

Northern States Power Company  
 Electric Utility - State of South Dakota  
 INCOME STATEMENT ADJUSTMENT SCHEDULE  
 Alternative Proposal  
 Amounts in \$000s

(0) (1) (2) (3) (4) (5) (6) (7)

Line No.	NSPM - 10 Bridge Schedule by Adjustment	2013 Normalizing							
		Base Unadjusted	Depreciation Study	Economic Development Labor	Production Tax Credit to FCA	Remove Demand Side Incentive	Rider Removal - Infrastructure	Rider Removal - TCR	Storm Damage
1	<b>Operating Revenues</b>								
2	Retail	196,310	-	-	-	-	(3,727)	(2,935)	-
3	Interdepartmental	-	-	-	-	-	-	-	-
4	<u>Other Operating Rev - Non-Retail</u>	<u>44,765</u>	<u>(53)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,207)</u>	<u>-</u>
5	<b>Total Operating Revenues</b>	<b>241,075</b>	<b>(53)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,727)</b>	<b>(4,142)</b>	<b>-</b>
6									
7	<b>Expenses</b>								
8	Operating Expenses:								
9	Fuel & Purchased Energy	77,495	-	-	-	-	-	-	-
10	Production	47,053	-	-	-	-	-	-	-
11	Regional Markets	663	-	-	-	-	-	-	-
12	Transmission IA	4,178	-	-	-	-	-	-	-
13	Transmission	10,747	-	-	-	-	-	(2,628)	-
14	Distribution	8,068	-	-	-	-	-	-	(210)
15	Customer Accounting	3,789	-	-	-	-	-	-	-
16	Customer Service & Information	994	-	-	-	233	-	-	-
17	Sales, Econ Dvlp & Other	1	-	-	-	-	-	-	-
18	<u>Administrative &amp; General</u>	<u>15,618</u>	<u>-</u>	<u>(41)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
19	<b>Total Operating Expenses</b>	<b>168,605</b>	<b>-</b>	<b>(41)</b>	<b>-</b>	<b>233</b>	<b>-</b>	<b>(2,628)</b>	<b>(210)</b>
20									
21	Depreciation	24,492	424	-	-	-	-	(63)	-
22	Amortization	327	-	-	-	-	558	(392)	-
23									
24	<b>Taxes:</b>								
25	Property Taxes	8,166	-	-	-	-	-	(46)	-
26	Deferred Income Tax & ITC	12,944	(174)	-	-	-	-	(152)	-
27	Payroll & Other Taxes	2,051	-	-	-	-	-	-	-
28	<u>Total Federal Income Taxes</u>	<u>(2,479)</u>	<u>(16)</u>	<u>14</u>	<u>1,328</u>	<u>(81)</u>	<u>(1,500)</u>	<u>(191)</u>	<u>73</u>
29	<b>Net Income</b>	<b>26,970</b>	<b>(288)</b>	<b>27</b>	<b>(1,328)</b>	<b>(151)</b>	<b>(2,786)</b>	<b>(670)</b>	<b>136</b>
30	Required Rate of Return	7.84%	7.84%	7.84%	7.84%	7.84%	7.84%	7.84%	7.84%
31	<u>Required Operating Income (Rate Base * Return)</u>	<u>31,574</u>	<u>(30)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(338)</u>	<u>-</u>
32	Operating Deficiency (Req Oper Income - Net Oper Income)	4,604	258	(27)	1,328	151	2,786	333	(136)
33	Revenue Conversion Factor (1/(1-Tax Rate))	1.538462	1.538462	1.538462	1.538462	1.538462	1.538462	1.538462	1.538462
34	<b>Revenue Deficiency</b>	<b>7,083</b>	<b>398</b>	<b>(41)</b>	<b>2,043</b>	<b>233</b>	<b>4,286</b>	<b>512</b>	<b>(210)</b>
35	Total Revenue Requirements (Deficiency + Retail Revenues)	203,393	398	(41)	2,043	233	558	(2,423)	(210)
36									
37	Required Rate of Return, Last Authorized	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%
38	Revenue Deficiency at Last Authorized	5,518	399	(41)	2,043	233	4,286	528	(210)
39	Difference in Deficiency from Last Authorized	1,564	(1)	-	-	-	-	(17)	-

Northern States Power Company  
 Electric Utility - State of South Dakota  
 INCOME STATEMENT ADJUSTMENT SCHEDULE  
 Alternative Proposal  
 Amounts in \$000s

(8) (9) (10) (11) (12) (13) (14) (15)

Line No.	NSPM - 10 Bridge Schedule by Adjustment	2013 Normalizing (cont'd)			2013 Regulatory				
		Tax Withheld Adjustment	Vegetation Management	Weather Normalization and Fuel Lag	Advertising	Association Dues	Aviation Expense	Chamber of Commerce Dues	Customer Deposits
1	<b>Operating Revenues</b>								
2	Retail	-	-	(2,837)	-	-	-	-	-
3	Interdepartmental	-	-	-	-	-	-	-	-
4	<u>Other Operating Rev - Non-Retail</u>	-	-	-	-	-	-	-	-
5	<b>Total Operating Revenues</b>	-	-	<b>(2,837)</b>	-	-	-	-	-
6									
7	<b>Expenses</b>								
8	Operating Expenses:								
9	Fuel & Purchased Energy	-	-	(783)	-	-	-	-	-
10	Production	-	-	-	-	-	-	-	-
11	Regional Markets	-	-	-	-	-	-	-	-
12	Transmission IA	-	-	-	-	-	-	-	-
13	Transmission	-	(19)	-	-	-	-	-	-
14	Distribution	-	(64)	-	-	-	-	-	-
15	Customer Accounting	-	-	-	-	-	-	-	-
16	Customer Service & Information	-	-	-	(0)	-	-	-	-
17	Sales, Econ Dvlp & Other	-	-	-	-	-	-	-	-
18	<u>Administrative &amp; General</u>	-	-	-	(185)	(4)	(63)	4	1
19	<b>Total Operating Expenses</b>	-	<b>(83)</b>	<b>(783)</b>	<b>(185)</b>	<b>(4)</b>	<b>(63)</b>	<b>4</b>	<b>1</b>
20									
21	Depreciation	-	-	-	-	-	-	-	-
22	Amortization	-	-	-	-	-	-	-	-
23									
24	<b>Taxes:</b>								
25	Property Taxes	-	-	-	-	-	-	-	-
26	Deferred Income Tax & ITC	-	-	-	-	-	-	-	-
27	Payroll & Other Taxes	-	-	-	-	-	(1)	-	-
28	<u>Total Federal Income Taxes</u>	3	29	(719)	65	1	22	(1)	(1)
29	<b>Net Income</b>	<b>(3)</b>	<b>54</b>	<b>(1,335)</b>	<b>120</b>	<b>2</b>	<b>41</b>	<b>(2)</b>	<b>(1)</b>
30	Required Rate of Return	7.84%	7.84%	7.84%	7.84%	7.84%	7.84%	7.84%	7.84%
31	<u>Required Operating Income (Rate Base * Return)</u>	(34)	-	-	-	-	-	-	-
32	Operating Deficiency (Req Oper Income - Net Oper Income)	(30)	(54)	1,335	(120)	(2)	(41)	2	1
33	Revenue Conversion Factor (1/(1-Tax Rate))	1.538462	1.538462	1.538462	1.538462	1.538462	1.538462	1.538462	1.538462
34	<b>Revenue Deficiency</b>	<b>(46)</b>	<b>(83)</b>	<b>2,054</b>	<b>(185)</b>	<b>(4)</b>	<b>(64)</b>	<b>4</b>	<b>1</b>
35	Total Revenue Requirements (Deficiency + Retail Revenues)	(46)	(83)	(783)	(185)	(4)	(64)	4	1
36									
37	Required Rate of Return, Last Authorized	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%
38	Revenue Deficiency at Last Authorized	(45)	(83)	2,054	(185)	(4)	(64)	4	1
39	Difference in Deficiency from Last Authorized	(2)	-	-	-	-	-	-	-

Northern States Power Company  
 Electric Utility - State of South Dakota  
 INCOME STATEMENT ADJUSTMENT SCHEDULE  
 Alternative Proposal  
 Amounts in \$000s

(16) (17) (18) (19) (20) (21) (22) (23)

Line No.	NSPM - 10 Bridge Schedule by Adjustment	2013 Regulatory (cont'd)					Amortization		Currently in Rider
		Economic Development Donations	Employee Expense	Foundation Administration	Incentive Pay	Remove Non-Asset Trading	Remove Expired Amortization Items	Current Rate Case Expense Amortization	Infrastructure Rider Roll-In for 2015
1	<b>Operating Revenues</b>								
2	Retail	-	-	-	-	-	-	-	-
3	Interdepartmental	-	-	-	-	-	-	-	-
4	<u>Other Operating Rev - Non-Retail</u>	-	-	-	-	(590)	-	-	453
5	<b>Total Operating Revenues</b>	-	-	-	-	(590)	-	-	453
6									
7	<b>Expenses</b>								
8	Operating Expenses:								
9	Fuel & Purchased Energy	-	-	-	-	(424)	-	-	-
10	Production	-	-	-	-	-	-	-	-
11	Regional Markets	-	-	-	-	-	-	-	-
12	Transmission IA	-	-	-	-	-	-	-	-
13	Transmission	-	-	-	-	-	-	-	-
14	Distribution	-	-	-	-	-	-	-	-
15	Customer Accounting	-	-	-	-	-	-	-	-
16	Customer Service & Information	-	-	-	-	-	-	-	-
17	Sales, Econ Dvlp & Other	50	-	-	-	-	-	-	-
18	<u>Administrative &amp; General</u>	-	(7)	(23)	(755)	-	-	-	-
19	<b>Total Operating Expenses</b>	50	(7)	(23)	(755)	(424)	-	-	-
20									
21	Depreciation	-	-	-	-	-	-	-	2,077
22	Amortization	-	-	-	-	-	(304)	551	-
23									
24	<b>Taxes:</b>								
25	Property Taxes	-	-	-	-	-	-	-	-
26	Deferred Income Tax & ITC	-	-	-	-	-	-	-	(7,157)
27	Payroll & Other Taxes	-	-	(1)	-	-	-	-	-
28	<u>Total Federal Income Taxes</u>	(18)	3	8	264	(58)	109	(193)	5,221
29	<b>Net Income</b>	(33)	5	16	491	(107)	195	(358)	312
30	Required Rate of Return	7.84%	7.84%	7.84%	7.84%	7.84%	7.84%	7.84%	7.84%
31	<u>Required Operating Income (Rate Base * Return)</u>	-	-	-	-	-	(23)	-	1,963
32	Operating Deficiency (Req Oper Income - Net Oper Income)	33	(5)	(16)	(491)	107	(218)	358	1,652
33	Revenue Conversion Factor (1/(1-Tax Rate))	1.538462	1.538462	1.538462	1.538462	1.538462	1.538462	1.538462	1.538462
34	<b>Revenue Deficiency</b>	50	(7)	(24)	(755)	165	(335)	551	2,541
35	Total Revenue Requirements (Deficiency + Retail Revenues)	50	(7)	(24)	(755)	165	(335)	551	2,541
36									
37	Required Rate of Return, Last Authorized	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%
38	Revenue Deficiency at Last Authorized	50	(7)	(24)	(755)	165	(334)	551	2,459
39	Difference in Deficiency from Last Authorized	-	-	-	-	-	(1)	-	83

(24) (25) (26) (27) (28) (29) (30) (31)

Line No.	NSPM - 10 Bridge Schedule by Adjustment	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
1	<b>Operating Revenues</b>								
2	Retail	-	-	-	-	-	-	-	-
3	Interdepartmental	-	-	-	-	-	-	-	-
4	<u>Other Operating Rev - Non-Retail</u>	<u>10</u>	<u>19</u>	<u>11</u>	<u>21</u>	<u>38</u>	<u>16</u>	<u>7</u>	<u>9</u>
5	<b>Total Operating Revenues</b>	<b>10</b>	<b>19</b>	<b>11</b>	<b>21</b>	<b>38</b>	<b>16</b>	<b>7</b>	<b>9</b>
6									
7	<b>Expenses</b>								
8	Operating Expenses:								
9	Fuel & Purchased Energy	-	-	-	-	-	-	-	-
10	Production	-	-	-	-	-	-	-	-
11	Regional Markets	-	-	-	-	-	-	-	-
12	Transmission IA	-	-	-	-	-	-	-	-
13	Transmission	-	-	-	-	-	-	-	-
14	Distribution	-	-	-	-	-	-	-	-
15	Customer Accounting	-	-	-	-	-	-	-	-
16	Customer Service & Information	-	-	-	-	-	-	-	-
17	Sales, Econ Dvlp & Other	-	-	-	-	-	-	-	-
18	<u>Administrative &amp; General</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
19	<b>Total Operating Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
20									
21	Depreciation	25	49	24	49	83	42	19	20
22	Amortization	-	-	-	-	-	-	-	-
23									
24	<b>Taxes:</b>								
25	Property Taxes	-	-	-	-	-	-	-	-
26	Deferred Income Tax & ITC	5	8	7	13	24	11	6	6
27	Payroll & Other Taxes	-	-	-	-	-	-	-	-
28	<u>Total Federal Income Taxes</u>	<u>(25)</u>	<u>(24)</u>	<u>(14)</u>	<u>(29)</u>	<u>(48)</u>	<u>(34)</u>	<u>(13)</u>	<u>(12)</u>
29	<b>Net Income</b>	<b>4</b>	<b>(14)</b>	<b>(6)</b>	<b>(12)</b>	<b>(21)</b>	<b>(2)</b>	<b>(5)</b>	<b>(5)</b>
30	Required Rate of Return	7.84%	7.84%	7.84%	7.84%	7.84%	7.84%	7.84%	7.84%
31	<u>Required Operating Income (Rate Base * Return)</u>	<u>40</u>	<u>54</u>	<u>33</u>	<u>65</u>	<u>118</u>	<u>57</u>	<u>22</u>	<u>28</u>
32	Operating Deficiency (Req Oper Income - Net Oper Income)	36	68	39	77	139	59	26	33
33	Revenue Conversion Factor (1/(1-Tax Rate))	1.538462	1.538462	1.538462	1.538462	1.538462	1.538462	1.538462	1.538462
34	<b>Revenue Deficiency</b>	<b>55</b>	<b>104</b>	<b>61</b>	<b>118</b>	<b>213</b>	<b>91</b>	<b>41</b>	<b>51</b>
35	Total Revenue Requirements (Deficiency + Retail Revenues)	55	104	61	118	213	91	41	51
36									
37	Required Rate of Return, Last Authorized	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%
38	Revenue Deficiency at Last Authorized	53	102	59	116	208	88	40	50
39	Difference in Deficiency from Last Authorized	2	2	1	3	5	2	1	1

Northern States Power Company  
 Electric Utility - State of South Dakota  
 INCOME STATEMENT ADJUSTMENT SCHEDULE  
 Alternative Proposal  
 Amounts in \$000s

Line No.	NSPM - 10 Bridge Schedule by Adjustment	(32)	(33)	(34)	(35)	(36)	(37)	(38)	SUBTOTAL
		Known & Measurable 2014 (cont'd)				Known & Meas 2015	Secondary Calculations		
		PI Unit 1 Spent Fuel Heat Exch System	Prarie Island License Renewal	Sherco Unit 2 Mercury Control	Property Taxes for 2014	Wage Adjustment	Cash Working Capital	Net Operating Loss	
1	<b>Operating Revenues</b>								
2	Retail	-	-	-	-	-	-	-	186,811
3	Interdepartmental	-	-	-	-	-	-	-	-
4	<u>Other Operating Rev - Non-Retail</u>	<u>15</u>	<u>12</u>	<u>14</u>	<u>286</u>	-	-	-	<u>43,826</u>
5	<b>Total Operating Revenues</b>	<b>15</b>	<b>12</b>	<b>14</b>	<b>286</b>	-	-	-	<b>230,636</b>
6									
7	<b>Expenses</b>								
8	Operating Expenses:								
9	Fuel & Purchased Energy	-	-	-	-	-	-	-	76,288
10	Production	-	-	-	-	-	-	-	47,053
11	Regional Markets	-	-	-	-	-	-	-	663
12	Transmission IA	-	-	-	-	-	-	-	4,178
13	Transmission	-	-	-	-	-	-	-	8,099
14	Distribution	-	-	-	-	-	-	-	7,794
15	Customer Accounting	-	-	-	-	-	-	-	3,789
16	Customer Service & Information	-	-	-	-	-	-	-	1,226
17	Sales, Econ Dvlp & Other	-	-	-	-	-	-	-	51
18	<u>Administrative &amp; General</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>802</u>	-	-	<u>15,347</u>
19	<b>Total Operating Expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>802</b>	-	-	<b>164,487</b>
20									
21	Depreciation	38	38	53	-	-	-	-	27,371
22	Amortization	-	-	-	-	-	-	-	741
23									
24	<b>Taxes:</b>								
25	Property Taxes	-	-	-	1,802	-	-	-	9,922
26	Deferred Income Tax & ITC	11	3	(10)	-	-	-	9,197	14,741
27	Payroll & Other Taxes	-	-	-	-	-	-	-	2,049
28	<u>Total Federal Income Taxes</u>	<u>(28)</u>	<u>(17)</u>	<u>(8)</u>	<u>(531)</u>	<u>(281)</u>	<u>8</u>	<u>(8,030)</u>	<u>(7,201)</u>
29	<b>Net Income</b>	<b>(5)</b>	<b>(12)</b>	<b>(22)</b>	<b>(985)</b>	<b>(521)</b>	<b>(8)</b>	<b>(1,167)</b>	<b>18,525</b>
30	Required Rate of Return	7.84%	7.84%	7.84%	7.84%	7.84%	7.84%	7.84%	7.84%
31	<u>Required Operating Income (Rate Base * Return)</u>	<u>51</u>	<u>30</u>	<u>28</u>	<u>-</u>	<u>-</u>	<u>(74)</u>	<u>(361)</u>	<u>33,204</u>
32	Operating Deficiency (Req Oper Income - Net Oper Income)	56	42	50	985	521	(66)	806	14,678
33	Revenue Conversion Factor (1/(1-Tax Rate))	1.538462	1.538462	1.538462	1.538462	1.538462	1.538462	1.538462	1.538462
34	<b>Revenue Deficiency</b>	<b>86</b>	<b>65</b>	<b>76</b>	<b>1,516</b>	<b>802</b>	<b>(102)</b>	<b>1,241</b>	<b>22,582</b>
35	Total Revenue Requirements (Deficiency + Retail Revenues)	86	65	76	1,516	802	(102)	1,241	209,393
36									
37	Required Rate of Return, Last Authorized	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%	7.78%
38	Revenue Deficiency at Last Authorized	84	63	75	1,516	802	(101)	1,258	20,953
39	Difference in Deficiency from Last Authorized	2	1	1	-	-	(4)	(18)	1,627

Northern States Power Company  
 Electric Utility - State of South Dakota  
 INCOME STATEMENT ADJUSTMENT SCHEDULE  
 Alternative Proposal  
 Amounts in \$000s

(39) (40)

Line No.	NSPM - 10 Bridge Schedule by Adjustment	Revenue Credits		TOTAL
		Infrastructure Rider Revenue Credit	TCR Rider Revenue Credit	
1	<b>Operating Revenues</b>			
2	Retail	8,481	558	195,850
3	Interdepartmental	-	-	-
4	<u>Other Operating Rev - Non-Retail</u>	-	-	43,826
5	<b>Total Operating Revenues</b>	<b>8,481</b>	<b>558</b>	<b>239,676</b>
6				
7	<b>Expenses</b>			
8	Operating Expenses:			
9	Fuel & Purchased Energy	-	-	76,288
10	Production	-	-	47,053
11	Regional Markets	-	-	663
12	Transmission IA	-	-	4,178
13	Transmission	-	-	8,099
14	Distribution	-	-	7,794
15	Customer Accounting	-	-	3,789
16	Customer Service & Information	-	-	1,226
17	Sales, Econ Dvlp & Other	-	-	51
18	<u>Administrative &amp; General</u>	-	-	15,347
19	<b>Total Operating Expenses</b>	<b>-</b>	<b>-</b>	<b>164,487</b>
20				
21	Depreciation	-	-	27,371
22	Amortization	-	-	741
23				
24	<b>Taxes:</b>			
25	Property Taxes	-	-	9,922
26	Deferred Income Tax & ITC	-	-	14,741
27	Payroll & Other Taxes	-	-	2,049
28	<u>Total Federal Income Taxes</u>	<u>2,969</u>	<u>195</u>	<u>(4,037)</u>
29	<b>Net Income</b>	<b>5,513</b>	<b>363</b>	<b>24,401</b>
30	Required Rate of Return	7.84%	7.84%	7.84%
31	<u>Required Operating Income (Rate Base * Return)</u>	<u>-</u>	<u>-</u>	<u>33,204</u>
32	Operating Deficiency (Req Oper Income - Net Oper Income)	(5,513)	(363)	8,803
33	Revenue Conversion Factor (1/(1-Tax Rate))	1.538462	1.538462	1.538462
34	<b>Revenue Deficiency</b>	<b>(8,481)</b>	<b>(558)</b>	<b>13,542</b>
35	Total Revenue Requirements (Deficiency + Retail Revenues)	-	-	209,393
36				
37	Required Rate of Return, Last Authorized	7.78%	7.78%	7.78%
38	Revenue Deficiency at Last Authorized	(8,481)	(558)	11,913
39	Difference in Deficiency from Last Authorized	-	-	1,627