

Transmission Cost Recovery
Base Assumptions
 State of South Dakota

Base Assumptions

Capital Structure:

Long-term Debt
 Short-term Debt
 Preferred Stock
 Common Equity

Docket No. EL92-016		
<u>Percent</u>	<u>Cost</u>	<u>Weighted Cost</u>
40.92%	8.28%	3.39%
0.00%	0.00%	0.00%
9.19%	5.85%	0.54%
49.89%	11.25%	5.61%
100.00%		9.54%

Tax Depreciation Schedule (20 yr Life)

SD State Tax Rate =

Property Tax Rate = State of MN Electric

Depreciation Factor - Lines

Depreciation Factor - Subs

State of South Dakota Retail MWH Sales

2007 Forecast

Average Monthly Retail Customer Usage

OATT Revenue Credit for Non-Retail Transmission
 Recovery (2006 Budget Rate)

2006 Pay Rate

35.0000%
1.653%
2.9035%
2.6161%

1,597,517 MWHs

750 kWhs

21.46%

Composite Tax Rate= 40.6539%