

Authorized Cap Structure per EL14-058

Capital Structure	Rate	Ratio	Weighted Cost
Long Term Debt	[TRADE SECRET BEGINS]		
Short Term Debt			
Preferred Stock			
Common Equity			
Required Rate of Return			7.2200%
Tax Rate (SD)	35.0000%		
Tax Gross-up			2.6900%
Cost of Capital Including Taxes (annual)			9.9100%
Cost of Capital Including Taxes (monthly)			0.7905%

Actual 2013 WN		Actual 2013 WN	
Demand Prod SD Jur %	6.1080%	Energy Prod SD Jur %	5.8614%
Demand MN Co %	84.8812%	Demand MN Co %	84.8812%
South Dakota Post I/A	5.1845%	South Dakota Post I/A	4.9752%
Actual 2014	Based on 2014 Actual Master Allocator File	Actual 2014	
Demand Prod SD Jur %	6.1588%	Energy Prod SD Jur %	5.9259%
Demand MN Co %	84.7923%	Demand MN Co %	84.7923%
South Dakota Post I/A	5.2222%	South Dakota Post I/A	5.0247%
Actual 2015	Based on 2015 Act Allocator Master List	Actual 2015	
Demand Prod SD Jur %	6.3495%	Energy Prod SD Jur %	6.0245%
Demand MN Co %	84.5789%	Demand MN Co %	84.5789%
South Dakota Post I/A	5.3703%	South Dakota Post I/A	5.0955%
FY 2016	Based on 2016 Bud Allocator from SD TCR	FY 2016	
Demand Prod SD Jur %	6.3487%	Energy Prod SD Jur %	6.0483%
Demand MN Co %	84.2731%	Demand MN Co %	84.2731%
South Dakota Post I/A	5.3502%	South Dakota Post I/A	5.0971%
FY 2017	Based on 2017 Bud Allocator from SD TCR	FY 2017	
Demand Prod SD Jur %	6.3910%	Energy Prod SD Jur %	6.0874%
Demand MN Co %	84.2731%	Demand MN Co %	84.2731%
South Dakota Post I/A	5.3859%	South Dakota Post I/A	5.1300%
FY 2018	Based on 2018 Bud Allocator from SD TCR	FY 2018	
Demand Prod SD Jur %	6.4411%	Energy Prod SD Jur %	6.1335%
Demand MN Co %	84.2731%	Demand MN Co %	84.2731%
South Dakota Post I/A	5.4281%	South Dakota Post I/A	5.1689%

2015 Allocation Factors					
Utility		ELECTRIC	GAS		
3 Factor		92.2367%	7.7633%	100.0000%	Updated with Actuals
Software Common		84.7800%	15.2200%	100.0000%	Updated with Actuals
Function		Production	Elec Trans	ElecDist	
2 Factor		59.5300%	12.1900%	28.2800%	100.0000% Updated with Actuals
3 Factor		55.4900%	19.7200%	24.7900%	100.0000% Updated with Actuals
Software Common		38.1183%	7.3282%	54.5535%	100.0000% Updated with Actuals
Software Electric		24.5583%	66.9883%	8.4534%	100.0000% Updated with Actuals
EMS Electric		3.1413%	61.9044%	34.9543%	100.0000% Updated with Actuals
Jurisdiction SD		6.3495%	6.3495%	6.2124%	Updated with Actuals
		6.3495%	6.3495%	6.2124%	Updated with Actuals
		6.3495%	6.3495%	6.2124%	Updated with Actuals
		6.3495%	6.3495%	6.2124%	Updated with Actuals
Common Composite		5.8208%			
Common Software Composite		5.3197%			
Electric EMS		6.3016%			
Software Composite		6.3379%			

2016 Allocation Factors					
Utility		ELECTRIC	GAS		
3 Factor		92.2367%	7.7633%	100.0000%	
Software	Common	85.6500%	14.3500%	100.0000%	
Function		Production	Elec Trans	ElecDist	
2 Factor		59.5300%	12.1900%	28.2800%	100.0000%
3 Factor		55.4900%	19.7200%	24.7900%	100.0000%
Software	Common	40.5913%	7.8078%	51.6009%	100.0000%
Software	Electric	36.5882%	54.0551%	9.3567%	100.0000%
EMS	Electric	3.1606%	61.5889%	35.2506%	100.0000%
Jurisdiction	SD	6.3487%	6.3487%	6.2199%	
		6.3487%	6.3487%	6.2199%	
		6.3487%	6.3487%	6.2199%	
		6.3487%	6.3487%	6.2199%	
Common Composite		5.8222%			
Common Software Composite		5.3807%			
Electric EMS		6.3033%			
Software Composite		6.3366%			

2017 Allocation Factors					
Utility		ELECTRIC	GAS		
3 Factor		92.2367%	7.7633%	100.0000%	
Software	Common	85.6500%	14.3500%	100.0000%	
Function		Production	Elec Trans	ElecDist	
2 Factor		59.5300%	12.1900%	28.2800%	100.0000%
3 Factor		55.4900%	19.7200%	24.7900%	100.0000%
Software	Common	40.5913%	7.8078%	51.6009%	100.0000%
Software	Electric	36.5882%	54.0551%	9.3567%	100.0000%
EMS	Electric	3.1606%	61.5889%	35.2506%	100.0000%
Jurisdiction	SD	6.3910%	6.3910%	6.2457%	
		6.3910%	6.3910%	6.2457%	
		6.3910%	6.3910%	6.2457%	
		6.3910%	6.3910%	6.2457%	
Common Composite		5.8569%			
Common Software Composite		5.4097%			
Electric EMS		6.3398%			
Software Composite		6.3774%			

2018 Allocation Factors					
Utility		ELECTRIC	GAS		
3 Factor		92.2367%	7.7633%	100.0000%	
Software	Common	85.6500%	14.3500%	100.0000%	
Function		Production	Elec Trans	ElecDist	
2 Factor		59.5300%	12.1900%	28.2800%	100.0000%
3 Factor		55.4900%	19.7200%	24.7900%	100.0000%
Software	Common	40.5913%	7.8078%	51.6009%	100.0000%
Software	Electric	36.5882%	54.0551%	9.3567%	100.0000%
EMS	Electric	3.1606%	61.5889%	35.2506%	100.0000%
Jurisdiction	SD	6.4411%	6.4411%	6.2794%	
		6.4411%	6.4411%	6.2794%	
		6.4411%	6.4411%	6.2794%	
		6.4411%	6.4411%	6.2794%	
Common Composite		5.8989%			
Common Software Composite		5.4453%			
Electric EMS		6.3841%			
Software Composite		6.4260%			