

Section O

20:10:13:98. Statement O -- Comparison of cost of service. Statement O shall be provided with the initial application under this chapter for a rate increase greater than \$85,000, when a material change in rate structure is proposed, or when the commission so orders. Statement O shall compare the allocated cost of service provided pursuant to § 20:10:13:43 with the revenues under the proposed rates. If the amount of revenue under the proposed new rates differs significantly from allocated 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 shall show return expressed as a percentage of rate base allocated to the service concerned. If the filing public utility considers certain facilities as being devoted entirely to the service involved, it shall show, in addition to the overall cost of service, the cost of service related to such special facilities. The schedule described in § 20:10:13:100 shall be submitted as a part of statement O.

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.

PRESENT RATES

Line No.	Description	Reference	Residential Basic 10	Residential w/Sp Htg 11	Residential Sp Htg & Cooling 14	Residential Dual-Fuel 15	Irrigation Interr Irr 16 & 18	Irrigation Irr 17
	(a)	(b)	(k)	(l)	(m)	(n)	(o)	(p)
1	Revenues:							
2	Electric Sales Base Revenues Present Rates		23,064,907	6,710,910	216,959	1,055	84,594	13,190
3	Fuel Revenues		11,188,968	4,877,499	447,168	3,348	54,430	6,047
4	Yankton Sioux Billing Credit		(11,828)	(5,156)	(473)	(4)	(58)	(6)
5	External Transmission Revenues		1,024,292	446,510	40,936	306	5,443	605
6	Ad Valorem Revenues		1,556,135	678,351	62,191	466	8,256	917
7	Wholesale Sales Revenues		296,930	129,438	11,867	89	1,444	160
8	Other Revenues		838,337	382,590	36,577	273	5,575	435
9	Total Revenues		37,957,740	13,220,141	815,224	5,533	159,685	21,347
10								
11	Expenses:							
12	Operations & maintenance expenses		24,784,116	10,527,145	977,502	7,334	165,164	13,693
13	Depreciation & amortization expense		6,675,427	3,120,497	297,336	2,231	64,311	4,213
14	Regulatory Credits		280,972	120,067	11,371	86	2,480	178
15	Taxes Other than Income taxes		1,926,793	835,204	77,484	581	12,608	1,160
16								
17	Total Expenses		33,667,308	14,602,913	1,363,693	10,232	244,563	19,245
18								
19	Operating Income Before Income Taxes		4,290,432	(1,382,771)	(548,469)	(4,699)	(84,879)	2,103
20								
21	Federal Income Taxes		0	0	0	0	0	0
22								
23	Adjustments to Taxes		(355,744)	(158,324)	(15,096)	(113)	(3,059)	(208)
24								
25	Net Operating Income		4,646,176	(1,224,448)	(533,373)	(4,585)	(81,819)	2,310
26								
27								
28	Rate Base		133,539,375	61,889,649	5,950,611	44,538	1,050,998	75,864
29								
30								
31	Return on Rate Base		3.48%	-1.98%	-8.96%	-10.30%	-7.78%	3.05%
32								
33								
34	Return on Equity		2.01%	-8.17%	-21.20%	-23.68%	-19.00%	1.20%
35								
36								
37								
38								
39								
40	Federal Effective Tax Rate	35.00%						
41								
42	Capital Ratios							
43	Long-term debt	46.39%						
44	Preferred stock & securities	0.00%						
45	Common stock equity	53.61%						
46								
47	Weighted Cost of Capital							
48	Long-term debt	2.40%						
49	Preferred stock & securities	0.00%						
50	Common stock equity	5.36%						

CLAIMED ROR

Line No.	Description	Reference	Residential Basic 10	Residential w/Sp Htg 11	Residential Sp Htg & Cooling 14	Residential Dual-Fuel 15	Irrigation Interr Irr 16 & 18	Irrigation Irr 17
	(a)	(b)	(k)	(l)	(m)	(n)	(o)	(p)
1	Revenues:							
2	Electric Sales Base Rev Required for Claimed ROR		31,872,055	15,988,940	1,748,477	13,431	336,051	18,699
3	Fuel Revenues		11,188,968	4,877,499	447,168	3,348	54,430	6,047
4	Yankton Sioux Billing Credit		(11,828)	(5,156)	(473)	(4)	(58)	(6)
5	External Transmission Revenues		1,024,292	446,510	40,936	306	5,443	605
6	Ad Valorem Revenues		1,556,135	678,351	62,191	466	8,256	917
7	Wholesale Sales Revenues		296,930	129,438	11,867	89	1,444	160
8	Other Revenues		838,337	382,590	36,577	273	5,575	435
9	Total Revenues		46,764,889	22,498,171	2,346,743	17,909	411,142	26,857
10								
11	Expenses:							
12	Operations & maintenance expenses		24,784,116	10,527,145	977,502	7,334	165,164	13,693
13	Depreciation & amortization expense		6,675,427	3,120,497	297,336	2,231	64,311	4,213
14	Regulatory Credits		280,972	120,067	11,371	86	2,480	178
15	Taxes Other than Income taxes		1,939,358	840,796	78,018	585	12,716	1,167
16								
17	Total Expenses		33,679,874	14,608,505	1,364,226	10,236	244,671	19,252
18								
19	Operating Income Before Income Taxes		13,085,015	7,889,666	982,516	7,673	166,470	7,605
20								
21	Federal Income Taxes		3,078,104	3,245,353	535,845	4,330	87,972	1,926
22								
23	Adjustments to Taxes		(355,744)	(158,324)	(15,096)	(113)	(3,059)	(208)
24								
25	Net Operating Income		10,362,656	4,802,637	461,767	3,456	81,557	5,887
26								
27								
28	Rate Base		133,539,375	61,889,649	5,950,611	44,538	1,050,998	75,864
29								
30								
31	Return on Rate Base		7.76%	7.76%	7.76%	7.76%	7.76%	7.76%
32								
33								
34	Return on Equity		10.00%	10.00%	10.00%	10.00%	10.00%	10.00%
35								
36	Revenue Increase for Claimed		8,807,148	9,278,030	1,531,518	12,376	251,457	5,510
37								
38	Percent Increase for Claimed		38.18%	138.25%	705.90%	1173.06%	297.25%	41.77%
39								
40	Federal Effective Tax Rate	35.00%						
41								
42	Capital Ratios							
43	Long-term debt	46.39%						
44	Preferred stock & securities	0.00%						
45	Common stock equity	53.61%						
46								
47	Weighted Cost of Capital							
48	Long-term debt	2.40%						
49	Preferred stock & securities	0.00%						
50	Common stock equity	5.36%						

PROPOSED RATES

Line No.	Description	Reference	Residential Basic 10	Residential w/Sp Htg 11	Residential Sp Htg & Cooling 14	Residential Dual-Fuel 15	Irrigation Interr Irr 16 & 18	Irrigation Irr 17
	(a)	(b)	(k)	(l)	(m)	(n)	(o)	(p)
1	Revenues:							
2	Electric Sales Base Rev Required Proposed Rates		30,746,118	9,386,097	381,864	2,174	116,917	17,512
3	Fuel Revenues		11,188,968	4,877,499	447,168	3,348	54,430	6,047
4	Yankton Sioux Billing Credit		(11,828)	(5,156)	(473)	(4)	(58)	(6)
5	External Transmission Revenues		1,024,292	446,510	40,936	306	5,443	605
6	Ad Valorem Revenues		1,556,135	678,351	62,191	466	8,256	917
7	Wholesale Sales Revenues		296,930	129,438	11,867	89	1,444	160
8	Other Revenues		838,337	382,590	36,577	273	5,575	435
9	Total Revenues		45,638,952	15,895,328	980,130	6,652	192,008	25,670
10								
11	Expenses:							
12	Operations & maintenance expenses		24,784,116	10,527,145	977,502	7,334	165,164	13,693
13	Depreciation & amortization expense		6,675,427	3,120,497	297,336	2,231	64,311	4,213
14	Regulatory Credits		280,972	120,067	11,371	86	2,480	178
15	Taxes Other than Income taxes		1,939,358	840,796	78,018	585	12,716	1,167
16								
17	Total Expenses		33,679,874	14,608,505	1,364,226	10,236	244,671	19,252
18								
19	Operating Income Before Income Taxes		11,959,078	1,286,823	(384,096)	(3,584)	(52,663)	6,418
20								
21	Federal Income Taxes		2,684,026	934,358	57,530	390	11,276	1,510
22								
23	Adjustments to Taxes		(355,744)	(158,324)	(15,096)	(113)	(3,059)	(208)
24								
25	Net Operating Income		9,630,796	510,789	(426,531)	(3,861)	(60,879)	5,115
26								
27								
28	Rate Base		133,539,375	61,889,649	5,950,611	44,538	1,050,998	75,864
29								
30								
31	Return on Rate Base		7.21%	0.83%	-7.17%	-8.67%	-5.79%	6.74%
32								
33								
34	Return on Equity		8.98%	-2.94%	-17.85%	-20.65%	-15.28%	8.10%
35								
36	Revenue Increase for Proposed Rates		7,681,211	2,675,186	164,906	1,119	32,324	4,323
37								
38	Percent Increase for Proposed Rates		33.30%	39.86%	76.01%	106.05%	38.21%	32.77%
39								
40	Federal Effective Tax Rate	35.00%						
41								
42	Capital Ratios							
43	Long-term debt	46.39%						
44	Preferred stock & securities	0.00%						
45	Common stock equity	53.61%						
46								
47	Weighted Cost of Capital							
48	Long-term debt	2.40%						
49	Preferred stock & securities	0.00%						
50	Common stock equity	5.36%						

