

Northern States Power Company  
South Dakota  
Revenue Requirement Model Description

**Section M**

**20:10:13:96. Statement M -- Overall cost of service.** Statement M shall show for the test period the overall cost of service per books for the filing public utility's utility operations during the test period, including allowances for return and income taxes based upon the rate of return claimed, together with the operating revenues of the filing public utility for the test period. If the filing public utility claims any adjustments to book figures, the cost of service based upon the claimed adjustments shall be shown on a separate schedule. If the amount of the filing public utility's total utility operating revenue differs significantly from its overall cost of service, including allowances for claimed return and income taxes, the filing public utility shall show the amounts available for return and taxes on income and return expressed as a percentage of rate base.

**Source:** 2 SDR 90, effective July 7, 1976; 12 SDR 151, 12 SDR 155, effective July 1, 1986.

**General Authority:** SDCL [49-34A-4](#).

**Law Implemented:** SDCL [49-34A-10](#), [49-34A-12](#), [49-34A-41](#).

OVERALL COST OF SERVICE AT CLAIMED RATE OF RETURN

	<u>Unadjusted</u>	<u>Total Company</u>	<u>State of South Dakota</u>
1	Average Rate Base	6,404,986	402,724
2	Claimed Rate of Return	6.96%	6.70%
	Development of Revenue Requirements		
3	Total Available for Return	445,687	26,970
	Operating Expenses		
4	Operating and Maintenance	2,858,531	168,605
5	Depreciation & Amortizations	426,708	24,820
	Taxes Other than Income		
6	Real Estate and Personal Property Taxes	153,141	8,166
7	Payroll and Other	33,609	2,051
8	Deferred Income Taxes	193,643	12,944
9	Federal and State Income Taxes	<u>(39,168)</u>	<u>(2,479)</u>
10	Total Operating Expenses	<u>3,626,464</u>	<u>214,106</u>
11	COST OF SERVICE (Operating Revenues)	<u><u>4,072,151</u></u>	<u><u>241,075</u></u>

Northern States Power Company  
 Electric Utility - Total Company and State of South Dakota  
 Actual Year Ended December 31, 2013  
 Summary of Actual Operating Revenues and Expenses  
 (\$000's)

Docket No. EL14-\_\_\_\_  
 Statement M  
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OVERALL COST OF SERVICE AT CLAIMED ADJUSTMENT AND RATE OF RETURN

	<u>Pro Forma</u>	<u>Total Company</u>	<u>State of South Dakota</u>
1	Average Rate Base	6,993,438	433,242
2	Claimed Rate of Return	5.08%	5.50%
	Development of Revenue Requirements		
3	Total Available for Return	355,277	23,826
	Operating Expenses		
4	Operating and Maintenance	2,831,755	164,487
5	Depreciation & Amortizations	469,474	28,615
	Taxes Other than Income		
6	Real Estate and Personal Property Taxes	203,822	10,739
7	Payroll and Other	33,585	2,049
8	Deferred Income Taxes	234,522	15,198
9	Federal and State Income Taxes	<u>(118,316)</u>	<u>(4,757)</u>
10	Total Operating Expenses	<u>3,654,843</u>	<u>216,330</u>
11	COST OF SERVICE (Operating Revenues)	<u><u>4,010,120</u></u>	<u><u>240,156</u></u>

(\$000's)

Line No.	NSPM - 10 Bridge Schedule by Adjustment, Total Utility	Base	2013 Normalizing										
			Unadjusted	Depreciation Study	Economic Development Labor	Production Tax Credit to FCA	Remove Demand Side Incentive	Rider Removal - Infrastructure	Rider Removal - TCR	Storm Damage	Tax Withheld Adjustment	Vegetation Management	Weather Normalization and Fuel Lag
<b>Income Statement</b>													
<b>Operating Revenues</b>													
1	Retail	\$3,375,328	\$0	\$0	\$0	(\$55,056)	(\$3,727)	(\$2,935)	\$0	\$0	\$0	(\$35,020)	
2	Interdepartmental	\$680	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
3	Other Operating Rev - Non-Retail	\$696,143	(\$872)	\$0	\$0	\$15,045	\$0	(\$1,207)	\$0	\$0	\$0	\$0	
4	<b>Total Operating Revenues</b>	<b>\$4,072,151</b>	<b>(\$872)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$40,011)</b>	<b>(\$3,727)</b>	<b>(\$4,142)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$35,020)</b>	
<b>Expenses</b>													
<b>Operating Expenses:</b>													
5	Fuel	\$1,301,714	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$783)	
6	Deferred Fuel	(\$261)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
7	Variable IA Production Fuel	\$20,676	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
8	Purchased Energy - Windsourc	\$5,576	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
9	Fuel & Purchased Energy Total	\$1,327,705	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$783)	
10	Production - Fixed	\$415,324	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
11	Production - Fixed IA Investment	\$47,843	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
12	Production - Variable	\$131,426	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
13	Production - Purchased Demand	\$165,858	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
14	Production - Other	\$2,793	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
15	Production Total	\$763,243	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
16	Regional Markets	\$10,856	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
17	Transmission IA	\$68,398	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
18	Transmission	\$175,942	\$0	\$0	\$0	\$0	\$0	(\$2,628)	\$0	\$0	(\$19)	\$0	
19	Distribution	\$121,107	\$0	\$0	\$0	\$0	\$0	\$0	(\$210)	\$0	(\$64)	\$0	
20	Customer Accounting	\$55,250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
21	Customer Service & Information	\$84,610	\$0	\$0	\$0	\$233	\$0	\$0	\$0	\$0	\$0	\$0	
22	Sales, Econ Dvlp & Other	\$18	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
23	Administrative & General	\$251,401	\$0	(\$41)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
24	<b>Total Operating Expenses</b>	<b>\$2,858,531</b>	<b>\$0</b>	<b>(\$41)</b>	<b>\$0</b>	<b>\$233</b>	<b>\$0</b>	<b>(\$2,628)</b>	<b>(\$210)</b>	<b>\$0</b>	<b>(\$83)</b>	<b>(\$783)</b>	
25	Depreciation	\$401,171	(\$7,243)	\$0	\$0	\$0	\$0	(\$63)	\$0	\$0	\$0	\$0	
26	Amortization	\$25,537	\$0	\$0	\$0	\$0	\$558	(\$392)	\$0	\$0	\$0	\$0	
27	<b>Taxes:</b>												
28	Property Taxes	\$153,141	\$0	\$0	\$0	\$0	\$0	(\$46)	\$0	\$0	\$0	\$0	
29	ITC Amortization	(\$1,493)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
30	Deferred Taxes	\$294,129	\$2,866	\$0	\$0	\$0	\$0	(\$152)	\$0	\$0	\$0	\$0	
31	Deferred Taxes - NOL	(\$70,332)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
32	Less Deferred State Tax Credits	(\$640)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
33	Less Deferred Federal Tax Credits	(\$28,021)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
34	Deferred Income Tax & ITC	\$193,643	\$2,866	\$0	\$0	\$0	\$0	(\$152)	\$0	\$0	\$0	\$0	
35	Total Federal and State Income Taxes	(\$39,168)	(\$418)	\$14	(\$22,658)	(\$16,634)	(\$1,500)	(\$191)	\$73	\$3	\$29	(\$13,971)	
36	Payroll & Other Taxes	\$33,609	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
37	<b>Total Taxes</b>	<b>\$341,225</b>	<b>\$2,448</b>	<b>\$14</b>	<b>(\$22,658)</b>	<b>(\$16,634)</b>	<b>(\$1,500)</b>	<b>(\$389)</b>	<b>\$73</b>	<b>\$3</b>	<b>\$29</b>	<b>(\$13,971)</b>	
38	<b>Total Expenses</b>	<b>\$3,626,464</b>	<b>(\$4,795)</b>	<b>(\$27)</b>	<b>(\$22,658)</b>	<b>(\$16,401)</b>	<b>(\$942)</b>	<b>(\$3,471)</b>	<b>(\$136)</b>	<b>\$3</b>	<b>(\$54)</b>	<b>(\$14,754)</b>	
39	Allowance for Funds Used During Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
40	<b>Total Operating Income</b>	<b>\$445,687</b>	<b>\$3,924</b>	<b>\$27</b>	<b>\$22,658</b>	<b>(\$23,610)</b>	<b>(\$2,786)</b>	<b>(\$670)</b>	<b>\$136</b>	<b>(\$3)</b>	<b>\$54</b>	<b>(\$20,266)</b>	

Note: See Volume 3, Pro Forma Adjustments for details. There is a tab per column heading for each adjustment

(\$000's)

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Line No.	NSPM - 10 Bridge Schedule by Adjustment, Total Utility	2013 Regulatory										Amortization		Currently in Rider
		Advertising	Association Dues	Aviation Expense	Chamber of Commerce Dues	Customer Deposits	Donations	Economic Development Donations	Employee Expense	Foundation Administration	Incentive Pay	Remove Non-Asset Trading	Remove Expired Amortization Items	Current Rate Case Expense Amortization
<b>Income Statement</b>														
<b>Operating Revenues</b>														
1	Retail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Interdepartmental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Other Operating Rev - Non-Retail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$10,058)	\$0	\$0	\$7,410
4	<b>Total Operating Revenues</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$10,058)	\$0	\$0	\$7,410
<b>Expenses</b>														
<b>Operating Expenses:</b>														
5	Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$7,241)	\$0	\$0	\$0
6	Deferred Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	Variable IA Production Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Purchased Energy - Windsources	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Fuel & Purchased Energy Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$7,241)	\$0	\$0	\$0
10	Production - Fixed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	Production - Fixed IA Investment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	Production - Variable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Production - Purchased Demand	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	Production - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	Production Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	Regional Markets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	Transmission IA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	Transmission	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	Customer Accounting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	Customer Service & Information	(\$0)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	Sales, Econ Dvlp & Other	\$0	\$0	\$0	\$0	\$0	\$80	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	Administrative & General	(\$3,065)	(\$63)	(\$1,033)	\$260	\$24	\$1,653	(\$1)	(\$7)	(\$356)	(\$14,315)	\$0	\$0	\$0
24	<b>Total Operating Expenses</b>	(\$3,066)	(\$63)	(\$1,033)	\$260	\$24	\$1,653	\$79	(\$7)	(\$356)	(\$14,315)	(\$7,241)	\$0	\$0
25	Depreciation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,006
26	Amortization	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$304)	\$551	\$0
27	<b>Taxes:</b>													
28	Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	ITC Amortization	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Deferred Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$117,179)
31	Deferred Taxes - NOL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	Less Deferred State Tax Credits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Less Deferred Federal Tax Credits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34	Deferred Income Tax & ITC	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$117,179)
35	Total Federal and State Income Taxes	\$1,249	\$26	\$426	(\$106)	(\$10)	(\$684)	(\$30)	\$3	\$151	\$5,843	(\$1,149)	\$109	(\$193)
36	Payroll & Other Taxes	\$0	\$0	(\$11)	\$0	\$0	\$0	\$0	\$0	(\$12)	\$0	\$0	\$0	\$0
37	<b>Total Taxes</b>	\$1,249	\$26	\$414	(\$106)	(\$10)	(\$684)	(\$30)	\$3	\$139	\$5,843	(\$1,149)	\$109	(\$193)
38	<b>Total Expenses</b>	(\$1,817)	(\$37)	(\$618)	\$154	\$14	\$969	\$50	(\$5)	(\$218)	(\$8,472)	(\$8,389)	(\$195)	\$358
39	Allowance for Funds Used During Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	<b>Total Operating Income</b>	\$1,817	\$37	\$618	(\$154)	(\$14)	(\$969)	(\$50)	\$5	\$218	\$8,472	(\$1,668)	\$195	(\$358)

Note: See Volume 3, Pro Forma Adjustments for details.

(\$000's)

	PF-24	PF-25	PF-26	PF-27	PF-28	PF-29	PF-30	PF-31	PF-32	PF-33	PF-34	PF-35
Line No.	NSPM - 10 Bridge Schedule by Adjustment, Total Utility											
	Known & Measurable 2014											
	AS King Boiler Waterwall Tube Replacements	Nuclear Plant Cyber Security	PI License Renewal - Baffle Bolt Inspection	PI License Renewal - Safety Margin	PI Site Administration Building	PI Unit 1 Generation Step-Up Transformer	PI Unit 1 Life Cycle Mgmt Modifications	PI Unit 1 Reactor Coolant Pump Seal Re-Design	PI Unit 1 Spent Fuel Heat Exch System	Prarie Island License Renewal	Sherco Unit 2 Mercury Control	Property Taxes for 2014
<b>Income Statement</b>												
<b>Operating Revenues</b>												
1	Retail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Interdepartmental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Other Operating Rev - Non-Retail	\$160	\$303	\$176	\$345	\$622	\$265	\$119	\$149	\$250	\$196	\$223
4	<b>Total Operating Revenues</b>	<b>\$160</b>	<b>\$303</b>	<b>\$176</b>	<b>\$345</b>	<b>\$622</b>	<b>\$265</b>	<b>\$119</b>	<b>\$149</b>	<b>\$250</b>	<b>\$196</b>	<b>\$223</b>
<b>Expenses</b>												
<b>Operating Expenses:</b>												
5	Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
6	Deferred Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	Variable IA Production Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
8	Purchased Energy - Windsource	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
9	Fuel & Purchased Energy Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
10	Production - Fixed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
11	Production - Fixed IA Investment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	Production - Variable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
13	Production - Purchased Demand	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
14	Production - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
15	Production Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	Regional Markets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	Transmission IA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	Transmission	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
19	Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
20	Customer Accounting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	Customer Service & Information	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
22	Sales, Econ Dvlp & Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
23	Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
24	<b>Total Operating Expenses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
25	Depreciation	\$413	\$802	\$392	\$810	\$1,361	\$683	\$308	\$328	\$614	\$620	\$868
26	Amortization	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	<b>Taxes:</b>											
28	Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$35,320
29	ITC Amortization	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Deferred Taxes	\$82	\$126	\$117	\$207	\$388	\$182	\$103	\$102	\$173	\$42	(\$165)
31	Deferred Taxes - NOL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	Less Deferred State Tax Credits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Less Deferred Federal Tax Credits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34	Deferred Income Tax & ITC	\$82	\$126	\$117	\$207	\$388	\$182	\$103	\$102	\$173	\$42	(\$165)
35	Total Federal and State Income Taxes	(\$468)	(\$466)	(\$271)	(\$562)	(\$914)	(\$654)	(\$252)	(\$230)	(\$531)	(\$324)	(\$148)
36	Payroll & Other Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
37	<b>Total Taxes</b>	<b>(\$387)</b>	<b>(\$340)</b>	<b>(\$154)</b>	<b>(\$355)</b>	<b>(\$526)</b>	<b>(\$472)</b>	<b>(\$149)</b>	<b>(\$128)</b>	<b>(\$358)</b>	<b>(\$282)</b>	<b>(\$313)</b>
38	<b>Total Expenses</b>	<b>\$27</b>	<b>\$462</b>	<b>\$238</b>	<b>\$455</b>	<b>\$835</b>	<b>\$211</b>	<b>\$160</b>	<b>\$200</b>	<b>\$256</b>	<b>\$339</b>	<b>\$554</b>
39	Allowance for Funds Used During Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	<b>Total Operating Income</b>	<b>\$134</b>	<b>(\$159)</b>	<b>(\$61)</b>	<b>(\$110)</b>	<b>(\$213)</b>	<b>\$54</b>	<b>(\$41)</b>	<b>(\$51)</b>	<b>(\$6)</b>	<b>(\$143)</b>	<b>(\$331)</b>

Note: See Volume 3, Pro Forma Adjustments for details.

(\$000's)

PF-36 PF-37 PF-38 PF-39 PF-40 PF-41 PF-42 PF-43 PF-44 PF-45 PF-46 PF-47 PF-48 PF-49

Line No.	NSPM - 10 Bridge Schedule by Adjustment, Total Utility	Known & Measurable 2015										Secondary Calculations		Revenue Credits		Pro Forma	
		Border Winds	Pleasant Valley Wind	Prairie Island Casks (#39-47)	Prairie Island (SF) Relicensing	PI Unit 2 Electric Generator Replacement	PI Unit 2 GSU Transformer Replacement	Sherco Unit 1 Couton Bottom Replacement	Sherco Unit 1 Mercury Control	Wage Adjustment	Property Taxes for 2015	Cash Working Capital	Net Operating Loss	Infrastructure Rider Revenue Credit	TCR Rider Revenue Credit		
<b>Income Statement</b>																	
<b>Operating Revenues</b>																	
1	Retail	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,481	\$558	\$3,287,629
2	Interdepartmental	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$680
3	Other Operating Rev - Non-Retail	\$1,950	\$2,467	\$342	\$156	\$368	\$119	\$286	\$152	\$0	\$2,022	\$0	\$0	\$0	\$0	\$0	\$721,811
4	<b>Total Operating Revenues</b>	<b>\$1,950</b>	<b>\$2,467</b>	<b>\$342</b>	<b>\$156</b>	<b>\$368</b>	<b>\$119</b>	<b>\$286</b>	<b>\$152</b>	<b>\$0</b>	<b>\$2,022</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,481</b>	<b>\$558</b>	<b>\$4,010,120</b>	
<b>Expenses</b>																	
<b>Operating Expenses:</b>																	
5	Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,293,690
6	Deferred Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$261)
7	Variable IA Production Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,676
8	Purchased Energy - Windsourc	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,576
9	Fuel & Purchased Energy Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,319,681
10	Production - Fixed	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$415,324
11	Production - Fixed IA Investment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$47,843
12	Production - Variable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$131,426
13	Production - Purchased Demand	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$165,858
14	Production - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,793
15	Production Total	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$763,243
16	Regional Markets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,856
17	Transmission IA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$68,398
18	Transmission	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$173,295
19	Distribution	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$120,833
20	Customer Accounting	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$55,250
21	Customer Service & Information	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$84,843
22	Sales, Econ Dvlp & Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$99
23	Administrative & General	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$802	\$0	\$0	\$0	\$0	\$0	\$0	\$235,257
24	<b>Total Operating Expenses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$802</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$2,831,755</b>
25	Depreciation	\$2,428	\$3,095	\$409	\$198	\$565	\$145	\$1,041	\$571	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$443,523
26	Amortization	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,951
27	<b>Taxes:</b>																
28	Property Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,407	\$0	\$0	\$0	\$0	\$0	\$203,822
29	ITC Amortization	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,493)
30	Deferred Taxes	\$20,766	\$26,603	\$5,096	\$2,602	\$2,366	\$354	(\$189)	(\$131)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$238,489
31	Deferred Taxes - NOL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$73,860	\$0	\$0	\$0	\$3,528
32	Less Deferred State Tax Credits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$640)
33	Less Deferred Federal Tax Credits	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,659	\$0	\$0	\$0	(\$5,362)
34	Deferred Income Tax & ITC	\$20,766	\$26,603	\$5,096	\$2,602	\$2,366	\$354	(\$189)	(\$131)	\$0	\$0	\$0	\$96,519	\$0	\$0	\$0	\$234,522
35	Total Federal and State Income Taxes	(\$21,225)	(\$27,221)	(\$5,046)	(\$2,636)	(\$2,496)	(\$209)	(\$108)	(\$56)	(\$281)	(\$5,466)	\$342	(\$50,525)	\$2,969	\$195	\$0	(\$118,316)
36	Payroll & Other Taxes	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$33,585
37	<b>Total Taxes</b>	<b>(\$459)</b>	<b>(\$619)</b>	<b>\$50</b>	<b>(\$34)</b>	<b>(\$130)</b>	<b>\$145</b>	<b>(\$297)</b>	<b>(\$187)</b>	<b>(\$281)</b>	<b>\$9,941</b>	<b>\$342</b>	<b>\$45,993</b>	<b>\$2,969</b>	<b>\$195</b>	<b>\$0</b>	<b>\$353,614</b>
38	<b>Total Expenses</b>	<b>\$1,969</b>	<b>\$2,477</b>	<b>\$458</b>	<b>\$164</b>	<b>\$435</b>	<b>\$290</b>	<b>\$744</b>	<b>\$384</b>	<b>\$521</b>	<b>\$9,941</b>	<b>\$342</b>	<b>\$45,993</b>	<b>\$2,969</b>	<b>\$195</b>	<b>\$0</b>	<b>\$3,654,843</b>
39	Allowance for Funds Used During Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
40	<b>Total Operating Income</b>	<b>(\$19)</b>	<b>(\$9)</b>	<b>(\$116)</b>	<b>(\$8)</b>	<b>(\$67)</b>	<b>(\$171)</b>	<b>(\$458)</b>	<b>(\$232)</b>	<b>(\$521)</b>	<b>(\$7,919)</b>	<b>(\$342)</b>	<b>(\$45,993)</b>	<b>\$5,513</b>	<b>\$363</b>	<b>\$0</b>	<b>\$355,277</b>

Note: See Volume 3, Pro Forma Adjustments for details.

Line  No. Description	PF-1	PF-6	PF-8	PF-21	PF-23	PF-24	PF-25	PF-26	PF-27	PF-28	PF-29	PF-30	
	Base	2013 Normalizing			Amortization	Currently in Rider	Known & Measurable 2014						
	Unadjusted	Depreciation Study	Rider Removal - TCR	Tax Withheld Adjustment	Remove Expired Amortization Items	Infrastructure Rider Roll-In for 2015	AS King Boiler Waterwall Tube Replacements	Nuclear Plant Cyber Security	PI License Renewal - Baffle Bolt Inspection	PI License Renewal - Safety Margin	PI Site Administration Building	PI Unit 1 Generation Step-Up Transformer	PI Unit 1 Life Cycle Mgmt Modifications
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	
Electric Plant as Booked													
1 Production	\$8,666,376					\$558,549	\$8,573	\$12,658	\$7,621	\$15,887	\$26,252	\$12,964	\$6,181
2 Transmission	\$2,183,727		(\$4,619)										
3 Distribution	\$3,269,201												
4 General	\$509,475												
5 Common	\$425,991												
6 TOTAL Utility Plant in Service	\$15,054,769	\$0	(\$4,619)	\$0	\$0	\$558,549	\$8,573	\$12,658	\$7,621	\$15,887	\$26,252	\$12,964	\$6,181
Reserve for Depreciation													
7 Production	\$4,858,209	\$6,768				\$80,749	(\$80)	\$433	\$244	\$638	\$727	\$70	\$579
8 Transmission	\$677,196	(\$15,427)	(\$70)										
9 Distribution	\$1,304,383	\$1,384											
10 General	\$168,482	(\$4,876)											
11 Common	\$232,051	\$1,370											
12 TOTAL Reserve for Depreciation	\$7,240,322	(\$10,782)	(\$70)	\$0	\$0	\$80,749	(\$80)	\$433	\$244	\$638	\$727	\$70	\$579
Net Utility Plant in Service													
13 Production	\$3,808,167	(\$6,768)				\$477,800	\$8,654	\$12,225	\$7,377	\$15,250	\$25,525	\$12,894	\$5,602
14 Transmission	\$1,506,531	\$15,427	(\$4,549)										
15 Distribution	\$1,964,818	(\$1,384)											
16 General	\$340,993	\$4,876											
17 Common	\$193,939	(\$1,370)											
18 Net Utility Plant in Service	\$7,814,447	\$10,782	(\$4,549)	\$0	\$0	\$477,800	\$8,654	\$12,225	\$7,377	\$15,250	\$25,525	\$12,894	\$5,602
19 Utility Plant Held for Future Use	\$0												
20 Construction Work in Progress	\$0												
21 Less: Accumulated Deferred Income Taxes	\$1,691,301	\$4,271	(\$239)	\$0	\$0	\$67,801	\$339	\$997	\$436	\$1,586	\$928	\$1,069	\$1,054
22 Cash Working Capital	(\$87,243)												
Other Rate Base Items:													
23 Non-Plant Assets & Liabilities	\$26,226												
24 Materials and Supplies	\$138,074												
25 Fuel Inventory	\$86,478												
26 Prepayments	\$121,752			(\$428)									
27 Regulatory Amortizations	\$5,086				(\$294)								
28 Interest on Customer Deposits	(\$2,920)												
29 Customer Advances	(\$5,616)												
30 Total Other Rate Base Items	\$369,082	\$0	\$0	(\$428)	(\$294)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31 Total Average Rate Base	\$6,404,986	\$6,510	(\$4,310)	(\$428)	(\$294)	\$409,999	\$8,315	\$11,228	\$6,941	\$13,664	\$24,597	\$11,825	\$4,548

Note: See Volume 3, Pro Forma Adjustments for details. There is a tab per column heading for each adjustment

Line  No. Description	PF-31	PF-32	PF-33	PF-34	PF-36	PF-37	PF-38	PF-39	PF-40	PF-41	PF-42	PF-43	PF-46	PF-47	Pro Forma	
	Known & Measurable 2014 Continued				Known & Measurable 2015								Secondary Calculations			
	PI Unit 1 Reactor Coolant Pump Seal Re-Design	PI Unit 1 Spent Fuel Heat Exch System	Prarie Island License Renewal	Sherco Unit 2 Mercury Control	Border Winds	Pleasant Valley Wind	Prairie Island Casks (#39-47)	Prairie Island ISFSI Relicensing	PI Unit 2 Electric Generator Replacement	PI Unit 2 GSU Transformer Replacement	Sherco Unit 1 Couton Bottom Replacement	Sherco Unit 1 Mercury Control	Cash Working Capital	Net Operating Loss		
	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)		
Electric Plant as Booked																
1 Production	\$6,413	\$11,845	\$8,309	\$6,622	\$61,503	\$78,989	\$7,667	\$3,717	\$11,638	\$2,995	\$7,371	\$4,082			\$9,526,214	
2 Transmission					\$1,321	\$193									\$2,180,623	
3 Distribution															\$3,269,201	
4 General			\$3,881												\$513,356	
5 Common															\$425,991	
6 TOTAL Utility Plant in Service	\$6,413	\$11,845	\$12,190	\$6,622	\$62,824	\$79,182	\$7,667	\$3,717	\$11,638	\$2,995	\$7,371	\$4,082		\$0	\$15,915,384	
Reserve for Depreciation																
7 Production	\$231	\$277	\$4,377	\$467	\$333	\$428	\$118	\$57	(\$1,037)	(\$103)	\$223	\$187			\$4,953,896	
8 Transmission					\$3	\$0									\$661,702	
9 Distribution															\$1,305,767	
10 General			\$401												\$164,007	
11 Common															\$233,421	
12 TOTAL Reserve for Depreciation	\$231	\$277	\$4,778	\$467	\$336	\$428	\$118	\$57	(\$1,037)	(\$103)	\$223	\$187		\$0	\$7,318,794	
Net Utility Plant in Service																
13 Production	\$6,182	\$11,568	\$3,932	\$6,155	\$61,169	\$78,561	\$7,548	\$3,660	\$12,676	\$3,098	\$7,148	\$3,894			\$4,572,317	
14 Transmission					\$1,318	\$193				\$0					\$1,518,921	
15 Distribution										\$0					\$1,963,434	
16 General			\$3,481												\$349,349	
17 Common															\$192,570	
18 Net Utility Plant in Service	\$6,182	\$11,568	\$7,413	\$6,155	\$62,488	\$78,754	\$7,548	\$3,660	\$12,676	\$3,098	\$7,148	\$3,894		\$0	\$8,596,591	
19 Utility Plant Held for Future Use															\$0	
20 Construction Work in Progress															\$0	
21 Less: Accumulated Deferred Income Taxes	\$308	\$982	\$1,054	\$283	\$10,301	\$13,197	\$2,225	\$1,245	\$908	\$118	(\$99)	(\$108)		\$48,259	\$1,848,217	
22 Cash Working Capital													(\$36,053)		(\$123,296)	
Other Rate Base Items:																
23 Non-Plant Assets & Liabilities																\$26,226
24 Materials and Supplies																\$138,074
25 Fuel Inventory																\$86,478
26 Prepayments																\$121,324
27 Regulatory Amortizations																\$4,792
28 Interest on Customer Deposits																(\$2,920)
29 Customer Advances																(\$5,616)
30 Total Other Rate Base Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$368,360	
31 Total Average Rate Base	\$5,874	\$10,586	\$6,359	\$5,872	\$52,187	\$65,557	\$5,323	\$2,415	\$11,767	\$2,980	\$7,247	\$4,002	(\$36,053)	(\$48,259)	\$6,993,438	

Note: See Volume 3, Pro Forma Adjustments for details.

Northern States Power Company  
Electric Utility - Total Company and State of South Dakota  
Actual Year Ended December 31, 2013  
Summary of Unadjusted Operating Revenues and Expenses  
(\$000's)

Docket No. EL14\_\_\_\_  
Statement M  
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	<u>Description</u>	<u>Total Company</u>	<u>State of South Dakota</u>
Operating Revenues			
1	Retail	3,375,328	196,310
2	CIP Adjustment to Program Costs	-	-
3	Interdepartmental	680	-
4	Other Operating	696,143	44,765
5	Gross Earnings Tax	-	-
6	Total Operating Revenues	<u>4,072,151</u>	<u>241,075</u>
Expenses			
Operating Expenses:			
7	Fuel & Purchased Energy	1,327,705	77,495
8	Power Production	774,099	47,716
9	Transmission	244,340	14,924
10	Distribution	121,107	8,068
11	Customer Accounting	55,250	3,789
12	Customer Service & Information	84,610	994
13	Sales, Econ Dvlp & Other	18	1
14	Administrative & General	251,401	15,618
15	Total Operating Expenses	<u>2,858,531</u>	<u>168,605</u>
16	Depreciation	401,171	24,492
17	Amortization	25,537	327
Taxes:			
18	Property	153,141	8,166
19	Gross Earnings	-	-
20	Deferred Income Tax & ITC	193,643	12,944
21	State & Federal Income	(39,168)	(2,479)
22	Payroll & Other	33,609	2,051
23	Total Taxes	<u>341,225</u>	<u>20,681</u>
24	Total Expenses	3,626,464	214,106
25	AFUDC	-	-
26	Total Operating Income	<u>445,687</u>	<u>26,970</u>

Northern States Power Company  
Electric Utility - Total Company and State of South Dakota  
Actual Year Ended December 31, 2013  
Summary of Unadjusted Rate Base  
(\$000's)

Docket No. EL14-\_\_\_\_\_  
Statement M  
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	<u>Description</u>	<u>Total Company</u>	<u>State of South Dakota</u>
	Electric Plant as Booked		
1	Production	\$8,666,376	\$527,549
2	Transmission	\$2,183,727	\$132,905
3	Distribution	\$3,269,201	\$212,556
4	General	\$509,475	\$31,101
5	Common	\$425,991	\$25,996
6	TOTAL Utility Plant in Service	<u>\$15,054,769</u>	<u>\$930,106</u>
	<u>Reserve for Depreciation</u>		
7	Production	\$4,858,209	\$296,502
8	Transmission	\$677,196	\$41,265
9	Distribution	\$1,304,383	\$79,885
10	General	\$168,482	\$10,285
11	Common	\$232,051	\$14,159
12	TOTAL Reserve for Depreciation	<u>\$7,240,322</u>	<u>\$442,095</u>
	Net Utility Plant in Service		
13	Production	\$3,808,167	\$231,047
14	Transmission	\$1,506,531	\$91,640
15	Distribution	\$1,964,818	\$132,671
16	General	\$340,993	\$20,817
17	Common	\$193,939	\$11,837
18	Net Utility Plant in Service	<u>\$7,814,447</u>	<u>\$488,011</u>
19	Utility Plant Held for Future Use	\$0	\$0
20	Construction Work in Progress	\$0	\$0
21	Less: Accumulated Deferred Income Taxes	\$1,691,301	\$106,535
22	Cash Working Capital	(\$87,243)	(\$4,381)
	Other Rate Base Items:		
23	Non-Plant Assets & Liabilities	\$26,226	\$1,458
24	Materials and Supplies	\$138,074	\$8,432
25	Fuel Inventory	\$86,478	\$5,069
26	Prepayments	\$121,752	\$7,249
27	Interest on Customer Deposits	(\$2,920)	(\$178)
28	Customer Advances	(\$5,616)	(\$1,487)
29	Regulatory Amortizations	\$5,086	\$5,086
30	Total Other Rate Base Items	<u>\$369,082</u>	<u>\$25,628</u>
31	Total Average Rate Base	<u>\$6,404,986</u>	<u>\$402,724</u>