOY	BOY	EOY
Production	6,196,681.00	6,196,681.00	5,192,936.41	5,192,936.41	299,694.75	299,694.75
COSS Adj (000's)	6,197	6,197	5,193	5,193	300	300

**Reserve**

	Total Company		Total Company after IA		SD Jurisdiction	
	BOY	EOY	BOY	EOY	BOY	EOY
Production	718,766.00	718,766.00	602,339.56	602,339.56	34,762.22	34,762.22
COSS Adj (000's)	719	719	602	602	35	35

**Accumulated Deferred**

	Total Company		Total Company after IA		SD Jurisdiction	
	BOY	EOY	BOY	EOY	BOY	EOY
Production	1,531,661.00	1,531,661.00	1,283,561.02	1,283,561.02	74,076.87	74,076.87
COSS Adj (000's)	1,532	1,532	1,284	1,284	74	74

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Demand Prod SD Jur % 5.7712%  
 Demand MN Co % 83.8019%  
 South Dakota Post I/A 4.8364%

**Book Depreciation**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	335,084.08	280,806.82	16,205.92
COSS Adj (000's)	- 335	- 281	- 16

**Annual Deferred**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	(2,698,349.56)	(2,261,268.20)	(130,502.31)
COSS Adj (000's)	- (2,698)	- (2,261)	- (131)

**Tax Depreciation**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	(6,327,210.65)	(5,302,322.74)	(306,007.65)
COSS Adj (000's)	- (6,327)	- (5,302)	- (306)

**AFUDC**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	-	-	-
COSS Adj (000's)	- -	- -	- -

**Avoided Tax**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	(85,463.99)	(71,620.45)	(4,133.36)
COSS Adj (000's)	- (85)	- (72)	- (4)

**Property Tax**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	92,728.28	77,708.06	4,484.69
COSS Adj (000's)	- 93	- 78	- 4

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Property Tax Rate 1.0940%  
 Demand Prod SD Jur % 5.7712%  
 Demand MN Co % 83.8019%  
 South Dakota Post I/A 4.8364%

**CWIP (Not Allowed in SD)**

	Total Company		Total Company after IA		SD Jurisdiction	
	BOY	EOY	BOY	EOY	BOY	EOY
Production	-	-	-	-	-	-
COSS Adj (000's)	-	-	-	-	-	-

**Plant**

	Total Company		Total Company after IA		SD Jurisdiction	
	BOY	EOY	BOY	EOY	BOY	EOY
Production	8,476,077.00	8,476,077.00	7,103,113.57	7,103,113.57	409,934.89	409,934.89
COSS Adj (000's)	8,476	8,476	7,103	7,103	410	410

**Reserve**

	Total Company		Total Company after IA		SD Jurisdiction	
	BOY	EOY	BOY	EOY	BOY	EOY
Production	738,557.00	738,557.00	618,924.80	618,924.80	35,719.39	35,719.39
COSS Adj (000's)	739	739	619	619	36	36

**Accumulated Deferred**

	Total Company		Total Company after IA		SD Jurisdiction	
	BOY	EOY	BOY	EOY	BOY	EOY
Production	2,827,843.00	2,827,843.00	2,369,786.16	2,369,786.16	136,765.10	136,765.10
COSS Adj (000's)	2,828	2,828	2,370	2,370	137	137

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Property Tax Rate 1.0940%  
 Demand Prod SD Jur % 5.7712%  
 Demand MN Co % 83.8019%  
 South Dakota Post I/A 4.8364%

**Book Depreciation**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	448,551.93	375,895.04	21,693.65
COSS Adj (000's)	- 449	- 376	- 22

**Annual Deferred**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	(103,294.38)	(86,562.65)	(4,995.70)
COSS Adj (000's)	- (103)	- (87)	- (5)

**Tax Depreciation**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	188,374.55	157,861.45	9,110.50
COSS Adj (000's)	- 188	- 158	- 9

**AFUDC (Not allowed in SD)**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	-	-	-
COSS Adj (000's)	- -	- -	- -

**Avoided Tax**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	-	-	-
COSS Adj (000's)	- -	- -	- -

**Property Tax**

	Total Company Annual	Total Company after IA Annual	SD Jurisdiction Annual
Production	92,728.28	77,708.06	4,484.69
COSS Adj (000's)	- 93	- 78	- 4

PF17-10

