

ANNUAL REPORT
OF
JURISDICTIONAL EARNINGS
BY
NORTHERN STATES POWER COMPANY,
doing business as Xcel Energy
TO THE
SOUTH DAKOTA PUBLIC UTILITIES COMMISSION
FOR THE YEAR ENDING
DECEMBER 31, 2024

South Dakota Jurisdiction
Electric Utility



2024

CONTENTS

Electric Utility

I.	Return on Equity	E-1
II.	Operating Income	E-2
III.	Average Rate Base	E-3
IV.	Cost of Capital	E-4
V.	Required Rate of Return	E-5
VI.	Revenue Deficiency	E-6
VII.	Cost of Service Actuals	E-7
VIII.	Cost of Service Weather Norm	E-8

Northern States Power Company

Electric Utility - South Dakota

(Dollars In Thousands)

I. RETURN ON EQUITY (ROE)

<u>Actual Return on Equity (ROE)</u>	<u>2024</u>	<u>2023</u>			
1 Operating Income from Electric Operations (E-2):	\$67,933	\$67,293			
2 Average Regulated Rate Base (E-3):	\$1,062,445	\$968,607			
3 Rate of Return on Rate Base (ROR) (line 1 / line 2):	6.39%	6.95%			
4 Weighted Cost of Debt (E-4):	2.11%	2.03%			
5 Weighted Cost of Preferred Stock (E-4):	0.00%	0.00%			
6 % of Equity in Capital Structure (E-4):	52.86%	53.03%			
7 <table border="1" style="display: inline-table;"><tr><td>Return on Equity (ROE):</td><td>8.10%</td><td>9.27%</td></tr></table>	Return on Equity (ROE):	8.10%	9.27%		
Return on Equity (ROE):	8.10%	9.27%			

<u>ROE, Normalized for Weather Impact on Sales</u>	<u>2024</u>	<u>2023</u>			
8 Operating Income from Electric Operations:	\$69,166	\$63,718			
9 Average Regulated Rate Base (E-3):	1,062,204	\$969,233			
10 Rate of Return on Rate Base (ROR) (line 1 / line 2):	6.51%	6.57%			
11 Weighted Cost of Debt (E-4):	2.11%	2.03%			
12 Weighted Cost of Preferred Stock (E-4):	0.00%	0.00%			
13 % of Equity in Capital Structure (E-4):	52.86%	53.03%			
14 <table border="1" style="display: inline-table;"><tr><td>Weather-Normalized Return on Equity (ROE):</td><td>8.33%</td><td>8.57%</td></tr></table>	Weather-Normalized Return on Equity (ROE):	8.33%	8.57%		
Weather-Normalized Return on Equity (ROE):	8.33%	8.57%			

Northern States Power Company
Electric Utility - South Dakota
(Dollars In Thousands)

II. OPERATING INCOME

<u>Line</u>	<u>Item</u>	2024 Total NSP	2024 Act S.D. Juris.	2024 W/N S.D. Juris	2023 W/N S.D. Juris.	Annual Change
	<u>Operating Revenues:</u>					
1	Residential	1,622,679	114,326	115,764	111,482	3.8%
2	Small Comm. & Ind.	1,707,576	115,166	115,445	102,219	12.9%
3	Large Comm. & Ind.	736,896	37,734	37,734	33,369	13.1%
4	Public Street & Highway Ltg	29,359	1,699	1,699	1,470	15.6%
5	Other Sales to Publ Auth	10,460	4	4	(7)	-164.7%
6	Total Retail	4,106,970	268,931	270,647	248,533	8.9%
7	Interdepartmental	760	0	0	0	*
8	Sales for Resale	139,794	9,556	9,556	9,642	-0.9%
9	Interchange Agreement	449,982	31,750	31,750	33,185	-4.3%
10	Other	144,916	6,162	6,162	26,166	-76.5%
11	Total Revenues:	4,842,422	316,399	318,115	317,525	0.2%
	<u>Operating Expenses:</u>					
12	Production	2,074,473	131,184	131,184	128,459	2.1%
13	Transmission	424,236	29,871	29,871	27,930	6.9%
14	Distribution	113,898	7,085	7,085	7,063	0.3%
15	Customer Billing	66,365	4,036	4,036	4,378	-7.8%
16	Customer Service	188,217	1,282	1,282	1,329	-3.5%
17	Sales & Marketing	4,985	113	113	239	-52.7%
18	Admin. & General	283,207	19,953	19,953	21,359	-6.6%
19	Depreciation & Amortization	936,502	69,505	69,505	58,080	19.7%
20	Property Taxes	213,277	11,055	11,055	11,622	-4.9%
21	Other General Taxes ¹	30,760	2,123	2,123	2,234	-5.0%
22	Income Taxes	334	(0)	(0)	54	-100.0%
23	Deferred Income Taxes & ITC	(407,352)	(27,741)	(27,258)	(8,940)	204.9%
24	Total Expenses:	3,928,903	248,466	248,949	253,808	-1.9%
25	Regulated Operating Income	913,519	67,933	69,166	63,718	8.6%

¹ Includes payroll taxes.

Northern States Power Company

Electric Utility - South Dakota

(Dollars In Thousands)

III. AVERAGE RATE BASE

<u>Line</u>	<u>Item</u>	<u>2024</u> <u>Total NSP</u>	<u>2024</u> <u>S.D. Juris.</u>	<u>2024 W/N</u> <u>S.D. Juris</u>	<u>2023 W/N</u> <u>S.D. Juris.</u>	<u>Annual</u> <u>Change</u>
1	Plant in Service	28,463,617	2,081,408	2,081,408	1,928,091	8.0%
2	Accumulated Depreciation	13,030,688	909,388	909,388	851,612	6.8%
3	Net Plant in Service	15,432,929	1,172,020	1,172,020	1,076,479	8.9%
4	Plant Held for Future Use	0	0	0	0	*
5	Construct Work in Progress	0	(0)	0	0	*
6	Materials and Supplies	221,609	15,527	15,527	13,873	11.9%
7	Fuel Stocks	90,768	6,426	6,426	6,785	-5.3%
8	Prepayments & Other Rate Base	102,527	7,170	7,170	5,763	24.4%
9	Customer Deposits	(31,607)	(48)	(48)	(38)	23.9%
10	Cash Working Capital	0	0	0	0	*
11	Other Rate Base ¹	144,337	14,344	14,344	12,645	13.4%
12	Accum. Deferred Taxes	(2,205,885)	(152,994)	(153,235)	(146,273)	4.8%
13	Total Other Rate Base	(1,678,250)	(109,574)	(109,816)	(107,246)	2.4%
14	Total Average Rate Base	13,754,679	1,062,445	1,062,204	969,233	9.6%

¹ Includes deferred assets and liabilities such as accrued vacations, post-retirement medical benefits (FASB 106), post employment benefits (FASB 112), unfunded pension liability, severance accrual, etc.

² Average rate base is based on 13 monthly averages.

Northern States Power Company

Electric Utility - South Dakota

(Dollars In Millions)

IV. COST OF CAPITAL

2024 Actual

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>% of Total</u>	<u>Cost</u>	<u>Weighted Cost</u>
1	Long-Term Debt ¹	\$7,895	47.14%	4.48%	2.11%
2	Short-Term Debt	\$0	0.00%	0.00%	0.00%
3	Total Debt	\$7,895	47.14%	4.48%	2.11%
4	Preferred Stock ²	\$0	0.00%	0.00%	0.00%
5	Common Equity ²	\$8,854	52.86%	8.10%	4.28%
6	Total Equity	\$8,854	52.86%		
7	Total Capital	\$16,749	100.00%		6.39%

2024 Normalized

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>% of Total</u>	<u>Cost</u>	<u>Weighted Cost</u>
8	Long-Term Debt ¹	\$7,895	47.14%	4.48%	2.11%
9	Short-Term Debt	\$0	0.00%	0.00%	0.00%
10	Total Debt	7,895	47.14%	4.48%	2.11%
11	Preferred Stock ²	\$0	0.00%	0.00%	0.00%
12	Common Equity ²	\$8,854	52.86%	8.33%	4.40%
13	Total Equity	\$8,854	52.86%		
14	Total Capital	\$16,749	100.00%		6.51%

¹ Long-term debt is a 13 month average

² Preferred stock and common stock are 13 month averages

PUBLIC DOCUMENT
CONFIDENTIAL DATA EXCISED

**Northern States Power Company
Electric Utility - South Dakota**

(Dollars In Millions)

V. REQUIRED RATE OF RETURN

2024 Based on authorized ROE

<u>Line</u>	<u>Item</u>	<u>Amount</u>	<u>% of Total</u>	<u>Cost</u>	<u>Weighted Cost</u>
		[PROTECTED DATA BEGINS...			
1	Long-Term Debt ¹				
2	Short-Term Debt				
3	Total Debt				
4	Preferred Stock ²				
5	Common Equity ²				
6	Total Equity				
7	Total Capital				
...PROTECTED DATA ENDS]					

¹ Long-term debt is a 13 month average

² Preferred stock and common stock are 13 month averages

³ Confidential per Settlement in Docket EL22-017

Northern States Power Company
Electric Utility - South Dakota
(Dollars In Thousands)

VI. REVENUE DEFICIENCY

2024 Based on authorized ROE

<u>Line</u>	<u>Item</u>	Actual	Weather
		2024	Normalized
		<u>S.D. Juris.</u>	<u>S.D. Juris.</u>
	<u>Revenue Deficiency</u>	[PROTECTED DATA BEGINS]	
1	Total Operating Income		
2	Total Average Rate Base		
3	Require Operating Income (Rate Base * Required Return)		
4	Operating Income		
5	Operating Income Deficiency		
6	Revenue Conversion Factor ($1/(1-\text{Composite Tax Rate})$)		
7	Revenue Deficiency (Income Deficiency * Conversion Factor)	[PROTECTED DATA ENDS]	

Northern States Power Company (SD)
Electric Utility - South Dakota Retail Jurisdiction
Cost of Service Study
2024 Actuals
(Dollars in Thousands)

NSPM - Driver 00 Report Year 1 ALL IN	Dec - 2024		
	Total	SD Electric	Other

Composite Income Tax Rate

State Tax Rate			
Federal Statutory Tax Rate	21.00%	21.00%	21.00%
Federal Effective Tax Rate	<u>21.00%</u>	<u>21.00%</u>	<u>21.00%</u>
Composite Tax Rate	21.00%	21.00%	21.00%
Revenue Conversion Factor (1/(1--Composite Tax Rate))	1.265823	1.265823	1.265823

Weighted Cost of Capital

Active Rates and Ratios Version
Cost of Short Term Debt
Cost of Long Term Debt
Cost of Common Equity
Ratio of Short Term Debt
Ratio of Long Term Debt
Ratio of Common Equity
Weighted Cost of STD
Weighted Cost of LTD
Weighted Cost of Debt
Weighted Cost of Equity
Required Rate of Return

[PROTECTED DATA BEGINS...



...PROTECTED DATA ENDS]

Rate Base

Plant Investment	28,463,617,499	2,081,407,755	26,382,209,744
Depreciation Reserve	<u>13,030,688,394</u>	<u>909,388,086</u>	<u>12,121,300,308</u>
Net Utility Plant	15,432,929,106	1,172,019,669	14,260,909,437
CWIP	0	(0)	0

Accumulated Deferred Taxes	3,194,551,639	239,943,140	2,954,608,499
DTA - NOL Average Balance	(51,789,933)	(18,983,233)	(32,806,701)
DTA - State Tax Credit Average Balance	(1,640,238)		(1,640,238)
DTA - Federal Tax Credit Average Balance	<u>(935,236,807)</u>	<u>(67,966,225)</u>	<u>(867,270,582)</u>
Total Accum Deferred Taxes	2,205,884,661	152,993,682	2,052,890,979

Cash Working Capital			
Materials and Supplies	221,609,338	15,526,966	206,082,372
Fuel Inventory	90,768,091	6,425,745	84,342,345
Non-plant Assets and Liabilities	108,322,491	5,841,323	102,481,169
Customer Advances	(14,485,083)	(3,437,833)	(11,047,249)
Customer Deposits	(31,607,413)	(47,570)	(31,559,844)
Prepays and Other	102,527,275	7,170,335	95,356,940
Regulatory Amortizations	<u>50,499,774</u>	<u>11,940,361</u>	<u>38,559,413</u>
Total Other Rate Base Items	527,634,473	43,419,327	484,215,146

Total Rate Base	13,754,678,917	1,062,445,314	12,692,233,604
-----------------	----------------	---------------	----------------

Operating Revenues

Retail	4,107,729,733	268,930,680	3,838,799,054
Interdepartmental			
Other Operating Rev - Non-Retail	<u>734,692,274</u>	<u>47,467,864</u>	<u>687,224,410</u>
Total Operating Revenues	4,842,422,007	316,398,544	4,526,023,464

Expenses

PUBLIC DOCUMENT
CONFIDENTIAL DATA EXCISED

Northern States Power Company (SD)
Electric Utility - South Dakota Retail Jurisdiction
Cost of Service Study
2024 Actuals
(Dollars in Thousands)

NSPM - Driver 00 Report Year 1 ALL IN	Dec - 2024		
	Total	SD Electric	Other
Operating Expenses:			
Fuel	1,336,532,511	81,350,419	1,255,182,092
Deferred Fuel	5,980,428	71,019	5,909,408
Variable IA Production Fuel	8,086,503	572,468	7,514,036
<u>Purchased Energy - Windsource</u>	<u>15,814,361</u>	<u>0</u>	<u>15,814,361</u>
Fuel & Purchased Energy Total	1,366,413,804	81,993,906	1,284,419,897
Production - Fixed	485,950,594	33,548,624	452,401,971
Production - Fixed IA Investment			
Production - Fixed IA O&M	50,648,189	3,566,240	47,081,949
Production - Variable	5,401,215	380,321	5,020,894
Production - Variable IA O&M	6,300,926	446,061	5,854,864
<u>Production - Purchased Demand</u>	<u>159,758,746</u>	<u>11,248,933</u>	<u>148,509,813</u>
Production Total	708,059,670	49,190,180	658,869,491
Regional Markets	11,318,933	796,989	10,521,944
Transmission IA	151,156,475	10,643,230	140,513,245
Transmission	261,760,160	18,431,056	243,329,104
Distribution	113,898,150	7,084,753	106,813,397
Customer Accounting	66,365,216	4,036,490	62,328,726
Customer Service & Information	188,217,277	1,282,159	186,935,118
Sales, Econ Dvlp & Other	4,985,421	113,282	4,872,139
<u>Administrative & General</u>	<u>283,207,042</u>	<u>19,952,944</u>	<u>263,254,099</u>
Total Operating Expenses	3,155,382,148	193,524,988	2,961,857,159
Depreciation	927,041,881	67,194,084	859,847,797
Amortization	9,460,139	2,310,449	7,149,690
Taxes:			
Property Taxes	213,276,604	11,054,611	202,221,993
ITC Amortization	(1,242,810)	(69,509)	(1,173,301)
Deferred Taxes	107,559,794	7,396,318	100,163,476
Deferred Taxes - NOL	(65,180,931)	(3,317,914)	(61,863,016)
Less State Tax Credits deferred			
Less Federal Tax Credits deferred	(448,488,209)	(31,749,826)	(416,738,383)
Deferred Income Tax & ITC	(407,352,155)	(27,740,931)	(379,611,224)
Payroll & Other Taxes	30,760,212	2,122,820	28,637,391
Total Taxes Other Than Income	(163,315,340)	(14,563,499)	(148,751,840)
Income Before Taxes			
Total Operating Revenues	4,842,422,007	316,398,544	4,526,023,464
less: Total Operating Expenses	3,155,382,148	193,524,988	2,961,857,159
Book Depreciation	927,041,881	67,194,084	859,847,797
Amortization	9,460,139	2,310,449	7,149,690
<u>Taxes Other than Income</u>	<u>(163,315,340)</u>	<u>(14,563,499)</u>	<u>(148,751,840)</u>
Total Before Tax Book Income	913,853,179	67,932,522	845,920,657
Tax Additions			
Book Depreciation	927,041,881	67,194,084	859,847,797
Deferred Income Taxes and ITC	(407,352,155)	(27,740,931)	(379,611,224)
Nuclear Fuel Burn (ex. D&D)	105,717,834	7,443,804	98,274,030
Nuclear Outage Accounting	48,476,753	3,417,394	45,059,359
Avoided Tax Interest	52,435,503	3,960,099	48,475,404
<u>Other Book Additions</u>	<u>3,029,254</u>	<u>692,320</u>	<u>2,336,934</u>
Total Tax Additions	729,349,070	54,966,771	674,382,300
Tax Deductions			
Total Rate Base	13,754,678,917	1,062,445,314	12,692,233,604
Weighted Cost of Debt	<u>2.11%</u>	<u>2.11%</u>	<u>2.11%</u>
Debt Interest Expense	290,223,725	22,417,596	267,806,129
Nuclear Outage Accounting	57,698,295	4,067,817	53,630,477
Tax Depreciation and Removals	1,564,222,451	110,890,677	1,453,331,774
NOL Utilized / (Generated)	(232,477,683)	(11,833,844)	(220,643,839)
<u>Other Tax / Book Timing Differences</u>	<u>(38,055,887)</u>	<u>(2,642,954)</u>	<u>(35,412,933)</u>
Total Tax Deductions	1,641,610,901	122,899,292	1,518,711,608

State Taxes

Northern States Power Company (SD)
Electric Utility - South Dakota Retail Jurisdiction
Cost of Service Study
2024 Actuals
(Dollars in Thousands)

NSPM - Driver 00 Report Year 1 ALL IN	Dec - 2024		
	Total	SD Electric	Other
State Taxable Income	1,591,349	(0)	1,591,349
State Income Tax Rate	-	-	-
State Taxes before Credits			
<u>Less State Tax Credits applied</u>	-	-	-
Total State Income Taxes			
Federal Taxes			
Federal Sec 199 Production Deduction			
Federal Taxable Income	1,591,349	(0)	1,591,349
Federal Income Tax Rate	<u>21.00%</u>	<u>21.00%</u>	<u>21.00%</u>
Federal Tax before Credits	334,183	(0)	334,183
<u>Less Federal Tax Credits</u>	(0)	-	(0)
Total Federal Income Taxes	334,183	(0)	334,183
Total Taxes			
Total Taxes Other than Income	(163,315,340)	(14,563,499)	(148,751,840)
Total Federal and State Income Taxes	334,183	(0)	334,183
Total Taxes	(162,981,156)	(14,563,499)	(148,417,657)
Total Operating Revenues			
	4,842,422,007	316,398,544	4,526,023,464
Total Expenses	3,928,903,012	248,466,022	3,680,436,989
AFDC Debt			
AFDC Equity	-	-	-
Net Income	913,518,996	67,932,522	845,586,474

Rate of Return (ROR)			
Total Operating Income	913,518,996	67,932,522	845,586,474
<u>Total Rate Base</u>	<u>13,754,678,917</u>	<u>1,062,445,314</u>	<u>12,692,233,604</u>
ROR (Operating Income / Rate Base)	6.64%	6.39%	6.66%

<u>Return on Equity (ROE)</u>	[PROTECTED DATA BEGINS...
Net Operating Income	
Debt Interest (Rate Base * Weighted Cost of Debt)	
Earnings Available for Common	
<u>Equity Rate Base (Rate Base * Equity Ratio)</u>	
ROE (earnings for Common / Equity)	
<u>Revenue Deficiency</u>	
Required Operating Income (Rate Base * Required Return)	
<u>Net Operating Income</u>	
Operating Income Deficiency	
Revenue Conversion Factor (1/(1--Composite Tax Rate))	
Revenue Deficiency (Income Deficiency * Conversion Factor)	
<u>Total Revenue Requirements</u>	
Total Retail Revenues	
<u>Revenue Deficiency</u>	
Total Revenue Requirements	

...PROTECTED DATA ENDS]

Northern States Power Company (SD)
Electric Utility - South Dakota Retail Jurisdiction
Cost of Service Study
2024 Weather Normalized
(Dollars in Thousands)

NSPM - Driver 00 Report Year 1 ALL IN	Dec - 2024		
	Total	SD Electric	Other

Composite Income Tax Rate

State Tax Rate			
Federal Statutory Tax Rate	21.00%	21.00%	21.00%
Federal Effective Tax Rate	<u>21.00%</u>	<u>21.00%</u>	<u>21.00%</u>
Composite Tax Rate	21.00%	21.00%	21.00%
Revenue Conversion Factor (1/(1--Composite Tax Rate))	1.265823	1.265823	1.265823

Weighted Cost of Capital

Active Rates and Ratios Version
Cost of Short Term Debt
Cost of Long Term Debt
Cost of Common Equity
Ratio of Short Term Debt
Ratio of Long Term Debt
Ratio of Common Equity
Weighted Cost of STD
Weighted Cost of LTD
Weighted Cost of Debt
Weighted Cost of Equity
Required Rate of Return

[PROTECTED DATA BEGINS...

...PROTECTED DATA ENDS]

Rate Base

Plant Investment	28,463,617,499	2,081,407,755	26,382,209,744
Depreciation Reserve	<u>13,030,688,394</u>	<u>909,388,086</u>	<u>12,121,300,308</u>
Net Utility Plant	15,432,929,106	1,172,019,669	14,260,909,437
CWIP	(0)	0	(0)
Accumulated Deferred Taxes	3,194,551,639	239,943,140	2,954,608,499
DTA - NOL Average Balance	(51,307,876)	(18,741,925)	(32,565,951)
DTA - State Tax Credit Average Balance	(1,640,238)		(1,640,238)
DTA - Federal Tax Credit Average Balance	<u>(935,236,807)</u>	<u>(67,966,225)</u>	<u>(867,270,582)</u>
Total Accum Deferred Taxes	2,206,366,719	153,234,990	2,053,131,729
Cash Working Capital			
Materials and Supplies	221,609,338	15,526,966	206,082,372
Fuel Inventory	90,768,091	6,425,745	84,342,345
Non-plant Assets and Liabilities	108,322,491	5,841,323	102,481,169
Customer Advances	(14,485,083)	(3,437,833)	(11,047,249)
Customer Deposits	(31,607,413)	(47,570)	(31,559,844)
Prepays and Other	102,527,275	7,170,335	95,356,940
Regulatory Amortizations	<u>50,499,774</u>	<u>11,940,361</u>	<u>38,559,413</u>
Total Other Rate Base Items	527,634,473	43,419,327	484,215,146
Total Rate Base	13,754,196,860	1,062,204,006	12,691,992,854
Operating Revenues			
Retail	4,111,158,227	270,646,911	3,840,511,315
Interdepartmental			
Other Operating Rev - Non-Retail	<u>734,692,274</u>	<u>47,467,864</u>	<u>687,224,410</u>
Total Operating Revenues	4,845,850,501	318,114,776	4,527,735,725

Northern States Power Company (SD)
Electric Utility - South Dakota Retail Jurisdiction
Cost of Service Study
2024 Weather Normalized
(Dollars in Thousands)

NSPM - Driver 00 Report Year 1 ALL IN	Dec - 2024		
	Total	SD Electric	Other

Expenses

Operating Expenses:

Fuel	1,336,532,511	81,350,419	1,255,182,092
Deferred Fuel	5,980,428	71,019	5,909,408
Variable IA Production Fuel	8,086,503	572,468	7,514,036
<u>Purchased Energy - Winds</u> <u>source</u>	<u>15,814,361</u>	<u>0</u>	<u>15,814,361</u>
Fuel & Purchased Energy Total	1,366,413,804	81,993,906	1,284,419,897
Production - Fixed	485,950,594	33,548,624	452,401,971
Production - Fixed IA Investment			
Production - Fixed IA O&M	50,648,189	3,566,240	47,081,949
Production - Variable	5,401,215	380,321	5,020,894
Production - Variable IA O&M	6,300,926	446,061	5,854,864
<u>Production - Purchased Demand</u>	<u>159,758,746</u>	<u>11,248,933</u>	<u>148,509,813</u>
Production Total	708,059,670	49,190,180	658,869,491
Regional Markets	11,318,933	796,989	10,521,944
Transmission IA	151,156,475	10,643,230	140,513,245
Transmission	261,760,160	18,431,056	243,329,104
Distribution	113,898,150	7,084,753	106,813,397
Customer Accounting	66,365,216	4,036,490	62,328,726
Customer Service & Information	188,217,277	1,282,159	186,935,118
Sales, Econ Dvlp & Other	4,985,421	113,282	4,872,139
<u>Administrative & General</u>	<u>283,207,042</u>	<u>19,952,944</u>	<u>263,254,099</u>
Total Operating Expenses	3,155,382,148	193,524,988	2,961,857,159

Depreciation	927,041,881	67,194,084	859,847,797
Amortization	9,460,139	2,310,449	7,149,690

Taxes:

Property Taxes	213,276,604	11,054,611	202,221,993
ITC Amortization	(1,242,810)	(69,509)	(1,173,301)
Deferred Taxes	107,559,794	7,396,318	100,163,476
Deferred Taxes - NOL	(64,216,815)	(2,835,298)	(61,381,517)
Less State Tax Credits deferred			
Less Federal Tax Credits deferred	(448,488,209)	(31,749,826)	(416,738,383)
Deferred Income Tax & ITC	(406,388,039)	(27,258,315)	(379,129,725)
Payroll & Other Taxes	30,760,212	2,122,820	28,637,391
Total Taxes Other Than Income	(162,351,224)	(14,080,883)	(148,270,341)

Income Before Taxes

Total Operating Revenues	4,845,850,501	318,114,776	4,527,735,725
less: Total Operating Expenses	3,155,382,148	193,524,988	2,961,857,159
Book Depreciation	927,041,881	67,194,084	859,847,797
Amortization	9,460,139	2,310,449	7,149,690
<u>Taxes Other than Income</u>	<u>(162,351,224)</u>	<u>(14,080,883)</u>	<u>(148,270,341)</u>
Total Before Tax Book Income	916,317,557	69,166,137	847,151,420

Tax Additions

Book Depreciation	927,041,881	67,194,084	859,847,797
Deferred Income Taxes and ITC	(406,388,039)	(27,258,315)	(379,129,725)
Nuclear Fuel Burn (ex. D&D)	105,717,834	7,443,804	98,274,030
Nuclear Outage Accounting	48,476,753	3,417,394	45,059,359
Avoided Tax Interest	52,435,503	3,960,099	48,475,404
<u>Other Book Additions</u>	<u>3,029,254</u>	<u>692,320</u>	<u>2,336,934</u>
Total Tax Additions	730,313,186	55,449,387	674,863,799

Tax Deductions

Total Rate Base	13,754,196,860	1,062,204,006	12,691,992,854
Weighted Cost of Debt	<u>2.11%</u>	<u>2.11%</u>	<u>2.11%</u>
Debt Interest Expense	290,213,554	22,412,505	267,801,049
Nuclear Outage Accounting	57,698,295	4,067,817	53,630,477
Tax Depreciation and Removals	1,564,222,451	110,890,677	1,453,331,774
NOL Utilized / (Generated)	(229,039,018)	(10,112,521)	(218,926,497)
<u>Other Tax / Book Timing Differences</u>	<u>(38,055,887)</u>	<u>(2,642,954)</u>	<u>(35,412,933)</u>
Total Tax Deductions	1,645,039,394	124,615,524	1,520,423,870

State Taxes

Northern States Power Company (SD)
Electric Utility - South Dakota Retail Jurisdiction
Cost of Service Study
2024 Weather Normalized
(Dollars in Thousands)

NSPM - Driver 00 Report Year 1 ALL IN	Dec - 2024		
	Total	SD Electric	Other
State Taxable Income	1,591,349	(0)	1,591,349
State Income Tax Rate	-	-	-
State Taxes before Credits			
Less State Tax Credits applied	-	-	-
Total State Income Taxes			
Federal Taxes			
Federal Sec 199 Production Deduction			
Federal Taxable Income	1,591,349	(0)	1,591,349
Federal Income Tax Rate	21.00%	21.00%	21.00%
Federal Tax before Credits	334,183	(0)	334,183
Less Federal Tax Credits	0	-	0
Total Federal Income Taxes	334,183	(0)	334,183
Total Taxes			
Total Taxes Other than Income	(162,351,224)	(14,080,883)	(148,270,341)
Total Federal and State Income Taxes	334,183	(0)	334,183
Total Taxes	(162,017,041)	(14,080,883)	(147,936,157)
Total Operating Revenues	4,845,850,501	318,114,776	4,527,735,725
Total Expenses	3,929,867,127	248,948,638	3,680,918,489
AFDC Debt			
AFDC Equity	-	-	-
Net Income	915,983,374	69,166,137	846,817,236

Rate of Return (ROR)			
Total Operating Income	915,983,374	69,166,137	846,817,236
Total Rate Base	13,754,196,860	1,062,204,006	12,691,992,854
ROR (Operating Income / Rate Base)	6.66%	6.51%	6.67%

<u>Return on Equity (ROE)</u>	[PROTECTED DATA BEGINS...
Net Operating Income	
Debt Interest (Rate Base * Weighted Cost of Debt)	
Earnings Available for Common	
<u>Equity Rate Base (Rate Base * Equity Ratio)</u>	
ROE (earnings for Common / Equity)	
<u>Revenue Deficiency</u>	
Required Operating Income (Rate Base * Required Return)	
<u>Net Operating Income</u>	
Operating Income Deficiency	
Revenue Conversion Factor (1/(1--Composite Tax Rate))	
<u>Revenue Deficiency (Income Deficiency * Conversion Factor)</u>	
<u>Total Revenue Requirements</u>	
Total Retail Revenues	
<u>Revenue Deficiency</u>	
Total Revenue Requirements	
	...PROTECTED DATA ENDS]